



DYNA-MAC HOLDINGS LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No: 200305693E)

UNAUDITED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021

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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 THIRD QUARTER ENDED 30 SEPTEMBER

	Group					
	3 months ended 30-Sep-2021	3 months ended 30-Sep-2020	Change	9 months ended 30-Sep-2021	9 months ended 30-Sep-2020	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue	48,237	2,636	1729.9%	154,597	53,987	186.4%
Cost of sales	(43,894)	(24,520)	79.0%	(138,757)	(76,149)	82.2%
Gross profit/(loss)	4,343	(21,884)	NM	15,840	(22,162)	NM
Gross profit margin	9.0%	NM		10.2%	-41.1%	
Other income	2,388	1,466	62.9%	6,067	4,254	42.6%
Other expenses	-	(2,537)	NM	-	(3,245)	NM
Administrative expenses	(6,240)	(9,368)	-33.4%	(18,169)	(24,931)	-27.1%
Finance expenses	(34)	(262)	-87.0%	(109)	(725)	-85.0%
Profit/(loss) before tax	457	(32,585)	NM	3,629	(46,809)	NM
Income tax credit/(expense)	20	17	17.6%	(47)	17	NM
Net profit/(loss) for the financial period	477	(32,568)	NM	3,582	(46,792)	NM
Net profit margin	1.0%	NM		2.3%	-86.7%	
Attributable to:-						
Equity holders of the Company	963	(32,559)	NM	3,453	(46,743)	NM
Non-controlling interest	(486)	(9)	NM	129	(49)	NM
Net profit/(loss) for the financial period	477	(32,568)	NM	3,582	(46,792)	NM
Other comprehensive income:-						
Currency translation differences arising from consolidation	(145)	(223)	-35.0%	191	271	-29.5%
Total comprehensive income/(loss) for the financial period	332	(32,791)	NM	3,773	(46,521)	NM
Attributable to:-						
Equity holders of the Company	833	(32,788)	NM	3,663	(46,507)	NM
Non-controlling interest	(501)	(3)	NM	110	(14)	NM
Total comprehensive income/(loss) for the financial period	332	(32,791)	NM	3,773	(46,521)	NM

NM- Not Meaningful

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

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

	Group					
	3 months ended	3 months ended	Change	9 months ended	9 months ended	Change
	30-Sep-2021	30-Sep-2020		30-Sep-2021	30-Sep-2020	
	\$'000	\$'000	%	\$'000	\$'000	%
The Group's profit/(loss) is stated after charging/(crediting):-						
Amortisation of club memberships	** -	** -	NM	1	7	-85.7%
Amortisation of deferred capital grants	(37)	(37)	0.0%	(112)	(112)	0.0%
Depreciation of property, plant and equipment	1,723	1,816	-5.1%	5,135	5,465	-6.0%
Depreciation of right-of-use assets	633	643	-1.6%	1,814	1,930	-6.0%
Expected credit losses on trade and other receivables	-	5	NM	-	440	NM
Finance expenses	34	262	-87.0%	109	725	-85.0%
Foreign exchange gain, net	(570)	(80)	NM	(337)	(31)	NM
Gain on disposal of club membership	-	(7)	NM	-	(43)	NM
Gain on disposal of property, plant and equipment	-	-	NM	(417)	-	NM
Government grants income	(1,032)	(1,348)	-23.4%	(3,033)	(3,709)	-18.2%
Interest income - bank deposits	(16)	(8)	NM	(41)	(116)	-64.7%
Loss on striking-off of a subsidiary	-	-	NM	-	203	NM
Property, plant and equipment written off	-	1,618	NM	-	1,618	NM
Provision for slow-moving inventories	-	1,245	NM	-	1,245	NM
Reversal of impairment loss on property, plant and equipment	-	1,455	NM	(545)	1,455	NM
Reversal of provision for onerous contracts	-	15,641	NM	(177)	15,641	NM
Rental income ^(Note 1)	(24)	(15)	60.0%	(71)	(40)	77.5%

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

NM - Not Meaningful

** - Amount less than \$1,000

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.

