



DYNA-MAC HOLDINGS LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No: 200305693E)

UNAUDITED RESULTS FOR THE FOURTH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2020

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1(a)(i) A statement of comprehensive income (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FOURTH QUARTER AND FULL YEAR ENDED 31 DECEMBER

	Group					
	3 months ended	3 months ended	Change	12 months ended	12 months ended	Change
	31-Dec-2020	31-Dec-2019		31-Dec-2020	31-Dec-2019	
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue	30,050	29,101	3.3%	84,037	97,841	-14.1%
Cost of sales	(38,343)	(44,060)	-13.0%	(114,492)	(96,149)	19.1%
Gross (loss) / profit	(8,293)	(14,959)	-44.6%	(30,455)	1,692	NM
Gross profit margin	-27.6%	-51.4%		-36.2%	1.7%	
Other income	2,919	228	NM	7,173	1,078	NM
Other expenses	(593)	(4,111)	-85.6%	(3,838)	(4,726)	-18.8%
Administrative expenses	(5,623)	(5,490)	2.4%	(30,554)	(21,474)	42.3%
Finance costs	(48)	(115)	-58.3%	(773)	(540)	43.1%
Loss before tax	(11,638)	(24,447)	-52.4%	(58,447)	(23,970)	NM
Income tax credit / (expense)	-	225	NM	17	(28)	NM
Net loss for the financial period/ year	(11,638)	(24,222)	-52.0%	(58,430)	(23,998)	NM
Net profit margin	-38.7%	-83.2%		-69.5%	-24.5%	
Attributable to:-						
Equity holders of the Company	(11,660)	(24,131)	-51.7%	(58,403)	(23,713)	NM
Non-controlling interest	22	(91)	NM	(27)	(285)	-90.5%
Net loss for the financial period/ year	(11,638)	(24,222)	-52.0%	(58,430)	(23,998)	NM
Other comprehensive income:-						
Items that may be subsequently reclassified to profit or loss:-						
Currency translation differences arising from consolidation	201	(458)	NM	472	174	NM
Total comprehensive loss for the financial period/ year	(11,437)	(24,680)	-53.7%	(57,958)	(23,824)	NM
Attributable to:-						
Equity holders of the Company	(11,452)	(24,586)	-53.4%	(57,959)	(23,552)	NM
Non-controlling interest	15	(94)	NM	1	(272)	NM
Total comprehensive loss for the financial period/ year	(11,437)	(24,680)	-53.7%	(57,958)	(23,824)	NM

NM- Not Meaningful

1(a)(ii) The statement of comprehensive loss is arrived at after charging / (crediting) the following:-

The Group's loss is stated after charging / (crediting):-

	Group					
	3 months ended	3 months ended	Change	12 months ended	12 months ended	Change
	31-Dec-2020	31-Dec-2019		31-Dec-2020	31-Dec-2019	
	\$'000	\$'000	%	\$'000	\$'000	%
The Group's loss is stated after charging / (crediting):-						
Amortisation of club memberships	** -	4	NM	7	14	-50.0%
Amortisation of deferred capital grants	(37)	(37)	0.0%	(149)	(174)	-14.4%
Depreciation of property, plant and equipment	1,735	1,847	-6.1%	7,200	7,475	-3.7%
Depreciation of right-of-use assets	644	644	0.0%	2,574	2,586	-0.5%
Expected credit losses on trade and other receivables	342	103	NM	782	103	NM
Fair value losses on investment properties	-	3,900	NM	-	3,900	NM
Finance costs	48	115	-58.3%	773	540	43.1%
Foreign exchange loss, net	593	714	-16.9%	562	663	-15.2%
Gain on disposal of club membership	-	-	NM	(43)	-	NM
Gain on disposal of property, plant and equipment	-	18	NM	-	(2)	NM
Government grants income	(2,658)	(73)	NM	(6,367)	(335)	NM
Impairment loss on contract assets	-	69	NM	-	69	NM
Impairment loss on property, plant and equipment	-	-	NM	1,455	-	NM
Interest income - bank deposits	(5)	(81)	-93.8%	(121)	(310)	-61.0%
Inventory written off	-	(463)	NM	-	-	NM
Loss on striking-off of a subsidiary	-	78	NM	203	78	NM
Property, plant and equipment written off	-	-	NM	1,618	85	NM
Provision for slow-moving inventories	7	5,154	-99.9%	1,252	5,154	-75.7%
Trade and other receivables written off	64	-	NM	64	-	NM
(Utilisation of) / Provision for onerous contracts	(13,514)	-	NM	2,127	-	NM
Rental income ^(Note 1)	(25)	(26)	-3.8%	(65)	(133)	-51.1%

