WEATHERING THE STORM

ANNUAL REPORT **2020**

Moya Holdings Asia Limited

This annual report has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "Sponsor"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist.

This annual report has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report.

The contact person for the Sponsor is Ms Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.

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CORPORATE PROFILE

Moya Holdings Asia Limited (the "Company" or "Moya", and together with its subsidiaries, the "Group") is a Singapore-based, publicly listed investment holding company on the Singapore Exchange. Through its subsidiaries, the Group has businesses in the water infrastructure development and renewable energy generation.

The Group is one of the largest water treatment operators in Indonesia, providing clean water supply services to over 7.5 million people located throughout Greater Jakarta Region and Batam, with total installed water treatment capacity of approximately 23,085 litres per second ("**lps**") or 2 million m^3/day. By the first half of 2021, there will be additional 2,000 lps following the completion of construction of new water treatment plants in Tangerang and West Semarang region, and the Group's total capacity will be 25,085 lps or 2.2 million m^3/day. The Group focuses on developing and operating water treatment facilities which include extraction and treatment of raw water, distribution and sale of treated water, collection of sale proceeds and customer services.

The Group operates 3 water concession projects through PT Aetra Air Jakarta, PT Aetra Air Tangerang and PT Moya Indonesia, and bulk water project through PT Acuatico Air Indonesia. The Group also has six Build-Operate-Transfer projects under PT Moya Bekasi Jaya, PT Moya Tangerang, PT Moya Makassar, PT Air Semarang Barat, PT Tirta Kencana Cahaya Mandiri and PT Tirta Traya Cisadane. The Group is committed to provide hygienic and affordable clean water solutions to the communities.

Apart from the above, for the renewable energy generation side of the business, the Group had established Moya Energy Holdings Pte. Ltd. and Moya Energy Asia Pte. Ltd. in August 2018 and October 2018, respectively, as our platform to enter into the renewable energy business in the Asia Pacific region. The Group is still identifying opportunities and have yet to make any investments in this area.

In line with the above, the Group continuously look for opportunities in water infrastructure developments and renewable energy generation domestically and overseas, in its effort to become a company which brings high social impact to the communities while delivering our full commitment for sustainable environmental solutions.

MESSAGE FROM CHAIRMAN & CEO

Chairman Kuntoro Mangkusubroto

CEO Mohammad Syahrial

MESSAGE FROM CHAIRMAN & CEO

DEAR SHAREHOLDERS,

On behalf of the board of directors ("Board") of Moya Holdings Asia Limited (the "Company" or "Moya", and together with its subsidiaries, the "Group"), we are pleased to present shareholders with the Company's annual report for the financial year ended 31 December ("FY") 2020.

PERFORMANCE IN FY2020

We entered FY2020 with confidence that we were able to surpass our previous year performance through expansion in water capacity. Regrettably, 2020 was firmly in the grip of the coronavirus pandemic, which placed great demands and unprecedented challenges on everyone.

At the onset of the COVID-19 pandemic, the Group took broad, decisive action in protecting and supporting our employees, customers, partners, and communities. We were quickly able to get 75% of our employees productively working from home, while also maintaining 100% operational level to continuously provide clean water services to our customers. To support our partners (municipal companies) and communities, we keep our commitment by continuing our construction projects at a slower pace in compliance with the local government's health protocol.

What's more, the COVID-19 pandemic has required us to formulate a new strategy to maintain the performance of the Group from being affected by the widespread impact of the pandemic. For example, adopting new technologies, streamlining business processes, centralizing supply chain, and fully reviewing and separating all the expenses into high and low priority, improved the efficiency and overall governance across our operating companies and at the same time laid the foundation for future growth.

Consequently, despite the impact of the COVID-19 pandemic, we reported a promising result in which the Group's gross profit increased by 8.2% to S$104.3 million in FY2020 and the Group's adjusted earnings before interest, tax, depreciation and amortization (EBITDA) increased by 13.9% to S$93.6 million in FY2020, as compared to FY2019.

ACQUISITION OF OBOR

The main highlight of the year was the completion of the Group's acquisition of Obor Infrastructure Pte. Ltd. and its subsidiaries (namely, PT Traya Tirta Cisadane and PT Tirta Kencana Cahaya Mandiri) (the "**Obor Group**") in March 2020 (the "**Acquisition**"). The Obor Group develops and operates water treatment facilities as well as distributes clean water pipelines in Indonesia, and has a total water treatment capacity of approximately 4,600 litres per second ("**lps**") to serve over 2 million population in part of Western Jakarta and Tangerang area.

The Acquisition, which is in line with the Group's long-term growth strategy to expand its business, has significantly strengthened our presence in Indonesia. Furthermore, the Acquisition will enable the Group to multiply its asset base and widen its shareholder base, hence attracting more interest from the investment community focused on the water infrastructure sector in Indonesia.

MESSAGE FROM CHAIRMAN & CEO

KEY DEVELOPMENTS IN TANGERANG REGENCY, TANGERANG CITY AND WEST SEMARANG

PT Aetra Air Tangerang ("**AAT**") recently upgraded its capacity from 900 lps to 1,200 lps in April 2020. Through its improved capacity, AAT has been able to increase water supply to customers in Tangerang Regency.

Aside from that, PT Tirta Kencana Cahaya Mandiri ("**TKCM**"), which supplies clean water to the Tangerang Regency area, has succeeded in increasing its water treatment plant capacity from 1,300 lps to 1,600 lps by December 2020. In addition, TKCM had on 17 March 2021, entered into amendment of Rehabilitate, Uprate, Operate & Transfer cooperation agreement with Perusahaan Daerah Air Minum Tirta Kerta Raharja, the municipal water company of Tangerang Regency. With the amendment, TKCM is looking forward to increase clean water supply services to the customers in Tangerang area.

Currently, PT Moya Tangerang ("**MT**") is building a new water treatment plant with a capacity of 1,000 lps (86,400 m^3/day). The construction started in April 2019 and is expected to be completed by the first half of 2021, barring unforeseen circumstances. Additional pipe network of approximately 120 km is expected to be installed by the end of 2021, which will increase the total pipe networks to be approximately 800 km. By having additional capacity and rapidly installed additional pipe networks, we are expanding the clean water access to more customers and community which will gradually boost the profitability of MT.

Lastly, PT Air Semarang Barat ("**ASB**") is currently developing its new water project in West Semarang, Central Java, by building new water treatment plant of 1,000 lps capacity and the supporting infrastructures. Barring unforeseen circumstances, the construction is estimated to be completed by the first quarter of 2021, in line with target commercial operating date on May 2021.

NEW PROJECT IN BATAM

In September 2020, through the Group's established track record and strong execution capability, the Group's subsidiary, PT Moya Indonesia won a water supply system project tender to manage on behalf of BP Batam (Batam Free Trade Zone and Free Port Authority), the operation and maintenance of water supply system in Batam during transition period of six months starting from 15 November 2020 until 14 May 2021. BP Batam arranged this cooperation with PT Moya Indonesia to ensure continuous water supply system in Batam post expiry of the existing concession. Currently, the water supply system in Batam has around 290,000 customers with six water treatment plants, with a total capacity of 3,600 lps and more than 4,000 km pipe network, serving the 1.3 million population in Batam.

Following the new Batam project, Moya has propelled the total installed water treatment capacity to 23,085 lps or 2 million m^3/day to serve over approximately 7.5 million population. By the first half of 2021, there will be additional 2,000 lps from the completion of construction in Tangerang and West Semarang region, so the total capacity will be 25,085 lps or 2.2 million m^3/day.

FUTURE PLANS

The emergence of the COVID-19 pandemic has severed the flow of goods and people, stalled and impacted global economies. As the situation is still evolving each day and the effects are unpredictable, the Group remains vigilant over potential developments that may arise. The Group will work in line with the relevant local government to ensure the wellbeing of our customers and employees are taken care of, as well as put in place strategies and measures to minimize the impact of the COVID-19 pandemic on our operations. We have taken preventive measures to minimize the impact of the COVID-19 pandemic, such as (a) implementing work from home and virtual meeting policies; (b) splitting operational division into small groups; (c) maintaining proper health screening before entering the work locations; and (d) restricting entry access to the water treatment facilities and project sites.

MESSAGE FROM CHAIRMAN & CEO

Over the long-term, we will maintain a positive outlook in the global market. We believe that as one of the largest water treatment operators in Indonesia which (a) focus on implementing efficiency-driven initiatives across our operating companies; (b) have better economies of scale; and (c) supported by strong financial position and strategies, we are in a strong position to minimize the effect and enable us to overcome this temporary challenge.

Additionally, we will continue to look for growth opportunities in Indonesia through participating in government tenders and other "business-to-business" activities.

We are also continuously looking for strategic mergers and acquisitions opportunities in water infrastructure and renewable energy development to further strengthen our foothold in Indonesia as well as expanding our presence in overseas to deliver greater value to the shareholders of the Company and to enhance the Group's profitability.

ACKNOWLEDGEMENT

We would like to close our statement by taking this opportunity to express our deep sadness by the passing of Mr. Tri Herutantoyo, Chief Administration Officer of Moya Indonesia Holdings Pte. Ltd., last year. We appreciate his contribution to the Company and extend our deepest sympathies to the family and relatives as we all mourn his loss.

We would like to address our appreciation to Mrs. Ivy Santoso, who stepped down from the position of Director of Moya Indonesia Holdings Pte. Ltd. and Acuatico Pte. Ltd. in September 2020 to pursue her personal goals, and Mr. Lintong Hutasoit, who stepped down from the position of Chief Human Capital Officer of Moya Indonesia Holdings Pte. Ltd. in July 2020 to pursue his personal goals, for their contribution during their tenure and we wish them all the best for their future endeavors.

In conclusion, we would like to express our heartfelt gratitude to all of our shareholders and investors, staff, clients, business partners and associates for their unwavering support for Group throughout the year. We look forward to your continuous support in the years ahead.

KUNTORO MANGKUSUBROTO
Independent Non-Executive Chairman

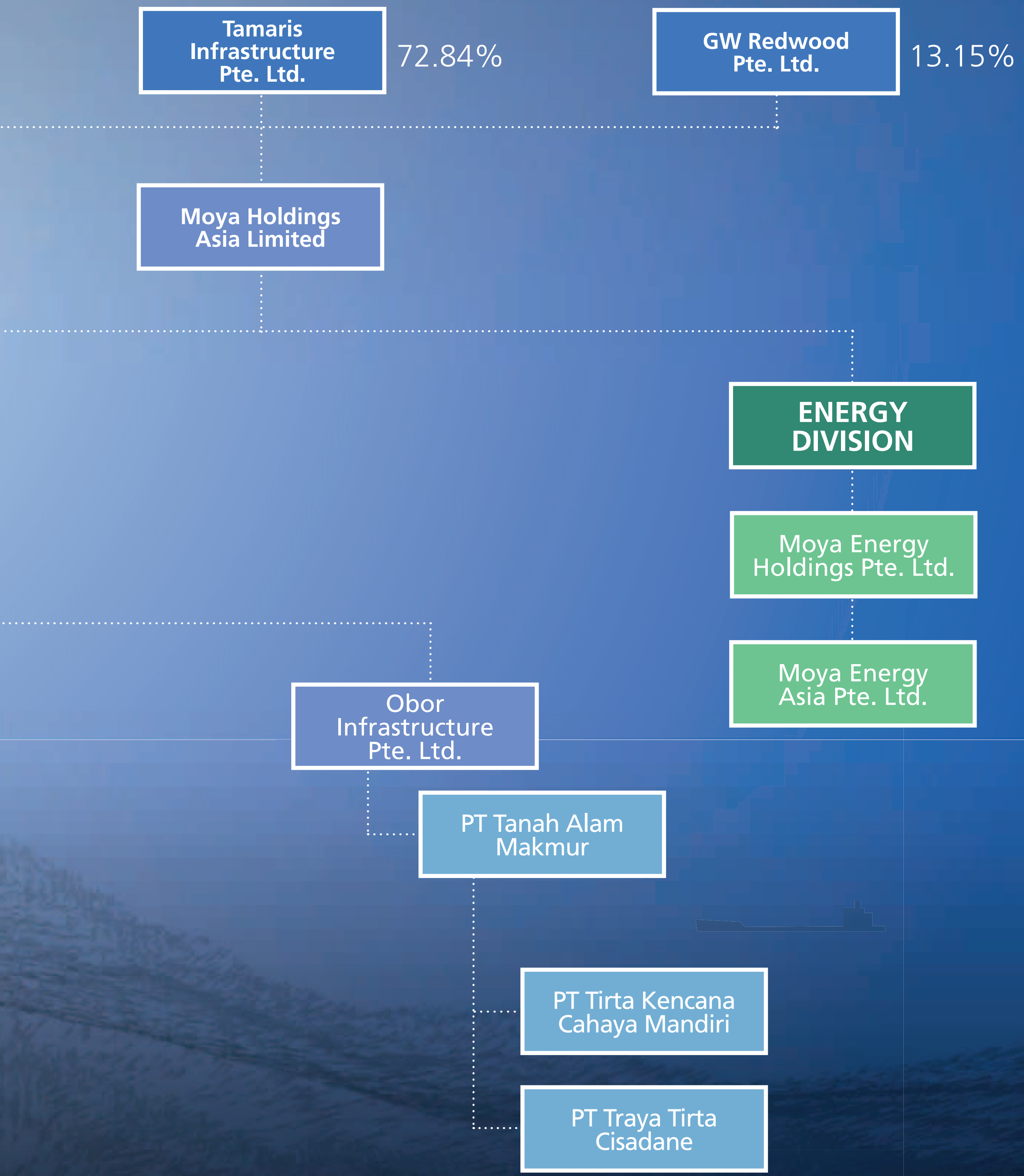
MOHAMMAD SYAHRIAL
Executive Director and Chief Executive Officer

GROUP STRUCTURE

(AS AT THE DATE OF THIS ANNUAL REPORT)

GROUP STRUCTURE

(AS AT THE DATE OF THIS ANNUAL REPORT)



BOARD OF DIRECTORS

KUNTORO MANGKUSUBROTO

- Chairman of the Board, Non-Executive and Independent Director of the Company

Mr. Mangkusubroto is a Professor in Decision Science and the founder of the School of Business and Management of the Bandung Institute of Technology (ITB). He has served in a number of key positions in the Indonesia government sectors, including as the Head of the President's Delivery Unit for Development Monitoring and Oversight (UKP4) in 2009 to 2014, the Head of the Aceh-Nias Rehabilitation and Reconstruction Agency (BRR) in 2005 to 2009, and Minister of Mining and Energy in 1998 and 1999. He also held several chief executive officer positions at several companies, such as PT PLN (Persero) (2000 to 2001), PT Tambang Timah (Persero) (1989 to 1993), PT Tambang Batubara Bukit Asam (Persero) Tbk (1988 to 1989) and several chairman positions including PT Jakarta Propertindo (2016 to 2019) and PT Unilever Indonesia Tbk (2004 to 2006).

Mr. Mangkusubroto earned his Bachelor of Industrial Engineering from Institut Teknologi Bandung, Master of Science from Stanford University, Honorary Doctor (Dr. HC) in Humanities from Northeastern University. He was awarded the Royal Norwegian Order of Merit – Commander with Star for his works for humanity by the Kingdom of Norway and he is a Lee Kwan Yew Fellow (LKY Fellow).

MOHAMMAD SYAHRIAL

- Chief Executive Officer and Executive Director of the Company
- Director of Moya Indonesia Holdings Pte. Ltd.

Mr. Syahrial is the Chief Executive Officer of the Company since 29 March 2016. He is responsible for leading the development and execution of the Group's strategies and business plans. Mr. Syahrial has over 25 to 30 years of experience in the Indonesian private and government sectors. He is currently the president director of PT Tamaris Hidro, the director of the Tamaris group of companies, and the president commissioner of PT GMT Kapital Asia. From 2004 to 2008, Mr. Syahrial was the president director of PT Perusahaan Pengelola Aset (Persero), a state-owned asset management company, and from 2002 to 2004, he was the deputy chairman of Indonesian Bank Restructuring Agency.

During the course of his career, Mr. Syahrial had been appointed as the commissioner of several banks, namely PT Bank Mandiri Tbk., PT Bank Niaga Tbk. and PT Bank Permata Tbk., and head of research for PT Pentasena Securities and IBJ Bank Indonesia.

Mr. Syahrial graduated with a Bachelor of Business Administration in 1988 from the Florida Atlantic University (USA) and received his Master of Business Administration from the Golden Gate University (USA) in 1989.

BOARD OF DIRECTORS

IRWAN A. DINATA

- Managing Director and Executive Director of the Company
- Director of Moya Indonesia Holdings Pte. Ltd.
- Director of Acuatico Pte. Ltd.
- Director of Obor Infrastructure Pte. Ltd.
- President Director of PT Moya Indonesia

Mr. Dinata is the Managing Director of the Company since 29 March 2016, and the chief executive officer of PT Moya Indonesia since 2015. He is responsible for overseeing the Group's day-to-day operations as well as executing the Group's projects. He has 25 years of experience in the forestry, renewable energy and financial industry, in areas including fund management, banking, investment banking, multi-finance, treasury and financial advisory.

Mr. Dinata has served as a director and commissioner for numerous companies since 1998. He is currently the president director of PT GMT Kapital Asia and commissioner of PT Tamaris Hidro among others.

Mr. Dinata graduated with a Bachelor of Arts in Finance in 1990 from the University of Washington (USA) and completed his Master of Business Administration in 1992 from Santa Clara University (USA).

LOW CHAI CHONG

- Non-Executive and Lead Independent Director of the Company
- Director of Moya Indonesia Holdings Pte. Ltd.

Mr. Low is an advocate and solicitor of the Supreme Court of Singapore. He joined Dentons Rodyk & Davidson LLP in 1986, and has been with the same firm his entire career. He has many years of legal experience representing multinational corporations, financial institutions and listed companies in a wide array of commercial and corporate matters regionally, including dispute resolutions. He is also an independent director of three companies listed on the Singapore Exchange.

Mr. Low graduated with a Bachelor of Laws (Honours) degree from the National University of Singapore.

BOARD OF DIRECTORS

HWANG KIN SOON IGNATIUS

- Non-Executive and Independent Director of the Company
- Director of Moya Indonesia Holdings Pte. Ltd.
- Director of Moya Energy Holdings Pte. Ltd.
- Director of Obor Infrastructure Pte. Ltd.
- Director of Moya Energy Asia Pte. Ltd.

Mr. Hwang is the partner of McDermott Will & Emery, an international law firm. Prior to joining McDermott Will & Emery, he was the managing partner of Squire Patton Boggs LLP. He managed the Singapore office of a US law firm, and prior to that, he was a partner with an Australian law firm. He also held various in-house counsel and law firm positions during the early stages of his career.

Mr. Hwang has more than three decades of international experience as an energy, infrastructure and resources lawyer. He has been involved in major transactions and projects in Asia-Pacific, Africa, Middle-East, United States and Australia. He advises government, sponsors, contractors, operators and financiers. In Singapore, he is particularly known for his significant involvement in public-private partnership projects.

Mr. Hwang graduated from the National University of Singapore with a Bachelor of Laws degree.

SIMON A. MELHEM

- Non-Executive and Non-Independent Director of the Company
- Director of Moya Indonesia Holdings Pte. Ltd.
- Director of Acuatico Pte. Ltd.

Mr. Melhem has over 30 years of experience in international business development, mergers and acquisitions, and executive management. Mr. Melhem is the chief executive officer of Hyrec Holdings Company. He was re-designated from Executive Director to Non-Executive Director of the Company on 7 March 2019. He was appointed as Executive Director in 2016, and prior to that he was the Chief Executive Officer and Managing Director of the Company since 2010. Prior to joining the Company, he was the chief executive officer of Moya Holding Company, a water investment company in the Kingdom of Bahrain and the chief executive officer of Dynowatt, a retail electric utility that he founded in the USA. Mr. Melhem also worked in various senior roles at El Paso Corporation in Houston, London and Southeast Asia.

Mr. Melhem earned his Master of Business Administration from the University of Southern California in Los Angeles in 1992, and his Master of Science in Engineering Management in 1988, and Bachelor of Science in Industrial Engineering in 1986 from Northeastern University in Boston.

KEY MANAGEMENT

DARMASEN ANWAR

- Chief Financial Officer of the Company
- Director of Moya Energy Holdings Pte. Ltd.
- Director of Obor Infrastructure Pte. Ltd.
- Director of Moya Energy Asia Pte. Ltd.
- Director of PT Moya Indonesia

Mr. Anwar serves as the Chief Financial Officer of PT Moya Indonesia since April 2015 and was subsequently appointed as the Chief Financial Officer of the Company in October 2016. He is responsible for managing the Group's financial, investor relationship, strategic planning and business development.

Mr. Anwar has more than 15 years of experience in the financial industry with areas including corporate finance, investment banking and financial advisory. Mr. Anwar graduated with a Bachelor of Mechanical Engineering Degree from the Bandung Institute of Technology.

MOHAMAD SELIM

- Chief Executive Officer of Moya Indonesia Holdings Pte. Ltd.

Mr. Selim serves as the Chief Executive Officer of Moya Indonesia Holdings Pte. Ltd. since November 2017. He is responsible for managing the operations and projects of Moya Indonesia Holdings Pte. Ltd. and its subsidiaries in Indonesia. Mr. Selim is also responsible for Health, Safety and Environment as well as Quality Management of the Group.

Mr. Selim was the president director of PT Aetra Air Jakarta from 2011 to 2018. Before that, he was the president director of PDAM Surya Sembada Surabaya (municipal water company in Surabaya, East Java) from 2006 to 2010. Prior to joining the Group, he had worked for various companies, including PT Airproducts Indonesia, ARCO Oil & Gas Indonesia and PT Badak NGL Co Bontang.

Mr. Selim graduated with a Bachelor of Engineering, majoring in Chemical Engineering from the Institute Technology Sepuluh Surabaya (ITS Surabaya).

KEY MANAGEMENT

HARJANTO KURNIADY TJANDRA

- Chief Financial Officer of Moya Indonesia Holdings Pte. Ltd.
- Director of Moya Energy Holdings Pte. Ltd.
- Director of Obor Infrastructure Pte. Ltd.
- Director of Moya Energy Asia Pte. Ltd.
- Director of PT Aetra Air Jakarta

Mr. Tjandra serves as the Chief Financial Officer of Moya Indonesia Holdings Pte. Ltd. and PT Moya Indonesia since January 2018 and is responsible for the overall accounting, finance and information technology functions of Moya Indonesia Holdings Pte. Ltd. and its subsidiaries, including treasury, tax and internal control.

He has more than 25 years of experience in the field of auditing, accounting, corporate finance, corporate restructuring and operations in various industry. Previously, he served as commissioner of PT Bali Towerindo Sentra Tbk, chief financial officer of PT Infrastruktur Bisnis Sejahtera, and chief executive officer of PT Mega Resources Investment.

Mr. Tjandra graduated with a Bachelor of Economic, majoring in Accounting from Tarumanagara University. He also attended the Executive Education Program in Strategic Management at the Harvard Business School.

SUTEDI RAHARJO

- Chief Operating Officer of Moya Indonesia Holdings Pte. Ltd., Region 1

Mr. Raharjo serves as the Chief Operating Officer of Moya Indonesia Holdings Pte. Ltd., Region 1, since 1 February 2020. He is responsible for the overall water treatment operation and commercial function to distribute water supply for household and industrial institution as required, within the area of Tangerang Region, under PT Aetra Air Tangerang, PT Moya Tangerang, PT Tirta Kencana Cahaya Mandiri and PT Traya Tirta Cisadane. Since November 2020, Mr. Raharjo is also responsible for the operation and maintenance of water supply system in Batam by Moya Indonesia Batam.

Mr. Raharjo has 25 years of experience in drinking water supply system and development, especially in regional water supply and domestic wastewater company. Previously, he was president director of PDAM Tirtanadi North Sumatra Province.

Mr. Raharjo graduated with a Diploma of Mechanical Engineering from Polytechnic University of North Sumatra in 1994 and a Bachelor of Mechanical Engineering from Harapan Medan Engineering College in 2002. He is also a certified water management expert with the highest degree from Institution of Drinking Water Profession Certificate (Lembaga Sertifikat Profesi Air Minum).

KEY MANAGEMENT

EDY HARI SASONO

- Chief Operating Officer of Moya Indonesia Holdings Pte. Ltd., Region 2
- President Director of PT Aetra Air Jakarta

Mr. Sasono serves as the Chief Operating Officer of Moya Indonesia Holdings Pte. Ltd., Region 2 since 1 February 2020, and is responsible for overseeing the operations in Jakarta region (PT Aetra Air Jakarta and PT Acuatico Air Indonesia). Mr. Sasono has been appointed as the President Director of PT Aetra Air Jakarta since January 2019. Mr. Sasono served as the President Director of PT Aetra Air Tangerang from September 2016 to 2018 and was responsible for the establishment of PT Aetra Air Tangerang in compliance of both stakeholder and shareholder requirements.

Mr. Sasono has more than 30 years of experience in water treatment and supply system development, and its involvement in planning, design, construction supervision, and operation of water treatment and supply system, from small scale to large scale project like the operational of PT Thames PAM JAYA Jakarta's water distribution system. He is also experienced in conducting negotiation and the preparation of "Business-to-Business" cooperation between private company (Thames Water International Pte. Ltd., UK) and PAM JAYA, as well as public-private partnership between PT Acuatico Air Indonesia and Tangerang Regency Government in developing water treatment supply and service system.

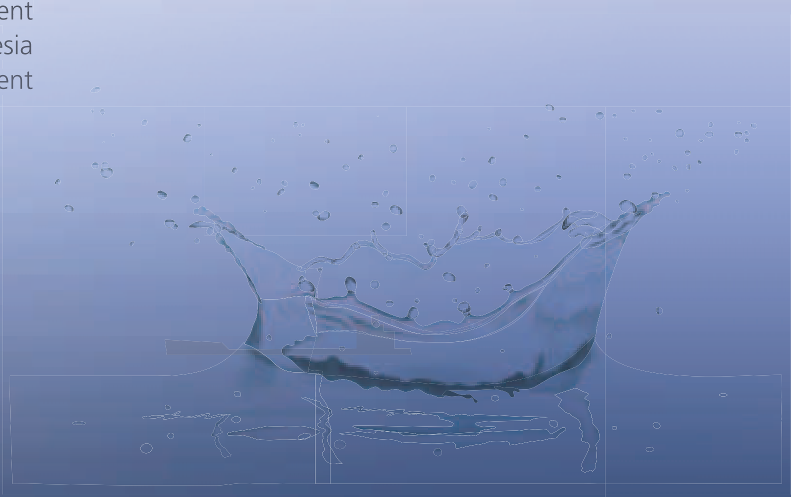
Mr. Sasono graduated with a Bachelor of Engineering, majoring in Civil Engineering from Sepuluh Nopember Institute of Technology (ITS), Surabaya in 1986, and completed his Master degree in Finance Management from Institut Pengembangan Wiraswasta Indonesia (IPWI) and Project Management from the Management School of Graduate in Tarumanagara University.

JOEDI HERIJANTO

- Chief Operating Officer of Moya Indonesia Holdings Pte. Ltd., Region 3
- Director of PT Moya Bekasi Jaya

Mr. Herijanto serves as the Chief Operating Officer of Moya Indonesia Holdings Pte. Ltd., Region 3 since 1 February 2020 and is responsible for the overall operation of the water treatment plant in Bekasi and Semarang regions (PT Moya Bekasi Jaya and PT Air Semarang Barat). Mr. Herijanto also serves as the Director and Chief Operating Officer of PT Moya Indonesia since August 2015. He is also a director of PT Moya Bekasi Jaya and is responsible for the operations of water treatment plants in PT Moya Indonesia and its subsidiaries. Prior to joining PT Moya Indonesia, he worked for a number of water organizations as an international consultant for the World Bank and Indonesia local government water authorities (PDAM) on strategy, managing water treatment operations, distribution and training. He has more than 25 years of experience in urban water treatment and supply.

Mr. Herijanto graduated with a Bachelor degree in Environmental Engineering from Bandung Institute of Technology and completed his Master degree in Sanitary Engineering at the Institute for Infrastructure, Hydraulics and Environmental Engineering in Delft, Netherlands.



KEY MANAGEMENT

CECILIA ARYANI

- Chief Supply Chain Management of Moya Indonesia Holdings Pte. Ltd.
- Director PT Aetra Air Jakarta

Mrs. Aryani serves as the Chief Supply Chain Management Officer of Moya Indonesia Holdings Pte. Ltd. since 1 November 2019 and is responsible for the overall supply chain management functions of procurement planning, purchasing, vendor management and warehouse of to provide and deliver materials and services for Moya Group. Mrs. Aryani joined PT Moya Indonesia as Financial Controller in September 2015. She has more than 25 years of experience in Indonesian private and multinational companies during her career. Prior to joining PT Moya Indonesia, Mrs. Aryani was the Managing Director for IT Outsourcing Company, the main vendor for Microsoft Indonesia from 2005-2011. Mrs. Aryani also served as the Corporate Audit Director from 2001-2005 and Finance Director from 1997-2001 in General Electric (GE) Capital, Indonesia. She started her career as an IT Consultant where she developed integrated IT system for financial institutions, trading and manufacturing companies.

Mrs. Aryani graduated from the Bina Nusantara University, Jakarta with a Bachelor degree in Management Information System and completed her Master Management degree from IPMI Executive Business School, Jakarta. She is also an International Certified Reiss Profile Master and a Certified Green Belt Six Sigma.

L. BANO RANGKUTY

- Chief Investment Officer of Moya Indonesia Holdings Pte. Ltd.

Mr. Rangkuty holds the position as Chief Investment Officer of Moya Indonesia Holdings Pte. Ltd. since 1 November 2019 and is responsible for managing the company's investment portfolio, provide insight and direction, lead investment teams, and effectively maintain portfolio developments.

Previously, Mr. Rangkuty served as the Vice President Director of PT Aetra Air Jakarta since January 2012 to November 2019, after serving as its Commissioner from October 2010, and Chief Financial Officer of Acuatico Pte. Ltd. since June 2017 up to 31 December 2019, being responsible for the financial aspects of the Acuatico Group. He also was the Head of Strategic Planning at PT Bakrie & Brothers Tbk and PT Bakrie Indo Infrastructure, and had more than 10 years of experience in financial advisory service at KPMG Siddharta Consulting, in the field of debt restructuring, pre-lending reviews, financial projections and annual budget reviews, monitoring accountant assignments and due diligence reviews.

Mr. Rangkuty graduated with a Bachelor of Business Administration from University of Indonesia.

KEY MANAGEMENT

FIRDA YANTI

- Chief Human Capital of Moya Indonesia Holdings Pte. Ltd.

Mrs. Yanti serves as the Chief Human Capital Officer of Moya Indonesia Holdings Pte. Ltd. since 1 August 2020 and is responsible for the overall human capital and general service for Moya Group. She has more than 17 years of experience in Indonesian and foreign private companies during her career. Prior to joining Moya Indonesia Holdings Pte. Ltd., Mrs. Yanti was the Executive Director for PT Tamaris Hidro. Mrs. Yanti has also served as Senior Manager Human Capital at Metro Kajang Berhad from 2011 to 2015.

PINKY DWIANTO

- Chief Administration Officer Ad Interim of Moya Indonesia Holdings Pte. Ltd.

