



Moya Holdings Asia Limited

MOYA HOLDINGS ASIA LIMITED

Registration number: 201301085G

**Unaudited Financial Statements and Dividend Announcement
For The Full Year Ended 31 December 2020**

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.

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PART I – INFORMATION REQUIRED FOR RESULTS ANNOUNCEMENT OF FULL YEAR ENDED 31 DECEMBER 2020

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 31.12.2020 ("FY2020") (S\$'000)	Audited 12 months ended 31.12.2019 ("FY2019") (S\$'000)	
Revenue	240,123	205,786	17
Cost of sales	(135,813)	(109,346)	24
Gross profit	104,310	96,440	8
Other item of income:			
Interest income	3,641	3,581	2
Other items of expenses:			
Administrative expenses	(37,979)	(36,933)	3
Finance costs	(28,647)	(31,749)	(10)
Other expenses	(1,167)	(948)	23
Other losses, net	(120)	(4,108)	(97)
Profit before tax	40,038	26,283	52
Income tax expense	(3,433)	(9,318)	(63)
Profit after tax	36,605	16,965	116
Adjusted EBITDA⁽¹⁾	93,634	82,227	14
Profit after tax, attributable to:			
Owners of the parent	35,008	16,631	110
Non-controlling interests	1,597	334	378
Profit after tax	36,605	16,965	116

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		
	FY2020	FY2019	Change + / (-)
	(S\$'000)	(S\$'000)	%
Profit for the year	36,605	16,965	116
Other comprehensive (loss)/income:			
Item that will not be reclassified subsequently to profit or loss:			
Re-measurements of defined benefit pension plans, net of tax	(1,232)	150	N.M
Item that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation	(6,404)	1,068	N.M
Other comprehensive (loss)/income, net of tax	(7,636)	1,218	N.M
Total comprehensive income	28,969	18,183	59
Total comprehensive income attributable to:			
Owners of the parent	27,441	17,849	54
Non-controlling interests	1,528	334	357
Total comprehensive income	28,969	18,183	59

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		
	FY2020	FY2019	Change + / (-)
	(S\$'000)	(S\$'000)	%
Sale of water and related services ⁽¹⁾	177,925	159,493	12
Adjustment from adoption of SFRS (I) INT 12 ⁽¹⁾⁽²⁾	(9,452)	(6,401)	48
Service concession construction revenue ⁽¹⁾	43,250	29,272	48
Other revenue ⁽¹⁾	6,949	6,034	15
Finance income under service concession arrangements ⁽¹⁾⁽²⁾	21,451	17,388	23
Depreciation of property, plant and equipment ⁽³⁾	(7,877)	(6,420)	23
Amortisation of service concession assets ⁽⁴⁾	(33,549)	(28,477)	18
Allowance for doubtful debts ⁽⁵⁾	(893)	(1,045)	(15)
Net foreign exchange adjustment gain/(losses) ⁽⁶⁾	2,040	(1,884)	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 FY2020.
- (4) The increase was mainly due to amortisation expense from additional intangible assets arising from a service concession arrangement in FY2020 and amortisation expense from additional intangible assets arising from a contractual concession rights due to the acquisition of Obor Infrastructure Pte. Ltd. and its subsidiaries completed on 19 March 2020.
- (5) The decrease was due to less expected credit losses based on assessment under IFRS 9 – Financial Instruments.
- (6) Classified as other losses, net 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 31.12.2020 (S\$'000)	Audited 31.12.2019 (S\$'000)	Unaudited 31.12.2020 (S\$'000)	Audited 31.12.2019 (S\$'000)
Assets				
Non-current assets				
Property, plant and equipment	26,192	28,419	260	420
Investments in subsidiaries	-	-	235,983	188,618
Service concession assets	435,033	367,268	-	-
Goodwill	74,466	72,264	-	-
Deferred income tax assets	14,120	12,029	-	-
Other non-current assets	1,116	2,452	-	-
Total non-current assets	550,927	482,432	236,243	189,038
Current assets				
Inventories	6,147	4,769	-	-
Service concession assets	15,039	11,596	-	-
Trade and other receivables	47,269	37,974	81	116
Restricted cash in banks and time deposits	5,771	5,970	-	-
Cash and cash equivalents	58,327	101,544	6,710	55,976
Total current assets	132,553	161,853	6,791	56,092
Total assets	683,480	644,285	243,034	245,130
Equity and liabilities				
Equity attributable to owners of the parent				
Share capital	253,728	253,728	253,728	253,728
Capital reserve	5,826	5,826	-	-
Share option reserve	-	591	-	591
Foreign currency translation reserve	(25,074)	(18,739)	-	-
Retained earnings/(accumulated losses)	79,625	45,258	(11,153)	(9,732)
Equity attributable to owners of the parent	314,105	286,664	242,575	244,587
Non-controlling interests	21,328	1,963	-	-
Total equity	335,433	288,627	242,575	244,587
Non-current liabilities				
Provisions	20,542	19,725	-	-
Borrowings	175,509	201,048	102	242
Deferred income tax liabilities	45,799	42,166	-	-
Trade and other payables	12,040	9,967	-	-
Total non-current liabilities	253,890	272,906	102	242
Current liabilities				
Provisions	2,945	2,641	-	-
Borrowings	54,079	45,473	152	136
Current income tax liabilities	2,130	546	-	-
Trade and other payables	35,003	34,092	205	165
Total current liabilities	94,157	82,752	357	301
Total liabilities	348,047	355,658	459	543
Total equity and liabilities	683,480	644,285	243,034	245,130