Note 1 - Rental income comprises mainly of rental income from small administration office to subcontractors

** - Amount less than \$1,000

NM - Not Meaningful

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

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER

	Group		Company	
	Unaudited	Audited	Unaudited	Audited
	31-Dec-2020	31-Dec-2019	31-Dec-2020	31-Dec-2019
	\$'000	\$'000	\$'000	\$'000
ASSETS				
Current Assets				
Cash and cash equivalents	46,219	27,186	372	563
Trade and other receivables	29,272	25,369	28	5,359
Inventories	-	1,282	-	-
Contract assets	18,166	14,575	-	-
Other current assets	802	854	14	11
	94,459	69,266	414	5,933
Assets held for sale	-	9,500	-	-
	94,459	78,766	414	5,933
Non-Current Assets				
Club memberships	18	290	-	-
Investment in subsidiaries	-	-	105,390	122,453
Property, plant and equipment	39,444	49,342	-	-
Right-of-use assets	27,397	29,971	-	-
	66,859	79,603	105,390	122,453
Total Assets	161,318	158,369	105,804	128,386
LIABILITIES				
Current Liabilities				
Trade and other payables	52,958	32,333	976	167
Provision for onerous contracts	2,127	-	-	-
Contract liabilities	48,266	80	-	-
Borrowings	965	13,308	-	-
Deferred capital and grants income	820	149	-	-
Lease liabilities	2,171	2,246	-	-
	107,307	48,116	976	167
Non-Current Liabilities				
Borrowings	4,035	-	-	-
Deferred capital and grants income	274	423	-	-
Deferred income tax liabilities	16	16	-	-
Lease liabilities	26,028	28,198	-	-
	30,353	28,637	-	-
Total Liabilities	137,660	76,753	976	167
Net Assets	23,658	81,616	104,828	128,219
EQUITY				
Capital and Reserves Attributable to Equity Holders of the Company				
Share capital	145,271	145,271	145,271	145,271
Other reserves	102	291	-	-
Accumulated losses	(122,134)	(64,364)	(40,443)	(17,052)
Share Capital and Reserves	23,239	81,198	104,828	128,219
Non-controlling interests	419	418	-	-
Total Equity	23,658	81,616	104,828	128,219

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:-

	As at 31-Dec-2020		As at 31-Dec-2019	
	Secured	Unsecured	Secured	Unsecured
	\$'000	\$'000	\$'000	\$'000
Amount repayable in one year or less	965	-	13,308	-
Amount repayable after one year	4,035	-	-	-

Details of any collateral: -

The Group’s borrowings are mainly secured by deeds of guarantee, indemnity and properties.

