



Moya Holdings Asia Limited

MOYA HOLDINGS ASIA LIMITED

Registration number: 201301085G

**Unaudited Financial Statements and Dividend Announcement
For The Full Year Ended 31 December 2019**

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

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.

PART I – INFORMATION REQUIRED FOR RESULTS ANNOUNCEMENT OF FULL YEAR ENDED 31 DECEMBER 2019

1(a) A statement of profit or loss and other comprehensive income for the group, together with a comparative statement for the corresponding period of immediately preceding financial year

1(a)(i) Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Group		Change
	Unaudited 12 months ended 31.12.2019 ("FY2019")	Audited 12 months ended 31.12.2018 ("FY2018")	
	(\$'000)	(\$'000)	%
Revenue	205,786	189,292	9
Cost of sales	(109,346)	(104,002)	5
Gross profit	96,440	85,290	13
Other item of income:			
Interest income	3,581	9,943	(64)
Other items of expenses:			
Administrative expenses	(36,933)	(37,249)	(1)
Finance costs	(31,749)	(37,637)	(16)
Other expenses	(948)	(951)	(0)
Other (losses)/gain	(4,108)	17,346	N.M
Profit before tax	26,283	36,742	(28)
Income tax expense	(9,318)	(11,497)	(19)
Profit after tax	16,965	25,245	(33)
Other comprehensive income/(loss):			
Item that will not be reclassified to profit or loss			
Re-measurements of defined benefit pension plans, net of tax	150	409	(63)
Exchange differences on translating foreign operations	1,068	(9,816)	N.M
Other comprehensive loss, net of tax	1,218	(9,407)	N.M
Total comprehensive income	18,183	15,838	15
Adjusted EBITDA⁽¹⁾	82,227	69,442	18

N.M – not meaningful

Note:

- (1) Adjusted EBITDA (being earnings before interest, taxes, depreciation and amortisation) was computed based on the Group's revenue (excluding (i) adjustment from the adoption of SFRS (I) INT 12; (ii) service concession construction revenue; and (iii) finance income under service concession arrangements) less cost of sales (excluding service concession construction costs), administrative expenses and other expenses, adding back depreciation and amortisation.

1(a)(i) Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)

	Group		
			Change
	FY2019	FY2018	+ / (-)
	(S\$'000)	(S\$'000)	%
Profit attributable to:			
Owners of the parent	16,631	25,169	(34)
Non-controlling interests	334	76	339
Profit after tax	16,965	25,245	(33)
Total comprehensive income attributable to:			
Owners of the parent	17,849	15,762	13
Non-controlling interests	334	76	339
Total comprehensive income	18,183	15,838	15

N.M – not meaningful

1(a)(ii) Notes to Consolidated Statement of Profit or Loss

Profit before tax is arrived at after crediting/(charging) the following:

	Group		
			Change
	FY2019	FY2018	+ / (-)
	(S\$'000)	(S\$'000)	%
Sale of water and related services ⁽¹⁾	159,493	146,793	9
Adjustment from adoption of SFRS (I) INT 12 ⁽¹⁾⁽²⁾	(6,401)	(5,360)	19
Service concession construction revenue ⁽¹⁾	29,272	28,293	3
Other revenue ⁽¹⁾	6,034	5,879	3
Finance income under service concession arrangements ⁽¹⁾⁽²⁾	17,388	13,687	27
Depreciation of property, plant and equipment ⁽³⁾	(6,420)	(4,856)	32
Amortisation of service concession assets ⁽⁴⁾	(28,477)	(25,782)	10
Allowance for doubtful debts ⁽⁵⁾	(1,045)	(1,819)	(43)
Finance costs	(31,749)	(37,637)	(16)
Net foreign exchange adjustment (losses)/gain ⁽⁶⁾	(1,884)	13,948	N.M

N.M – not meaningful

Notes:

- (1) Classified as revenue in consolidated statement of profit or loss and other comprehensive income.
- (2) In accordance to the Singapore Financial Reporting Standards (International) Interpretations 12 – Service Concession Arrangements (“SFRS (I) INT 12”), when the Group (as operator) receives payment during the period of the service concession arrangement, it will apportion such payment between a repayment of the financial asset arising from the construction activities of the service concession arrangement, reducing the carrying amount of the financial assets on its statement of financial position, and revenue from operating and maintaining the water treatment plants in its statement of profit or loss. Interest income on financial assets arising from the service concession arrangement will also be recognised.
- (3) The increase was mainly due to depreciation charges arising from new equipment acquired in FY2019.
- (4) The increase was mainly due to amortisation expense from additional intangible assets arising from a service concession arrangement in FY2019.
- (5) The decrease was mainly due to lower provision for impairment of doubtful debts resulting from improvement in the collection of receivables.
- (6) Classified as other (losses)/gain in consolidated statement of profit or loss and other comprehensive income. Please refer to Section 8.1(h) for explanation on the fluctuations.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group		Company	
	Unaudited 31.12.2019 (S\$'000)	Audited 31.12.2018 (S\$'000)	Unaudited 31.12.2019 (S\$'000)	Audited 31.12.2018 (S\$'000)
Assets				
Non-current assets				
Property, plant and equipment	28,419	25,631	420	74
Investments in subsidiaries	-	-	188,618	182,507
Service concession assets	367,268	354,175	-	-
Goodwill	72,264	73,324	-	-
Deferred income tax assets	12,029	9,001	-	-
Other non-current assets	2,452	-	-	-
Total non-current assets	482,432	462,131	189,038	182,581
Current assets				
Inventories	4,769	4,929	-	-
Service concession assets	11,596	8,958	-	-
Trade and other receivables	37,974	38,383	116	197
Restricted cash in banks and time deposits	5,970	5,996	-	-
Cash and cash equivalents	101,544	115,570	55,976	63,074
Total current assets	161,853	173,836	56,092	63,271
Total assets	644,285	635,967	245,130	245,852
Equity and liabilities				
Equity attributable to owners of the parent				
Share capital	253,728	253,618	253,728	253,618
Capital reserve	5,826	5,826	-	-
Share option reserve	591	591	591	591
Foreign currency translation reserve	(18,739)	(19,807)	-	-
Retained earnings/(accumulated losses)	45,258	28,477	(9,732)	(8,519)
Equity attributable to owners of the parent	286,664	268,705	244,587	245,690
Non-controlling interests	1,963	1,629	-	-
Total equity	288,627	270,334	244,587	245,690
Non-current liabilities				
Provisions	19,725	20,841	-	-
Borrowings	201,048	224,281	242	-
Deferred income tax liabilities	42,166	40,246	-	-
Trade and other payables	9,967	7,732	-	-
Total non-current liabilities	272,906	293,100	242	-
Current liabilities				
Provisions	2,641	1,961	-	-
Borrowings	45,473	38,911	136	-
Trade and other payables	34,638	31,661	165	162
Total current liabilities	82,752	72,533	301	162
Total liabilities	355,658	365,633	543	162
Total equity and liabilities	644,285	635,967	245,130	245,852

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year

Amount repayable in one year or less, or on demand

As at 31 December 2019 (S\$'000)		As at 31 December 2018 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
45,473	-	38,911	-

Amount repayable after one year

As at 31 December 2019 (S\$'000)		As at 31 December 2018 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
201,048	-	224,281	-

Details of any collateral

Collateral as at 31 December 2019:

PT Aetra Air Jakarta

- Pledge over subsidiaries' ordinary shares and debt service reserve accounts; and
- Corporate guarantee from the Company and a subsidiary of the Company.

PT Aetra Air Tangerang

- Fiduciary of insurance claims from a subsidiary of the Company;
- Mortgage of land from a subsidiary of the Company;
- Fiduciary of machine and equipment from a subsidiary of the Company;
- Pledge over subsidiaries' ordinary shares and debt service reserve accounts; and
- Corporate guarantee from the Company and a subsidiary of the Company.

PT Moya Bekasi Jaya and PT Moya Tangerang

- Fiduciary of accounts receivables of subsidiaries of the Company and insurance claims from a subsidiary of the Company;
- Pledge over subsidiaries' ordinary shares and debt service reserve accounts; and
- Corporate guarantee from the Company and a subsidiary of the Company.

