



**MOYA HOLDINGS ASIA LIMITED**

Registration number: 201301085G

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**Unaudited Financial Statements and Dividend Announcement  
For The Second Quarter and Six-Month Financial Period Ended 30 June 2016**

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*This announcement has been prepared by Moya Holdings Asia Limited (the “**Company**”) and its contents have been reviewed by the Company’s sponsor, SAC Advisors Private Limited (formerly known as Canaccord Genuity Singapore Pte. Ltd.) (the “**Sponsor**”) for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The Sponsor has not independently verified the contents of this announcement. 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 Mr Sebastian Jones, Director, Corporate Finance, SAC Advisors Private Limited at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542, telephone (65) 6532 3829.*

**PART I – INFORMATION REQUIRED FOR RESULTS ANNOUNCEMENT OF SECOND QUARTER (“2Q”) AND SIX-MONTH FINANCIAL PERIOD ENDED 30 JUNE 2016**

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					
	Unaudited 3 months ended 30.06.2016	Unaudited 3 months ended 30.06.2015	Change + / (-)	Unaudited 6 months ended 30.06.2016	Unaudited 6 months ended 30.06.2015	Change + / (-)
	(S\$'000)	(S\$'000)	%	(S\$'000)	(S\$'000)	%
Revenue	3,986	2,178	83	6,983	4,769	46
Cost of sales	(3,122)	(1,636)	91	(6,051)	(3,675)	65
<b>Gross profit</b>	<b>864</b>	<b>542</b>	<b>59</b>	<b>932</b>	<b>1,094</b>	<b>(15)</b>
<b>Other items of income:</b>						
Interest income	910	584	56	1,819	1,223	49
Other gains	8	5	60	8	50	(84)
<b>Other items of expenses:</b>						
Administrative expenses	272	(635)	N.M	(1,465)	(982)	49
Finance cost	(136)	(354)	(62)	(301)	(354)	(15)
Other expenses	(108)	(63)	71	(244)	(126)	(94)
Other losses	(253)	(223)	13	(918)	(424)	117
<b>Profit / (loss) before tax</b>	<b>1,557</b>	<b>(144)</b>	<b>N.M</b>	<b>(169)</b>	<b>481</b>	<b>N.M</b>
Income tax expense	(78)	(102)	(24)	(123)	(291)	(58)
<b>Profit / (loss) for the financial period, net of tax</b>	<b>1,479</b>	<b>(246)</b>	<b>N.M</b>	<b>(292)</b>	<b>190</b>	<b>N.M</b>
<b>Other comprehensive loss:</b>						
<b>Items that may be reclassified subsequently to profit or loss:</b>						
Exchange differences on translating foreign operations, net of tax	(16)	(1,023)	(98)	(758)	(1,251)	(39)
<b>Other comprehensive loss for the financial period, net of tax</b>	<b>(16)</b>	<b>(1,023)</b>	<b>(98)</b>	<b>(758)</b>	<b>(1,251)</b>	<b>(39)</b>
<b>Total comprehensive income / (loss) for the financial period</b>	<b>1,463</b>	<b>(1,269)</b>	<b>N.M</b>	<b>(1,050)</b>	<b>(1,061)</b>	<b>(1)</b>

N.M – not meaningful

**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 (continued)**

	Group					
	Unaudited 3 months ended 30.06.2016	Unaudited 3 months ended 30.06.2015	Change + / (-)	Unaudited 6 months ended 30.06.2016	Unaudited 6 months ended 30.06.2015	Change + / (-)
	(\$'000)	(\$'000)	%	(\$'000)	(\$'000)	%
<b>Profit / (loss) attributable to:</b>						
Owners of the Parent	1,393	(279)	N.M	(329)	104	N.M
Non-controlling interests	86	33	161	37	86	(57)
<b>Profit / (loss) net of tax for the financial period</b>	<b>1,479</b>	<b>(246)</b>	N.M	<b>(292)</b>	<b>190</b>	N.M
<b>Total comprehensive income / (loss) attributable to:</b>						
Owners of the Parent	1,378	(1,288)	N.M	(1,087)	(1,130)	(4)
Non-controlling interests	85	19	347	37	69	(46)
<b>Total comprehensive income / (loss) for the financial period</b>	<b>1,463</b>	<b>(1,269)</b>	N.M	<b>(1,050)</b>	<b>(1,061)</b>	(1)