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

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

	Group			
	3 months ended 31-Dec-2020	3 months ended 31-Dec-2019	12 months ended 31-Dec-2020	12 months ended 31-Dec-2019
	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES				
Loss before tax	(11,638)	(24,447)	(58,447)	(23,970)
Adjustments for:				
- Amortisation of club memberships	** -	4	7	14
- Amortisation of deferred capital grants	(37)	(37)	(149)	(174)
- Depreciation of property, plant and equipment	1,735	1,847	7,200	7,475
- Depreciation of right-of-use assets	644	644	2,574	2,586
- Expected credit losses on trade and other receivables	342	103	782	103
- Fair value losses on investment properties	-	3,900	-	3,900
- Finance costs	48	115	773	540
- Gain on disposal of club membership	-	-	(43)	-
- Gain on disposal of property, plant and equipment	-	18	-	(2)
- Impairment loss on contract assets	-	69	-	69
- Impairment loss on property, plant and equipment	-	-	1,455	-
- Interest income	(5)	(81)	(121)	(310)
- Inventory written off	-	(463)	-	-
- Loss on striking-off of a subsidiary	-	78	203	78
- Property, plant and equipment written off	-	-	1,618	85
- Provision for slow-moving inventories	7	5,154	1,252	5,154
- Trade and other receivables written off	64	-	64	-
- (Utilisation of) / Provision for onerous contracts	(13,514)	-	2,127	-
- Unrealised translation loss	455	230	509	313
	(21,899)	(12,866)	(40,196)	(4,139)
Changes in working capital				
- Contract assets	(9,696)	(9,961)	(3,591)	8,070
- Contract liabilities	43,084	(8,563)	48,186	(249)
- Inventories	(7)	5,772	30	5,760
- Other current assets	299	178	52	(264)
- Trade and other receivables	(12,700)	6,900	(4,734)	5,918
- Trade and other payables	27,411	10,014	20,977	(2,860)
Cash flows generated from / (used in) operations	26,492	(8,526)	20,724	12,236
Income tax (paid) / received	-	(19)	17	(28)
Interest received	7	79	173	292
Net cash flows generated from / (used in) operating activities	26,499	(8,466)	20,914	12,500
INVESTING ACTIVITIES				
- Additions to property, plant and equipment	(73)	(608)	(375)	(955)
- Proceeds from disposal of club memberships	-	-	241	-
- Proceeds from disposal of assets held for sale	-	-	9,500	-
- Proceeds from disposal of property, plant and equipment	-	(17)	-	3
- Proceeds from capital grants	-	-	-	746
Net cash flows (used in) / generated from investing activities	(73)	(625)	9,366	(206)
FINANCING ACTIVITIES				
- Dividends paid to non-controlling interest	-	(583)	-	(583)
- Interest expense paid	(66)	(137)	(440)	(589)
- Payment of principal portion of lease liabilities	(612)	(538)	(2,259)	(2,138)
- Proceeds from bank borrowings	7,870	-	55,223	-
- Repayment of bank borrowings	(14,870)	(3,553)	(63,531)	(6,685)
Net cash flows used in financing activities	(7,678)	(4,811)	(11,007)	(9,995)
Net increase / (decrease) in cash and cash equivalents	18,748	(13,902)	19,273	2,299
Cash and cash equivalents at the beginning of the quarter / year	27,726	41,117	27,186	24,925
Effect of currency translation on cash and cash equivalents	(255)	(29)	(240)	(38)
Cash and cash equivalents at the end of the quarter / year	46,219	27,186	46,219	27,186

** - Amount less than \$1,000

The Group is required to maintain certain minimum deposits with banks for banking facilities. Included in cash and cash equivalents are restricted cash of \$19.4m (2019: \$21.0m) designated by the Group for this purpose.

- 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.