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 2020 (S\$'000)		As at 31 December 2019 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
54,079	-	45,473	-

Amount repayable after one year

As at 31 December 2020 (S\$'000)		As at 31 December 2019 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
175,509	-	201,048	-

Details of any collateral

As at 31 December 2020:

PT Aetra Air Jakarta ("**AAJ**")

- Corporate guarantees from the Company and Acuatico Pte. Ltd. ("**APL**");
- Pledge over the issued shares of AAJ held by APL;
- Pledge over the issued shares of AAJ held by PT Tamaris Prima Energy ("**TPE**");
- Charge over the issued shares of APL held by Moya Indonesia Holdings Pte. Ltd. ("**MIH**");
- Pledge over Debt Service Reserve Account ("**DSRA**") (PT Bank Central Asia Tbk ("**BCA**") and PT Bank OCBC NISP Tbk – Indonesia ("**OCBC – Indonesia**")), escrow account (BCA), revenue account (BCA), operational account (BCA and OCBC – Indonesia) and treasury account (BCA, OCBC – Indonesia, PT Bank China Construction Bank Indonesia Tbk ("**CCB**") and PT Bank Mega Tbk ("**Mega**") of AAJ.

PT Aetra Air Tangerang ("**AAT**")

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

PT Moya Bekasi Jaya ("**MB**") and PT Moya Tangerang ("**MT**")

- Fiduciary guarantee on MB and MT's receivables;
- Pledge of shares owned by Moya Indonesia ("**MI**") in MB and MT;
- Pledge of MB and MT's DSRA; and
- Corporate guarantee from the Company and MI.

PT Air Semarang Barat ("**ASB**")

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

PT Tanah Alam Makmur ("**TAM**")

- Fiduciary guarantee on a PT Traya Tirta Cisadane ("**TTC**") trade receivables and insurance claims from TTC;
- Pledge of time deposits owned by the parent entity (shareholder of TAM);
- Pledge over TTC ordinary shares owned by TAM; and
- Pledge over TAM and TTC's bank accounts in BCA.

PT Tirta Kencana Cahaya Mandiri ("**TKCM**")

- Fiduciary guarantee on a TKCM's trade receivables; and
- Pledge over a TKCM's ordinary shares owned by TAM and PT Tirta Bangun Nusantara.

