

CIRCULAR DATED 28 OCTOBER 2022

**THIS CIRCULAR (AS DEFINED HEREIN) IS ISSUED BY MOYA HOLDINGS ASIA LIMITED (THE “COMPANY”). THIS CIRCULAR IS IMPORTANT AS IT CONTAINS THE RECOMMENDATION OF THE UNCONFLICTED DIRECTORS (AS DEFINED HEREIN) AND THE OPINION AND ADVICE OF SAC CAPITAL PRIVATE LIMITED, THE INDEPENDENT FINANCIAL ADVISER TO THE UNCONFLICTED DIRECTORS. THIS CIRCULAR REQUIRES YOUR IMMEDIATE ATTENTION AND YOU SHOULD READ IT CAREFULLY.**

**If you are in any doubt in relation to this Circular or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.**

If you have sold or transferred all your Shares (as defined herein) held through The Central Depository (Pte) Limited (“CDP”), you need not forward this Circular to the purchaser or transferee of your Shares, as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee of your Shares. If you have sold or transferred all your Shares which are not deposited with CDP, you should immediately forward this Circular to the purchaser or transferee of your Shares, or to the bank, stockbroker or agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee of your Shares.

This Circular, the Exit Offer Letter and the Acceptance Forms (all as defined herein) shall not be construed as, and may not be used for the purpose of, and do not constitute, a notice or proposal or advertisement or an offer or invitation or solicitation in any jurisdiction or in any circumstance in which such a notice or proposal or advertisement or an offer or invitation or solicitation is unlawful or not authorised, or to any person to whom it is unlawful to make such a notice or proposal or advertisement or an offer or invitation or solicitation.

This Circular has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, ZICO Capital Pte. Ltd. (the “Sponsor”) in accordance with Rule 226(2)(b) of the Catalist Rules. This Circular has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made, or reports contained in this Circular.

The contact person for the Sponsor is Mr. Alex Tan, Chief Executive Officer, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77 Singapore 068896, telephone (65) 6636 4201.



## **MOYA HOLDINGS ASIA LIMITED**

(Incorporated in the Republic of Singapore)  
(Company Registration No. 201301085G)

### **CIRCULAR TO SHAREHOLDERS**

in relation to the

### **PROPOSED VOLUNTARY DELISTING OF MOYA HOLDINGS ASIA LIMITED PURSUANT TO RULE 1307 AND RULE 1308 OF THE CATALIST RULES**

*Independent Financial Adviser to the Unconflicted Directors of the Company*



## **SAC CAPITAL PRIVATE LIMITED**

(Incorporated in the Republic of Singapore)  
(Company Registration No.: 200401542N)

### **IMPORTANT DATES AND TIMES**

Last date and time for lodgement of the proxy form	:	18 November 2022 at 2:00 p.m. (Singapore time)
Date and time of Extraordinary General Meeting	:	21 November 2022 at 2:00 p.m. (Singapore time)
Venue of Extraordinary General Meeting	:	NUSS Suntec City Guild House, 3 Temasek Boulevard, #02-401/402 Suntec City Mall, Singapore 038983



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## DEFINITIONS

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In this Circular, the following definitions apply throughout unless the context otherwise requires:

<b>“1H2022 Results”</b>	:	Condensed interim financial statements for the six months ended 30 June 2022, which was issued in the Company’s announcement released on the website of the SGX-ST at <a href="http://www.sgx.com">www.sgx.com</a> on 28 July 2022, as set out in Appendix F to this Circular
<b>“AAJ”</b>	:	PT Aetra Air Jakarta
<b>“Acceptance Forms”</b>	:	The FAA and/or the FAT (as the case may be)
<b>“AGL”</b>	:	Amartha Group Limited
<b>“Auditors”</b>	:	Foo Kon Tan LLP
<b>“Auditors SOP Letter”</b>	:	The letter from the Auditors dated 17 October 2022 in relation to the Revised Statement of Prospects, as set out in Appendix H to this Circular
<b>“Business Day”</b>	:	A day other than a Saturday, a Sunday or other day on which commercial banks in Singapore are required or authorised by law or executive order to be closed
<b>“Catalist Rules”</b>	:	The Listing Manual Section B: Rules of Catalist of the SGX-ST, as amended, modified or supplemented from time to time
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Circular”</b>	:	This circular to Shareholders dated 28 October 2022 issued by the Company for the purpose of convening the EGM to obtain Shareholders’ approval for the Delisting and containing, among others, the recommendation of the Unconflicted Directors and the opinion and advice of the IFA as set out in the IFA Letter, in respect of the Exit Offer
<b>“Closing Date”</b>	:	5:30 p.m. (Singapore time) on 5 December 2022, such date being the last day for the lodgement of acceptances of the Exit Offer
<b>“Code”</b>	:	The Singapore Code on Take-overs and Mergers, as amended, supplemented or modified from time to time
<b>“Companies Act”</b>	:	The Companies Act 1967 of Singapore, as amended, supplemented or modified from time to time
<b>“Company”</b>	:	Moya Holdings Asia Limited

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## DEFINITIONS

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<b>“Company Securities”</b>	:	(a) Shares; (b) securities which carry voting rights in the Company; and (c) convertible securities, warrants, options or derivatives in respect of the Shares or securities which carry voting rights in the Company
<b>“Concert Parties”</b>	:	Parties acting or presumed to be acting in concert with the Offeror in connection with the Exit Offer
<b>“Conflicted Directors”</b>	:	Mr. Mohammad Syahrial and Mr. Irwan A. Dinata
<b>“Constitution”</b>	:	The Constitution of the Company
<b>“CPF”</b>	:	Central Provident Fund
<b>“CPF Agent Banks”</b>	:	Agent banks included under the CPFIS
<b>“CPFIS”</b>	:	Central Provident Fund Investment Scheme
<b>“CPFIS Investors”</b>	:	Investors who have purchased Shares using their CPF contributions pursuant to the CPFIS
<b>“Delisting”</b>	:	The proposed voluntary delisting of the Company from the Official List of the SGX-ST pursuant to Rules 1307 and 1308 of the Catalist Rules
<b>“Delisting Date”</b>	:	The date on which the Delisting is to take place
<b>“Delisting Proposal”</b>	:	The formal proposal presented by the Offeror to the board of directors of the Company to seek the Delisting pursuant to Rules 1307 and 1308 of the Catalist Rules
<b>“Delisting Resolution”</b>	:	The resolution to be proposed at the EGM to approve the Delisting
<b>“Delisting Resolution Approval Condition”</b>	:	Shall have the meaning ascribed to it in Section 1.2 of this Circular
<b>“Directors”</b>	:	The directors of the Company as at the Latest Practicable Date
<b>“EGM”</b>	:	The extraordinary general meeting to be convened by the Company on 21 November 2022 at 2:00 p.m. (Singapore time), to seek the approval of the Shareholders for the Delisting Resolution, notice of which is given in this Circular

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## DEFINITIONS

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<b>“Exit Offer”</b>	:	The conditional exit offer in cash made by OCBC Bank, for and on behalf of the Offeror, to acquire all the Offer Shares, on the terms and subject to the conditions set out in the Exit Offer Letter, the FAA and the FAT, as such offer may be amended or revised from time to time by or on behalf of the Offeror
<b>“Exit Offer Letter”</b>	:	The letter dated 28 October 2022 issued by OCBC Bank, for and on behalf of the Offeror, to the Shareholders in relation to the Exit Offer, which is despatched to Shareholders concurrently with this Circular, including the FAA and the FAT, and any supplemental document(s) as may be issued by or on behalf of the Offeror from time to time
<b>“Exit Offer Price”</b>	:	S\$0.0920 in cash for each Offer Share
<b>“FAA”</b>	:	The Form of Acceptance and Authorisation for Offer Shares in respect of the Exit Offer, which forms part of the Exit Offer Letter and which is issued to Shareholders whose Offer Shares are deposited with CDP
<b>“FAT”</b>	:	The Form of Acceptance and Transfer for Offer Shares in respect of the Exit Offer, which forms part of the Exit Offer Letter and which is issued to Shareholders whose Offer Shares are not deposited with CDP
<b>“FY”</b>	:	Financial year ended or ending (as the case may be) 31 December of a particular year as stated
<b>“GIHL”</b>	:	Garrison Investment Holdings Ltd
<b>“Group”</b>	:	The Company and its subsidiaries
<b>“in scrip form”</b>	:	Shall have the meaning ascribed to it in Section 13.2 of this Circular
<b>“IFA”</b>	:	SAC Capital Private Limited, the independent financial adviser appointed pursuant to Rule 1308(2) of the Catalist Rules as well as to advise the Unconflicted Directors in respect of the Exit Offer
<b>“IFA Letter”</b>	:	The letter dated 28 October 2022 from the IFA issued pursuant to Rule 1308(2) of the Catalist Rules and addressed to the Unconflicted Directors containing, among others, the opinion and advice of the IFA in respect of the Exit Offer, as set out in Appendix A to this Circular

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## DEFINITIONS

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<b>“IFA SOP Letter”</b>	:	The letter from the IFA dated 17 October 2022 in relation to the Revised Statement of Prospects, as set out in Appendix I of this Circular
<b>“Interested Person”</b>	:	As defined in Note on Rule 24.6 of the Code and read with Note on Rule 23.12 of the Code, an interested person, in relation to a company, is: <ul style="list-style-type: none"><li>(a) a director, chief executive officer, or Substantial Shareholder of the company;</li><li>(b) the immediate family of a director, the chief executive officer, or a Substantial Shareholder (being an individual) of the company;</li><li>(c) the trustees, acting in their capacity as such trustees, of any trust of which a director, the chief executive officer, or a Substantial Shareholder (being an individual) and his immediate family is a beneficiary;</li><li>(d) any company in which a director, the chief executive officer, or a Substantial Shareholder (being an individual) together and his immediate family together (directly or indirectly) have an interest of 30% or more;</li><li>(e) any company that is the subsidiary, holding company or fellow subsidiary of the Substantial Shareholder (being a company); or</li><li>(f) any company in which a Substantial Shareholder (being a company) and any of the companies listed in (e) above together (directly or indirectly) have an interest of 30% or more</li></ul>
<b>“Joint Announcement”</b>	:	The joint announcement made by the Offeror and the Company on the Joint Announcement Date in connection with the Exit Offer for the Delisting
<b>“Joint Announcement Date”</b>	:	14 September 2022, being the date of the Joint Announcement
<b>“KHL”</b>	:	Kidston Holdings Limited
<b>“Latest Practicable Date”</b>	:	17 October 2022, being the latest practicable date prior to the printing of this Circular
<b>“Mr Salim”</b>	:	Mr Anthoni Salim
<b>“OCBC Bank”</b>	:	Oversea-Chinese Banking Corporation Limited

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## DEFINITIONS

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<b>“Offer Shares”</b>	:	All Shares (excluding treasury shares) other than those Shares already owned, controlled or agreed to be acquired by the Offeror Concert Party Group as at the date of the Exit Offer
<b>“Offeror”</b>	:	Tamaris Infrastructure Pte. Ltd.
<b>“Offeror Concert Party Group”</b>	:	The Offeror and its Concert Parties
<b>“Offeror Securities”</b>	:	(a) ordinary shares in the capital of the Offeror; (b) securities which carry voting rights in the Offeror; and (c) convertible securities, warrants, options and derivatives in respect of the ordinary shares in the capital of the Offeror or securities which carry voting rights in the Offeror
<b>“Official List”</b>	:	The list of issuers maintained by the SGX-ST in relation to the Catalist
<b>“Overseas Shareholders”</b>	:	Shareholders whose addresses are outside Singapore, as shown on the Register or, as the case may be, in the Depository Register
<b>“Previous Statement of Prospects”</b>	:	Shall have the meaning ascribed to it in paragraph 5.6 of Appendix B to this Circular
<b>“PAM JAYA”</b>	:	Perusahaan Umum Daerah Air Minum Jaya Provinsi Daerah Khusus Ibukota Jakarta, a municipal water company in Jakarta, Indonesia
<b>“PT TH”</b>	:	PT Tamaris Hidro
<b>“Relevant Period”</b>	:	The period commencing three (3) months prior to the Joint Announcement Date, and ending on the Latest Practicable Date
<b>“Register”</b>	:	The register of holders of Shares, as maintained by the Registrar
<b>“Registrar” or “Receiving Agent”</b>	:	M & C Services Private Limited, in its capacity as the share registrar of the Company and the receiving agent of the Offeror
<b>“Revised Statement of Prospects”</b>	:	Shall have the meaning ascribed to it in paragraph 5.6 of Appendix B to this Circular
<b>“S\$” and “cents”</b>	:	Singapore dollars and Singapore cents, respectively



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## DEFINITIONS

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<b>“Securities Account”</b>	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account
<b>“SFA”</b>	:	The Securities and Futures Act 2001 of Singapore, as amended, supplemented or modified from time to time
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited
<b>“SGXNET”</b>	:	A system network used by listed companies to send information and announcements to the SGX-ST, available at <a href="http://www.sgx.com">www.sgx.com</a> , or any other system networks prescribed by the SGX-ST
<b>“SGX-ST’s Approval”</b>	:	Shall have the meaning ascribed to it in Section 2.1 of this Circular
<b>“Shares”</b>	:	Issued and paid-up ordinary shares in the capital of the Company
<b>“Shareholders”</b>	:	Persons who are registered as holders of Shares in the Register and Depositors who have Shares entered against their names in the Depository Register
<b>“SIC”</b>	:	Securities Industry Council of Singapore
<b>“Sponsor”</b>	:	ZICO Capital Pte. Ltd.
<b>“SRS”</b>	:	The Supplementary Retirement Scheme
<b>“SRS Agent Banks”</b>	:	Agent banks included under the SRS
<b>“SRS Investors”</b>	:	Investors who have purchased Shares using their SRS contributions pursuant to the SRS
<b>“Substantial Shareholder”</b>	:	A person who has an interest in not less than five per cent (5%) of the total number of issued voting Shares
<b>“UDAL”</b>	:	United Dragon Associates Limited
<b>“Tender Announcement”</b>	:	Shall have the meaning ascribed to it in paragraph 5.6 of Appendix B to this Circular
<b>“Unconflicted Directors”</b>	:	The Directors who are considered independent for the purposes of making the recommendation to Shareholders in respect of the Exit Offer, namely, Mr. Kuntoro Mangkusubroto, Mr. Low Chai Chong, Mr. Simon A. Melhem and Mr. Hwang Kin Soon Ignatius
<b>“%” or “per cent”</b>	:	Percentage or per centum

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## DEFINITIONS

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**Acting in Concert and Associates.** The expressions “**acting in concert**” and “**associates**” shall have the meanings ascribed to them respectively in the Code. References to “**concert party**” shall be construed accordingly.

**Announcements and Notices.** References to the making of an announcement or the giving of notice by the Company shall include the release of an announcement by the Company or its agents, for and on behalf of the Company, to the press or the delivery of or transmission by telephone, facsimile, SGXNET or otherwise of an announcement to the SGX-ST. An announcement made otherwise than to the SGX-ST shall be notified simultaneously to the SGX-ST.

**Depositors, Depository Agent and Depository Register.** The expressions “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

**Expressions.** Words importing the singular shall, where applicable, include the plural and *vice versa* and words indicating a specific gender shall, where applicable, include the other genders (male, female or neuter). References to persons shall, where applicable, include corporations.

**Headings.** The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

**Reproduced Statements.** Statements which are reproduced in their entirety or as excerpts from the Exit Offer Letter, the IFA Letter and the Constitution are set out in this Circular within quotes and in *italics*, and all capitalised terms and expressions used within these reproduced statements shall have the meanings ascribed to them in the Exit Offer Letter, the IFA Letter and the Constitution respectively.

**Rounding.** Any discrepancies in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

**Shareholders.** References to “**you**”, “**your**” and “**yours**” in this Circular are, as the context so determines, to Shareholders.

**Statutes.** Any reference in this Circular to any enactment or statutory provision shall include a reference to any subordinate legislation and to any regulation made under the relevant enactment or statutory provision and is a reference to that enactment or statutory provision as for the time being amended, modified, supplemented or re-enacted. Any word defined under the Companies Act, the Code, the SFA or the Catalist Rules or any modification thereof and not otherwise defined in this Circular shall, where applicable, have the meaning ascribed to that word under the Companies Act, the Code, the SFA or the Catalist Rules or that modification, as the case may be, unless the context otherwise requires.

**Subsidiary, Wholly Owned Subsidiary and Related Corporation.** The expressions “**subsidiary**”, “**wholly owned subsidiary**” and “**related corporation**” shall have the meanings ascribed to them respectively in Sections 5, 5B and 6 of the Companies Act.

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## DEFINITIONS

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**Time and date.** Any reference to a time of day and date in this Circular shall be a reference to Singapore time and date respectively, unless otherwise stated.

**Total Number of Shares and Percentage of Shares.** In this Circular, the total number of Shares as at the Latest Practicable Date is 4,203,585,943. Unless otherwise specified, all references to a percentage shareholding in the capital of the Company in this Circular are based on 4,203,585,943 Shares as at the Latest Practicable Date.

**Legal Counsel.** For the purposes of this Circular, Messrs Lee & Lee has been appointed as the legal counsel to the Company as to Singapore law in relation to the Delisting.

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## CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

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All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “aim”, “seek”, “expect”, “anticipate”, “believe”, “estimate”, “intend”, “project”, “plan”, “potential”, “strategy”, “forecast”, “possible”, “probable” and similar expressions or future or conditional verbs such as “if”, “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information as at the Latest Practicable Date. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results or outcomes may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and neither the Company nor the IFA guarantees any future performance or event, or undertakes any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

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## INDICATIVE TIMETABLE

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Date of despatch of this Circular and the Exit Offer Letter	:	28 October 2022
Last date and time for lodgement of proxy forms for the EGM <sup>(1)</sup>	:	18 November 2022 at 2:00 p.m. (Singapore time)
Date and time of the EGM	:	21 November 2022 at 2:00 p.m. (Singapore time)
Announcement of the results of the EGM and whether the Delisting Resolution has been passed at the EGM	:	21 November 2022
Expected last date of trading of Shares on the SGX-ST	:	To be announced by or on behalf of the Company
Expected Closing Date and time	:	5 December 2022 at 5:30 p.m. (Singapore time), being the last date and time for the lodgement of acceptances of the Exit Offer
Expected date of the payment of the Exit Offer Price, in respect of valid acceptances of the Exit Offer	:	Within seven (7) Business Days:  (a) after the Delisting Resolution has been passed at the EGM (where valid acceptances of the Exit Offer are tendered on or prior to the date of the Delisting Resolution being passed at the EGM); or  (b) after the date of receipt of valid acceptances of the Exit Offer (where such acceptances are tendered after the Delisting Resolution has been passed at the EGM but before the close of the Exit Offer)
Expected date for the Delisting of the Shares from the SGX-ST	:	Approximately one (1) to two (2) weeks after the Closing Date, or such other date as may be announced from time to time by or on behalf of the Company

An announcement will be made by or on behalf of the Offeror when the Exit Offer (if and when made) becomes or is declared to be unconditional in all respects in accordance with its terms.

Shareholders should note that, save for the last date and time for lodgement of proxy forms for the EGM, and the date and time of the EGM, the above timetable is indicative only and may be subject to change. For events listed above which are described as “expected”, please refer to future announcement(s) by or on behalf of the Company and/or the Offeror via SGXNET for the exact dates and times of such events.

**Note:**

(1) The instrument appointing a proxy or proxies must be received by M & C Services Private Limited at [gpb@mncsingapore.com](mailto:gpb@mncsingapore.com) (if submitted by email) or lodged at the office of the Registrar, M & C Services Private Limited at 112 Robinson Road #05-01, Singapore 068902 (if submitted by post), not less than 72 hours before the time appointed for the EGM.

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## INDICATIVE TIMETABLE

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PLEASE NOTE THAT THE EXIT OFFER AND THE DELISTING ARE CONDITIONAL UPON THE DELISTING RESOLUTION BEING PASSED AT THE EGM. PURSUANT TO RULE 1307 OF THE CATALIST RULES, THE DELISTING RESOLUTION IS CONSIDERED PASSED IF IT IS APPROVED BY A MAJORITY OF AT LEAST 75 PER CENT OF THE TOTAL NUMBER OF ISSUED SHARES (EXCLUDING TREASURY SHARES AND SUBSIDIARY HOLDINGS) HELD BY THE SHAREHOLDERS PRESENT AND VOTING, ON A POLL, EITHER IN PERSON OR BY PROXY AT THE EGM. THE OFFEROR CONCERT PARTY GROUP MUST ABSTAIN FROM VOTING ON THE DELISTING RESOLUTION. IF THIS CONDITION IS NOT SATISFIED AT THE EGM TO BE CONVENED, THE DELISTING WILL NOT PROCEED, THE COMPANY WILL REMAIN LISTED ON THE OFFICIAL LIST OF THE SGX-ST AND THE EXIT OFFER WILL LAPSE AND ALL ACCEPTANCES OF THE EXIT OFFER WILL BE RETURNED.

PLEASE ALSO NOTE THAT APPROVING THE DELISTING RESOLUTION AT THE EGM DOES NOT AUTOMATICALLY MEAN THAT YOU HAVE ACCEPTED THE EXIT OFFER. IF YOU WISH TO ACCEPT THE EXIT OFFER, YOU WILL NEED TO COMPLETE, SIGN AND DELIVER THE RELEVANT ACCEPTANCE FORM IN ACCORDANCE WITH THE PROVISIONS OF AND INSTRUCTIONS IN THE EXIT OFFER LETTER AND THE ACCEPTANCE FORMS ON OR BEFORE THE CLOSING DATE OF THE EXIT OFFER. PLEASE REFER TO APPENDIX 1 TO THE EXIT OFFER LETTER FOR THE PROCEDURES FOR ACCEPTANCE.

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## LETTER TO SHAREHOLDERS

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### MOYA HOLDINGS ASIA LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 201301085G)

#### Directors

Kuntoro Mangkusubroto (Chairman, Non-Executive and Independent Director)  
Mohammad Syahril (Chief Executive Officer and Executive Director)  
Irwan A. Dinata (Managing Director and Executive Director)  
Low Chai Chong (Non-Executive and Lead Independent Director)  
Simon A. Melhem (Non-Executive and Non-Independent Director)  
Hwang Kin Soon Ignatius (Non-Executive and Independent Director)

#### Registered Office

65 Chulia Street  
#37-08 OCBC Centre  
Singapore 049513

28 October 2022

To: The Shareholders of Moya Holdings Asia Limited

Dear Sir/Madam

### PROPOSED VOLUNTARY DELISTING OF MOYA HOLDINGS ASIA LIMITED FROM THE OFFICIAL LIST OF THE SGX-ST

#### 1. DELISTING

1.1 **Introduction.** As jointly announced by the Company and the Offeror on 14 September 2022, the Company proposes to seek the voluntary delisting of its Shares from the Official List of the SGX-ST pursuant to Rules 1307 and 1308 of the Catalist Rules. Under the Delisting Proposal, OCBC Bank will make, for and on behalf of the Offeror, the Exit Offer in cash, to acquire the Offer Shares at the Exit Offer Price.

A copy of the Joint Announcement is available on the website of the SGX-ST at <http://www.sgx.com>.

The Directors have reviewed the Delisting Proposal and resolved to make an application to the SGX-ST for the approval of the Delisting, and convene an EGM of the Company to seek the approval of Shareholders for the Delisting.

1.2 **Conditions.** The Delisting is subject to the approval of the SGX-ST and both the Delisting and the Exit Offer will be conditional on the Delisting Resolution being passed at the EGM (the “**Delisting Resolution Approval Condition**”). Pursuant to Rule 1307 of the Catalist Rules, the Delisting Resolution is considered passed if it is approved by a majority of at least 75% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) held by the Shareholders present and voting, on a poll, either in person or by proxy at the EGM. The Offeror Concert Party Group must abstain from voting on the resolution. Shareholders are to note that if the Delisting Resolution is not approved at the EGM, the Delisting Resolution Approval Condition will not be fulfilled. In such event, the Delisting will not proceed and the Company will remain listed on the Official List of the SGX-ST. The Exit Offer will also lapse and all acceptances of the Exit Offer will be returned. As stated in Section 2.1 below, the Delisting is also conditional upon the SGX-ST’s Approval. If the Delisting Resolution is approved at the EGM, the Company will follow up with the SGX-ST on its application to delist from the Official List of the SGX-ST.

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## LETTER TO SHAREHOLDERS

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- 1.3 **Rationale for Exit Offer and Delisting.** As set out in the Joint Announcement, the rationale for the Exit Offer and the Delisting include the following:
- (a) to provide an opportunity for Shareholders to realise their investments in the Shares at a premium over historical Share prices without incurring brokerage costs;
  - (b) to provide an opportunity for Shareholders to realise their investments amidst low trading liquidity of the Shares;
  - (c) to provide greater management flexibility; and
  - (d) to save on expenses relating to the Company's maintenance of a listed status and focus its resources on its business operations.
- 1.4 **Independent Financial Adviser.** The Company has appointed SAC Capital Private Limited as the independent financial adviser pursuant to Rule 1308(2) of the Catalist Rules as well as to advise the Unconflicted Directors in respect of the Exit Offer.
- 1.5 **Rulings sought from the SIC.** As stated in the Exit Offer Letter, an application was made by the Offeror to the SIC to seek certain clarifications regarding the extent to which the provisions of the Code applied to the Exit Offer. Please refer to paragraph 9 of the Exit Offer Letter entitled "Rulings sought from the SIC" for further details on the rulings of the SIC.
- 1.6 **Purpose of this Circular.** The purpose of this Circular is to provide Shareholders with relevant information pertaining to the Delisting and the Exit Offer and to seek Shareholders' approval for the Delisting at the EGM to be held. It also sets out the recommendation of the Unconflicted Directors and the opinion and advice of the IFA as set out in the IFA Letter, in respect of the Exit Offer.
- 1.7 **Exit Offer Letter.** The Exit Offer Letter and the Acceptance Forms set out, among others, the terms and conditions of the Exit Offer and the procedures for acceptance of the Exit Offer. The Exit Offer Letter and the Acceptance Forms have been despatched together with this Circular to the Shareholders. The principal terms and conditions of the Exit Offer are set out in paragraph 2 of the Exit Offer Letter and the procedures for acceptance of the Exit Offer are set out in paragraph 2.10 of the Exit Offer Letter and Appendix 1 to the Exit Offer Letter.

**Shareholders are advised to read the terms and conditions of the Exit Offer set out in the Exit Offer Letter carefully.**

Electronic copies of the Exit Offer Letter and this Circular are available on the website of the SGX-ST at <http://www.sgx.com>.

**Shareholders should read this Circular, the Exit Offer Letter and the IFA Letter set out in Appendix A to this Circular, carefully and consider the opinion and advice of the IFA provided pursuant to Rule 1308(2) of the Catalist Rules and addressed to the Unconflicted Directors and the recommendation of the Unconflicted Directors in respect of the Exit Offer, before deciding whether to accept or reject the Exit Offer.**

**If you are in any doubt in respect of this Circular or as to the action you should take, you should consult your stockbroker, bank manager, accountant, solicitor, tax adviser or other professional adviser immediately.**



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## LETTER TO SHAREHOLDERS

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### 2. CATALIST RULES PERTAINING TO THE DELISTING

2.1 **Rules 1307 and 1308 of the Catalist Rules.** Under Rule 1307 of the Catalist Rules, the SGX-ST may agree to an application by the Company to delist from the Official List of the SGX-ST if:

- (a) the Company convenes a general meeting to obtain Shareholder approval for the delisting; and
- (b) the resolution to delist the Company has been approved by a majority of at least 75% of the Company's total number of issued Shares excluding treasury shares and subsidiary holdings held by the Shareholders present and voting, on a poll, either in person or by proxy at the meeting. The Offeror Concert Party Group must abstain from voting on the resolution.