UNAUDITED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Company				Non-controlling interest	Total equity	
	Share capital	Accumulated losses	Asset revaluation reserve	Foreign currency translation reserve			Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Group							
Balance at 1 January 2020	145,271	(64,364)	633	(342)	81,198	418	81,616
Loss for the year	-	(58,403)	-	-	(58,403)	(27)	(58,430)
Other comprehensive income	-	-	-	444	444	28	472
Disposal of assets held for sale	-	633	(633)	-	-	-	-
Total comprehensive loss for the year	-	(57,770)	(633)	444	(57,959)	1	(57,958)
Balance at 31 December 2020	145,271	(122,134)	-	102	23,239	419	23,658
Company							
Balance at 1 January 2020	145,271	(17,052)	-	-	128,219	-	128,219
Total comprehensive loss for the year	-	(23,391)	-	-	(23,391)	-	(23,391)
Balance at 31 December 2020	145,271	(40,443)	-	-	104,828	-	104,828

	Attributable to equity holders of the Company				Non-controlling interest	Total equity	
	Share capital	Accumulated losses	Asset revaluation reserve	Foreign currency translation reserve			Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Group							
Balance at 1 January 2019	145,271	(40,651)	633	(503)	104,750	690	105,440
Loss for the year	-	(23,713)	-	-	(23,713)	(285)	(23,998)
Other comprehensive income	-	-	-	161	161	13	174
Total comprehensive loss for the year	-	(23,713)	-	161	(23,552)	(272)	(23,824)
Balance at 31 December 2019	145,271	(64,364)	633	(342)	81,198	418	81,616
Company							
Balance at 1 January 2019	145,271	(11,899)	-	-	133,372	-	133,372
Total comprehensive loss for the year	-	(5,153)	-	-	(5,153)	-	(5,153)
Balance at 31 December 2019	145,271	(17,052)	-	-	128,219	-	128,219

- 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.**

Number of Ordinary Shares '000	Resultant issued share capital \$'000
1,023,211	145,271

Balance 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 Company did not hold any treasury shares as at 31 December 2020 and 31 December 2019. The Company’s total number of issued shares excluding treasury shares as at 31 December 2020 and 31 December 2019 is 1,023,211,000.

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

Not applicable.

- 2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Group’s independent auditor.

- 3. Where the figures have been audited or reviewed, the auditors’ report (including any qualifications or emphasis of a matter).**

Not applicable.

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

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period, as those used for the audited consolidated financial statements for the financial year ended 31 December 2019.

- 5. If there are any changes in the 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 adopted the new/revised SFRS(I)s that are effective for the annual periods beginning on or after 1 January 2020. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I)s, SFRS(I) interpretations and amendments to the SFRS(I)s.

The following are the new or amended SFRS(I)s, and SFRS(I) Interpretations, that are relevant to the Group:

- Amendments to SFRS(I) 9, SFRS(I) 1-39 and SFRS(I) 7 *Interest Rate Benchmark Reform*

The adoption of the above SFRS(I)s, SFRS(I) Interpretations and amendments to SFRS(I)s did not have any significant impact on the financial statements of the Group.

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

	Group			
	3 months ended	3 months ended	12 months ended	12 months ended
	31-Dec-2020	31-Dec-2019	31-Dec-2020	31-Dec-2019
Loss per share (based on consolidated net loss attributable to equity holders):-				
Based on weighted average number of ordinary shares in issue (cents)	(1.14)	(2.36)	(5.71)	(2.32)
On a fully diluted basis (cents)	(1.14)	(2.36)	(5.71)	(2.32)
Weighted average number of ordinary shares in issue for calculation of basic loss per share ('000)	1,023,211	1,023,211	1,023,211	1,023,211
Weighted average number of ordinary shares in issue for calculation of diluted loss per share ('000)	1,023,211	1,023,211	1,023,211	1,023,211

There were no potentially dilutive shares for the financial year ended 31 December 2020.

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 financial period reported on; and
(b) immediately preceding the financial year

	Group		Company	
	31-Dec-2020	31-Dec-2019	31-Dec-2020	31-Dec-2019
Net asset value per ordinary share based on	2.27	7.94	10.25	12.53
Number of shares ('000)	1,023,211	1,023,211	1,023,211	1,023,211

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -**
- (a) **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; and**
 - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Statement of Comprehensive Income Overview

Revenue

Revenue increased by \$1.0m or 3.3% from \$29.1m in the fourth quarter ended 31 December 2019 ("4Q2019") to \$30.1m in the fourth quarter ended 31 December 2020 ("4Q2020"). The increase was mainly due to higher project progress achieved.