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

(S\$'000)	Unaudited	Audited
	12 months ended	12 months ended
	31.12.2020	31.12.2019
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 generated from operating activities	80,565	75,452
Cash flows from investing activities		
Acquisitions of fixed assets and other non-current assets	(6,297)	(6,449)
Interest received	2,203	3,555
Payments of construction costs	(44,057)	(30,306)
Acquisition of subsidiaries, net of cash acquired ^(a)	(14,451)	-
Advance for acquisition of subsidiaries	-	(1,000) ⁽¹⁾
Net cash flows used in investing activities	(62,602)	(34,200)
Cash flows from financing activities		
Interest paid	(25,181)	(27,783)
Net decrease in restricted cash in banks	199	26
Proceeds from borrowings	35,748	13,490
Repayments of borrowings and debt issuance cost	(60,634)	(41,566)
Loan repayments of subsidiary	(10,513)	-
Principal payments of lease liabilities	(584)	(486)
Cash dividends paid by subsidiary to non-controlling interest	(95)	-
Issuance of ordinary shares	-	110
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, beginning balance	101,544	115,570
Net effects of exchange rate changes	(120)	931
Cash and cash equivalents, closing balance	58,327	101,544

Note:

(a) Acquisition of subsidiaries

Purchase consideration	24,776
Less: Advance for acquisition of subsidiaries paid in 2019 ⁽¹⁾	(1,000)
Less: Cash and cash equivalent in subsidiaries acquired	(9,325)
Cash outflow on acquisition	14,451

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

Group	Share capital (S\$'000)	Capital reserve (S\$'000)	Share option reserve (S\$'000)	Foreign currency translation reserve (S\$'000)	Retained earnings/ (S\$'000)	Equity attributable to parent (S\$'000)	Non-controlling interests (S\$'000)	Total equity (S\$'000)
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								
Currency translation differences arising from consolidation	-	-	-	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
At 1 January 2020	253,728	5,826	591	(18,739)	45,258	286,664	1,963	288,627
Profit for the financial period	-	-	-	-	35,008	35,008	1,597	36,605
Other comprehensive income								
Currency translation differences arising from consolidation	-	-	-	(6,335)	-	(6,335)	(69)	(6,404)
Re-measurements of defined benefit pension plans, net of tax	-	-	-	-	(1,232)	(1,232)	-	(1,232)
Total comprehensive income for the financial period	-	-	-	(6,335)	33,776	27,441	1,528	28,969
Non-controlling interest from acquisition of subsidiaries	-	-	-	-	-	-	17,837	17,837
Expired share option	-	-	(591)	-	591	-	-	-
At 31 December 2020	253,728	5,826	-	(25,074)	79,625	314,105	21,328	335,433

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 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	<u>253,728</u>	<u>591</u>	<u>(9,732)</u>	<u>244,587</u>
At 1 January 2020	253,728	591	(9,732)	244,587
Total comprehensive loss	-	-	(2,012)	(2,012)
Expired share option	-	(591)	591	-
At 31 December 2020	<u>253,728</u>	<u>-</u>	<u>(11,153)</u>	<u>242,575</u>

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 June 2020 and 31 December 2020	4,203,585,943	253,728

There were no changes in the Company's share capital since the last reported financial period ended 30 June 2020.

As at 31 December 2020, there were no outstanding share options under the Employee Share Option Scheme (as at 31 December 2019: 8,000,000).

Save as disclosed, there were no other outstanding convertibles, treasury shares or subsidiary holdings as at 31 December 2020 and 31 December 2019.

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 2020 was 4,203,585,943 (as at 31 December 2019: 4,203,585,943).

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 2019 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 2019.

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 and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") 3 – Business Combinations which became effective for the accounting period beginning on or after 1 January 2020. The adoption of the new SFRS(I) did not result in material adjustments to the financial position, results of operations or cash flows of the Group for the financial year ended 31 December 2020.

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 31.12.2020 (S\$ cents)	12 months ended 31.12.2019 (S\$ cents)
(i) On a basic basis; and	0.83	0.40
(ii) On a fully diluted basis	0.83	0.39
Weighted average number of ordinary shares in issue:		
- for the purpose of basic earnings per share	4,203,585,943	4,203,251,696
- for the purpose of diluted earnings per share	4,206,733,484	4,211,251,696

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 31.12.2020	Audited 31.12.2019	Unaudited 31.12.2020	Audited 31.12.2019
Net asset value per ordinary share based on issued share capital ⁽¹⁾ (S\$ cents)	7.47	6.82	5.77	5.82

Note:

(1) Based on issued share capital of 4,203,585,943 ordinary shares as at 31 December 2020 and 2019.