In addition, under Rule 1308 of the Catalist Rules, if the Company is seeking to delist from the SGX-ST:

- (a) an exit offer must be made to the Company's Shareholders and holders of any other classes of listed securities to be delisted. The exit offer must:
  - (i) be fair and reasonable; and
  - (ii) include a cash alternative as the default alternative; and
- (b) the Company must appoint an independent financial adviser to advise on the exit offer and the independent financial adviser must opine that the exit offer is fair and reasonable.

An application for the Delisting was made to the SGX-ST by the Company through the Sponsor on 27 September 2022. The Delisting will be conditional upon the SGX-ST agreeing to the application by the Company to delist from the Official List of the SGX-ST ("**SGX-ST's Approval**").

### 3. THE EXIT OFFER

3.1 **Terms of the Exit Offer.** The Exit Offer is made by OCBC Bank, for and on behalf of the Offeror on the principal terms set out in paragraphs 2.1 and 2.2 of the Exit Offer Letter, extracts of which are set out below.

**"2. TERMS OF THE EXIT OFFER**

*OCBC Bank, for and on behalf of the Offeror, hereby makes the Exit Offer to acquire all the Offer Shares, on the terms and subject to the conditions set out in this Exit Offer Letter (including the Acceptance Forms), and on the following basis:*

**2.1 Offer Shares**

*The Exit Offer is extended to all Shares (excluding treasury shares) other than those Shares already owned, controlled or agreed to be acquired by the Offeror Concert Party Group as at the date of the Exit Offer (all such Shares, the "**Offer Shares**").*

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## LETTER TO SHAREHOLDERS

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### **2.2 Exit Offer Price**

*The consideration for the Exit Offer payable by the Offeror for each Offer Share will be:*

***For each Offer Share: S\$0.0920 in cash (“Exit Offer Price”).***

***The Exit Offer Price is final and the Offeror does not intend to revise the Exit Offer Price under any circumstances.***

*The Exit Offer Price shall be applicable to any number of the Offer Shares that are tendered in acceptance of the Exit Offer. Each Shareholder who accepts the Exit Offer will receive S\$92 for every 1,000 Offer Shares tendered for acceptance under the Exit Offer.”*

- 3.2 **Conditions and Details of the Exit Offer.** The conditions and details of the Exit Offer are set out in paragraphs 2.3 to 2.9 of the Exit Offer Letter (extracts of which are set out below):

### **“2.3 Rights and Encumbrances**

*The Offer Shares will be acquired:*

- (a) fully paid;*
- (b) free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever (“**Encumbrances**”); and*
- (c) together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date, and thereafter attaching thereto (including the right to receive and retain all dividends, rights and other distributions, if any, which may be announced, declared, paid or made thereon by the Company (collectively the “**Distributions**”), on or after the Joint Announcement Date).*

*If any Distribution is declared, made or paid by the Company on or after the Joint Announcement Date, the Offeror reserves the right to reduce the Exit Offer Price by the amount of such Distribution.*

### **2.4 Condition**

*The Exit Offer and the Delisting are conditional on the Shareholders’ Approval being obtained (the “**Delisting Resolution Approval Condition**”). The Offeror Concert Party Group must abstain from voting on the Delisting Resolution.*

***Shareholders are to note that if the Delisting Resolution is not approved at the EGM, the Delisting Resolution Approval Condition will not be fulfilled. In such event, the Delisting will not proceed and the Company will remain listed on the Official List of the SGX-ST. The Exit Offer will also lapse and all acceptances of the Exit Offer will be returned.***

***If the Delisting Resolution is approved at the EGM, the Offeror notes that the Company will follow up with the SGX-ST on its application to delist from the Official List of the SGX-ST.***

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## LETTER TO SHAREHOLDERS

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### **2.5 Acceptances**

Shareholders may choose to accept the Exit Offer in respect of all or part of their holdings of the Offer Shares. Shareholders may choose to accept the Exit Offer in respect of their Offer Shares before the EGM.

However, such acceptances would be conditional and if the Delisting Resolution is not approved at the EGM, the Delisting Resolution Approval Condition will not be fulfilled and the Exit Offer will lapse. The Offeror will only be bound to acquire these Offer Shares and pay the Exit Offer Price for these Offer Shares if the Delisting Resolution Approval Condition is fulfilled.

As at the Latest Practicable Date, the Offeror Concert Party Group holds Shares representing more than 50% of the total number of issued Shares. Accordingly, the Exit Offer is not conditional upon a minimum number of acceptances being received by the Offeror.

### **2.6 Warranty**

Acceptance of the Exit Offer by a Shareholder will be deemed to constitute an unconditional and irrevocable warranty by that Shareholder that each Offer Share in respect of which the Exit Offer is accepted is sold by him/her/it as, or on behalf of, the beneficial owner(s) thereof, (a) fully paid, (b) free from all Encumbrances, and (c) together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto (including the right to receive and retain all Distributions, if any, which may be announced, declared, paid or made thereon by the Company on or after the Joint Announcement Date).

### **2.7 Choices in relation to the Exit Offer**

A Shareholder can, in relation to all or part of his/her/its Offer Shares, either:

- (a) accept the Exit Offer in respect of such Offer Shares in full or in part, in accordance with such procedures set out in **Appendix 1** to this Exit Offer Letter; or
- (b) take no action and let the Exit Offer lapse in respect of his/her/its Offer Shares.

Subject to the Delisting Resolution Approval Condition being fulfilled, Shareholders should note that the Company will, subject to the SGX-ST's Approval, be delisted from the Official List of the SGX-ST after the close of the Exit Offer, irrespective of the level of acceptances of the Exit Offer. In such event, Shareholders who do not accept the Exit Offer will be left holding Shares in an unlisted company.

Shareholders should also note that voting in favour of the Delisting Resolution does not constitute an acceptance of the Exit Offer and Shareholders who wish to accept the Exit Offer must tender their acceptances in accordance with the procedures set out in **Appendix 1** to this Exit Offer Letter.

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## LETTER TO SHAREHOLDERS

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### **2.8 Duration**

*The Exit Offer is open for acceptance by Shareholders from the date of the despatch of the Delisting Circular and this Exit Offer Letter and will remain open for a period of at least 14 days after the date of the announcement of the Shareholders' Approval being obtained. Accordingly, the Exit Offer will close at 5:30 p.m. (Singapore time) on 5 December 2022 (the "Closing Date"). The Offeror will not extend the Exit Offer beyond the Closing Date.*

*If the Delisting Resolution is not approved at the EGM, the Delisting Resolution Approval Condition will not be fulfilled and the Exit Offer will lapse and all acceptances of the Exit Offer will be returned.*

### **2.9 No Options Proposal**

*As at the Latest Practicable Date, based on the latest information available to the Offeror, there are no outstanding options ("Options") exercisable in respect of the Shares granted under the Moya Holdings Asia Limited Employee Share Option Scheme which was approved by Shareholders on 3 June 2013. In view of the foregoing, the Offeror will not make an offer to acquire any Options."*

- 3.3 **Closing Date.** The Exit Offer will close at 5:30 p.m. (Singapore time) on 5 December 2022. The Offeror will not extend the Exit Offer beyond the Closing Date.

## **4. PROCEDURES FOR ACCEPTANCE**

The procedures for acceptance of the Exit Offer are set out in paragraph 2.10 of the Exit Offer Letter (extracts of which are set out below) and Appendix 1 to the Exit Offer Letter.

### **"2.10 Procedures for Acceptance and Settlement**

*The procedures for acceptance of the Exit Offer are set out in **Appendix 1** to this Exit Offer Letter and the accompanying FAA and/or FAT (as the case may be)."*

## **5. INFORMATION ON THE OFFEROR CONCERT PARTY GROUP**

Paragraph 3 of the Exit Offer Letter sets out certain information on the Offeror, extracts of which are set out below. Additional information on the Offeror extracted from Appendix 2 to the Exit Offer Letter is set out in Appendix C to this Circular.

### **"3. INFORMATION ON THE OFFEROR AND ITS CONCERT PARTIES**

- 3.1 *The Offeror is a company incorporated in Singapore on 6 December 2012 and its principal activity is that of investment holding. The sole director of the Offeror is Mr Cho Yu Chung.*

- 3.2 *As at the Latest Practicable Date, the Offeror has an issued and paid-up capital of S\$31,000 comprising 31,000 ordinary shares. The Offeror is held by:*

- (a) GIHL, which holds approximately 45.16% of the Offeror;*
- (b) UDAL, which holds approximately 16.13% of the Offeror;*

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## LETTER TO SHAREHOLDERS

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- (c) AGL, which holds approximately 16.13% of the Offeror;*
  - (d) KHL, which holds approximately 19.35% of the Offeror; and*
  - (e) PT TH, which holds approximately 3.23% of the Offeror.*
- 3.3 As at the Latest Practicable Date, the Offeror holds 3,062,053,273 Shares, representing approximately 72.84% of the total number of issued Shares.*
- 3.4 Mr Salim has a controlling interest in GIHL and is accordingly deemed to have an interest in the Shares held by the Offeror pursuant to Section 4(4) of the SFA.*
- 3.5 Mr Salim, together with his associates, UDAL, AGL and KHL, control not less than 20% of the voting shares of the Offeror and is deemed to have an interest in the Shares in which the Offeror has an interest in, by virtue of Section 4(5) of the SFA.*
- 3.6 Based on the information available to the Offeror and save as set out in this **Paragraph 3**, none of the Offeror, GIHL, UDAL, AGL, KHL, PT TH or Mr Salim owns or controls any other Shares in the Company.*
- 3.7 Additional information on the Offeror can be found in **Appendix 2** to this Exit Offer Letter.”*

### 6. INFORMATION ON THE COMPANY

The Company is a Singapore-incorporated company which is listed on the Catalist of the SGX-ST. The Group is one of the largest water treatment operators in Indonesia and focuses on developing and operating water treatment facilities which include extraction and treatment of raw water, distribution and sale of treated water, collection of sale proceeds and customer services.

As at the Latest Practicable Date, the Company has an issued and fully paid up share capital of S\$254,374,249.26 comprising 4,203,585,943 Shares and the Company does not hold any treasury shares. As at the Latest Practicable Date, there are no outstanding instruments convertible into, rights to subscribe for, and options in respect of, securities which carry voting rights in the Company.

As at the Latest Practicable Date, the Directors are as follows:

- (a) Mr. Kuntoro Mangkusubroto (Chairman, Non-Executive and Independent Director);
- (b) Mr. Mohammad Syahril (Chief Executive Officer and Executive Director);
- (c) Mr. Irwan A. Dinata (Managing Director and Executive Director);
- (d) Mr. Low Chai Chong (Non-Executive and Lead Independent Director);
- (e) Mr. Simon A. Melhem (Non-Executive and Non-Independent Director); and
- (f) Mr. Hwang Kin Soon Ignatius (Non-Executive and Independent Director).

Additional information on the Company is set out in Appendix B to this Circular.

## LETTER TO SHAREHOLDERS

### 7. RATIONALE FOR THE DELISTING AND THE EXIT OFFER AND OFFEROR'S INTENTIONS FOR THE COMPANY

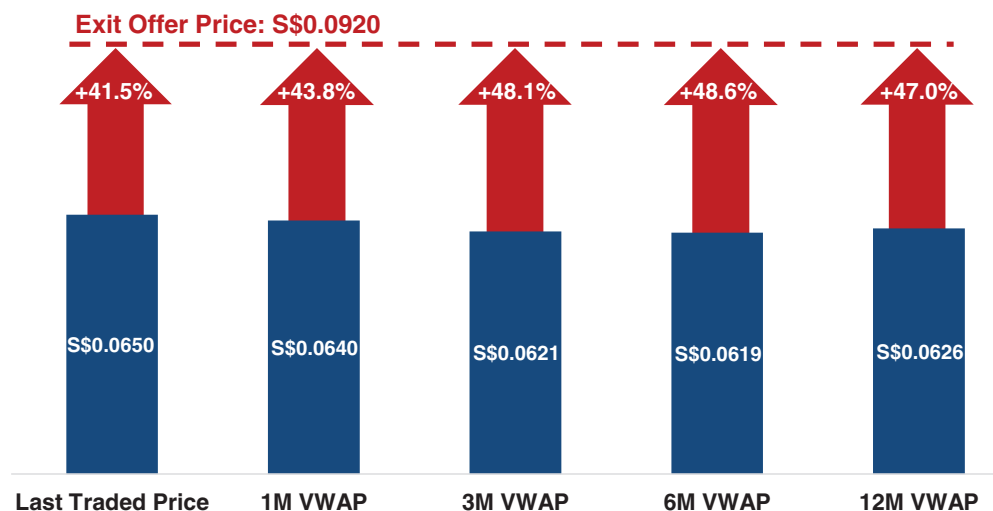
The full text of the rationale for the Delisting and the Exit Offer and the Offeror's intentions for the Company as set out in the Exit Offer Letter has been extracted from paragraphs 5 and 7 of the Exit Offer Letter and is set out below. Shareholders are advised to read the extract below carefully.

#### "5. RATIONALE FOR THE EXIT OFFER

##### 5.1 Opportunity for Shareholders to realise their investment in the Shares at a premium over historical Share prices without incurring brokerage costs

*Against the backdrop of a challenging macro and operating environment as a result of, inter alia, the COVID-19 pandemic and global inflationary pressures, the Offeror believes that, through the Delisting Proposal and Exit Offer, the Accepting Shareholders will have an opportunity to realise their investments in the Company for a cash consideration at a premium over the historical transacted prices of the Shares on the SGX-ST, without incurring any brokerage and other trading costs.*

*The Exit Offer Price represents a premium of approximately 41.5% over the last traded price of S\$0.0650 per Share on the Last Trading Day and a premium of approximately 43.8%, 48.1%, 48.6% and 47.0%, over the VWAP of the Shares over the one (1)-month, three (3)-month, six (6)-month, and 12-month periods respectively prior to and including the Last Trading Day.*



*Source: Bloomberg L.P.*

*In addition, the Exit Offer Price represents a premium of approximately 19.5% over the highest closing price of the Shares on the SGX-ST of S\$0.0770 in January 2021, for the two (2)-year period prior to the Last Trading Day.*

## LETTER TO SHAREHOLDERS



**Source:** Bloomberg L.P.

The Exit Offer Price also represents a premium over the latest publicly available net asset value per Share of S\$0.0893 as at 30 June 2022 (as reported in the unaudited consolidated financial statements of the Company and its subsidiaries for the six (6)-month period ended 30 June 2022).

### 5.2 Opportunity for Shareholders to realise their investments amidst low trading liquidity of the Shares

The trading volume of the Shares on the SGX-ST has been low, with an average daily trading volume of the Shares for the one (1)-month, three (3)-month, six (6)-month, and 12-month periods prior to and including the Last Trading Day as follows:

<b>Period prior to and including the Last Trading Day</b>	<b>Average Daily Trading Volume<sup>(1)</sup></b>	<b>Approximate percentage of total number of issued Shares<sup>(2)</sup> (%)</b>
Last one (1) month	3,385,518	0.0805
Last three (3) months	3,134,434	0.0746
Last six (6) months	1,714,150	0.0408
Last 12 months	1,104,743	0.0263

**Source:** Bloomberg L.P.

**Notes:**

- (1) The average daily trading volume is computed based on the total trading volume of the Shares for all Market Days for the relevant periods immediately prior to and including the Last Trading Day, divided by the total number of Market Days during the respective periods.
- (2) Computed based on 4,203,585,943 Shares, being the total number of issued Shares as at the Joint Announcement Date. The Company did not hold any treasury shares as at the Joint Announcement Date.



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## LETTER TO SHAREHOLDERS

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*In view of the low trading volume during the periods prior to and including the Last Trading Day, the Offeror believes that the Exit Offer represents an opportunity for Shareholders to realise their investments in the Shares at a premium (without incurring any brokerage and other trading costs) which may not otherwise be readily available given the low trading liquidity of the Shares.*

### **5.3 Greater management flexibility**

*The Offeror is making the Delisting Proposal and Exit Offer with a view to delisting the Company. The Offeror believes that delisting the Company will give the Offeror and the management of the Company more flexibility and control to manage the business of the Company, optimise the use of its management and capital resources and facilitate the implementation of any operational change without the attendant costs, regulatory restrictions and compliance issues associated with its listed status on the SGX-ST.*

### **5.4 Compliance costs of maintaining listing**

*In maintaining its listed status, the Company incurs compliance and associated costs relating to continuing listing requirements under the Catalist Rules. In the event that the Company is delisted from the Official List of the SGX-ST, the Company will be able to save on expenses relating to the maintenance of a listed status and focus its resources on its business operations.*

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## **7. OFFEROR'S INTENTIONS FOR THE COMPANY**

### Delisting Resolution

**Shareholders should note that in the event the Delisting Resolution Approval Condition is satisfied, the Company will, subject to the SGX-ST's Approval, be delisted from the Official List of the SGX-ST on or after the close of the Exit Offer, irrespective of the number of acceptances received by the Offeror in respect of the Exit Offer.**

**If the Company is delisted from the Official List of the SGX-ST, the Company (as a Singapore-incorporated company) will remain subject to the provisions of the Companies Act and may be subject to provisions of the Code, but will no longer be subject to the provisions of the Catalist Rules.** Shareholders at such time may wish to seek their own independent legal advice to familiarise themselves with their rights, inter alia, as a shareholder of a Singapore-incorporated company under the Companies Act.

### Offeror's Future Plans for the Company

*Following the close of the Exit Offer, the Offeror presently has no intention to introduce any major changes to the business of the Company, or to discontinue the employment of any of the existing employees of the Company or re-deploy any of the fixed assets of the Company, other than in the ordinary course of business. The Offeror however retains the flexibility at any time to consider options or opportunities which may present themselves."*



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## LETTER TO SHAREHOLDERS

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### 8. IMPLICATIONS OF COMPULSORY ACQUISITION, LISTING STATUS, AND DELISTING FOR SHAREHOLDERS

#### 8.1 Compulsory Acquisition and Listing Status

Information relating to the compulsory acquisition of Shares by the Offeror and the listing status of the Company has been extracted from paragraph 8 of the Exit Offer Letter and is set out below. Shareholders are advised to seek their own independent legal advice in relation to the compulsory acquisition provisions under the Companies Act.

**“8. COMPULSORY ACQUISITION AND LISTING STATUS**

**8.1 Compulsory Acquisition**

*Pursuant to Section 215(1) of the Companies Act, in the event that the Offeror receives valid acceptances pursuant to the Exit Offer (or otherwise acquires Shares during the period when the Exit Offer is open for acceptance) in respect of not less than 90% of the total number of issued Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Exit Offer and excluding any Shares held by the Company as treasury shares), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares of the Shareholders who have not accepted the Exit Offer (“**Dissenting Shareholders**”) at a price equal to the Exit Offer Price.*

*The Offeror intends to make the Company its wholly-owned subsidiary. **Accordingly, when entitled, the Offeror intends to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act.***

*In addition, Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Shares at a price equal to the Exit Offer Price in the event that the Offeror, its related corporations or their respective nominees acquire, pursuant to the Exit Offer, such number of Shares which, together with the treasury shares and the Shares held by the Offeror, its related corporations or their respective nominees, comprise 90% or more of the total number of issued Shares. Shareholders who wish to exercise such a right are advised to seek their own independent legal advice.*

**8.2 Listing Status**

*As stated above, the Delisting is also conditional upon the SGX-ST's Approval. Upon the Delisting Resolution being approved at the EGM, the Offeror notes that the Company will follow up with the SGX-ST on its application to delist from the Official List of the SGX-ST.*

*Shareholders should note that if the Delisting Resolution Approval Condition is fulfilled but, for whatever reason, the SGX-ST's Approval is not obtained, the Company will remain listed on the Official List of the SGX-ST and the following provisions in the Catalist Rules would remain relevant.*

*Pursuant to Rule 1104 of the Catalist Rules, upon an announcement by the Offeror that acceptances have been received pursuant to the Exit Offer that bring the holdings owned by the Offeror and its Concert Parties to above 90% of the total number of issued Shares (excluding Shares held in treasury), the SGX-ST may suspend the trading of the Shares on the SGX-ST until it is satisfied that at*

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## LETTER TO SHAREHOLDERS

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*least 10% of the total number of issued Shares (excluding Shares held in treasury) are held by at least 200 Shareholders who are members of the public. Rule 1303(1) of the Catalist Rules provides that if the Offeror succeeds in garnering acceptances exceeding 90% of the total number of issued Shares (excluding Shares held in treasury), thus causing the percentage of the total number of Shares (excluding Shares held in treasury) held in public hands to fall below 10%, the SGX-ST will suspend trading of the Shares only at the close of the Exit Offer.*

*In addition, under Rule 724(1) of the Catalist Rules, if the percentage of the total number of issued Shares (excluding Shares held in treasury) held in public hands falls below 10%, the Company must, as soon as practicable, notify its sponsor of that fact and announce that fact and the SGX-ST may suspend the trading of all the Shares. Rule 724(2) of the Catalist Rules states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of Shares (excluding Shares held in treasury) in public hands to at least 10%, failing which the Company may be delisted from the SGX-ST.*

***The Offeror intends to privatise the Company and does not intend to preserve the listing status of the Company. In the event that the trading of the Shares on the SGX-ST is suspended pursuant to Rule 724, Rule 1104 or Rule 1303(1) of the Catalist Rules, the Offeror has no intention to undertake or support any action for any such trading suspension by the SGX-ST to be lifted.***

### 8.2 Implications of Delisting for Shareholders

Shareholders should note that in the event that the Delisting Resolution is passed at the EGM in accordance with the requirements of the Catalist Rules, subject to the SGX-ST's Approval, the Company will be delisted from the Official List of the SGX-ST on or after the close of the Exit Offer, (a) irrespective of the number of acceptances received by the Offeror in respect of the Exit Offer, and (b) whether or not they have attended or voted at the EGM, and if they have attended and voted, whether or not they have voted in favour of the Delisting Resolution. If the Company is delisted, Shareholders who do not accept the Exit Offer ("**Dissenting Shareholders**") will hold unlisted Shares in the Company as an unlisted company unless the Offeror becomes entitled to, and exercises its right to, compulsorily acquire all the Shares of the Dissenting Shareholders.

Shareholders should note that shares of unlisted companies are generally valued at discount to the shares of comparable listed companies due to the lack of liquidity and marketability. Following the Delisting, it is likely to be difficult for Shareholders who do not accept the Exit Offer to sell their Shares in the absence of a public market for the Shares, as there is no arrangement for such Shareholders to exit. Even if such Shareholders were able to sell their Shares, they would likely receive a lower price as compared with the market prices of the shares of comparable listed companies, or as compared with the Exit Offer Price. Further, any transfer or sale of Shares represented by share certificates will be subject to stamp duty.

Shareholders should also note that, under the Code, except with the consent of the SIC, neither the Offeror nor any person acting in concert with it may, within six (6) months of the close of the Exit Offer, make a second offer to, or acquire any Shares from, any Shareholder on terms better than those made available under the Exit Offer.

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## LETTER TO SHAREHOLDERS

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If the Company is delisted from the Official List of the SGX-ST, the Company (as a Singapore-incorporated company) will remain subject to the provisions of the Companies Act and may be subject to provisions of the Code, but will no longer be subject to the provisions of the Catalist Rules. Shareholders at such time may wish to seek their own independent legal advice to familiarise themselves with their rights, *inter alia*, as a shareholder of a Singapore-incorporated company under the Companies Act.

If the Company is delisted from the Official List of the SGX-ST, each Shareholder who holds Shares that are deposited with CDP and does not accept the Exit Offer will be entitled to one (1) share certificate representing his delisted Shares. The Registrar will arrange to forward the share certificates to such Shareholders who are not CPFIS Investors or SRS Investors, by ordinary post and at the Shareholder's own risk, to their respective addresses as such addresses appear in the records of CDP for their physical safekeeping. The share certificates belonging to CPFIS Investors and SRS Investors will be forwarded to their respective CPF or SRS Agent Banks for their safekeeping.

**Shareholders who are in doubt of their position should seek independent legal advice.**

### 9. OFFEROR'S DISCLOSURES OF HOLDINGS AND DEALINGS

Paragraph 10 of the Exit Offer Letter and Appendix 3 to the Exit Offer Letter set out certain information relating to disclosure of holdings and dealings of the Offeror, extracts of which are set out below.

**"10. DISCLOSURE OF SHAREHOLDINGS AND DEALINGS**

**10.1 Aggregate Holdings**

*As at the Latest Practicable Date, the Offeror Concert Party Group owns or controls an aggregate of 3,062,053,273 Shares, representing approximately 72.84% of the total number of issued Shares.*

**10.2 Holdings and Dealings of Company Securities**

*As at the Latest Practicable Date and based on the responses received pursuant to enquiries that the Offeror has made, save as disclosed in **Appendix 3** to this Exit Offer Letter, none of the Offeror and its Concert Parties:*

- (a) owns, controls or has agreed to acquire any Company Securities; or*
- (b) has dealt for value in any Company Securities during the Relevant Period.*

**10.3 Other Arrangements in respect of Company Securities**

*As at the Latest Practicable Date and based on the responses received pursuant to enquiries that the Offeror has made, save as disclosed in **Appendix 3** to this Exit Offer Letter, none of the Offeror and its Concert Parties has:*

- (a) received any irrevocable commitment to accept the Exit Offer in respect of any Company Securities;*
- (b) entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to the Company Securities which might be material to the Exit Offer;*

## LETTER TO SHAREHOLDERS

- (c) granted any security interest relating to any Company Securities to another person, whether through a charge, pledge or otherwise;
- (d) borrowed any Company Securities from another person (excluding borrowed Company Securities which have been on-lent or sold); or
- (e) lent any Company Securities to another person.

...

### APPENDIX 3 – DISCLOSURE OF HOLDINGS, DEALINGS AND OTHER ARRANGEMENTS

#### 1. HOLDINGS IN COMPANY SECURITIES

As at the Latest Practicable Date, based on responses to enquiries that the Offeror has made, the holdings of the Offeror Concert Party Group in the Company Securities are set out below:

Name	Direct Interests		Indirect Interests		Total Interests	
	No. of Shares	% <sup>(1)(2)</sup>	No. of Shares	% <sup>(1)(2)</sup>	No. of Shares	% <sup>(1)(2)</sup>
Offeror <sup>(3)</sup>	3,062,053,273	72.84	–	–	3,062,053,273	72.84
GIHL <sup>(3)</sup>	–	–	3,062,053,273	72.84	3,062,053,273	72.84
Mr Salim <sup>(3)</sup>	–	–	3,062,053,273	72.84	3,062,053,273	72.84

**Notes:**

(1) Based on a total number of 4,203,585,943 Shares in issue as at the Latest Practicable Date.

(2) Rounded to the nearest two (2) decimal places.

(3) GIHL has a shareholding interest exceeding 20% in the Offeror. Accordingly, GIHL is deemed to have an interest in the Shares in which the Offeror has an interest, by virtue of Section 4(5) of the SFA. Mr Salim has a controlling interest in GIHL. Accordingly, Mr Salim is deemed to have an interest in the Shares in which the Offeror has an interest, by virtue of Section 4(4) of the SFA.

UDAL, AGL and KHL together have an interest in not less than 20% of the voting shares of the Offeror. Accordingly, Mr Salim, together with his associates, UDAL, AGL and KHL, control not less than 20% of the voting shares of the Offeror and is deemed to have an interest in the Shares in which the Offeror has an interest, by virtue of Section 4(5) of the SFA.

#### 2. DEALINGS IN COMPANY SECURITIES

As at the Latest Practicable Date, based on responses to enquiries that the Offeror has made, none of the Offeror and its Concert Parties has dealt for value in the Company Securities during the Relevant Period.