Revenue decreased by \$13.8m or 14.1% from \$97.8m in the 12 months ended 31 December 2019 ("12M2019") to \$84.0m in the 12 months ended 31 December 2020 ("12M2020"). The decrease was mainly due to slower progress of the projects and small order book. There was no physical progress since end April up to beginning of September as the workers were kept in the dormitory.

Gross (loss) / profit

Gross loss decreased by \$6.7m from \$15.0m in 4Q2019 to \$8.3m in 4Q2020. This was mainly due to utilisation of provision for onerous contract of \$13.5m which recognised in 3Q2020, partially offset by higher cost to complete the project as a result of the COVID-19 pandemic.

Gross (loss) / profit declined from \$1.7m gross profit in 12M2019 to gross loss of \$30.5m in 12M2020. This was mainly due to higher cost to complete the projects as a result of the COVID-19 pandemic.

Other income

Other income increased by \$2.7m from \$0.2m in 4Q2019 to \$2.9m in 4Q2020. The other income in 4Q2020 comprised mainly income recognised from the government grants. In contrast, the other income in 4Q2019 mainly derived from sale of scrapped materials.

Other income increased by \$6.1m from \$1.1m in 12M2019 to \$7.2m in 12M2020. The other income in 12M2020 comprised mainly income recognised from the government grants and sale of scrapped materials. In contrast, the other income in 12M2019 was mainly derived from sale of scrapped materials, interest income from bank deposits and deferred government grants.

Other expenses

Other expenses decreased by \$3.5m from \$4.1m in 4Q2019 to \$0.6m in 4Q2020. The expenses in 4Q2020 mainly arose from net foreign exchange loss of \$0.6m. In contrast, the expenses in 4Q2019 mainly arose from fair value losses on asset held for sale of \$3.9m.

Other expenses decreased by \$0.9m from \$4.7m in 12M2019 to \$3.8m in 12M2020. The expenses in 12M2020 mainly arose from property, plant and equipment written off of \$1.6m, impairment loss of property, plant and equipment of \$1.5m and net foreign exchange loss of \$0.6m. In contrast, the expenses in 12M2019 mainly arose from fair value losses on asset held for sale of \$3.9m and net foreign exchange loss of \$0.7m.

Administrative expenses

Administrative expenses increased by \$0.1m or 2.4% from \$5.5m in 4Q2019 to \$5.6m in 4Q2020. The increase was mainly due to increase in expected credit losses on trade and other receivables.

Administrative expenses increased by \$9.1m or 42.3% from \$21.5m in 12M2019 to \$30.6m in 12M2020. The increase was mainly due to production salaries and related costs being re-classified from cost of sales during the production stand-down and suspension period, coupled with expected credit losses on trade and other receivables.

Finance costs

Finance costs increased by \$0.3m or 43.1% from \$0.5m in 12M2019 to \$0.8m in 12M2020. The increase was mainly due to interest expenses on bank borrowings.

Income tax credit / (expense)

The Group did not recognise deferred tax asset on carried forward trade losses and capital allowances due to the uncertainty of its utilisation. The income tax credit in 12M2020 was tax refund from prior year's assessment.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -**
- (a) **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; and**
 - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on. (cont'd)**

Statement of financial position

Current assets

Total current assets increased by \$15.7m from \$78.8m as at 31 December 2019 to \$94.5m as at 31 December 2020.

Cash and cash equivalents increased by \$19.0m from \$27.2m as at 31 December 2019 to \$46.2m as at 31 December 2020 mainly due to net cash flows generated from operating activities of \$20.9m and investing activities of \$9.4m and offset by net cash flows used in financing activities of \$11.0m.