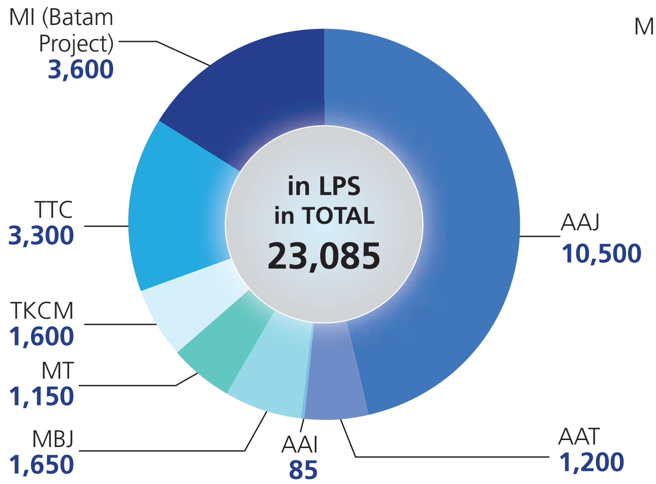
Mr. Dwianto, serves as the Chief Administration Officer Ad Interim of Moya Indonesia Holdings Pte. Ltd. since 1 February 2021, and is responsible for the overall legal, government relations, permits and corporate secretary, services for the Group. Mr. Dwianto joined PT Moya Indonesia as Legal Operation and Government Relations in May 2019, He has more than 30 years of working experience in banks, state own company and Indonesia private company. Prior to joining PT Moya Indonesia, Mr. Dwianto was the President Director PT Artha Bangun Pratama, a subsidiary of a state own company, PT Perusahaan Pengelola Aset (Persero).

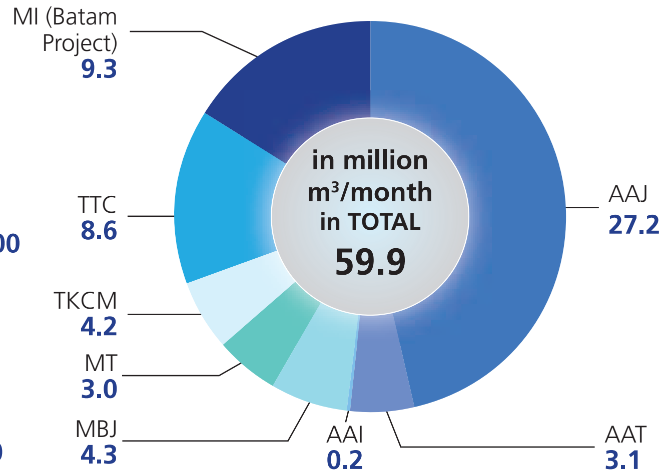
Mr. Dwianto graduated from the Jayabaya University, Jakarta with a Bachelor of Law degree, and completed his Master of Law degree from Gajah Mada University, Jogjakarta. He also has an Advocate license from Persatuan Advokat Indonesia (Peradi).

OPERATING & FINANCIAL REVIEWS

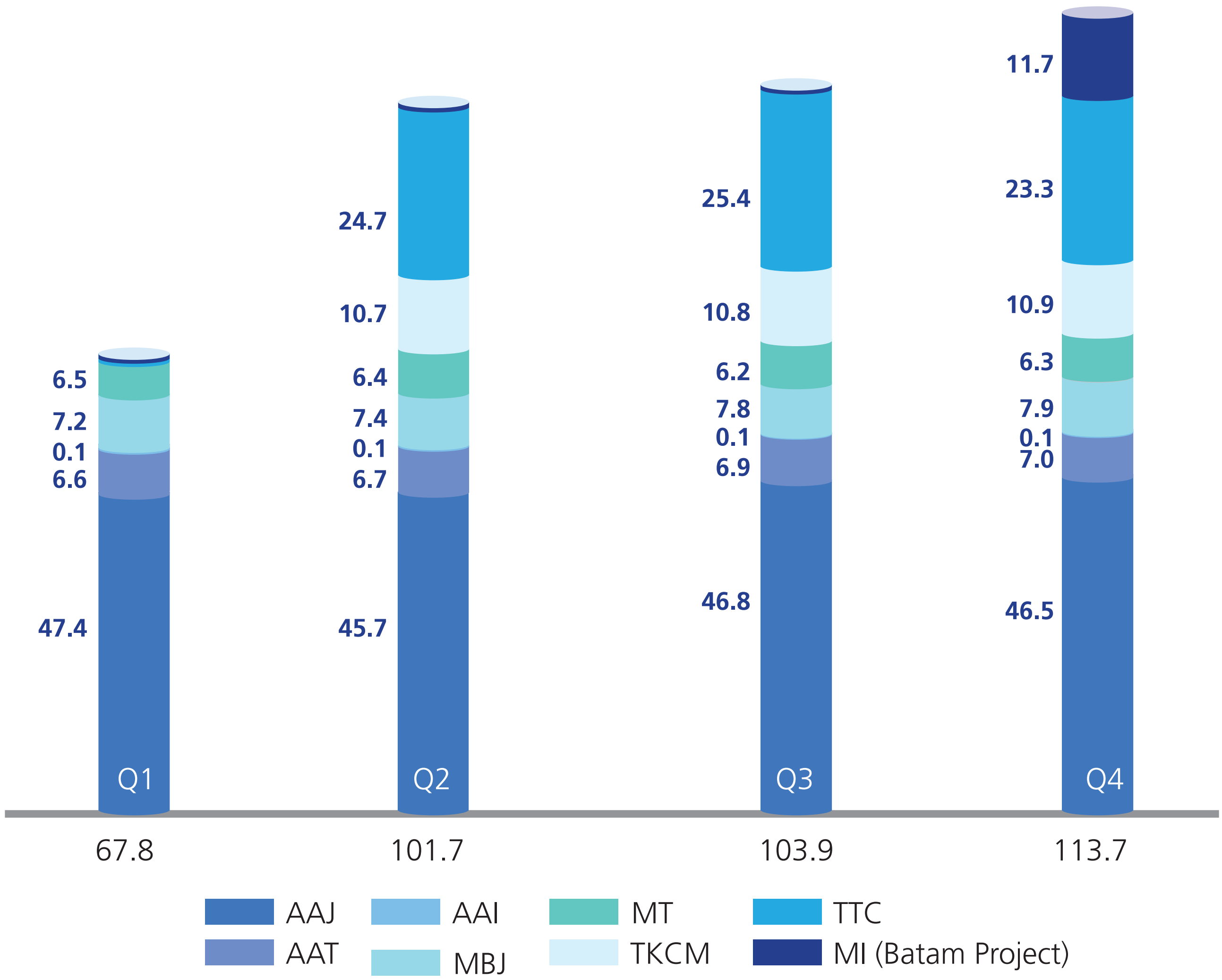
OPERATIONAL HIGHLIGHTS

CAPACITY
(As at the date of this Annual Report)



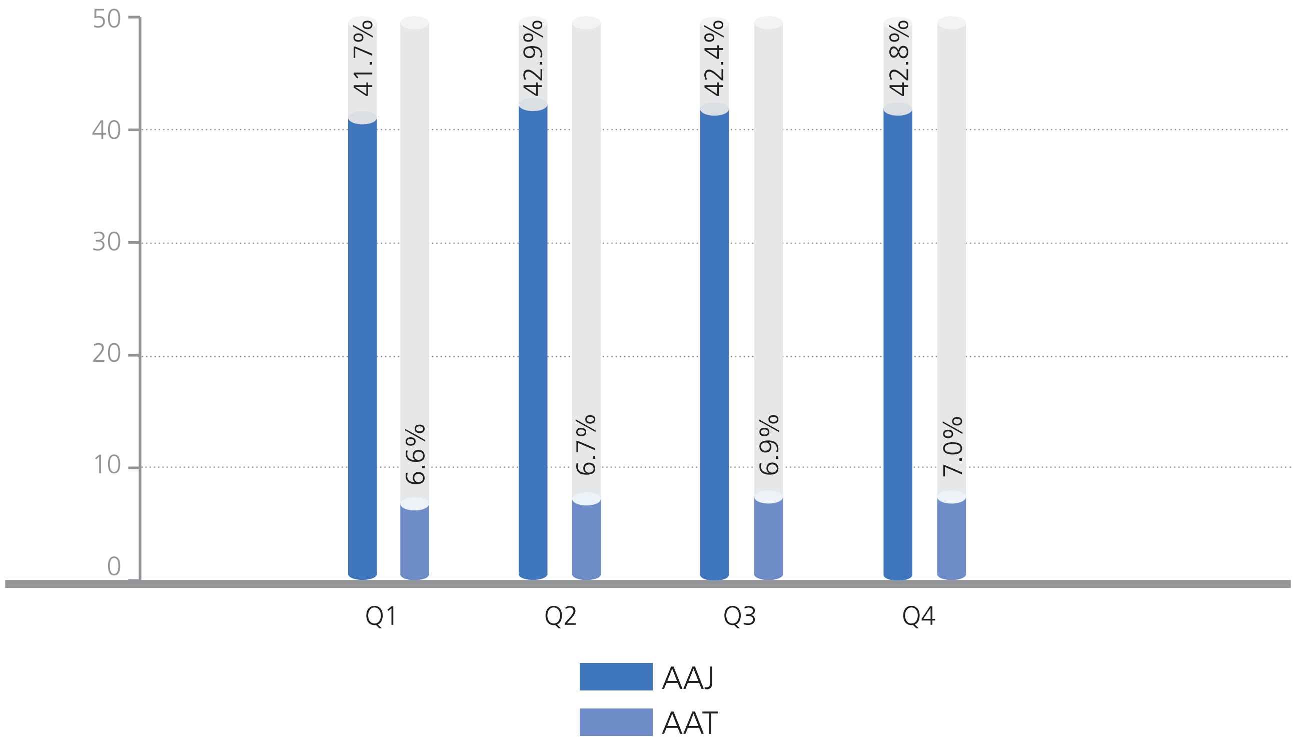


SALES VOLUME IN MILLION M³
(In each quarter of 2020)

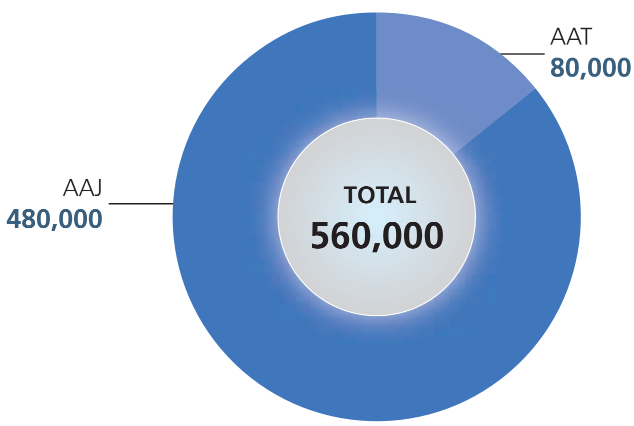


OPERATIONAL HIGHLIGHTS

NON-REVENUE WATER
(In each quarter of 2020)

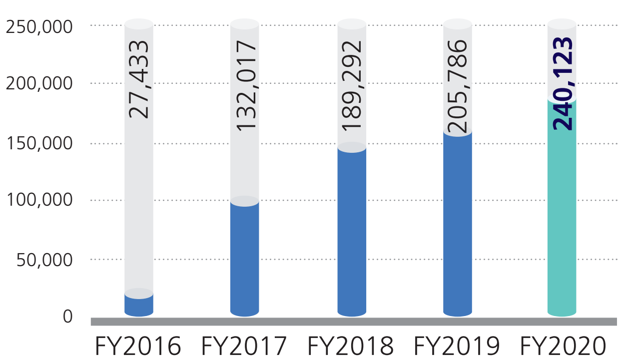


TOTAL NUMBER OF CONNECTIONS
(As at 31 December 2020)

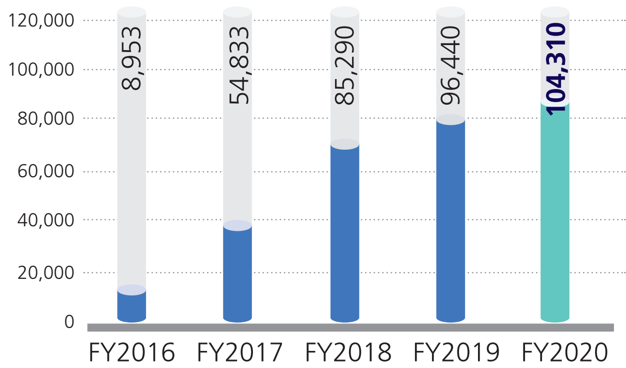


FINANCIAL HIGHLIGHTS

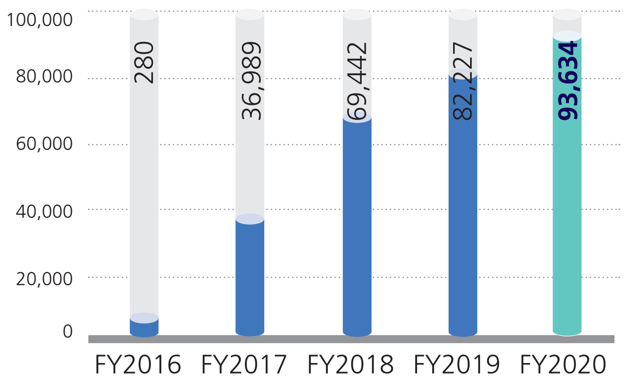
Revenue (S$'000)



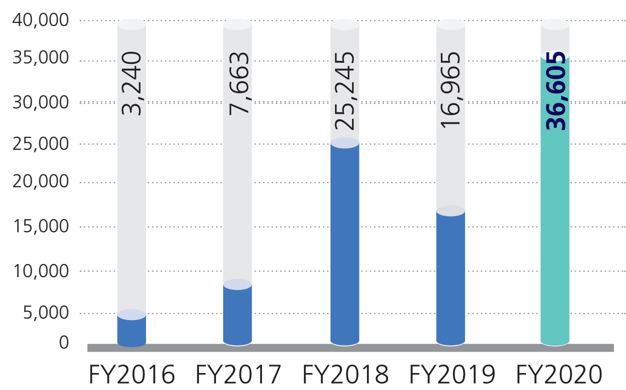
Gross Profit (S$'000)



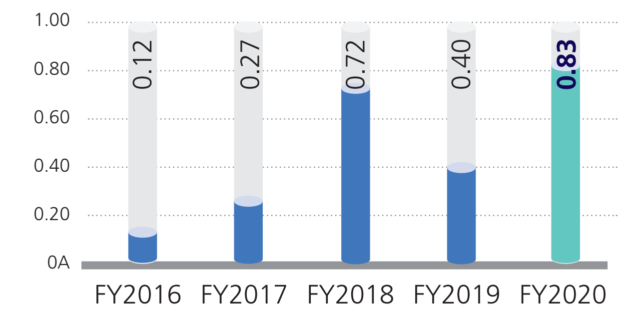
Adjusted EBITDA (S$'000)



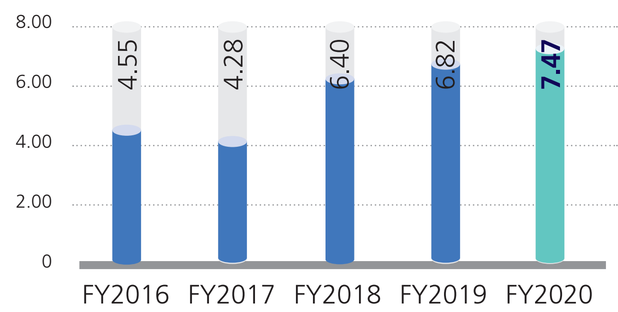
Net Profit (S$'000)



Earnings per Share (Cents)



Net Asset Value per Share (Cents)



FINANCIAL REVIEWS

Consolidated Statement of Comprehensive Income	FY2020 S$'000	FY2019 S$'000	Change %
Revenue	**240,123**	**205,786**	**17**
Cost of sales	(135,813)	(109,346)	24
Gross profit	**104,310**	**96,440**	**8**
Administrative expenses	(37,979)	(36,933)	3
Finance income	3,641	3,581	2
Finance costs	(28,647)	(31,749)	(10)
Other expenses, net	(1,287)	(5,056)	(75)
Profit before income tax	**40,038**	**26,283**	**52**
Income tax expense	(3,433)	(9,318)	(63)
Profit for the year	**36,605**	**16,965**	**116**
Profit attributable to:			
Equity holders of the Company	35,008	16,631	110
Non-controlling interests	1,597	334	378
Profit for the year	**36,605**	**16,965**	**116**

Key Performance Indicator	FY2020 S$'000	FY2019 S$'000	Change %
Adjusted EBITDA	**93,634**	**82,227**	**14**

FINANCIAL REVIEWS

ANALYSIS OF FINANCIAL PERFORMANCE

Revenue

The Group's revenue for the financial year ended 31 December ("FY") 2020 increased by S$34.3 million, from S$205.8 million in FY2019 to S$240.1 million in FY2020. This was mainly due to increase in (i) service concession construction revenue from the Acuatico Group and Tangerang BOT Projects; (ii) water sales from Tangerang and Bekasi BOT Projects; (iii) finance income under service concession arrangements from the Acuatico Group, Tangerang and Bekasi BOT Projects; (iv) nine-months revenue contributions from the Obor Group; and (v) one and a half-months revenue contributions from Project Batam.

Gross Profit

In line with the increase in revenue, gross profit of the Group increased by S$7.9 million, from S$96.4 million in FY2019 to S$104.3 million in FY2020. This was mainly due to increase in water sales and cost efficiency programmes implemented by the Group over the years to reduce costs, as well as nine-months and one and a half-months gross profit contributions from the Obor Group and Project Batam, respectively.

Administrative Expenses

Administrative expenses increased by S$1.0 million, from S$36.9 million in FY2019 to S$37.9 million in FY2020, mainly due to increase in (i) depreciation expense arising from new equipment purchased in FY2020; (ii) recognition of nine-months administrative expenses of the Obor Group; and (iii) recognition of one and a half-months administrative expenses of Project Batam. The aforementioned increase was partially offset by decrease in office expenses and professional fees.

Adjusted EBITDA

Adjusted EBITDA increased by S$11.4 million, from S$82.2 million in FY2019 to S$93.6 million in FY2020, mainly due to increase in water sales and cost efficiency programmes in the Group, as well as nine-months and one and a half-months adjusted EBITDA contributions from the Obor Group and Project Batam.

Finance Income

Finance income remained relatively stable at S$3.6 million in FY2019 and FY2020.

Finance Costs

Finance costs decreased by S$3.1 million, from S$31.7 million in FY2019 to S$28.6 million in FY2020, mainly due to decrease in bank loans as a result of instalment repayment of existing bank loans.

Other Expenses, net

The Group recorded other expenses of S$1.3 million in FY2020, as compared to other expenses of S$5.1 million in FY2019. Other expenses of S$1.3 million in FY2020 relate mainly to (i) charges from PAM Jaya and other expenses of S$3.0 million; and (ii) expenses of S$0.3 million related with the acquisition of Obor Infrastructure Pte. Ltd. The aforementioned expenses was partially offset by foreign exchange gain of S$2.0 million arising from the depreciation of the Indonesia Rupiah ("IDR") against the United States Dollar ("USD") and Singapore Dollar ("SGD") in FY2020.

Other expenses of S$5.1 million in FY2019 relate mainly to (i) foreign exchange loss of S$1.9 million arising from the appreciation of IDR against the SGD and USD in FY2019; and (ii) charges from PAM Jaya, allowance for doubtful receivables and land and building tax of of S$3.2 million.

FINANCIAL REVIEWS

Income Tax Expense

Income tax expense decreased by S$5.9 million, from S$9.3 million in FY2019 to S$3.4 million in FY2020, mainly due to deferred income tax benefit arising from the changes of applicable Indonesia tax rate from 25% to 22% for FY2020 and the financial year ending 31 December 2021 ("FY2021"), and to 20% for the financial year ending 31 December 2022 ("FY2022") onwards, partially offset by increase in current income tax expense from the Acuatico Group and recognition of nine-months income tax expense of the Obor Group.

Currency Translation Differences Arising from Consolidation

The Group experienced currency translation differences from the consolidation of its foreign operations as the reporting currency of the Group's consolidated financial statements is in SGD. The Group recognised currency translation loss of S$6.4 million in FY2020 arising from the depreciation of IDR and USD against SGD in FY2020.

ANALYSIS OF FINANCIAL POSITION

Current Assets

The Group's current assets decreased by S$29.3 million or 18.1%, from S$161.9 million as at 31 December 2019 to S$132.6 million as at 31 December 2020. This was mainly due to decrease in cash and cash equivalents of S$43.2 million, partially offset by increase in (i) trade and other receivables of S$9.3 million; (ii) inventories of S$1.4 million; and (iii) service concession assets of S$3.4 million.

Non-Current Assets

The Group's non-current assets increased by S$68.5 million or 14.2%, from S$482.4 million as at 31 December 2019 to S$550.9 million as at 31 December 2020. This was mainly due to increase in (i) service concession assets of S$67.8 million; (ii) goodwill of S$2.2 million; and (iii) deferred income tax assets of S$2.1 million. The aforementioned increase was partially offset by decrease in (i) property, plant and equipment of S$2.2 million; and (ii) other non-current assets of S$1.3 million.

Consolidated Statement of Financial Position	As at 31 December 2020 S$'000	As at 31 December 2019 S$'000
Total non-current assets	550,927	482,432
Total current assets	132,553	161,853
Total assets	**683,480**	**644,285**
Total equity	**335,433**	**288,627**
Total non-current liabilities	253,890	272,906
Total current liabilities	94,157	82,752
Total liabilities	**348,047**	**355,658**
Total equity and liabilities	**683,480**	**644,285**

FINANCIAL REVIEWS

Current Liabilities

The Group's current liabilities increased by S$11.4 million or 13.8%, from S$82.8 million as at 31 December 2019 to S$94.2 million as at 31 December 2020. This was mainly due to increase in (i) provisions of S$0.3 million; (ii) borrowings of S$8.6 million due in the next 12 months (re-classified from non-current portion); (iii) current income tax liabilities of S$1.6 million; and (iv) trade and other payables of S$0.9 million.

Non-Current Liabilities

The Group's non-current liabilities decreased by S$19.0 million or 7.0%, from S$272.9 million as at 31 December 2019 to S$253.9 million as at 31 December 2020. This was mainly due to decrease in borrowings of S$25.5 million, partially offset by increase in (i) deferred income tax liabilities of S$3.6 million; and (ii) trade and other payables of S$2.1 million.

FINANCIAL REVIEWS

Consolidated Statement of Cash Flow	FY2020 S$'000	FY2019 S$'000
Cash flows provided by operating activities	**80,565**	**75,452**
Cash flows used in investing activities	**(62,602)**	**(34,200)**
Cash flows used in financing activities	**(61,060)**	**(56,209)**
Net decrease in cash and cash equivalents	(43,097)	(14,957)
Cash and cash equivalents at beginning of year	101,544	115,570
Net effect of exchange rate changes in cash	(120)	931
Cash and cash equivalents at end of year	**58,327**	**101,544**

Working Capital

The Group reported a positive working capital of S$38.4 million as at 31 December 2020 and S$79.1 million as at 31 December 2019.

ANALYSIS OF CASH FLOW

Net cash flows generated from operating activities in FY2020 was S$80.6 million, due to receipts from customers of S$180.2 million, partially offset by payments to suppliers, directors and employees of S$89.4 million, and payments of corporate income tax of S$10.3 million.

Net cash flows used in investing activities in FY2020 was S$62.6 million, due to payments of construction costs related to the BOT projects and water supply concessions of S$44.1 million, acquisition of subsidiaries, net of cash acquired of S$14.4 million, and purchase of fixed assets and other non-current assets of S$6.3 million, partially offset by receipts of interest income from time deposit of S$2.2 million.

Net cash flows used in financing activities in FY2020 was S$61.0 million, due to repayments of borrowings and debt issuance cost of S$60.6 million, payments of interest of S$25.2 million, loan repayment to former shareholder of S$10.5 million, and principal payments of lease liabilities of S$0.6 million, partially offset by proceeds from borrowings of S$35.7 million and net decrease in restricted cash in banks of S$0.2 million.

As a result of the above, and net effects of currency translation on cash and cash equivalents in FY2020 of S$0.1 million, the Group's cash and cash equivalents decreased by S$43.1 million in FY2020.

CORPORATE SOCIAL RESPONSIBILITY

Our corporate social responsibilities efforts are focused on the COVID-19 pandemic as the Group recognises that the pandemic has a significant impact on social and economic aspects.

The Group contributed to the prevention of the spread of COVID-19 infection by actively donating and filling water tanks for disinfection program in government quarantine zone and public wash utility. Despite the significant disruption in our corporate social responsibility efforts in 2020 due to the COVID-19 pandemic, the Group's goal to create a better environment is channeled through replanting 16,000 trees in Sukabumi.

Flood donation to community through the Mayor of East Jakarta

Donation to community through Jakarta's Indonesian Red Cross (20,000 packages of food delivered) during the COVID-19 pandemic

Replanting 16,000 trees at Sukabumi through Akar Pohon organization

Food donation to flood victims in Jakarta

More in-depth information regarding the Group's activities in corporate social responsibilities will be provided in the 2020 Sustainability Report, to be published by the Company on the SGXNet and the Company's website no later than 31 May 2021.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE REPORT

The board of directors (the "**Board**" or the "**Directors**") of Moya Holdings Asia Limited (the "**Company**", and together with its subsidiaries, the "**Group**") is committed to maintaining a high standard of corporate governance within the Group by complying with the principles and provisions of the Singapore Code of Corporate Governance 2018 issued in August 2018 ("**Code**"). This establishes and maintains a legal and ethical environment in the Group to preserve the interests of all shareholders of the Company ("**Shareholders**"). This corporate governance report describes the Group's corporate governance structures and practices for the financial year ended 31 December ("**FY**") 2020, with specific reference made to the principles and provisions of the Code.

The Board confirms that for FY2020, the Group has adhered to the principles of the Code, and the provisions of the Code (except where otherwise explained). Where there are deviations from the provisions of the Code, appropriate comprehensive and meaningful explanations are provided for the variations and how the practices the Company had adopted are consistent with the intent of the relevant principle of the Code. The Company will continue to assess its needs and implement appropriate practices accordingly.

(A) BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

Provision 1.1

Principal Duties of the Board

The principal functions of the Board, apart from its statutory responsibilities, include the following:

- guiding the formulation of the Group's overall long-term strategic objectives and directions;
- overseeing the process of evaluating the adequacy and effectiveness of internal controls, risk management, financial reporting and compliance;
- approving corporate restructuring matters, major investment and divestment proposals, material acquisitions and disposals of assets, major corporate policies on key areas of operations, commitments to term loans and lines of credit from banks and financial institutions, annual budget, approval of annual reports and financial statements, convening of Shareholders' meetings, dividend payment, the release of the Group's interim and full year results as well as interested person transactions of a material nature;
- overseeing the business and affairs of the Group, establishing with the management of the Group ("Management") the strategies and financial objectives to be implemented and monitoring the performance of the Management;
- assuming responsibility for corporate governance;
- determining the Group's values and standards including ethical standards; and
- considering sustainability issues including environmental and social factors in the formulation of the Group's strategies.

The Directors objectively discharge their duties and responsibilities at all times as fiduciaries and make decisions in the interests of the Company.

Conflict of Interests

When a potential conflict of interest situation arises, the affected Director will recuse himself from the discussion and decisions involving the areas of potential conflict, unless the Board is of the opinion that his participation is necessary. Where such participation is permitted, the conflict Director excuses himself for an appropriate period during the discussions to facilitate full and frank exchange by the other Directors, and shall in any event recuse himself from the decision-making.

CORPORATE GOVERNANCE REPORT

Provision 1.2

Board Orientation and Training

When a new Director is to be appointed, the Company will provide a formal letter to the Director, setting out his duties and obligations. Such Directors are given appropriate briefings, when they are first appointed to the Board, on the Group's history and core values, business and organization structure, its strategic direction and corporate governance practices as well as industry-specific knowledge. Familiarization visits, including that of overseas plants and operations, are organized, if necessary, to facilitate a better understanding of the Group's operations.

The Company is responsible for arranging and funding the training of Directors. The Directors will receive, from time to time, further relevant training, particularly on applicable new laws and regulations, including directors' duties and responsibilities, corporate governance and developing trends, insider trading and financial reporting standards so as to enable them to properly discharge their duties as Board or Board Committee members. Newly appointed Directors who do not have prior experience as a director of a public listed company in Singapore ("**First-Time Director**") will attend relevant training courses organised by the Singapore Institute of Directors ("**SID**") as required under Rule 406(3)(a) of the SGX-ST Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"). All directors are regularly updated on the news releases issued by the SGX-ST and the Accounting and Corporate Regulatory Authority, by the Continuing Sponsor of the Company and the Joint Company Secretaries. The latter also regularly informs the Directors of upcoming conferences and seminars relevant to their roles as Directors of the Company. Annually, the external auditors update the AC and the Board on the new and revised financial reporting standards that are applicable to the Company or the Group.

Mr Kuntoro Mangkusubroto is a First-Time Director and was appointed on the Board on 1 October 2019. In accordance with Rule 406(3)(a) of the Catalist Rules, Mr Kuntoro Mangkusubroto attended the following courses conducted by the SID in FY2020:

- LED 1 – Listed Entity Director Essentials;
- LED 2 – Board Dynamics;
- LED 3 – Board Performance;
- LED 4 – Stakeholder Engagement;
- LED 5 – Audit Committee Essentials;
- LED 6 – Board Risk Committee Essentials;
- LED 7 – Nominating Committee Essentials; and
- LED 8 – Remuneration Committee Essentials

Provision 1.3

Matters Requiring Board's Approval

The Group has adopted a set of approving authority limits, setting out the level of authorization required for specified corporate events and/or actions, including those that require the Board's approval. These include but are not limited to, the following:

- annual budget;
- interim and full year results announcements;
- annual reports and financial statement
- major acquisitions/disposals; and
- strategic plans.

CORPORATE GOVERNANCE REPORT

Provision 1.4

Delegation by the Board

The Board has delegated specific responsibilities to 3 committees, namely, the Audit Committee ("**AC**"), the Remuneration Committee ("**RC**") and the Nominating Committee ("**NC**") (collectively, the "**Board Committees**") to assist in the execution of its responsibilities. Each Board Committee has its own written terms of reference, which clearly set out the objectives, duties, powers, responsibilities and qualifications for committee membership. While the Board Committees have the authority to examine particular issues and will report back to the Board with their decisions and/or recommendations, the ultimate responsibility and decision on all matters still lies with the Board. The composition and description of each Board Committee are set out in this report. Any change to the terms of reference for any Board Committee requires the specific written approval of the Board.

Provision 1.5

Attendance at Board and Board Committees Meetings

The Board conducts Board meetings at least 4 times a year to review the Group's financial results (including, but not limited to, the Group's half year and full year financial results) and to oversee the business affairs of the Group. Additional meetings for particular matters will be convened as and when they are deemed necessary. Physical meetings are held and the Company's Constitution (the "**Constitution**") allows for Board meetings to be conducted by way of teleconference or video conference. The Board and Board Committees may also make decisions by way of circulating resolutions.

Minutes of all Board and Board Committees meetings will be circulated to the Board so that Directors are aware of and kept updated as to the proceedings and matters discussed during the respective meetings.