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER

	Group		Company	
	Unaudited	Audited	Unaudited	Audited
	30-Sep-2021	31-Dec-2020	30-Sep-2021	31-Dec-2020
	\$'000	\$'000	\$'000	\$'000
ASSETS				
Current Assets				
Cash and cash equivalents	68,796	46,219	288	372
Trade and other receivables	26,045	29,272	29	28
Contract assets	5,669	18,166	-	-
Other current assets	1,040	802	38	14
	101,550	94,459	355	414
Non-Current Assets				
Club memberships	17	18	-	-
Investment in subsidiaries	-	-	105,390	105,390
Property, plant and equipment	34,677	39,444	-	-
Right-of-use assets	25,850	27,397	-	-
	60,544	66,859	105,390	105,390
Total Assets	162,094	161,318	105,745	105,804
LIABILITIES				
Current Liabilities				
Trade and other payables	64,972	52,958	1,191	976
Provision for onerous contracts	1,950	2,127	-	-
Contract liabilities	35,668	48,266	-	-
Borrowings	4,301	5,000	-	-
Deferred capital and grants income	280	820	-	-
Lease liabilities	2,075	2,171	-	-
	109,246	111,342	1,191	976
Non-Current Liabilities				
Deferred capital and grants income	174	274	-	-
Deferred income tax liabilities	7	16	-	-
Lease liabilities	24,763	26,028	-	-
	24,944	26,318	-	-
Total Liabilities	134,190	137,660	1,191	976
Net Assets	27,904	23,658	104,554	104,828
EQUITY				
Capital and Reserves Attributable to Equity Holders of the Company				
Share capital	145,605	145,271	145,605	145,271
Other reserves	451	102	139	-
Accumulated losses	(118,681)	(122,134)	(41,190)	(40,443)
Share Capital and Reserves	27,375	23,239	104,554	104,828
Non-controlling interests	529	419	-	-
Total Equity	27,904	23,658	104,554	104,828

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 30-Sep-2021		As at 31-Dec-2020	
	Secured	Unsecured	Secured	Unsecured
	\$'000	\$'000	\$'000	\$'000
Amount repayable in one year or less	4,301	-	5,000	-

The Group has reclassified the borrowings from non-current to current (repayable in one year or less) as the Group did not fulfill the financial covenants as required in the bank facility letters for bank borrowings, relating to the Enterprise Financing Scheme of \$5m. Accordingly, the bank is contractually entitled to request for immediate repayment of the bank borrowings of \$5m and terminate the available credit facility.

At the date of this announcement, the bank has not requested for early repayment of the loan or withdrawn the credit facility.

Details of any collateral: -

The Group’s borrowings are mainly secured by deeds of guarantee and indemnity from the Company.