Trade and other receivables increased by \$3.9m from \$25.4m as at 31 December 2019 to \$29.3m as at 31 December 2020 mainly due to more advance billings made in 2020.

Contract Assets increased by \$3.6m from \$14.6m as at 31 December 2019 to \$18.2m as at 31 December 2020 mainly due to higher project progress achieved.

Assets held for sale decreased by \$9.5m from 31 December 2019 to 31 December 2020 due to disposal of the properties.

Non-current assets

Non-current assets decreased by \$12.7m from \$79.6m as at 31 December 2019 to \$66.9m as at 31 December 2020 mainly due to depreciation of property, plant and equipment and right-of-use assets, property, plant and equipment written off and impairment loss of property, plant and equipment.

Current liabilities

Total current liabilities increased by \$59.2m from \$48.1m as at 31 December 2019 to \$107.3m as at 31 December 2020.

Trade and other payables increased by \$20.7m from \$32.3m as at 31 December 2019 to \$53.0m as at 31 December 2020 mainly due to higher payables recorded in line with higher project progress achieved.

Provision for onerous contracts of \$2.1m as at 31 December 2020 arose from higher cost to complete the projects due to the COVID-19 pandemic.

Contract liabilities increased by \$48.2m from \$0.1m as at 31 December 2019 to \$48.3m as at 31 December 2020 mainly due to advance billings to customers.

Non-current liabilities

Total non-current liabilities increased by \$1.8m from \$28.6m as at 31 December 2019 to \$30.4m as at 31 December 2020 mainly due to proceeds from bank borrowings and decrease in lease liabilities.

Deferred capital and grants income (Current and Non-current) increase by \$0.5m mainly due to deferred government grants.

Lease liabilities (Current and Non-current) decreased by \$2.2m mainly due to repayment of lease liabilities.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -**
- (a) 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; and**
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on. (cont'd)**

Statement of cash flows

The Group registered an increase in cash and cash equivalent of \$19.0m from \$27.2m as at 31 December 2019 to \$46.2m as at 31 December 2020.

Net cash flows generated from operating activities in 4Q2020 and 12M2020 were \$26.5m and \$20.9m respectively mainly due to more cash inflow from working capital.

Net cash flows generated from investing activities in 12M2020 of \$9.4m mainly due to proceeds of disposal of assets held for sale and proceeds from disposal of club memberships partially offset by additions to property, plant and equipment.

Net cash flows used in financing activities in 4Q2020 and 12M2020 were \$7.7m and \$11.0m respectively. This was mainly due to repayment of bank borrowings and lease liabilities.

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 the shareholders.

10. **A commentary at the date of the announcement of the significant trends and 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 Covid-19 pandemic continues to have an adverse impact on the Group's business activities. With the gradual release of workers from the dormitories in 2H2020, the Group managed to complete and load out all the topside modules for a major project as per mutually agreed revised schedule. However, elevated labour costs, coupled with other challenges, have resulted in the incurrence of higher costs to complete the project.

As announced in 4Q2020, the Group has secured new fabrication projects for a total provisional sum of S\$157.5M. This brought our net order book as at 31 Dec 2020 to S\$204.0M. While the new projects are expected to maximise the utilisation of the Group's yard facilities and provide sustained revenue streams up till 2Q2022, market conditions however remain difficult and margins remain depressed. In addition to higher labour costs, the Group also faces challenges in ramping up its foreign worker headcount to meet its needs due to the Covid-19 containment measures imposed by the government. The Group will continue to make every concerted effort to maintain effective execution of its existing order book and to secure new orders and projects.

11. **Dividends**

- (a) **Current financial period reported on**

Any dividend declared for the current financial period reported on?

No.

- (b) **Corresponding period of the immediately preceding financial year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

- (c) **Date payable**

Not applicable.

- (d) **Books closure date**

Not applicable.

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

No dividend has been declared for the quarter ended 31 December 2020 because the company is in a loss-making position and the available cash is required for working capital.