During FY2020, the number of meetings held (excluding additional informal meetings) and the attendance of each Director at the Board and Board Committees meetings are tabulated below:

	Board	Audit Committee	Remuneration Committee	Nominating Committee
Number of meetings held	4	4	1	1
Directors		**Attendance**		
Kuntoro Mangkusubroto	4	4	1	1
Low Chai Chong	4	4	1	1
Hwang Kin Soon Ignatius	4	4	1	1
Mohammad Syahrial	4	4*	1*	1*
Irwan A. Dinata	4	4*	1*	1
Simon A. Melhem	4	4	1	1*

* *By invitation*

Provision 1.6

Access to Information

To ensure that the Directors are able to contribute in a meaningful manner during Board and Board Committees meetings, relevant information and document relating to the items of business to be discussed at each meeting are circulated to the Directors prior to the scheduled meeting. The Directors are kept informed of the business activities of the Company on an on-going basis by the Management to enable them to make informed decisions and discharge their duties and responsibilities.

Provision 1.7

Access to Management and Company Secretary

Directors have separate and independent access to the Management, the Joint Secretaries, and external advisers (where necessary and at the expense of the Company). The appointment and removal of the Company Secretary is a decision of the Board as a whole.

CORPORATE GOVERNANCE REPORT

Board Composition and Guidance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

Provision 2.1

Directors' Independence

The criterion of independence is based on the provisions provided in the Code and Practice Guidance, and taking into consideration whether the Director falls under any circumstances pursuant to Rule 406(3)(d) of the Catalist Rules. The Board considers an "independent" director as one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the Company[1].

The Board, based on the review conducted by the NC, has determined that Mr. Kuntoro Mangkusubroto, Mr, Low Chai Chong and Mr. Hwang Kin Soon Ignatius are independent for FY2020.

Duration of Independent Directors' Tenure

Pursuant to Rule 406(3)(d)(iii) of the Catalist Rules which will take effect from 1 January 2022, a director will not be independent if he has served for an aggregate of more than nine (9) years unless his continued appointment as an independent director has been sought and approved in separate resolutions by (a) all shareholders; and (b) shareholders, excluding the directors and chief executive officer of the issuer, and associates of such directors and chief executive officer (the "**Two-Tier Voting**"). For the purpose of the resolution referred to in (b), the directors and chief executive officer of the issuer, and their respective associates, must not accept appointment as proxies unless specific instructions as to voting are given. Such resolutions approved by a Two-Tier Voting may remain in force for three (3) years from the conclusion of the AGM following the passing of the resolutions or the retirement or resignation of the director, whichever the earlier.

As at the date of this report, none of the Independent Directors has served on the Board beyond nine (9) years since the date of his first appointment.

Each of Mr. Low Chai Chong and Mr. Hwang Kin Soon Ignatius would have served as an Independent Director of the Company for an aggregate term of more than nine (9) years on 6 March 2022 and 9 January 2022, respectively (being nine (9) years since their respective dates of appointment), and would not be considered independent unless their respective continued appointments as Independent Directors have been sought and approved by a Two-Tier Voting process prior to 6 March 2022 and 9 January 2022, respectively (which are before the date by which the next AGM of the Company is required to be held).

Accordingly, each of Mr. Low Chai Chong and Mr. Hwang Kin Soon Ignatius will seek to obtain the requisite approval by way of the Two-Tier Voting process at the forthcoming AGM.

Provisions 2.2 and 2.3

Proportion of Independent Non-Executive Directors

The roles of the Chairman of the Board and the Chief Executive Officer ("**CEO**") are assumed by different persons. The Chairman of the Board is independent and majority of the Board comprises non-executive directors (being four (4) Non-Executive Directors, out of a six (6) member Board). Accordingly, the Company complies with the relevant provision of the Code which requires non-executive directors to comprise a majority of the Board.

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1 A director who falls under the circumstances described in Rule 406(3)(d) of the Catalist Rules is not independent. These circumstances apply to the following: (i) a director being employed by the company or any of its related corporations for the current or any of the past three financial years; (ii) a director who has an immediate family member who is, or has been in any of the past three financial years, employed by the company or any of its related corporations and whose remuneration is determined by the Remuneration Committee; (iii) a director who has been a director for an aggregate period of more than 9 years (whether before or after listing) and whose continued appointment as an independent director has not been sought and approved in separate resolutions by (A) all shareholders; and (B) all shareholders, excluding shareholders who also serve as the directors or the chief executive officer of the company, and associates of such directors and chief executive officers. Rule 406(3)(d)(i) and (ii) of the Catalist Rules came into effect from 1 January 2019. Rule 406(3)(d)(iii) of the Catalist Rules will come into effect on 1 January 2022. Prior to 1 January 2022, the corresponding Guideline 2.4 in the 2012 Code of Corporate Governance will continue to apply.

CORPORATE GOVERNANCE REPORT

Provision 2.4

Board Composition and Size

The Board comprises six (6) Directors, three (3) of whom are Independent Directors (including the respective Chairman of the Board Committees). The Board does not have any alternate Directors.

As at the date of this report, the composition of the Board and Board Committees are as follows:

		Board Committee Membership		
Name of Director	Designation	Audit Committee	Nominating Committee	Remuneration Committee
Kuntoro Mangkusubroto	Independent Non-Executive Chairman	Member	Member	Member
Low Chai Chong	Non-Executive and Lead Independent Director	Chairman	Member	Chairman
Mohammad Syahrial	Chief Executive Officer and Executive Director	–	–	–
Irwan A. Dinata	Managing Director and Executive Director	–	Member	–
Simon A. Melhem	Non-Executive and Non-Independent Director	Member	–	Member
Hwang Kin Soon Ignatius	Non-Executive and Independent Director	Member	Chairman	Member

Board Diversity

The Company does not have a formal Board diversity policy. Nevertheless, the Board's composition, size and balance are reviewed annually by the NC to ensure that the Board has the appropriate mix of expertise and experience for effective decision-making, taking into account the scope and nature of the operations of the Company and the Group. The NC has reviewed the size and composition of the Board and the Board Committees and is of the opinion that they are of an appropriate size for effective decision-making. The NC opined that no individual or small group of individuals dominates the Board's decision-making process.

The Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competencies for effective functioning and informed decision-making. The Board noted that gender diversity on the board of directors is also one of the recommendations under the Code to provide an appropriate balance and diversity. Although there is currently no female Director appointed to the Board of Directors, the Board does not rule out the possibility of appointing a female Director if a suitable candidate is nominated for the Board's consideration. Each Director has been appointed based on the strength of his caliber, experience and stature and is expected to bring a valuable range of experience and expertise to contribute to the development of the Group's strategy and performance of its business.

Provision 2.5

Meeting of Directors without the Management

The Non-Executive Directors communicate regularly to discuss matters such as the Group's financial performance and corporate governance measures, and provide constructive advice and guidance on directions in relation to the Group's business strategies. They also review performance of the Management in achieving agreed goals and objectives and monitor the reporting of performance. Where necessary, the Non-Executive Directors meet and discuss on the Group's affairs without the presence of the Management.

CORPORATE GOVERNANCE REPORT

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Provision 3.1

Separation of the role of the Chairman and the Chief Executive Officer ("CEO")

The roles of the Chairman and the CEO are separate to ensure a clear division of responsibilities, increased accountability and greater capacity of the Board for independent decision-making. The Chairman, Mr. Kuntoro Mangkusubroto and the CEO, Mr. Mohammad Syahrial are not related. The division of responsibilities and functions between the two has been demarcated with the concurrence of the Board.

Provision 3.2

Role of Chairman and CEO

The Chairman is primarily responsible for overseeing the Board. In addition, he also ensures that each member of the Board and the Management works well together with integrity and competency. The Chairman, with the assistance of the Joint Company Secretaries and the Chief Financial Officer ("**CFO**"), schedules the Board and Board Committee meetings as and when required and sets the agenda (in consultation with the CEO) for Board and Board Committee meetings. In addition, the Chairman ensures that quality, accuracy and timeliness of information flow are maintained between the Board and the Management. The Chairman encourages constructive relations between the Board and the Management, and between the CEO and the Non-Executive Directors. The Chairman also takes a leading role in ensuring the Group's compliance with corporate governance provisions.

The CEO is primarily responsible for leading the development and execution of the Group's short and long-term strategies and business plans and ensures that the Group is properly organized and staffed, assesses the principal risks of the Group, and ensures that adequate and effective internal controls and risk management systems are in place.

Provision 3.3

Lead Independent Director

The Board has appointed Mr. Low Chai Chong as the Lead Independent Director to coordinate and to lead the Non-Executive Directors to provide a non-executive prospective and contribute to a balance of viewpoints on the Board. Shareholders with serious concerns that could have a material impact on the Group, for which contact through the normal channels of the CEO and the CFO have failed to resolve or is inappropriate, shall be able to contact the Lead Independent Director (i.e. Mr. Low Chai Chong) or any of the AC members.

Independent Directors Meetings in Absence of Other Directors

The Independent Directors meet at least once annually without the presence of the Executive Directors and the Management. Subsequent to the meeting, where necessary, the Lead Independent Director shall provide feedback to the Executive Directors and the Management.

Board Membership

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Provision 4.1

Roles and Duties of Nominating Committee

The terms of reference of the NC are as follows:

- recommend the appointment and re-appointment of Directors;
- review the board succession plans for Directors, in particular, for the Chairman of the Board, the CEO and key management personnel;
- review annually the independence of each Director, and ensure that the composition of the Board complies with the Code;

CORPORATE GOVERNANCE REPORT

- where a Director has multiple board representations, the NC has to decide whether the Director is able to and has been adequately carrying out his duties as a Director of the Company;
- decide how the Board's performance may be evaluated and propose objective performance criteria to assess the effectiveness of the Board;
- perform assessment of the effectiveness of the Board as a whole and the contribution of individual Directors; and
- review of training and professional development programs for the Board and the Directors.

Provision 4.2

Composition of the NC

The NC comprises four (4) members, majority of whom, including the NC Chairman, are independent Directors. The Lead Independent Director, Mr. Low Chai Chong, is a member of the NC. As at the date of this report, the members of the NC are as follows:

Hwang Kin Soon Ignatius	(Chairman)
Low Chai Chong	(Member)
Irwan A. Dinata	(Member)
Kuntoro Mangkusubroto	(Member)

Provision 4.3

Rotation and Re-election of Directors

Pursuant to Rule 720(4) of the Catalist Rules, all Directors, including Executive Directors, must submit themselves for re-nomination and re-appointment at least once every three (3) years. The Company's Constitution provides that all newly appointed Directors during the year are also required to retire by rotation and submit themselves for re-election at the next annual general meeting of the Company ("**AGM**") following their appointment. Each member of the NC is required to abstain from voting, approving or making a recommendation on any resolutions of the NC in which he has a conflict of interest in the subject matter under consideration.

In its deliberations on the re-election and re-appointment of existing Directors, the NC takes into consideration the relevant Director's competency, commitment, contribution and performance (including, if applicable, his contribution and performance as a Director). The assessment parameters include attendance record, preparedness, intensity of participation and candour at meetings of the Board and Board Committees as well as the quality of input and contributions.

For the forthcoming AGM, Mr. Mohammad Syahrial and Mr. Hwang Kin Soon Ignatius ("**Retiring Directors**") will be retiring pursuant to Regulation 111 of the Company's Constitution. The NC has reviewed and is satisfied that the Retiring Directors are properly qualified for re-election by virtue of their skills, experience and contributions. The NC has recommended the re-election of the Retiring Directors and the Board has accepted the NC's recommendations. The Retiring Directors, being eligible, have offered themselves for re-election at the forthcoming AGM. As the Chairman of the NC, Mr. Hwang Kin Soon Ignatius have abstained from voting on any resolutions in respect of the assessment of his own performance for re-appointment as a Director.

Please refer to the Notice of AGM for the resolutions put forth in relation to the respective re-elections of the Retiring Directors, the section entitled "Additional Information on Directors Nominated for Re-election – **Appendix 7F** to the Catalist Rules" of this report, as well as the "**Board of Directors**" section of the Annual Report for more information on the Retiring Directors.

Selection and Appointment of New Directors

The NC, in consultation with the Board, determines the selection criteria and identifies candidates with the appropriate expertise and experience which will enhance the overall effectiveness of the Board. The NC will conduct initial assessment of the candidate's qualifications and experience before making its recommendations to the Board.

CORPORATE GOVERNANCE REPORT

Provision 4.4

Review of Directors' Independence

The NC reviews annually the independence declarations made by the Independent Directors based on the criterion of independence under the provisions of the Code and the Catalist Rules. For FY2020, the NC has ascertained the independence of the Independent Directors and also reviewed the tenure served by each Independent Director. The NC is of the view that the Independent Directors, namely, Mr. Low Chai Chong, Mr. Hwang Kin Soon Ignatius and Mr. Kuntoro Mangkusubroto, are independent and there is no conflict between their tenure and their abilities to discharge the role. The Independent Directors do not have any relationships including immediate family relationships with the other Directors, the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgment in the best interests of the Company.

The Independent Directors, namely, Mr. Low Chai Chong and Mr. Hwang Kin Soon Ignatius, are directors of certain of the Company's subsidiaries, in particular, (i) Mr. Low is a director of Moya Indonesia Holdings Pte. Ltd.; and (ii) Mr. Hwang is a director of Moya Indonesia Holdings Pte. Ltd., Moya Energy Holdings Pte. Ltd., Moya Energy Asia Pte. Ltd. and Obor Infrastructure Pte. Ltd. Save for the abovementioned, none of the Independent Directors has been appointed as director to the Company's principal subsidiaries. None of the Independent Director has an immediate family who is employed or has been employed by the Company or any of its related corporations for the past three financial years, and whose remuneration is determined by the NC of the Company. None of the Independent Directors has served on the Board for more than nine years as at the date of this report. Each of Mr. Low Chai Chong and Mr. Hwang Kin Soon Ignatius would have served as an Independent Director of the Company for an aggregate term of more than nine (9) years on 6 March 2022 and 9 January 2022, respectively (being nine (9) years since their respective dates of appointment), and would not be considered independent unless their respective continued appointments as Independent Directors have been sought and approved by a Two-Tier Voting process prior to 6 March 2022 and 9 January 2022, respectively (which are before the date by which the next AGM of the Company is required to be held). Please refer to Provision 2.1 of this report on the duration of Independent Directors' tenure.

The interests in shares and share options held by each Director in the Company are set out in the "Directors' Statement" section of the Annual Report. Save for their individual and deemed interests in the shares of the Company, none of the Directors or any of their immediate family members is related to any other Director or substantial shareholder.

Provision 4.5

Directors' Time Commitment

When a Director has multiple board representations, the NC considers whether or not the Director is able to and has adequately carried out his duties as a Director of the Company. The NC will determine annually whether each Director with multiple board representations and principal commitments outside of the Group is able to and has been adequately carrying out his duties as a Director. The NC will also take into account the attendance of the Directors at the Board or Board Committee meetings, results of the assessment of the effectiveness of the Board as a whole, the Board Committees, and the respective Directors' actual conduct on the Board and the Board Committees, in making its determination. For FY2020, the NC is satisfied that sufficient time and attention are being given by the Directors to the affairs of the Company, notwithstanding that some of the Directors have multiple board representations. To ensure the effectiveness of the Board as a whole and that the Directors are able to give sufficient time and attention to the affairs of the Company and adequately carry out their duties as Directors of the Company, the NC has determined that the maximum number of directorships in listed companies which any Director may hold is six (6). For FY2020, all Directors have complied with this requirement.

CORPORATE GOVERNANCE REPORT

Additional information on each of the Directors is set out in the table below:

Name of Director	Board Appointment	Date of first appointment	Date of last re-election	Board Committees served at the date of this report	Present directorships in other listed companies and principal commitments
Kuntoro Mangkusubroto	Non-Executive Independent	1 October 2019	19 June 2020	Chairman of the Board, and member of the AC, the RC and the NC	**Other principal commitment** Independent Commissioner at PT Baramulti Suksessarana Tbk **Present Directorships** None
Mohammad Syahrial	Executive	17 March 2015	27 April 2018 (to be re-elected at the forthcoming AGM)	Nil	**Other principal commitment** Independent Commissioner at PT Verena Multi Finance Tbk **Present Directorships** None
Irwan A. Dinata	Executive	17 March 2015	19 June 2020	Member of the NC	**Other principal commitment** None **Present Directorships** None
Low Chai Chong	Non-Executive Lead Independent	6 March 2013	26 April 2019	Chairman of the AC and the RC, and member of the NC	**Other principal commitment** Senior Partner at Dentons Rodyk & Davidson LLP **Present Directorships** Pollux Properties Limited Eneco Energy Limited Capital World Limited
Hwang Kin Soon Ignatius	Non-Executive Independent	9 January 2013	27 April 2018 (to be re-elected at the forthcoming AGM)	Chairman of the NC, and member of the AC and the RC	**Other principal commitment** Partner at McDermott Will & Emery **Present Directorships** None
Simon A. Melhem	Non-Executive Non-Independent	6 March 2013	26 April 2019	Member of the AC and the RC	**Other principal commitment** None **Present Directorships** None

Information on Directors

Information required in respect of the academic and professional qualification is set out in the "Board of Directors" section of the Annual Report.

Information on the interests of Directors who held office at the end of the financial year in shares, debentures and share options in the Company and its related corporations (other than the wholly-owned subsidiaries) are set out in the "Directors' Statement" section of the Annual Report.

CORPORATE GOVERNANCE REPORT

Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Provisions 5.1 and 5.2

Performance Criteria

The Board and the NC have used their best efforts to ensure that Directors appointed to the Board, whether individually or collectively, possess the background, experience, knowledge in the business, competencies in finance and management skills critical to the Group's business. The Board and the NC have also ensured that each Director, with his contributions, brings to the Board an independent and objective perspective to enable sound, balanced and well-considered decisions to be made.

The NC is responsible for establishing a review process to assess the performance and effectiveness of the Board as a whole, as well as to assess the performance and contribution of each of the Directors to the overall effectiveness of the Board.

Board and Board Committee Evaluation Process

Board and Board Committee evaluation and self-assessment forms are disseminated to all Directors to seek their views on the various aspects of the Board's performance so as to assess the overall effectiveness of the Board. These performance criteria in the forms do not change from year to year, and where circumstances deem it necessary for any of the criteria to be changed, the onus will be on the Board to justify the change. The NC is of the view that the primary objective of the assessment exercise is to create a platform for the Board members to encourage feedback on the Board's strengths and shortcomings with a view to strengthening the effectiveness of the Board as a whole. The responses are reviewed by the NC before presenting to the Board for discussion and determining areas for improvement and enhancement of the Board's effectiveness.

The review of each Director and the Board's performance is undertaken collectively by the Board and the NC annually on a continual basis, without the engagement of external facilitator(s). The criteria taken into consideration by the Board and the NC include the value of contribution to the development of strategy, the degree of preparedness, industry and business knowledge and experience each director possess which are crucial to the Group's business. Each member of the NC shall abstain from voting on any resolutions in respect of the assessment of his performance or re-nomination as a Director.

For FY2020, the Board (i) is satisfied that each Director has allocated sufficient time and resources to the affairs of the Company, notwithstanding that some Directors have multiple board representations; and (ii) is of the view that the performance of the Board as a whole and the contribution of each Director to the effectiveness of the Board and Board Committees has been satisfactory.

(B) REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Provision 6.1

Roles and Duties of Remuneration Committee

The terms of reference of the RC are as follows:

- recommend to the Board, a framework of remuneration for the Board and key management personnel;
- determine specific remuneration packages for each Director as well as key management personnel;
- review and recommend to the Board, the terms of renewal of the service agreements of the Executive Directors;
- determine targets for any performance-related pay schemes operated by the Company; and
- administer the Moya Holdings Asia Limited Employee Share Option Scheme ("**ESOS**") in accordance with the rules of the ESOS.

CORPORATE GOVERNANCE REPORT

Provision 6.2

Composition of the Remuneration Committee

The RC comprises four (4) members, all of whom are Non-Executive Directors, and majority of whom, including the RC Chairman, are Independent Directors.

As at the date of this report, the members of the RC are as follows:

Low Chai Chong	(Chairman)
Hwang Kin Soon Ignatius	(Member)
Simon A. Melhem	(Member)
Kuntoro Mangkusubroto	(Member)

Provision 6.3

Remuneration Packages and Framework

The RC will review and recommend to the Board any bonuses, pay increments and/or promotions for the Directors and key management personnel. The RC also reviews the Group's obligations arising in the event of termination of any Executive Directors' and key management personnel's contracts of services to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous. The RC aims to be fair and avoid rewarding poor performance. The RC's recommendations are submitted for endorsement by the Board.

No Directors is involved in the deliberations in respect of any remuneration, compensation, options or any form of benefits to be granted to him, except for providing information and documents specifically requested by the RC to assist in its deliberations.

If necessary and when required, the RC has access to appropriate expert advice in the field of executive compensation outside the Company.

Provision 6.4

Engagement of Remuneration Consultants

No remuneration consultants were engaged by the Company in FY2020. The RC will engage professional advice in relation to remuneration matters as and when the need arises. The RC will ensure that existing relationships between the Company and its appointed remuneration consultants, if any, will not affect the independence and objectivity of the remuneration consultants. Where remuneration consultants are appointed, the Company will disclose the names and firms of the remuneration consultants in the annual remuneration report, and include a statement on whether the remuneration consultants have any such relationships with the Company.

Level and Mix of Remuneration

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.

Provisions 7.1 and 7.3

Remuneration of Executive Directors and Key Management Personnel

Each of the Executive Directors does not receive Director's fee and his remuneration package is based on his service agreement with the Company. The RC will review the service agreement of each of the Executive Directors as and when the service agreement is due for renewal to ensure that there are no excessively long or onerous removal clauses.

The RC will ensure that the Directors are adequately but not excessively remunerated. The RC will also consider, amongst other things, the Directors' responsibilities and contribution to the Company's performance and ensure that rewards are linked to corporate and individual performance.

At the moment, the Company does not use any contractual provisions to reclaim incentive components of the remuneration from the Executive Directors and key management executives in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Group. The RC, will consider, if required, whether there is a requirement to institute such contractual provision to allow the Company to reclaim the incentive components of the remuneration of the Executive Directors and key management executive paid in prior years in such exceptional circumstances.

The RC administers the ESOS in accordance with rules of the ESOS. The ESOS is intended to motivate and reward the Executive Directors, Non-Executive Directors and key management personnel and to align their interest with that of the Company. All Directors, including Non-Executive Directors, are eligible for ESOS. Further information on the ESOS is set out in Principle 8 of this report, the "Directors' Statement" as well as Note 23A to the Financial Statements of this Annual Report.

CORPORATE GOVERNANCE REPORT

Provision 7.2

Remuneration of Non-Executive Directors

Non-Executive Directors receive annual Directors' fees which are determined by the Board, in accordance with their contributions, taking into account factors such as effort and time spent for serving the Board and Board Committees. Directors' fees are subject to approval by Shareholders at each AGM. The Company had obtained Shareholders' approval for payment of Directors' fees of S$295,000 for FY2020 (with payment to be made quarterly in arrears) at the last AGM held on 19 June 2020 and the actual Directors' fees paid for FY2020 were S$295,000. Directors' fees of S$295,000 for the financial year ending 31 December 2021 (with payment to be made quarterly in arrears) are recommended by the Board and subject to the approval of Shareholders at the forthcoming AGM. The RC has assessed and is satisfied that the Independent Directors are not overly-compensated to the extent that their independence are compromised. Each member of the Remuneration Committee abstains from voting on any resolutions in respect of his remuneration package.

Disclosure on Remuneration

Principle 8: The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provision 8.1

Remuneration Policy and Criteria

The remuneration policy adopted by the Group comprises fixed and variable component. The fixed component is in the form of a base salary, whereas the variable component is in the form of a variable or performance bonus that is linked to corporate performance and individual performance.

The annual reviews of the compensation are carried out by the RC to ensure that the remuneration of the Executive Directors and key management personnel commensurate with their performance and that of the Company, giving due regard to the financial and commercial health and business needs of the Group. The performance of the Executive Directors/CEO (together with other key management personnel) is reviewed periodically by the RC and the Board. In structuring the compensation framework, the RC also takes into account the risk policies of the Group, the need for the compensation to be symmetric with the risk outcomes, and the time horizon of risks.

Disclosure on Remuneration of Directors and CEO

The breakdown of remuneration by percentage for FY2020 for each Director (including the CEO) is as follows:

Remuneration Band	Director's Fee	Base/Fixed Salary	Bonus	Other Benefits	Total
S$250,000 to below S$500,000					
Name of Director					
Irwan A. Dinata	0%	73%	12%	15%	100%
Below S$250,000					
Name of Director					
Kuntoro Mangkusubroto	100%	0%	0%	0%	100%
Mohammad Syahrial	0%	100%	0%	0%	100%
Simon A. Melhem	100%	0%	0%	0%	100%
Hwang Kin Soon Ignatius	100%	0%	0%	0%	100%
Low Chai Chong	100%	0%	0%	0%	100%

Disclosure on Remuneration of Key Management Personnel

The table below shows the number of key management personnel (who are not directors of the Company or the CEO) within each band of remuneration amongst the top ten (10) key management personnel for FY2020:

Remuneration Band	FY2020
S$500,000 to below S$750,000	None
S$250,000 to below S$500,000	4
Below S$250,000	6

No termination, retirement and post-employment benefits have been paid to the Directors, the CEO and the top ten (10) key management personnel in FY2020.

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For FY2020, the aggregate remuneration paid to the top ten (10) key management personnel (who are not Directors or the CEO) was approximately S$2,525,000.

Provision 8.1 of the Code recommends that a Company fully disclose the remuneration (amounts and breakdown) of each individual Director and the CEO on a named basis, and fully disclose the names and remuneration (in bands not wider than S$250,000) of at least the top five key management personnel (who are not Directors or the CEO). The Board, on review, is of the opinion that it is in the best interests of the Group not to disclose the amounts and breakdown of remuneration, as well as the names of the top 5 key management personnel (who are not Directors or the CEO) as such disclosure is disadvantageous to the business interest of the Group given the competitive nature of the industry and the sensitive nature of remuneration. The Board is also of the opinion that the information disclosed above would be sufficient for Shareholders to have an adequate appreciation of the Company's compensation policies and practices and therefore does not intend to issue a separate remuneration report.

After taking into account the reasons for non-disclosure stated above, the Board is of the view that the current disclosure of the remuneration presented herein in this report is sufficient to provide Shareholders with information on the Group's remuneration policies, as well as the level and mix of remuneration. Accordingly, the Board is of the view that the Company complies with Principle 8 of the Code.

Provision 8.2

There was no employee of the Group who is a substantial shareholder of the Company, or is an immediate family members of a Director, the CEO or a substantial shareholder of the Company in FY2020.

Provision 8.3

Details of Employee Share Option Scheme

The ESOS was approved by Shareholders on 3 June 2013. The ESOS complies with the relevant rules as set out in Chapter 8 of the Catalist Rules. The ESOS will provide eligible participants with an opportunity to participate in the equity of the Company and to motivate them towards better performance through increased dedication and loyalty. Details of the ESOS were set out in the circular to Shareholders dated 17 May 2013 and the "Directors' Statement" section in the Annual Report.

No share options were granted by the Company pursuant to the ESOS in FY2020.

Please refer to the "Directors' Statement" section and Note 23 to the Financial Statements of the Annual Report for more information on the ESOS.

(C) ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its shareholders.

Provision 9.1

Nature and Extent of Risks

The Board is responsible for maintaining a sound system of internal controls to safeguard Shareholders' interests and maintain accountability of its assets. The Management reviews regularly the Group's business and operations to identify areas of significant risks and the appropriate measures to control and mitigate these risks. The Management reviews all significant policies and procedures and highlight significant matters to the Board and the AC. While no cost-effective internal control system can provide absolute assurance against lost or misstatement, the Group's internal controls and system have been designed to provide reasonable assurance that assets are safeguarded, operational controls are in place, business risks are suitably protected, proper accounting records are maintained and financial information used within the business and for publication, are reasonable and accurate.

The Company does not have a risk management committee. The Management assumes the responsibility of the risk management function. The Management regularly assesses and reviews the Group's business and operational activities to identify areas of significant business and financial risks, and will report to the AC. Appropriate measures are implemented by the Management to address these risks. The Board will consider the necessity of establishing a separate Board risk committee as and when it deems necessary.

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The internal audit function of the Group performs risk assessment and conducts review on the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls, and risk management systems. Any material non-compliance or failures in internal controls and recommendations for improvements are reported to the AC. The AC also reviews and endorses the internal audit plan and internal audit reports of the Group.

The internal control systems maintained by the Management throughout the year and up to the date of this report, provides reasonable, but not absolute, assurance against material financial misstatements or loss, and include the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with appropriate legislation, regulation and best practice, and the identification and containment of business risk. The Board notes that no system of internal control could provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities. The adequacy and effectiveness of the Group's risk management and internal control systems and procedures will be reviewed by the AC annually.

Provision 9.2

Assurance from the CEO, the CFO and Key Management Personnel

Based on the internal controls established and maintained by the Group and the verification of the internal controls identified from the risk and assurance framework, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems are adequate and effective as at 31 December 2020. This is supported by the following assurance from:

(a) the CEO and the CFO that the financial records of the Company have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and

(b) the CEO, the Managing Director, the CFO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the Company's risk management and internal control systems.

The Board recognizes that the system of internal controls and risk management provides reasonable but not absolute assurance that the Group will not be adversely affected by any event that could be reasonably foreseen as it works to achieve its business objectives. In this regard, the Board also notes that no system of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgment in decision making, human error, losses, fraud or other irregularities.

Audit Committee

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

Provision 10.1

Roles and Responsibilities of the AC

The terms of reference of the AC are as follows:

- review the adequacy of the maintenance of accounting records;
- review at least annually the adequacy and effectiveness of the Group's internal controls and risk management systems;
- review the assurance from the CEO and the CFO on the financial records and financial statements;
- review the financial statements of the Company and the Group, including the half yearly and full year results and the respective announcements before the submission to the Board;
- review the significant financial reporting issues and judgment so as to ensure the integrity of the financial statements of the Company and any formal announcements relating to the Company's performance;
- recommend to the Board, the appointment, re-appointment or removal of external auditors and approve the remuneration and terms of engagement of the external auditors;
- review the adequacy, effectiveness, independence, scope and results of the external audit and the company's internal audit function;
- review the audit plan and the audit report in conjunction with the external auditors;

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- review the cost effectiveness of the external audit, and where the external auditor provides non-audit services to the Company, to review the nature, extent and costs of such services so as to avoid an erosion of the independence and objectivity of the external auditors;

- review interested person transactions to ensure that each transaction has been conducted on an arm's length basis; and

- review the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on.

The AC has the authority to investigate any matter within its terms of reference. It has full access to, and co-operation of the Management and the full discretion to invite any Director or key management personnel to attend its meetings, and ensure it has reasonable resources to enable it to discharge its functions properly.

Whistle-blowing Policy

The Company has made available channels such as Company's email or fax and internal control procedures for employees and the public to raise concerns about misconducts in the Group and at the same time assure them that they will be protected from victimization for whistle-blowing in good faith. Cases that are significant are reviewed by the AC for adequacy and independence of investigation actions and resolutions. Confidentiality will be maintained to the fullest extent possible, consistent with the need to conduct adequate investigation. There were no whistle-blowing reports received in FY2020.

Provision 10.2

Composition of the Audit Committee

The AC comprises four (4) members, all of whom are Non-Executive Directors, and majority of whom, including the AC Chairman, are Independent Directors. As at the date of this report, the members of the AC are as follows:

Low Chai Chong	(Chairman)
Hwang Kin Soon Ignatius	(Member)
Simon A. Melhem	(Member)
Kuntoro Mangkusubroto	(Member)

Two members of the AC, namely Simon A. Melhem and Kuntoro Mangkusubroto, have accounting and related financial management expertise or experience. Notwithstanding that the AC Chairman does not have accounting and related financial management expertise or experience, he has extensive experience as a director and member of audit committee of other listed companies in Singapore. In view of the above, the Board is of the view that the AC comprises members who are suitably qualified to discharge the duties of the AC objectively. The profile of the members of the AC is set out in the "Board of Directors" section of the Annual Report.