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## LETTER TO SHAREHOLDERS

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### **3. OTHER ARRANGEMENTS IN RESPECT OF THE COMPANY SECURITIES**

3.1 *The Offeror has obtained financing from OCBC Bank for the purpose of, inter alia, the Exit Offer pursuant to a facilities agreement dated 5 September 2022 (the “Facility”). In connection with the Facility, the security provided to OCBC Bank includes, inter alia, a share charge granted by the Offeror in favour of OCBC Bank in respect of 1,500,000,000 Shares held by the Offeror, representing approximately 35.68% of the total number of issued Shares.*

3.2 *The Offeror has also granted:*

*(a) a share charge in favour of Malayan Banking Berhad in respect of 762,053,273 Shares, representing approximately 18.13% of the total number of issued Shares; and*

*(b) a share charge in favour of Bangkok Bank Public Company Limited, Singapore branch in respect of 800,000,000 Shares, representing approximately 19.03% of the total number of issued Shares.”*

### **10. CONFIRMATION OF FINANCIAL RESOURCES**

The information relating to the confirmation of financial resources available to the Offeror to satisfy in full all acceptances of the Exit Offer has been extracted from paragraph 11 of the Exit Offer Letter and is set out below.

#### **“11. CONFIRMATION OF FINANCIAL RESOURCES**

*OCBC Bank, being the financial adviser of the Offeror for the Delisting and in connection with the Exit Offer, confirms that sufficient financial resources are available to the Offeror to satisfy acceptances of the Exit Offer in full (excluding the Shares held by the Offeror as at the date of the Exit Offer) by the holders of the Offer Shares on the basis of the Exit Offer Price.”*

### **11. OPINION AND ADVICE OF IFA AND RECOMMENDATION IN RELATION TO THE EXIT OFFER**

11.1 **General.** Shareholders should read and carefully consider the IFA Letter issued by the IFA as set out in Appendix A to this Circular in its entirety. Shareholders should also read and carefully consider the recommendation of the Unconflicted Directors set out in Section 11.4 of this Circular before deciding whether to accept or reject the Exit Offer.

11.2 **Independence of Directors.** In an application made on behalf of the Offeror to the SIC to seek certain rulings in relation to the Exit Offer, it was submitted to the SIC that each of the Conflicted Directors, being nominees of the Offeror on the board of Directors of the Company, face irreconcilable conflicts of interest in making a recommendation to the Shareholders in respect of the Exit Offer. The SIC exempted the Conflicted Directors from the requirement of having to make a recommendation to the Shareholders in respect of the Exit Offer.

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## LETTER TO SHAREHOLDERS

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Save for the Conflicted Directors, all the other Directors are considered independent for the purposes of making a recommendation on the Exit Offer. All the Directors (including, for the avoidance of doubt, the Conflicted Directors) assume responsibility for the accuracy of facts stated or opinions expressed in documents and advertisements issued by, or on behalf of, the Company in connection with the Exit Offer.

### 11.3 Opinion and Advice of the IFA in relation to the Exit Offer.

- (a) **IFA.** SAC Capital Private Limited has been appointed by the Company as the independent financial adviser pursuant to Rule 1308(2) of the Catalist Rules as well as to advise the Unconflicted Directors in respect of the Exit Offer. Shareholders should read and carefully consider the IFA Letter issued by the IFA as set out in Appendix A to this Circular in its entirety, and should read and carefully consider the recommendation of the Unconflicted Directors set out in Section 11.4 of this Circular.
- (b) **Opinion and Advice of the IFA.** Having considered the various factors set out in the IFA Letter and the information available to the IFA as at the Latest Practicable Date and subject to the qualifications and assumptions set out in the IFA Letter, the IFA has made certain recommendations to the Unconflicted Directors as set out in paragraph 8 of the IFA Letter. The opinion and advice of the IFA provided pursuant to Rule 1308(2) of the Catalist Rules and addressed to the Unconflicted Directors in respect of the Exit Offer has been extracted from the IFA Letter and set out below. Shareholders should read the extract in conjunction with, and in the context of, the full text of the IFA Letter. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as defined in the IFA Letter.

**“8. OUR OPINION AND ADVICE**

**8.1 Key Considerations of the Exit Offer**

*In arriving at our opinion and advice in respect of the Exit Offer, we have taken into account, and reviewed the following key considerations, which we consider to be pertinent in our assessment of the Exit Offer. The following should be read in conjunction with, and in the context of, the full text of this letter:*

(a) *an assessment of the market quotation and trading liquidity of the Shares as follows:*

(i) *in relation to the Share prices:*

(aa) *the closing prices of the Shares being below the Exit Offer Price for the 12-month period up to and including the Last Trading Day;*

(bb) *the Exit Offer Price representing a premium of approximately 70.4% and 35.3% over the lowest and highest closing prices of the Shares during the 12-month period up to and including the Last Trading Day respectively;*





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## LETTER TO SHAREHOLDERS

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- (d) *in relation to the Adjusted NAV and Adjusted NTA of the Group as set out in paragraph 7.3.3 of this letter, the Exit Offer Price represents a premium of approximately 39.4% against the Adjusted NAV per Share of S\$0.066 as at 30 June 2022. Accordingly, the P/ANAV of the Group implied by the Exit Offer Price would be approximately 1.39 times as at 30 June 2022. We further note that the Exit Offer Price represents a premium of approximately 253.8% against the Adjusted NTA per Share of S\$0.026 as at 30 June 2022. Accordingly, the P/ANTA of the Group implied by the Exit Offer Price would be approximately 3.54 times as at 30 June 2022; and*
- (e) *a comparison with the valuation statistics of the Comparable Companies as follows:*
- (i) *the historical PER of 10.14 times of the Group as implied by the Exit Offer Price being: (aa) within the range of historical PERs of the Comparable Companies of between 2.91 times and 15.85 times; and (bb) above the corresponding mean and median historical PER of the Comparable Companies of 5.95 times and 3.23 times respectively;*
  - (ii) *the historical P/NAV ratio of 1.03 times and P/ANAV ratio of 1.39 times of the Group as implied by the Exit Offer Price being above the range of historical P/NAV ratios of the Comparable Companies of between 0.22 times and 0.65 times;*
  - (iii) *the historical P/NTA ratio of 4.18 times and P/ANTA of 3.54 times of the Group as implied by the Exit Offer Price being significantly above the range of historical P/NTA ratios of the Comparable Companies of between 0.31 times and 0.86 times;*
  - (iv) *the historical EV/EBITDA ratio of 4.11 times of the Group as implied by the Exit Offer Price being: (aa) within the range of historical EV/EBITDA ratios of the Comparable Companies of between 2.77 times and 8.92 times; and (bb) below the range of the corresponding mean and median historical EV/EBITDA ratios of the Comparable Companies of 6.13 times and 8.01 times respectively;*
  - (v) *the historical EV/AEBITDA ratio of 6.53 times of the Group as implied by the Exit Offer Price being: (aa) within the range of historical EV/EBITDA ratios of the Comparable Companies of between 2.77 times and 8.92 times; and (bb) above the mean historical EV/EBITDA ratio of Comparable Companies of 6.13 times but below the median historical EV/EBITDA ratio of Comparable Companies of 8.01 times;*
  - (vi) *the Exit Offer Price of S\$0.092 is above the estimated value range of the Shares of S\$0.079 and S\$0.089 per Share;*



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## LETTER TO SHAREHOLDERS

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- (f) *a comparison with recent successful privatisation transactions and delisting offers of companies listed on the SGX-ST as follows:*
- (i) *the premium of the Exit Offer Price over the last transacted price of the Shares on the Last Trading Day of approximately 41.5% is above the range of the corresponding premia of the Take-over Transactions of between 2.4% and 37.9%;*
  - (ii) *the premium of the Exit Offer Price over the VWAP of the Shares for the 1-month period prior to the Last Trading Day of approximately 43.8% is above the range of the corresponding premia of the Take-over Transactions of between 3.9% and 37.9%;*
  - (iii) *the premium of the Exit Offer Price over the VWAP of the Shares for the 3-month period prior to the Last Trading Day of approximately 48.4% is above the range of the corresponding premia of the Take-over Transactions of between 5.0% and 33.3%;*
  - (iv) *the premium of the Exit Offer Price over the VWAP of the Shares for the 6-month period prior to the Last Trading Day of approximately 48.4% is above the range of the corresponding (discount)/premium of the Take-over Transactions of between (5.6)% and 45.9%;*
  - (v) *the premium of the Exit Offer Price over the VWAP of the Shares for the 12-month period prior to the Last Trading Day of approximately 46.0% being: (aa) within the range of the corresponding (discount)/premium of the Take-over Transactions of between (3.2)% and 72.3%; and (bb) above the corresponding mean and median premia of 24.1% and 22.0% of the Take-over Transactions respectively;*
  - (vi) *the P/NAV and P/ANAV ratios as implied by the Exit Offer Price of 1.03 times and 1.39 times respectively is: (aa) within the range of Price-to-NAV/NTA ratios of the Take-over Transactions of between 0.35 times and 5.20 times; and (bb) above the median Price-to-NAV/NTA ratio of the Take-over Transactions of 0.79 times but below the mean Price-to-NAV/NTA ratio of the Take-over Transactions of 1.57 times; and*
  - (vii) *the P/NTA and P/ANTA ratios as implied by the Exit Offer Price of 4.18 times and 3.54 times respectively is: (aa) within the range of Price-to-NAV/NTA ratios of the Take-over Transactions of between 0.35 times and 5.20 times; and (bb) above the corresponding mean and median of Price-to-NAV/NTA ratios of the Take-over Transactions of 1.57 times and 0.79 times respectively;*

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## LETTER TO SHAREHOLDERS

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- (g) *dividend analysis, as set out in paragraph 7.6 of this letter, whereby we note that the Company had not declared any dividends for the last nine (9) financial years (being the financial year ended 31 December 2013 to FY2021);*
- (h) *other relevant considerations as follows:*
  - (i) *the outlook of the Group, as set out in section 7.7.1 of this letter;*
  - (ii) *the previous acquisition of Shares by the Offeror, as set out in section 7.7.2 of this letter;*
  - (iii) *there being no further revision of the Exit Offer Price, as set out in section 7.7.3 of this letter;*
  - (iv) *the Director's intention in relation to the Exit Offer, as set out in section 7.7.4 of this letter;*
  - (v) *the absence of alternative or competing offers, as set out in section 7.7.5 of this letter;*
  - (vi) *the Offeror having effective statutory control over the Company as at the Latest Practicable Date, as set out in section 7.7.6 of this letter;*
  - (vii) *the Offeror's intention to exercise its rights of compulsory acquisition, as set out in section 7.7.7 of this letter; and*
  - (viii) *the effects of the Exit Offer and Delisting, as set out in section 7.7.8 of this letter.*

### **8.2 Assessment of the Exit Offer**

*For the purpose of evaluating the Exit Offer, we have adopted the approach that the term "fair" and "reasonable" are regarded as two different concepts. The term "fair" relates to an opinion on the value of the offer price against the value of the securities subject to the offer (the "**Securities**"), and an offer is "fair" if the price offered is equal to or greater than the value of the Securities. In considering whether an offer is "reasonable", other matters as well as the value of the Securities are taken into consideration. Such other matters include, but are not limited to, existing voting rights in the company held by an offeror and its concert parties or the market liquidity of the relevant securities.*

#### **8.2.1 Assessment of Fairness of the Exit Offer**

*In determining the fairness of the Exit Offer, we have considered, inter alia, the following pertinent factors:*

- (a) *based on the NAV and NTA approaches, which provides an estimate of the value of a group assuming the hypothetical sale of all its assets over a reasonable period of time, the Exit Offer Price represents a*

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premium of approximately 3.4% against the NAV per Share of S\$0.089 as at 30 June 2022. Accordingly, the P/NAV of the Group implied by the Exit Offer Price would be approximately 1.03 times as at 30 June 2022. We further note that the Exit Offer Price represents a premium of approximately 318.2% against the NTA per Share of S\$0.022 as at 30 June 2022. Accordingly, the P/NTA of the Group implied by the Exit Offer Price would be approximately 4.18 times as at 30 June 2022;

- (b) the historical PER, P/NAV, P/ANAV, P/NTA, and P/ANTA ratios as implied by the Exit Offer Price compare favourably against those of the Comparable Companies, and the historical EV/EBITDA and EV/AEBITDA ratios as implied by the Exit Offer Price is within the range of the EV/EBITDA ratios of the Comparable Companies;
- (c) the Exit Offer Price of S\$0.092 is above the estimated value range of the Shares of S\$0.079 and S\$0.089 per Share;
- (d) the premia as implied by the Exit Offer Price over the VWAP of the Shares for the 6-, 3-, 1-month periods up to and including the Last Trading Day and the last transacted price on the Last Trading Day are above than the respective range of the corresponding premia of the Take-Over Transactions, and the premia implied by the Exit Offer Price over the VWAP of the Shares for the 12-month period up to and including the Last Trading Day is above the respective mean and median premia of the Take-Over Transactions; and
- (e) the P/NAV and P/ANAV ratios of the Group as implied by the Exit Offer Price and the NAV per Share and Adjusted NAV per Share as at 30 June 2022 of 1.03 times and 1.39 times respectively compares favourably against the median Price-to-NAV/NTA ratios for the Take-Over Transactions, and the P/NTA and P/ANTA ratios of the Group as implied by the Exit Offer Price and the NTA per Share and Adjusted NTA per Share as at 30 June 2022 of 4.18 times and 3.54 times respectively compares favourably against the mean and median Price-to-NAV/NTA ratios for the Take-Over Transactions.

In view of the above, we are of the opinion that the Exit Offer is **FAIR**.

### 8.2.2 Assessment of Reasonableness of the Exit Offer

In determining the reasonableness of the Exit Offer, we have considered, *inter alia*, the following pertinent factors:

- (a) the Exit Offer Price representing a premium of approximately 41.5% over the closing price of the Shares of S\$0.065 on the Last Trading Day;
- (b) the Exit Offer Price represents a premium of 46.0%, 48.4%, 48.4% and 43.8% over the VWAP of the Shares for the 12-, 6-, 3- and 1-month periods up to and including the Last Trading Day respectively;

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## LETTER TO SHAREHOLDERS

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- (c) *the Exit Offer Price representing a premium of approximately 70.4% and 35.3% over the lowest and highest closing prices of the Shares during the 12-month period up to and including the Last Trading Day respectively;*
- (d) *the historical trailing P/NAV multiple of the Shares have largely been trading below the implied P/NAV multiple of the Shares of 1.03 times, save for two (2) trading days, on 19 and 20 January 2021 respectively;*
- (e) *there is reasonable liquidity in the Shares in the 12-month period up to and including the Last Trading Day (on the basis of comparing the ADTV of the Shares as a percentage of the Company's free float) and that the historical market prices of the Shares may provide a reasonable benchmark for assessing the Exit Offer Price;*
- (f) *the Company had not declared any dividends for the last nine (9) financial years (being the financial year ended 31 December 2013 to FY2021), and hence as compared to the alternative investments such as the STI ETF, the dividend yield for the Company is less favourable; and*
- (g) *as at the Latest Practicable Date, apart from the Exit Offer, no alternative or competing offer has been received by the Company. In addition, the likelihood of an alternative or competing offer from any third party is remote in view that as at the Latest Practicable Date, the Offeror holds an aggregate of 3,062,053,273 Shares, representing approximately 72.84% of the total number of issued Shares.*

*In view of the above, we are of the opinion that the Exit Offer is **REASONABLE**.*

### **8.3 Our opinion on the Exit Offer**

***In conclusion, based on our analysis set out above and after considering all relevant information available to us as at the Latest Practicable Date, we are of the opinion that, on balance, the financial terms of the Exit Offer are fair and reasonable. Accordingly, we advise the Unconflicted Directors to recommend Shareholders to (i) vote in favour of the Delisting Resolution, and (ii) accept the Exit Offer, unless Shareholders can obtain a price higher than the Exit Offer Price in the open market, taking into account the related expenses such as brokerage and trading costs.***

*The Unconflicted Directors should also highlight to Shareholders that in the event the Delisting Resolution Approval Condition is satisfied and subject to the SGX-ST's Approval, the Company will be delisted from the Official List of the SGX-ST on or after the close of the Exit Offer, whether or not they have attended or voted at the EGM, and if they have attended and voted, whether or not they have voted in favour of the Delisting Resolution.*

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## LETTER TO SHAREHOLDERS

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*In rendering our opinion and advice, we have not had regard to the specific investment objectives, financial situation, tax position or individual circumstances of any Shareholder or any specific group of Shareholders. We recommend that any individual Shareholder or specific group of Shareholders who may require specific advice in relation to his or their investment portfolio(s) should consult his or their legal, financial, tax or other professional adviser.”*

- 11.4 **Recommendation of the Unconflicted Directors in relation to the Exit Offer.** The Unconflicted Directors, having considered carefully, among others, the terms of the Exit Offer and the opinion and advice given by the IFA in the IFA Letter, **CONCUR** with the IFA’s assessment of the Exit Offer and its recommendation thereon. Accordingly, the Unconflicted Directors recommend that the Shareholders **VOTE IN FAVOUR** of the Delisting Resolution and that the Shareholders **ACCEPT** the Exit Offer.
- 11.5 **No Regard to Specific Objectives. The IFA and the Unconflicted Directors, in giving their advice and making their recommendation respectively, have not had regard to the specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any individual Shareholder. As each Shareholder would have different investment objectives and profiles, any individual Shareholder who may require specific advice in respect of his investment objectives or portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.**

**SHAREHOLDERS ARE ADVISED TO READ AND CAREFULLY CONSIDER THE IFA LETTER SET OUT IN APPENDIX A TO THIS CIRCULAR IN ITS ENTIRETY BEFORE DECIDING WHETHER TO ACCEPT OR REJECT THE EXIT OFFER. SHAREHOLDERS SHOULD NOTE THAT THE OPINION AND ADVICE OF THE IFA SHOULD NOT BE RELIED UPON BY ANY SHAREHOLDER AS THE SOLE BASIS FOR DECIDING WHETHER TO ACCEPT OR REJECT THE EXIT OFFER. SHAREHOLDERS ARE ALSO URGED TO READ THE EXIT OFFER LETTER CAREFULLY.**

## 12. EXTRAORDINARY GENERAL MEETING

- 12.1 The EGM, notice of which is set out on pages N-1 and N-3 of this Circular, will be held at NUSS Suntec City Guild House, 3 Temasek Boulevard, #02-401/402 Suntec City Mall, Singapore 038983 on 21 November 2022 at 2:00 p.m. (Singapore time) for the purpose of considering and, if thought fit, passing with or without any modification, the Delisting Resolution set out in the notice of EGM.
- 12.2 The Offeror Concert Party Group must abstain from voting on the Delisting Resolution. As at the Latest Practicable Date, the Offeror is directly interested in 3,062,053,273 Shares, and will abstain from voting on the Delisting Resolution.

## 13. ACTION TO BE TAKEN BY SHAREHOLDERS

### 13.1 Voting at the EGM/Proxy Form.

The Delisting Resolution will require Shareholders’ approval at the EGM, notice of which is given in this Circular.

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Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend on their behalf are requested to complete, sign and return the proxy form attached to the notice of EGM in accordance with the instructions printed thereon as soon as possible and, in any event, so as to be received by M & C Services Private Limited at [gpb@mncsingapore.com](mailto:gpb@mncsingapore.com) (if submitted by email) or lodged at the office of the Registrar, M & C Services Private Limited at 112 Robinson Road #05-01, Singapore 068902 (if submitted by post), not less than 72 hours before the time appointed for the EGM. The completion and lodgement of the proxy form by a Shareholder will not prevent him from attending and voting at the EGM in place of his proxy if he so wishes.

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register at least 72 hours before the EGM.

In the event that Shareholders and other investors are in doubt about the actions they should take, they should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

### 13.2 Exit Offer Letter and Acceptance Forms.

The Exit Offer Letter and the relevant Acceptance Forms have been despatched on the same date as this Circular.

As stated in the Exit Offer Letter, if you have Offer Shares standing to the credit of the "Free Balance" of your Securities Account, you should receive the Exit Offer Letter together with a FAA. If you do not receive a FAA, you may obtain a copy of such FAA, upon production of satisfactory evidence that you are a Shareholder, from CDP by submitting a request to CDP via phone (+65 6535 7511) during their operating hours or email services ([asksgx@sgx.com](mailto:asksgx@sgx.com)).

If you hold Offer Shares which are not deposited with CDP ("**in scrip form**"), you should receive the Exit Offer Letter together with a FAT. If you do not receive a FAT, you may obtain a copy of such FAT, upon production of satisfactory evidence that you are a Shareholder, from the Receiving Agent at its office located at 112 Robinson Road, #05-01, Singapore 068902.

Electronic copies of this Circular, the Exit Offer Letter and the Acceptance Forms are also available on the website of the SGX-ST at <http://www.sgx.com>.

**Shareholders should note that if the Delisting Resolution is not approved at the EGM, the Delisting Resolution Approval Condition will not be fulfilled and the Exit Offer will lapse and all acceptances of the Exit Offer will be returned.**

Shareholders may choose to accept the Exit Offer in respect of their Offer Shares before the EGM. However, such acceptances would be conditional and if the Delisting Resolution is not approved at the EGM, the Delisting Resolution Approval Condition will not be fulfilled and the Exit Offer will lapse. The Offeror will only be bound to acquire these Offer Shares and pay the Exit Offer Price for these Offer Shares if the Delisting Resolution Approval Condition is fulfilled.



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## LETTER TO SHAREHOLDERS

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- 13.3 **Shareholders who WISH TO ACCEPT the Exit Offer.** Shareholders who wish to accept the Exit Offer must do so on no later than the Closing Date, abiding by the procedures for the acceptance of the Exit Offer as set out in paragraph 2.10 of the Exit Offer Letter (extracts of which are set out above), Appendix 1 to the Exit Offer Letter and the Acceptance Forms.

Acceptance Forms should be completed and returned as soon as possible and, in any event, so as to be received by the Offeror not later than 5:30 p.m. (Singapore time) on the Closing Date.

- 13.4 **Shareholders who DO NOT WISH TO ACCEPT the Exit Offer.** Shareholders who do not wish to accept the Exit Offer need not take any further action. However, Shareholders should note that in the event that the Delisting Resolution is passed at the EGM, subject to the SGX-ST's Approval, the Company will be delisted from the Official List of the SGX-ST on or after the close of the Exit Offer, irrespective of the number of acceptances received by the Offeror in respect of the Exit Offer. If the Company is delisted, Dissenting Shareholders will hold unlisted Shares in the Company as an unlisted company unless the Offeror becomes entitled to, and exercises its right to, compulsorily acquire all the Shares of the Dissenting Shareholders. Please refer to Section 8.2 of this Circular for the implications of Delisting for Shareholders.

If the Company is delisted from the Official List of the SGX-ST, the Company (as a Singapore-incorporated company) will remain subject to the provisions of the Companies Act and may be subject to provisions of the Code, but will no longer be subject to the provisions of the Catalist Rules. Shareholders at such time may wish to seek their own independent legal advice to familiarise themselves with their rights, *inter alia*, as a shareholder of a Singapore-incorporated company under the Companies Act.

- 13.5 **Information relating to CPFIS Investors and SRS Investors.** Information on the Exit Offer pertaining to CPFIS Investors and SRS Investors is set out in paragraph 13 of the Exit Offer Letter entitled "Information relating to CPFIS Investors and SRS Investors".

## 14. OVERSEAS SHAREHOLDERS

- 14.1 **Availability of Exit Offer.** The availability of the Exit Offer to Overseas Shareholders may be affected by the laws of the relevant overseas jurisdiction. Overseas Shareholders should refer to paragraph 12 of the Exit Offer Letter, extracts of which are set out below.

**"12. OVERSEAS SHAREHOLDERS**

**12.1 Overseas Shareholders**

*This Exit Offer Letter, the relevant Acceptance Forms and/or any related documents do not constitute an offer to sell or a solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction in contravention of applicable law, nor shall there be any sale, issuance or transfer of the securities referred to in this Exit Offer Letter, the relevant Acceptance Forms, and/or any related documents in any jurisdiction in contravention of applicable law.*

*The release, publication or distribution of this Exit Offer Letter, the relevant Acceptance Forms, and/or any related documents in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this*

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## LETTER TO SHAREHOLDERS

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*Exit Offer Letter, the relevant Acceptance Forms, and/or any related documents is released, published or distributed should inform themselves about and observe such restrictions.*

*Copies of this Exit Offer Letter, the Acceptance Forms and any other formal documentation relating to the Exit Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Exit Offer would violate the applicable law of that jurisdiction ("**Restricted Jurisdiction**"). The Exit Offer will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.*

*The Exit Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Exit Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.*

### **12.2 Copies of the Exit Offer Letter and Acceptance Forms**

*The availability of the Exit Offer to Shareholders whose addresses are outside Singapore, as shown on the Register or, as the case may be, in the Depository Register ("**Overseas Shareholders**") may be affected by the laws of the relevant overseas jurisdictions in which they are located. Accordingly, Overseas Shareholders should inform themselves about and observe any applicable legal requirements in their own jurisdictions, and exercise caution in relation to the Exit Offer, as this Exit Offer Letter and the Acceptance Forms have not been reviewed by any regulatory authority in any overseas jurisdiction.*

***Where there are potential restrictions on sending this Exit Offer Letter and the Acceptance Forms to any overseas jurisdiction, the Offeror, OCBC Bank, CDP and the Registrar each reserves the right not to send these documents to such overseas jurisdictions.*** For the avoidance of doubt, the Exit Offer is open to all Shareholders holding Offer Shares, including those to whom this Exit Offer Letter and the Acceptance Forms have not been, or may not be, sent.

*Subject to compliance with applicable laws, Overseas Shareholders may, nonetheless, obtain copies of this Exit Offer Letter, the relevant Acceptance Forms and any related documents, during normal business hours, from the date of this Exit Offer Letter and up to the Closing Date, from as the case may be, (a) the Registrar (in the case of a Shareholder whose Offer Shares are not deposited with CDP), M & C Services Private Limited, at its office located at 112 Robinson Road, #05-01, Singapore 068902 or (b) CDP (in the case of a Shareholder whose Offer Shares are deposited with CDP), by submitting a request to CDP via CDP's Customer Service Hotline at +65 6535 7511 during their operating hours or email CDP at [asksgx@sgx.com](mailto:asksgx@sgx.com). Electronic copies of this Exit Offer Letter, the relevant Acceptance Forms and any related documents may also be obtained from the website of the SGX-ST at <https://www.sgx.com>.*



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## LETTER TO SHAREHOLDERS

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*Alternatively, an Overseas Shareholder may, subject to compliance with applicable laws, write in to (i) the Offeror c/o the Registrar (in the case of a Shareholder whose Offer Shares are not deposited with CDP) at the address of the Registrar listed above or (ii) the Offeror c/o The Central Depository (Pte) Limited (in the case of a Shareholder whose Offer Shares are deposited with CDP) at Robinson Road Post Office, P.O. Box 1984, Singapore 903934, to request for this Exit Offer Letter, the relevant Acceptance Forms and any related documents to be sent to an address in Singapore by ordinary post at the Overseas Shareholder's own risk, up to five (5) Market Days prior to the Closing Date.*

### **12.3 Compliance with Applicable Laws**

*It is the responsibility of any Overseas Shareholder who wishes to (a) request for this Exit Offer Letter, the relevant Acceptance Form(s) and/or any related documents, and/or (b) accept the Exit Offer, to satisfy himself as to the full observance of the laws of the relevant jurisdictions in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholder shall be liable for any taxes, imposts, duties or other requisite payments payable and the Offeror, OCBC Bank, CDP, the Company and/or any person acting on its behalf shall be fully indemnified and held harmless by such Overseas Shareholder for any such taxes, imposts, duties or other requisite payments as the Offeror, OCBC Bank, CDP, the Company and/or any person acting on its behalf may be required to pay. In (i) requesting for this Exit Offer Letter, the relevant Acceptance Form(s) and/or any related documents, and/or (ii) accepting the Exit Offer, the Overseas Shareholder represents and warrants to the Offeror, OCBC Bank, CDP and the Company that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements.*

**OVERSEAS SHAREHOLDERS WHO ARE IN DOUBT ABOUT THEIR POSITIONS SHOULD CONSULT THEIR OWN PROFESSIONAL ADVISERS IN THE RELEVANT JURISDICTIONS.**

### **12.4 Notice**

*The Offeror and OCBC Bank each reserves the right to (a) reject any acceptance of the Exit Offer where it believes, or has reason to believe, that such acceptance may violate the applicable laws of any jurisdiction, and (b) notify any matter, including the despatch of this Exit Offer Letter, any formal documentation relating to the Exit Offer, and the fact that the Exit Offer has been made, to any or all Shareholders (including Overseas Shareholders) by announcement to the SGX-ST and if necessary, paid advertisement in a newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement or advertisement."*

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## LETTER TO SHAREHOLDERS

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14.2 It is the responsibility of any Overseas Shareholder who has obtained a copy of this Circular and/or any related documents to satisfy himself as to the full observance of the laws of the relevant jurisdictions in that connection, including the obtaining of any governmental or other consent which may be required, or compliance with other necessary formalities or legal requirements. In requesting for this Circular and/or any related documents, the Overseas Shareholder represents and warrants to the Company that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements. Any Overseas Shareholder who is in any doubt about his position should consult his professional adviser in the relevant jurisdiction.