N.M – not meaningful

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

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

	Group					
	Unaudited 3 months ended 30.06.2016	Unaudited 3 months ended 30.06.2015	Change + / (-)	Unaudited 6 months ended 30.06.2016	Unaudited 6 months ended 30.06.2015	Change + / (-)
	(\$'000)	(\$'000)	%	(\$'000)	(\$'000)	%
Sale of water <sup>(1)</sup>	1,231	828	49	2,209	1,655	33
Service concession construction revenue <sup>(1)</sup>	2,755	1,350	104	4,774	3,114	53
Interest income from financial assets arising from service concession arrangements <sup>(2)</sup>	687	517	33	1,381	1,056	31
Depreciation of plant and equipment	(25)	(24)	4	(75)	(49)	53
Interest on borrowings	(136)	(354)	(62)	(301)	(354)	(15)
Net foreign exchange adjustment losses <sup>(3)</sup>	(253)	(223)	13	(918)	(424)	117

N.M – not meaningful

(1) Classified as revenue in consolidated statement of profit or loss and other comprehensive income.

(2) For accounting purposes, 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 plant in its statement of profit or loss. Interest income on financial assets will also be recognized arising from the service concession arrangement.

(3) Classified as other losses in consolidated statement of profit or loss and other comprehensive income.

**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**

	<b>Group</b>		<b>Company</b>	
	<b>Unaudited 30.06.2016</b>	<b>Audited 31.12.2015</b>	<b>Unaudited 30.06.2016</b>	<b>Audited 31.12.2015</b>
	<b>(\$'000)</b>	<b>(\$'000)</b>	<b>(\$'000)</b>	<b>(\$'000)</b>
<b>Assets</b>				
<b>Non-current assets</b>				
Plant and equipment	748	399	1	-
Investments in subsidiaries	-	-	_(2)	_(2)
Financial assets arising from service concession arrangements	46,302	40,840	-	-
Other assets, non-current	99	-	-	-
<b>Total non-current assets</b>	<b>47,149</b>	<b>41,239</b>	<b>1</b>	<b>-</b>
<b>Current assets</b>				
Inventories	1	1	-	-
Trade and other receivables	3,969	3,530	91,865	66,615
Cash and cash equivalents	66,905	28,030	24,737	553
<b>Total current assets</b>	<b>70,875</b>	<b>31,561</b>	<b>116,602</b>	<b>67,168</b>
<b>Total assets</b>	<b>118,024</b>	<b>72,800</b>	<b>116,603</b>	<b>67,168</b>
<b>Equity and liabilities</b>				
<b>Equity attributable to owners of the parent</b>				
Share capital	120,595	70,463	120,595	70,463
Capital reserve <sup>(1)</sup>	5,826	5,826	-	-
Share option reserve	668	668	668	668
Foreign currency translation reserve	(7,912)	(7,154)	-	-
Accumulated losses	(4,420)	(4,091)	(4,885)	(4,381)
Equity, attributable to owners of the parent	114,757	65,712	116,378	66,750
Non-controlling interests	383	346	-	-
<b>Total equity</b>	<b>115,140</b>	<b>66,058</b>	<b>116,378</b>	<b>66,750</b>
<b>Non-current liabilities</b>				
Other payables	426	426	-	-
Other financial liabilities	98	3,880	-	-
Deferred tax liabilities	870	822	-	-
<b>Total non-current liabilities</b>	<b>1,394</b>	<b>5,128</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>				
Other financial liabilities	48	632	-	-
Trade and other payables	1,442	982	225	418
<b>Total current liabilities</b>	<b>1,490</b>	<b>1,614</b>	<b>225</b>	<b>418</b>
<b>Total liabilities</b>	<b>2,884</b>	<b>6,742</b>	<b>225</b>	<b>418</b>
<b>Total equity and liabilities</b>	<b>118,024</b>	<b>72,800</b>	<b>116,603</b>	<b>67,168</b>

Notes:

(1) Capital reserve comprised merger reserve which arose as a result of the difference between the consideration for the acquisition by the Company of MAL pursuant to the restructuring exercise, the scheme and the issued share capital of MAL. Such merger reserve is a non-distributable reserve.