Provision 10.3

The AC does not comprise former partners or directors of the Company's existing auditing firm: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

Provision 10.4

Internal Audit Function

The internal audit function of the Group is conducted by the internal audit team of the Company. The internal audit team performs risk assessment and conducts the review of the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls, and risk management systems. The internal auditors report primarily to the AC on internal audit matters and the AC is empowered to review any of the accounting, auditing and financial practices of the Company and the Group.

The internal auditors assist the AC in ensuring that the Company maintains a sound system of internal controls, including financial, operational, compliance and information technology controls, and risk management through regular monitoring of key controls and procedures and ensuring their adequacy and effectiveness, undertaking investigations as directed by the AC, and conducting regular audits of high-risk areas.

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The internal auditors have unfettered access to all the Group's documents, records, properties and personnel, including unrestricted direct access to the AC on internal audit matters. The AC reviews and endorses the internal audit plan and internal audit reports of the Group. Any material non-compliance or failures in the internal audit function and recommendations for improvements are reported to the AC. The internal audit function is independent of the activities it audits and carries out its activities in compliance with the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

The Board and the AC are of the opinion that the internal audit function is independent, effective and adequately resourced, and internal audits are performed by competent professional staff with the relevant qualifications and experience. The AC will review annually the independence, adequacy and effectiveness of the internal audit function. The AC will also approve the appointment, removal, evaluation and compensation of the head of the internal audit function. The AC also reviews the internal audit function of the Group to ensure that an effective system of control is maintained in the Group.

External Audit Function

The AC meets regularly with the Management and the external auditors to review accounting, auditing and financial reporting matters so as to ensure that an effective system of control is maintained in the Group. The external auditors have unrestricted access to the AC. The AC also meets with the external auditors and reviews the scope and results of the external audit.

PricewaterhouseCoopers ("**PwC**") LLP has been appointed as the independent auditor of the Company and its subsidiaries incorporated in Singapore. Public Accountant Tanudireja, Wibisana, Rintis and Associates, a member firm of the PwC network, has been appointed as the auditor of the Company's significant Indonesia-incorporated subsidiaries for FY2020. The AC, is satisfied that PricewaterhouseCoopers LLP, an auditing firm registered with the Accounting and Corporate Regulatory Authority, is independent and that they had also provided a confirmation of their independence to the AC. The AC had assessed the external auditors of the Company based on factors such as performance, adequacy of resources and experience of their audit engagement partners and audit team assigned to the Group's audit as well as the size and complexity of the Group. Accordingly, the AC is satisfied that Rules 712 and 715 of the Catalist Rules have been complied with and has recommended to the Board, the nomination of PricewaterhouseCoopers LLP for re-appointment as the external auditors of the Group for the current financial year ending 31 December 2021 at the forthcoming AGM.

The amount of audit and non-audit fees paid or payable to the external auditor in FY2020 were S$643,148 and S$128,641 respectively. The AC has undertaken a review of all non-audit services provided by the external auditors and they would not, in the opinion of the AC, affect the independence and objectivity of the external auditors. To keep abreast of changes to the accounting standards and issues which have a direct impact on the Group's financial statements, the AC sought updates and advice from the external auditors during the audit planning meeting and the AC meetings.

Provision 10.5

Meeting Auditors without the Management

In performing its functions, the AC and Management meet with the external and internal auditors to discuss and evaluate the internal controls of the Group and review the overall scope of both external and internal audits. The AC has full access to the external auditors and the internal auditors and has met with them at least once in FY2020 without the presence of the Management.

Activities in FY2020

In FY2020, the AC had carried out the following activities:

(a) reviewed the half-year and full-year financial statements (audited and unaudited), and recommended to the Board for approval;

(b) reviewed the adequacy and effectiveness of the Group's risk management and internal control systems;

(c) reviewed interested persons transactions;

(d) reviewed the adequacy, effectiveness and independence, scope and results of the external audit and the Company's internal audit function;

(e) reviewed and approved the annual audit plan of the external auditors;

(f) reviewed the results of the internal audit procedures;

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(g) reviewed the annual re-appointment of the external auditors and determined their remuneration, and made a recommendation for Board's approval; and

(h) met with the internal and external auditors once without the presence of the Management.

Key Audit Matters

To keep abreast of the changes in accounting standards and issues which have a direct impact on financial statements, advice is sought from the external auditors when they attend the quarterly AC meetings in FY2020.

In the review of the financial statements, the AC has discussed with the Management the accounting principles that were applied and their judgment of items that might affect the integrity of the financial statements. The following significant matters impacting the financial statements were discussed with the Management and the external auditors, and were reviewed by the AC:

Matters considered	How the AC reviewed these matters and what decisions were made
Accounting for service concession arrangements	The AC considered the approach and methodology applied to the construction service consideration and the operating service consideration with reference to their relative fair value under Financial Assets Model. In addition, the AC has reviewed the management's assessment of judgement over the assumptions and estimates used in determining the projected cost for both the construction and operation services as well as the profit margin applied over the projected costs as the fair value of the revenues are derived from these inputs. The AC agreed that the relative fair value of the construction service and operating service consideration in the Financial Asset Model of the service concession arrangement is consistent. The accounting for service concession arrangement was also an area of focus for the external auditors. The external auditors have included this item as a key audit matter in its audit report for the financial year ended 31 December 2020. Please refer to page 58 of this Annual report.
Goodwill impairment assessment	The AC considered the approach and methodology applied to the goodwill impairment assessment by comparing the recoverable amount of the cash generating unit to the carrying amount. In addition, the AC has reviewed the management's assessment of judgement over the assumptions and estimates used in performing annual impairment by discounted cash flow projection. The AC agreed that the judgement in relation to the goodwill impairment assessment to be reasonable and appropriately supported. The accounting for goodwill impairment assessment was also an area of focus for the external auditors. The external auditors have included this item as a key audit matter in its audit report for the financial year ended 31 December 2020. Please refer to page 59 of this Annual report.
Price purchase allocation ("**PPA**") over the acquisition of Obor Group	The AC considered the approach and methodology applied to the PPA assessment by focusing on the future cash flow and discount rate to determine the fair value of the assets. In addition, the AC has reviewed the management's assessment of the discounted cash flow model and the valuation methodology. The AC agreed that the judgement in relation to the PPA over the acquisition of Obor Group to be reasonable. The accounting for PPA over the acquisition of Obor Group was also an area of focus for the external auditors. The external auditors have included this item as a key audit matter in its audit report for the financial year ended 31 December 2020. Please refer to page 60 of this Annual report.

CORPORATE GOVERNANCE REPORT

(D) SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conducts of General Meeting

Principle 11: The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Provision 11.1

Shareholders' Participation in General Meetings

In recognition of the importance of treating all Shareholders fairly and equitably and the Shareholders' rights, the Company aims to protect and facilitate the exercise of ownership rights by all Shareholders, and continually review and update such governance arrangements.

The Company also notes that Shareholders have the right to be sufficiently informed of changes in the Group or its business which would be likely to materially affect the price or value of the Company's shares. To ensure that all Shareholders are treated fairly and equitably, the Company strives to share pertinent information in a timely manner to keep them apprised of the latest development through announcements via SGXNET. Such announcements are communicated on an immediate basis, or as soon as possible where immediate disclosure is not practicable.

The Company will ensure that Shareholders have equal opportunity to participate effectively in and vote at general meetings and brief Shareholders on the rules, including voting procedures that govern general meetings. Shareholders are informed of general meetings through the announcement released on the SGXNET and notice contained in the Annual Report or circulars released on the SGXNET and the Company's website within the mandatory period. Such notices will contain the relevant rules and procedures governing the general meetings.

For FY2020, due to the COVID-19 outbreak and the circuit breaker put in place by the Singapore Government, the Company's AGM in FY2020 was held via electronic means on 19 June 2020 ("**2020 AGM**"), through "live webcast" and "audio-only means". The notice of AGM was not published on the newspaper, but was instead disseminated to Shareholders through publication on SGXNET and the Company's website, in accordance with the alternative arrangements for holding of the 2020 AGM approved by the relevant authorities. The Company had also published a letter to Shareholders, together with the notice of AGM, detailing the alternative arrangements for the 2020 AGM, during the COVID-19 pandemic. Shareholders participated in the 2020 AGM via electronic means. The Company did not receive any questions in relation to the resolutions set out in the notice of AGM.

Provision 11.2

Conduct of Resolutions and Voting

All registered Shareholders are invited to participate and given the right to vote on resolutions at general meetings. Every matter requiring Shareholders' approval is proposed as a separate resolution. Each item of special business included in the notice of the meeting is accompanied, where appropriate, by an explanation for the proposed resolution.

The Company will put all resolutions to vote by poll and detailed results showing the number of votes cast for and against or abstain from voting in respect of each resolution. All votes will be counted and announced immediately at the meeting, and announcement of the detailed results of the number of votes cast for and against each resolution and the respective percentages are announced via SGXNET after the conclusion of the general meeting on the same day.

For FY2020, as the 2020 AGM was held by electronic means, voting at the AGM was by proxy only. Shareholders who wish to vote on any or all of the resolutions at the AGM, have appointed the Chairman of the AGM as their proxy by completing the proxy form for the AGM, and submitted the proxy form by post or by email to the Company seventy-two (72) hours before the AGM.

Provision 11.3

Interaction with Shareholders

All Directors, Management, Company Secretary, external auditors, legal advisors (if necessary) and the Continuing Sponsor shall attend all general meetings physically or electronically. The procedures of general meetings provide Shareholders the opportunity to ask questions relating to each resolution tabled for approval and open communication are encouraged by Shareholders with the Directors on their views on matters relating to the Company.

CORPORATE GOVERNANCE REPORT

The Chairman of the AC, the NC and the RC shall be present at the AGM to answer any question relating to the work of the Board Committees. The external auditors are also present at the AGM to address Shareholders' queries about the conduct of the audit and preparation and content of the auditors' report. In FY2020, all Directors attended the 2020 AGM. Save for the 2020 AGM, there were no other general meetings held in FY2020.

Shareholders participated in the 2020 AGM via electronic means, and no questions were received by the Company in relation to the resolutions set out in the notice of AGM.

Provision 11.4

Absentia Voting

Pursuant to Regulation 100 of the Company's Constitution, the Directors may, at their sole discretion, approve and implement absentia-voting methods such as mail, e-mail or fax, for members who are unable to vote in person in any general meeting subject to such security measures as may be deemed necessary or expedient. Notwithstanding, as the authentication of Shareholder's identity information and other related security issues remain a concern, the Company has decided, for the time being, not to implement voting in absentia by mail, e-mail or fax.

Provision 11.5

Minutes of General Meeting

The proceedings of the AGM and extraordinary general meeting (if any) are properly recorded, including substantial and relevant comments or queries raised by Shareholders relating to the agenda of the meeting and responses from the Board and Management. All minutes of general meetings are available to Shareholders on the Company's website. For the 2020 AGM, the Company had published the minutes of the AGM on its corporate website and the SGXNet within one month from the conclusion of the 2020 AGM.

Provision 11.6

Dividend Policy

The Company does not have a fixed dividend policy. The form, frequency and amount of dividends declared will take into account, inter alia, level of cash and reserves, results of operations, business prospects, capital requirements and surplus, general financial condition, contractual restrictions, and other factors as the Board may deem appropriate. The Board did not recommend any dividends to be declared for FY2020, as the Board deems it appropriate to retain the cash for the Group's capital expenditure and for the Group's future growth.

Engagement with Shareholders

Principle 12: The Company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

Provisions 12.1, 12.2 and 12.3

Disclosures of Information

It is the Company's policy that all Shareholders and the public be equally and timely informed of all major developments that impact the Group. The Company does not practice selective disclosure.

Information is communicated to Shareholders on a timely basis and made through:

- annual reports issued to all Shareholders by electronic means on SGXNET and the Company's website;
- sustainability reports issued to all Shareholders by electronic means on SGXNET and the Company's website;
- announcement of interim and full year financial results on SGXNET and the Company's website;
- disclosures on SGXNET;

CORPORATE GOVERNANCE REPORT

- press releases on major developments of the Company; and
- Company's website at www.moyaasia.com from which Shareholders can access information relating to the Group.

Dialogue with Shareholders

The Board regards the AGM as the principal communication channel with Shareholders, where Shareholders can take the opportunity to raise enquires pertaining to the resolutions tabled for approval and seek updates regarding affairs of the Company and its operations from the Board and the Management.

The Company has also made available other channels, such as the Company's website, email or fax, for Shareholders who are not able to attend the AGM to contribute their feedback and inputs.

Investor Relations Practices

The Company has made available channel for investor relations queries through email at ir@moyaasia.com. Shareholders may contact the Company with questions and the Company will respond to such questions accordingly.

(E) MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.

Provisions 13.1 and 13.2

Stakeholders Engagement

The Company considers the stakeholders as intrinsic to the operations and focus on actively engaging them through ongoing communication channels. The Company engages with its stakeholders through the Company's website, email or fax for questions to be posed by stakeholders and through which the Company may respond accordingly.

The Company discloses its current development and future plans in "Message from Chairman" section of the Annual Report to ensure that the stakeholders are provided with the information of the Company's future strategy and key area of focus.

Provision 13.3

Corporate Website

The Company maintains an official website at www.moyaasia.com. The information regarding projects, financial results, press releases, and other essential information of the Company are always updated to the interests of the stakeholders. The Company considers their feedback carefully to ensure that the decisions of the Company contribute to the overall good of the stakeholders.

DEALING IN SECURITIES

Pursuant to Rule 1204(19) of the Catalist Rules, the Company has issued directive to all Directors and employees of the Group, which sets out prohibitions against dealings in the Company's securities while in possession of unpublished price sensitive information of the Group.

All Directors and employees of the Company are not allowed to deal in the Company's securities whilst in possession of unpublished price sensitive information of the Group. The Company, Directors and employees of the Company are not allowed to deal in the Company's securities during the period commencing one (1) month before the announcement of the Company's half year and full year financial results, ending on the date of the announcement of the relevant results.

In addition, the Directors and employees of the Group are advised not to deal in the Company's securities on short term considerations and are expected to observe the insider trading laws at all times even when dealing in securities within the permitted trading periods or when they are in possession of unpublished price-sensitive information. The Board is kept informed when a Director trades in the Company's securities.

CORPORATE GOVERNANCE REPORT

INTERESTED PERSON TRANSACTIONS

The Company has established procedures to ensure that transactions with interested persons are properly reviewed, approved and reported to the AC on a timely basis, and are conducted at arm's length basis and will not be prejudicial to the interest of the Company and its minority Shareholders.

The Group does not have a general mandate from Shareholders for interested person transactions pursuant to Rule 920(1)(a)(i) of the Catalist Rules. There were no interested person transactions in FY2020.

MATERIAL CONTRACTS

There were no material contracts entered into by the Company and its subsidiaries involving the interests of any Director or substantial Shareholders either still subsisting at the end of FY2020 if not then subsisting, entered into since the end of the previous financial year ended 31 December 2019.

CATALIST SPONSOR

With reference to Rule 1204(21) of the Catalist Rules, there were no non-sponsorship fees paid to ZICO Capital Pte. Ltd. in FY2020.

USE OF PROCEEDS

In July 2018, the Company completed a renounceable non-underwritten rights issue exercise ("**Rights Issue**"), raising net proceeds of approximately S$132.04 million. A summary of the use of the net proceeds from the Rights Issue is as follows:

Use of net proceeds	Amount on a re-allocated basis as at 27 February 2020[1] (S$'million)	Amount utilised as at 25 February 2021[2] (S$'million)	Amount utilised from 26 February 2021 up to date of the Annual Report (S$'million)	Balance (on a re-allocated basis) as at the date of the Annual Report (S$'million)
Full repayment of the MIH loan	64.46	64.46	–	–
Continual expansion through acquisitions, joint ventures and/or strategic partnerships	50.00	47.90	–	2.10
Development of BOT projects in bulk water supply and water supply concessions in Indonesia	13.00	9.74	1.42[3]	1.84
General corporate and working capital requirements of the Group	4.85	3.60	0.40[4]	0.85
Total Use of Net Proceeds	**132.31**	**125.70**	**1.82**	**4.79**
Right Issue Expenses	0.73	0.73	–	–
Total	**133.04**	**126.43**	**1.82**	**4.79**

Notes:

(1) Please refer to the Company's announcements dated 20 July 2018 and 27 February 2020 in respect of the re-allocation of use of Net Proceeds.

(2) The Company provided updates on the use of proceeds from the Rights Issue in its results announcement for the financial year ended 31 December 2020 in paragraph 20 of the announcement dated 25 February 2021.

(3) The Company had utilised S$1.42 million from the Net Proceeds to fund the capital contribution by the Group in a project company in Indonesia to undertake a Build-Operate-Transfer (BOT) project in PT Moya Tangerang, Indonesia.

(4) The breakdown of the usage of the proceeds for general corporate and working capital is as follows:

Breakdown	S$'million
Staff Cost	0.28
Office Expense	0.09
General and Administrative	0.00
Others	0.03
Total	**0.40**

CORPORATE GOVERNANCE REPORT

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION – APPENDIX 7F TO THE CATALIST RULES

Pursuant to Rule 720(5) of the Catalist Rules, the information as set out in Appendix 7F to the Catalist Rules relating to Mr. Mohammad Syahrial and Mr. Hwang Kin Soon Ignatius, being the Directors who are retiring in accordance with the Company's Constitution at the forthcoming AGM, is set out below:

Name of Director	Mr. Mohammad Syahrial	Mr. Hwang Kin Soon Ignatius
Date of first appointment	17 March 2015	9 January 2013
Date of last re-appointment (if applicable)	27 April 2018	27 April 2018
Age	55	57
Country of principal residence	Indonesia	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr. Mohammad Syahrial ("**Mr. Syahrial**") as a Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration Mr. Syahrial's qualifications, skills, expertise, past experiences and overall contribution since he was appointed as a Director of the Company.	The re-election of Mr. Hwang Kin Soon Ignatius ("**Mr. Hwang**") as a Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration Mr. Hwang's qualifications, skills, expertise, past experiences and overall contribution since he was appointed as a Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Yes. Mr. Syahrial is responsible for leading the development and execution of the Company's short and long term strategies and business plan.	Non-Executive.
Job Title (e.g. Lead ID, AC Chairman, AC member etc.)	Executive and Non-Independent Director, Chief Executive Officer	Non-Executive and Independent Director, Chairman of the NC, and a member of the AC and the RC
Professional qualifications	Nil	Singapore Advocate and Solicitor, Solicitor of England and Wales
Working experience and occupation(s) during the past 10 years	1. 2016–Current, Executive Director and Chief Executive Officer of Moya Holdings Asia Limited 2. 2008-2011, President Director of PT Perusahaan Pengelola Aset 3. 2011-Current, Chief Executive Officer of PT Tamaris Hidro	1. 2008-2012, Managing Partner at Bryan Cave (Singapore) LLP 2. 2012-2021, Managing Partner at Squire Patton Boggs (Singapore) LLP 3. 2021-Current, Partner at McDermott Will & Emery
Shareholding interest in the listed issuer and its subsidiaries	Nil	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil Mr. Syahrial is a director of the Company's subsidiary, Moya Indonesia Holdings Pte. Ltd..	Nil Mr. Hwang is a director of the Company's subsidiaries, namely, Moya Indonesia Holdings Pte. Ltd., Moya Energy Holdings Pte. Ltd., Moya Energy Asia Pte. Ltd. and Obor Infrastructure Pte. Ltd..
Conflict of interest (including any competing business)	Nil	Nil
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes

CORPORATE GOVERNANCE REPORT

Name of Director	Mr. Mohammad Syahrial	Mr. Hwang Kin Soon Ignatius
Other Principal Commitments* Including Directorships# *** "Principal Commitments" has the same meaning as defined in the Code.** **# These fields are not applicable for announcements of appointments pursuant to Listing Rule 704.**		
Past (for the last 5 years)	Nil	– China Environment Limited – Moya Asia Limited
Present	**Directorships:** Group Companies – Moya Indonesia Holdings Pte. Ltd. Other Companies – PT Tamaris Kapital – PT Tamaris Prima Energi – PT Tamaris Kapital Asia – PT Tamaris Hidro **Commissioner:** – PT Verena Multi Finance Tbk – PT GMT Kapital Asia – PT Tamaris Hijau Lestari – PT Wahana Insan Sejahtera	**Directorships:** Group Companies – Moya Holdings Asia Limited – Moya Indonesia Holdings Pte. Ltd. – Moya Energy Holdings Pte. Ltd. – Moya Energy Asia Pte. Ltd. – Obor Infrastructure Pte. Ltd. Other Companies – Straysnomore Limited
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.		
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	Mr. Mohammad Syahrial	Mr. Hwang Kin Soon Ignatius
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	Mr. Mohammad Syahrial	Mr. Hwang Kin Soon Ignatius
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?		
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
Disclosure applicable to the appointment of Director only.		
Any prior experience as a director of an issuer listed on the Exchange? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	Yes Mr. Syahrial is currently a director of the Company.	Yes Mr. Hwang was a director of China Environment Limited in 2016 and is currently a director of the Company.

FINANCIAL STATEMENTS

DIRECTORS' STATEMENT

For the financial year ended 31 December 2020

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 31 December 2020 and the statement of financial position of the Company as at 31 December 2020.

In the opinion of the directors,

(a) the statement of financial position of the Company and the consolidated financial statements of the Group as set out on pages 63 to 125 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2020 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are as follows:

Low Chai Chong
Mohammad Syahrial
Irwan A. Dinata
Simon A. Melhem
Hwang Kin Soon Ignatius
Kuntoro Mangkusubroto

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Share options" in this statement.

Directors' interests in shares or debentures

(a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director		Holdings in which a director is deemed to have an interest	
	At 31.12.2020	**At 1.1.2020**	**At 31.12.2020**	**At 1.1.2020**
Moya Holdings Asia Limited				
(No. of ordinary shares)				
Simon A. Melhem	1,400,000	1,400,000	–	–

DIRECTORS' STATEMENT

For the financial year ended 31 December 2020

Directors' interests in shares or debentures (continued)

(b) According to the register of directors' shareholdings, certain directors holding office at the end of the financial year had interests in options to subscribe for ordinary shares of the Company granted pursuant to the Share Option Scheme as set out below and under "Share options" below.

	No. of unissued ordinary shares under option	
	At 31.12.2020	**At 1.1.2020**
Simon A. Melhem	–	8,000,000

(c) The directors' interests in the ordinary shares and convertible securities of the Company as at 21 January 2021 were the same as those as at 31 December 2020.

Share options

No options were granted during the financial year to subscribe for unissued shares of the Company.

No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued of the Company under option at the end of the financial year.

Audit Committee

The members of the Audit Committee at the end of the financial year were as follows:

Low Chai Chong
Hwang Kin Soon Ignatius
Simon A. Melhem
Kuntoro Mangkusubroto

All members of the Audit Committee were non-executive directors.

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act. In performing those functions, the Committee reviewed:

- the scope and the results of internal audit procedures with the internal auditor;
- the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- the assistance given by the Company's management to the independent auditor; and
- the statement of financial position of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2020 before their submission to the Board of Directors.

The Audit Committee has recommended to the Board that the independent auditor, PricewaterhouseCoopers LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

DIRECTORS' STATEMENT

For the financial year ended 31 December 2020

Independent Auditor

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

....	....
Low Chai Chong	Irwan A. Dinata
Director	Director

12 March 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MOYA HOLDINGS ASIA LIMITED

Report on the Audit of the Financial Statements

Our opinion

In our opinion, the accompanying consolidated financial statements of Moya Holdings Asia Limited ("the Company") and its subsidiaries ("the Group") and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 ("the Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2020 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:
- the consolidated statement of comprehensive income of the Group for the financial year ended 31 December 2020;
- the consolidated statement of financial position of the Group as at 31 December 2020;
- the statement of financial position of the Company as at 31 December 2020;
- the consolidated statement of changes in equity of the Group for the financial year then ended;
- the consolidated statement of cash flows of the Group for the financial year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MOYA HOLDINGS ASIA LIMITED

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 December 2020. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	***How our audit addressed the Key Audit Matter***
1. Accounting for service concession arrangement (Refer to Note 3(a) relating to critical accounting estimate and Note 16 of the financial statements) As at 31 December 2020, the financial assets arising from service concession arrangements amounted to S$197.8 million, accounting for 29% of the Group's total assets. The Group entered into a number of service concession arrangements with certain local government water agencies in Indonesia in respect of its water supply businesses. Certain of these service concession arrangements are accounted for using the Financial Asset Model, whilst others are accounted for using the Intangible Asset Model, in accordance with the requirements set out in SFRS(I) INT 12 *Service Concession Arrangements*. Under the Financial Asset Model, we focused on the split between the construction service consideration and the operating service consideration by reference to their relative fair values. The relative fair values requires management to apply significant judgement over the assumptions and estimates used in determining the projected cost for both the construction and operation services as well as the profit margins applied over these projected costs as the fair value of the revenues are derived from these inputs.	Our audit procedures in relation to the relative fair values of the construction and operation considerations in the Financial Asset Model included: 1. Benchmarked the forecasted operating costs used in the Financial Asset Model by comparing against actual costs of other existing service concession arrangement of the Group. 2. Benchmarked the forecasted profit margins of both the construction and operating services used in the Financial Asset Model by comparing against the average profit margin of existing service concession arrangement in the Group as well as other water operator in Indonesia. 3. Assessed the reasonableness of the key assumptions used in the Financial Asset Model as well as verify the construction progress during the year. 4. Tested the mathematical accuracy of the underlying Financial Asset Model. Based on our audit procedures, we found the assumptions and estimates used by management in determining the relative fair values of the construction service and operating service consideration in the Financial Asset Model of the service concession arrangement to be consistent with the evidence that we obtained.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MOYA HOLDINGS ASIA LIMITED

Key Audit Matter	*How our audit addressed the Key Audit Matter*
2. Goodwill impairment assessment (Refer to Note 3(b) relating to critical accounting estimate and Note 17 of the financial statements) As at 31 December 2020, the Group's goodwill amounted to S$74.5 million, accounting for 11% of the Group's total assets. The goodwill arises from the acquisition of Acuatico Pte Ltd and its subsidiaries ("APL Group") on 8 June 2017 and Obor Infrastructure Pte. Ltd. and its subsidiaries ("Obor Group") on 19 March 2020. The goodwill represents the expansion of the Group's business in water industry in Indonesia and also the increase of the Group's water production capacity. The Group is required to perform the goodwill impairment assessment at least on an annual basis by comparing the recoverable amount of the cash generating unit ("CGU") to the carrying amount. The Group assessed the recoverable amount for each CGU based on the discounted cash flow of the underlying CGU which requires significant judgements in estimating key assumptions. We focused on this area because of the complexity of the assessment process, significant judgements and estimation uncertainties included in the discounted cash flow projection.	Our procedures included: • In relation to management's goodwill impairment assessment, reviewed management's process for performing annual impairment assessment. • In respect of the discounted cash flows ("DCF"): 1. Assessed the reasonableness of the forecasted cash flows by taking into consideration the relevant CGU's expected future operating performance (including revenue growth rates and net profit margins), as well as historical actual performance, and the general industry outlook; 2. Assessed the reasonableness of the key assumptions, including the service concession period and discount rates applied using commonly accepted methodologies and benchmarks; 3. Assessed the adequacy of the disclosures relating to the underlying estimates and assumptions; and 4. Tested the mathematical accuracy of the underlying calculations. Based on the audit procedures performed above, we found management's judgement in relation to the goodwill impairment assessment to be appropriately supported.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MOYA HOLDINGS ASIA LIMITED

Key Audit Matter	*How our audit addressed the Key Audit Matter*
3. Purchase price allocation ("PPA") over the acquisition of Obor Group (Refer to Note 3(d) relating to critical accounting estimate and Note 30 of the financial statements) The Company acquired Obor Group in March 2020 for a cash consideration of S$24.8 million. As part of the PPA performed by the management, this amount has been allocated to the fair values of the identifiable assets acquired and the liabilities assumed, resulting in the recognition of goodwill of S$3.4 million. As part of the PPA process, management exercised judgements in determining the fair value of the intangible assets arising from the contractual concession rights of S$55.0 million. We focused on the fair value of the intangible assets arising from the contractual concession rights because of the significant judgements involved in estimating the future cash flows and the discount rate in determining its fair value.	For the fair valuation of intangible assets arising from the contractual concession rights, our procedures included: 1. Evaluated the reasonableness of management's estimates of future cash flows by assessing the reasonableness of the key inputs used in the discounted cash flow model. 2. Involved our valuation specialists to review the valuation methodology as well as assessing the reasonableness of the discount rate used in the cash flow model. Based on the audit procedures performed above, we found management's basis for estimating the fair value of intangible assets arising from the contractual concession rights to be reasonable.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the other sections of the annual report ("the Other Sections"), which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MOYA HOLDINGS ASIA LIMITED

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MOYA HOLDINGS ASIA LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Tham Tuck Seng.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 12 March 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2020

		Group	
	Notes	2020 S$'000	2019 S$'000
Revenue	5	**240,123**	205,786
Cost of sales	6	**(135,813)**	(109,346)
Gross profit		**104,310**	96,440
Administrative expenses	6	**(37,979)**	(36,933)
Finance income	8	**3,641**	3,581
Finance costs	9	**(28,647)**	(31,749)
Other expenses, net	10	**(1,287)**	(5,056)
Profit before income tax		**40,038**	26,283
Income tax expense	11A	**(3,433)**	(9,318)
Profit for the year		**36,605**	16,965
Profit attributable to:			
Equity holders of the Company		**35,008**	16,631
Non-controlling interests		**1,597**	334
		36,605	16,965

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2020

	Notes	Group 2020 S$'000	Group 2019 S$'000
Profit for the year		**36,605**	16,965
Other comprehensive (loss)/income:			
Item that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit pension plans, net of tax		**(1,232)**	150
Item that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation		**(6,404)**	1,068
Other comprehensive (loss)/income, net of tax		**(7,636)**	1,218
Total comprehensive income		**28,969**	18,183
Total comprehensive income attributable to:			
Equity holders of the Company		**27,441**	17,849
Non-controlling interests		**1,528**	334
		28,969	18,183
Earnings per share ("EPS") for profit attributable to equity holders of the Company (S$ per share)			
Earnings per share currency unit		**Cents**	Cents
Basic EPS	12A	**0.83**	0.40
Diluted EPS	12B	**0.83**	0.39

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – GROUP

As at 31 December 2020

	Notes	2020 S$'000	2019 S$'000
ASSETS			
Non-current assets			
Property, plant and equipment	13	**26,192**	28,419
Service concession assets	16	**435,033**	367,268
Goodwill	17	**74,466**	72,264
Deferred income tax assets	11B	**14,120**	12,029
Other receivables	18	**1,116**	1,452
Prepayment		**–**	1,000
Total non-current assets		**550,927**	**482,432**
Current assets			
Inventories	19	**6,147**	4,769
Service concession assets	16	**15,039**	11,596
Trade and other receivables	18	**47,269**	37,974
Restricted cash in banks	25	**5,771**	5,970
Cash and cash equivalents	20	**58,327**	101,544
Total current assets		**132,553**	**161,853**
Total assets		**683,480**	**644,285**
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital	21	**253,728**	253,728
Retained earnings		**79,625**	45,258
Other reserves	22	**(19,248)**	(12,322)
		314,105	**286,664**
Non-controlling interests	15	**21,328**	**1,963**
Total equity		**335,433**	**288,627**
Non-current liabilities			
Provisions	24	**20,542**	19,725
Deferred income tax liabilities	11B	**45,799**	42,166
Borrowings	25	**175,509**	201,048
Trade and other payables	26	**12,040**	9,967
Total non-current liabilities		**253,890**	**272,906**
Current liabilities			
Provisions	24	**2,945**	2,641
Borrowings	25	**54,079**	45,473
Current income tax liabilities		**2,130**	546
Trade and other payables	26	**35,003**	34,092
Total current liabilities		**94,157**	**82,752**
Total liabilities		**348,047**	**355,658**
Total equity and liabilities		**683,480**	**644,285**

The accompanying notes form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION – COMPANY

As at 31 December 2020

	Notes	2020 S$'000	2019 S$'000
ASSETS			
Non-current assets			
Property, plant and equipment	13	**260**	420
Investments in subsidiaries	15	**235,983**	188,618
Total non-current assets		**236,243**	**189,038**
Current assets			
Trade and other receivables	18	**81**	116
Cash and cash equivalents	20	**6,710**	55,976
Total current assets		**6,791**	**56,092**
Total assets		**243,034**	**245,130**
EQUITY AND LIABILITIES			
Share capital	21	**253,728**	253,728
Accumulated losses		**(11,153)**	(9,732)
Share option reserve	22B	**–**	591
Total equity		**242,575**	**244,587**
Non-current liability			
Borrowings	25	**102**	242
Total non-current liability		**102**	**242**
Current liabilities			
Trade and other payables	26	**205**	165
Borrowings	25	**152**	136
Total current liabilities		**357**	**301**
Total liabilities		**459**	**543**
Total equity and liabilities		**243,034**	**245,130**

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

As at 31 December 2020

	Notes	← Attributable to equity holders of the Company			→		
		Share capital S$'000	Other reserves S$'000	Retained earnings S$'000	Total S$'000	Non-controlling interests S$'000	Total equity S$'000
2020							
Balance as at 1 January 2020		**253,728**	**(12,322)**	**45,258**	**286,664**	**1,963**	**288,627**
Profit for the year		–	–	35,008	35,008	1,597	36,605
Other comprehensive loss for the year		–	(6,335)	(1,232)	(7,567)	(69)	(7,636)
Expiry of share option	22	–	(591)	591	–	–	–
Acquisition of subsidiaries	30	–	–	–	–	17,837	17,837
Balance as at 31 December 2020		**253,728**	**(19,248)**	**79,625**	**314,105**	**21,328**	**335,433**
2019							
Balance as at 1 January 2019		253,618	(13,390)	28,477	268,705	1,629	270,334
Profit for the year		–	–	16,631	16,631	334	16,965
Other comprehensive income for the year		–	1,068	150	1,218	–	1,218
Proceeds from shares issued		110	–	–	110	–	110
Balance as at 31 December 2019		**253,728**	**(12,322)**	**45,258**	**286,664**	**1,963**	**288,627**

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2020

	Notes	Group 2020 S$'000	Group 2019 S$'000
Cash flows from operating activities			
Receipts from customers		**180,241**	168,304
Payments to suppliers, directors and employees		**(89,390)**	(80,010)
Payments of corporate income tax		**(10,286)**	(12,842)
Net cash flows provided by operating activities		**80,565**	**75,452**
Cash flows from investing activities			
Payment of construction costs		**(44,057)**	(30,306)
Acquisition of fixed assets and other non-current assets		**(6,297)**	(6,449)
Acquisition of subsidiaries, net of cash acquired	30	**(14,451)**	–
Advance for acquisition of subsidiaries		**–**	(1,000)
Interest received		**2,203**	3,555
Net cash flows used in investing activities		**(62,602)**	**(34,200)**
Cash flows from financing activities			
Proceeds from borrowings		**35,748**	13,490
Issuance of ordinary shares		**–**	110
Net decrease in restricted cash in banks		**199**	26
Principal payment of lease liabilities		**(584)**	(486)
Repayment of borrowings and debt issuance cost		**(60,634)**	(41,566)
Loan repayment to former shareholder		**(10,513)**	–
Interest paid		**(25,181)**	(27,783)
Dividend paid to non-controlling interests		**(95)**	–
Net cash flows used in financing activities		**(61,060)**	**(56,209)**
Net decrease in cash and cash equivalents		**(43,097)**	(14,957)
Cash and cash equivalents at beginning of financial year		**101,544**	115,570
Effects of currency translation on cash and cash equivalents		**(120)**	931
Cash and cash equivalents at end of financial year	20	**58,327**	**101,544**

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

Moya Holdings Asia Limited (the "Company") is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office is 65 Chulia Street #37-08 OCBC Centre Singapore 049513.