### 15. DIRECTORS' RESPONSIBILITY STATEMENT

15.1 The Directors jointly and severally and collectively and individually accept full responsibility for the accuracy of the information given in this Circular (other than those relating to the Offeror and persons acting in concert with it, the facts and opinions expressed in the IFA Letter, the Auditors SOP Letter, the IFA SOP Letter and the recommendation of the Unconflicted Directors) and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Delisting, the Exit Offer, the Company and its subsidiaries, opinions expressed in the Circular have been arrived at after due and careful consideration and the Directors are not aware of any facts not contained in the Circular, the omission of which would make any statement in the Circular misleading. Where the Circular contains a profit forecast, the Directors are satisfied that the profit forecast has been stated after due and careful enquiry.

15.2 In respect of the IFA Letter, the Auditors SOP Letter and the IFA SOP Letter, the sole responsibility of the Directors has been to ensure that the facts stated with respect to the Company are fair and accurate.

15.3 The recommendation of the Unconflicted Directors set out in Section 11.4 of this Circular is the sole responsibility of the Unconflicted Directors.

15.4 Where information in this Circular (other than the IFA Letter and the IFA SOP Letter for which the IFA takes responsibility and the Auditors SOP Letter for which the Auditors take responsibility) has been extracted or reproduced from published or publicly available sources or obtained from a named source (including, but not limited to, the Joint Announcement and the Exit Offer Letter), the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

### 16. CONSENTS

16.1 The IFA has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and all references thereto, and the IFA Letter as set out in Appendix A to this Circular and the IFA SOP Letter as set out in Appendix I to this Circular, in the form and context in which they are respectively included in this Circular.

16.2 The Auditors have given and have not withdrawn their written consent to the issue of this Circular with the inclusion of their name and all references thereto, and the Auditors SOP Letter as set out in Appendix H to this Circular, in the form and context in which they are respectively included in this Circular.

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## LETTER TO SHAREHOLDERS

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- 16.3 Lee & Lee has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, and all references thereto, in the form and context in which they appear in this Circular.
- 16.4 The Registrar has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, and all references thereto, in the form and context in which they appear in this Circular.

### 17. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 65 Chulia Street #37-08 OCBC Centre Singapore 049513 during normal business hours, up to and including the Closing Date:

- (a) the Constitution;
- (b) the annual reports of the Company for FY2019, FY2020 and FY2021;
- (c) the letter from the Offeror to the Company dated 13 September 2022 in respect of the Delisting Proposal;
- (d) the Exit Offer Letter;
- (e) the Joint Announcement;
- (f) the IFA Letter as set out in Appendix A to this Circular;
- (g) the Auditors SOP Letter as set out in Appendix H to this Circular;
- (h) the IFA SOP Letter as set out in Appendix I to this Circular;
- (i) 1H2022 Results as set out in Appendix F to this Circular; and
- (j) the letters of consent referred to in Section 16 of this Circular.

### 18. ADDITIONAL INFORMATION

The attention of Shareholders is also drawn to the Appendices which form part of this Circular.

Yours faithfully  
For and on behalf of the Board of Directors of  
**MOYA HOLDINGS ASIA LIMITED**

Low Chai Chong  
Non-Executive and Lead Independent Director

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## APPENDIX A: IFA LETTER

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28 October 2022

To: The directors of Moya Holdings Asia Limited who are considered independent for the purposes of making a recommendation to the Shareholders in respect of the Exit Offer

Mr. Kuntoro Mangkusubroto	(Chairman, Non-Executive and Independent Director)
Mr. Low Chai Chong	(Non-Executive and Lead Independent Director)
Mr. Simon A. Melhem	(Non-Executive and Non-Independent Director)
Mr. Hwang Kin Soon Ignatius	(Non-Executive and Independent Director)

Dear Sirs,

### EXIT OFFER FOR THE PROPOSED VOLUNTARY DELISTING OF MOYA HOLDINGS ASIA LIMITED (THE “COMPANY”, AND TOGETHER WITH ITS SUBSIDIARIES, THE “GROUP”)

*Unless otherwise defined or the context otherwise requires, all terms defined in the delisting circular of the Company dated 28 October 2022 (the “Circular”) shall have the same meanings herein.*

#### 1. INTRODUCTION

On 14 September 2022 (the “**Joint Announcement Date**”), the Company and Tamaris Infrastructure Pte. Ltd. (the “**Offeror**”) jointly announced that, the Offeror has presented to the directors of the Company (the “**Directors**”) a formal proposal (the “**Delisting Proposal**”) to seek the voluntary delisting of the Company (the “**Delisting**”) from the Official List of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) pursuant to Rules 1307 and 1308 of the Listing Manual Section B: Rules of Catalist of the SGX-ST (the “**Catalist Rules**”) (the “**Joint Announcement**”).

Under the Delisting Proposal, Oversea-Chinese Banking Corporation Limited (“**OCBC Bank**”) will make, for and on behalf of the Offeror, a conditional exit offer (the “**Exit Offer**”) in cash, to acquire all the issued and paid-up ordinary shares in the capital of the Company (the “**Shares**”) (excluding treasury shares) held by the shareholders of the Company (the “**Shareholders**”) other than those Shares already owned, controlled or agreed to be acquired by the Offeror and its concert parties (collectively, the “**Offeror Concert Party Group**”) as at the date of the Exit Offer (the “**Offer Shares**”). The consideration for the Exit Offer payable by the Offeror for each Offer Share will be S\$0.0920 in cash.

Under Rule 1307 of the Catalist Rules, the SGX-ST may agree to an application by the Company to delist from the Official List of the SGX-ST if: (i) the Company convenes an extraordinary general meeting (“**EGM**”) to obtain Shareholders' approval for the Delisting; and (ii) the resolution to approve the Delisting (the “**Delisting Resolution**”) has been approved by a majority of at least 75% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM. The Offeror Concert Party Group must abstain from voting on the Delisting Resolution, (collectively, the “**Shareholders' Approval**”). Rule 1308 of the Catalist Rules also sets out that, if the Company is seeking to delist from the SGX-ST, an exit offer must be made to the Shareholders and holders of any other classes of listed securities to be delisted. The exit offer must: (i) be fair and reasonable; and (ii) include a cash alternative as the default alternative; and the Company must appoint an independent financial adviser (the “**IFA**”) to advise on the exit offer and the IFA must opine that the exit offer is fair and reasonable.

Accordingly, the Company has appointed SAC Capital Private Limited (“**SAC Capital**”) as the IFA to advise the Directors who are considered independent for the purposes of making the recommendation to Shareholders in respect of the Exit Offer (the “**Unconflicted Directors**”).

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## APPENDIX A: IFA LETTER

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### 2. OUR TERMS OF REFERENCE

We have been appointed as the IFA to the Unconflicted Directors to advise the Unconflicted Directors in respect of the Exit Offer.

We are not and were not involved in any aspect of the negotiations entered into by the Company in relation to the Exit Offer, or in the deliberations leading up to the decision by the Offeror to undertake the Exit Offer. Accordingly, we do not, by this letter warrant the merits of the Exit Offer, other than to advise the Unconflicted Directors on the terms of the Exit Offer from a financial point of view.

We have not conducted a comprehensive independent review of the business, operations or financial condition of the Group. We have not been provided with, nor do we have access to, any business plans or financial projections of the future performance of the Group, for the purpose of our evaluation of the Exit Offer. Our evaluation is confined to the financial terms of the Exit Offer and it is not within our terms of reference to evaluate the strategic, legal or commercial merits or risks of the Exit Offer or the future growth prospects or earnings potential of the Group after the completion of the Exit Offer. Accordingly, we do not express any view as to the future prices at which the Shares may trade or on the future financial performance of the Group, or the Offeror after the completion of the Exit Offer.

We have not been requested or authorised to solicit, and we have not solicited, any indication of interest from any third party with respect to the Shares. It is also not within our terms of reference to compare the relative merits of the Exit Offer *vis-à-vis* any alternative transaction that the Company may consider in the future, or any alternative offer that might otherwise be available in the future, and as such, we do not express an opinion thereon.

In the course of our evaluation of the financial terms of the Exit Offer, we have held discussions with the directors and the management of the Company (the “**Directors**” and “**Management**” respectively) and have relied on the information and representations, whether written or verbal, provided to us by the Directors and the Management, including the information contained in the Circular. The Directors (including those who may have delegated detailed supervision of the Circular) have confirmed that, having made all reasonable enquiries and to the best of their knowledge: (a) all material information available to them in connection with the Exit Offer has been disclosed in the Circular; (b) such information (other than those relating to the Offeror, parties acting in concert or deemed to be acting in concert with the Offeror) is fair and accurate in all material respects; and (c) there is no other information or fact, the omission of which would cause any information disclosed to us or the facts stated in the Circular to be inaccurate, incomplete or misleading in any material respect. Whilst care has been exercised in reviewing the information which we have relied on, we have not independently verified the information or representations. Accordingly, no representation or warranty, expressed or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of such information or representations. We have, however, made reasonable enquiries and exercised our judgement (as deemed necessary) in assessing the information and representations provided to us, and have found no reason to doubt the accuracy or reliability of such information or representations which we have relied on in our evaluation.

Save as disclosed, all information relating to the Group that we have relied upon in arriving at our opinion and advice has been obtained from the Circular, publicly available information, the Directors and/or the Management. We have not independently assessed and do not warrant or accept any responsibility as to whether the aforesaid information adequately represents a true and fair position of the financial, operational and business affairs of the Group or its associates at any time or as at 17 October 2022 (the “**Latest Practicable Date**”). We have also not made any independent evaluation or appraisal of the assets and liabilities of the Group and have not been furnished with any such evaluation or appraisals.

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## APPENDIX A: IFA LETTER

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Our opinion and advice, as set out in this letter, are based on the market, economic, industry and other applicable conditions prevailing on, and the information made available to us as at the Latest Practicable Date. Such conditions may change significantly over a relatively short period of time and we assume no responsibility to update, revise or reaffirm our opinion and advice in the light of any subsequent development after the Latest Practicable Date that may affect our opinion and advice contained herein.

In rendering our opinion and advice, we have not had regard to the specific investment objectives, financial situation, tax position or individual circumstances of any Shareholder or any specific group of Shareholders. We recommend that any individual Shareholder or specific group of Shareholders who may require specific advice in relation to his or their investment portfolio(s) should consult his or their legal, financial, tax or other professional adviser.

**Our opinion and advice in relation to the Exit Offer should be considered in the context of the entirety of this letter and the Circular.**

The Company has been separately advised by its own professional advisers in the preparation of the Circular (other than this letter). We have had no role or involvement and have not provided any advice, financial or otherwise, in the preparation, review and verification of the Circular (other than this letter). Accordingly, we take no responsibility for and express no views, expressed or implied, on the contents of the Circular (other than this letter).

### 3. INFORMATION ON THE OFFEROR AND ITS CONCERT PARTIES

The Offeror is a company incorporated in Singapore on 6 December 2012 and its principal activity is that of investment holding. The sole director of the Offeror is Mr. Cho Yu Chung.

As at the Latest Practicable Date, the Offeror has an issued and paid-up capital of S\$31,000 comprising 31,000 ordinary shares. The Offeror is held by:

- (a) Garrison Investment Holdings Ltd (“GIHL”), which holds approximately 45.16% of the Offeror;
- (b) United Dragon Associates Limited (“UDAL”), which holds approximately 16.13% of the Offeror;
- (c) Amartha Group Limited (“AGL”), which holds approximately 16.13% of the Offeror;
- (d) Kidston Holdings Limited (“KHL”), which holds approximately 19.35% of the Offeror; and
- (e) PT Tamaris Hidro (“PT TH”), which holds approximately 3.23% of the Offeror.

As at the Latest Practicable Date, the Offeror holds 3,062,053,273 Shares, representing approximately 72.84% of the total number of issued Shares.

Additional information on the Offeror is set out in paragraph 3 of the letter dated 28 October 2022 issued by OCBC Bank, for and on behalf of the Offeror, to the Shareholders in relation to the Exit Offer (the “Exit Offer Letter”) and Appendix C to the Circular.

### 4. INFORMATION ON THE COMPANY AND THE GROUP

The Company is a Singapore-incorporated company which is listed on the Catalist Board of the SGX-ST. The Group is one of the largest water treatment operators in Indonesia and focuses on developing and operating water treatment facilities which include extraction and treatment



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## APPENDIX A: IFA LETTER

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of raw water, distribution and sale of treated water, collection of sale proceeds and customer services.

As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S\$254,374,249.26 comprising 4,203,585,943 Shares and the Company does not hold any treasury shares. As at the Latest Practicable Date, there are no outstanding instruments convertible into, rights to subscribe for, and options in respect of, securities which carry voting rights in the Company.

Additional information on the Company and the Group is set out in paragraph 6 in the “Letter to Shareholders” of the Circular and Appendix B to the Circular.

### 5. THE EXIT OFFER

The detailed terms of the Exit Offer are set out in paragraph 2 of the Exit Offer Letter and in paragraph 3 in the “Letter to Shareholders” of the Circular. Shareholders are advised to refer to the Exit Offer Letter and the Circular for further details on the Exit Offer and read the information carefully.

The key terms of the Exit Offer and the related matters are set out below.

#### 5.1 Exit Offer Price

The consideration for the Exit Offer will be S\$0.092 in cash for each Offer Share (the “**Exit Offer Price**”). The Exit Offer Price is final and the Offeror does not intend to revise the Exit Offer Price under any circumstances.

The Exit Offer Price shall be applicable to any number of Offer Shares that are tendered in acceptance of the Exit Offer.

#### 5.2 Rights and Encumbrances

The Offer Shares will be acquired fully paid and free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever, and together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date, and thereafter attaching thereto (including the right to receive and retain all dividends, rights and other distributions, if any, which may be announced, declared, paid or made thereon by the Company (collectively the “**Distributions**”), on or after the Joint Announcement Date). If any Distribution is declared, made or paid by the Company on or after the Joint Announcement Date, the Offeror reserves the right to reduce the Exit Offer Price by the amount of such Distribution.

#### 5.3 Exit Offer Conditions

The Delisting and Exit Offer are conditional on the Shareholders' Approval being obtained (the “**Delisting Resolution Approval Condition**”). The Offeror Concert Party Group must abstain from voting on the Delisting Resolution.

**Shareholders are to note that if the Delisting Resolution is not approved at the EGM, the Delisting Resolution Approval Condition will not be fulfilled. In such event, the Delisting will not proceed and the Company will remain listed on the Official List of the SGX-ST. The Exit Offer will also lapse and all acceptances of the Exit Offer will be returned.**

The Delisting is also conditional upon the SGX-ST agreeing to the application by the Company to delist from the Official List of the SGX-ST (“**SGX-ST's Approval**”). If the Delisting Resolution Approval Condition is approved at the EGM, the Company will



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## APPENDIX A: IFA LETTER

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**follow up with the SGX-ST on its application to delist from the Official List of the SGX-ST.**

As at the Latest Practicable Date, the Offeror Concert Party Group holds Shares representing more than 50% of the total number of issued Shares. Accordingly, the Delisting and the Exit Offer is not conditional upon a minimum number of acceptances being received by the Offeror.

### 5.4 Delisting

Shareholders should note that in the event that the Delisting Resolution is passed at the EGM in accordance with the requirements of the Catalist Rules, subject to the SGX-ST's Approval, the Company will be delisted from the Official List of the SGX-ST on or after the close of the Exit Offer, (a) irrespective of the number of acceptances received by the Offeror in respect of the Exit Offer, and (b) whether or not they have attended or voted at the EGM, and if they have attended and voted, whether or not they have voted in favour of the Delisting Resolution.

If the Company is delisted, Shareholders who do not accept the Exit Offer ("**Dissenting Shareholders**") will hold unlisted Shares in the Company as an unlisted company unless the Offeror becomes entitled to, and exercises its right to, compulsorily acquire all the remaining Shares.

If the Company is delisted from the Official List of the SGX-ST, the Company (as a Singapore-incorporated company) will remain subject to the provisions of the Companies Act 1967 of Singapore ("**Companies Act**") and may be subject to provisions of the Code, but will no longer be subject to the provisions of the Catalist Rules. Shareholders at such time may wish to seek their own independent legal advice to familiarise themselves with their rights, *inter alia*, as a shareholder of a Singapore-incorporated company under the Companies Act.

Further details of the implications of Delisting for Shareholders are set out in paragraphs 2 and 8 of the "Letter to Shareholders" of the Circular, and Shareholders are advised to read the information carefully.

### 6. RATIONALE FOR THE EXIT OFFER

Information on the Offeror's rationale for the Exit Offer is set out in paragraph 5 of the Exit Offer Letter, and Shareholders are advised to read the information carefully.

### 7. FINANCIAL ASSESSMENT OF THE EXIT OFFER

In assessing the financial terms of the Exit Offer, we have taken into account the following factors which we consider to have a significant bearing on our assessment:

- (a) Market quotation and trading liquidity of the Shares;
- (b) Historical financial performance of the Group;
- (c) Net asset value ("**NAV**") and net tangible assets ("**NTA**") of the Group;
- (d) Comparison of valuation statistics of companies broadly comparable to the Group;
- (e) Comparison with recent successful privatisation transactions and delisting offers of companies listed on the SGX-ST;
- (f) Dividend track record of the Company; and
- (g) Other relevant considerations.

## APPENDIX A: IFA LETTER

### 7.1 Market Quotation and Trading Liquidity of the Shares

#### 7.1.1 Share price benchmarks

On 9 September 2022 before trading hours, the Company requested for a trading halt pending the release of an announcement (“**Trading Halt**”). As such, we consider 8 September 2022 as the last full day of trading in the Shares on the SGX-ST immediately prior to the Joint Announcement Date (the “**Last Trading Day**”). Subsequently, the Company released the Joint Announcement on 14 September 2022 and the Trading Halt was lifted before trading hours on the Joint Announcement Date.

For the purpose of our analysis of the trading performance of the Shares in respect of the Exit Offer, we have compared the Exit Offer Price against the historical market price performance of the Shares and considered the historical trading volume of the Shares for the 12-month period prior to the Last Trading Day, and up to the Latest Practicable Date (the “**Period Under Review**”).

#### 7.1.2 Share price chart and trading liquidity during the Period Under Review

A graphical representation of the daily closing prices and volume traded of the Shares for the Period Under Review is set out as follows:



Source: Bloomberg L.P.

A summary of the salient announcements relating to the Group’s business operations and the Exit Offer during the Period Under Review is as follows:

Date	Event
30 October 2021	Announcement on the signing of second amendment of cooperation agreement to operate and maintain a water supply system during transition period in Batam, Indonesia (the “ <b>Batam Project</b> ”), relating to, amongst others, a further extension of the period of cooperation for a period of six (6) months (the “ <b>Extension</b> ”). The Batam Project was first entered into in September 2020 and amended in May 2021. It was disclosed that the Extension is not expected to have any material impact on the consolidated

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## APPENDIX A: IFA LETTER

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Date	Event
	net tangible assets per share and earnings per share of the Group for the financial year ended 31 December 2021 (“FY2021”).
8 November 2021	Announcement on the quarterly business update in respect of the Group’s financial performance in the third quarter ended 30 September (“9M”) 2021, which reported a 15% increase in profit after tax from S\$29.3 million in 9M2020 to S\$33.7 million in 9M2021. Barring any unforeseen circumstances, the Group expects to remain profitable for FY2021.
3 February 2022	Announcement on the results of EGM of the Company held in relation to the proposed change of auditors.  Announcement on the approval by Shareholders of the appointment of Foo Kon Tan LLP as auditors of the Company at the EGM of the Company.
28 February 2022	Announcement on the unaudited financial results for FY2021 of the Company, which reported a 19% increase in profit after tax from S\$36.6 million in FY2020 to S\$43.5 million in FY2021.
13 April 2022	Release of the annual report of the Company for FY2021.
28 April 2022	Announcement on the results of the Annual General Meeting (“AGM”) of the Company for FY2021.
29 April 2022	Announcement on the signing of third amendment of the Batam Project, relating to, amongst others, a further extension of the period of cooperation for a period of three (3) months (the “Further Extension”). It was disclosed that the Further Extension is not expected to have any material impact on the consolidated net tangible assets per share and earnings per share of the Group for the financial year ended 31 December 2022 (“FY2022”).
27 May 2022	Announcement on the quarterly business update in respect of the Group’s financial performance in the first quarter (“1Q”) ended 31 March 2022, which reported a 32% increase in profit after tax from S\$9.5 million in 1Q2021 to S\$12.6 million in 1Q2022. Barring any unforeseen circumstances, the Group expects to remain profitable for FY2022.
17 June 2022	Announcement on the winning of tender to manage the operation and maintenance of the upstream and downstream of water supply system in Batam, Indonesia, which has a 15-year concession period (the “New Batam Projects”). It was disclosed that the New Batam Projects are not expected to have any material impact on the consolidated net tangible assets per share and earnings per share of the Group for FY2022.
24 June 2022	Announcement pursuant to Rule 728 of the Catalist Rules in relation to the entry into a share charge in respect of the Shares held by the Offeror, in favour of Bangkok Bank Public Company Limited, Singapore branch (as security agent) to secure banking facility granted by Bangkok Bank Public Company Limited as lender to an entity that is under common control as the Offeror.
28 July 2022	Announcement on the unaudited financial results for the 6-month financial period ended 30 June 2022 (“1H2022”) of the Company, which reported a 6% decrease in profit after tax from \$21.4 million in 1H2021 to S\$20.0 million in 1H2022.
29 August 2022	Announcement of the signing of cooperation agreements in relation to the New Batam Projects, which was disclosed that they are not expected to have any material impact on the consolidated net tangible assets per share and earnings per share of the Group for FY2022.
6 September 2022	Announcement pursuant to Rule 728 of the Catalist Rules in relation to the entry into a share charge in respect of the Shares held by the Offeror, in favour of OCBC Bank (as offshore security agent) to secure banking facilities granted by OCBC Bank.

## APPENDIX A: IFA LETTER

Date	Event
9 September 2022	Announcement on the Trading Halt of the Shares before market hours.
14 September 2022	Release of the Joint Announcement.  Announcement on the request for lifting of the Trading Halt of the Shares before market hours.
17 October 2022	Announcement (the “ <b>17 October 2022 Announcement</b> ”) that (i) the Company’s wholly-owned subsidiary, PT Moya Indonesia (“ <b>PT MI</b> ”), had been awarded the tender and has entered into cooperation agreements with Perusahaan Umum Daerah Air Minum Jaya Provinsi Daerah Khusus Ibukota Jakarta (“ <b>PAM JAYA</b> ”), a municipal water company in Jakarta, Indonesia, to optimize the existing water assets (“ <b>Project Brownfield</b> ”) and to build new water assets (“ <b>Project Greenfield</b> ”) in Jakarta (collectively, the “ <b>Projects</b> ”), (ii) the expiration of the existing cooperation agreement between PT Aetra Air Jakarta (“ <b>AAJ</b> ”), a wholly-owned subsidiary of the Company, and PAM JAYA on 1 February 2023 and its financial effects, and (iii) the revised statement of prospects made by the Company.

Source: Company’s announcements

As shown in the chart above, the Shares have traded consistently below the Exit Offer Price for the 12-month period up to and including the Last Trading Day, with closing prices of the Shares fluctuating between S\$0.054 and S\$0.068. The Shares last traded at S\$0.065 on the Last Trading Day. Following the release of the Joint Announcement which disclosed the Exit Offer Price and up to the Latest Practicable Date, the Shares have mostly traded close to but below the Exit Offer Price.

Additional information on the traded closing prices of the Shares, volume-weighted average prices (“**VWAP**”) and the average daily trading volumes (“**ADTV**”) as a percentage of free float for the reference period(s) (a) prior to and including the Last Trading Day; and (b) from the Joint Announcement Date and up to the Latest Practicable Date is set out as follows:

	Highest closing price (S\$)	Lowest closing price (S\$)	VWAP <sup>(1)</sup> (S\$)	Premium of Exit Offer Price over VWAP (%)	ADTV <sup>(2)</sup> (shares)	ADTV / Free Float <sup>(3)</sup> (%)
<b>Periods prior to and including the Last Trading Day</b>						
Last 12 months	0.068	0.054	0.063	46.0	1,104,743	0.19
Last 6 months	0.068	0.054	0.062	48.4	1,714,150	0.29
Last 3 months	0.068	0.055	0.062	48.4	3,134,434	0.53
Last 1 month	0.068	0.060	0.064	43.8	3,385,518	0.58
8 September 2022 (Last Trading Day)	0.065	0.065	0.065	41.5	1,967,500	0.33
<b>Period from the Joint Announcement Date and up to the Latest Practicable Date</b>						
Period between and including 14 September 2022 and up to the Latest Practicable Date	0.090	0.088	0.089	3.4	4,700,929	0.80
Latest Practicable Date	0.089	0.089	0.089	3.4	913,000	0.16

Source: Bloomberg L.P. and SAC’s calculations

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## APPENDIX A: IFA LETTER

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### Notes:

- (1) Based on data extracted from Bloomberg L.P. and with the figures rounded to the nearest three (3) decimal places.
- (2) The ADTV of the Shares is calculated based on the total volume of Shares traded divided by the number of Market Days during the relevant periods. "Market Day" refers to a day on which the SGX-ST is open for the trading of securities.
- (3) For the purpose of computing the ADTV as a percentage of free float, we have used the free float of approximately 587,401,086 Shares based on the free float of 13.97% as disclosed in the annual report of the Company for FY2021.