(2) Less than S\$500.

**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

<b>As at 30 June 2016 (S\$'000)</b>		<b>As at 31 December 2015 (S\$'000)</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
-	48	-	632

Amount repayable after one year

<b>As at 30 June 2016 (S\$'000)</b>		<b>As at 31 December 2015 (S\$'000)</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
-	98	-	3,880

**Details of any collateral**

Not applicable, as there are no secured borrowings as at 30 June 2016 and 31 December 2015.

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 3 months ended 30.06.2016	Unaudited 3 months ended 30.06.2015	Unaudited 6 months ended 30.06.2016	Unaudited 6 months ended 30.06.2015
<b>Cash flows from operating activities</b>				
Profit / (Loss) before tax	1,557	(144)	(169)	481
<u>Adjustments for:</u>				
Depreciation of plant and equipment	25	24	75	49
Interest income	(910)	(584)	(1,819)	(1,223)
Finance Cost	136	354	301	354
Cash flows from discontinued operating activities (Note 1)	-	-	-	626
<b>Operating cash flows before changes in working capital</b>	<b>808</b>	<b>(350)</b>	<b>(1,612)</b>	<b>287</b>
<u>Changes in working capital:</u>				
Construction contracts work-in-progress	-	(2)	-	(2)
Financial assets arising from service concession arrangements	(2,417)	(777)	(4,180)	(2,195)
Inventories	-	13	-	14
Trade and other receivables	(626)	(1,264)	(417)	(1,831)
Trade and other payables	(4,673)	(536)	(3,945)	(663)
Net cash flows from operations	(6,908)	(2,916)	(10,154)	(4,390)
Income taxes paid	-	1	(24)	(24)
<b>Net cash flows used in operating activities</b>	<b>(6,908)</b>	<b>(2,915)</b>	<b>(10,178)</b>	<b>(4,414)</b>
<b>Cash flows from investing activities</b>				
Interest received	223	67	438	167
Purchase of plant and equipment	-	(12)	(208)	(52)
<b>Net cash flows from investing activities</b>	<b>223</b>	<b>55</b>	<b>230</b>	<b>115</b>
<b>Cash flows from financing activities</b>				
Interest paid	(136)	(354)	(301)	(354)
Issue of shares (net)	-	17,195	50,132	29,253
<b>Net cash flows (used in) / from financing activities</b>	<b>(136)</b>	<b>16,841</b>	<b>49,831</b>	<b>28,899</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(6,821)</b>	<b>13,981</b>	<b>39,883</b>	<b>24,600</b>
<b>Cash and cash equivalents, statement of cash flows, beginning balance</b>	<b>73,955</b>	<b>18,009</b>	<b>28,030</b>	<b>7,537</b>
Net effects of exchange rate changes	(229)	132	(1,008)	(15)
<b>Cash and cash equivalents, statement of cash flows, closing balance (Note 2)</b>	<b>66,905</b>	<b>32,122</b>	<b>66,905</b>	<b>32,122</b>

Note 1: The impact of the discontinued operations on the cash flows of the Group is as follows:

Operating cash inflows	-	-	-	626
Total cash inflows	-	-	-	626

Note 2: Cash and cash equivalents reconciliation

Cash and cash equivalents per statement of financial position	66,905	32,122	66,905	32,122
Less: Fixed deposits pledged for bank facilities	-	-	-	-
Cash and cash equivalents in statement of cash flows	66,905	32,122	66,905	32,122