PT Air Semarang Barat

- Fiduciary of accounts receivables of a subsidiary of the Company and insurance claims from a subsidiary of the Company;
- Pledge over subsidiary's ordinary shares and debt service reserve accounts;
- Corporate guarantee from the Company;
- Fiduciary of guarantee claim from PT Penjaminan Infrastruktur Indonesia;
- Fiduciary of surety bond from the contractor; and
- Fiduciary of compensation claim from Perusahaan Daerah Air Minum Tirta Moedal Semarang.

1(c) **A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

	Unaudited	Audited
	12 months ended	12 months ended
(S\$'000)	31.12.2019	31.12.2018
Cash flows from operating activities		
Receipts from customers	168,304	153,404
Payments to suppliers, directors and employees	(77,065)	(74,883)
Payments of corporate income tax	(12,842)	(10,137)
Net cash flows generated from operating activities	78,397	68,384
Cash flows from investing activities		
Acquisitions of fixed assets and other non-current assets	(7,375)	(7,385)
Interest received	3,555	2,495
Payments of construction costs	(32,812)	(29,284)
Advance for acquisition of subsidiaries	(1,000)	-
Net cash flows used in investing activities	(37,632)	(34,174)
Cash flows from financing activities		
Interest paid	(27,783)	(37,727)
Net decrease/(increase) in restricted cash in bank	26	(1,383)
Proceeds from loans	13,490	296,328
Repayments of loans and payment of debt issuance cost	(41,565)	(406,244)
Proceeds from issuance of share capital subsidiary to non-controlling interest	-	943
Issuance of ordinary shares	110	133,023
Net cash flows used in financing activities	(55,722)	(15,060)
Net (decrease)/increase in cash and cash equivalents	(14,957)	19,150
Cash and cash equivalents, beginning balance	115,570	96,921
Net effects of exchange rate changes	931	(501)
Cash and cash equivalents, closing balance	101,544	115,570

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (continued)

Group	Share capital	Capital reserve	Share option reserve	Foreign currency translation reserve	Retained earnings/ (accumulated losses)	Equity attributable to parent	Non-controlling interests	Total equity
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
At 1 January 2018	120,595	5,826	591	(13,550)	5,692	119,154	610	119,764
Impact from adoption of SFRS(I) 15	-	-	-	3,559	(2,793)	766	-	766
At 1 January 2018 (restated)	120,595	5,826	591	(9,991)	2,899	119,920	610	120,530
Profit for the financial period	-	-	-	-	25,169	25,169	76	25,245
Other comprehensive income								
Foreign currency translation differences of foreign operations	-	-	-	(9,816)	-	(9,816)	-	(9,816)
Re-measurement of defined benefit pension plans, net of tax	-	-	-	-	409	409	-	409
Total comprehensive income for the financial period	-	-	-	(9,816)	25,578	15,762	76	15,838
Proceeds from shares issued, net	133,023	-	-	-	-	133,023	943	133,966
At 31 December 2018	253,618	5,826	591	(19,807)	28,477	268,705	1,629	270,334
At 1 January 2019	253,618	5,826	591	(19,807)	28,477	268,705	1,629	270,334
Profit for the financial period	-	-	-	-	16,631	16,631	334	16,965
Other comprehensive income								
Foreign currency translation differences of foreign operations	-	-	-	1,068	-	1,068	-	1,068
Re-measurement of defined benefit pension plans, net of tax	-	-	-	-	150	150	-	150
Total comprehensive income for the financial period	-	-	-	1,068	16,781	17,849	334	18,183
Proceeds from shares issued	110	-	-	-	-	110	-	110
At 31 December 2019	253,728	5,826	591	(18,739)	45,258	286,664	1,963	288,627

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (continued)

Company	Share capital (S\$'000)	Share option reserve (S\$'000)	Accumulated losses (S\$'000)	Total equity (S\$'000)
At 1 January 2018	120,595	591	(6,632)	114,554
Proceeds from shares issued, net	133,023	-	-	133,023
Total comprehensive loss	-	-	(1,887)	(1,887)
At 31 December 2018	253,618	591	(8,519)	245,690
At 1 January 2019	253,618	591	(8,519)	245,690
Proceeds from shares issued	110	-	-	110
Total comprehensive loss	-	-	(1,213)	(1,213)
At 31 December 2019	253,728	591	(9,732)	244,587

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

Issued share capital	Number of shares	Share capital (S\$'000)
As at 30 September 2019 and 31 December 2019	4,203,585,943	253,728

There were no changes in the Company's share capital since the last reported financial period ended 30 September 2019.