The principal activities of the Company are that of an investment holding company. The principal activities of its subsidiaries are disclosed in Note 15.

The Company and its subsidiaries are collectively referred to as the Group.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2020

On 1 January 2020, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

New or amended Standards and Interpretations effective for 2020 calendar year-ends

Effective for annual periods beginning on or after 1 January 2020:

1 January 2020 — Amendments to:

- SFRS(I) 1-1 Presentation of Financial Statements and SFRS(I) 1-8 Accounting Policies, Changes in Accounting Estimates and Errors (Definition of Material)
- SFRS(I) 3 Business Combinations (Definition of a Business)
- SFRS(I) 9 Financial Instruments, SFRS(I) 1-39 Financial Instruments: Recognition and Measurement and SFRS(I) 7 Financial Instruments: Disclosures (Interest Rate Benchmark Reform)
- Conceptual Framework for Financial Reporting

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2. Significant accounting policies (continued)

2.1 Basis of preparation (continued)

New or amended Standards and Interpretations effective after 1 January 2020

The following are the new or amended Standards and Interpretations (issued by the ASC up to 30 September 2020) that are not yet applicable but may be early adopted for the current financial year.

Annual periods commencing on	Description
1 June 2020	Amendments to:
	– SFRS(I) 16 Leases (Covid-19-Related Rent Concessions)
1 January 2021	SFRS(I) 17 Insurance Contracts
1 January 2021	Amendments to:
	– SFRS(I) 3 Business Combinations (Reference to the Conceptual Framework)
	– SFRS(I) 1-16 Property, Plant and Equipment (Proceeds before Intended Use)
	– SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets (Onerous Contracts – Cost of Fulfilling a Contract)
	Annual improvements to SFRS(I)s 2018-2020
1 January 2023	Amendments to:
	– SFRS(I) 1-1 Presentation of Financial Statements (Classification of Liabilities as Current or Noncurrent)
To be determined	Amendments to:
	– SFRS(I) 10 Consolidated Financial Statements and SFRS(I) 1-28 Investments in Associates and Joint Ventures (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)

The new or amended Standards and Interpretations listed above are not mandatory for 31 December 2020 reporting periods and have not been early adopted by the Group. These are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

2.2 Revenue

Revenue comprise the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Group's activities. Sales are presented, net of value-added tax, rebates and discounts, and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Group's activities are met as follows:

(a) Water supply charges

Revenues generated by water supply are recognised based on volumes delivered to customers, either specifically metered and invoiced, or estimated based on the output of the supply networks.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

2. Significant accounting policies (continued)

2.2 Revenue (continued)

(b) *Construction revenue under service concession arrangements*

Construction or upgrade services under service concession arrangements are recognised as revenue based on the percentage of completion of the work performed. The stage of completion is assessed by reference to the proportion that contract costs incurred for work performed to date compared to the estimated total contract costs. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs.

(c) *Operation and maintenance revenue under service concession arrangements*

Operation and maintenance revenue arising from service concession arrangements is recognised when the services are rendered.

(d) *Finance income under service concession arrangements*

Finance income arising from service concession arrangements is recognised using the effective interest method.

(e) *Connection fees and other services*

Revenue from connection fees is recognised over the period of time that water supply services are expected to be provided through the connection. Other services are recognised when services are rendered.

2.3 Group accounting

(a) Subsidiaries

(i) *Consolidation*

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and consolidated statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) *Acquisitions*

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

2. Significant accounting policies (continued)

2.3 Group accounting (continued)

(a) ***Subsidiaries*** (continued)

(ii) *Acquisitions* (continued)

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill. Please refer to Note 2.8 (a) for the subsequent accounting policy on goodwill.

(iii) *Disposals*

When a change in the Group's ownership interest in a subsidiary result in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries" for the accounting policy on investments in subsidiaries in the separate financial statements of the Company (Note 2.7).

(b) ***Transactions with non-controlling interests***

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

2.4 Property, plant and equipment

(a) ***Measurement***

Property, plant and equipment ("PPE") are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Any trade discounts and rebates are deducted in arriving at the purchase price. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if there is such an obligation when acquiring or using the asset. Cost also includes borrowing costs (refer to Note 2.6 on borrowing costs).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

2. Significant accounting policies (continued)

2.4 Property, plant and equipment (continued)

(b) Depreciation

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
New connection pipeline network	7 years
Leasehold land	25 years
Buildings	8 – 20 years
Furniture, fittings and office equipment	3 – 8 years
Motor vehicles	4 – 8 years
Plant and machinery	8 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

The accumulated costs of the construction of buildings and plants and the installation of machinery are capitalised as assets under construction in progress. Assets under construction are not depreciated.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "other expenses, net".

2.5 Goodwill

Goodwill on acquisitions of subsidiaries and businesses, represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired. Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Gains and losses on the disposal of subsidiaries include the carrying amount of goodwill relating to the entity sold.

2.6 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the construction or development of properties and assets under construction. This includes those costs on borrowings acquired specifically for the construction or development of properties and assets under construction, as well as those in relation to general borrowings used to finance the construction or development of properties and assets under construction.

The actual borrowing costs incurred for borrowings acquired specifically for the construction or development of qualifying assets, less any income earned on the temporary investment of such borrowings are capitalised. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

2. Significant accounting policies (continued)

2.7 Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.8 Impairment of non-financial assets

(a) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(b) Intangible assets, PPE, rights-of-use assets ("ROU") and investments in subsidiaries

Intangible assets, PPE, ROU and investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

2.9 Financial assets

(a) Classification and measurement

The Group classifies its financial assets at amortised cost.

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset. The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

2. Significant accounting policies (continued)

2.9 Financial assets (continued)

(a) *Classification and measurement* (continued)

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

At subsequent measurement

Debt instruments mainly comprise of cash and cash equivalents, trade and other receivables and service concession assets.

The Group only has debt instruments measured at amortised cost as at 31 December 2020 and 2019. Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

Financial assets at amortised cost are subsequently measured using the Effective Interest Rate ("EIR") method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition fees or costs that are an integral part of the EIR. The EIR amortisation is included in profit or loss. The losses arising from impairment are also recognised in the profit or loss.

(b) *Derecognition*

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

(c) *Impairment of financial assets carried at amortised cost*

At each reporting date, the Group assess whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group use the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compare the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables, the Group applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2.10 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.11 Financial guarantees

The Company has issued corporate guarantees to banks for bank borrowings of its subsidiaries. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiaries fail to make principal or interest payments when due in accordance with the terms of their borrowings. Intra-Group transactions are eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

2. Significant accounting policies (continued)

2.11 Financial guarantees (continued)

Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of:

(a) amount initially recognised less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and

(b) the amount of expected loss allowance computed using the impairment methodology under SFRS(I) 9.

2.12 Service concession assets

(a) Financial assets arising from service concession arrangements

Financial assets arising from service concession arrangements represent the amounts due from the grantor for services provided by the Group in connection with service concession arrangements where the Group has an unconditional contractual right to receive cash from the grantor. Financial assets arising from service concession arrangements are measured initially at fair value and subsequently measured at amortised cost, i.e. the amount initially recognised plus the cumulative interest on that amount calculated using the effective interest method minus repayments. Financial assets arising from service concession arrangements are classified as current assets if they are expected to be settled within 12 months; otherwise, they are classified as non-current.

(b) Intangible assets arising from service concession arrangements

The Group recognises an intangible asset arising from service concession arrangements when it has a right to charge users of the infrastructure under the concession arrangements.

Enhancements or upgrades to existing infrastructure or the development of new infrastructure projects not ready for use are capitalised as uncompleted projects. These accumulated costs are reclassified upon completion when the enhancement or upgrade to existing infrastructure or construction of new infrastructure is completed. Revenue associated from enhancement or upgrading of existing infrastructure or constructing of new infrastructure is recognised in accordance with revenue recognition policy in Note 2.2 to the financial statements.

	Over the concession period
Acuatico Pte. Ltd. and subsidiaries	25 years

Intangible assets ready for use are amortised using the straight line method over the life of the concession arrangement.

(c) Contractual concession rights

Contractual concession rights acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

	Over the concession period
Acuatico Pte. Ltd. and subsidiaries	17 – 25 years
Obor Infrastructure Pte. Ltd. and subsidiaries	14 – 17 years

Contractual concession rights are amortised using the straight line method. Refer to Note 3(c) for details of the periods used by the Group for this intangible asset.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

2. Significant accounting policies (continued)

2.13 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

When there is modification of contractual cash flows of a financial liability that does not result to derecognition of that financial liability, adjustment to the amortised cost of the financial liability is made to reflect the changes in estimated contractual cash flows. The Group determines the amortised cost of the financial liability as the present value of the modified estimated future contractual cash flows that is discounted at the financial instrument's original effective interest rate. The adjustment is recognised in profit or loss as gain or loss on modification of financial liabilities.

2.14 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.15 Leases

When the Group is the lessee

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

- Right-of-use assets

  The Group recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

  The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

  Right-of-use assets are presented within "Property, plant and equipment".

- Lease liabilities

  The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate. Lease payments include fixed payment.

  Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

  – There is a change in future lease payments arising from changes in an index or rate;

  – There is a change in the Group's assessment of whether it will exercise an extension option; or

  – There are modification in the scope or the consideration of the lease that was not part of the original term.

  Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

2. Significant accounting policies (continued)

2.15 Leases (continued)

When the Group is the lessee (continued)

- Short-term and low-value leases

  The Group has elected to not recognised right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

2.16 Fair value estimation of financial assets and liabilities

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions based on market conditions that are existing at each balance sheet date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Valuation techniques, such as discounted cash flow analysis, are also used to determine the fair values of the financial instruments.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2.17 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined on a weighted average basis, less allowances for obsolescence. A provision for obsolete and slow moving inventory is determined on the basis of estimated future usage of individual inventory items.

2.18 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition. Deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

2. Significant accounting policies (continued)

2.19 Provisions

(a) Provision arising from service concession arrangements

Under the terms of the service concessions arrangements, the Group is responsible for operating and maintaining existing infrastructure and infrastructure related assets owned by local authorities, as well as any replacements of those assets and any new assets in the provision of services to customers in accordance with good operating practice. As such, on a regular basis, the Group is required to maintain and replace certain parts of assets within the infrastructure such as production pumps, production panel etc.

Since the Group is not specifically remunerated for its maintenance and other related activities, such obligations are recognised and measured in accordance with SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets, that is at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligations.

(b) Other provisions

Provisions for restructuring costs and legal claims and others are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Other provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the profit or loss as finance costs.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2.20 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Post-retirement benefit obligations

Pension schemes are classified as either defined contribution plans or defined benefit plans, depending on the economic substance of the plan as derived from its principal terms and conditions. Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. A defined benefit plan defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the balance sheet in relation to the defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms of maturity approximating the terms of the related pension obligations. In countries where there is no deep market for such bonds, the market rates on government bonds are used.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

2. Significant accounting policies (continued)

2.20 Employee compensation (continued)

(b) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of options is recognised as an expense with a corresponding increase in the share option reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on grant date. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date.

At each balance sheet date, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve are credited to share capital account, when new ordinary shares are issued.

(c) Termination benefits

Termination benefits are those benefits which are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the Group recognises costs for a restructuring that is within the scope of SFRS(I) 1-37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

2.21 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (“functional currency”). The financial statements are presented in Singapore Dollars, which is the functional currency of the Company.

(b) Transactions and balances

Transactions in a currency other than the functional currency (“foreign currency”) are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. Monetary items include primarily financial assets (other than equity investments), contract assets and financial liabilities.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement within “finance costs”. All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within “other expenses, net”.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

2. Significant accounting policies (continued)

2.21 Currency translation (continued)

(c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

2.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive committee whose members are responsible for allocating resources and assessing performance of the operating segments.

2.23 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.24 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.25 Dividends to Company's shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Service concession arrangements

Under the terms of its service concession arrangements, the Group performs more than one service (i.e. construction or upgrade services and operation services) under a single contract or arrangement. Since the amounts of consideration in the contract are not specifically split between the construction services consideration and the operating services consideration, the consideration receivable for the services provided under the service concession arrangements is allocated to the components by reference to their relative fair values. In determining the allocation, management applied significant judgement over the assumptions and estimates used in determining the projected cost for both the construction and operation services as well as the profit margin applied over the projected costs as the fair value of the revenues are derived from these inputs.

3. Critical accounting estimates, assumptions and judgements (continued)

(b) *Impairment of goodwill*

The Group determines whether goodwill is impaired at least on an annual basis. In performing the impairment assessment of the carrying amount of goodwill, as disclosed in Note 17, the recoverable amounts of the CGUs are determined in using value-in-use ("VIU") calculation. Cash flow projections used a discounted cash flow model. In making these estimates, management has relied on past performance and its expectations of market developments in Indonesia.

Specific estimates are disclosed in Note 17.

The change in the estimated recoverable amount from any reasonably possible change on the key estimates does not materially cause the recoverable amount to be lower than its carrying amount.

(c) *Amortisation period of the contractual concession rights intangible assets*

In the preparation of the Group's consolidated financial statements, management applies a significant judgement in determining the useful life of the contractual concession rights intangible assets. In amortising the contractual concession rights intangible assets, management has used the extended useful life assuming the current Service Concession Agreement ("CA") of PT Aetra Air Jakarta ("AAJ"), a subsidiary, will be extended for an additional period of 25 years, instead of up to its expiration in 2023.

Management is of the opinion that the use of the extended useful life of intangible assets beyond AAJ's concession period is appropriate based on the following considerations:

– Management believes that the CA of AAJ is renewable and the probability of concession renewal is high. Management is of the opinion that all conditions necessary to obtain renewal of the CA will be satisfied and the cost to AAJ of renewal is not significant compared to the future economic benefits that are expected to flow to AAJ from renewal of the CA.

– There are barriers to entry in the water supply industry and AAJ is the only party currently having such water supply arrangement with the local water authorities and is the only party with know-how and experience in running the operations having been the incumbent for the past 20 years.

– Based on the historical trends obtained from similar operators in the Group and the country, the economic useful life of the intangible assets (being the water treatment facilities) exceeds the extended concession period.

As of the date of these consolidated financial statements, the renewal of the CA between AAJ and Perusahaan Daerah Air Minum Daerah Khusus Ibukota Jakarta/Municipal Office of Drinking Water Supply ("PAM JAYA") is not yet obtained. Consequently, it is possible that future operation results of the Group could be materially affected if AAJ could not obtain a renewal of its CA.

(d) *Purchase price allocation*

The consolidated financial statements reflect acquired businesses after the completion of the respective acquisition. The Group accounts for the acquired businesses using the acquisition method which requires extensive use of accounting estimates and assumptions to allocate the purchase price to the fair market values of the acquiree's identifiable assets and liabilities at the acquisition date, particularly the fair value of the intangible assets identified from the acquisition. Estimates and assumptions such as expected volume of water billed and collected, price of water charge, operating costs and discount rate used in valuation methodology can have significant impact on its fair market value.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

4. Related party relationships and transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

4A. Key management personnel compensation:

Key management personnel compensation is as follows:

	Group	
	2020	**2019**
	S$'000	**S$'000**
Salaries and other short-term employee benefits	**6,116**	4,730

4B. Transactions and balances with related parties:

	Group	
	2020	**2019**
	S$'000	**S$'000**
Interest income	**80**	39
Loan receivable	**1,116**	1,452

The above related party transactions and balances are with PT Tamaris Prima Energi ("TPE") (an entity under common control).

Loan receivable from TPE is unsecured with 1% to 1.5% fixed interest rate and have maturity date of January 2021 to October 2023.

5. Revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product and service lines.

	At a point in time S$'000	Over time S$'000	Total S$'000
2020			
Water supply charges	–	142,960	**142,960**
Construction revenue under service concession arrangements	–	43,250	**43,250**
Operation and maintenance revenue under service concession arrangements	–	25,514	**25,514**
Finance income under service concession arrangements	–	21,451	**21,451**
Connection fees	–	4,592	**4,592**
Other services	2,356	–	**2,356**
	2,356	237,767	**240,123**

	At a point in time S$'000	Over time S$'000	Total S$'000
2019			
Water supply charges	–	144,180	144,180
Construction revenue under service concession arrangements	–	29,272	29,272
Finance income under service concession arrangements	–	17,388	17,388
Operation and maintenance revenue under service concession arrangements	–	8,912	8,912
Connection fees	–	3,489	3,489
Other services	2,545	–	2,545
	2,545	203,241	205,786

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

6. Expense by nature

	Group 2020 S$'000	Group 2019 S$'000
Construction cost	**42,248**	29,030
Employee compensation (Note 7)	**35,287**	32,666
Amortisation (Note 16B and 16C)	**33,549**	28,477
Electricity	**16,224**	12,175
Raw water	**10,906**	9,944
Depreciation (Note 13)	**7,877**	6,420
Repairs and maintenance	**3,792**	2,879
Office expenses	**3,460**	4,295
Professional and consultancy fees	**3,434**	4,054
Chemicals	**3,234**	2,748
Customer services and water meter reading	**3,263**	3,829
Insurance	**2,251**	2,134
Auditor's remuneration:		
– auditor's of the Company	**120**	110
– other auditors of subsidiaries	**523**	429
Non-audit fees paid to:		
– auditor's of the Company	**38**	10
– other auditors of subsidiaries	**91**	244
Others	**7,495**	6,835
Total cost of sales and administrative expenses	**173,792**	146,279

7. Employee compensation

	Group 2020 S$'000	Group 2019 S$'000
Wages and salaries	**32,111**	29,137
Employee benefits (Note 24B)	**3,176**	3,529
	35,287	32,666

8. Finance income

	Group 2020 S$'000	Group 2019 S$'000
Interest income	**2,288**	3,429
Gain on modification of borrowings	**1,223**	–
Decrease in provision for impairment of receivable due to passage of time	**130**	152
	3,641	3,581

9. Finance costs

	Group 2020 S$'000	Group 2019 S$'000
Interest expense		
– Bank borrowings	**24,801**	27,883
– Amortisation of gain on modification of borrowings	**1,890**	1,712
– Amortisation of deferred transaction costs	**1,297**	1,309
– Lease liabilities (Note 14)	**123**	95
Accretion of provision for service concession arrangement (Note 24A)	**536**	739
Others	**–**	11
	28,647	31,749

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

10. Other expenses, net

	Group	
	2020 S$'000	2019 S$'000
Currency exchange gain/(loss), net	**2,040**	(1,884)
Effect of changes in discount rate for provision arising from service concession arrangement (Note 24A)	**(232)**	(642)
Reversal of impairment loss on financial assets, net	**–**	77
Impairment loss on PPE (Note 13)	**(246)**	–
Other losses, net	**(2,849)**	(2,607)
	(1,287)	(5,056)

11. Income taxes

11A. Income tax expense

	Group	
	2020 S$'000	2019 S$'000
Tax expense attributable to profit is made up of:		
Current income tax:		
– Foreign	**11,344**	9,796
Withholding tax	**–**	187
Deferred income tax	**(7,911)**	(665)
Income tax expense	**3,433**	9,318

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	Group	
	2020 S$'000	2019 S$'000
Profit before tax	**40,038**	26,283
Tax calculated at tax rate of 17% (2019: 17%)	**6,806**	4,468
Effects of:		
– different tax rates in other countries	**2,192**	2,913
– expenses not deductible for tax purposes	**4,499**	4,617
– income not subject to tax	**(4,674)**	(3,584)
– withholding tax	**–**	187
– utilisation of previously unrecognised tax losses	**(1,606)**	–
– unrecognised deferred tax assets	**2,412**	717
– changes in tax rate	**(6,196)**	–
Income tax expense	**3,433**	9,318

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

11. Income taxes (continued)

11B. Deferred income taxes

The movement in deferred income tax assets and liabilities are as follows:

(i) Deferred income tax liabilities

2020
Group

	1 January 2020 S$'000	Addition from acquisition S$'000	Adjustment due to changes in tax rate S$'000	(Charged)/ credited to profit or loss S$'000	Charged to equity S$'000	Currency translation differences S$'000	31 December 2020 S$'000
Income from financial assets	(9,733)	–	2,307	(2,546)	–	297	(9,675)
Provisions	116	–	(15)	(126)	42	(3)	14
Difference between accounting and tax depreciation	15	–	(2)	(1)	–	–	12
Amortisation of financial assets arising from service concession arrangements	(2,481)	–	298	(921)	–	22	(3,082)
Profit recognised on service concession construction revenue	(853)	–	95	–	–	63	(695)
Intangible assets arising from acquisition/fair value uplift from purchase price allocation	(29,230)	(11,125)	5,768	1,995	–	219	(32,373)
Deferred tax liabilities	**(42,166)**	**(11,125)**	**8,451**	**(1,599)**	**42**	**598**	**(45,799)**

2019
Group

	1 January 2019 S$'000	(Charged)/ credited to profit or loss S$'000	Charged to equity S$'000	Currency translation differences S$'000	31 December 2019 S$'000
Income from financial assets	(6,788)	(2,747)	–	(198)	(9,733)
Provisions	194	(46)	(37)	5	116
Difference between accounting and tax depreciation	14	1	–	–	15
Amortisation of financial assets arising from service concession arrangements	(1,743)	(687)	–	(51)	(2,481)
Profit recognised on service concession construction revenue	(792)	(59)	–	(2)	(853)
Intangible assets arising from acquisition/fair value uplift from purchase price allocation	(31,131)	1,509	–	392	(29,230)
Deferred tax liabilities	**(40,246)**	**(2,029)**	**(37)**	**146**	**(42,166)**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

11. Income taxes (continued)

11B. Deferred income taxes (continued)

(ii) Deferred income tax assets

2020
Group

	1 January 2020 S$'000	Addition from acquisition S$'000	Adjustment due to changes in tax rate S$'000	Credited/ (charged) to profit or loss S$'000	Credited to equity S$'000	Currency translation differences S$'000	31 December 2020 S$'000
Difference between accounting and tax depreciation	4,228	–	(430)	2,582	–	(142)	6,238
Deferred revenue from connection fees	3,338	–	(490)	(115)	–	(97)	2,636
Amortisation of financial assets arising from service concession arrangements	–	1,112	(49)	(206)	–	208	1,065
Provisions	4,463	142	(446)	213	88	(279)	4,181
Deferred tax assets	12,029	1,254	(1,415)	2,474	88	(310)	14,120

2019
Group

	1 January 2019 S$'000	Credited/ (charged) to profit or loss S$'000	Credited to equity S$'000	Currency translation differences S$'000	31 December 2019 S$'000
Difference between accounting and tax depreciation	1,740	2,429	–	59	4,228
Deferred revenue from connection fees	2,793	381	–	164	3,338
Provisions	4,468	(116)	(13)	124	4,463
Deferred tax assets	**9,001**	**2,694**	**(13)**	**347**	**12,029**

The Group has unrecognised accumulated tax losses of S$14,973,000 (2019: S$35,852,000) at the balance sheet date which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised accumulated tax losses in their respective countries of incorporation. The accumulated tax losses will expire between 2021 and 2025.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

12. Earnings per share

12A. Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	2020	2019
Net profit attributable to equity holders of the Company (S$'000)	**35,008**	16,631
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	**4,203,586**	4,203,252
Basic earnings per share (cents per share)	**0.83**	0.40

12B. Diluted earnings per share

For the purpose of calculating diluted earnings per share, profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares arising from share options. For share options, the weighted average number of shares on issue has been adjusted as if all dilutive share options were exercised.

Diluted earnings per share attributable to equity holders of the Company is calculated as follows:

	2020	2019
Net profit attributable to equity holders of the Company (S$'000)	**35,008**	16,631
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	**4,206,733**	4,203,252
Adjustments for share options ('000)	–	8,000
	4,206,733	4,211,252
Diluted earnings per share (cents per share)	**0.83**	0.39

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

13. Property, plant and equipment

	New connection pipeline network S$'000	Land and buildings S$'000	Furniture, fittings and office equipment S$'000	Motor vehicles S$'000	Plant and machinery S$'000	Assets under construction S$'000	Total S$'000
Group							
2020							
Cost							
Beginning of financial year	21,799	11,497	5,712	893	675	331	40,907
Acquisition of subsidiaries	–	–	63	38	3	–	104
Additions	1,325	91	640	762	49	4,357	7,224
Transfer	3,512	–	389	–	–	(3,901)	–
Disposal	–	(636)	(1)	(386)	–	–	(1,023)
Currency translation differences	(787)	(403)	(1,102)	(64)	(21)	(13)	(2,390)
End of financial year	25,849	10,549	5,701	1,243	706	774	44,822
Accumulated depreciation							
Beginning of financial year	(7,075)	(1,949)	(2,619)	(359)	(229)	–	(12,231)
Depreciation for the year	(4,854)	(1,122)	(1,441)	(374)	(86)	–	(7,877)
Disposal	–	251	1	201	–	–	453
Currency translation differences	334	196	930	48	5	–	1,513
End of financial year	(11,595)	(2,624)	(3,129)	(484)	(310)	–	(18,142)
Accumulated impairment losses							
Beginning of financial year	–	(257)	–	–	–	–	(257)
Impairment loss for the year	–	(246)	–	–	–	–	(246)
Currency translation differences	–	15	–	–	–	–	15
End of financial year	–	(488)	–	–	–	–	(488)
Net book value at the end of financial year	14,254	7,437	2,572	759	396	774	26,192

13. Property, plant and equipment (continued)

	New connection pipeline network S$'000	Land and buildings S$'000	Furniture, fittings and office equipment S$'000	Motor vehicles S$'000	Plant and machinery S$'000	Assets under construction S$'000	Total S$'000
Group							
2019							
Cost							
Beginning of financial year	16,340	10,608	3,607	735	580	257	32,127
Additions	1,302	514	916	100	79	4,253	7,164
Transfer	3,606	–	580	–	–	(4,186)	–
Currency translation differences	551	375	609	58	16	7	1,616
End of financial year	21,799	11,497	5,712	893	675	331	40,907
Accumulated depreciation							
Beginning of financial year	(3,293)	(736)	(609)	(166)	(143)	–	(4,947)
Depreciation for the year	(3,587)	(1,104)	(1,495)	(155)	(79)	–	(6,420)
Currency translation differences	(195)	(109)	(515)	(38)	(7)	–	(864)
End of financial year	(7,075)	(1,949)	(2,619)	(359)	(229)	–	(12,231)
Accumulated impairment losses							
Beginning of financial year	–	(248)	–	–	–	–	(248)
Currency translation differences	–	(9)	–	–	–	–	(9)
End of financial year	–	(257)	–	–	–	–	(257)
Net book value at the end of financial year	**14,724**	**9,291**	**3,093**	**534**	**446**	**331**	**28,419**

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For the financial year ended 31 December 2020

13. Property, plant and equipment (continued)

Company	Furniture, fittings and office equipment S$'000	Office building S$'000	Total S$'000
2020			
Cost:			
Beginning and end of financial year	107	394	**501**
Accumulated depreciation:			
Beginning of financial year	(63)	(18)	**(81)**
Depreciation for the year	(31)	(129)	**(160)**
End of financial year	(94)	(147)	**(241)**
Net book value at the end of financial year	**13**	**247**	**260**
2019			
Cost:			
Beginning of financial year	106	–	106
Additions	1	394	395
End of financial year	107	394	501
Accumulated depreciation:			
Beginning of financial year	(32)	–	(32)
Depreciation for the year	(31)	(18)	(49)
End of financial year	(63)	(18)	(81)
Net book value at the end of financial year	44	376	420

(a) Right-of-use of assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 14.