We note the following with regard to the Share prices and the ADTV of the Shares:

#### Periods prior to and including the Last Trading Day

- (a) during the 12-month period up to and including the Last Trading Day, the closing prices of the Shares ranged between a low of S\$0.054 (on 12 May 2022 and 17 May 2022) and a high of S\$0.068 (on 22 October 2021 and 1 September 2022). The Exit Offer Price represents: (i) a premium of 70.4% over the lowest closing price of the Shares; and (ii) a premium of 35.3% over the highest closing price of the Shares, during the 12-month period up to and including the Last Trading Day;
- (b) the Exit Offer Price represents a premium of 46.0%, 48.4%, 48.4% and 43.8% over the VWAP of the Shares for the 12-, 6-, 3- and 1-month periods up to and including the Last Trading Day respectively;
- (c) the Exit Offer Price represents a premium of 41.5% over the closing price of the Shares of S\$0.065 on the Last Trading Day; and
- (d) the ADTV of the Shares as a percentage of the free float ranged between approximately 0.19% and 0.58% for the 12-, 6-, 3- and 1-month periods up to and including the Last Trading Day.

#### Period from the Joint Announcement Date and up to the Latest Practicable Date

- (a) the Exit Offer Price represents a premium of 3.4% to the VWAP of the Shares for the period from the Joint Announcement Date and up to the Latest Practicable Date;
- (b) the Exit Offer Price represents a premium of 3.4% over the closing price of the Shares of S\$0.089 on the Latest Practicable Date; and
- (c) the ADTV of the Shares as a percentage of the free float was approximately 0.80% for the period from the Joint Announcement Date and up to the Latest Practicable Date.

Based on the above observations, we note that the trading volume and closing price of the Shares were relatively higher after the Joint Announcement Date. We believe that the general upward trend is likely supported by the Exit Offer subsequent to the Joint Announcement Date.

In evaluating the Exit Offer Price, it is relevant to examine the price performance and trading volume of the Shares over a reasonable period, during which the market price of the Shares may reflect public investors' valuation of the Shares, based on publicly available information.

We note the following with regard to the trading liquidity of the Shares:

- (a) the ADTV of the Shares for the 12-month period up to and including the Last Trading Day was 1,104,743 Shares and represented 0.19% of the Company's free float;
- (b) the ADTV for the 6-, 3- and 1-month periods prior to and including the Last Trading Day were on an increasing trend from 1,714,150 Shares for the 6-month period to 3,134,434

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- (c) we also note that the Shares are traded almost daily. We calculated that the Shares were traded on 88.9%, 90.5%, 98.4% and 100.0% of the Market Days for the 12-, 6-, 3- and 1-month periods prior to and including the Last Trading Day; and
- (d) the Shares continued to be traded on a daily basis since the Joint Announcement Date and up to the Latest Practicable Date, and the ADTV of the Shares during the aforesaid period increased to 4,700,929 Shares or 0.80% of the Company's free float.

Based on the above, we can conclude that there is reasonable liquidity in the Shares in the 12-month period up to and including the Last Trading Day (on the basis of comparing the ADTV of the Shares as a percentage of the Company's free float) and that the historical market prices of the Shares may provide a reasonable benchmark for assessing the Exit Offer Price. However, while we noted that the Shares have been trading almost daily for the 12-, 6-, 3- and 1-month periods prior to and including the Last Trading Day and on a daily basis since the Joint Announcement Date up to the Latest Practicable Date, Shareholders should note that the free float of the Company of 13.97%, or approximately 587,401,086 Shares, may render the Shares illiquid for investors who wish to undertake trades in larger amounts of Shares.

Shareholders should note that there is no assurance that the closing price of the Shares would remain at the current level prevailing as at the Latest Practicable Date. Shareholders should note that the past trading performance of the Shares should not in any way be relied upon as an indication or a guarantee of its future trading performance, which will depend on, amongst other factors, the performance and prospects of the Company, prevailing economic conditions, economic outlook, stock market conditions and sentiment.

### 7.2 Historical Financial Performance of the Group

The salient audited consolidated financial information of the Group for the financial years ended 31 December 2019, 2020 and 2021 ("FY2019", "FY2020" and "FY2021", respectively), and the unaudited interim consolidated financial information of the Group for the 6-month financial periods ended 30 June 2021 ("1H2021") and 30 June 2022 ("1H2022") are set out in the table below. The following summary financial information should be read in conjunction with the full text of the annual reports and results announcements of the Group in respect of the relevant financial periods including the notes thereto.

#### 7.2.1 Consolidated Statement of Profit or Loss and Other Comprehensive Income

(S\$'000)	----- Audited -----			----- Unaudited -----	
	FY2019	FY2020	FY2021	1H2021	1H2022
Revenue	205,786	240,123	257,995	125,405	127,227
Cost of sales	(109,346)	(135,813)	(136,614)	(65,488)	(65,120)
<b>Gross profit</b>	<b>96,440</b>	<b>104,310</b>	<b>121,381</b>	<b>59,917</b>	<b>62,107</b>
Administrative expenses	(36,933)	(37,979)	(37,299)	(19,362)	(21,977)
Finance income	3,581	3,641	1,906	977	749
Finance costs	(31,749)	(28,647)	(22,618)	(12,473)	(8,780)
Other (expenses)/income, net	(5,056)	(1,287)	(1,113)	2,118	(2,186)
<b>Profit before income tax</b>	<b>26,283</b>	<b>40,038</b>	<b>62,257</b>	<b>31,177</b>	<b>29,913</b>
Income tax expense	(9,318)	(3,433)	(20,257)	(9,797)	(9,905)
<b>Profit for the year</b>	<b>16,965</b>	<b>36,605</b>	<b>42,000</b>	<b>21,380</b>	<b>20,008</b>



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(S\$'000)	----- Audited -----			----- Unaudited -----	
	FY2019	FY2020	FY2021	1H2021	1H2022
Profit attributable to:					
<b>Equity holders of the Company</b>	<b>16,631</b>	<b>35,008</b>	<b>39,729</b>	<b>20,382</b>	<b>18,790</b>
Non-controlling interests	334	1,597	2,271	998	1,218

Source: Annual reports of the Company for FY2020 and FY2021 and unaudited financial statements for 1H2022 of the Group

The Group's principal business comprises (i) concession arrangements and bulk water provider project undertaken by Acuatico Pte. Ltd. and its subsidiaries (namely, PT Aetra Air Jakarta, PT Aetra Air Tangerang, PT Acuatico Air Indonesia and PT Air Semarang Barat) (the "**Acuatico Group**"), (ii) Build-Operate-Transfer projects ("**BOT Projects**") under contract and development undertaken by PT Moya Bekasi Jaya ("**Bekasi**"), PT Moya Tangerang ("**Tangerang**"), PT Moya Makassar, and Obor Infrastructure Pte. Ltd. ("**Obor**") and its subsidiaries (namely, PT Traya Tirta Cisadane and PT Tirta Kencana Cahaya Mandiri) (the "**Obor Group**"), and (iii) operation and maintenance of water supply system in Batam undertaken by PT Moya Indonesia (i.e. the Batam Project and the New Batam Projects).

### *FY2019 vs FY2020*

The Group's revenue increased by approximately S\$34.3 million from S\$205.8 million in FY2019 to S\$240.1 million in FY2020. This was mainly due to increase in (i) service concession construction revenue from the Acuatico Group and Tangerang BOT Projects; (ii) water sales from Tangerang and Bekasi BOT Projects; (iii) finance income under service concession arrangements from the Acuatico Group, Tangerang and Bekasi BOT Projects; (iv) nine-months revenue contributions from the Obor Group; and (v) one and a half-months revenue contributions from the Batam Project.

In line with the increase in revenue, gross profit of the Group increased by approximately S\$7.9 million, from S\$96.4 million in FY2019 to S\$104.3 million in FY2020, mainly due to increase in water sales and cost efficiency programmes implemented by the Group over the years to reduce costs, as well as nine-months and one and a half-months gross profit contributions from the Obor Group and the Batam Project, respectively.

Administrative expenses increased by approximately S\$1.0 million, from S\$36.9 million in FY2019 to S\$37.9 million in FY2020, mainly due to increase in (i) depreciation expense arising from new equipment purchased in FY2020; (ii) recognition of nine-months administrative expenses of the Obor Group; and (iii) recognition of one and a half-months administrative expenses of the Batam Project. The aforementioned increase was partially offset by decrease in office expenses and professional fees.

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

Finance costs decreased by approximately S\$3.1 million, from S\$31.7 million in FY2019 to S\$28.6 million in FY2020, mainly due to decrease in bank loans as a result of instalment repayment of existing bank loans.

The Group recorded other expenses, net of S\$1.3 million in FY2020, as compared to other expenses, net of S\$5.1 million in FY2019. Other expenses, net recorded in FY2020 relate mainly to (i) charges from PAM JAYA and other expenses of S\$3.0 million; and (ii) expenses of S\$0.3 million related with the acquisition of Obor, and partially offset by foreign exchange gain of S\$2.0 million arising from the depreciation of the Indonesia Rupiah ("**IDR**") against the United States Dollar ("**USD**") and Singapore Dollar ("**SGD**" or "**S\$**") in FY2020.

Other expenses, net of S\$5.1 million in FY2019 relate mainly to (i) foreign exchange loss of S\$1.9 million arising from the appreciation of IDR against the SGD and USD in FY2019; and



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(ii) charges from PAM JAYA, allowance for doubtful receivables and land and building tax of S\$3.2 million.

As a result of the above, profit attributable to equity holders of the Company increased by S\$18.4 million from S\$16.6 million in FY2019 to S\$35.0 million in FY2020.

### *FY2020 vs FY2021*

The Group's revenue increased by approximately S\$17.9 million from S\$240.1 million in FY2020 to S\$258.0 million in FY2021. The increase was mainly due to an increase in (i) water sales from Tangerang and Bekasi BOT Projects; (ii) finance income under service concession arrangements from the Acuatico Group, Tangerang and Bekasi BOT Projects; (iii) full year revenue contributions from the Batam Project in FY2021 as compared to one and a half-months revenue contributions in FY2020; and (iv) full year revenue contributions from the Obor Group in FY2021 as compared to nine-months revenue contributions in FY2020. The aforementioned increases were partially offset by decrease in service concession construction revenue from the Acuatico Group and Tangerang BOT Projects.

In line with the increase in revenue, gross profit increased by approximately S\$17.1 million from S\$104.3 million in FY2020 to S\$121.4 million in FY2021, mainly due to twelve-months gross profit contributions from the Batam Project in FY2021 compared to one and a half months in FY2020, and twelve-months gross profit contributions from the Obor Group in FY2021 compared to nine-months in FY2020, as well as cost efficiency programs implemented by the Group over the years to reduce costs.

Administrative expenses decreased by approximately S\$0.7 million from S\$38.0 million in FY2020 to S\$37.3 million in FY2021, mainly due to decreases in office expenses and professional fees. The aforementioned decreases were partially offset by (i) recognition of full year administrative expenses of the Batam Project in FY2021 compared to one and a half months in FY2020; and (ii) recognition of twelve-months administrative expenses of the Obor Group in FY2021 compared to nine-months in FY2020.

Finance income decreased by approximately S\$1.7 million from S\$3.6 million in FY2020 to S\$1.9 million in FY2021, mainly due to lower time deposits in FY2021.

Finance costs decreased by approximately S\$6.0 million from S\$28.6 million in FY2020 to S\$22.6 million in FY2021, mainly due to decrease in bank loans as a result of instalment repayment of existing bank loans.

The Group recorded other expenses, net of S\$1.1 million in FY2021, as compared to other expenses, net of S\$1.3 million in FY2020. Other expenses, net in FY2021 relate mainly to (i) charges from PAM JAYA of S\$1.9 million; and (ii) impairment losses on property, plant and equipment of S\$1.1 million from the Acuatico Group, partially offset by write-back of provision for impairment of trade receivables in the Acuatico Group due to recovery of receivables, insurance claims and other income of S\$1.9 million.

Other expenses, net of S\$1.3 million in FY2020 relate mainly to (i) charges from PAM JAYA and other expenses of S\$3.0 million; and (ii) expenses of S\$0.3 million related with the acquisition of Obor, and partially offset by foreign exchange gain of S\$2.0 million arising from the depreciation of the IDR against the USD and the SGD in FY2020.

As a result of the above, profit attributable to equity holders of the Company increased by S\$4.7 million from S\$35.0 million in FY2020 to S\$39.7.0 million in FY2021.

### *1H2021 vs 1H2022*

The Group's revenue increased by approximately S\$1.8 million, from S\$125.4 million in 1H2021 to S\$127.2 million in 1H2022. The increase was mainly due to increase in (i) water sales from Tangerang and Bekasi BOT Projects, Acuatico Group, Obor Group, and the Batam Project; (ii)

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finance income under service concession arrangements from the Acuatico Group, Tangerang and Bekasi BOT Projects; and (iii) service concession construction revenue from Obor Group, and partially offset by decrease in service concession construction revenue from the Acuatico Group and the Tangerang BOT Projects.

In line with the increase in revenue, gross profit increased by approximately S\$2.2 million, from S\$59.9 million in 1H2021 to S\$62.1 million in 1H2022, mainly due to increase in water sales, as well as cost efficiency programs implemented by the Group over the years to reduce costs.

Administrative expenses increased by approximately S\$2.6 million, from S\$19.4 million in 1H2021 to S\$22.0 million in 1H2022, mainly due to increase in employee related expenses, office expense and depreciation expense, and partially offset by decrease in professional fees.

Finance income decreased by approximately S\$0.2 million, from S\$1.0 million in 1H2021 to S\$0.8 million in 1H2022, mainly due to lower time deposits placement.

Finance costs decreased by approximately S\$3.7 million, from S\$12.5 million in 1H2021 to S\$8.8 million in 1H2022, mainly due to decrease in bank loans as a result of instalment repayment of existing bank loans.

The Group recorded other expenses, net of S\$2.2 million in 1H2022, as compared to other income, net of S\$2.1 million in 1H2021. Other expenses, net in 1H2022 relate mainly to (i) charges from PAM JAYA; and (ii) allowance for doubtful receivables, provisions for slow-moving inventory and property, plant and equipment, partially offset by foreign exchange gain arising from the depreciation of the IDR against the USD and SGD in 1H2022. Other income, net in 1H2021 relate mainly to (i) adjustment of accrued expense related to construction cost, (ii) foreign exchange gain arising from the depreciation of the IDR against the USD and SGD in 1H2021; and (iii) other income which relate to write-back of provision for impairment of trade receivables in the Acuatico Group due to recovery of receivables and others, partially offset by charges from PAM JAYA and others.

As a result of the above, profit attributable to equity holders of the Company decreased by S\$1.6 million from S\$20.4 million in 1H2021 to S\$18.8 million in 1H2022.

### *Events after 30 June 2022 and up to the Latest Practicable Date*

On 17 October 2022, the Company announced that PT MI has been awarded the tender and has entered into cooperation agreements with PAM JAYA in relation to the new Projects. In the same 17 October 2022 Announcement, it was also announced that the existing cooperation agreement between AAJ and PAM JAYA will expire on 1 February 2023. Consequently, AAJ is expected to cease its current operations under the existing cooperation agreement with PAM JAYA, with effect from 1 February 2023. As a result, due to AAJ expecting to cease its current operations from 1 February 2023, the Company has announced that there is a possibility the Group will be in a loss position for the current FY2022 due to the possibility of impairment of goodwill and accelerated amortisation of intangible assets that are associated with AAJ ("**Possible Impairment and Accelerated Amortisation**").

Consequently, the Company disclosed that the previous statement made by the Company in its quarterly business update announcement on 27 May 2022, whereby the Company stated that "*Notwithstanding, barring any unforeseen circumstances, the Group expects to remain profitable for the financial year ending 31 December 2022.*", is no longer applicable.

In view of the above, we have considered whether the aforementioned new events, being the announcement of the new Projects and the Possible Impairment and Accelerated Amortisation, would have a material impact (if any) to the Group's financial performance and position for 1H2022 and for the trailing twelve-month period ended 30 June 2022 ("**T12M**") in our evaluation of the Exit Offer:

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- (a) We understand from Management that (i) the entry into the new cooperation agreements under the Projects are undertaken pursuant to the ordinary course of its business, (ii) the Projects are subject to executional risks and other factors which may result in uncertainties of the Projects. In particular, the Management expects that the first six (6) years of the Projects to be capital-intensive, whereby the total capital expenditure is estimated to amount to approximately IDR26.75 trillion (approximately S\$2.5 billion). Given that the Group expects funding from a combination of lenders and shareholders to fund the required capital expenditure for the Projects, there is no certainty on the cost of funding that may arise from the required debt and equity fund raising, (iii) the Projects will have a 25-year cooperation period, and are expected to only commence in the second quarter of 2023, and (iv) the contributions of the Project to the revenue, profit and/or loss of the Group will be progressively recognised over the 25-year cooperation period, and only upon, *inter alia*, the successful completion and delivery of the obligations by the Group in accordance with the cooperation agreements. Based on the above, the Management and Directors are of the view that the Projects are not expected to have any material impact on the financial performance and position of the Group for FY2022. Accordingly, no adjustments have been made to the financial performance and position of the Group for 1H2022 and the T12M period in this regard; and
- (b) As set out in the 17 October 2022 Announcement, the Company has stated that there is a possibility the Group will be in a loss position for FY2022 due to the Possible Impairment and Accelerated Amortisation. However, as at the Latest Practicable Date, we understand from the Management that the actual impact (if any) of the Possible Impairment and Accelerated Amortisation to the Group will be subject to further assessment by the Management, in consultation with the Group's auditors, during the audit of FY2022. As such, Shareholders should note there is also no certainty as to when, if any (or if any, the quantum of the impact), such Possible Impairment and Accelerated Amortisation will materialise.

For illustrative purposes only, assuming that (i) the Possible Impairment and Accelerated Amortisation materialises, and (ii) such adjustments had been effected on 1 January 2022, being the beginning of the 1H2022, the breakdown of the adjusted financial performance of the Group will be as follows:

(\$'000)	<b>Unaudited T12M</b>
<b>Profit attributable to equity holders of the Company ("NPAT")</b>	<b>38,137</b>
Less: Possible Impairment and Accelerated Amortization <sup>(1)</sup>	(98,127)
<b>Adjusted loss attributable to equity holders of the Company ("Adjusted Loss")</b>	<b>(59,990)</b>
(\$'000)	<b>Unaudited T12M</b>
<b>Earnings before interest, tax, depreciation and amortisation expenses ("EBITDA")</b>	<b>125,417</b>
Less: Possible Impairment and Accelerated Amortization <sup>(2)</sup>	(46,454)
<b>Adjusted earnings before interest, tax, depreciation and amortisation expenses ("Adjusted EBITDA")</b>	<b>78,963</b>

*Source: Management and SAC Capital's computations*

**Notes:**

- (1) As provided by Management, assuming the full impact of the Possible Impairment and Accelerated Amortisation.
- (2) As provided by Management, assuming the full impact of the Possible Impairment and Accelerated Amortisation. For avoidance of doubt, there is no net impact arising from the adjustments in respect of the accelerated amortisation of the intangible assets associated with AAJ, as the calculation of EBITDA excludes, among others, tax and amortisation expenses.

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Based on the Group's T12M NPAT (before adjustments) of S\$38.14 million, the historical price-earnings ratio ("PER") (as implied by the Exit Offer Price) would be 10.14 times. Assuming that the full impact of the Possible Impairment and Accelerated Amortisation had been effected on 1 January 2022, we note that this will result in the Group to record a T12M Adjusted Loss of S\$59.99 million. As a result, any assessment of the valuation of the Group (implied by the Exit Offer Price) based on the PER approach would not be meaningful in view of the T12M Adjusted Loss position of S\$59.99 million.

Based on the Group's T12M EBITDA (before adjustments) of S\$125.42 million, the historical enterprise value to EBITDA ratio ("EV/EBITDA") (as implied by the Exit Offer Price) would be 4.11 times. Assuming that the full impact of the Possible Impairment and Accelerated Amortisation had been effected on 1 January 2022, we note that this will result in the Group to record a T12M Adjusted EBITDA of S\$78.96 million. Accordingly, the EV/Adjusted EBITDA ("EV/AEBITDA") ratio (as implied by the Exit Offer Price) would be 6.53 times.

For the purpose of evaluating the Exit Offer, we have relied on the PER and EV/EBITDA ratios (before adjustments) of 10.14 times and 4.11 times respectively as we are of the view that any comparison to the Group's T12M Adjusted Loss and/or T12M Adjusted EBITDA positions may not be appropriate as such Possible Impairment and Accelerated Amortisation items are consequential one-off effects and are non-cash in nature, and there is also no certainty as to when, if any (or if any, the quantum of the impact), such Possible Impairment and Accelerated Amortisation will materialise.

Shareholders should note that the analysis (including the adjustments due to the Possible Impairment and Accelerated Amortisation, the T12M Adjusted Loss and T12M Adjusted EBITDA computations) set out above are purely for illustrative purposes only and do not necessarily reflect the actual results and financial performance and position of the Group in the event the Possible Impairment and Accelerated Amortisation materialises.

### 7.2.2 Consolidated Statement of Cash Flows

(S\$'000)	----- Audited -----			----- Unaudited -----	
	FY2019	FY2020	FY2021	1H2021	1H2022
Net cash flows provided from operating activities	75,452	80,565	84,058	39,321	45,151
Net cash flows used in investing activities	(34,200)	(62,602)	(26,529)	(15,443)	(12,386)
Net cash flows used in financing activities	(56,209)	(61,060)	(71,827)	(33,298)	(39,594)
<b>Net decrease in cash and cash equivalents</b>	<b>(14,957)</b>	<b>(43,097)</b>	<b>(14,298)</b>	<b>(9,420)</b>	<b>(6,829)</b>
Effects of exchange rate changes on cash and cash equivalents	931	(120)	541	(397)	(269)
<b>Cash and cash equivalents at end of financial year</b>	<b>101,544</b>	<b>58,327</b>	<b>44,570</b>	<b>48,510</b>	<b>37,472</b>

Source: Annual reports of the Company for FY2020 and FY2021 and unaudited financial statements for 1H2022 of the Group

The Group generated positive net cash flows provided from operating activities of S\$75.5 million, S\$80.6 million and S\$84.1 million for FY2019, FY2020 and FY2021, and S\$39.3 million and S\$45.2 million for 1H2021 and 1H2022 respectively.

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Net cash flows provided from operating activities in 1H2022 was S\$45.1 million, due to receipts from customers of S\$111.3 million, partially offset by payments to suppliers, directors and employees of S\$59.3 million, and payments of corporate income tax of S\$6.9 million.

Net cash flows used in investing activities in 1H2022 was S\$12.4 million, due to payments of construction costs related to the BOT Projects and water supply concessions of S\$11.8 million, and purchase of fixed assets and other non-current assets of S\$1.1 million, partially offset by receipts of interest income from time deposit of S\$0.5 million.

Net cash flows used in financing activities in 1H2022 was S\$39.6 million, due to repayments of borrowings and payment of debt issuance cost of S\$38.5 million, interest paid of S\$7.3 million, and principal payments of lease liabilities of S\$0.2 million, partially offset by proceeds from borrowings of S\$6.2 million and decrease in restricted cash in banks of S\$0.2 million.

As a result of the above, and net effects of currency translation on cash and cash equivalents in 1H2022 of S\$0.3 million, the Group's cash and cash equivalents decreased by S\$7.1 million in 1H2022.

Taking into account (i) the cash and cash equivalents at the beginning of 1H2022 of S\$44.6 million, (ii) the net decrease in cash and cash equivalents of S\$6.8 million and the effects of exchange rate changes of S\$0.3 million, the Group's cash and cash equivalents as at 30 June 2022 amounted to S\$37.5 million.

### 7.3 NAV and NTA of the Group

#### 7.3.1 Consolidated Statement of Financial Position of the Group

A summary of the financial position of the Group as at 31 December 2021 and 30 June 2022 is set out as follows:

(\$'000)	Audited As at 31 December 2021	Unaudited As at 30 June 2022
<b>Non-current assets</b>		
Property, plant and equipment	19,493	14,051
Service concession assets	434,572	429,293
Goodwill	76,044	77,925
Deferred income tax assets	14,768	16,303
Other non-current assets	3,746	3,668
<b>Total non-current assets</b>	<b>548,623</b>	<b>541,240</b>
<b>Current assets</b>		
Inventories	5,705	4,991
Service concession assets	23,221	23,703
Trade and other receivables	50,793	51,809
Restricted cash in banks and time deposits	7,188	7,035
Cash and cash equivalents	44,570	37,472
<b>Total current assets</b>	<b>131,477</b>	<b>125,010</b>
<b>Total assets</b>	<b>680,100</b>	<b>666,250</b>
<b>Equity attributable to owners of the Company</b>		
Share capital	253,728	253,728
Other reserves	(13,537)	(13,036)
Retained earnings	115,795	134,585
<b>Equity attributable to owners of the Company</b>	<b>355,986</b>	<b>375,277</b>
Non-controlling interests	23,469	24,645

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(\$'000)	Audited As at 31 December 2021	Unaudited As at 30 June 2022
<b>Total equity</b>	<b>379,455</b>	<b>399,922</b>
<b>Non-current liabilities</b>		
Provisions	9,052	8,738
Deferred tax liabilities	52,969	55,204
Borrowings	117,572	113,919
Trade and other payables	11,739	11,547
<b>Total non-current liabilities</b>	<b>191,332</b>	<b>189,408</b>
<b>Current liabilities</b>		
Provisions	4,615	4,200
Borrowings	65,139	35,103
Trade and other payables	37,919	33,237
Current income tax liabilities	1,640	4,380
<b>Total current liabilities</b>	<b>109,313</b>	<b>76,920</b>
<b>Total liabilities</b>	<b>300,645</b>	<b>266,328</b>
<b>Total equity and liabilities</b>	<b>680,100</b>	<b>666,250</b>
<b>NAV of the Group</b>	<b>355,986</b>	<b>375,277</b>
Less: Goodwill and intangible assets	297,197	282,489
<b>NTA of the Group</b>	<b>58,789</b>	<b>92,788</b>
Number of issued shares (excluding treasury shares) as at the end of the respective periods ('000)	4,203,586	4,203,586
<b>NAV per Share (S\$ cent)</b>	<b>8.47</b>	<b>8.93</b>
<b>NTA per Share (S\$ cent)</b>	<b>1.40</b>	<b>2.21</b>

Source: Annual report of the Company for FY2021 and unaudited financial statements for 1H2022 of the Group

### Assets

As at 30 June 2022, the Group has total assets of S\$666.3 million comprising current assets of S\$125.0 million (18.8% of total assets) and non-current assets of S\$541.2 million (81.2% of total assets).

The main current assets of the Group are (i) service concession assets of S\$23.7 million (19.0% of current assets), (ii) trade and other receivables of S\$51.8 million (41.4% of current assets), and (iii) cash and cash equivalents of S\$37.5 million (30.0% of current assets) as at 30 June 2022.

The main non-current assets of the Group are (i) service concession assets of S\$429.3 million (79.3% of non-current assets), and (ii) goodwill of S\$77.9 million (14.4% of non-current assets), as at 30 June 2022.

The Group is engaged in the business of water treatment and water supply in Indonesia and had entered into a number of service concession arrangements with certain local government water agencies in Indonesia (or the grantor) in respect of its water supply business.

Consideration given by the grantor for a service concession arrangement is accounted for as a financial asset or an intangible asset. Financial assets arising from service concession arrangements represent the amounts due from the grantor for services provided by the Group in connection with service concession arrangements where the Group has an unconditional



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contractual right to receive cash from the grantor. Financial assets arising from service concession arrangements are measured initially at fair value and subsequently measured at amortised cost, i.e. the amount initially recognised plus the cumulative interest on that amount calculated using the effective interest method minus repayments.

The Management is of the view that the significant assumptions and estimates applied in assessing the financial assets arising from service concession arrangements in 1H2022 do not have a material change, which may cause the carrying values of the financial assets arising from the service concession arrangement as at the Latest Practicable Date to be materially different from that recorded in the unaudited statements of financial position of the Group as at 30 June 2022.