**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**

<b>Group</b>	<b>Share capital (S\$'000)</b>	<b>Capital reserve<sup>(1)</sup> (S\$'000)</b>	<b>Share option reserve (S\$'000)</b>	<b>Foreign currency translation reserve (S\$'000)</b>	<b>Retained earnings/ (Accumulated losses) (S\$'000)</b>	<b>Equity attributable to parent Subtotal (S\$'000)</b>	<b>Non-controlling interests (S\$'000)</b>	<b>Total Equity (S\$'000)</b>
<b>At 1 April 2015</b>	53,268	-	668	(6,533)	1,629	49,032	273	49,305
Loss for the financial period	-	-	-	-	(279)	(279)	33	(246)
<b>Other comprehensive loss</b>								
Foreign currency translation differences of foreign operations	-	-	-	(1,009)	-	(1,009)	(14)	(1,023)
<b>Total comprehensive loss for the financial period</b>	-	-	-	(1,009)	(279)	(1,288)	19	(1,269)
Issue of share capital, net of expenses	17,195	-	-	-	-	17,195	-	17,195
<b>Transactions with owner of parent, recognised directly in equity</b>	17,195	-	-	-	-	17,195	-	17,195
<b>At 30 June 2015</b>	<b>70,463</b>	<b>-</b>	<b>668</b>	<b>(7,542)</b>	<b>1,350</b>	<b>64,939</b>	<b>292</b>	<b>65,231</b>
<b>At 1 April 2016</b>	120,595	5,826	668	(7,897)	(5,813)	113,379	298	113,677
Profit for the financial period	-	-	-	-	1,393	1,393	86	1,479
<b>Other comprehensive loss</b>								
Foreign currency translation differences of foreign operations	-	-	-	(15)	-	(15)	(1)	(16)
<b>Total comprehensive income for the financial period</b>	-	-	-	(15)	1,393	1,378	85	1,463
<b>At 30 June 2016</b>	<b>120,595</b>	<b>5,826</b>	<b>668</b>	<b>(7,912)</b>	<b>(4,420)</b>	<b>114,757</b>	<b>383</b>	<b>115,140</b>

**Note:**

(1) Capital reserve comprised merger reserve which arose as a result of the difference between the consideration for the acquisition by the Company of MAL pursuant to the restructuring exercise, the scheme and the issued share capital of MAL. Such merger reserve is a non-distributable reserve.

**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 <sup>(1)</sup> (S\$'000)	Share option reserve (S\$'000)	Foreign currency translation reserve (S\$'000)	Retained earnings/ (Accumulated losses) (S\$'000)	Equity attributable to parent Subtotal (S\$'000)	Non-controlling interests (S\$'000)	Total Equity (S\$'000)
<b>At 1 January 2015</b>	41,210	5,826	668	(6,308)	(4,580)	36,816	223	37,039
Profit for the financial period	-	-	-	-	104	104	86	190
<b>Other comprehensive loss</b>								
Foreign currency translation differences of foreign operations	-	-	-	(1,234)	-	(1,234)	(17)	(1,251)
<b>Total comprehensive loss for the financial period</b>	-	-	-	(1,234)	104	(1,130)	69	(1,061)
Issue of share capital, net of expenses	29,253	-	-	-	-	29,253	-	29,253
<b>Transactions with owners of parent, recognised directly in equity</b>	29,253	-	-	-	-	29,253	-	29,253
<b>At 30 June 2015</b>	<b>70,463</b>	<b>5,826</b>	<b>668</b>	<b>(7,542)</b>	<b>(4,476)</b>	<b>64,939</b>	<b>292</b>	<b>65,231</b>
<b>At 1 January 2016</b>	70,463	5,826	668	(7,154)	(4,091)	65,712	346	66,058
Loss for the financial period	-	-	-	-	(329)	(329)	37	(292)
<b>Other comprehensive loss</b>								
Foreign currency translation differences of foreign operations	-	-	-	(758)	-	(758)	-	(758)
<b>Total comprehensive loss for the financial period</b>	-	-	-	(758)	(329)	(1,087)	37	(1,050)
Issue of share capital, net of expenses	50,132	-	-	-	-	50,132	-	50,132
<b>Transactions with owners of parent, recognised directly in equity</b>	50,132	-	-	-	-	50,132	-	50,132
<b>At 30 June 2016</b>	<b>120,595</b>	<b>5,826</b>	<b>668</b>	<b>(7,912)</b>	<b>(4,420)</b>	<b>114,757</b>	<b>383</b>	<b>115,140</b>

**Note:**

(1) Capital reserve comprised merger reserve which arose as a result of the difference between the consideration for the acquisition by the Company of MAL pursuant to the Restructuring Exercise and the Scheme and the issued share capital of MAL. Such merger reserve is a non-distributable reserve due to its capital nature.