(b) Impairment losses on PPE

In accordance with the Group's accounting policies, management tests its property, plant and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. With the recurring operating losses of PT Acuatico Air Indonesia ("AAI"), management has performed impairment test of its fixed assets for the year 2020 and 2019. For the purpose of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows (CGU).

The Group used an income approach to assess the value in use as the recoverable value. The income approach comprises predicting the value of the future cash flows that a business will generate going forward. The discounted cash flow ("DCF") method was used which involves projecting cash flow and converting it to its present value equivalent through discounting. The discounting process uses a rate of return that is commensurate with the risks associated with the business or asset and the time value of money. This is a Level 3 fair value measurement.

The result of the impairment test showed that as at 31 December 2020 the recoverable value of AAI's PPE is below the carrying value. An impairment loss of S$246,000 (2019: Nil) is recognised.

The key assumptions used in the impairment testing as at 31 December 2020 and 2019 are as follows:

	2020	**2019**
Cash flow period	2021 – 2043	2020 – 2043
Water tariff increase	20% every 5 years	20% every 5 years
Discount rate	12%	11%

14. Leases

Nature of the Group's leasing activities

Land and buildings

The Group leases office space and land for the purpose of back office operations and installation of pipeline networks.

Motor vehicles

The Group leases vehicles to support operational activities.

(a) *Carrying amounts*

ROU assets classified within PPE

	2020 S$'000	2019 S$'000
Land and buildings	**483**	1,277
Motor vehicles	**561**	125
Total	**1,044**	1,402

(b) *Depreciation charge during the year*

	2020 S$'000	2019 S$'000
Land and buildings	**417**	434
Motor vehicles	**258**	63
Total	**675**	497

(c) *Interest expense*

	2020 S$'000	2019 S$'000
Interest expense on lease liabilities	**123**	95

(d) *Lease expense not capitalised in lease liabilities*

	2020 S$'000	2019 S$'000
Lease expense – short-term leases	**491**	830
Lease expense – low value leases	**364**	573
Total	**855**	1,403

(e) Total cash outflow for all leases in 2020 was S$1,439,000 (2019: S$1,889,000).

(f) Addition of ROU assets during the financial year 2020 was S$717,000 (2019: S$543,000), including acquisition of subsidiaries S$23,000 (2019: Nil), offset by disposal during the year S$436,000 (2019: Nil) and loss on currency translation differences S$20,000 (2019: gain on currency translation differences S$55,000).

15. Investments in subsidiaries

	Company 2020 S$'000	Company 2019 S$'000
Equity investments at cost:		
Beginning of financial year	**188,618**	182,507
Additions:		
Quasi-equity loan as part of net investments in subsidiaries	**47,365**	6,111
End of financial year	**235,983**	188,618

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For the financial year ended 31 December 2020

15. Investments in subsidiaries (continued)

The Group had the following subsidiaries as at 31 December 2020 and 2019:

Name of the company	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by parent	Proportion of ordinary shares held by the Group	Proportion of ordinary shares held by non-controlling interests	Proportion of ordinary shares directly held by parent	Proportion of ordinary shares held by the Group	Proportion of ordinary shares held by non-controlling interests
				2020			2019	
			%	%	%	%	%	%
Moya Indonesia Holdings Pte. Ltd. ("MIH")[(a)]	Investment holding company	Singapore	100%	100%	–	100%	100%	–
Acuatico Pte. Ltd. ("APL")[(a)]	Investment holding company and provision of management consultancy services in the clean water industry	Singapore	100%	100%	–	100%	100%	–
Moya Energy Holdings Pte. Ltd. ("MEH")[(a)]	Investment holding company	Singapore	100%	100%	–	100%	100%	–
Moya Energy Asia Pte. Ltd. ("MEA")[(c)]	Investment holding company	Singapore	100%	100%	–	100%	100%	–
PT Moya Indonesia ("MI")[(b)]	Management, technical advisory and technical analysis services in the clean water industry	Indonesia	100%	100%	–	100%	100%	–
PT Moya Tangerang ("MT")[(b)]	Supply and distribution of clean water	Indonesia	100%	100%	–	100%	100%	–
PT Moya Makassar ("MM")[(b)]	Supply and distribution of clean water	Indonesia	100%	100%	–	100%	100%	–
PT Moya Bekasi Jaya ("MBJ")[(b)]	Supply and distribution of clean water	Indonesia	95%	95%	5%	95%	95%	5%
PT Aetra Air Jakarta ("AAJ")[(b)]	Supply and distribution of clean water	Indonesia	100%	100%	–	100%	100%	–
PT Aetra Air Tangerang ("AAT")[(b)]	Supply and distribution of clean water	Indonesia	100%	100%	–	100%	100%	–

15. Investments in subsidiaries (continued)

The Group had the following subsidiaries as at 31 December 2020 and 2019: (continued)

Name of the company	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by parent	Proportion of ordinary shares held by the Group	Proportion of ordinary shares held by non-controlling interests	Proportion of ordinary shares directly held by parent	Proportion of ordinary shares held by the Group	Proportion of ordinary shares held by non-controlling interests
				2020			2019	
			%	%	%	%	%	%
PT Acuatico Air Indonesia ("AAI")[b]	Provision of management consultancy services in the clean water industry and supply and distribution of clean water	Indonesia	100%	100%	–	100%	100%	–
PT Air Semarang Barat ("ASB")[b]	Supply and distribution of clean water	Indonesia	75%	75%	25%	75%	75%	25%
Obor Infrastructure Pte. Ltd. ("Obor")[a]	Investment holding company	Singapore	100%	100%	–	–	–	–
PT Tanah Alam Makmur ("TAM")[b]	Management, technical advisory and technical analysis services in the clean water industry	Indonesia	73%	73%	27%	–	–	–
PT Tirta Kencana Cahaya Mandiri ("TKCM")[b]	Supply and distribution of clean water	Indonesia	72%	53%	47%	–	–	–
PT Traya Tirta Cisadane ("TTC")[b]	Supply and distribution of clean water	Indonesia	95%	70%	30%	–	–	–

(a) Audited by PricewaterhouseCoopers LLP, Singapore

(b) Audited by KAP Tanudiredja, Wibisana, Rintis dan Rekan, member firm of PricewaterhouseCoopers global network

(c) Dormant entity exempted from the statutory audit requirements

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

15. Investments in subsidiaries (continued)

	31 December 2020 $'000	31 December 2019 $'000
Carrying value of non-controlling interests		
TKCM	**7,018**	–
TTC	**10,518**	–
Other subsidiaries with immaterial non-controlling interest	**3,792**	1,963
Total	**21,328**	1,963

Summarised financial information of subsidiaries with material non-controlling interests

Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. These are presented before inter-company eliminations.

Summarised balance sheet

	TKCM 31 December 2020 $'000	TTC 31 December 2020 $'000
Current		
Assets	5,523	12,587
Liabilities	(3,448)	(846)
Total current net assets	2,075	11,741
Non-current		
Assets	4,042	4,393
Liabilities	(3,144)	(370)
Total non-current net assets	898	4,023
Net assets	2,973	15,764

Summarised income statements

	TKCM 19 March to 31 December 2020 $'000	TTC 19 March to 31 December 2020 $'000
Revenue	7,754	10,949
Profit before income tax	1,759	5,944
Income tax expense	(373)	(1,313)
Profit after tax	1,386	4,631

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

15. Investments in subsidiaries (continued)

Summarised income statements (continued)

	TKCM 19 March to 31 December 2020 $'000	TTC 19 March to 31 December 2020 $'000
Other comprehensive income	**(45)**	**(50)**
Total comprehensive income	**1,341**	**4,581**
Total comprehensive income allocated to non-controlling interests	**(3)**	**(13)**
Dividends paid to non-controlling interests	**–**	**(95)**

Summarised cash flows

	TKCM 19 March to 31 December 2020 $'000	TTC 19 March to 31 December 2020 $'000
Net cash generated from operating activities	**1,606**	**5,361**
Net cash used in investing activities	**(2,329)**	**(18)**
Net cash generated from/(used in) financing activities	**930**	**(982)**

16. Service concession assets

	Notes	Group 2020 S$'000	2019 S$'000
Financial assets arising from service concession arrangements	16A	**197,838**	147,936
Intangible assets:			
– Service concession arrangements, net book value	16B	**90,537**	113,457
– Contractual concession rights, net book value	16C	**161,697**	117,471
		450,072	378,864
Current portion		**15,039**	11,596
Non-current portion		**435,033**	367,268
		450,072	378,864

16A. Financial assets arising from service concession arrangements

	Group 2020 S$'000	2019 S$'000
Beginning of financial year	**147,936**	115,197
Acquisition of subsidiaries	**5,395**	–
Additions	**38,398**	19,445
Settlements	**(10,819)**	(7,376)
Finance income under service concession arrangements	**21,451**	17,388
Currency translation differences	**(4,523)**	3,282
End of financial year	**197,838**	147,936
Current portion	**15,039**	11,596
Non-current portion	**182,799**	136,340
	197,838	147,936

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For the financial year ended 31 December 2020

16. Service concession assets (continued)

16A. Financial assets arising from service concession arrangements (continued)

MBJ and MT

On 18 August 2011 and 20 February 2012, the Group entered into two (2) service concession agreements ("agreements") with Indonesian municipal authority ("the grantor") to undertake the design, build, upgrade, uprate, operate and transfer ("BOT") of a fresh water treatment plant in Bekasi Regency and Tangerang City area respectively. Under the terms of the BOT, the Group is responsible for the upgrading of existing plant and construction of a new water treatment plant. Upon completion of the upgrading and construction, the Group will operate the water treatment plants and sell treated water to the Indonesian municipal authority. The concession period of the agreements is 25 years. The Group will be responsible for any maintenance services required during the concession period.

The Group will receive the right to charge the grantor a fee for the treated water. The quantity of treated water chargeable is guaranteed to a minimum amount stipulated in the agreements. These guaranteed minimum amounts receivable is recognised as financial assets to the extent that the Group has contractual rights under the concession arrangements. As at the end of the concession period, the water treatment plants become the property of the grantor and the Group will have no further involvement or maintenance requirements.

ASB

On 23 November 2018, the Group entered into a Cooperation Agreements ("CA") for building, operating and maintaining Drinking Water Supply System ("SPAM") at West Semarang with the grantor for a period of 25 years starting from commercial operation date. Based on the CA, all parties agreed to cooperate in the build, operate and transfer of raw water unit facility and production unit facility scheme in Semarang City area. The Group is obligated to sell and distribute bulk treated water to the grantor.

The Group and the grantor have agreed on the tariff and billing calculation mechanism of bulk treated water for the first year after the commercial operation date until the 25th year after the commercial operation date, as set forth in the CA. At the expiry date of the CA, the Group shall transfer all facilities, location, materials, designs and data concerning project implementation and all ongoing works which have been approved and not yet completed, insurance, along with the permits and guarantees to the grantor.

The standard rights of the grantor to terminate the agreements include poor performance by the Group and in the event of a material breach in terms of the agreements.

The standard rights of the Group to terminate the agreements include the failure of the grantor to make payment under the agreements, a material breach of the grantor obligations under the agreements, and any changes in law that would render it impossible for the Group to fulfil its obligation under the agreements.

TKCM and TTC

On 21 June 2017 and 27 January 2014, the newly acquired subsidiaries, TKCM and TTC had entered into service concession agreements ("agreements") with Indonesian municipal authority ("the grantor") to undertake the rehabilitate, uprate, operate and transfer ("ROT") of an existing water treatment plant in Cikokol Regency and Serpong Area respectively. Under the terms of the ROT, TKCM and TTC are responsible for the rehabilitation of existing water treatment plant. TKCM and TTC also operate the water treatment plants and sell treated water to the Indonesian municipal authority. The concession period of the agreements is 20 years. TKCM and TTC will be responsible for any maintenance services required during the concession period.

TKCM and TTC will receive the right to charge the grantor a fee for the treated water. The operator has a contractual right to receive a specified or determinable rate of return. These guaranteed returns are recognised as financial assets to the extent that TKCM and TTC have contractual rights under the concession arrangements. As at the end of the concession period, the water treatment plants become the property of the grantor and either TKCM and TTC will have no further involvement or maintenance requirements.

Cash paid during the year in respect of additions of financial assets arising from service concession arrangements and additions of intangible assets arising from service concession arrangements (Note 16B) is presented as payment of constructions cost in the statement of cash flows.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

16. Service concession assets (continued)

16B. Intangible assets – service concession arrangements

	Ready to use S$'000	Uncompleted projects S$'000	Total S$'000
Group			
2020			
Cost			
Beginning of financial year	**154,190**	**3,415**	**157,605**
Additions	**308**	**4,544**	**4,852**
Transfers	**5,266**	**(5,266)**	**–**
Currency translation differences	**(7,293)**	**(99)**	**(7,392)**
End of financial year	**152,471**	**2,594**	**155,065**
Accumulated amortisation			
Beginning of financial year	**(44,148)**	**–**	**(44,148)**
Amortisation for the year	**(24,481)**	**–**	**(24,481)**
Currency translation differences	**4,101**	**–**	**4,101**
End of financial year	**(64,528)**	**–**	**(64,528)**
Net book value at the end of financial year	**87,943**	**2,594**	**90,537**
Group			
2019			
Cost			
Beginning of financial year	139,267	2,310	141,577
Additions	410	9,417	9,827
Transfers	8,350	(8,350)	–
Currency translation differences	6,163	38	6,201
End of financial year	154,190	3,415	157,605
Accumulated amortisation			
Beginning of financial year	(18,802)	–	(18,802)
Amortisation for the year	(22,439)	–	(22,439)
Currency translation differences	(2,907)	–	(2,907)
End of financial year	(44,148)	–	(44,148)
Net book value at the end of financial year	110,042	3,415	113,457

The Group recognises an intangible asset arising from a service concession arrangement when it has a right to charge users of the infrastructure under the concession arrangement.

Enhancements or upgrades to existing infrastructure or the development of new infrastructure projects under construction are capitalised as uncompleted projects. These accumulated costs are reclassified upon completion when the enhancement or upgrade to existing infrastructure or construction of new infrastructure is completed. Revenue associated from enhancement or upgrading of existing infrastructure or constructing of new infrastructure is recognised in accordance with revenue recognition policy in Note 2.2 to the consolidated financial statements.

Bank borrowings are secured on intangible assets arising from service concession arrangements of the Group with carrying amount of S$45,100,000 (2019: S$48,800,000) (Note 25(2)).

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For the financial year ended 31 December 2020

16. Service concession assets (continued)

16C. Intangible assets – contractual concession rights

	Group 2020 S$'000	Group 2019 S$'000
Cost		
Beginning of financial year	**132,869**	134,731
Acquisition of subsidiaries	**54,951**	–
Currency translation differences	**(2,141)**	(1,862)
End of financial year	**185,679**	132,869
Accumulated amortisation		
Beginning of financial year	**(15,398)**	(9,570)
Amortisation for the year	**(9,068)**	(6,038)
Currency translation differences	**484**	210
End of financial year	**(23,982)**	(15,398)
Net book value at the end of financial year	**161,697**	117,471

17. Goodwill

The goodwill arising from the acquisition of Acuatico Pte. Ltd. and its subsidiaries ("APL Group") and Obor Infrastructure Pte. Ltd. and its subsidiaries ("Obor Group") are attributable to the expansion of the Group's business in water industry in Indonesia and also to increase the Group's production capacity.

	Group 2020 S$'000	Group 2019 S$'000
Cost		
Beginning of financial year	**72,264**	73,324
Acquisition of subsidiary	**3,367**	–
Currency translation differences	**(1,165)**	(1,060)
End of financial year	**74,466**	72,264

Impairment test for goodwill

The recoverable amount was determined using value-in-use calculation. Cash flow projections used a discounted cash flow model using pre-tax discount rate, which is classified as fair value level 3 in the fair value hierarchy.

There were no impairment charges as at 31 December 2020 and 2019. The key assumptions used in the impairment test as at 31 December 2020 and 2019, are as follows:

	2020	2019
Cash flow period	**2021 – 2044**	2020 – 2044
Discount rate		
– APL Group	**13%**	12%
– Obor Group	**15%**	N/A
Water volume		
– APL Group	**29 – 331 million m³**	30 – 331 million m³
– Obor Group	**43 – 104 million m³**	N/A
Average water tariff		
– APL Group	**IDR2,750/m³ – IDR11,880/m³**	IDR2,665/m³ – IDR12,431/m³
– Obor Group	**IDR1,625/m³ – IDR4,589/m³**	N/A

A reasonably possible change in these key assumptions will not result in the carrying amount to be lower than the recoverable amount.

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For the financial year ended 31 December 2020

18. Trade and other receivables

	Group			Company		
	31 December		1 January	31 December		1 January
	2020	2019	2019	2020	2019	2019
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Current						
Trade receivables, non-related parties	**44,896**	35,215	34,220	**–**	–	–
Less: allowance for impairment of receivables	**(1,584)**	(765)	(820)	**–**	–	–
	43,312	34,450	33,400	**–**	–	
Other receivables	**3,957**	3,524	4,983	**81**	116	197
	47,269	37,974	38,383	**81**	116	197
Non-current						
Other receivables	**1,116**	1,452	–	**–**	–	–

19. Inventories

	Group	
	2020	2019
	S$'000	S$'000
Materials for projects	**5,436**	4,504
Chemicals	**711**	265
	6,147	4,769

20. Cash and cash equivalents

	Group		Company	
	2020	2019	2020	2019
	S$'000	S$'000	S$'000	S$'000
Cash at banks and on hand	**39,849**	18,977	**6,710**	6,811
Short term bank deposits	**18,478**	82,567	**–**	49,165
	58,327	101,544	**6,710**	55,976

21. Share capital

	2020		2019	
	No. of ordinary shares	Amount	No. of ordinary shares	Amount
	Issued share capital	Share capital S$'000	Issued share capital	Share capital S$'000
Group and Company				
Beginning of financial year	**4,203,585,943**	**253,728**	4,201,385,943	253,618
Issue of shares S$0.05 each	**–**	**–**	2,200,000	110
End of financial year	**4,203,585,943**	**253,728**	**4,203,585,943**	**253,728**

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

In 2019, the Company issued 2,200,000 ordinary shares of no-par value for a total consideration of S$110,000, in relation with the execution of "Moya Holdings Asia Limited Employee Share Option Scheme" ("MHAL ESOS").

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

22. Other reserves

	Group 2020 S$'000	Group 2019 S$'000	Company 2020 S$'000	Company 2019 S$'000
Currency translation reserve	**(25,074)**	(18,739)	**–**	–
Share option reserve	**–**	591	**–**	591
Capital reserve	**5,826**	5,826	**–**	–
Total	**(19,248)**	(12,322)	**–**	591

22A. Currency translation reserve

	Group 2020 S$'000	Group 2019 S$'000
Beginning of financial year	**(18,739)**	(19,807)
Net currency translation differences of financial statements of foreign subsidiaries	**(6,335)**	1,068
End of financial year	**(25,074)**	(18,739)

As at 31 December 2020 and 2019, the currency translation reserve for non-controlling interests is considered immaterial.

22B. Share option reserve

	Group 2020 S$'000	Group 2019 S$'000	Company 2020 S$'000	Company 2019 S$'000
Share option reserve	**–**	591	**–**	591

22C. Capital reserve

	Group 2020 S$'000	Group 2019 S$'000
Capital reserve	**5,826**	5,826

Capital reserve comprised merger reserve which arose as a result of the difference between the considerations for the acquisition by the Company of Moya Asia Pte. Ltd. ("MAL") pursuant to the Restructuring Exercise and the Scheme and the issued share capital of MAL. The merger reserve is a non-distributable reserve.

23. Share-based payments

23A. Share options – the scheme

As at 31 December 2020, there were no outstanding share options under the MHAL ESOS. During the reporting year, no option to take up unissued shares of the Company or any corporation in the Group was granted.

The Company has an employee share option scheme known as the MHAL ESOS. The MHAL ESOS is administered by the Company's Remuneration Committee (the "Committee") whose function is to assist the board of directors in reviewing remuneration and related matters. The Committee is responsible for the administration of the MHAL ESOS and comprises four Directors, Hwang Kin Soon Ignatius, Low Chai Chong, Simon A. Melhem and Kuntoro Mangkusubroto as at the end of the reporting year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

23. Share-based payments (continued)

23A. Share options – the scheme (continued)

A summary of the MHAL ESOS is as follows:

(a) Eligibility

Persons eligible to participate in the MHAL ESOS include present and future full-time employees and directors (both executive and non-executive). Controlling shareholders and their associates (both as defined in the SGX Listing Manual) are not eligible to participate in the MHAL ESOS.

(b) Size of the MHAL ESOS

The aggregate number of shares to be delivered shall not exceed 15% of the total issued share capital of the Company from time to time.

(c) Exercise price

The exercise price of the options can be set at the market price (defined as the average of the last dealt prices for a share for the 3 consecutive trading days preceding the relevant date of grant of option) and/or at a discount to the market price not exceeding 20% of the market price.

The options can be exercised 1 year after the grant for market price options and 2 years for discounted options.

All options are granted at a nominal value of S$1.00 and are settled by physical delivery of shares.

(d) Duration of MHAL ESOS

The options granted expire after 5 years from date of grant for non-executive directors and 10 years from date of grant for all other employees of the Group.

23B. Activities under the share options scheme

The outstanding number of options at the end of the reporting year was:

Exercise price outstanding	Grant date	Exercise period	Number of Shares at 31 December	
			2020 ’000	2019 ’000
7 cents	24 May 2010	From 24 May 2010 to 23 May 2020	–	8,000
			–	8,000

The table below summarises the number of options that were outstanding, their weighted average exercise price as at the end of the reporting year as well as the movements during the reporting year.

			Weighted average exercise price	
	2020 ’000	2019 ’000	2020 cents	2019 Cents
Balance at beginning of the year	**8,000**	10,400	**7.0**	6.5
Exercised	–	(2,200)	–	5.0
Expired	**(8,000)**	(200)	**7.0**	5.0
Balance at end of the year	–	8,000	–	7.0

During the reporting year no option was granted at a discount. All options are already expired as at 31 December 2020.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

24. Provisions

	Notes	Group 2020 S$'000	Group 2019 S$'000
Current			
Provisions arising from service concession arrangements	24A	**2,945**	2,641
Non-current			
Provisions arising from service concession arrangements	24A	**6,336**	7,043
Provisions for employee benefits	24B	**14,206**	12,682
		20,542	19,725
Total		**23,487**	22,366

24A. Provisions arising from service concession arrangements

Movement in provisions arising from service concession arrangements as follows:

	Group 2020 S$'000	Group 2019 S$'000
Beginning of financial year	**9,684**	10,365
Effect of changes in the discount rate (Note 10)	**232**	642
Provision utilised	**(897)**	(2,317)
Accretion expense (Note 9)	**536**	739
Currency translation differences	**(274)**	255
End of financial year	**9,281**	9,684
Less portion due within one year	**(2,945)**	(2,641)
Non-current portion	**6,336**	7,043

Under the terms of the service concessions arrangements for PT Aetra Air Jakarta and PT Aetra Air Tangerang, the Group is responsible for operating and maintaining existing infrastructure and infrastructure related assets owned by local authorities, as well as any replacements of those assets and any new assets in the provision of services to customers in accordance with good operating practice. As such, on a regular basis, the Group is required to maintain and replace certain parts of assets within the infrastructure such as production pumps, production panel etc.

Since the Group is not specifically remunerated for its maintenance and other related activities, such obligations are recognised and measured in accordance with SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*, that is at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligations.

24B. Provisions for employee benefits

The amount recognised in the consolidated statement of financial position is determined as follows:

	Group 2020 S$'000	Group 2019 S$'000
Present value of defined benefit obligations	**35,974**	34,398
Fair value of plan assets	**(21,768)**	(21,716)
Liability recognised in the balance sheet	**14,206**	12,682

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

24. Provisions (continued)

24B. Provisions for employee benefits (continued)

The movement in the defined benefit obligations is as follows:

	Present value of obligation S$'000	Fair value of plan assets S$'000	Total S$'000
2020			
Beginning of financial year	**34,398**	**(21,716)**	**12,682**
Acquisition of subsidiaries	**658**	**–**	**658**
Current service cost	**2,624**	**–**	**2,624**
Interest expense/(income)	**2,389**	**(1,541)**	**848**
Past service cost and gains and losses on settlement	**(296)**	**–**	**(296)**
	4,717	**(1,541)**	**3,176**
Remeasurements:			
– Changes in financial assumptions	**1,490**	**–**	**1,490**
– Experience adjustments	**54**	**–**	**54**
– Changes in demographic assumptions	**22**	**–**	**22**
– Return on plan assets, excluding amount included in interest income	**–**	**13**	**13**
	1,566	**13**	**1,579**
Benefit payments	**(4,398)**	**4,420**	**22**
Employer's contributions	**–**	**(3,445)**	**(3,445)**
Employees' contributions	**–**	**(59)**	**(59)**
Asset acquired	**–**	**124**	**124**
Asset ceiling	**–**	**(3)**	**(3)**
Currency translation adjustment	**(967)**	**439**	**(528)**
	(5,365)	**1,476**	**(3,889)**
End of financial year	**35,974**	**(21,768)**	**14,206**
2019			
Beginning of financial year	32,816	(20,379)	12,437
Current service cost	2,745	–	2,745
Interest expense/(income)	2,628	(1,652)	976
Past service cost and gains and losses on settlement	(192)	–	(192)
	5,181	(1,652)	3,529
Remeasurements:			
– Changes in financial assumptions	(293)	–	(293)
– Experience adjustments	33	–	33
– Return on plan assets, excluding amount included in interest income	–	60	60
	(260)	60	(200)
Benefit payments	(4,239)	4,156	(83)
Employer's contributions	–	(3,251)	(3,251)
Employees' contributions	–	(108)	(108)
Currency translation adjustment	900	(542)	358
End of financial year	34,398	(21,716)	12,682

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

24. Provisions (continued)

24B. Provisions for employee benefits (continued)

The significant actuarial assumptions used were as follows:

	2020 %	2019 %
Discount rate	**4.70% – 7.00%**	6.35% – 8.00%
Salary growth rate	**5.00% – 6.00%**	6.00%

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is as follows:

		Impact on defined benefit obligation	
	Change in assumption %	Increase in assumption %	Decrease in assumption %
Discount rate	1%	Decrease by 3.05%	Increase by 3.36%
Salary growth rate	1%	Increase by 3.78%	Decrease by 3.48%

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the consolidated statement of financial position.

Plan assets are comprised of:

	Group			
	2020		2019	
	S$'000	%	S$'000	%
Assets with quoted market prices				
Bonds	**12,365**	**56.80**	10,919	50.28
Government securities	**3,983**	**18.30**	4,382	20.18
Shares	**927**	**4.26**	904	4.16
Assets without quoted market prices				
Time deposits	**4,055**	**18.63**	4,989	22.98
Land and building	**408**	**1.87**	435	2.00
On call deposit	**4**	**0.02**	58	0.27
Direct investment	**26**	**0.12**	29	0.13
Total	**21,768**	**100.00**	21,716	100.00

Expected contributions to post-employment benefit plans for the following year are S$3,059,000.

The weighted average durations of the defined benefit obligation of relevant entities within the Group are in the range of 6.81 years to 14.85 years (2019: 3.13 years to 15.5 years).

Expected maturity analysis of undiscounted pension benefits of the Group is as follows:

At 31 December 2020	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
Pension benefits	S$3,059,000	S$2,894,000	S$10,443,000	S$35,694,000	S$52,090,000

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

25. Borrowings

	Group		Company	
	2020 S$'000	2019 S$'000	2020 S$'000	2019 S$'000
Current				
Bank borrowings				
Syndication banks	**49,382**	44,053	**–**	–
PT Bank OCBC NISP Tbk.("OCBC NISP – Indonesia")	**4,528**	2,133	**–**	–
PT Bank Central Asia Tbk ("BCA")	**80**	–	**–**	–
PT Bank Danamon Indonesia Tbk ("Danamon")	**821**	–	**–**	–
Borrowings – PT Indonesia Infrastructure Finance ("IIF")	**818**	–	**–**	–
Deferred transaction costs	**(1,781)**	(1,111)	**–**	–
Lease liabilities	**231**	398	**152**	136
	54,079	45,473	**152**	136
Non-current				
Bank borrowings				
Syndication banks	**110,413**	163,840	**–**	–
OCBC NISP – Indonesia	**39,469**	37,503	**–**	–
BCA	**16,193**	2,321	**–**	–
Danamon	**2,669**	–	**–**	–
IIF	**8,658**	–	**–**	–
Deferred transactions costs	**(2,612)**	(3,340)	**–**	–
Lease liabilities	**719**	724	**102**	242
	175,509	201,048	**102**	242

1. OCBC NISP – Indonesia

MT

On 3 May 2017, MT entered into a term loan facility agreement with OCBC NISP – Indonesia.

On 21 February 2020, MT signed an amended term loan ("TL") facility agreement with OCBC NISP – Indonesia regarding change in the payment period of TL 1 and TL 2 from quarterly to monthly instalments. The changes for the instalment payment period started from 26 March 2020 and 26 June 2020 respectively for each term loans. MT is also responsible to maintain the balance in DSRA to cover at the minimum 1 time principal and interest payment for the following month.

Information related to the facility based on latest amendment are as follows:

Type	Limit	Terms	Interest payment period	Annual interest rate
TL I	IDR190.7 billion (SGD20 million)	120 months	At 26th of every month	Prime lending rate
TL 2	IDR174.3 billion (SGD18 million)	94 months	At 26th of every month	Prime lending rate

The purpose of the loan facility was to finance and/or refinance and/or repay the outstanding letter of credit in relation to the capital expenditures of BOT project in Tangerang, Indonesia. As at 31 December 2020, MT has fully drawn down all the facility of TL 1 and TL 2.

The term loan facility agreement is secured by the following items:

1. Fiduciary guarantee on MT's receivables, in the amount of IDR8 billion.
2. Pledge of shares owned by MI in MT.
3. Pledge of MT's Debt Service Reserve Account ("DSRA")
4. Corporate guarantee from the Company and MI.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

25. Borrowings (continued)

1. OCBC NISP – Indonesia (continued)

MT (continued)

Cash in the DSRA amounting to S$11,600 is presented as restricted cash in banks in the consolidated statement of financial position.

Financial covenants for the term loans are as follows:

1. MT shall maintain the Adjusted Debt-to-Equity Ratio ("DER") of not more than 2.50.
2. Starting 1 January 2019, MT shall maintain the Debt Service Coverage Ratio ("DSCR") of not less than 1.00.

As at 31 December 2020, MT has complied with the financial covenants set out in the loan facility agreement.

MB

On 29 June 2016, MB entered into a term loan facility agreement with OCBC NISP – Indonesia.

On 24 February 2020, MB signed an amended term loan facility agreement with OCBC NISP – Indonesia regarding change in the payment period of TL 1 and TL 2 from quarterly to monthly installments. The changes for the installment payment period started from 26 March 2020 and 26 May 2020 for each term loan. MB is also responsible to maintain the balance in DSRA to cover at the minimum 1 time principal and interest payment for the following month.