Intangible assets comprise goodwill and intangible assets classified under service concession arrangements and contractual concession rights. The goodwill arising from the acquisition of (i) Acuatico Group and (ii) Obor Group are attributable to the expansion of the Group's business in water industry in Indonesia and also to increase the Group's production capacity. The Group tests for impairment of goodwill on an annual basis. There were no impairment charges as at 31 December 2020 and 31 December 2021.

The intangible assets classified under service concession arrangements relate to (i) ready to use, arising from a service concession arrangement when it has a right to charge users of the infrastructure under the concession arrangement, and (ii) uncompleted projects, relating to enhancements or upgrades to existing infrastructure or the development of new infrastructure projects under construction.

Property, plant and equipment accounted for approximately 2.1% of the Group's total assets as at 30 June 2022. The property, plant and equipment comprise (i) new connection pipeline network, (ii) land and buildings, (iii) furniture, fittings and office equipment, (iv) motor vehicles, (v) plant and machinery, and (vi) assets under construction. We understand from Management that the property, plant and equipment are predominantly used for the Group's internal operations in its ordinary course of business, and as at the Latest Practicable Date, the Group does not have any current plans for an imminent material disposal and/or conversion of the use of such property, plant and equipment.

In addition, we also understand from the Management that as at the Latest Practicable Date, the Group does not have any current plans for an imminent material disposal and/or conversion of the use of the Group's assets and/or material change in the nature of the Group's business. Accordingly, no adjustments have been made to the NAV or NTA of the Group in this regard.

### *Liabilities and equity*

As at 30 June 2022, the Group has total liabilities of S\$266.3 million, mainly comprising total borrowings of S\$149.0 million (56.0% of total liabilities), deferred income tax liabilities of S\$55.2 million (20.7% of total liabilities) and total trade and other payables of S\$44.8 million (16.8% of total liabilities).

Total equity of the Group was S\$399.9 million as at 30 June 2022. Equity attributable to owners of the Company was S\$375.3 million as at 30 June 2022. Accordingly, the NAV of the Group as at 30 June 2022 was S\$375.3 million. After deducting goodwill and intangible assets of S\$282.5 million, the NTA of the Group was S\$92.8 million as at 30 June 2022.

### 7.3.2 Book NAV and NTA of the Group

The NAV of a group refers to the aggregate value of all the assets in their existing condition, net of any non-controlling interests and all the liabilities of the group. The NAV approach may provide an estimate of the value of a group assuming the hypothetical sale of all its assets over a reasonable period of time, the proceeds of which would be first used to settle the liabilities of the group with the balance available for distribution to its shareholders. Therefore, the net assets of a group are perceived as providing support for the value of the shareholders' equity.



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Notwithstanding the foregoing, Shareholders should note that an analysis based on the NAV of the Group provides an estimate of the value of the Group based on a hypothetical scenario, and such hypothetical scenario is assumed without considering factors such as, *inter alia*, time value of money, market conditions, legal and professional fees, liquidation costs, taxes, contractual obligations, regulatory requirements and availability of potential buyers, which would theoretically lower the NAV that can be realised. While the asset base of the Group can be a basis for valuation, such a valuation does not necessarily imply a realisable market value as the market value of the assets and liabilities may vary depending on prevailing market and economic conditions. Furthermore, the NAV approach is more relevant in circumstances where the business is to cease operations or where the profitability of the business being valued is not sufficient to sustain an earnings-based valuation.

Based on the Group's latest consolidated financial statements as at 30 June 2022 and 4,203,585,943 Shares in issue as at 30 June 2022, the NAV of the Group amounted to approximately S\$375.3 million or S\$0.089 per Share. We note that the Exit Offer Price represents a premium of approximately 3.4% against the NAV per Share of S\$0.089 as at 30 June 2022. Accordingly, the Price-to-NAV ("**P/NAV**") of the Group implied by the Exit Offer Price would be approximately 1.03 times as at 30 June 2022.

As set out in paragraph 7.3.1 of our letter above, we note that the Group has intangible assets amounting to S\$282.5 million, which comprise goodwill and intangible assets classified under service concession arrangements and contractual concession rights, representing in aggregate approximately 42.4% of the Group's total assets as at 30 June 2022. Based on the Group's latest consolidated financial statements as at 30 June 2022 and 4,203,585,943 Shares in issue as at 30 June 2022, the NTA of the Group amounted to approximately S\$92.8 million or S\$0.022 per Share. We further note that the Exit Offer Price represents a premium of approximately 318.2% against the NTA per Share of S\$0.022 as at 30 June 2022. Accordingly, the Price-to-NTA ("**P/NTA**") of the Group implied by the Exit Offer Price would be approximately 4.18 times as at 30 June 2022.

### 7.3.3 Adjusted NAV and Adjusted NTA of the Group

In our evaluation of the financial terms of the Exit Offer, we have also considered whether there is any other asset which should be valued at an amount that is materially different from that as recorded in the statement of financial position of the Group as at 30 June 2022 and whether there are any factors which have not been otherwise disclosed in the financial statements of the Group that may have a material impact on the unaudited NAV and NTA of the Group as at 30 June 2022.

We note that as disclosed in paragraph 7 of the Exit Offer Letter, the Offeror presently has no intention to introduce any major changes to the business of the Company, or to discontinue the employment of any of the existing employees of the Company or re-deploy any of the fixed assets of the Company, other than in the ordinary course of business. The Offeror however retains the flexibility at any time to consider options or opportunities which may present themselves.

#### *Events after 30 June 2022 and up to the Latest Practicable Date*

As set out in Section 7.2.1 of this letter, we have similarly considered the possible impact of the Possible Impairment and Accelerated Amortisation (if any) on the Group's financial position as at 30 June 2022. For illustrative purposes only, assuming that (i) the Possible Impairment and Accelerated Amortisation materialises, and (ii) such impact had been effected on 30 June 2022, being the end of 1H2022, the breakdown of the adjusted NAV ("**Adjusted NAV**") and the adjusted NTA ("**Adjusted NTA**") of the Group as at 30 June 2022 will be as follows:

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(\$'000)	<b>Unaudited As at 30 June 2022</b>
<b>NAV of the Group</b>	<b>375,277</b>
Less: Possible Impairment and Accelerated Amortisation <sup>(1)</sup>	(98,127)
<b>Adjusted NAV of the Group</b>	<b>277,150</b>
Less: Goodwill and Intangibles (after adjustments) <sup>(2)</sup>	(169,787)
<b>Adjusted NTA of the Group</b>	<b>107,363</b>
Number of issued shares (excluding treasury shares) as at the end of 30 June 2022 ('000)	4,203,586
<b>Adjusted NAV per Share (S\$ cent)</b>	<b>6.59</b>
<b>Adjusted NTA per Share (S\$ cent)</b>	<b>2.55</b>

Source: Management and SAC Capital's calculations

**Notes:**

- (1) As provided by Management, assuming the full impact of the Possible Impairment and Accelerated Amortisation.
- (2) After adjustments based on the full impact of the Possible Impairment and Accelerated Amortisation as provided by Management.

Based on the Adjusted NAV of the Group as at 30 June 2022 and 4,203,585,943 Shares in issue as at 30 June 2022, the Adjusted NAV of the Group amounted to approximately S\$277.15 million or S\$0.066 per Share. We note that the Exit Offer Price represents a premium of approximately 39.4% against the Adjusted NAV per Share of S\$0.066 as at 30 June 2022. Accordingly, the Price-to-Adjusted NAV ("**P/ANAV**") of the Group implied by the Exit Offer Price would be approximately 1.39 times as at 30 June 2022.

Based on the Adjusted NTA of the Group as at 30 June 2022 and 4,203,585,943 Shares in issue as at 30 June 2022, the Adjusted NTA of the Group amounted to approximately S\$107.36 million or S\$0.026 per Share. We note that the Exit Offer Price represents a premium of approximately 253.8% against the Adjusted NTA per Share of S\$0.026 as at 30 June 2022. Accordingly, the Price-to-Adjusted NTA ("**P/ANTANA**") of the Group implied by the Exit Offer Price would be approximately 3.54 times as at 30 June 2022.

For the purpose of evaluating the Exit Offer, we have relied on the P/NAV and P/NTA ratios (before adjustments) of 1.03 times and 4.18 times respectively based on the Group's reported financial position as at 30 June 2022, as we are of the view that any comparison to the Group's Adjusted NAV and/or Adjusted NTA may not be appropriate as such Possible Impairment and Accelerated Amortisation items are consequential one-off effects and are non-cash in nature, and there is also no certainty as to when, if any (or if any, the quantum of the impact), such Possible Impairment and Accelerated Amortisation will materialise.

Shareholders should note that the analysis (including the adjustments due to the Possible Impairment and Accelerated Amortisation, the Adjusted NAV and the Adjusted NTA computations) set out above are purely for illustrative purposes only and do not necessarily reflect the actual results and financial performance and position of the Group in the event the Possible Impairment and Accelerated Amortisation materialise.

Save as disclosed in paragraphs 7.2 and 7.3 of this letter, the Directors have confirmed that as at the Latest Practicable Date and to the best of their knowledge and belief:

- (a) they are not aware of any material difference between the estimated market value of the assets held by the Group and its associates *vis-à-vis* their respective book values recorded in the unaudited statements of financial position of the Group as at 30 June 2022;
- (b) they are not aware of any circumstances which may cause the NAV and NTA of the Group as at the Latest Practicable Date to be materially different from that recorded in

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the latest announced consolidated statement of financial position of the Group as at 30 June 2022;

- (c) there have been no material disposals or acquisitions of assets by the Group between 30 June 2022 and the Latest Practicable Date, and the Group does not have any plans for such impending material disposal or acquisition of assets, conversion of the use of the Group's material assets or material change in the nature of the Group's business;
- (d) there are no indicators of impairment on the intangible assets that would require the Group to perform further impairment tests;
- (e) there are no contingent liabilities, bad or doubtful debts or impairment losses or material events at as the Latest Practicable Date which are likely to have a material impact on the NAV and NTA of the Group as at 30 June 2022;
- (f) there are no litigation, claim or proceedings pending or threatened against the Group or of any fact likely to give rise to any proceedings as at the Latest Practicable Date which would have a material impact on the financial position of the Group as at 30 June 2022; and
- (g) there are no other intangible assets as at the Latest Practicable Date which ought to be disclosed in the statement of financial position of the Group in accordance with the Singapore Financial Reporting Standards (International) and which have not been disclosed that would have a material impact on the NAV and NTA of the Group as at 30 June 2022.

### 7.3.4 Net Debt Position of the Group

The Group recorded cash and cash equivalents, and restricted cash in banks and time deposits of S\$44.5 million as at 30 June 2022. After deducting for current and non-current borrowings, the Group would record a net debt position of S\$104.5 million (or net debt of S\$0.025 per Share). Accordingly, we have not compared the Exit Offer Price *vis-à-vis* the NAV or NTA of the Group on an ex-cash basis.

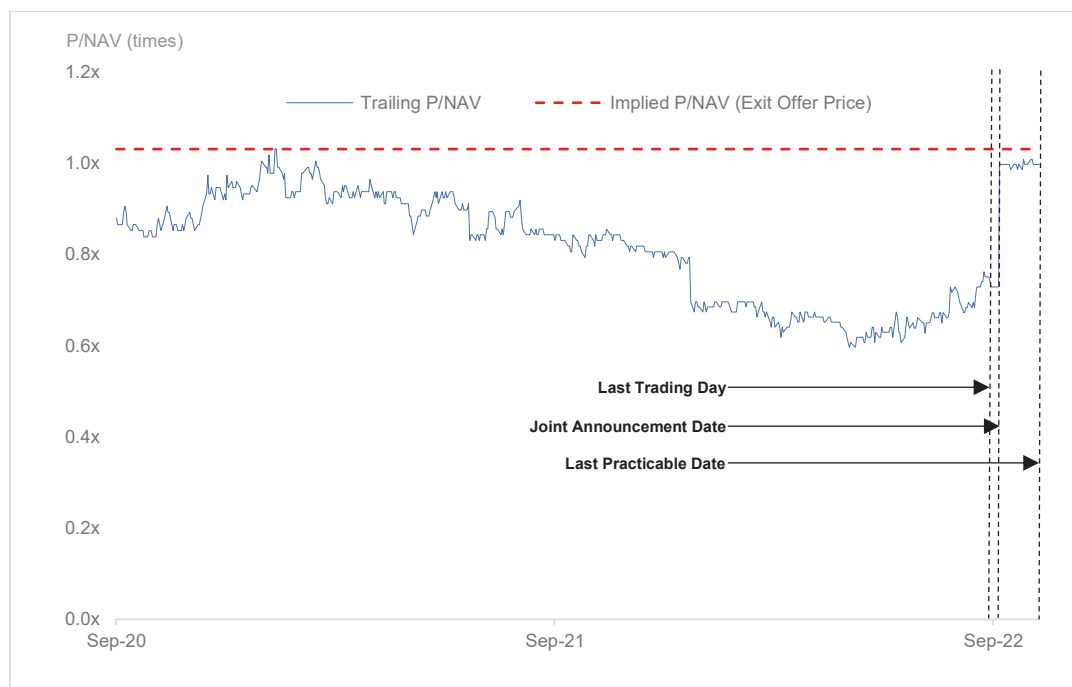
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### 7.3.5 Historical Trailing P/NAV multiples of the Shares

A graphical representation of the historical trading P/NAV multiple of the Shares in the 2-year period prior to and including the Last Trading Day, and up to the Latest Practicable Date, as compared to the P/NAV multiple of the Shares as implied by the Exit Offer Price is set out as follows:



Source: Bloomberg L.P.

From the chart above, we further note that the historical trailing P/NAV multiple of the Shares have largely been trading below the implied P/NAV (Exit Offer Price) multiple of the Shares of 1.03 times, save for two (2) trading days, on 19 and 20 January 2021 respectively.

### 7.4 Comparison of Valuation Statistics of Companies Broadly Comparable to the Group

In considering what may be regarded as a reasonable range of valuation for the purpose of assessing the financial terms of the Exit Offer, we have referred to selected listed companies on various stock exchanges which business activities are broadly comparable with those of the Group to give an indication of the current market expectations with regard to the perceived valuation of these businesses.

The Company is a Singapore-incorporated company which is listed on the Catalist Board of the SGX-ST. The Group is one of the largest water treatment operators in Indonesia and focuses on developing and operating water treatment facilities which include extraction and treatment of raw water, distribution and sale of treated water, collection of sale proceeds and customer services.

In light of the lack of direct comparable companies on the SGX-ST, we have, in consultation with the Management, used the following companies listed on the SGX-ST, the Stock Exchange of Hong Kong (“SEHK”) and the Bursa Malaysia Stock Exchange which are engaged in a similar business, and with market capitalisations of not more than S\$1.0 billion (the “Comparable Companies”) to get an indication of the current market expectations with regard to the perceived valuation of the Group.

We wish to highlight that the Comparable Companies are not exhaustive and there is no listed company or group which may be considered identical to the Group in terms of, *inter alia*,

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business activities, market capitalisation, scale of operations, risk profile, geographical spread, operating and financial leverage, accounting policies, adherence to accounting standards, tax factors, track record and future prospects. In addition, each of the Comparable Companies may engage in other separate business activities which are not related to the principal business of the Group. As such, any comparison made herein is strictly limited in scope and merely serves as an illustrative guide to Shareholders.

Details on the Comparable Companies, including their business descriptions and selected key financial and valuation statistics, are set out below and in Annex A to this letter:

- (a) China Everbright Water Limited;
- (b) SIIC Environmental Holdings Ltd;
- (c) Kangda International Environmental Co., Ltd.;
- (d) Ranhill Utilities Berhad; and
- (e) PBA Holdings Berhad.

In assessing the financial terms of the Exit Offer, we have used the following valuation parameters in our analysis:

Valuation parameter	Description
Price-earnings ratio (“ <b>PER</b> ”)	<p>The historical PER, which illustrates the ratio of the market price of a company’s shares relative to its historical consolidated earnings per share, is commonly used for the purpose of illustrating the profitability, and hence valuation, of a company.</p> <p>We have considered the historical PERs of the Comparable Companies based on their respective last transacted prices on the Latest Practicable Date and trailing 12 months earnings per share <i>vis-à-vis</i> the corresponding historical PER of the Group based on the Exit Offer Price and the trailing 12 months earnings per share.</p>
Price-to-NAV ratio (“ <b>P/NAV</b> ”) or Price-to-NTA ratio (“ <b>P/NTA</b> ”)	<p>An NAV/NTA-based approach is useful to illustrate the extent that the value of each share is backed by assets, and would be more relevant in the case where the group were to change the nature of its business or realise or convert the use of all or most of its assets. The NAV/NTA-based valuation approach may provide an estimate of the value of a company or group assuming the hypothetical sale of all its assets over a reasonable period of time at the aggregate value of the assets used in the computation of the NAV/NTA, with the balance to be distributed to its shareholders after the settlement of all the liabilities and obligations of the company or group.</p> <p>We have considered the historical P/NAV and P/NTA ratios of the Comparable Companies based on their respective last transacted prices on the Latest Practicable Date and latest announced NAV and NTA per share as at the end of the relevant financial year/period (as adjusted for any corporate activities which were undertaken after the latest available balance sheet date that may affect the NAV and NTA per share, where relevant), <i>vis-à-vis</i> the corresponding historical P/NAV and P/NTA ratio of the Group based on the Exit Offer Price and the latest announced NAV and NTA per Share of the Group as at the end of the relevant financial year/period (as adjusted for any corporate activities which were undertaken after the latest available balance sheet date that may affect the NAV and NTA per share, where relevant).</p>

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Valuation parameter	Description
Enterprise value-to-EBITDA ratio (“EV/EBITDA”)	The historical EV/EBITDA ratio illustrates the ratio of the market value of a company’s business relative to its historical consolidated pre-tax operating cashflow performance, without regard to its capital structure, and provides an indication of current market valuation relative to operating performance. “EV” is the sum of a company’s market capitalisation, preferred equity, minority interests, short- and long-term debts less cash and cash equivalents, and represents the actual cost to acquire the entire company. “EBITDA” refers to historical consolidated earnings before interest, tax, depreciation and amortisation expenses. EBITDA can be used to analyse the profitability between companies as it eliminates the effects of financing and accounting decisions.

We have considered the historical EV/EBITDA ratios of the Comparable Companies based on their respective last transacted prices on the Latest Practicable Date, latest available balance sheet values (as adjusted for any corporate activities which were undertaken after the latest available balance sheet date that may affect the EV, where relevant) and trailing 12 months EBITDA *vis-à-vis* the corresponding historical EV/EBITDA ratio of the Group based on the Exit Offer Price and the trailing 12 months EBITDA of the Group.

### Comparative valuation statistics of the Comparable Companies *vis-à-vis* the Group

The following table sets out the comparative valuation statistics of the Comparable Companies *vis-à-vis* the Group as implied by the Exit Offer Price:

Comparable Companies	Market Capitalisation <sup>(1)</sup> (S\$ millions)	Historical PER (times)	Historical P/NAV ratio (times)	Historical P/NTA ratio (times)	Historical EV/EBITDA ratio (times)
China Everbright Water Limited <sup>(2)</sup>	686.6	3.23	0.33	0.51	8.16
SIIC Environment Holdings Ltd <sup>(2)</sup>	425.0	2.91	0.22	0.86	8.92
Kangda International Environmental Co., Ltd.	224.7	3.01	0.25	0.31	8.01
Ranhill Utilities Berhad	138.3	15.85	0.65	n.m. <sup>(3)</sup>	2.79
PBA Holdings Berhad	73.1	4.72	0.32	0.32	2.77
<b>High</b>		<b>15.85</b>	<b>0.65</b>	<b>0.86</b>	<b>8.92</b>
<b>Mean</b>		<b>5.95</b>	<b>0.35</b>	<b>0.50</b>	<b>6.13</b>
<b>Median</b>		<b>3.23</b>	<b>0.32</b>	<b>0.41</b>	<b>8.01</b>
<b>Low</b>		<b>2.91</b>	<b>0.22</b>	<b>0.31</b>	<b>2.77</b>
<b>Company (Implied by the Exit Offer Price)<sup>(4)</sup></b>	<b>386.7</b>	<b>10.14<sup>(5)</sup></b> <b>n.m.<sup>(6)</sup></b>	<b>1.03<sup>(5)</sup></b> <b>1.39<sup>(7)</sup></b>	<b>4.18<sup>(5)</sup></b> <b>3.54<sup>(8)</sup></b>	<b>4.11<sup>(5)</sup></b> <b>6.53<sup>(9)</sup></b>

Sources: *Bloomberg L.P., annual reports and/or announcements of the respective Comparable Companies and SAC Capital’s computations*

#### Notes:

- (1) Based on last traded prices of the respective companies and exchange rates as at the Latest Practicable Date.
- (2) China Everbright Water Limited and SIIC Environment Holdings Limited have a dual primary listing on both the SGX-ST and the SEHK. The market capitalisation and valuation multiples of both companies have been based on last traded price quoted on SGX-ST as at the Latest Practicable Date.

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- (3) Not meaningful as Ranhill Utilities Berhad was in a net tangible liabilities position as at 30 June 2022. Intangible assets comprise intangible assets classified as service concession assets and other intangibles.
- (4) Based on 4,203,585,943 Shares as at the Latest Practicable Date.
- (5) Based on the Group's T12M NPAT of S\$38.14 million, NAV of S\$375.28 million, NTA of S\$92.79 million and T12M EBITDA of S\$125.42 million.
- (6) For illustrative purposes only, based on the assumptions as explained in paragraph 7.2.1 of this letter, the Group would have been in a T12M Adjusted Loss position of S\$59.99 million. As such, the PER is not meaningful.
- (7) For illustrative purposes only, based on the assumptions as explained in paragraph 7.3.3 of this letter, the Adjusted NAV of the Group would have been approximately S\$277.15 million or S\$0.066 per Share.
- (8) For illustrative purposes only, based on the assumptions as explained in paragraph 7.3.3 of this letter, the Adjusted NTA of the Group would have been approximately S\$107.36 million or S\$0.026 per Share.
- (9) For illustrative purposes only, based on the assumptions as explained in paragraph 7.2.1 of this letter, the T12M Adjusted EBITDA of the Group would have been S\$78.96 million.

### Historical PER comparison

We note that the historical PER of 10.14 times of the Group as implied by the Exit Offer Price is:

- (a) within the range of historical PERs of the Comparable Companies of between 2.91 times and 15.85 times; and
- (b) above the corresponding mean and median historical PER of the Comparable Companies of 5.95 times and 3.23 times respectively.

### Historical P/NAV and P/ANAV ratios comparison

We note that the historical P/NAV ratio of 1.03 times and P/ANAV ratio of 1.39 times of the Group as implied by the Exit Offer Price are:

- (a) above the range of historical P/NAV ratios of the Comparable Companies of between 0.22 times and 0.65 times; and
- (b) above the corresponding mean and median historical P/NAV ratios of the Comparable Companies of 0.35 times and 0.32 times respectively.

### Historical P/NTA and P/ANTA ratios comparison

We note that the historical P/NTA ratio of 4.18 times and P/ANTA of 3.54 times of the Group as implied by the Exit Offer Price is:

- (a) significantly above the range of historical P/NTA ratios of the Comparable Companies of between 0.31 times and 0.86 times; and
- (b) significantly above the corresponding mean and median historical P/NTA ratios of the Comparable Companies of 0.50 times and 0.41 times respectively.

### Historical EV/EBITDA ratio comparison

We note that the historical EV/EBITDA ratio of 4.11 times of the Group as implied by the Exit Offer Price is:

- (a) within the range of historical EV/EBITDA ratios of the Comparable Companies of between 2.77 times and 8.92 times; and
- (b) below the range of the corresponding mean and median historical EV/EBITDA ratios of the Comparable Companies of 6.13 times and 8.01 times respectively.



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### Historical EV/AEBITDA ratio comparison

We note that the historical EV/AEBITDA ratio of 6.53 times of the Group as implied by the Exit Offer Price is:

- (a) within the range of historical EV/EBITDA ratios of the Comparable Companies of between 2.77 times and 8.92 times; and
- (b) above the mean historical EV/EBITDA ratio of the Comparable Companies of 6.13 times and below the median historical EV/EBITDA ratio of the Comparable Companies of 8.01 times.

### Estimated range of value of the Shares

In deriving a range of values for the Shares, we have considered the mean and median PER, P/NAV and EV/EBITDA valuation multiples as our primary valuation methodology.

Valuation Parameter	Implied Valuation Range (S\$ million)	
	Mean	Median
PER	226.8	123.4
P/NAV	132.7	118.4
EV/EBITDA	639.5	875.3
<b>Average</b>	<b>333.0</b>	<b>372.4</b>
<b>Implied Share Price (S\$)</b>	<b>0.079</b>	<b>0.089</b>

Based on the above, the overall range of derived theoretical valuations is between approximately S\$333.0 million and S\$372.4 million, which translate to between S\$0.079 and S\$0.089 per Share. We note that the Exit Offer Price of S\$0.092 is above our estimated value range of the Shares.

## **7.5 Comparison with Recent Successful Privatisation Transactions and Delisting Offers of Companies Listed on the SGX-ST**

In assessing the reasonableness of the Exit Offer, we have compared the financial terms of the Exit Offer with: (a) selected recent successful privatisation transactions in cash announced on the SGX-ST during the 12-month period prior to the Joint Announcement Date, whether by way of a general offer under the Code or a scheme of arrangement under Section 210 of the Companies Act where the offeror has stated its intention to delist the target company from the Official List of the SGX-ST; and (b) selected recent completed delisting cash offers under Rule 1307 of the Catalist Rules announced during the 12-month period prior to the Joint Announcement Date (collectively, the “**Take-over Transactions**”).

This analysis serves as a general indication of the relevant premium/discount that the offerors had paid in order to acquire the target companies without having regard to their specific industry characteristics or other considerations, and the comparison sets out:

- (a) the premium or discount represented by each of the respective offer prices to the last transacted prices and VWAPs over the 1-month, 3-month, 6-month and 12-month periods prior to the announcement of the Take-over Transactions; and
- (b) the premium or discount represented by each of the respective offer prices to the NAV/NTA of the respective target companies, where applicable. As some of the Take-over Transactions had undertaken revaluations and/or adjustments to their assets which may have a material impact on their last announced book values, we have also, where relevant, compared the financial terms of such offer transactions with the revalued NAV (or revalued NTA where applicable) and/or adjusted NAV (or adjusted NTA where applicable) of the Take-over Transaction.

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We wish to highlight that the Take-over Transactions set out below are by no means exhaustive. In addition, as the Group is not directly comparable to the target companies involved in the Take-over Transactions in terms of business activities, scale of operations, market capitalisation, geographical spread, risk profile, accounting policies, financial performance, operating and financial leverage, track record and future prospects, the comparison merely serves as a general guide to provide an indication of the premia/discounts paid in connection with privatisation transactions and delisting offers of companies listed on the SGX-ST. Each of the Take-over Transactions must be judged on its own commercial and financial merits. Shareholders should also note that the premium (if any) to be paid by an offeror in a privatisation transaction or delisting offer varies in different circumstances depending on, *inter alia*, the offeror's intentions with regard to the target company, the potential synergy that the offeror can gain from acquiring the target company, the attractiveness of the underlying business, prevailing market expectations and the presence of competing bids. Conclusions drawn from the comparisons made may not reflect any perceived market valuation of the Company.