**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)
<b>At 1 April 2015</b>	53,268	668	(2,809)	51,127
Loss and total comprehensive loss for the financial period	-	-	(538)	(538)
Issue of shares, net of expenses	17,195	-	-	17,195
Transactions with owners of the parent, recognised directly in equity	17,195	-	-	17,195
<b>At 30 June 2015</b>	<b>70,463</b>	<b>668</b>	<b>(3,347)</b>	<b>67,784</b>
<b>At 1 April 2016</b>	120,595	668	(4,657)	116,606
Loss and total comprehensive loss for the financial period	-	-	(228)	(228)
<b>At 30 June 2016</b>	<b>120,595</b>	<b>668</b>	<b>(4,885)</b>	<b>116,378</b>

Company	Share capital (S\$'000)	Share option reserve (S\$'000)	Accumulated losses (S\$'000)	Total equity (S\$'000)
<b>At 1 January 2015</b>	41,210	-	(1,446)	39,764
Loss and total comprehensive loss for the financial period	-	-	(1,901)	(1,901)
Transfer of share option reserves	-	668	-	668
Issue of shares, net of expenses	29,253	-	-	29,253
Transactions with owners of the parent, recognised directly in equity	29,253	-	-	29,253
<b>At 30 June 2015</b>	<b>70,463</b>	<b>668</b>	<b>(3,347)</b>	<b>67,784</b>
<b>At 1 January 2016</b>	70,463	668	(4,381)	66,750
Loss and total comprehensive loss for the financial period	-	-	(504)	(504)
Issue of shares, net of expenses	50,132	-	-	50,132
Transactions with owners of the parent, recognised directly in Equity	50,132	-	-	50,132
<b>At 30 June 2016</b>	<b>120,595</b>	<b>668</b>	<b>(4,885)</b>	<b>116,378</b>

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, 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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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**

Issued share capital	Number of shares	Share capital (S\$'000)
As at 31 March 2016 and 30 June 2016	2,800,923,962	120,595

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

At 30 June 2016, the number of outstanding share options under the Employee Share Option Scheme was 11,400,000 (as at 30 June 2015: 11,400,000).

Save as disclosed, there were no other outstanding convertibles or treasury shares as at 30 June 2016 and 30 June 2015.

**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 30 June 2016 was 2,800,923,962 (as at 31 December 2015: 1,267,378,229).

**1(d)(iv) A statement showing all sales, transfer, disposal, 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 as at 30 June 2016.

**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 qualifications or emphasis of matter)**

Not applicable.

**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 paragraph 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 2015.

**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 ("FRS") and Interpretations of Financial Reporting Standards ("INT FRS") which became effective for the accounting period beginning on or after 1 January 2016. The adoption of these new and revised FRS and INT FRS is not expected to result in material adjustments to the financial position, results of operations or cash flows of the Group for the financial year ending 31 December 2016.

**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 / (Loss) per ordinary share based on - net profit/(loss) attributable to equity holders (numerator), and - weighted average number of ordinary shares on issue (denominator)	3 months ended 30.06.2016 (cents)	3 months ended 30.06.2015 (cents)	6 months ended 30.06.2016 (cents)	6 months ended 30.06.2015 (cents)
(i) On a basic basis; and (ii) On a fully diluted basis	0.05 0.05	(0.02) (0.02)	(0.01) (0.01)	0.01 0.01
Weighted average number of ordinary shares in issue: - for the purpose of basic earnings per share - for the purpose of diluted earnings per share	2,800,923,962 2,800,923,962	1,267,378,229 1,267,378,229	2,590,272,076 2,590,272,076	1,267,378,229 1,267,378,229

As at 30 June 2016 and 30 June 2015, share options granted under the Employee Share Option Scheme (see note 1(d)(ii)) were excluded from the diluted weighted average number of ordinary shares calculation as its effect would have been anti-dilutive.