Information related to the loan facility based on latest amendment are as follows:

Type	Limit	Terms	Interest payment period	Annual interest rate
TL 1	IDR42.7 billion (SGD4.4 million)	69 months	At 26th every month	Prime lending rate
TL 2	IDR123 billion (SGD12.6 million)	96 months	At 26th every month	Prime lending rate

The purpose of the loan facility was to (a) refinance the amounts due to MI in relation to the past construction expenditures of BOT project in Bekasi, Indonesia, and (b) finance future capital expenditures of BOT project in Bekasi, Indonesia. As at 31 December 2020, MB has fully drawn down all the facility of TL 1 and TL 2.

The term loan facility agreement is secured by the following items:

1. Fiduciary guarantee on MB's receivables, in the amount of IDR35 billion.
2. Pledge of shares owned by MI in MB.
3. Pledge of MB's DSRA.
4. Corporate guarantee from the Company and MI.

Cash in the DSRA amounting to S$4,700 is presented as restricted cash in banks in the consolidated statement of financial position.

Financial covenants for the term loans are as follows:

1. MB shall maintain the Adjusted DER of not more than 1.50.
2. Starting 1 January 2019, MB shall maintain the DSCR of not less than 1.00.

As at 31 December 2020, MB has complied with the financial covenants set out in the loan facility agreement.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

25. Borrowings (continued)

2. Syndication banks

AAJ

On 8 January 2018, AAJ entered into a loan syndication agreement with BCA, OCBC NISP – Indonesia and PT Bank China Construction Bank Indonesia Tbk. ("CCB") amounting to IDR2,150 billion for Facility 1 with a term of 5 years and IDR200 billion for Facility 2 with a term of 1 year.

On 10 April 2018, AAJ, BCA, OCBC NISP – Indonesia and CCB agreed to transfer part of Facility 1 of syndicated loan to IIF amounted to IDR217.2 billion. There are no changes to the terms and conditions of the syndicated loan arising from this transfer.

On 7 January 2019, all parties agreed to extend the loan terms of Facility 2 until 8 January 2020 which has been further extended until 8 January 2021.

On 22 June 2020, all parties agreed to amend the minimum applicable annual interest rate for Facility 1 from 9.50% to 9.25% and for Facility 2 from 9.25% to 9.00%. As at 31 December 2020, there is unused portion of the Facility 2 amounted to IDR200 billion.

Information related to the loan facility based on latest amendment are as follows:

Type	Limit	Terms	Interest payment period	Annual interest rate
Facility 1	IDR2,150 billion (SGD213 million)	60 months	Monthly	JIBOR 1 month + 3.50%*
Facility 2	IDR200 billion (SGD20 million)	12 months	Monthly	JIBOR 1 month + 3.35%**

* Minimum applicable interest rate 9.25% (2019: 9.50%)
** Minimum applicable interest rate 9.00% (2019: 9.25%)

The loan facility is secured by the following:

1. Corporate guarantees from the Company and APL;

2. Pledge over the issued shares of AAJ held by APL;

3. Pledge over the issued shares of AAJ held by TPE;

4. Charge over the issued shares of APL held by MIH;

5. Pledge over DSRA (BCA and OCBC NISP – Indonesia), escrow account (BCA), revenue account (BCA), operational account (BCA and OCBC NISP – Indonesia) and treasury account (BCA, OCBC NISP – Indonesia, CCB and PT Bank Mega Tbk ("Mega")) of AAJ.

Cash in the DSRA amounting to S$4,446,700 is presented as restricted cash in banks in the consolidated statement of financial position.

Financial covenants for the TL are as follows:

1. AAJ shall maintains the DSCR at the minimum of 110%;

2. AAJ shall maintains the Liabilities to Tangible Net Worth Ratio at the maximum of 3 times;

3. AAJ shall maintains the Adjusted Current Ratio at the minimum of 1 time.

As at 31 December 2020, all of these financial covenants have been met.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

25. Borrowings (continued)

2. Syndication banks (continued)

AAT

On 8 January 2018, AAT entered into a loan syndication agreement with BCA, OCBC NISP – Indonesia, and CCB amounting to IDR800 billion for Facility 1 with a term of 10 years and IDR25 billion for Facility 2 with a term of 1 year.

On 12 April 2018, AAT, BCA, OCBC NISP – Indonesia and CCB agreed to transfer part of Facility 1 of syndicated loan to IIF amounted IDR82.7 billion. There are no changes to the terms and conditions for the syndicated loan related to this transfer.

On 7 January 2019, all of the parties agreed to extend the due date of drawdowns for Facility 2 to 8 January 2020 which was further extended until 8 January 2021.

On 1 April 2020, AAT has fully drawdown the Facility 2 of syndicated loan and has fully paid the loan principal and interest on 29 June 2020.

On 22 June 2020, all of the parties agreed to amend the minimum applicable annual interest rate from 9.75% to 9.50% for Facility 1 and from 9.25% to 9.00% for Facility 2.

Information related to the loan facility based on latest amendment are as follows:

Type	Limit	Terms	Interest payment period	Annual interest rate
Facility 1	IDR800 billion (SGD80 million)	120 months	Monthly	JIBOR 1 month + 3.75%*
Facility 2	IDR25 billion (SGD2.5 million)	12 months	Monthly	JIBOR 1 month + 3.35%**

* Minimum applicable interest rate 9.50% (2019: 9.75%)
** Minimum applicable interest rate 9.00% (2019: 9.25%)

The loan facility is secured by the following:

1. Corporate guarantees from the Company and APL;
2. Pledge over the issued shares of AAT held by APL;
3. Pledge over the issued shares of AAT held by TPE;
4. Charge over the issued shares of APL held by MIH;
5. Pledge over DSRA (BCA and OCBC NISP – Indonesia), escrow account (BCA), revenue account (BCA), operational account (BCA and OCBC NISP – Indonesia) and treasury account (BCA, OCBC NISP – Indonesia, CCB and Bank Mega) of AAT;
6. Charge over the insurance policies held by AAT;
7. Mortgage of land held by AAT;
8. Charge over the intangible assets – service concession arrangements held by AAT.

Cash in the DSRA amounting to S$1,005,800 is presented as restricted cash in banks in the consolidated statement of financial position.

25. Borrowings (continued)

2. Syndication banks (continued)

AAT (continued)

Financial covenants for the TL are as follows:

1. AAT shall maintain the DSCR at the minimum of 110%;
2. AAT shall maintain the Liabilities to Tangible Net Worth Ratio at the maximum of 3 times;
3. AAT shall maintain the Adjusted Current Ratio at the minimum of 1 time.

As at 31 December 2020, AAT has complied with the financial covenants set out in the loan facility agreement.

3. BCA

ASB

On 29 April 2019, ASB entered into a loan agreement with BCA amounting to IDR265 billion for Facility A with a term of 138 months.

On 23 March 2020, all of the parties agreed to amend the interest rate from 10.25% to 10.00% effective from 27 March 2020.

On 11 June 2020, all of the parties agreed to amend the interest rate from 10.00% to 9.75% effective from 25 June 2020.

Information related to the loan facility based on latest amendment are as follows:

Type	Limit	Terms	Interest payment period	Annual interest rate
Facility A	IDR265 billion (SGD25.4 million)	138 months	Monthly	Fixed 9.75%*

* In the loan agreement, BCA has the right to adjust the annual interest rate to the change in market

For Facility A (Investment Credit), there are sublimit facility Letter of Credit ("L/C") in the form of Sight L/C and Usance L/C at maximum equivalent to US$8,000,000 with the conditions as follows:

a. Sublimit facility L/C can be issued in foreign currencies US Dollars, Euro, Singapore Dollar, Japanese Yen, Australian Dollar and Pound Sterling.

b. The L/C payment is due until the end of the grace period.

Other facility includes a bank guarantee with total facility of IDR18 billion for the purpose of implementation guarantee for the construction of Drinking Water Supply System ("SPAM").

The purpose of the loan facility was to finance the construction of SPAM production and facilitate the purchase of goods needed for the construction of SPAM production units and fixed assets.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

25. Borrowings (continued)

3. BCA (continued)

ASB (continued)

The term loan facility agreement is secured by the following items:

1. Pledge over the claim rights of the guarantee claim received from PT Penjamin Infrastruktur Indonesia;
2. Pledge over the claim rights of bank guarantee (Performance Bond) from Engineering Procurement Construction ("EPC") contractor;
3. Pledge over the claim rights upon receipt of compensation from the grantor in the event of termination of the concession;
4. Pledge over the claim rights for insurance claims during the construction and operation period of the relevant insurance company;
5. Pledge over the issued shares of ASB held by AAJ and PT Medco Infrastruktur Indonesia ("MII");
6. Pledge over escrow account, Debt Service Account ("DSA"), DSRA, operational account of ASB in BCA;
7. Corporate Guarantees from the Company.

Cash in the DSRA amounting to S$2,500 is presented as restricted cash in banks in the consolidated statement of financial position.

Financial covenants for the term loans are as follows:

1. Starting 1 year after commercial operation date, ASB shall maintain the DSCR of not less than 1.00. As at the year ended 31 December 2020, commercial operations have not commenced;
2. ASB shall maintain the adjusted DER not more than 3.00 starting 31 December 2021 and not more than 2.50 starting 31 December 2022. DER is defined as total liabilities deducted with loan to shareholders, divided by sum of total equity and loan to shareholders.

As at 31 December 2020, ASB has no financial covenants that must be met.

4. Danamon

TKCM

On 28 February 2018, TKCM entered into a loan agreement with Danamon with the information as follows:

Type	Limit	Terms	Interest payment period	Annual interest rate
TL	IDR45 billion (SGD4.4 million)	77 months	At 25th of every month	Danamon internal interest rates

The purpose of the loan facility was for financing the project of uprating production capacity of Water Treatment Plant ("WTP") in the Cikokol area.

The term loan facility agreement is secured by the following items:

1. Fiduciary guarantee on TKCM's receivables, amounting to IDR45 billion.
2. Pledge of shares owned by TAM and PT Tirta Bangun Nusantara in TKCM.
3. Pledge of TKCM's DSRA.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

25. Borrowings (continued)

4. Danamon (continued)

TKCM (continued)

Financial covenants for the term loans are as follows:

1. TKCM shall maintain the Adjusted DER of not more than 1.50.

2. TKCM shall maintain the DSCR of not less than 1.50.

Cash in the DSRA amounting to S$97,700 is presented as restricted cash in banks in the consolidated statement of financial position.

As at 31 December 2020, TKCM has complied with the financial covenants set out in the loan facility agreement.

TKCM also has a bank guarantee facility with Danamon, with total facility amounting to IDR1.5 billion, which is available for use until 9 October 2020. As at 31 December 2020, TKCM has not utilised the bank guarantee facility.

5. IIF

TAM

On 21 December 2017, TAM and TTC entered into a term loan facility agreement with IIF which have been amended several times with details, as follows:

Type	Limit	Terms	Interest payment period	Annual interest rate
TL – Tranche A	IDR125 billion (SGD12.4 million)	120 months	At 26th of every month	JIBOR 1 month + 5.00%
TL – Tranche B	IDR72 billion (SGD7.1 million)	120 months	At 26th of every month	JIBOR 1 month + 5.00%
TL – Tranche C	IDR25 billion (SGD2.4 million)	120 months	At 26th of every month	JIBOR 1 month + 4.75%

As at 31 December 2020, TAM has utilised Tranche A loan facility whereas TTC has not yet withdrawn any amount from Tranche B and C loan facilities.

The term loan facility agreement is secured by the following items:

1. Fiduciary guarantee on TTC's receivables, either existing or will be existing in the future, in the amount of IDR227 billion.

2. Fiduciary guarantee on TAM's insurance claim.

3. Pledge of term deposits owned by PT Bahtera Hijau Mandiri with amount IDR25 billion.

4. Pledge of TTC's shares owned by TAM.

5. Pledge of TAM and TTC's bank accounts in BCA.

6. Pledge of Obor shares in TAM.

Financial covenants for the term loans are DSCR of TAM and TTC is not less than 1.2 DSCR is defined as TTC's profit before income tax, interest and depreciation or amortisation expenses divided by interest expenses and total repayment of bank loan during the year.

Cash in the DSRA amounting to S$202,000 is presented as restricted cash in banks in the consolidated statement of financial position.

As at 31 December 2020, TAM and TTC have complied with the financial covenants set out in the loan facility agreement.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

25. Borrowings (continued)

25A. Fair value of borrowings

Management believes that the carrying amounts of the Group's borrowings approximate their fair values as at 31 December 2020 and 2019. Most of the Group's long-term borrowings are charged with floating interest rates.

25B. Undrawn borrowing facilities

	Group	
	2020 S$'000	**2019 S$'000**
Expiring within one year	**–**	31,351
Expiring above one year	**36,525**	23,355
Total	**36,525**	54,706

The facilities expiring within one year from the balance sheet date are facilities subject to annual review at various dates during 2021. The facilities are arranged mainly for funding and/or refunding the capital expenditures related to the construction of water treatment project and working capital purpose.

25C. Reconciliation of liabilities arising from financing activities

				Non-cash changes						
	1 January 2020	Principal repayment and payment of debt issuance cost	Proceeds from bank loan	Gain on modification of borrowings	Interest expense	Amortisation of deferred transaction costs	Amortisation of gain on modification of borrowings	Additions during the year, net of disposal	Currency translation difference movement	31 December 2020
Bank borrowings	245,399	(60,634)	35,748	(1,223)	–	1,297	1,890	–	6,161	228,638
Accrued interest	747	(25,181)	–	–	24,801	–	–	–	119	486
Lease liabilities	1,122	(584)	–	–	123	–	–	281	8	950

				Non-cash changes						
	1 January 2019	Principal repayment and payment of debt issuance cost	Proceeds from bank loan	Adoption of SFRS(I) 16	Interest expense	Amortisation of deferred transaction costs	Amortisation of gain on modification of borrowings	Additions during the year	Currency translation difference movement	31 December 2019
Bank borrowings	263,107	(41,566)	13,490	–	–	1,309	1,712	–	7,347	245,399
Accrued interest	557	(27,783)	–	–	27,883	–	–	–	90	747
Lease liabilities	–	(486)	–	957	95	–	–	543	13	1,122

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

26. Trade and other payables

	Group		Company	
	2020 S$'000	2019 S$'000	2020 S$'000	2019 S$'000
Current				
Trade payables to non-related parties	**3,573**	4,325	**–**	–
Accruals and other payables	**26,684**	24,675	**205**	165
Deferred revenue	**4,746**	5,092	**–**	–
Total	**35,003**	34,092	**205**	165
Non-current				
Other payables	**929**	132	**–**	–
Deferred revenue	**11,111**	9,835	**–**	–
Total	**12,040**	9,967	**–**	–

Deferred revenue

	31 December		1 January
	2020 S$'000	2019 S$'000	2019 S$'000
Deferred revenue			
– Connection fees	**12,426**	13,351	11,192
– Shortfall of water supply	**3,431**	1,576	–
Total deferred revenue	**15,857**	14,927	11,192

	2020 S$'000	2019 S$'000
Revenue recognised in current period that was included in the deferred revenue balance at the beginning period		
– Connection fees	**4,592**	3,489

Deferred revenue arise from the revenue from connection fees recognised over time and a portion of MBJ's billing to the grantor in relation to shortage between the actual bulk treated water supply during 2019 and 2020 with annual minimum offtake as set forth in the CA. The grantor could take the shortage of that bulk treated water in the next years with certain conditions in accordance with the CA.

27. Commitments

Capital commitments

The amounts committed at the end of the reporting year for future expenditure but not recognised in the consolidated financial statements are as follows:

	2020 S$'000	2019 S$'000
Commitments in respect of contracts placed for service concession arrangements	**45,381**	83,635

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

28. Financial risk management

Financial risk factors

The Group's activities expose it to market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance. Management has certain practices for managing financial risks. However, these are not formally documented in written form.

The guidelines include the following:

1. Minimise interest rate, currency, credit and market risks for all kinds of transactions.

2. Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance (if necessary). The same strategy is pursued with regard to interest rate risk.

3. All financial risk management activities are carried out and monitored by senior staff.

4. All financial risk management activities are carried out following acceptable market practices.

28A. Currency risk

The Group operates in Asia with dominant operations in Indonesia. Entities in the Group transacts predominantly in their respective functional currencies. Currency risk arises within entities in the Group when transactions entered into are denominated in currencies other than those of their respective functional currencies.

The Group is exposed to currency risk arising from USD and IDR, primarily with respect to cash and cash equivalents, trade and other receivables and intra-group receivables and payables.

The following is the summary of significant balances:

	USD to IDR S$'000	IDR to SGD S$'000
Group		
At 31 December 2020		
Financial assets		
Cash and cash equivalents	**5,639**	**–**
Trade and other receivables	**–**	**415**
Financial liability		
Intra-group payables*	**–**	**(56,733)**
Net currency exposure	**5,639**	**(56,318)**

	USD to IDR S$'000	IDR to SGD S$'000
Group		
At 31 December 2019		
Financial assets		
Cash and cash equivalents	5,295	–
Trade and other receivables	–	132
Financial liability		
Intra-group payables*	–	(58,439)
Net currency exposure	5,295	(58,307)

* Foreign currency intra-group receivables and payables that do not form part of the net investment in a foreign operation are included in the sensitivity analysis for currency risk because even though these intra-group receivables and payables are eliminated in the consolidated statement of financial position, the effect on the profit or loss from their foreign currency translation is not fully eliminated.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

28. Financial risk management (continued)

28A. Currency risk (continued)

If the USD changes against IDR or IDR changes against SGD by 3% as at 31 December 2020 and 2019 respectively with all other variables including tax rate being held constant, the effects arising from the net financial liabilities/assets that are exposed to currency risk will be as follows:

	Increase/(Decrease)	
	2020 Profit before tax S$'000	**2019 Profit before tax S$'000**
Group		
USD against IDR		
– Strengthened	**169**	159
– Weakened	**(169)**	(159)
IDR against SGD		
– Strengthened	**1,690**	1,749
– Weakened	**(1,690)**	(1,749)

The Company is not exposed to currency risk. Impact of currency risk within the Company is not significant.

28B. Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The Group periodically reviews its liabilities and monitors interest rate fluctuations to ensure that the exposure to interest rate risk is within acceptable levels.

The Group's interest rate risk arises mainly from borrowings. The interest rate risk from cash and cash equivalents is not significant and receivables are not interest bearing. Borrowing issued at variable rates expose the Group to cash flow interest rate risk. Borrowing issued at fixed rates expose the Group with fair value interest risk.

The Group's borrowings mostly bear variable interest rates. As such, the Group is mainly exposed to cash flow interest rate risks.

As at 31 December 2020, if interest rates on bank borrowings, which bear variable interest rates, had been 0.25% (2019: 0.10%) higher/lower with all other variables held constant, the pre-tax profit for the year would have been S$272,000 higher or lower (2019: S$271,000 lower or higher).

The financial assets arising from service concession arrangements is not subjected to interest rate risk. These assets are carried at amortised costs using the effective interest method.

28C. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group are bank deposits and receivables.

Credit risk on bank deposits is limited because counter parties are entities with acceptable credit rating.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

28. Financial risk management (continued)

28C. Credit risk (continued)

Credit risk from customers is mitigated by the Group's management through a series of actions to improve receivables collection, such as increasing the number of location of payment points, establishment of bill payment facilities resulting from cooperation with financial institution, and direct collection from the customer's premises. In addition, management tries to improve the number of key account customers mainly from the industrial sector. It is expected that this will reduce the impact of credit risk customers.

As the Group and Company does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the consolidated statement of financial position.

The movements in credit loss allowance are as follows:

	Group	
	2020	**2019**
	S$'000	**S$'000**
Beginning of financial year	**765**	820
Allowance made	**889**	540
Reversal of allowance	**(40)**	(617)
Currency translation difference	**(30)**	22
End of financial year	**1,584**	765

As at 31 December 2020 and 2019, there is no credit loss allowance made for the financial assets arising from service concession arrangements.

Trade receivables and financial assets arising from service concession arrangements

The Group uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables.

In measuring the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and days past due, whilst for financial assets arising from service concession arrangements, the Group uses individual analysis for each customer.

In calculating the expected credit loss rates, the Group considers historical loss rates for each customer and/or category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

The Group has identified the inflation rate and the unemployment rate of the areas in which it sells goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade receivables and financial assets arising from service concession arrangements are written-off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

28. Financial risk management (continued)

28C. Credit risk (continued)

Trade receivables and financial assets arising from service concession arrangements (continued)

The Group considers a financial asset as in default if the counterparty fails to make contractual payments within 180 days when they fall due and writes off the receivables thereafter. Where receivables are written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss. The Group's credit risk exposure in relation to trade receivables and financial asset arising from service concession arrangement under SFRS(I) 9 as at 31 December 2020 and 2019 are set out in the provision matrix as follows:

As at 31 December 2020	Current S$'000	Past due: Within 30 days S$'000	Past due: 30 to 60 days S$'000	Past due: 60 to 90 days S$'000	Past due: More than 90 days S$'000	Total S$'000
Group						
Trade receivables						
Expected loss rate	**0.69%**	**1.68%**	**9.42%**	**10.13%**	**14.54%**	**3.53%**
Trade receivables	**24,371**	**10,925**	**1,868**	**1,570**	**6,162**	**44,896**
Loss allowance	**(169)**	**(184)**	**(176)**	**(159)**	**(896)**	**(1,584)**

As at 31 December 2019	Current S$'000	Past due: Within 30 days S$'000	Past due: 30 to 60 days S$'000	Past due: 60 to 90 days S$'000	Past due: More than 90 days S$'000	Total S$'000
Group						
Trade receivables						
Expected loss rate	0.31%	0.50%	3.09%	3.63 %	19.41%	2.17%
Trade receivables	17,880	11,685	1,457	1,323	2,870	35,215
Loss allowance	(56)	(58)	(45)	(48)	(558)	(765)

Other than the above, there are no credit loss allowance for other financial assets as at 31 December 2020.

28D. Liquidity risk

The table below analyses financial liabilities of the Group into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Less than 1 year S$'000	Between 1 and 5 years S$'000	Over 5 years S$'000
Group			
2020			
Trade and other payables	**30,257**	**929**	**–**
Lease liabilities	**255**	**843**	**–**
Borrowings (excluding lease liabilities)	**77,012**	**167,125**	**64,041**
2019			
Trade and other payables	29,000	132	–
Lease liabilities	461	854	–
Borrowings (excluding lease liabilities)	69,915	194,311	66,135
Company			
2020			
Trade and other payables	**205**	**–**	**–**
Lease liabilities	**152**	**102**	**–**
2019			
Trade and other payables	165	–	–
Lease liabilities	139	267	–

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

28. Financial risk management (continued)

28E. Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on a gearing ratio. The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings less cash and cash equivalents. Total capital is calculated as total equity plus net debt.

	Group	
	2020	**2019**
	S$'000	**S$'000**
Borrowings	**229,588**	246,521
Less: Cash and cash equivalents	**(58,327)**	(101,544)
Net debt	**171,261**	144,977
Total equity	**335,433**	288,627
Total capital	**506,694**	433,604
Gearing ratio	**34%**	33%

The Group and the Company are in compliance with all externally imposed capital requirements for the financial years ended 31 December 2020 and 2019.

28F. Fair value measurements

The carrying value less impairment provision of current receivables and payables approximate to their fair values. The fair value of non-current financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. Management believes that as of 31 December 2020 and 2019 the fair value of financial assets and liabilities approximates their carrying amount.

28G. Financial instruments by category

The aggregate carrying amounts of financial assets and financial liabilities at amortised cost are as follows:

	Group	Company
	S$'000	**S$'000**
2020		
Financial assets, at amortised cost	**310,321**	**6,791**
Financial liabilities, at amortised cost	**260,774**	**459**
2019		
Financial assets, at amortised cost	294,876	56,092
Financial liabilities, at amortised cost	275,653	543

28H. Offsetting financial assets and financial liabilities

The financial instruments of the Group are not subject to any enforceable master netting arrangements or other similar agreements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

29. Financial information by operating segments

29A. Information about reportable segment profit or loss, assets and liabilities

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by SFRS(I) 8 Operating Segments. This disclosure standard has no impact on the reported financial performance or financial position of the reporting entity.

For management purposes the reporting entity is organised into one major strategic operating segments: Built-Operate-Transfer ("BOT"). Such a structural organisation is determined by the nature of risks and returns associated with each business segment and it defines the management structure as well as the internal reporting system. It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance.

The segment and the type of products and services is as follows:

BOT business : Provision of comprehensive range of water treatment solutions to government including commissioning, operation and maintenance of a wide range of water treatment plants on design, build, rehabilitate, operate and transfer arrangements.

The management reporting system evaluates performances based on a number of factors. However, the primary profitability measurement to evaluate segment's operating results is based on a measure of earnings before interest, tax, depreciation and amortization ("Adjusted EBITDA"). This measurement basis excludes the effects of certain items of other income and expenditure from the operating segments that are not expected to recur regularly in every period which are separately analysed. In the calculation of adjusted EBITDA, management also uses revenue based on the actual amounts billed to the customers during the year for the provision of water services instead of the amounts of revenue reported in the statement of profit or loss. In the reconciliation of adjusted EBITDA to profit before tax (Note 29B), the adjustments made to the revenue in the calculation of adjusted EBITDA is shown as "Other adjustments".

The following tables illustrate the information about the reportable segment profit or loss, assets and liabilities.

29B. Profit or loss and reconciliations

	BOT S$'000	Unallocated S$'000	Group S$'000
2020			
Revenue and adjusted EBITDA by segment			
Total revenue by segment	**236,128**	**3,995**	**240,123**
Total adjusted EBITDA by segment	**99,816**	**(6,182)**	**93,634**
2019			
Revenue and adjusted EBITDA by segment			
Total revenue by segment	205,210	576	205,786
Total adjusted EBITDA by segment	87,501	(5,274)	82,227

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

29. Financial information by operating segments (continued)

29B. Profit or loss and reconciliations (continued)

A reconciliation of adjusted EBITDA to profit before tax is as follows:

	BOT S$'000	Unallocated S$'000	Group S$'000
2020			
Total adjusted EBITDA	**99,816**	**(6,182)**	**93,634**
Depreciation			**(7,877)**
Amortisation			**(33,549)**
Finance cost			**(28,647)**
Interest income			**3,641**
Adjustments to other income and expense			**(120)**
Other adjustments			**12,956**
Profit before income tax			**40,038**
2019			
Total adjusted EBITDA	87,501	(5,274)	**82,227**
Depreciation			(6,420)
Amortisation			(28,477)
Finance cost			(31,749)
Interest income			3,581
Adjustments to other income and expense			(4,107)
Other adjustments			11,228
Profit before income tax			**26,283**

Other adjustments represent adjustment to exclude the impact of adoption SFRS(I) INT 12, construction revenue under service concession arrangements, finance income under service concession arrangements and related construction costs.

29C. Assets and reconciliations

	Group S$'000
2020	
Total assets for reportable segments	**652,069**
Unallocated	**31,411**
Total group assets	**683,480**
2019	
Total assets for reportable segments	565,054
Unallocated	79,231
Total group assets	644,285

29D. Liabilities and reconciliations

	Group S$'000
2020	
Total liabilities for reportable segments	**(335,032)**
Unallocated	**(13,015)**
Total group liabilities	**(348,047)**
2019	
Total liabilities for reportable segments	(354,428)
Unallocated	(1,230)
Total group liabilities	(355,658)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

29. Financial information by operating segments (continued)

29E. Other material items and reconciliations

	BOT S$'000	Unallocated S$'000	Group S$'000
Expenditures for non-current assets			
2020	**48,371**	**106**	**48,477**
2019	37,262	475	37,737
Depreciation			
2020	**7,105**	**772**	**7,877**
2019	5,712	708	6,420
Amortisation			
2020	**33,549**	**–**	**33,549**
2019	28,477	–	28,477
Finance cost			
2020	**27,510**	**1,137**	**28,647**
2019	31,680	69	31,749

29F. Revenue from major products and services

Revenues from external customers are derived mainly from water supply charges and others that are included in "Other services". The breakdown of the Group's revenue by products and services is provided under Note 5.

Revenues of S$85,363,000 (2019: S$45,745,000) are derived from a single external customer. These revenues are attributable to the BOT segment.

29G. Geographical information

The Group's main business segment only operates in Indonesia. The operations in this area is principally the provision and supply of clean water, and provision to customer.

	Revenue		Non-current assets	
	31 December 2020 S$'000	31 December 2019 S$'000	31 December 2020 S$'000	31 December 2019 S$'000
Indonesia	**240,123**	205,786	**549,551**	479,560
Singapore	**–**	–	**1,376**	2,872
	240,123	205,786	**550,927**	482,432

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

30. Business combination

On 19 March 2020, the Group acquired a 73% effective equity interest in Obor Group. Obor is an investment holding company incorporated in Singapore, while Obor's subsidiaries' principal activities are the developing and operating of water treatment facilities for the distribution of clean water. Obor's subsidiaries operations are entirely in Indonesia. As a result of the acquisition, the Group is expected to expand its business in the water industry and also increase the Group's water production capacity.

Details of the consideration paid, the assets acquired and liabilities assumed and the effects on the cash flows of the Group, at the acquisition date, are as follows:

Purchase consideration

	S$'000
Cash paid and consideration transferred for the business	24,776

Effect on cash flows of the Group

	S$'000
Cash paid (as above)	24,776
Less:	
Advance for acquisition of subsidiaries paid in prior year	(1,000)
Cash and cash equivalents in subsidiary acquired	(9,325)
Cash outflow on acquisition	14,451

Identifiable assets acquired and liabilities assumed

	At fair value S$'000
Cash and cash equivalents	9,325
Restricted cash in banks	191
Trade and other receivables	3,655
Inventories	535
Property, plant and equipment (Note 13)	104
Financial assets arising from service concession arrangements (Note 16A)	5,395
Intangible assets arising from contractual concession rights (Note 16C)	54,951
Deferred tax assets	1,254
Trade and other payables	(1,021)
Current income tax liabilities	(528)
Shareholder loan	(11,042)
Borrowings	(11,790)
Provision for employee benefits	(658)
Deferred tax liabilities	(11,125)
Total identifiable net assets	39,246
Less: Non-controlling interests at fair value	(17,837)
Total identifiable net assets of the Group	21,409
Add: Goodwill (Note 17)	3,367
Consideration transferred for the business	24,776

30. Business combination (continued)

Acquisition-related costs

Acquisition-related costs of S$265,000 that were directly attributable to acquisition activities are included in other expenses, net in profit or loss and in operating cash flows in the statement of cash flows.

Acquired receivables

The fair value of trade and other receivables is S$3,655,000 which is the gross contractual amount and expected to be fully collectible.

Non-controlling interests

The Group has chosen to recognise the 27% non-controlling interest at its fair value of S$17,837,000. The fair value was estimated by applying an income approach. This is a Level 3 fair value measurement. The fair value estimates are based on:

– an assumed discount rate of 11% per annum;

– average water volume of 43 – 100 million m^3

– average water tariff of IDR1,625/m^3 – IDR4,255/m^3

Goodwill

The goodwill of S$3,367,000 arising from the acquisition is attributable to the expansion of the Group's business in the water industry in Indonesia and also the increase in the Group's water production capacity. Refer to Note 17 for detail goodwill recognised by the Group.

Revenue and profit contribution

The acquired business contributed consolidated revenue of S$18,703,000 and consolidated net profit of S$5,203,000 to the Group from the period from 19 March 2020 to 31 December 2020.

Had Obor Group been consolidated from 1 January 2020, consolidated revenue and consolidated profit for the year ended 31 December 2020 would have been S$24,080,000 and S$6,841,000 respectively.