As at 31 December 2019, the number of outstanding share options under the Employee Share Option Scheme was 8,000,000 (as at 31 December 2018: 10,400,000).

Save as disclosed, there were no other outstanding convertibles, treasury shares or subsidiary holdings as at 31 December 2019 and 31 December 2018.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year

The total number of issued shares (excluding treasury shares) as at 31 December 2019 was 4,203,585,943 (as at 31 December 2018: 4,201,385,943).

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on

Not applicable. The Company does not have any treasury shares during and as at the end of the current financial period reported on.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on

Not applicable. The Company does not have any subsidiary holdings during and as at the end of the current financial period reported on.

2. Please state whether the figures have been audited or reviewed, and if so which auditing standard or practice has been followed

The figures have neither been audited nor reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of matter)

Not applicable.

3A Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

- (a) Updates on the efforts taken to resolve each outstanding audit issue.**
- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

Not applicable. The latest audited financial statements of the Company and the Group for the financial year ended 31 December 2018 are not subject to any adverse opinion, qualified opinion or disclaimer of opinion.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied

Except as disclosed in point 5 below, the Group has consistently applied the same accounting policies and methods of computation in the Group's financial statements for the current reporting period as compared with the audited financial statements for the financial year ended 31 December 2018.

5. If there are any changes in accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The Group has adopted the applicable new Singapore Financial Reporting Standards (International) ("SFRS(I)") 16 – Leases which became effective for the accounting period beginning on or after 1 January 2019.

Adoption of SFRS(I) 16 Leases ("SFRS(I) 16")

SFRS(I) 16 is effective for financial years beginning on or after 1 January 2019. The Group has applied for the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

SFRS(I) 16 will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not change significantly.

Right-of-use assets are measured using the cost model and are carried at cost less accumulated depreciation and accumulated impairment loss, if any, subsequent to initial recognition. The carrying amount for lease liabilities subsequent to initial recognition would take into account interest on the lease liabilities, lease payments made and any reassessment or lease modifications.

The adoption of SFRS(I) 16 resulted in adjustments to the balance sheet of the Group as at 1 January 2019. The differences from the balance sheet as previously reported as at 31 December 2018 are as follows:

Group Balance Sheet	As at 1 January 2019
	(S\$'000)
Increase in property, plant and equipment	1,363
Decrease in trade and other receivables	(433)
Increase in borrowings	(930)

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

Earnings per ordinary share based on - net profit attributable to equity holders (numerator), and - weighted average number of ordinary shares on issue (denominator)	12 months ended 31.12.2019 (S\$ cents)	12 months ended 31.12.2018 (S\$ cents)
(i) On a basic basis; and (ii) On a fully diluted basis	0.40 0.39	0.72 0.72
Weighted average number of ordinary shares in issue: - for the purpose of basic earnings per share - for the purpose of diluted earnings per share	4,203,251,696 4,211,630,875	3,491,562,747 3,501,962,747

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	Group		Company	
	Unaudited 31.12.2019	Audited 31.12.2018	Unaudited 31.12.2019	Audited 31.12.2018
Net asset value per ordinary share based on issued share capital ⁽¹⁾ (S\$ cents)	6.82	6.40	5.82	5.85

Note:

(1) Based on an issued share capital of 4,203,585,943 ordinary shares as at 31 December 2019 (31 December 2018: 4,201,385,943 ordinary shares).

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

The Group's principal business comprises concession arrangements and bulk water provider project undertaken by Acuatico Pte. Ltd. and its subsidiaries (namely, PT Aetra Air Jakarta, PT Aetra Air Tangerang PT Acuatico Air Indonesia and PT Air Semarang Barat) (the "**Acuatico Group**"), and Build-Operate-Transfer projects ("**BOT Projects**") under contract and development under its subsidiaries, namely PT Moya Bekasi Jaya ("**Bekasi**"), PT Moya Tangerang ("**Tangerang**") and PT Moya Makassar.