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

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THIRD QUARTER

	Group			
	3 months ended 30-Sep-2021	3 months ended 30-Sep-2020	9 months ended 30-Sep-2021	9 months ended 30-Sep-2020
	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES				
Profit/(loss) before tax	457	(32,585)	3,629	(46,809)
Adjustments for:				
- Amortisation of club memberships	** -	** -	1	7
- Amortisation of deferred capital grants	(37)	(37)	(112)	(112)
- Depreciation of property, plant and equipment	1,723	1,816	5,135	5,465
- Depreciation of right-of-use assets	633	643	1,814	1,930
- Expected credit losses on trade and other receivables	-	5	-	440
- Finance expenses	34	262	109	725
- Gain on disposal of club membership	-	(7)	-	(43)
- Gain on disposal of property, plant and equipment	-	-	(417)	-
- Interest income	(16)	(8)	(41)	(116)
- Loss on striking-off of a subsidiary	-	-	-	203
- Property, plant and equipment written off	-	1,618	-	1,618
- Provision for slow-moving inventories	-	1,245	-	1,245
- Reversal of impairment loss on property, plant and equipment	-	1,455	(545)	1,455
- Reversal of provision for onerous contract	-	15,641	(177)	15,641
- Share-based payment	473	-	473	-
- Unrealised translation (gain)/loss	(86)	(208)	(311)	54
	3,181	(10,160)	9,558	(18,297)
Changes in working capital				
- Contract assets	9,782	8,347	12,497	6,105
- Contract liabilities	(9,271)	1,349	(12,598)	5,102
- Inventories	-	8	-	37
- Other current assets	19	72	(238)	(247)
- Trade and other receivables	(11,302)	1,104	3,235	7,966
- Trade and other payables, including deferred grant income	(5,998)	(11,203)	11,483	(6,434)
Cash flows (used in)/generated from operations	(13,589)	(10,483)	23,937	(5,768)
Income tax refunded/(paid)	-	17	(6)	17
Interest received	13	16	33	166
Net cash flows (used in)/generated from operating activities	(13,576)	(10,450)	23,964	(5,585)
INVESTING ACTIVITIES				
- Additions to property, plant and equipment	(82)	(221)	(370)	(302)
- Proceeds from disposal of club memberships	-	222	-	241
- Proceeds from disposal of assets held for sale	-	-	-	9,500
- Proceeds from disposal of property, plant and equipment	-	-	964	-
Net cash flows (used in)/generated from investing activities	(82)	1	594	9,439
FINANCING ACTIVITIES				
- Interest expense paid	(33)	(116)	(105)	(374)
- Payment of principal portion of lease liabilities	(557)	(561)	(1,628)	(1,647)
- Proceeds from bank borrowings	-	48,053	-	48,053
- Repayment of bank borrowings	(264)	(49,987)	(699)	(49,361)
Net cash flows used in financing activities	(854)	(2,611)	(2,432)	(3,329)
Net (decrease)/increase in cash and cash equivalents	(14,512)	(13,060)	22,126	525
Cash and cash equivalents at the beginning of the period	83,419	40,801	46,219	27,186
Effect of currency translation on cash and cash equivalents	(111)	(15)	451	15
Cash and cash equivalents at the end of the period	68,796	27,726	68,796	27,726

** - 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 (3Q 2020: \$21.1m) 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	Share Reserve	Asset revaluation reserve	Foreign currency translation reserve			Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Group								
Balance at 1 January 2021	145,271	(122,134)	-	-	102	23,239	419	23,658
Share-based payment	-	-	473	-	-	473	-	473
Issuance of new shares under share-based payment	334	-	(334)	-	-	-	-	-
Profit for the period	-	3,453	-	-	-	3,453	129	3,582
Other comprehensive income	-	-	-	-	210	210	(19)	191
Total comprehensive income for the period	-	3,453	-	-	210	3,663	110	3,773
Balance at 30 September 2021	145,605	(118,681)	139	-	312	27,375	529	27,904
Company								
Balance at 1 January 2021	145,271	(40,443)	-	-	-	104,828	-	104,828
Share-based payment	-	-	473	-	-	473	-	473
Issuance of new shares under share-based payment	334	-	(334)	-	-	-	-	-
Loss for the period	-	(747)	-	-	-	(747)	-	(747)
Total comprehensive loss for the period	-	(747)	-	-	-	(747)	-	(747)
Balance at 30 September 2021	145,605	(41,190)	139	-	-	104,554	-	104,554

	Attributable to equity holders of the Company					Non-controlling interest	Total equity	
	Share capital	Accumulated losses	Share Reserve	Asset revaluation reserve	Foreign currency translation reserve			Total
	\$'000	\$'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 period	-	(46,743)	-	-	-	(46,743)	(49)	(46,792)
Other comprehensive income	-	-	-	-	236	236	35	271
Transfer between reserves	-	633	-	(633)	-	-	-	-
Total comprehensive loss for the period	-	(46,110)	-	(633)	236	(46,507)	(14)	(46,521)
Balance at 30 September 2020	145,271	(110,474)	-	-	(106)	34,691	404	35,095
Company								
Balance at 1 January 2020	145,271	(17,052)	-	-	-	128,219	-	128,219
Loss for the period	-	(509)	-	-	-	(509)	-	(509)
Total comprehensive loss for the period	-	(509)	-	-	-	(509)	-	(509)
Balance at 30 September 2020	145,271	(17,561)	-	-	-	127,710	-	127,710

- 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 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.**

	2021		2020	
	Number of Ordinary Shares '000	Resultant issued share capital \$'000	Number of Ordinary Shares '000	Resultant issued share capital \$'000
Share Capital				
Balance as at 1 January	1,023,211	145,271	1,023,211	145,271
Issuance of new shares under share-based payment	3,343	334	-	-
Balance as at 30 September	1,026,554	145,605	1,023,211	145,271

During the period, the Company issued 3,343,000 (2020: nil) new shares to the participants of Dyna-Mac Share Award Scheme 2021 (DMSAS 2021) as the prescribed performance conditions under first tranche was met. Please refer to the Company announcements dated 16 July 2021 for more details on DMSAS 2021 and 13 August 2021 for more details on the issuance of shares.