31. Immediate and ultimate holding corporations

The Company's immediate holding corporation is Tamaris Infrastructure Pte. Ltd. incorporated in Singapore. The ultimate holding corporation is Garrison Investment Holdings Ltd., incorporated in British Virgin Island.

32. New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2021 and which the Group has not early adopted.

Amendments to SFRS(I) 1-1 Presentation of Financial Statements:

Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 January 2023)

The narrow-scope amendments to SFRS(I) 1-1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waver or a breach of covenant). The amendments also clarify what SFRS(I) 1-1 means when it refers to the 'settlement' of a liability.

The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity.

The Group does not expect any significant impact arising from applying these amendments.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

32. New or revised accounting standards and interpretations (continued)

Amendments to SFRS(I) 1-16 Property, Plant and Equipment: Proceeds before Intended Use (effective for annual periods beginning on or after 1 January 2022)

The amendment to SFRS(I) 1-16 Property, Plant and Equipment (PP&E) prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment.

Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities. The Group does not expect any significant impact arising from applying these amendments.

Amendments to SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract (effective for annual periods beginning on or after 1 January 2022)

An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the costs of fulfilling it and any compensation or penalties arising from failure to fulfil it. The amendment to SFRS(I) 1-37 clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts.

The Group does not expect any significant impact arising from applying these amendments.

33. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of the Moya Holdings Asia Limited on 12 March 2021.

SHAREHOLDINGS STATISTICS

(As At 10 March 2021)

Issued and Paid-Up Capital	:	S$254,374,249.26
No. of Issued Shares	:	4,203,585,943
No. of Treasury Shares	:	Nil
No. of Subsidiary Holdings	:	Nil
Class of Issued Shares	:	Ordinary Shares
Voting Rights of Ordinary Shareholders	:	On a show of hands: 1 vote for each member On a poll: 1 vote for each ordinary share

DISTRIBUTION OF SHAREHOLDINGS

(As recorded in the Register of Members and Depository Register)

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	87	4.91	963	0.00
100 – 1,000	127	7.17	85,848	0.00
1,001 – 10,000	252	14.23	1,563,949	0.04
10,001 – 1,000,000	1,251	70.64	169,940,266	4.04
1,000,001 and above	54	3.05	4,031,994,917	95.92
	1,771	100.00	4,203,585,943	100.00

SHAREHOLDINGS HELD IN HANDS OF PUBLIC

Based on information available to the Company as at 10 March 2021, approximately 13.97% of the issued ordinary shares of the Company is held by the public. Accordingly, the Company has complied with Rule 723 of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited which requires at least 10% of a listed issuer's equity securities to be held by the public.

TOP 20 SHAREHOLDERS LIST

(As recorded in the Register of Members and Depository Register)

S/No	Name of Shareholder	No. of Shares Held	%
1	Citibank Nominees Singapore Pte Ltd	1,525,306,732	36.29
2	Tamaris Infrastructure Pte Ltd	800,000,000	19.03
3	Maybank Nominees (Singapore) Pte Ltd	762,053,273	18.13
4	GW Redwood Pte Ltd	552,731,584	13.15
5	DBS Nominees Pte Ltd	44,933,500	1.07
6	Asdew Acquisitions Pte Ltd	37,507,200	0.89
7	Lim and Tan Securities Pte Ltd	35,463,200	0.84
8	Raffles Nominees (Pte) Limited	28,575,400	0.68
9	Lim Yue Heng	20,692,800	0.49
10	Shu Lifen	18,282,600	0.44
11	Phillip Securities Pte Ltd	17,576,210	0.42
12	Omar Ziyad Fekri Z	16,800,000	0.40
13	OCBC Securities Private Ltd	16,475,659	0.39
14	Ramesh S/O Pritamdas Chandiramani	13,396,000	0.32
15	Maybank Kim Eng Securities Pte.Ltd	12,601,200	0.30
16	IFast Financial Pte Ltd	11,888,850	0.28
17	ABN Amro Clearing Bank N.V.	8,981,375	0.21
18	Chin Sek Peng	8,800,000	0.21
19	HSBC (Singapore) Nominees Pte Ltd	7,250,650	0.17
20	Tan Soon Kee	7,250,000	0.17
		3,946,566,233	93.88

SHAREHOLDINGS STATISTICS

(As At 10 March 2021)

SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders)

Name of Substantial Shareholder	Direct Interest No. of Shares	Direct Interest %	Deemed Interest No. of Shares	Deemed Interest %
Tamaris Infrastructure Pte. Ltd.[(1)]	3,062,053,273	72.84	–	–
Garrison Investment Holdings Ltd.[(1)]	–	–	3,062,053,273	72.84
Anthoni Salim[(1)]	–	–	3,062,053,273	72.84
GW Redwood Pte. Ltd.[(2)]	552,731,584	13.15	–	–
Gateway Fund Company Pte. Ltd.[(2)]	–	–	552,731,584	13.15
Gateway Fund I, L.P.[(2)]	–	–	552,731,584	13.15
Gateway Partners Limited[(2)]	–	–	552,731,584	13.15

Notes:

(1) Garrison Investment Holdings Ltd. ("Garrison") has a shareholding interest exceeding 20% in Tamaris Infrastructure Pte. Ltd. ("TIPL"). Accordingly, Garrison is deemed to have an interest in the voting shares in the Company ("Shares") in which TIPL has an interest, by virtue of Section 4(5) of the Securities and Futures Act, Cap. 289 ("SFA"). Anthoni Salim has a controlling interest in Garrison. Accordingly, Anthoni Salim is deemed to have an interest in the Shares in which TIPL has an interest, by virtue of Section 4(4) of the SFA.

United Dragon Associates Limited ("UDA"), Amartha Group Limited ("AGL") and Kidston Holdings Limited ("KHL") together have an interest in not less than 20% of the voting shares of TIPL. Accordingly, Anthoni Salim, together with his associates, UDA, AGL and KHL, control not less than 20% of the voting shares of TIPL and is deemed to have an interest in the Shares in which TIPL has an interest, by virtue of Section 4(5) of the SFA.

(2) Gateway Fund Company Pte. Ltd. owns 100% of GW Redwood Pte. Ltd. Gateway Fund I, L.P. (the "Fund") owns 100% of Gateway Fund Company Pte. Ltd. Gateway Partners Limited (the "GP") is the general partner of the Fund. The GP has full control over the business and affairs of the Fund, including making all investment and divestment decisions, and voting the securities and interests held by the Fund, via the investment committee of the Fund.

The limited partners of the Fund do not have any control over the business and affairs of the Fund, including the making of investment and divestment decisions and voting the securities and interests held by the Fund.

The shareholders (direct or indirect) of the GP do not have, in their capacity as shareholders (direct or indirect) of the GP, any control over the business and affairs of the Fund, including the making of investment and divestment decisions and voting the securities and interests held by the Fund, and do not have the beneficial ownership in the securities and interests held by the Fund.

NOTICE OF ANNUAL GENERAL MEETING

This Notice has been made available on SGXNET and the Company's website at www.moyaasia.com. A printed copy of this Notice will NOT be despatched to members.

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Moya Holdings Asia Limited (the "**Company**") will be convened and held by way of electronic means (via LIVE WEBCAST and LIVE AUDIO STREAM) on Friday, 23 April 2021 at 10.00 a.m. (Singapore time) to transact the following business:–

As Ordinary Business

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 December 2020, together with the Directors' Statement and the Auditors' Report thereon. **[Resolution 1]**

2. To approve the payment of Directors' fees of up to S$295,000 for the financial year ending 31 December 2021, to be paid quarterly in arrears. [FY2020: S$295,000]
[See explanatory note (i)] **[Resolution 2]**

3. (a) To re-elect Mr Hwang Kin Soon Ignatius who is retiring in accordance with Regulation 111 of the Company's Constitution and Rule 720(4) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"), as a Director of the Company.
[See explanatory note (ii)] **[Resolution 3(a)]**

   (b) To re-elect Mr Mohammad Syahrial who is retiring in accordance with Regulation 111 of the Company's Constitution and Rule 720(4) of the Catalist Rules, as a Director of the Company.
[See explanatory note (iii)] **[Resolution 3(b)]**

4. To re-appoint PricewaterhouseCoopers LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **[Resolution 4]**

5. To transact any other ordinary business which may be properly transacted at an Annual General Meeting of the Company.

As Special Business

To consider and, if thought fit, to pass the following as Ordinary Resolutions, with or without modifications:–

6. **Authority to Allot and Issue Shares**

   (a) "That pursuant to Section 161 of the Companies Act, Cap. 50 of Singapore ("**Companies Act**") and Rule 806 of the Catalist Rules, authority be and is hereby given to the Directors of the Company ("**Directors**") to:

   (i) allot and issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

   at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

   (b) (notwithstanding the authority conferred by this Resolution 5 may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors while Resolution 5 was in force, provided that

   (i) the aggregate number of Shares to be issued pursuant to this Resolution 5 (including Shares to be issued in pursuance of the Instruments made or granted pursuant to this Resolution 5) does not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with subparagraph (ii) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to existing shareholders of the Company (including Shares to be issued in pursuance of the Instruments made or granted pursuant to this Resolution 5) does not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (ii) below);

NOTICE OF ANNUAL GENERAL MEETING

(ii) (subject to such manner of calculation as may be prescribed or directed by the SGX-ST), for the purpose of determining the aggregate number of Shares (including Shares to be issued pursuant to the Instruments) that may be issued under subparagraph (i) above, the percentage of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) shall be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) at the time of the passing of this Resolution 5, after adjusting for:

(a) new Shares arising from the conversion or exercise of the Instruments or any convertible securities outstanding at the time of passing of this Resolution 5;

(b) (where applicable) new Shares arising from exercise of share options or vesting of share awards, provided that such share awards or share options (as the case may be) were granted in compliance with Part VIII of the Catalist Rules; and

(c) any subsequent bonus issue, consolidation or sub-division of Shares;

adjustments in accordance with sub-paragraph (ii)(a) or sub-paragraph (ii)(b) above are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution 5;

(iii) in exercising the authority conferred by this Resolution 5, the Company shall comply with the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act, Cap. 50 and the Company's Constitution; and

(iv) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution 5 shall continue in force until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier."

[See explanatory note (iv)] **[Resolution 5]**

7. **Authority to offer and grant share options and to allot and issue Shares under the Moya Holdings Asia Limited Employee Share Option Scheme ("MHAL ESOS")**

"That pursuant to Section 161 of the Companies Act, the Directors be authorised and empowered to grant share options in accordance with the provisions of the MHAL ESOS and to allot and issue from time to time such number of Shares as may be required to be issued pursuant to the exercise of the share options under the MHAL ESOS, provided that the aggregate number of new Shares which may be issued pursuant to the MHAL ESOS shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting is required by law to be held, whichever is earlier."

[See explanatory note (v)] **[Resolution 6]**

8. **Approval for the continued appointment of Mr Low Chai Chong as an Independent Director by all shareholders**

That, subject to and contingent upon the passing of Resolution 8 and pursuant to Rule 406(3)(d)(iii)(A) of the Catalist Rules (which will take effect on 1 January 2022):

(a) the continued appointment of Mr Low Chai Chong as an Independent Director be and is hereby approved; and

(b) the authority conferred by this resolution shall continue in force until the earlier of the retirement or resignation of Mr Low Chai Chong as a Director or the conclusion of the third annual general meeting of the Company following the passing of this resolution.

[See explanatory note (vi)] **[Resolution 7]**

NOTICE OF ANNUAL GENERAL MEETING

9. **Approval for the continued appointment of Mr Low Chai Chong as an Independent Director by shareholders, excluding the Directors and the Chief Executive Officer of the Company, and their respective associates**

   That, subject to and contingent upon the passing of Resolution 7 and pursuant to Rule 406(3)(d)(iii)(B) of the Catalist Rules (which will take effect on 1 January 2022):

   (a) the continued appointment of Mr Low Chai Chong as an Independent Director be and is hereby approved; and

   (b) the authority conferred by this resolution shall continue in force until the earlier of the retirement or resignation of Mr Low Chai Chong as a Director or the conclusion of the third annual general meeting of the Company following the passing of this resolution.

   [See explanatory note (vi)] **[Resolution 8]**

10. **Approval for the continued appointment of Mr Hwang Kin Soon Ignatius as an Independent Director by all shareholders**

    That, subject to and contingent upon the passing of Resolution 3(a) and the passing of resolution 10 and pursuant to Rule 406(3)(d)(iii)(A) of the Catalist Rules (which will take effect on 1 January 2022):

    (a) the continued appointment of Mr Hwang Kin Soon Ignatius as an Independent Director be and is hereby approved; and

    (b) the authority conferred by this resolution shall continue in force until the earlier of the retirement or resignation of Mr Hwang Kin Soon Ignatius as a Director or the conclusion of the third annual general meeting of the Company following the passing of this resolution.

    [See explanatory note (vi)] **[Resolution 9]**

11. **Approval for the continued appointment of Mr Hwang Kin Soon Ignatius as an Independent Director by shareholders, excluding the Directors and the Chief Executive Officer of the Company and their respective associates**

    That, subject to and contingent upon the passing of Resolution 3(a) and the passing of Resolution 9 and pursuant to Rule 406(3)(d)(iii)(B) of the Catalist Rules (which will take effect on 1 January 2022):

    (a) the continued appointment of Mr Hwang Kin Soon Ignatius as an Independent Director be and is hereby approved; and

    (b) the authority conferred by this resolution shall continue in force until the earlier of the retirement or resignation of Mr Ignatius Hwang as a Director or the conclusion of the third annual general meeting of the Company following the passing of this resolution.

    [See explanatory note (vi)] **[Resolution 10]**

By Order of the Board

Low Chai Chong
Non-Executive Lead Independent Director

Singapore
8 April 2021

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

(i) Payment of Directors' fees of S$295,000 for FY2020 was approved by shareholders of the Company at the last Annual General Meeting of the Company on 19 June 2020. The actual amount of Directors' fees for FY2020 paid was S$295,000.

(ii) Mr Hwang Kin Soon Ignatius will, upon re-election as a Director of the Company, remain as the Chairman of the Nominating Committee and the Remuneration Committee, and a member of the Audit Committee. Save for being a director of certain of the Company's subsidiaries (namely Moya Indonesia Holdings Pte. Ltd., Moya Energy Holdings Pte. Ltd., Moya Energy Asia Pte. Ltd. and Obor Infrastructure Pte. Ltd.), Mr Hwang Kin Soon Ignatius has no relationships (including immediate family relationships) with the rest of the Directors, the Company, its related corporations, its substantial shareholders or its officers. The Board considers Mr Hwang Kin Soon Ignatius to be independent for the purpose of Rule 704(7) of the Catalist Rules. The key information of Mr Hwang Kin Soon Ignatius can be found under the sections entitled "Board of Directors", "Corporate Governance Report – Principle 4" and "Directors' Statement" of the Company's 2020 Annual Report.

(iii) Mr Mohammad Syahrial will, upon re-election as a Director of the Company, remain as the Chief Executive Officer of the Company. The key information of Mr Mohammad Syahrial can be found under the sections entitled "Board of Directors", "Corporate Governance Report – Principle 4" and "Directors' Statement" of the Company's 2020 Annual Report.

(iv) Resolution 5 proposed in item 6 above, if passed, will authorise the Directors, from the date of the passing of Resolution 5 to the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier, to allot and issue Shares and to make or grant instruments (such as warrants or debentures) convertible into Shares, and to issue Shares in pursuance of such instruments, up to an aggregate number not exceeding 100% of the Company's total number of issued shares (excluding treasury shares and subsidiary holdings, if any), with a sub-limit of 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) for issues other than on a pro-rata basis to shareholders of the Company. For the purpose of determining the aggregate number of Shares that may be issued, the percentage of the total number of issued Shares shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) at the time Resolution 5 is passed, after adjusting for (a) new Shares arising from the conversion or exercise of any convertible securities, and (b) new Shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time Resolution 5 is passed, and (c) any subsequent bonus issue, consolidation or sub-division of Shares.

(v) Resolution 6 proposed in item 7 above, if passed, will authorise and empower the Directors, from the date of passing of Resolution 6 to the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier, to grant share options and to allot and issue Shares pursuant to the MHAL ESOS, provided that the aggregate number of shares to be issued shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) from time to time.

(vi) Resolutions 7, 8, 9 and 10 are in anticipation of Rule 406(3)(d)(iii) of the Catalist Rules of the SGX-ST which will take effect on 1 January 2022.

Pursuant to Rule 406(3)(d)(iii) of the Catalist Rules which will take effect from 1 January 2022, a director will not be independent if he has served for an aggregate of more than nine (9) years and his continued appointment as an independent director has to be sought and approved in separate resolutions by (a) all shareholders; and (b) shareholders, excluding the directors and chief executive officer of the issuer, and associates of such directors and chief executive officer (the "**Two-Tier Voting**"). For the purpose of the resolution referred to in (b), the directors and chief executive officer of the issuer, and their respective associates, must not accept appointment as proxies unless specific instructions as to voting are given. Such resolutions approved by a Two-Tier Voting may remain in force for three (3) years from the conclusion of the annual general meeting of an issuer following the passing of the resolutions or the retirement or resignation of the director, whichever the earlier.

Each of Mr Low Chai Chong and Mr Hwang Kin Soon Ignatius would have served as an Independent Director of the Company for an aggregate term of more than nine (9) years on 6 March 2022 and 9 January 2022, respectively (being nine (9) years since their respective dates of appointment), and would not be considered independent unless their respective continued appointments as Independent Directors have been sought and approved by a Two-Tier Voting process prior to 6 March 2022 and 9 January 2022, respectively (which are before the date by which the next annual general meeting of the Company is required to be held).

Mr Low Chai Chong is the Lead Independent Director of the Company, Chairman of the Audit Committee and the Remuneration Committee, as well as a member of the Nominating Committee. Upon the passing of Resolutions 7 and 8 for his continued appointment as an Independent Director, he will continue in the aforementioned capacities. The key information of Mr Low Chai Chong can be found under the sections entitled "Board of Directors", "Corporate Governance Report – Principle 4" and "Directors' Statement" of the Company's 2020 Annual Report.

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ANNUAL GENERAL MEETING

Mr Hwang Kin Soon Ignatius is an Independent Director of the Company, the Chairman of the Nominating Committee, as well as a member of the Audit Committee and the Remuneration Committee. Upon passing of Resolutions 9 and 10 for his continued appointment as an Independent Director, he will continue in the aforementioned capacities. The key information of Mr Hwang Kin Soon Ignatius can be found under the sections entitled "Board of Directors", "Corporate Governance Report – Principle 4" and "Directors' Statement" of the Company's 2020 Annual Report.

Notes:

1. The Annual General Meeting of the Company ("AGM") is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of this Notice of AGM (the "**Notice**") will NOT be sent to members. Instead, this Notice will be sent to members of the Company by electronic means via publication on the SGXNet and the Company's corporate website at www.moyaasia.com.

2. Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the AGM can be electronically accessed via "live" audio-visual webcast or "live" audio-only stream, submission of questions in advance of the AGM, addressing of substantial and relevant questions, are set out in the Company's announcement dated 8 April 2021 (the "**Announcement**"), which has been uploaded together with this Notice of AGM on SGXNet on the same day. The Announcement may also be assessed at www.moyaasia.com. For the avoidance of doubt, the aforesaid section is circulated together with and forms part of this Notice of AGM in respect of the Meeting.

3. The Company will be not be convening a physical meeting, as such, members will not be able to attend the AGM in person. If a member (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM. In appointing the Chairman of the AGM as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy ("**proxy form**"), failing which the appointment will be treated as invalid.

4. The Chairman of the AGM, as proxy, need not be a member of the Company.

5. The instrument appointing the Chairman of the AGM as proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a duly certified copy thereof, must:

   (a) if submitted by email, be received by M & C Services Private Limited at gpb@mncsingapore.com; or

   (b) if submitted by post, be lodged at the office of the Company's Share Registrar, M & C Services Private Limited at 112 Robinson Road #05-01, Singapore 068902.

   in either case, by 10.00 a.m. on 20 April 2021 (being not less than seventy-two (72) hours before the time appointed for holding the AGM) (or any adjournment thereof), and in default the instrument of proxy shall not be treated as valid.

   In view of the current COVID-19 situation and the related safe management measures which may make it difficult for members of the Company to submit completed proxy forms by post, members of the Company are strongly encouraged to submit completed proxy forms electronically via email as early as possible, to enable your vote(s) to be counted, and to follow government guidance and requirements.

6. The instrument appointing the Chairman of the AGM as proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing the Chairman of the AGM as proxy is executed by a corporation, it must be either under its common seal or signed on its behalf by a duly authorised officer or attorney, failing which the instrument of proxy may be treated as invalid.

7. A corporation which is a member may by a resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act, Cap. 50.

Personal Data Privacy:

By (a) submitting an instrument appointing the Chairman of the AGM as proxy to vote at the AGM and/or any adjournment thereof, and/or (b) registering to attend the AGM via "live" audio-visual webcast or "live" audio-only stream, and/or (c) submitting any question prior to the AGM in accordance with this Notice of AGM, a shareholder of the Company consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents or service providers) for the following purposes:

(i) processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman of the AGM as proxy for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof);

(ii) processing the pre-registration forms for purposes of granting access to shareholders (or their corporate representatives in the case of shareholders who are legal entities) to the LIVE WEBCAST or LIVE AUDIO STREAM to observe the proceedings of the AGM and providing them with any technical assistance, where necessary;

(iii) addressing relevant and substantial questions from shareholders received before the AGM and if necessary, following up with the relevant shareholders in relation to such questions;

NOTICE OF ANNUAL GENERAL MEETING

(iv) preparation and compilation of the attendance lists, proxy list, minutes and other documents relating to the AGM (including any adjournment thereof); and

(v) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities.

This notice has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.

This notice has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this notice, including the correctness of any of the statements or opinions made or reports contained in this notice.

The contact person for the Sponsor is Ms. Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.

MOYA HOLDINGS ASIA LIMITED
(Incorporated in the Republic of Singapore)
Company Registration No. 201301085G

IMPORTANT

1 The Annual General Meeting of the Company ("**AGM**") is being convened, and will be held, by electronic means pursuant to the Covid-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of the Notice of AGM (the "**Notice**") will NOT be sent to members. Instead, the Notice will be sent to members of the Company by electronic means via publication on the SGXNET and the Company's corporate website at www.moyaasia.com.

2 Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the AGM can be electronically accessed via "live" audio-visual webcast or "live" audio-only system, submission of questions in advance of the AGM, addressing of substantial and relevant questions, are set out in the Company's announcement dated 8 April 2021, which has been uploaded together with the Notice on SGXNet on the same day.

3. The Company will not be arranging for a physical meeting, as such, members of the Company will not be able to attend the AGM in person. A member (whether individual or corporate) must appoint the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM.

4. Please read the notes to this Proxy Form.

PROXY FORM

I/We ______________________________ Name) ____________________ (*NRIC/Passport/Co. Reg. No.)

of ____ (Address)

being a* member/members of MOYA HOLDINGS ASIA LIMITED (the "**Company**") hereby appoint the Chairman of the AGM of the Company as *my/our proxy to vote for *me/us on *my/our behalf at the AGM to be held by way of electronic means on Friday, 23 April 2021 at 10.00 a.m. and at any adjournment thereof.

*I/We direct the Chairman of the AGM of the Company, being *my/our proxy to vote for or against and/or to abstain from voting on, the resolutions to be proposed at the AGM as indicated hereunder. **In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as your proxy for that resolution(s) will be treated as invalid.**

*Delete as appropriate

NO	ORDINARY RESOLUTIONS	No. of Votes FOR**	No. of Votes AGAINST**	No. of Votes Abstain**
	Ordinary Business			
1.	Adoption of the Audited Financial Statements of the Company for the year ended 31 December 2020, together with the Directors' Statement and the Auditors' Report thereon			
2.	Approval for the payment for Directors' fees of up to S$295,000 for the financial year ending 31 December 2021, to be paid quarterly in arrears			
3.	(a) Re-election of Mr Hwang Kin Soon Ignatius as Director of the Company			
	(b) Re-election of Mr Mohammad Syahrial as Director of the Company			
4.	Re-appointment of PricewaterhouseCoopers LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration			
	Special Business			
5.	Authority to allot and issue shares in the capital of the Company			
6.	Authority to offer and grant options and to allot and issue Shares under the Moya Holdings Asia Limited Employee Share Option Scheme			
7.	Approval for the continued appointment of Mr Low Chai Chong as an Independent Director by all shareholders			
8.	Approval for the continued appointment of Mr Low Chai Chong as an Independent Director by shareholders, excluding the Directors and the Chief Executive Officer of the Company, and their respective associates			
9.	Approval for the continued appointment of Mr Hwang Kin Soon Ignatius as an Independent Director by all shareholders			
10.	Approval for the continued appointment of Mr Hwang Kin Soon Ignatius as an Independent Director by shareholders, excluding the Directors and the Chief Executive Officer of the Company, and their respective associates			

**Voting will be conducted by poll. If you wish to exercise all your votes "For" or "Against" the relevant resolution or to "Abstain" from voting on the relevant resolution in respect of all your votes, please tick (√) within the relevant box provided. Alternatively, if you wish to exercise some and not all your votes 'For" and "Against" the relevant resolution and/or to "Abstain" from voting in respect of the relevant resolution, please indicate the number of votes "For", the number "Against" and/or the number "Abstain" in the boxes provided for the relevant resolution.

Dated this ________ day of ____________________ 2021.

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

____
Signature(s) of Member(s) or Common Seal of Corporate Member

Notes:–

This proxy form has been made available on SGXNet and the Company's corporate website at www.moyaasia.com. A printed copy of the proxy form will NOT be despatched to members.

1 If the member has Shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited), he should insert that number of Shares. If the member has Shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert that number of Shares. If the member has Shares entered against his name in the Depository Register and Shares registered in his name in the Register of Members, he should insert the aggregate number of Shares entered against his name in the Depository Register and registered in his name in the Register of Members. If the number of Shares is not inserted, this form of proxy ("**proxy form**") will be deemed to relate to all the Shares held by the member.

2 The Company will not be arranging for a physical meeting, as such, members of the Company will not be able to attend the AGM in person. A member of the Company (whether individual or corporate) must submit his/her/its proxy form appointing the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM. In appointing the Chairman of the AGM as proxy, a member of the Company (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.

3. This duly executed proxy form, together with the power of attorney or other attorney (if any) under which it is signed, or duly certified copy thereof, must:

   (a) if submitted by email, be received by M & C Services Private Limited at gpb@mncsingapore.com; or

   (b) if submitted by post, be lodged at the office of the Company's Share Registrar, M & C Services Private Limited at 112 Robinson Road #05-01, Singapore 068902.

   in either case, **by 10.00 a.m. on 20 April 2021** (being not less than seventy-two (72) hours before the time appointed for holding the AGM)(or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid.

   In view of the current COVID-19 situation and the related safe management measures which may make it difficult for members of the Company to submit completed proxy form by post, members of the Company are strongly encouraged to submit the completed proxy forms electronically via email.

4. The Chairman of the AGM as proxy, need not be a member of the Company.

5. The instrument appointing the Chairman of the AGM as proxy must be under the hand of the appointor or his attorney. Where the instrument appointing Chairman of the AGM as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of an attorney or a duly authorised officer of the corporation.

6. Where an instrument appointing the Chairman of the AGM as proxy is signed on behalf of the appointer by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

7. For investors who hold Shares in the capital of the Company under CPF Investment Scheme ("**CPF Investors**") or Supplementary Retirement Scheme ("**SRS Investors**"), this proxy form is not valid for their use and shall be ineffective for all intents and purposes if used or purported to be used by them. SRS Investors who wish to appoint the Chairman of the AGM to act as their proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) workings days before the AGM (i.e. by 10.00 a.m. on 14 April 2021).

8. The Company shall be entitled to reject the instrument appointing the Chairman of the AGM as proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the AGM as proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing the Chairman of the AGM as proxy lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for the holding of the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing the Chairman of the AGM as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 8 April 2021.

CORPORATE INFORMATION

COMPANY INFORMATION
MOYA HOLDINGS ASIA LIMITED
Incorporated in the Republic of Singapore on
9 January 2013
Company Registration Number: 201301085G

STOCK EXCHANGE LISTING
Listed on Singapore Exchange – Catalist
SGX Code: 5WE

BOARD OF DIRECTORS
KUNTORO MANGKUSUBROTO
Chairman, Non-Executive Independent Director

MOHAMMAD SYAHRIAL
Chief Executive Officer and Executive Director

IRWAN A. DINATA
Managing Director and Executive Director

LOW CHAI CHONG
Non-Executive Lead Independent Director

SIMON A. MELHEM
Non-Executive Non-Independent Director

HWANG KIN SOON IGNATIUS
Non-Executive Independent Director

AUDIT COMMITTEE
LOW CHAI CHONG *(Chairman)*
SIMON A. MELHEM
HWANG KIN SOON IGNATIUS
KUNTORO MANGKUSUBROTO

NOMINATING COMMITTEE
HWANG KIN SOON IGNATIUS *(Chairman)*
LOW CHAI CHONG
IRWAN A. DINATA
KUNTORO MANGKUSUBROTO

REMUNERATION COMMITTEE
LOW CHAI CHONG *(Chairman)*
HWANG KIN SOON IGNATIUS
SIMON A. MELHEM
KUNTORO MANGKUSUBROTO

COMPANY SECRETARIES
EDWIN TEO CHIN KEE
GOH WEE MENG, DARREN

REGISTERED OFFICE
65 Chulia Street, OCBC Centre #37-08
Singapore 049513
Tel: +65 6365 0652
Fax: +65 6365 1025
Website: www.moyaasia.com
Email: enquiry@moyaasia.com

SHARE REGISTRAR AND SHARE TRANSFER OFFICE
M & C SERVICES PRIVATE LIMITED
112 Robinson Road #05-01
Singapore 068902

INDEPENDENT AUDITOR
PRICEWATERHOUSECOOPERS LLP
7 Straits View, Marina One
East Tower, Level 12
Singapore 018936
Partner-in-Charge: Tham Tuck Seng
(since financial year ended 31 December 2017)
(Public Accountants and Chartered Accountant, a member of the Institute of Singapore Chartered Accountants)

SPONSOR
ZICO CAPITAL PTE. LTD.
8 Robinson Road
#09-00 ASO Building
Singapore 048544

PRINCIPAL BANKERS
OVERSEA-CHINESE BANKING CORPORATION LIMITED
63 Chulia Street
#10-00 OCBC Centre East
Singapore 049514

PT BANK OCBC NISP TBK
OCBC NISP Tower
Jl. Prof. Dr. Satrio, Kav 25
Jakarta 12940

PT BANK CENTRAL ASIA TBK
Jl. M.H. Thamrin, No.1
Menara BCA
Jakarta 10310

PT BANK CHINA CONSTRUCTION BANK INDONESIA TBK
Jl. Jenderal Sudirman Kav. 68
Sahid Sudirman Center 15th Floor
Jakarta 10220

PT INDONESIA INFRASTRUCTURE FINANCE
Jl. Jend. Sudirman Kav. 52-53
Prosperity Tower 53rd – 55th floor, District 8
Sudirman Central Business District, Lot 28
Jakarta 12190

PT BANK DANAMON INDONESIA TBK
Jl. HR. Rasuna Said Blok C No. 10
Menara Bank Danamon
Jakarta 12920

Moya Holdings Asia Limited

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Company registration number 201301085G
65 CHULIA STREET I OCBC CENTRE #37-08 I SINGAPORE 049513
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