8.1 Statement of Profit or Loss and Other Comprehensive Income (FY2019 vs FY2018)

8.1 (a) Revenue

Revenue increased by S\$16.5 million, from S\$189.3 million in FY2018 to S\$205.8 million in FY2019. This was mainly due to increase in (i) water sales from the Acuatico Group, and Tangerang and Bekasi BOT Projects; (ii) finance income under service concession arrangements from Tangerang and Bekasi BOT Projects; and (iii) service concession construction revenue from the Acuatico Group. The aforementioned increases were partially offset by decrease in service concession construction revenue from Tangerang and Bekasi BOT Projects.

8.1 (b) Cost of Sales

Cost of sales increased by S\$5.3 million, from S\$104.0 million in FY2018 to S\$109.3 million in FY2019. This was mainly due to increase in (i) concession construction cost from the Acuatico Group; and (ii) amortisation and depreciation expenses arising from new intangible assets and equipment acquired. The aforementioned increase were partially offset by decrease in concession construction costs from Tangerang and Bekasi BOT Projects.

8.1 (c) Gross Profit

Gross profit increased by S\$11.1 million, from S\$85.3 million in FY2018 to S\$96.4 million in FY2019. This was mainly due to increase in water sales and cost efficiency programmes implemented by the Group over the years to reduce costs, including but not limited to, chemical costs and electricity costs.

8.1 (d) Interest Income

Interest income decreased by S\$6.3 million, from S\$9.9 million in FY2018 to S\$3.6 million in FY2019, mainly due to gain of S\$6.2 million pursuant to the restructuring of bank loans in FY2018. Such gain arose from the decrease in interest rate margin of the bank loans with principal amount of IDR2.95 trillion (equivalent to S\$292.6 million) obtained in January 2018 (“**Syndicated Loans**”) to refinance the loan obtained by the Group in connection with the acquisition of the Acuatico Group in June 2017 (“**Acquisition Loan**”).

8.1 (e) Administrative Expenses

Administrative expenses decreased by S\$0.3 million, from S\$37.2 million in FY2018 to S\$36.9 million in FY2019, mainly due to decrease in professional fees and office expense, partially offset by increase in employee related expenses.

8.1 (f) Finance Costs

Finance costs decreased by S\$5.9 million, from S\$37.6 million in FY2018 to S\$31.7 million in FY2019, mainly due to the repayments of the Acquisition Loan in July 2018.

8.1 (g) Other Expenses

Other expenses remained relatively stable at S\$0.9 million in FY2018 and FY2019.

8.1 (h) Other (Losses)/Gain

The Group recorded other losses of S\$4.1 million in FY2019, as compared to other gain of S\$17.3 million in FY2018. Other losses of S\$4.1 million in FY2019 relate mainly to (i) foreign exchange loss of S\$1.9 million arising from the appreciation of the Indonesia Rupiah (“**IDR**”) against the Singapore Dollar (“**SGD**”) and United States Dollar (“**USD**”) in FY2019; and (ii) charges from PAM Jaya, allowance for doubtful receivables and land and building tax of S\$2.2 million.

Other gain of S\$17.3 million in FY2018 relate mainly to (i) foreign exchange gain of S\$13.9 million arising from the appreciation of USD against IDR in FY2018; and (ii) write-back of provision for impairment of trade receivables in the Acuatico Group of S\$6.0 million due to recovery of receivables. The gain was partially offset by other expenses of S\$2.6 million, which relate to charges from PAM Jaya, and land and building tax.

8.1 (i) Income Tax Expense

Income tax expense decreased by S\$2.2 million, from S\$11.5 million in FY2018 to S\$9.3 million in FY2019, mainly due to the decrease in income tax expense of the Acuatico Group in FY2019, attributable to lower taxable income.

8.1 (j) Profit After Tax

As a result of the above, the Group's net profit decreased by S\$8.2 million, from S\$25.2 million in FY2018 to S\$17.0 million in FY2019.

8.1 (k) Adjusted EBITDA

Adjusted EBITDA increased by S\$12.8 million, from S\$69.4 million in FY2018 to S\$82.2 million in FY2019, mainly due to increase in water sales and cost efficiency programmes in the Group.

8.1 (l) Exchange Differences on Translating Foreign Operations

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 gain of S\$1.1 million in FY2019 arising from the appreciation of IDR against SGD in FY2019.