**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	
	30.06.2016	31.12.2015	30.06.2016	31.12.2015
Net asset value per ordinary share based on issued share capital <sup>(1)</sup> (cents)	4.10	5.18	4.15	5.27

Note:

(1) Based on an issued share capital of 2,800,923,962 ordinary shares as at 30 June 2016 (31 December 2015: 1,267,378,229 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**

**8.1 Statement of Profit or Loss and Other Comprehensive Income (HY2016 vs HY2015)**

**8.1 (a) Revenue**

The Group's revenue increased by S\$2.21 million, from S\$4.77 million for the six-month financial period ended 30 June 2015 ("HY2015") to S\$6.98 million for the six-month financial period ended 30 June 2016 ("HY2016"). The increase was mainly attributable to the higher percentage of completion achieved for the construction revenue of the build-operate-transfer ("BOT") projects in Indonesia and the commencement of water sales for the Tangerang BOT project in January 2016.

**8.1 (b) Gross Profit**

The Group's gross profit decreased by S\$0.16 million, from S\$1.09 million in HY2015 to S\$0.93 million in HY2016. Gross profit margin decreased 9.6 percentage points, from 22.9% in HY2015 to 13.3% in HY2016, mainly due to lower construction margin contribution from the BOT projects in Bekasi and Tangerang. In addition, the Tangerang BOT project, which commenced operations in 1Q2016, has not reached the optimal capacity, but operating costs have been incurred to operate the plant.

**8.1 (c) Interest Income**

Interest income increased by S\$0.60 million, from S\$1.22 million in HY2015 to S\$1.82 million in HY2016, mainly due to the recognition of finance income on the financial assets arising from the construction activities of the BOT project at the Bekasi Regency (refer to note 1(a)(ii) footnote 2 on page 3 of this announcement).

**8.1 (d) Other Gains**

Other gains decreased by S\$0.04 million, from S\$0.05 million in HY2015 to S\$0.01 million in HY2016, mainly due to one-off gains from the disposal of a subsidiary in HY2015.

**8.1 (e) Administrative Expenses**

Administrative expenses increased by S\$0.49 million, from S\$0.98 million in HY2015 to S\$1.47 million in HY2016. The increase was mainly due to higher salary and office expenses incurred in HY2016 as compared to HY2015.

**8.1 (f) Finance Cost**

Finance cost decreased by S\$0.05 million, from S\$0.35 million in HY2015 to S\$0.30 million in HY2016, mainly due to lower interest rate and bank loan repayment related to the Bekasi BOT Project.

#### **8.1 (g) Other Expenses**

Other expenses increased by S\$0.11 million, from S\$0.13 million in HY2015 to S\$0.24 million in HY2016, mainly due to higher office and vehicle expenses.

#### **8.1 (h) Other Losses**

Other losses increased by S\$0.50 million, from S\$0.42 million in HY2015 to S\$0.92 million in HY2016, mainly due to the net foreign exchange adjustment losses.

#### **8.1 (i) Income Tax Expense**

Income tax expense decreased by S\$0.17 million, from S\$0.29 million in HY2015 to S\$0.12 million in HY2016, mainly attributable to lower income taxes on operating profits and lower provision made for deferred taxes on construction profits, both arising from the Group's BOT projects in Indonesia.

#### **8.1 (j) Exchange Differences on Translating Foreign Operations, Net of Tax**

The Group experienced currency translation differences from the consolidation of its foreign operations as the reporting currency of the Group's consolidated financials is in the Singapore Dollar ("S\$").

The Group recognized S\$0.76 million currency translation loss in HY2016 as the Indonesian Rupiah ("IDR") depreciated further against the S\$ during the financial period.

### **8.2 Statement of Profit or Loss and Other Comprehensive Income (2Q2016 vs 2Q2015)**

#### **8.2 (a) Revenue**

The Group's revenue increased by S\$1.81 million, from S\$2.18 million for the three-month financial period ended 30 June 2015 ("2Q2015") to S\$3.99 million for the three-month financial period ended 30 June 2016 ("2Q2016"), mainly due to the higher percentage of completion achieved for the construction revenue of the build-operate-transfer ("BOT") projects in Indonesia and commencement of water sales for the Tangerang BOT project in January 2016.