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 (i) 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**"), (ii) Build-Operate-Transfer projects ("**BOT Projects**") under contract and development undertaken by PT Moya Bekasi Jaya ("**Bekasi**"), PT Moya Tangerang ("**Tangerang**"), PT Moya Makassar, and Obor Infrastructure Pte. Ltd. and its subsidiaries (namely, PT Traya Tirta Cisadane and PT Tirta Kencana Cahaya Mandiri) (the "**Obor Group**"), and (iii) operation and maintenance of water supply system in Batam ("**Project Batam**") undertaken by PT. Moya Indonesia ("**MI**").

Following the completion of the acquisition of the entire issued and paid-up ordinary shares in Obor Infrastructure Pte. Ltd. on 19 March 2020, the Group has consolidated the profit and loss, and financial position of the Obor Group into the Group's financial statements with effect from 19 March 2020.

8.1 Statement of Profit or Loss and Other Comprehensive Income (FY2020 vs FY2019)

8.1 (a) Revenue

Revenue 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.

8.1 (b) Cost of Sales

Cost of sales increased by S\$26.5 million, from S\$109.3 million in FY2019 to S\$135.8 million in FY2020. This was mainly due to increase in (i) service concession construction cost from the Acuatico Group and Tangerang BOT Projects; (ii) amortisation and depreciation expenses arising from new intangible assets and equipment acquired (including additional contractual concession rights due to the acquisition of the Obor Group); (iii) recognition of nine-months cost of sales of the Obor Group; and (iv) recognition of one and a half-months cost of sales of Project Batam.

8.1 (c) Gross Profit

Gross profit 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.

8.1 (d) Interest Income

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

8.1 (e) 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 increases were partially offset by decrease in office expenses and professional fees.

8.1 (f) 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.

8.1 (g) Other Expenses

Other expenses increased by S\$0.3 million, from S\$0.9 million in FY2019 to S\$1.2 million in FY2020. The expenses in FY2020 related mainly to the acquisition-related expenses of S\$0.3 million in connection with the acquisition of Obor Infrastructure Pte. Ltd. There was no such cost incurred in FY2019.

8.1 (h) Other Losses, net

The Group recorded other losses of S\$0.1 million in FY2020, as compared to other losses of S\$4.1 million in FY2019. Other losses of S\$0.1 million in FY2020 relate mainly to contractual charges from PAM Jaya of S\$2.1 million on operational performance between PT Aetra Air Jakarta with PAM Jaya, 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 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 IDR against the SGD and USD in FY2019; and (ii) charges from PAM Jaya of S\$2.2 million.

8.1 (i) 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.

8.1 (j) Profit After Tax

As a result of the above, the Group’s net profit increased by S\$19.6 million, from S\$17.0 million in FY2019 to S\$36.6 million in FY2020.

8.1 (k) 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.

8.1 (l) 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.

8.2 Statement of Financial Position (31 December 2020 vs 31 December 2019)

The Group's total equity increased by S\$46.8 million or 16.2%, from S\$288.6 million as at 31 December 2019 to S\$335.4 million as at 31 December 2020. The increase was mainly due to (i) net profit attributable to owners of the parent of S\$35.0 million in FY2020; and (ii) increase of non-controlling interests of S\$19.4 million due to the non-controlling interest from the acquisition of the Obor Group. The aforementioned increase were partially offset by currency translation loss of S\$6.4 million.

8.2 (a) 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 (reasons as set out in Section 8.2(b) of this announcement on "Current Assets - service concession assets (current and non-current)"); (ii) goodwill of S\$2.2 million (mainly due to the acquisition of the Obor Group, which was completed on 19 March 2020); and (iii) deferred income tax assets of S\$2.1 million (mainly due to the inclusion of deferred income tax assets of the Obor Group). The aforementioned increase was partially offset by decrease in (i) property, plant and equipment of S\$2.2 million (mainly due to depreciation charges); and (ii) other non-current assets of S\$1.3 million.

Other non-current assets decreased by S\$1.3 million, mainly due to the realisation of the deposit payment of S\$1.0 million in connection with the acquisition of the Obor Group in FY2020, following the completion of the acquisition on 19 March 2020.

8.2 (b) 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.