- 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 30 September 2021 and 30 September 2020. The Company’s total number of issued shares excluding treasury shares as at 30 September 2021 is 1,026,554,000 and as at 30 September 2020 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 2020.

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 new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 16 COVID-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to SFRS(I) 1-16 Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to SFRS(I) 1-37 Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Amendments to SFRS(I) 1-1 Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to SFRS(I) 1-1 Disclosure of Accounting Policies	1 January 2023
Amendments to SFRS(I) 1-8 Definition of Accounting Estimates	1 January 2023

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

6. Earnings 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 30-Sep-2021	3 months ended 30-Sep-2020	9 months ended 30-Sep-2021	9 months ended 30-Sep-2020
Earnings/(loss) per share (based on consolidated net profit attributable to equity holders):-				
Based on weighted average number of ordinary shares in issue (cents)	0.09	(3.18)	0.34	(4.57)
On a fully diluted basis (cents)	0.09	(3.18)	0.34	(4.57)
Weighted average number of ordinary shares in issue for calculation of basic earnings per share ('000)	1,024,883	1,023,211	1,023,768	1,023,211
Weighted average number of ordinary shares in issue for calculation of diluted earnings per share ('000)	1,024,883	1,023,211	1,023,768	1,023,211

For 3Q2021 and 9M2021, the weighted average number of ordinary shares outstanding during the period for basic and diluted earnings per share is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares issued during the period multiplied by a time-weighting factor.

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	
	30-Sep-2021	31-Dec-2020	30-Sep-2021	31-Dec-2020
Net asset value per ordinary share based on	2.67	2.27	10.19	10.25
Number of shares ('000)	1,026,554	1,023,211	1,026,554	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 \$45.6m from \$2.6m in the third quarter ended 30 September 2020 ("3Q2020") to \$48.2m in the third quarter ended 30 September 2021 ("3Q2021") and increased by \$100.6m from \$54.0m in the 9 months ended 30 September 2020 ("9M2020") to \$154.6m in the 9 months ended 30 September 2021 ("9M2021"). The increase was mainly due to higher progress achieved for the projects carried out in 3Q2021 and 9M2021 (as opposed to production stand-down in 3Q2020 and 9M2020).

Gross profit

Gross profit/(loss) improved from \$21.9m gross loss in 3Q2020 to gross profit of \$4.3m in 3Q2021 and from \$22.2m gross loss in 9M2020 to gross profit of \$15.8m in 9M2021. The increase was mainly due to higher recognition of revenue as stated above.

Other income

Other income increased by \$0.9m or 62.9% from \$1.5m in 3Q2020 to \$2.4m in 3Q2021 and increased by \$1.8m or 42.6% from \$4.3m in 9M2020 to \$6.1m in 9M2021. The increase mainly arose from income earned from scrap sales, gain on disposal of property, plant and equipment, foreign exchange gain and partially offset by decrease of government grants.

Other expenses

Other expenses of \$2.5m in 3Q2020 and \$3.2m in 9M2020 mainly from property, plant and equipment written off and impairment loss of property, plant and equipment.

Administrative expenses

Administrative expenses decreased by \$3.2m or 33.4% from \$9.4m in 3Q2020 to \$6.2m in 3Q2021 and decreased by \$6.7m or 27.1% from \$24.9m in 9M2020 to \$18.2m in 9M2021. The decrease mainly due to production salaries and related costs being re-classified from cost of sales during the production stand-down and suspension period in 3Q2020 and 9M2020.