8.2 Statement of Financial Position (31 December 2019 vs 31 December 2018)

The Group's total equity increased by S\$18.3 million or 6.8%, from S\$270.3 million as at 31 December 2018 to S\$288.6 million as at 31 December 2019. The increase was mainly due to (i) net profit of S\$16.9 million in FY2019; (ii) gain on foreign currency translation reserve of S\$1.1 million; and (iii) increase in share capital of S\$0.1 million from the exercise of 2.2 million employee share options under the Employee Share Option Scheme ("ESOS") in FY2019.

8.2 (a) Non-current Assets

The Group's non-current assets increased by S\$20.3 million or 4.4%, from S\$462.1 million as at 31 December 2018 to S\$482.4 million as at 31 December 2019. This was mainly due to increase in (i) service concession assets of S\$13.1 million; (ii) deferred income tax assets of S\$3.0 million; (iii) property, plant and equipment of S\$2.8; and (iv) other non-current assets of S\$2.5 million. The aforementioned increase was offset by decrease in goodwill of S\$1.1 million.

Property, plant and equipment increased by S\$2.8 million, mainly due to adoption of SFRS(I) 16 Leases as well as additions in property, plant and equipment. Please refer to section 5 of this announcement for further details on the adoption of SFRS(1) 16 Leases.

Service concession assets comprised service concession arrangements and contractual concession rights. Please refer to Section 1(a)(ii) of this announcement, footnote (2), on the accounting treatment of the Group's financial assets arising from service concession arrangement.

Deferred income tax assets increased by S\$3.0 million, mainly due to additions in service concession assets and property, plant and equipment in FY2019.

Other non-current assets of S\$2.5 million as at 31 December 2019 (31 December 2018: Nil) relates to the S\$1.0 million deposit paid in connection with the Group's proposed acquisition of Obor Infrastructure Pte. Ltd. (as announced by the Company on 30 December 2019), and receivables from related parties.

8.2 (b) Current Assets

The Group's current assets decreased by S\$12.0 million or 6.9%, from S\$173.8 million as at 31 December 2018 to S\$161.8 million as at 31 December 2019. This was mainly due to decrease in cash and cash equivalents of S\$14.0 million, partially offset by increase in service concession assets of S\$2.6 million.

Cash and cash equivalents decreased by S\$14.0 million or 12.1%, from S\$115.5 million as at 31 December 2018 to S\$101.5 million as at 31 December 2019. Please refer to Section 8.4 of this announcement on the statement of cash flows for explanations on the decrease in cash and cash equivalents of the Group.

Service concession assets (current and non-current) increased by S\$15.8 million or 4.3%, from S\$363.1 million as at 31 December 2018 to S\$378.9 million as at 31 December 2019, mainly due to the additional construction progress for the BOT Projects in PT Air Semarang Barat, PT Moya Tangerang and PT Moya Bekasi Jaya.

8.2 (c) Non-current Liabilities

The Group's non-current liabilities decreased by S\$20.2 million or 6.9%, from S\$293.1 million as at 31 December 2018 to S\$272.9 million as at 31 December 2019. This was mainly due to the re-classification of borrowings that is due in the next 12 months, from non-current liabilities to current liabilities, partially offset by an increase in trade and other payables of S\$2.3 million.

Borrowings (current and non-current) decreased by S\$16.7 million or 6.3%, from S\$263.2 million as at 31 December 2018 to S\$246.5 million as at 31 December 2019, mainly due to instalment payment of existing bank loans in FY2019 of S\$41.0 million. The decrease was partially offset by drawdown of bank loans of S\$13.5 million.

Trade and other payables increased by S\$2.3 million or 28.9%, from S\$7.7 million as at 31 December 2018 to S\$10.0 million as at 31 December 2019, mainly due to deferred revenue from new customers in FY2019.

8.2 (d) Current Liabilities

The Group's current liabilities increased by S\$10.2 million or 14.1%, from S\$72.5 million as at 31 December 2018 to S\$82.7 million as at 31 December 2019. This was mainly due to increase in (i) borrowings of S\$6.6 million due in the next 12 months (re-classed from non-current portion); (ii) trade and other payables of S\$3.0 million; and (iii) provisions of S\$0.7 million. Provisions relates to contractual obligation arising from the concession arrangement, which increased by S\$0.7 million or 34.7%, from S\$1.9 million as at 31 December 2018 to S\$2.6 million as at 31 December 2019, due to the re-classification of provisions that will be due in the next 12 months.