Cash and cash equivalents decreased by S\$43.2 million, from S\$101.5 million as at 31 December 2019 to S\$58.3 million as at 31 December 2020. Please refer to Section 8.3 of this announcement on the statement of cash flows for explanations on the decrease in cash and cash equivalents of the Group.

Trade and other receivables increased by S\$9.3 million, from S\$38.0 million as at 31 December 2019 to S\$47.3 million as at 31 December 2020, mainly due to the inclusion of trade and other receivables of the Obor Group and Project Batam.

Inventories increased by S\$1.4 million, from S\$4.8 million as at 31 December 2019 to S\$6.2 million as at 31 December 2020, mainly due to the purchase of pipes for Tangerang BOT Projects and the Acuatico Group, as well as the inclusion of inventories of the Obor Group.

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. Service concession assets (current and non-current) increased by S\$71.2 million, from S\$378.9 million as at 31 December 2019 to S\$450.1 million as at 31 December 2020, mainly due to (i) the inclusion of intangible assets arising from contractual concession rights of the Obor Group; (ii) additional construction progress for the BOT Projects in PT Air Semarang Barat and Tangerang BOT Projects; and (iii) inclusion of service concession assets of the Obor Group.

8.2 (c) 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.

Borrowings (current and non-current) decreased by S\$16.9 million, from S\$246.5 million as at 31 December 2019 to S\$229.6 million as at 31 December 2020, mainly due to instalment repayment of existing bank loans in FY2020, partially offset by the inclusion of borrowings of the Obor Group and drawdown of bank loans,

Deferred income tax liabilities increased by S\$3.6 million, from S\$42.2 million as at 31 December 2019 to S\$45.8 million as at 31 December 2020, mainly due to inclusion of deferred income tax liabilities of the Obor

Group, partially offset by decrease in deferred income tax liabilities arising from the changes of applicable Indonesia tax rate from 25% to 22% for FY2020 and FY2021 and 20% for FY2022 onwards.

8.2 (d) 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.

Provisions which relate to contractual obligation arising from the concession arrangement, increased by S\$0.3 million, from S\$2.6 million as at 31 December 2019 to S\$2.9 million as at 31 December 2020, due to the reclassification of provisions that will be due in the next 12 months from non-current liabilities.

Current income tax liabilities increased by S\$1.6 million, from S\$0.5 million as at 31 December 2019 to S\$2.1 million as at 31 December 2020, mainly due to increase in current income tax expense from the Acuatico Group and recognition of nine-months income tax expense of the Obor Group.

Trade and other payables increased by S\$0.9 million, from S\$34.1 million as at 31 December 2019 to S\$35.0 million as at 31 December 2020, mainly due to inclusion of trade and other payables of the Obor Group and Project Batam.

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

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.

8.3 Statement of Cash Flows (FY2020)

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\$61.1 million, due to repayments of borrowings and debt issuance cost of S\$60.6 million, payments of interest of S\$25.2 million, loan repayments of subsidiary 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\$43.2 million in FY2020.

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 litres per second ("lps") with completion target by first half of 2021, and PT Aetra Air Tangerang, which has successfully increased its water treatment plant capacity from 900 lps to 1,200 lps in FY2020.

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.

The Group is pleased with its progress in achieving a seamless and successful acquisition of Obor Infrastructure Pte. Ltd. which was completed on 19 March 2020, and is focusing on the execution of its two bulk water projects undertaken by its subsidiaries namely, PT Traya Tirta Cisadane with its water treatment plant capacity of 3,300 lps and PT Tirta Kencana Cahaya with its water treatment plant capacity of 1,300 lps.

PT Moya Indonesia (“**PT MI**”), a subsidiary of Moya Indonesia Holding Pte. Ltd., won a tender to operate and maintain a water supply system in Batam, Indonesia during transition period of six months starting from 15 November 2020 until 14 May 2021. In September 2020, PT MI entered into a cooperation agreement with Badan Pengusahaan Batam (Batam Free Trade Zone and Free Port Authority) (“**BP Batam**”), an Indonesia Government Agency, whereby PT MI will manage on behalf of BP Batam, the operation and maintenance of water supply system in Batam during the transition period. Currently, the water supply system in Batam has around 290,000 customers with six water treatment plants, with total capacity of 3,500 litres per-second and more than 4,000 kilometres pipe network, serving the 1.3 million population in Batam.