#### **8.2 (b) Gross Profit**

The Group's gross profit increased by S\$0.32 million, from S\$0.54 million in 2Q2015 to S\$0.86 million in 2Q2016, mainly due to higher gross profit from water sales from the BOT projects in Indonesia. However the gross profit margin decreased from 24.9% in 2Q2015 to 21.7% in 2Q2016, mainly due to lower gross profit margin from construction revenue of the BOT projects.

#### **8.2 (c) Interest Income**

Interest income increased by S\$0.33 million, from S\$0.58 million in 2Q2015 to S\$0.91 million in 2Q2016, due to the recognition of finance income on the financial assets arising from the construction activities of the BOT project at the Bekasi Regency for accounting purposes and higher interest income from time deposit.

#### **8.2 (d) Other Gains**

Other gains remained stable at S\$0.01 million for 2Q2015 and 2Q2016.

#### **8.2 (e) Administrative Expenses**

Administrative expenses decreased by S\$0.91 million, from S\$0.64 million in 2Q2015. The decrease was mainly due to the allocation of staff expenses and professional fees that was related to the construction of BOT projects in Indonesia.

#### **8.2 (f) Finance Cost**

Finance cost decreased by S\$0.21 million, from S\$0.35 million in 2Q2015 to S\$0.14 million in 2Q2016, mainly due to lower interest rate and bank loan repayment related to the Bekasi BOT Project.

### **8.2 (g) Other Expenses**

Other expenses increased by S\$0.05 million, from S\$0.06 million in 2Q2015 to S\$0.11 million in 2Q2016, mainly due to higher office expenses.

### **8.2 (h) Other Losses**

Other losses increased by S\$0.03 million, from S\$0.22 million in 2Q2015 to S\$0.25 million in 2Q2016 due to unrealized forex exchange losses.

### **8.2 (i) Income Tax Expense**

Income tax expense decreased by S\$0.02 million, from S\$0.10 million in 2Q2015 to S\$0.08 million in 2Q2016, due to lower provision made for deferred taxes on construction profits, both arising from the Group's BOT projects in Indonesia.

### **8.2 (j) Exchange Differences on Translating Foreign Operations, Net of Tax**

The Group experienced currency translation differences from the consolidation of its foreign operations as the reporting currency of the Group's consolidated financials is in the S\$.

The Group recognized S\$0.02 million currency translation loss in 2Q2016 as the IDR further depreciated against the S\$ during the financial period.

## **8.3 Statement of Financial Position (30.06.2016 vs 31.12.2015)**

The Group's total equity increased by S\$49.08 million or 74.3%, from S\$66.06 million as at 31 December 2015 to S\$115.14 million as at 30 June 2016. The increase was mainly due to the issuance of 1,533,545,733 new shares at an issue price of S\$0.033 per share issued pursuant to the renounceable non-underwritten rights issue which was completed on 25 January 2016.

### **8.3 (a) Non-current Assets**

The Group's non-current assets increased by S\$5.91 million or 14.3%, from S\$41.24 million as at 31 December 2015 to S\$47.15 million as at 30 June 2016. This was mainly due to an increase in recognition of financial assets of S\$5.46 million in accordance with INT FRS 112 for the BOT projects in Indonesia.

### **8.3 (b) Current Assets**

The Group's current assets increased by S\$39.31 million or 124.6%, from S\$31.56 million as at 31 December 2015 to S\$70.88 million as at 30 June 2016. The increase was mainly due to an increase in cash and cash equivalents of S\$38.88 million, as a result of the rights issue proceeds exercise completed in January 2016 which was partially offset by repayment of bank loan for the Bekasi BOT Project and capital expenditures spent for both the Bekasi and Tangerang BOT Projects.

### **8.3 (c) Non-current Liabilities**

The Group's non-current liabilities decreased by S\$3.73 million or 72.8%, from S\$5.13 million as at 31 December 2015 to S\$1.39 million as at 30 June 2016, due to repayment of bank loan relating to the Bekasi BOT Project.