8.2 (e) Working Capital (defined as current assets less current liabilities)

The Group reported a positive working capital of S\$79.1 million as at 31 December 2019 and S\$101.3 million as at 31 December 2018.

8.3 Statement of Cash Flows (FY2019)

Net cash flows generated from operating activities in FY2019 was S\$78.4 million, due to receipts from customers of S\$168.3 million, partially offset by payment to suppliers, directors and employees of S\$77.1 million, and payment of corporate income tax of S\$12.8 million.

Net cash flows used in investing activities in FY2019 was S\$37.6 million, due to payments of construction cost related to the BOT projects and water supply concessions of S\$32.8 million, purchase of fixed assets and other non-current assets of S\$7.4 million, and advance for acquisition of subsidiaries of S\$1.0 million, partially offset by receipt of interest income from time deposit of S\$3.6 million.

Net cash flows used in financing activities in FY2019 was S\$55.7 million, due to repayments of bank loans and payment of debt issuance cost of S\$41.6 million, and payments of interest and finance cost of S\$27.8 million, partially offset by proceeds from bank loan of S\$13.5 million and proceeds from shares issued in relation with the exercise of ESOS of S\$0.1 million.

As a result of the above, the Group's cash and cash equivalents decreased by S\$15.0 million in FY2019.

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

No forecast or prospect statement has been previously disclosed to shareholders.

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

The Group is focusing on organic growth of PT Moya Tangerang, which is in the process of constructing its new water treatment plant of 1,000 lps with completion target by second half of 2020, and PT Aetra Air Tangerang, which is in the process of upgrading water treatment plant capacity from 900 lps to 1,200 lps.

PT Aetra Air Jakarta is currently in discussion with PAM Jaya on future development plans on the existing cooperation scheme for Jakarta. The Company will make an announcement when there are material developments.

Besides focusing on organic growth, the Group is also looking for opportunities to further expand its business via participation in new tender, either Business-to-Business or Public-to-Private Partnership, as well as mergers and acquisitions to deliver greater value to the shareholders of the Company and to enhance the Group's profitability.

The Company, through its wholly-owned subsidiary, Moya Indonesia Holdings Pte. Ltd., had on 30 December 2019 entered into a conditional sale and purchase agreement to acquire a 100% capital of Obor Infrastructure Pte. Ltd. which has a similar business as the Group ("**Proposed Acquisition**"). Please refer to the Company's announcement dated 30 December 2019 for further information on the Proposed Acquisition. The Company will make an announcement when there are material developments on the completion of the Proposed Acquisition.

11. If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended)

No.

(b)(i) Amount per share

Not applicable.

(b)(ii) Previous corresponding period

No.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country whether the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)

Not applicable.

(d) The date the dividend is payable

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined

Not applicable.

12. If no dividend has been declared (recommended), a statement to that effect and reason(s) for the decision

The Board of Directors of the Company ("**Board**") does not recommend any dividend to be declared for FY2019, as the Board deems it appropriate to retain the cash for the Group's capital expenditure and for the Group's future growth.

13. If the group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect

No general mandate for IPT has been obtained from shareholders.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. **Segmented revenue and result for business or geographical segments (of the group) on the form presented in the issuer’s most recently audited annual financial statements, with comparative information for the immediately preceding year**

Operating Segments (S\$'000)	BOT Projects	Unallocated	Group
Profit or loss and reconciliations			
2019			
Total revenue	205,210	576	205,786
Profit/(loss) before tax	31,583	(5,300)	26,283
Income tax expense			(9,318)
Profit for the year			16,965
2018			
Total revenue	188,525	767	189,292
Profit/(loss) before tax	47,931	(11,189)	36,742
Income tax expense			(11,497)
Profit for the year			25,245
Assets and Liabilities and reconciliations			
2019			
Total assets for reportable segments	565,054	-	565,054
Unallocated	-	79,231	79,231
Total assets			644,285
Total liabilities for reportable segments	(354,428)	-	(354,428)
Unallocated	-	(1,230)	(1,230)
Total liabilities			(355,658)
2018			
Total assets for reportable segments	553,598	-	553,598
Unallocated	-	82,369	82,369
Total assets			635,967
Total liabilities for reportable segments	(364,804)	-	(364,804)
Unallocated	-	(829)	(829)
Total liabilities			(365,633)
Operating Segments (S\$'000)			
Other material items and reconciliations			
2019			
Capital expenditure	37,279	475	37,754
Depreciation of property, plant and equipment	5,712	708	6,420
Amortisation	28,477	-	28,477
Finance cost	31,680	69	31,749
2018			
Capital expenditure	35,842	92	35,934
Depreciation of property, plant and equipment	4,202	654	4,856
Amortisation	25,782	-	25,782
Finance cost	30,048	7,589	37,637