Income tax expense

The Group did not recognise deferred tax asset on carried forward capital allowances and unutilised tax losses due to the uncertainty of its utilisation. The income tax expense was attributable to income tax provision by its subsidiary.

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 \$7.1m from \$94.5m as at 31 December 2020 to \$101.6m as at 30 September 2021.

Cash and cash equivalents increased by \$22.6m from \$46.2m as at 31 December 2020 to \$68.8m as at 30 September 2021 mainly due to higher collections during the period.

Trade and other receivables decreased by \$3.3m from \$29.3m as at 31 December 2020 to \$26.0m as at 30 September 2021 mainly due to timely collection from customers.

Contract Assets decreased by \$12.5m from \$18.2m as at 31 December 2020 to \$5.7m as at 30 September 2021 mainly due to billings offset by project progress during the period.

Non-current assets

Non-current assets decreased by \$6.4m from \$66.9m as at 31 December 2020 to \$60.5m as at 30 September 2021 mainly due to depreciation of property, plant and equipment and right-of-use assets.

Current liabilities

Total current liabilities decreased by \$2.1m from \$111.3m as at 31 December 2020 to \$109.2m as at 30 September 2021.

Trade and other payables increased by \$12.0m from \$53.0m as at 31 December 2020 to \$65.0m as at 30 September 2021 mainly due to higher payables recorded in line with higher progress achieved from the projects carried out.

Contract liabilities decreased by \$12.6m from \$48.3m as at 31 December 2020 to \$35.7m as at 30 September 2021 mainly due to decrease in advanced billings to customers.

Non-current liabilities

Total non-current liabilities decreased by \$1.4m from \$26.3m as at 31 December 2020 to \$24.9m as at 30 September 2021 mainly due to repayment of lease liabilities.

Lease liabilities (Current and Non-current) decreased by \$1.4m mainly due to repayment of lease liabilities.

Statement of cash flows

The Group registered an increase in cash and cash equivalent of \$41.1m from \$27.7m as at 30 September 2020 to \$68.8m as at 30 September 2021.

Net cash flows used in operating activities in 3Q2021 was \$13.6m mainly due to less cash inflow from working capital. Net cash flows generated from operating activities in 9M2021 was \$24.0m mainly due to higher cash inflow from working capital.

Net cash flows generated from investing activities in 9M2021 of \$0.6m mainly due to proceeds from disposal of property, plant and equipment.

Net cash flows used in financing activities in 3Q2021 and 9M2021 were \$0.9m and \$2.4m 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 impact on the economy and global supply chains. The border controls and strict COVID-19 restrictions continue to pose a challenge for the Group. With the help of the government agencies and Association of Singapore Marine Industries (ASMI), we managed to bring in workers from India and Bangladesh progressively. These additional workers will reinforce our manpower resource as well as protect the schedules of our projects.

The Group is still on track in relation to its yard expansion capacities to fulfill potential demand by increasing its production capacity and maximizing operational synergies. The Group has started to strengthen its middle management team as well as increasing the manpower. In addition, the Group is also working closely with its sub-contractor and supplier partners to provide the necessary support. The strong partnership with China Merchant Heavy Industry (CMHI) provides further support in terms of yard capacity.

The Group has also released an announcement on 27 Oct 2021 in relation to the collaboration with National University of Singapore (NUS) to attain grant for Low Carbon Energy Research Funding Initiative (LCER FI).

With the rise in oil price, we may see some of the Final Investment Decision (FID) for FPSO projects brought forward. The Group has also been receiving more serious enquiries both for Singapore and China.

The Group's net order book stands at \$407m at the date of this announcement.

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 (recommended) for the quarter ended 30 September 2021 as the Company is in an accumulated loss position and the available cash is required for working capital.

13. 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)	
	9 months ended 30-Sep-21 S'000	9 months ended 30-Sep-20 S'000	9 months ended 30-Sep-21 S'000	9 months ended 30-Sep-20 S'000
REVENUE Keppel Shipyard Limited Subcontracting Services	-	-	45,676	5,203

14. 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.

15. 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 period ended 30 September 2021 to be false or misleading in any material respect.

BY ORDER OF THE BOARD

Lim Ah Cheng
Chief Executive Officer & Executive Director
12 November 2021