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Company	Date of offer announcement	Offer price (S\$)	Last transacted price	Premium/(Discount) of offer price over				Offer price-to-NAV / NTA ratio (times) <sup>(1)</sup>	
				1-month VWAP	3-month VWAP	6-month VWAP	12-month VWAP		
				Prior to announcement of offer (%)					
Roxy-Pacific Holdings Limited	20 September 2021	0.485	19.8 <sup>(2)</sup>	20.9 <sup>(2)</sup>	23.4 <sup>(2)</sup>	30.4 <sup>(2)</sup>	37.0 <sup>(2)</sup>	0.64 <sup>(3)</sup>	
SingHaiyi Group Ltd	9 November 2021	0.117	8.3	7.3	10.4	18.2	19.4	0.60 <sup>(4)</sup>	
Starburst Holdings Limited	10 November 2021	0.238	5.8	3.9	9.2	12.8	25.3	1.84 <sup>(5)</sup>	
United Global Limited	10 December 2021	0.450	12.5	16.6	16.6	16.3	14.2	1.06 <sup>(6)</sup>	
Koufu Group Limited	29 December 2021	0.770	15.8	14.4	13.6	15.1	15.3	3.21 <sup>(7)</sup>	
Shinvest Holding Ltd.	16 February 2022	3.500	12.9	8.5	10.2	10.1	14.3	0.66 <sup>(8)</sup>	
Singapore O&G Ltd.	7 March 2022	0.295	15.7	14.8	12.2	11.3	11.3	3.30	
Excelpoint Technology Ltd.	13 April 2022	0.193	21.40 <sup>(9)</sup>	36.6 <sup>(9)</sup>	31.3 <sup>(9)</sup>	45.9 <sup>(9)</sup>	72.3 <sup>(9)</sup>	1.53 <sup>(10)</sup>	
Hwa Hong Corporation Limited	17 May 2022	0.400 <sup>(11)</sup>	37.9	36.1	32.0	22.0	24.6	0.79 <sup>(12)</sup>	
T T J Holdings Limited	20 May 2022	0.230	36.1	33.7	28.5	27.8	28.5	0.50 <sup>(13)</sup>	
Allied Technologies Limited	17 June 2022	0.011 <sup>(14)</sup>	_(15)	_(15)	_(15)	_(15)	_(15)	0.35 <sup>(16)</sup>	
GYP Properties Limited	8 July 2022	0.200 <sup>(17)</sup>	34.2	37.9	33.3	28.2	30.7	0.69 <sup>(18)</sup>	
Silkroad Nickel Ltd.	29 August 2022	0.420	2.4	4.7	5.0	(5.6)	(3.2)	5.20 <sup>(19)</sup>	
			<b>High</b>	<b>37.9</b>	<b>37.9</b>	<b>33.3</b>	<b>45.9</b>	<b>72.3</b>	<b>5.20</b>
			<b>Mean</b>	<b>18.6</b>	<b>19.6</b>	<b>18.8</b>	<b>19.4</b>	<b>24.1</b>	<b>1.57</b>
			<b>Median</b>	<b>15.8</b>	<b>15.7</b>	<b>15.1</b>	<b>17.3</b>	<b>22.0</b>	<b>0.79</b>
			<b>Low</b>	<b>2.4</b>	<b>3.9</b>	<b>5.0</b>	<b>(5.6)</b>	<b>(3.2)</b>	<b>0.35</b>
<b>Company (Implied by the Exit Offer Price)</b>	<b>14 September 2022</b>	<b>0.092</b>	<b>41.5<sup>(20)</sup></b>	<b>43.8<sup>(20)</sup></b>	<b>48.4<sup>(20)</sup></b>	<b>48.4<sup>(20)</sup></b>	<b>46.0<sup>(20)</sup></b>	<b>1.03<sup>(21)</sup></b> <b>4.18<sup>(22)</sup></b> <b>1.39<sup>(23)</sup></b> <b>3.54<sup>(24)</sup></b>	

Sources: Announcements and circulars to shareholders in relation to the respective Take-over Transactions and SAC Capital's computations.

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### Notes:

- (1) Based on the NAV per share or revalued NAV per share or adjusted NAV per share or NTA per share or revalued NTA per share or adjusted revalued NTA per share, as the case may be, as extracted from the independent financial adviser's letters for the respective companies.
- (2) On 15 September 2021, Roxy-Pacific Holdings Limited's shares were halted before the pre-conditional offer announcement that was announced on 20 September 2021. The market premia in the table above were computed based on the share prices for the period(s) prior to and including 14 September 2021, being the last Market Day prior to the announcement of the possible transaction.
- (3) Based on the revalued NAV per share of Roxy-Pacific Holdings Limited as at 30 June 2021.
- (4) Based on the revalued NAV per share of SingHaiyi Group Ltd as at 30 September 2021.
- (5) Based on the revalued NAV per share of Starburst Holdings Limited as at 30 June 2021.
- (6) Based on the NAV per share of United Global Limited as at 30 June 2021. We noted from the independent financial adviser's letter that no adjustments to the NAV per share of United Global Limited as at 30 June 2021 was required.
- (7) Based on the revalued NAV per share of Koufu Group Limited as at 30 June 2021.
- (8) Based on the adjusted revalued NTA per share of Shinvest Holding Ltd as at 31 August 2021.
- (9) The market premia in the table above were computed based on the share prices for the period(s) prior to and including 25 March 2022, being the last Market Day prior to the announcement by Excelpoint Technology Ltd. of a possible transaction.
- (10) Based on the NTA per share of Excelpoint Technology Ltd. as at 31 December 2021. We noted from the independent financial adviser's letter that no adjustments to the NTA per share of Excelpoint Technology Ltd. as at 31 December 2021 was required.
- (11) On 7 June 2022, a revised offer price of S\$0.400 per share was announced. Accordingly, the market premia in the table above were computed based on the revised offer price of S\$0.400 per share.
- (12) Based on the adjusted revalued NAV per share of Hwa Hong Corporation Limited as at 31 December 2021.
- (13) Based on the revalued NAV per share of T T J Holdings Limited as at 31 January 2022.
- (14) On 3 August 2022, a revised offer price of S\$0.011 per share was announced.
- (15) We note that shares in Allied Technologies Limited had been suspended since 8 May 2019. Since there were no public market for the shares in Allied Technologies Limited for more than three (3) years, any comparison of the market premia to the historical share prices prior to the suspension will not be meaningful.
- (16) Based on the adjusted NAV per share of Allied Technologies Limited as at 31 March 2022.
- (17) On 1 September 2022, a revised offer of S\$0.188 per share was announced. Subsequently, on 13 September 2022, a final revised offer of S\$0.200 per share was announced. Accordingly, the market premia in the table above were computed based on the revised offer price of S\$0.200 per share.
- (18) Based on the revalued NTA per share of GYP Properties Limited as at 30 June 2022.

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- (19) Based on the NTA per share of Silkroad Nickel Ltd. as at 30 June 2022. We noted from the independent financial adviser's letter that no adjustments were made to the NTA per share of Silkroad Nickel Ltd. as at 30 June 2022. In particular, we noted from the independent financial adviser's letter that no valuations have been conducted in connection with the offer on the property, plant and equipment of Silkroad Nickel Ltd. and its subsidiaries (the "**Silkroad Group**"), which made up approximately 37.8% of the Silkroad Group's total assets as at 30 June 2022.
- (20) On 9 September 2022, the Company announced the Trading Halt. Subsequently, the Company released the Joint Announcement on 14 September 2022 before trading hours. The market premia in the table above were computed based on the share prices for the period(s) prior to and including 8 September 2022, being the Last Trading Day.
- (21) Based on the NAV of the Group of approximately S\$375.3 million or S\$0.089 per Share, as set out in paragraph 7.3.2 of this letter.
- (22) Based on NTA of the Group of approximately S\$92.8 million or S\$0.022 per Share, as set out in paragraph 7.3.2 of this letter.
- (23) For illustrative purposes only, based on the assumptions as explained in paragraph 7.3.3 of this letter, the Adjusted NAV of the Group would have been approximately S\$277.15 million or S\$0.066 per Share.
- (24) For illustrative purposes only, based on the assumptions as explained in paragraph 7.3.3 of this letter, the Adjusted NTA of the Group would have been approximately S\$107.36 million or S\$0.026 per Share.

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We note that in respect of the Take-over Transactions:

- (a) the premium of the Exit Offer Price over the last transacted price of the Shares on the Last Trading Day of approximately 41.5% is above the range of the corresponding premia of the Take-over Transactions of between 2.4% and 37.9%;
- (b) the premium of the Exit Offer Price over the VWAP of the Shares for the 1-month period prior to the Last Trading Day of approximately 43.8% is above the range of the corresponding premia of the Take-over Transactions of between 3.9% and 37.9%;
- (c) the premium of the Exit Offer Price over the VWAP of the Shares for the 3-month period prior to the Last Trading Day of approximately 48.4% is above the range of the corresponding premia of the Take-over Transactions of between 5.0% and 33.3%;
- (d) the premium of the Exit Offer Price over the VWAP of the Shares for the 6-month period prior to the Last Trading Day of approximately 48.4% is above the range of the corresponding (discount)/premium of the Take-over Transactions of between (5.6)% and 45.9%;
- (e) the premium of the Exit Offer Price over the VWAP of the Shares for the 12-month period prior to the Last Trading Day of approximately 46.0% is:
  - (i) within the range of the corresponding (discount)/premium of the Take-over Transactions of between (3.2)% and 72.3%; and
  - (ii) above the corresponding mean and median premia of 24.1% and 22.0% of the Take-over Transactions respectively;
- (f) the P/NAV and P/ANAV ratios as implied by the Exit Offer Price of 1.03 times and 1.39 times respectively is:
  - (i) within the range of Price-to-NAV/NTA ratios of the Take-over Transactions of between 0.35 times and 5.20 times; and
  - (ii) above the median Price-to-NAV/NTA ratio of the Take-over Transactions of 0.79 times but below the mean Price-to-NAV/NTA ratio of the Take-over Transactions of 1.57 times; and
- (g) the P/NTA and P/ANTA ratios as implied by the Exit Offer Price of 4.18 times and 3.54 times respectively is:
  - (i) within the range of Price-to-NAV/NTA ratios of the Take-over Transactions of between 0.35 times and 5.20 times; and
  - (ii) above the corresponding mean and median of Price-to-NAV/NTA ratios of the Take-over Transactions of 1.57 times and 0.79 times respectively.

### 7.6 Dividend track record of the Company

We note that the Company had not declared any dividends for the last nine (9) financial years (being the financial year ended 31 December 2013 to FY2021). Based on the confirmation from the Directors, we understand that the Company does not have a fixed dividend policy and the form, frequency, and amount of dividends declared will take into account, *inter alia*, level of cash and reserves, results of operations, business prospects, capital requirements and other factors that the Directors may deem appropriate. As disclosed in the Company's unaudited financial results for FY2021 and 1H2022, we note that the Board did not recommend any dividends to be declared for FY2021 and 1H2022 as the Board deems it appropriate to retain the cash for the Group's capital expenditure and for the Group's future growth.

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For the purpose of analysing the Exit Offer, we have considered that Shareholders who accept the Exit Offer may re-invest the proceeds from the Exit Offer in alternative investments, for example, broad market index instrument such as the STI Exchange Traded Fund (“STI ETF”).

The STI ETF declared and paid dividends totalling S\$0.083 for each unit in 2021. Based on the closing price of the one STI ETF unit of S\$3.065 as at the Latest Practicable Date, the dividend yield of the STI ETF is 2.7%. As the Company did not pay any dividends with respect to the last nine (9) financial years, hence as compared to the STI ETF, the dividend yield for the Company is less favourable. Notwithstanding the above, there is no assurance that the STI ETF will maintain its dividend distribution at the same level and Shareholders will be able to increase their investment income by liquidating their investment in the Company and reinvesting their proceeds in STI ETF.

We wish to highlight that the above dividend analysis merely serves as an illustrative guide only. It should be noted that an investment in the STI ETF also presents different risk-return profiles as compared to an investment in the Company and the above analysis ignores the effect of any potential capital gain or capital loss (including any taxes that may be applicable) that may accrue to Shareholders arising from their investment in the Shares due to market fluctuations in the price of the Shares during the relevant corresponding periods in respect of which the above dividend yields were analysed. Moreover, we wish to highlight that the above analysis is not an indication of the future dividend policy for the Company and there is no assurance that, *inter alia*, the Company will or will not pay dividends in the future and/or maintain the level of dividends paid in past periods (if any).

### 7.7 Other Relevant Considerations

#### 7.7.1 Outlook of the Group

We note that the Group had, in its unaudited 1H2022 results announcement dated 28 July 2022, included a commentary on 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, extracts of which are reproduced in italics below:

*“The Group is focusing on organic growth of its operating subsidiaries.*

*PT Tirta Kencana Cahaya Mandiri (“TKCM”) has completed the installation of its 8.4 km pipe network. The construction of reservoir and recycle backwash system are expected to be completed in the third quarter of 2022. Following completion of the construction, the Group expects an increase in TKCM water sales volume.*

*PT Moya Tangerang (“MT”) has been continuously working on the pipe network installation in Tangerang city, which is expected to be completed by end of 2023. The Group expects an increase in MT water sales volume upon completion of the installation.*

*PT Air Semarang Barat (“ASB”), a joint venture company owned by AAJ and PT Medco Infrastruktur Indonesia, has a cooperation agreement with Perusahaan Daerah Air Minum Tirta Moedal Semarang (“PDAM Semarang”), the municipal water company of Semarang city. The project has a 25-year concession period (commencing from 22 May 2021) with a water treatment capacity of up to 1,000 lps. Entering the second year of its operation, ASB water sales volume is starting to increase steadily. The increase of water sales volume will increase the reliability of clean water supply to the customers and therefore will increase the service coverage ratio of clean water in Semarang city. The Group expects the project to further expand and strengthen its business in the water treatment industry in Indonesia.*

*On 17 June 2022, PT Moya Indonesia (“PT MI”) in consortium with PT Pembangunan Perumahan (Persero) Tbk (“PP”) has won a tender to manage the operation and maintenance of the upstream and downstream of water supply system (“Project”) in Batam, Indonesia. The Project will have a 15-year concession period after the handover date of operation and maintenance from Badan Pengusahaan Batam (Batam Free Trade Zone and Free Port Authority), an Indonesia Government Agency. For the purpose of the Project, PT MI and PP*



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*will establish two joint ventures in Indonesia whereby PT MI and PP will own 60% and 40% interest, respectively, for both joint ventures.*

*Besides focusing on organic growth, the Group is also looking for opportunities to further expand its business via participation in new tender, either Business-to-Business or Public-to-Private Partnership, as well as mergers and acquisitions to deliver greater value to the shareholders of the Company and to enhance the Group's profitability. Due to the general market uncertainties arising from the COVID-19 pandemic, the Group will continue to closely monitor the global economic condition and mandatory health protocol implementation that might affect the expansion growth of the Group and will update shareholders of the Company as and when necessary."*

We also note that the Company has on, 17 October 2022, released an announcement in relation to the winning of tender and entry into cooperation agreements for water supply system projects in Jakarta, Indonesia, extracts of which are reproduced in italics below:

### *"COOPERATION AGREEMENTS*

*Under the tender, PAM JAYA intends to enter into 3 (three) cooperation arrangements with a private water treatment company to optimize the existing water assets ("Project Brownfield") and to build new water assets ("Project Greenfield") in Jakarta on behalf of PAM JAYA (collectively, the "Projects"). The Projects will have a 25-year cooperation period, which is expected to start from 2 February 2023.*

*Following the award of the tender, MI had, on 14 October 2022, entered into 3 (three) cooperation agreements with PAM JAYA for the Projects which consist of:*

- (i) A master cooperation agreement, which will be effective on 2 February 2023;*
- (ii) a cooperation agreement to optimize the existing water assets which will be effective on 3 April 2023; and*
- (iii) a cooperation agreement to build new water assets which will be effective on 3 April 2023.*

### *INFORMATION ON THE PROJECTS*

*The scope of Project Brownfield is rehabilitation, operation and maintenance for the existing water treatment plants under the Rehab-Operate-Transfer ("ROT") scheme. The existing water treatment plants have an aggregate production capacity of up to 16,800 litres per second ("lps"). Project Brownfield will commence on 3 May 2023.*

*The scope of Project Greenfield consists of the following:*

- (i) installation of pipe distribution network and new customer connections to supply the drinking water from SPAM Jatiluhur-1 to the customers;*
- (ii) installation of pipe distribution network and new customer connections to supply the drinking water from SPAM Karian Serpong to the customers;*
- (iii) construction, operation and maintenance of a new water treatment plant in Buaran with 3,000 lps capacity ("Buaran-3 WTP") under a Build-Operate-Transfer ("BOT") scheme; and*
- (iv) installation of pipe distribution network and new customer connections to supply the drinking water from Buaran-3 WTP to the customers.*

*SPAM Jatiluhur-1 and SPAM Karian Serpong are National Strategic Projects organized by the Ministry of Public Works and Housing of Indonesia to build water treatment plants of each 4,750 lps and 4,600 lps, respectively. The water treatment plants will supply most of their treated*

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water to the Jakarta area by utilizing the pipe distribution network to be installed under the Projects.

Construction under Project Greenfield will commence on 4 April 2023 and is expected to be completed within 6 (six) years.

The Projects are estimated to require a total capital expenditure of approximately Rp26.75 trillion (approximately S\$2.5 billion), which the Group expects to seek funding from a combination of lenders and shareholders.

In view that the Projects will only commence in the second quarter of 2023 (as disclosed under paragraphs 3.1 and 3.4 above), the Projects are not expected to have any material impact on the consolidated net tangible assets per share and earnings per share of the Group for the current financial year ending 31 December 2022.

### EXPIRATION OF EXISTING COOPERATION AGREEMENT AND FINANCIAL EFFECTS

The existing cooperation agreement between PT Aetra Air Jakarta (“AAJ”), a wholly-owned subsidiary of the Company, and PAM JAYA will expire on 1 February 2023. Consequently, AAJ is expected to cease its current operations under the existing cooperation agreement with PAM JAYA, with effect from 1 February 2023.

Due to AAJ expecting to cease its current operations from 1 February 2023, there is a possibility the Group will be in a loss position for the current financial year ending 31 December 2022 due to the possibility of impairment of goodwill and accelerated amortisation of intangible assets that are associated with AAJ. Consequently, the previous statement made by the Company in its quarterly business update announcement on 27 May 2022, whereby the Company stated that “Notwithstanding, barring any unforeseen circumstances, the Group expects to remain profitable for the financial year ending 31 December 2022.”, is no longer applicable.

Shareholders of the Company (the “Shareholders”) should note that the aforementioned statement is subject to a number of risks and uncertainties that could cause actual events and/or results to differ materially from those disclosed in this announcement.”

The above statement that, *inter alia*, there is a possibility the Group will be in a loss position for the current FY2022 due to the Possible Impairment and Accelerated Amortisation constitutes as a revised statement of prospects (of the previous statement made by the Company in its quarterly business update announcement on 27 May 2022) made by the Directors, which are required to be examined and reported on by the auditors and ourselves, as the IFA, under Rule 25 of the Code.

Please refer to our letter on the revised statement of prospects and the letter from the auditors as set out in Appendices I and H to the Circular respectively.

#### 7.7.2 Previous acquisition of Shares by the Offeror

The Offeror had, on 25 February 2015, entered into a subscription agreement with the Company, to subscribe for an aggregate of 367,539,686 new Shares in the capital of the Company, at an issue price of S\$0.08 for each Share, representing in aggregate approximately 29.00% of the enlarged share capital of the Company (“**Subscription Agreement**”). The Subscription Agreement also constitutes a transfer of a controlling interest to the Offeror.

Based on the notification announcements made by the Company, we also note that the Offeror had made the following acquisition of Shares in the following periods:

- (a) on 27 November 2015, the Company announced its intention to undertake a renounceable non-underwritten rights issue of up to 1,598,472,786 Shares at an issue price of S\$0.033 per rights share (“**2015 Rights Issue**”). On 26 January 2016, we

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noted that 1,363,636,363 Shares were issued and allotted to the Offeror pursuant to the 2015 Rights Issue;

- (b) on 25 January 2018, we noted that the Offeror had entered into a married deal for the acquisition of 200,000,000 Shares for a total consideration of S\$20.0 million, which amounted to \$0.100 per Share ("**2018 Married Deal**"); and
- (c) on 22 May 2018, the Company announced its intention to undertake a renounceable non-underwritten rights issue of up to 1,405,661,981 Shares at an issue price of S\$0.095 per rights share ("**2018 Rights Issue**"). On 6 July 2018, we noted that 1,130,877,224 Shares were issued and allotted to the Offeror pursuant to the 2018 Rights Issue.

Notwithstanding that the past acquisitions above undertaken by the Offeror were dated back in 2015, 2016 and 2018, we note that the weighted average cost per Share for the Offeror, from the Subscription Agreement, 2015 Rights Issue, 2018 Married Deal and 2018 Rights Issue, amounted to approximately S\$0.066 per Share ("**Weighted Average Cost**"). For illustrative purposes only, we note that the Exit Offer price represents a premium of approximately 39.4% to the Weighted Average Cost of the past acquisitions of Shares by the Offeror.

Shareholders should note that the above comparison serves only as an illustrative guide as the determination of the transacted prices relating to the above transactions were dependent on, *inter alia*, the circumstances and market sentiment prevailing at the time of the transactions.

### 7.7.3 No further revision of the Exit Offer Price

We note that as set out in the Joint Announcement, the Offeror does not intend to revise the Exit Offer Price under any circumstances. Therefore, in accordance with Rule 20.2 of the Code, the Offeror will not be allowed to increase the Exit Offer Price subsequently.

### 7.7.4 Director's intention in relation to the Exit Offer

As set out in paragraph 7.2 of Appendix B to the Circular, we note that as at the Latest Practicable Date, Simon A. Melhem, a Director who has a direct interest in 1,400,000 Shares, has informed the Company that, in his capacity as Shareholder, he intends to vote all of his Shares in favour of the Delisting Resolution and accept the Exit Offer in respect of all of his Shares.

### 7.7.5 Absence of alternative or competing offers

As at the Latest Practicable Date, other than the Exit Offer, there is no publicly available evidence of an alternative or competing offer for the Shares from any other party. We note that the likelihood of an alternative or competing offer from any third party is remote in view that as at the Latest Practicable Date, the Offeror holds an aggregate of 3,062,053,273 Shares, representing approximately 72.84% of the total number of issued Shares. Further, we note that the market price of the Shares had not traded above the Exit Offer Price since the Joint Announcement Date to the Latest Practicable Date, and hence the present Exit Offer by the Offeror, as at the Latest Practicable Date, appears to be the highest exit offer price for the Shareholders.

In addition, the Directors have confirmed that as at the Latest Practicable Date, apart from the Exit Offer, they have not received any alternative or competing offer for the Shares from any other party.

### 7.7.6 Statutory control over the Company by the Offeror

Shareholders should note that, as at the Latest Practicable Date, the Offeror, holding 3,062,053,273 Shares, representing approximately 72.84% of the total number of issued Shares, already has effective statutory control over the Company. This places the Offeror in a position to significantly influence, *inter alia*, the management, operating and financial policies

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of the Company and the ability to pass all ordinary and/or special resolutions at the Company's general meetings on matters in which the Offeror does not have any interest, save for situations where any of the Offeror is required by rules or authorities to abstain from voting.

### 7.7.7 Compulsory Acquisition

As set out in paragraph 8 of the Exit Offer Letter, pursuant to Section 215(1) of the Companies Act, in the event that the Offeror receives valid acceptances pursuant to the Exit Offer (or otherwise acquires Shares during the period when the Exit Offer is open for acceptance) in respect of not less than 90% of the total number of issued Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Exit Offer and excluding any Shares held by the Company as treasury shares), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares of the Dissenting Shareholders at a price equal to the Exit Offer Price.

The Offeror intends to make the Company its wholly-owned subsidiary. Accordingly, when entitled, the Offeror intends to exercise its right of compulsory acquisition under Section 215(1) of the Companies Act.

### 7.7.8 Effects of the Exit Offer and Delisting

Shareholders should note that in the event that the Delisting Resolution is passed at the EGM in accordance with the requirements of the Catalist Rules, subject to the SGX-ST's Approval, the Company will be delisted from the Official List of the SGX-ST on or after the close of the Exit Offer, (a) irrespective of the number of acceptances received by the Offeror in respect of the Exit Offer, and (b) whether or not they have attended or voted at the EGM, and if they have attended and voted, whether or not they have voted in favour of the Delisting Resolution. The Delisting is also conditional upon the SGX-ST's Approval. If the Delisting Resolution Approval Condition is satisfied but the SGX-ST's Approval is, for any reason, not obtained, the Exit Offer will become unconditional but the Company will remain listed on the Official List of the SGX-ST. If the Company is delisted, Dissenting Shareholders will hold unlisted Shares in the Company as an unlisted company unless the Offeror becomes entitled to, and exercises its right to, compulsorily acquire all the Shares of the Dissenting Shareholders.

Shareholders should note that shares of unlisted companies are generally valued at discount to the shares of comparable listed companies due to the lack of liquidity and marketability. Following the Delisting, it is likely to be difficult for Shareholders who do not accept the Exit Offer to sell their Shares in the absence of a public market for the Shares, as there is no arrangement for such Shareholders to exit. Even if such Shareholders were able to sell their Shares, they would likely receive a lower price as compared with the market prices of the shares of comparable listed companies, or as compared with the Exit Offer Price. Further, any transfer or sale of Shares represented by share certificates will be subject to stamp duty.

Shareholders should also note that, under the Code, except with the consent of the SIC, neither the Offeror nor any person acting in concert with it may, within six (6) months of the close of the Exit Offer, make a second offer to, or acquire any Shares from, any Shareholder on terms better than those made available under the Exit Offer.

If the Company is delisted from the Official List of the SGX-ST, the Company (as a Singapore-incorporated company) will remain subject to the provisions of the Companies Act and may be subject to provisions of the Code, but will no longer be subject to the provisions of the Catalist Rules. Shareholders at such time may wish to seek their own independent legal advice to familiarise themselves with their rights, *inter alia*, as a shareholder of a Singapore-incorporated company under the Companies Act.