### **8.3 (d) Current Liabilities**

The Group's current liabilities decreased by S\$0.12 million or 7.7%, from S\$1.61 million as at 31 December 2015 to S\$1.49 million as at 30 June 2016, mainly due to repayment of bank loan relating to the Bekasi BOT Project.

### **8.3 (e) Working Capital (defined as current assets less current liabilities)**

The Group reported a positive working capital of S\$69.39 million as at 30 June 2016 as compared to S\$29.95 million as at 31 December 2015, primary due to the proceeds from the abovementioned rights issue exercise.

#### **8.4 Statement of Cash Flows (HY2016)**

Net cash flows used in operating activities in HY2016 was S\$10.18 million, due to operating cash outflows before changes in working capital of S\$1.61 million and changes in working capital of S\$8.54 million. Changes in working capital was due to (i) recognition of financial assets of S\$4.18 million in accordance with INT FRS 112 for the BOT projects in Indonesia; (ii) increase in trade and other receivables of S\$0.42 million; and (iii) decrease in trade and other payables of S\$3.95 million.

Net cash generated from investing activities for HY2016 was S\$0.23 million, due to the interest income received from time deposit placed with banks, partially offset by the purchase of plant and equipment.

Net cash generated from financing activities for HY2016 of S\$49.83 million was attributable to the proceeds from the above mentioned right issue exercise, partially offset by interest expense payment of bank loan for the Bekasi BOT Project.

#### **8.5 Statement of Cash Flows (2Q2016)**

Net cash flows used in operating activities in 2Q2016 was S\$6.91 million, due to operating cash inflows before changes in working capital of S\$0.81 million and changes in working capital of S\$7.72 million. Changes in working capital was due to (i) recognition of financial assets of S\$2.42 million in accordance with INT FRS 112 for the BOT projects in Indonesia; (ii) decrease in trade and other payables of S\$4.67 million; and (iii) increase in trade and other receivables of S\$0.63 million.

Net cash generated from investing activities for 2Q2016 of S\$0.22 million was due to the interest income received from time deposit placed with banks.

Net cash used in financing activities for 2Q2016 was S\$0.14 million due to interest expense payment of bank loan for the Bekasi BOT Project.

#### **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 currently focusing on executing its three BOT projects which are located at the Bekasi Regency, Tangerang City and Makassar City, Indonesia. Barring any unforeseen circumstances, these projects will underpin the Group's prospects for the next 12 months. The Group expects its revenue in the current financial year ending 31 December 2016 to be substantially denominated in IDR, reflecting the effective currency denomination of projects in the Group's target market. Consequently, future results may be affected by fluctuations in the exchange rate between the IDR and the S\$.

#### **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**

The board of directors (“**Board**”) does not recommend any dividends to be declared for HY2016.

**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.

There were no IPTs during HY2016.

**14. Confirmation by the Board pursuant to Rule 705(5) of the Catalyst Rules**

We, Mohammad Syahrial and Low Chai Chong, being directors of the Company, do hereby confirm, on behalf of the Board that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited financial results for the second quarter and six-month financial period ended 30 June 2016 to be false or misleading in any material aspect.

**15. Use of Proceeds**

I) Placement to Tamaris Pte Ltd

Use of net proceeds	Allocation of net proceeds (as disclosed in the Circular) (S\$million)	Net proceeds utilised as at 15 May 2016 (S\$million)	Net proceeds utilised as at the date of this announcement (S\$million)	Balance of net proceeds as at the date of this announcement (S\$million)
Capital expenditure requirements for the projects in Indonesia	26.40	10.82	11.51	14.89
General corporate and working capital requirements	2.85	0.00	0.90	1.95
<b>Total</b>	<b>29.25</b>	<b>10.82</b>	<b>12.41</b>	<b>16.84</b>

II) Rights Issue

The net proceeds relating the rights issue exercise completed in January 2016, amounting to S\$50.13 million have not been utilised as at this date of announcement.

**16. 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 its directors and executive officers in the format set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

On behalf of the Board of Directors

Mohammad Syahrial  
Chief Executive Officer

Low Chai Chong  
Non-Executive Chairman

11 August 2016