Geographical Information

	Revenue		Non-current assets	
	FY2019	FY2018	FY2019	FY2018
	S\$'000	S\$'000	S\$'000	S\$'000
Indonesia	205,786	189,292	479,560	462,057
Singapore	-	-	2,872	74
Total	205,786	189,292	482,432	462,131

The Group operated predominantly in Indonesia where revenue and non-current assets were derived and located, respectively.

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Please refer to paragraph 8 above.

16. A breakdown of sales

(S\$'000)	Group FY2019	Group FY2018	Increase/ (decrease) %
(a) Revenue for first half year (1 January to 30 June)	92,246	93,626	(1)
(b) Net profit for the first half year (1 January to 30 June)	6,247	16,023	(61)
(c) Revenue for second half year (1 July to 31 December)	113,540	95,666	19
(d) Net profit for the second half year (1 July to 31 December)	10,718	9,222	16

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

S\$'000	FY2019	FY2018
Ordinary	-	-
Preference	-	-
Total	-	-

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10). If there are no such persons, the issuer must make an appropriate negative statement.

There is no person occupying a managerial position in the Group who is a relative of a director, chief executive officer, or substantial shareholder of the Company pursuant to Rule 704(10) of the Catalist Rules.

19. Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1) of the Catalist Rules.

The Company confirms that it has procured all the required undertakings from all the Directors and Executive Officers of the Company in the format set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

20. Use of Proceeds

Rights Issue, completed in July 2018

Use of net proceeds	Amount on a re-allocated basis as at 1 November 2019 ⁽¹⁾ (S\$' million)	Amount utilised as at 1 November 2019 (S\$' million)	Re-allocation (S\$' million)	Amount utilised from 2 November 2019 up to date of this announcement (S\$' million)	Balance (on a re-allocated basis) as at the date of this announcement (S\$' million)
Full repayment of the bank loan	64.46	64.46	-	-	-
Continual expansion through acquisitions, joint ventures and/or strategic partnerships	50.00	2.85	-	0.79 ⁽²⁾	46.36
Development of BOT Projects in bulk water supply and water supply concessions in Indonesia ("Development Purposes")	16.54	2.31	(3.54) ⁽³⁾	-	10.69
General corporate and working capital requirements of the Group	1.31	1.31	3.54 ⁽³⁾	0.45	3.09
Total use of net proceeds	132.31	70.93	-	1.24	60.14
Rights Issue expenses	0.73	0.73	-	-	-
Total	133.04	71.66	-	1.24	60.14

Notes:

- (1) Please refer to the Company's announcements dated 20 July 2018 and 1 November 2019 in respect of the re-allocation of use of net proceeds.
- (2) The Company had utilised S\$0.79 million from the net proceeds to fund the capital contribution by the Group in a new project company in Indonesia to undertake a BOT Project in West Semarang, Indonesia (please refer to the Company's announcement dated 12 September 2018 for further information on the aforesaid project).
- (3) The Company had re-allocated S\$3.54 million of the net proceeds initially allocated to be utilised toward Development Purposes, to be utilised for general corporate and working capital requirements of the Group.

As the Company does not foresee that it will require the full amount initially allocated for Development Purposes in the near future, it will be in the best interest of the Company and its shareholders to re-allocate S\$3.54 million of the net proceeds initially allocated for this purpose, to be utilised for general corporate and working capital requirements of the Group.

The Company will make periodic announcements via SGXNet on the utilisation of the balance of the net proceeds raised from the above transactions as and when such funds are materially disbursed.

On behalf of the Board of Directors

Mohammad Syahrial
Chief Executive Officer

Low Chai Chong
Lead Independent Director

27 February 2020