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.

Due to the general market uncertainties arising from the COVID-19 pandemic, the Group will continue to closely monitor the global economic condition and mandatory health protocol implementation that might affect the expansion growth of the Group and will update shareholders of the Company as and when necessary.

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 FY2020, 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.

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			
2020			
Total revenue	236,128	3,995	240,123
Profit/(loss) before tax	58,083	(18,045)	40,038
Income tax expense			(3,433)
Profit for the year			<u>36,605</u>
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			<u>16,965</u>
Assets and Liabilities and reconciliations			
2020			
Total assets for reportable segments	652,069	-	652,069
Unallocated	-	31,411	31,411
Total assets			<u>683,480</u>
Total liabilities for reportable segments	(335,032)	-	(335,032)
Unallocated	-	(13,015)	(13,015)
Total liabilities			<u>(348,047)</u>
2019			
Total assets for reportable segments	565,054	-	565,054
Unallocated	-	79,231	79,231
Total assets			<u>644,285</u>
Total liabilities for reportable segments	(354,428)	-	(354,428)
Unallocated	-	(1,230)	(1,230)
Total liabilities			<u>(355,658)</u>
Operating Segments (S\$'000)			
Other material items and reconciliations			
2020			
Capital expenditure	48,371	106	48,477
Depreciation of property, plant and equipment	7,105	772	7,877
Amortisation	33,549	-	33,549
Finance cost	27,510	1,137	28,647
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

Geographical Information

	Revenue		Non-current assets	
	FY2020	FY2019	FY2020	FY2019
	S\$'000	S\$'000	S\$'000	S\$'000
Indonesia	240,123	205,786	549,551	479,560
Singapore	-	-	1,376	2,872
Total	240,123	205,786	550,927	482,432

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 FY2020	Group FY2019	Increase/ (decrease) %
(a) Revenue for first half year (1 January to 30 June)	115,868	92,246	26
(b) Net profit for the first half year (1 January to 30 June)	17,388	6,247	178
(c) Revenue for second half year (1 July to 31 December)	124,255	113,540	9
(d) Net profit for the second half year (1 July to 31 December)	19,217	10,718	79

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	FY2020	FY2019
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.

On behalf of the Board, we hereby confirm that we have 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 27 February 2020 ⁽¹⁾ (S\$' million)	Amount utilised as at 19 October 2020 ⁽²⁾ (S\$' million)	Amount utilised from 20 October 2020 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	46.98	0.92 ⁽³⁾	2.10
Development of BOT Projects in bulk water supply and water supply concessions in Indonesia	13.00	7.06	2.68 ⁽⁴⁾	3.26
General corporate and working capital requirements of the Group	4.85	3.25	0.35 ⁽⁵⁾	1.25
Total use of net proceeds	132.31	121.75	3.95	6.61
Rights Issue expenses	0.73	0.73	-	-
Total	133.04	122.48	3.95	6.61

Notes:

- 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. The Company provided updates on the use of proceeds from the Rights Issue in its results announcement for the financial year ended 31 December 2019 in paragraph 20 of the announcement dated 27 February 2020.
- The Company provided an update on the use of proceeds from the Rights Issue on 19 October 2020.
- The Company had utilised S\$0.92 million from the net proceeds to fund the capital contribution by the Group in a project company in Indonesia to operate and maintain a water supply system in Batam in PT Moya Indonesia (please refer to the Company's announcement dated 14 September 2020 for further information on the aforesaid project).
- The Company had utilised S\$2.68 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.
- A breakdown of the use of proceeds from the Rights Issue for general corporate and working capital requirements of the Group is as follows:

	S\$' million
Staff cost	0.27
Office expense	0.07
Others	0.01
	0.35

Save as disclosed above on the re-allocation, the use of the net proceeds is in accordance with the intended use as disclosed in the Offer Information Statement. The Company will make periodic announcements as and when the balance of the re-allocated net proceeds are materially disbursed.

On behalf of the Board of Directors

Mohammad Syahril
Chief Executive Officer

Low Chai Chong
Lead Independent Director

25 February 2021