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

Management manages and monitors the business in the two primary business segments: Module business and Ad hoc project.

Revenue by business segments:-

	12 months ended 31-Dec-2020			12 months ended 31-Dec-2019		
	Module Business	Ad Hoc Project (Other Services)	Total	Module Business	Ad Hoc Project (Other Services)	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Sales						
Total segment sales – sales to external parties	75,701	8,336	84,037	85,646	12,195	97,841
Gross (loss)/profit	(30,606)	151	(30,455)	(869)	2,561	1,692
Other income			7,173			1,078
Other expenses			(3,838)			(4,726)
Administrative expenses			(30,554)			(21,474)
Finance costs			(773)			(540)
Loss before tax			(58,447)			(23,970)
Income tax credit / (expense)			17			(28)
Net loss			(58,430)			(23,998)

Revenue by geographical segments:-

	31-Dec-20 \$'000	31-Dec-19 \$'000
Asia Pacific	14,594	15,982
Europe	69,425	78,012
Americas	18	3,847
	84,037	97,841

14. Interested person transaction disclosure

Name of Interested Person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual (excluding transactions less than \$100,000)	
	12 months ended 31-Dec-2020 \$'000	12 months ended 31-Dec-2019 \$'000	12 months ended 31-Dec-2020 \$'000	12 months ended 31-Dec-2019 \$'000
PURCHASES AND OTHER EXPENSES				
Green Scan Pte Ltd Subcontracting Services	-	-	341	211
Asian Lift Pte Ltd Rental of floating crane/barge	-	-	1,550	27
REVENUE				
Keppel FELS Limited Other Adhoc projects (other services) ie: Barge Hiring/Provision of Berthing Space/Subcontracting Services	-	-	-	1,363
Keppel Shipyard Limited Subcontracting Services	-	-	12,889	7,925

15. Report of Persons Occupying Managerial Positions Who Are Related to a Director, Chief Executive Officer or Substantial Shareholder

Pursuant to Rule 704(11) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the particulars of persons occupying managerial positions in the Company who are related to the Directors, Chief Executive Officer or Substantial Shareholders of the Company are set as below:-

Name	Age	Family Relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Lim Tjew Yok	61	Brother-in-law of Chief Marketing Officer, Mr Teo Boon Hwee and Uncle of Ms Lim Rui Ping.	Executive Director and Chief Technical Officer since 2011. Promoted to Chief Operating Officer as at February 2013. Responsible for the operation functions of yard management and development, maintenance and facilities, information technology, project management, procurement and sub-contracting, overseas project management in Malaysia.	Not Applicable.
Teo Boon Hwee	64	Brother-in-law of Chief Operating Officer, Mr Lim Tjew Yok, Alternate Director to Ms Lim Rui Ping and Uncle of Ms Lim Rui Ping.	Chief Marketing Officer since 2011. Responsible for overseas expansion of business feasibilities, marketing, business development, contracts and commercial, tender and estimation, overseas project management in China, promotion advertising, clients' co-ordination and Government relationship including MPA, JTC and EDB.	Not Applicable.
Lim Rui Ping	35	Niece of Chief Operating Officer, Mr Lim Tjew Yok and Chief Marketing Officer, Mr Teo Boon Hwee.	Ms Lim Rui Ping has been appointed as the Non-Executive Director since November 2019.	Not Applicable.

16. Confirmation pursuant to Rule 720(1) of the listing manual

The Company confirms that it has procured undertakings from its Board of Directors and executive officers under Rule 720(1) of the listing manual.

17. Confirmation pursuant to Rule 705(5) of the listing manual

The Board of Directors of the Company hereby confirms to the best of its knowledge nothing has come to its attention which may render the unaudited financial results for the year ended 31 December 2020 to be false or misleading in any material respect.

BY ORDER OF THE BOARD

Lim Ah Cheng
Executive Director and CEO
19 February 2021