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### 8. OUR OPINION AND ADVICE

#### 8.1 Key Considerations of the Exit Offer

In arriving at our opinion and advice in respect of the Exit Offer, we have taken into account, and reviewed the following key considerations, which we consider to be pertinent in our assessment of the Exit Offer. The following should be read in conjunction with, and in the context of, the full text of this letter:

- (a) an assessment of the market quotation and trading liquidity of the Shares as follows:
  - (i) in relation to the Share prices:
    - (aa) the closing prices of the Shares being below the Exit Offer Price for the 12-month period up to and including the Last Trading Day;
    - (bb) the Exit Offer Price representing a premium of approximately 70.4% and 35.3% over the lowest and highest closing prices of the Shares during the 12-month period up to and including the Last Trading Day respectively;
    - (cc) the Exit Offer Price represents a premium of 46.0%, 48.4%, 48.4% and 43.8% over the VWAP of the Shares for the 12-, 6-, 3- and 1-month periods up to and including the Last Trading Day respectively;
    - (dd) the Exit Offer Price representing a premium of approximately 41.5% over the closing price of the Shares of S\$0.065 on the Last Trading Day;
    - (ee) the Exit Offer Price represents a premium of 3.4% to the VWAP of the Shares for the period from the Joint Announcement Date and up to the Latest Practicable Date;
    - (ff) the Exit Offer Price represents a premium of 3.4% over the closing price of the Shares of S\$0.089 on the Latest Practicable Date; and
  - (ii) in relation to trading liquidity of the Shares:
    - (aa) the ADTV of the Shares as a percentage of the free float ranged between approximately 0.19% and 0.58% for the 12-, 6-, 3- and 1-month periods up to and including the Last Trading Day;
    - (bb) the ADTV of the Shares as a percentage of the free float was approximately 0.80% for the period from the Joint Announcement Date and up to the Latest Practicable Date; and
    - (cc) the Shares are traded almost daily, and were traded on 88.9%, 90.5%, 98.4% and 100.0% of the Market Days for the 12-, 6-, 3- and 1-month periods prior to and including the Last Trading Day;
- (b) historical financial performance of the Group, as set out in paragraph 7.2 of this letter;
- (c) in relation to the book NAV and NTA of the Group:
  - (i) as set out in paragraph 7.3.2 of this letter, the Exit Offer Price represents a premium of approximately 3.4% against the NAV per Share of S\$0.089 as at 30 June 2022. Accordingly, the P/NAV of the Group implied by the Exit Offer Price would be approximately 1.03 times as at 30 June 2022. We further note that the Exit Offer Price represents a premium of approximately 318.2% against the NTA per Share of S\$0.022 as at 30 June 2022. Accordingly, the P/NTA of



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- the Group implied by the Exit Offer Price would be approximately 4.18 times as at 30 June 2022; and
- (ii) the historical trailing P/NAV multiple of the Shares have largely been trading below the implied P/NAV (Exit Offer Price) multiple of the Shares of 1.03 times, save for two (2) trading days, on 19 and 20 January 2021 respectively;
- (d) in relation to the Adjusted NAV and Adjusted NTA of the Group as set out in paragraph 7.3.3 of this letter, the Exit Offer Price represents a premium of approximately 39.4% against the Adjusted NAV per Share of S\$0.066 as at 30 June 2022. Accordingly, the P/ANAV of the Group implied by the Exit Offer Price would be approximately 1.39 times as at 30 June 2022. We further note that the Exit Offer Price represents a premium of approximately 253.8% against the Adjusted NTA per Share of S\$0.026 as at 30 June 2022. Accordingly, the P/ANTA of the Group implied by the Exit Offer Price would be approximately 3.54 times as at 30 June 2022; and
- (e) a comparison with the valuation statistics of the Comparable Companies as follows:
- (i) the historical PER of 10.14 times of the Group as implied by the Exit Offer Price being: (aa) within the range of historical PERs of the Comparable Companies of between 2.91 times and 15.85 times; and (bb) above the corresponding mean and median historical PER of the Comparable Companies of 5.95 times and 3.23 times respectively;
  - (ii) the historical P/NAV ratio of 1.03 times and P/ANAV ratio of 1.39 times of the Group as implied by the Exit Offer Price being above the range of historical P/NAV ratios of the Comparable Companies of between 0.22 times and 0.65 times;
  - (iii) the historical P/NTA ratio of 4.18 times and P/ANTA of 3.54 times of the Group as implied by the Exit Offer Price being significantly above the range of historical P/NTA ratios of the Comparable Companies of between 0.31 times and 0.86 times;
  - (iv) the historical EV/EBITDA ratio of 4.11 times of the Group as implied by the Exit Offer Price being: (aa) within the range of historical EV/EBITDA ratios of the Comparable Companies of between 2.77 times and 8.92 times; and (bb) below the range of the corresponding mean and median historical EV/EBITDA ratios of the Comparable Companies of 6.13 times and 8.01 times respectively;
  - (v) the historical EV/AEBITDA ratio of 6.53 times of the Group as implied by the Exit Offer Price being: (aa) within the range of historical EV/EBITDA ratios of the Comparable Companies of between 2.77 times and 8.92 times; and (bb) above the mean historical EV/EBITDA ratio of Comparable Companies of 6.13 times but below the median historical EV/EBITDA ratio of Comparable Companies of 8.01 times;
  - (vi) the Exit Offer Price of S\$0.092 is above the estimated value range of the Shares of S\$0.079 and S\$0.089 per Share;
- (f) a comparison with recent successful privatisation transactions and delisting offers of companies listed on the SGX-ST as follows:
- (i) the premium of the Exit Offer Price over the last transacted price of the Shares on the Last Trading Day of approximately 41.5% is above the range of the corresponding premia of the Take-over Transactions of between 2.4% and 37.9%;
  - (ii) the premium of the Exit Offer Price over the VWAP of the Shares for the 1-month period prior to the Last Trading Day of approximately 43.8% is above

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- the range of the corresponding premia of the Take-over Transactions of between 3.9% and 37.9%;
- (iii) the premium of the Exit Offer Price over the VWAP of the Shares for the 3-month period prior to the Last Trading Day of approximately 48.4% is above the range of the corresponding premia of the Take-over Transactions of between 5.0% and 33.3%;
  - (iv) the premium of the Exit Offer Price over the VWAP of the Shares for the 6-month period prior to the Last Trading Day of approximately 48.4% is above the range of the corresponding (discount)/premium of the Take-over Transactions of between (5.6)% and 45.9%;
  - (v) the premium of the Exit Offer Price over the VWAP of the Shares for the 12-month period prior to the Last Trading Day of approximately 46.0% being: (aa) within the range of the corresponding (discount)/premium of the Take-over Transactions of between (3.2)% and 72.3%; and (bb) above the corresponding mean and median premia of 24.1% and 22.0% of the Take-over Transactions respectively;
  - (vi) the P/NAV and P/ANAV ratios as implied by the Exit Offer Price of 1.03 times and 1.39 times respectively is: (aa) within the range of Price-to-NAV/NTA ratios of the Take-over Transactions of between 0.35 times and 5.20 times; and (bb) above the median Price-to-NAV/NTA ratio of the Take-over Transactions of 0.79 times but below the mean Price-to-NAV/NTA ratio of the Take-over Transactions of 1.57 times; and
  - (vii) the P/NTA and P/ANTA ratios as implied by the Exit Offer Price of 4.18 times and 3.54 times respectively is: (aa) within the range of Price-to-NAV/NTA ratios of the Take-over Transactions of between 0.35 times and 5.20 times; and (bb) above the corresponding mean and median of Price-to-NAV/NTA ratios of the Take-over Transactions of 1.57 times and 0.79 times respectively;
- (g) dividend analysis, as set out in paragraph 7.6 of this letter, whereby we note that the Company had not declared any dividends for the last nine (9) financial years (being the financial year ended 31 December 2013 to FY2021);
- (h) other relevant considerations as follows:
- (i) the outlook of the Group, as set out in section 7.7.1 of this letter;
  - (ii) the previous acquisition of Shares by the Offeror, as set out in section 7.7.2 of this letter;
  - (iii) there being no further revision of the Exit Offer Price, as set out in section 7.7.3 of this letter;
  - (iv) the Director's intention in relation to the Exit Offer, as set out in section 7.7.4 of this letter;
  - (v) the absence of alternative or competing offers, as set out in section 7.7.5 of this letter;
  - (vi) the Offeror having effective statutory control over the Company as at the Latest Practicable Date, as set out in section 7.7.6 of this letter;
  - (vii) the Offeror's intention to exercise its rights of compulsory acquisition, as set out in section 7.7.7 of this letter; and
  - (viii) the effects of the Exit Offer and Delisting, as set out in section 7.7.8 of this letter.



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### 8.2 Assessment of the Exit Offer

For the purpose of evaluating the Exit Offer, we have adopted the approach that the term “fair” and “reasonable” are regarded as two different concepts. The term “fair” relates to an opinion on the value of the offer price against the value of the securities subject to the offer (the “**Securities**”), and an offer is “fair” if the price offered is equal to or greater than the value of the Securities. In considering whether an offer is “reasonable”, other matters as well as the value of the Securities are taken into consideration. Such other matters include, but are not limited to, existing voting rights in the company held by an offeror and its concert parties or the market liquidity of the relevant securities.

#### 8.2.1 Assessment of Fairness of the Exit Offer

In determining the fairness of the Exit Offer, we have considered, *inter alia*, the following pertinent factors:

- (a) based on the NAV and NTA approaches, which provides an estimate of the value of a group assuming the hypothetical sale of all its assets over a reasonable period of time, the Exit Offer Price represents a premium of approximately 3.4% against the NAV per Share of S\$0.089 as at 30 June 2022. Accordingly, the P/NAV of the Group implied by the Exit Offer Price would be approximately 1.03 times as at 30 June 2022. We further note that the Exit Offer Price represents a premium of approximately 318.2% against the NTA per Share of S\$0.022 as at 30 June 2022. Accordingly, the P/NTA of the Group implied by the Exit Offer Price would be approximately 4.18 times as at 30 June 2022;
- (b) the historical PER, P/NAV, P/ANAV, P/NTA, and P/ANTA ratios as implied by the Exit Offer Price compare favourably against those of the Comparable Companies, and the historical EV/EBITDA and EV/AEBITDA ratios as implied by the Exit Offer Price is within the range of the EV/EBITDA ratios of the Comparable Companies;
- (c) the Exit Offer Price of S\$0.092 is above the estimated value range of the Shares of S\$0.079 and S\$0.089 per Share;
- (d) the premia as implied by the Exit Offer Price over the VWAP of the Shares for the 6-, 3-, 1-month periods up to and including the Last Trading Day and the last transacted price on the Last Trading Day are above than the respective range of the corresponding premia of the Take-Over Transactions, and the premia implied by the Exit Offer Price over the VWAP of the Shares for the 12-month period up to and including the Last Trading Day is above the respective mean and median premia of the Take-Over Transactions; and
- (e) the P/NAV and P/ANAV ratios of the Group as implied by the Exit Offer Price and the NAV per Share and Adjusted NAV per Share as at 30 June 2022 of 1.03 times and 1.39 times respectively compares favourably against the median Price-to-NAV/NTA ratios for the Take-Over Transactions, and the P/NTA and P/ANTA ratios of the Group as implied by the Exit Offer Price and the NTA per Share and Adjusted NTA per Share as at 30 June 2022 of 4.18 times and 3.54 times respectively compares favourably against the mean and median Price-to-NAV/NTA ratios for the Take-Over Transactions.

In view of the above, we are of the opinion that the Exit Offer is **FAIR**.

#### 8.2.2 Assessment of Reasonableness of the Exit Offer

In determining the reasonableness of the Exit Offer, we have considered, *inter alia*, the following pertinent factors:

- (a) the Exit Offer Price representing a premium of approximately 41.5% over the closing price of the Shares of S\$0.065 on the Last Trading Day;

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## APPENDIX A: IFA LETTER

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- (b) the Exit Offer Price represents a premium of 46.0%, 48.4%, 48.4% and 43.8% over the VWAP of the Shares for the 12-, 6-, 3- and 1-month periods up to and including the Last Trading Day respectively;
- (c) the Exit Offer Price representing a premium of approximately 70.4% and 35.3% over the lowest and highest closing prices of the Shares during the 12-month period up to and including the Last Trading Day respectively;
- (d) the historical trailing P/NAV multiple of the Shares have largely been trading below the implied P/NAV multiple of the Shares of 1.03 times, save for two (2) trading days, on 19 and 20 January 2021 respectively;
- (e) there is reasonable liquidity in the Shares in the 12-month period up to and including the Last Trading Day (on the basis of comparing the ADTV of the Shares as a percentage of the Company's free float) and that the historical market prices of the Shares may provide a reasonable benchmark for assessing the Exit Offer Price;
- (f) the Company had not declared any dividends for the last nine (9) financial years (being the financial year ended 31 December 2013 to FY2021), and hence as compared to the alternative investments such as the STI ETF, the dividend yield for the Company is less favourable; and
- (g) as at the Latest Practicable Date, apart from the Exit Offer, no alternative or competing offer has been received by the Company. In addition, the likelihood of an alternative or competing offer from any third party is remote in view that as at the Latest Practicable Date, the Offeror holds an aggregate of 3,062,053,273 Shares, representing approximately 72.84% of the total number of issued Shares.

In view of the above, we are of the opinion that the Exit Offer is **REASONABLE**.

### 8.3 Our opinion on the Exit Offer

**In conclusion, based on our analysis set out above and after considering all relevant information available to us as at the Latest Practicable Date, we are of the opinion that, on balance, the financial terms of the Exit Offer are fair and reasonable. Accordingly, we advise the Unconflicted Directors to recommend Shareholders to (i) vote in favour of the Delisting Resolution, and (ii) accept the Exit Offer, unless Shareholders can obtain a price higher than the Exit Offer Price in the open market, taking into account the related expenses such as brokerage and trading costs.**

The Unconflicted Directors should also highlight to Shareholders that in the event the Delisting Resolution Approval Condition is satisfied and subject to the SGX-ST's Approval, the Company will be delisted from the Official List of the SGX-ST on or after the close of the Exit Offer, whether or not they have attended or voted at the EGM, and if they have attended and voted, whether or not they have voted in favour of the Delisting Resolution.

In rendering our opinion and advice, we have not had regard to the specific investment objectives, financial situation, tax position or individual circumstances of any Shareholder or any specific group of Shareholders. We recommend that any individual Shareholder or specific group of Shareholders who may require specific advice in relation to his or their investment portfolio(s) should consult his or their legal, financial, tax or other professional adviser.

Our opinion and advice are addressed to the Unconflicted Directors for their benefit and for the purposes of their consideration of the Exit Offer. The recommendation to be made by them to the Shareholders in respect of the Exit Offer shall remain the responsibility of the Unconflicted Directors. Whilst a copy of this letter may be reproduced in the Circular, no other person may reproduce, disseminate or quote this letter (or any part thereof) for any purpose at any time and in any manner without the prior written consent of SAC Capital in each specific case, except for the purpose of the Exit Offer.

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## APPENDIX A: IFA LETTER

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This letter is governed by and shall be construed in accordance with the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully  
For and on behalf of  
**SAC CAPITAL PRIVATE LIMITED**

Tan Kian Tiong  
Partner

## APPENDIX A: IFA LETTER

### Annex A

							----- Trailing 12 Months -----
Company	Stock exchange	Business description (as extracted from Bloomberg)	Share price as at the Latest Practicable Date	Market capitalisation as at the Latest Practicable Date (millions)	Financial year end	Revenue (millions)	Net profit/(loss) after tax attributable to shareholders (millions)
China Everbright Water Limited	Dual-listed on Singapore Stock Exchange and Hong Kong Stock Exchange	China Everbright Water Limited offers water environmental services. The company provides water environment management, sponge city construction, sewage treatment, river-basin ecological restoration, water supply, and other related services. China Everbright Water conducts businesses in Shenzhen, Singapore, and Hong Kong.	S\$0.240	S\$686.6	31 December	HK\$7,278.4	HK\$1,172.2
SIIC Environment Holdings Ltd.	Dual-listed on Singapore Stock Exchange and Hong Kong Stock Exchange	SIIC Environment Holdings Ltd. conducts operations in wastewater treatment, water purification treatment, and system automation. The company procures and installs industrial and municipal wastewater treatment systems, and designs and installs water purification treatment systems. SIIC Environment Holdings Ltd. also designs and implements automated control systems for power plants and wastewater treatment Plants.	S\$0.165	S\$425.0	31 December	RMB7,654.0	RMB739.4
Kangda International Environmental Co., Ltd.	Hong Kong Stock Exchange	Kangda International Environmental Co., Ltd. invests and operates wastewater treatment facilities in China.	HK\$0.58	HK\$1,241.0	31 December	RMB3,104.9	RMB378.0
Ranhill Utilities Berhad	Bursa Stock Exchange	Ranhill Utilities Berhad operates a water utility network. The company offers water supply, non-revenue, waste water treatment, and clean energy services. Ranhill Utilities Berhad serves customers in Malaysia.	RM0.355	RM457.5	31 December	RM1,653.3	RM28.6
PBA Holdings Berhad	Bursa Stock Exchange	PBA Holdings Berhad is an investment holding company. The company, through its subsidiaries, undertakes business activities of a water supplier involved in the abstraction of raw water, treatment of water, and supply and sale of treated water to consumers.	RM0.730	RM241.6	31 December	RM338.0	RM51.2

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## APPENDIX B: GENERAL INFORMATION RELATING TO THE COMPANY

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### 1. DIRECTORS

The names, addresses and descriptions of the Directors as at the Latest Practicable Date are set out below:

Name	Address	Description
Kuntoro Mangkusubroto	c/o 65 Chulia Street #37-08 OCBC Centre Singapore 049513	Chairman, Non-Executive and Independent Director
Mohammad Syahril	c/o 65 Chulia Street #37-08 OCBC Centre Singapore 049513	Chief Executive Officer and Executive Director
Irwan A. Dinata	c/o 65 Chulia Street #37-08 OCBC Centre Singapore 049513	Managing Director and Executive Director
Low Chai Chong	c/o 65 Chulia Street #37-08 OCBC Centre Singapore 049513	Non-Executive and Lead Independent Director
Simon A. Melhem	c/o 65 Chulia Street #37-08 OCBC Centre Singapore 049513	Non-Executive and Non-Independent Director
Hwang Kin Soon Ignatius	c/o 65 Chulia Street #37-08 OCBC Centre Singapore 049513	Non-Executive and Independent Director

### 2. REGISTERED OFFICE OF THE COMPANY

The registered office of the Company is at 65 Chulia Street #37-08 OCBC Centre Singapore 049513.

### 3. PRINCIPAL ACTIVITIES OF THE COMPANY

The Company is a limited liability company incorporated in Singapore on 9 January 2013. The Company was listed on the Catalist of the SGX-ST on 15 April 2002. The principal activities of the Company are that of an investment holding company. It is the parent company of the Group. The Group is one of the largest water treatment operators in Indonesia and focuses on developing and operating water treatment facilities which include extraction and treatment of raw water, distribution and sale of treated water, collection of sale proceeds and customer services.

### 4. SHARE CAPITAL OF THE COMPANY

#### 4.1. Number and class of Shares

As at the Latest Practicable Date, the Company has only one class of Shares, being ordinary shares. The Shares are quoted and listed on the Official List of the Catalist of the SGX-ST. As at the Latest Practicable Date, the total issued and paid-up share capital of the Company is approximately S\$254,374,249.26 comprising 4,203,585,943 Shares. The Company does not have any treasury shares.

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## APPENDIX B: GENERAL INFORMATION RELATING TO THE COMPANY

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There is no restriction in the Constitution of the Company on the right to transfer any Offer Shares, which has the effect of requiring the Shareholders, before transferring them, to offer them for purchase to members of the Company or to any other person.

### 4.2. Rights of Shareholders in respect of capital, dividends and voting

The rights of Shareholders in respect of capital, dividends and voting are contained in the Constitution. An extract of the relevant provisions in the Constitution relating to the rights of Shareholders in respect of capital, dividends and voting is reproduced in Appendix D to this Circular. The Constitution is available for inspection at the registered office of the Company at 65 Chulia Street #37-08 OCBC Centre Singapore 049513 during normal business hours for the period during which the Exit Offer remains open for acceptance. Capitalised terms and expressions not defined in the extract have the meanings ascribed to them in the Constitution.

### 4.3. Number of Shares issued since the end of the last financial year

As at the Latest Practicable Date, no new Shares have been issued by the Company since 31 December 2021, being the end of the last financial year.

### 4.4. Convertible instruments

The Company has not issued any instruments convertible into, rights to subscribe for, and options in respect of, the Shares and securities being offered for or which carry voting rights affecting the Shares that are outstanding as at the Latest Practicable Date.

## 5. SUMMARY OF FINANCIAL INFORMATION

### 5.1. Consolidated statements of comprehensive income

A summary of the financial information of the Group for FY2019, FY2020 and FY2021 (based on the audited consolidated statement of profit or loss and other comprehensive income of the Group for FY2019, FY2020 and FY2021) is set out below.

	<b>Audited FY2019</b>	<b>Audited FY2020</b>	<b>Audited FY2021</b>
	S\$'000	S\$'000	S\$'000
Revenue	205,786	240,123	257,995
Exceptional items	–	–	–
Cost of sales	(109,346)	(135,813)	(136,614)
<b>Gross profit</b>	<b>96,440</b>	<b>104,310</b>	<b>121,381</b>
Administrative expenses	(36,933)	(37,979)	(37,299)
Finance income	3,581	3,641	1,906
Finance costs	(31,749)	(28,647)	(22,618)
Other expenses, net	(5,056)	(1,287)	(1,113)
<b>Profit before income tax</b>	<b>26,283</b>	<b>40,038</b>	<b>62,257</b>



## APPENDIX B: GENERAL INFORMATION RELATING TO THE COMPANY

	<b>Audited FY2019</b>	<b>Audited FY2020</b>	<b>Audited FY2021</b>
	S\$'000	S\$'000	S\$'000
Income tax expense	(9,318)	(3,433)	(20,257)
<b>Profit for the year</b>	<b>16,965</b>	<b>36,605</b>	<b>42,000</b>
Non-controlling interests	334	1,597	2,271
Net earnings per share (cents)	0.40	0.83	0.95
Net dividends per share (cents)	–	–	–

The financial information for FY2019, FY2020 and FY2021 should be read in conjunction with the audited consolidated financial statements of the Group and the accompanying notes as set out in the annual reports of the Company for FY2019, FY2020 and FY2021.

### 5.2. Statement of financial position

A summary of the audited consolidated statement of financial position of the Group as at 31 December 2021 (being the date to which the Company's last published audited financial statements were made up) is set out below.

	<b>As at 31 December 2021</b>
	S\$'000
Non-current assets	548,623
Current assets	131,477
<b>Total assets</b>	<b>680,100</b>
Current Liabilities	109,313
Non-current liabilities	191,332
<b>Total liabilities</b>	<b>300,645</b>
Share capital	253,728
Other reserves	(13,537)
Retained earnings	115,795
<b>Equity attributable to owners of the Company</b>	<b>355,986</b>
Non-controlling interest	23,469
<b>Total Equity</b>	<b>379,455</b>

The above summary should be read together with the annual report for FY2021 and the audited consolidated statements of financial position of the Group for FY2021, which are set out in Appendix E to this Circular, and the accompanying notes as set out therein.

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## APPENDIX B: GENERAL INFORMATION RELATING TO THE COMPANY

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### 5.3. Consolidated statements of comprehensive income for interim financial statements

A summary of the financial information of the Group for the six months ended 30 June 2022 (based on the unaudited condensed interim financial statements for the six months ended 30 June 2022) is set out below.

	Six Months ended 30 June 2022
	S\$'000
Revenue	127,227
Exception items	–
Profit before income tax	29,913
Profit for the year	20,008
Non-controlling interests	1,218
Net earnings per share (cents)	0.45
Net dividends per share (cents)	–
Consolidated net tangible assets per share of the group comprising the Company, its subsidiaries and associated companies (“ <b>Consolidated Group NTA per Share</b> ”)	2.21

The financial information for the six months ended 30 June 2022 should be read in conjunction with the unaudited condensed interim financial statements of the Group for the six months ended 30 June 2022, which are set out in Appendix F to this Circular, and the accompanying notes as set out therein.

### 5.4. Significant accounting policies

A summary of the significant accounting policies of the Group is set out in pages 79 to 98 of the annual report of the Company for FY2021. Copies of the above are available for inspection at the registered office of the Company at 65 Chulia Street #37-08 OCBC Centre Singapore 049513 during normal business hours for the period during which the Exit Offer remains open for acceptance.

Save as disclosed in this Circular and publicly available information on the Group (including but not limited to that contained in the audited consolidated financial statements of the Group for FY2021), there are no significant accounting policies or any points from the notes to the financial statements which are of major relevance for the interpretation of the accounts.

### 5.5. Changes in accounting policies

As at the Latest Practicable Date, save as disclosed in this Circular and publicly available information on the Group (including but not limited to that contained in the audited consolidated financial statements of the Group for FY2021), the Group has applied the same accounting policies and methods of computation as with those in the audited consolidated financial statements of the Group for FY2021 and as at the Latest Practicable Date, there are no changes in the accounting policies of the Group which will cause the financial statements of the Group not to be comparable to a material extent.

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## APPENDIX B: GENERAL INFORMATION RELATING TO THE COMPANY

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### 5.6 Revised Statement of Prospects

On 27 May 2022, the Company stated in its quarterly business update announcement in respect of the Group's financial performance in the first quarter ended 31 March 2022 that *"Notwithstanding, barring any unforeseen circumstances, the Group expects to remain profitable for the financial year ending 31 December 2022."* (the **"Previous Statement of Prospects"**). The Previous Statement of Prospects was not made in connection with the Exit Offer.

On 17 October 2022, the Company announced the winning of tender and entry into cooperation agreements for water supply system projects in Jakarta, Indonesia, as well as the expiration of the existing cooperation agreement between AAJ, a wholly-owned subsidiary of the Company, and PAM JAYA (**"Tender Announcement"**). As disclosed in the Tender Announcement, the existing cooperation agreement between AAJ and PAM JAYA will expire on 1 February 2023. Consequently, AAJ is expected to cease its current operations under the existing cooperation agreement with PAM JAYA, with effect from 1 February 2023. In connection with the foregoing, the Directors have made a revised statement of prospects (**"Revised Statement of Prospects"**) in the Tender Announcement as follows:

*"Due to AAJ expecting to cease its current operations from 1 February 2023, there is a possibility the Group will be in a loss position for the current financial year ending 31 December 2022 due to the possibility of impairment of goodwill and accelerated amortisation of intangible assets that are associated with AAJ."*

**Consequently, the Previous Statement of Prospects is no longer applicable, and the Previous Statement of Prospects is now superseded by the Revised Statement of Prospects.**

Shareholders may wish to refer to the Tender Announcement for the full context of the Revised Statement of Prospects.

Shareholders should note that the bases and assumptions for the Revised Statement of Prospects are set out in Appendix G to this Circular. The Auditors and IFA have each issued their letter in relation to the Revised Statement of Prospects, as set out in Appendices H and I to this Circular, respectively. Shareholders are urged to read Appendices G, H and I to this Circular carefully.

The Directors are of the opinion that the Revised Statement of Prospects remains valid for the purpose of the Exit Offer. The Auditors and the IFA, who each reported on the Revised Statement of Prospects in accordance with the Code for the purposes of the Tender Announcement, have indicated that they have no objection to their respective Auditors SOP Letter and IFA SOP Letter (as set out in Appendices H and I to this Circular, respectively) continuing to apply.

## 6. MATERIAL CHANGES IN FINANCIAL POSITION

Save as disclosed in this Circular and publicly available information on the Company (including without limitation, the unaudited condensed interim financial statements of the Group for the six months ended 30 June 2022, the Tender Announcement, and other announcements released by the Company on the SGXNET), there are no known material changes in the financial position of the Company as at the Latest Practicable Date since 31 December 2021, being the date to which the Company's last published audited accounts were made up.

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## APPENDIX B: GENERAL INFORMATION RELATING TO THE COMPANY

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In addition, as at the Latest Practicable Date, there are no known material changes which may affect the Consolidated Group NTA per Share as disclosed in Section 5.3 above.

### 7. DISCLOSURE OF INTERESTS OF THE COMPANY, THE DIRECTORS AND THE IFA

#### 7.1. Shareholdings and dealings

As at the Latest Practicable Date:

- (a) neither the Company nor its subsidiaries have any direct or deemed interests in any Offeror Securities;
- (b) none of the Directors has any direct or deemed interests in any Offeror Securities;
- (c) each of the Company, its subsidiaries and the Directors have not dealt for value in any Offeror Securities during the Relevant Period;
- (d) save as disclosed below and in this Circular, as at the Latest Practicable Date, none of the Directors has any direct or deemed interests in any Company Securities:

Name	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
Simon A. Melhem	1,400,000	0.03%	–	–	1,400,000	0.03%

**Note:**

(1) Calculated based on a total of 4,203,585,943 issued Shares (excluding treasury shares) as at the Latest Practicable Date and rounded to the nearest two decimal places.

- (e) none of the Directors has dealt for value in any Company Securities during the Relevant Period;
- (f) as at the Latest Practicable Date, none of the IFA, its related corporations or any of the funds whose investments are managed by the IFA or its related corporations on a discretionary basis, own or control any Company Securities;
- (g) none of the IFA, its related corporations or any of the funds whose investments are managed by the IFA or its related corporations on a discretionary basis, has dealt for value in the Company Securities during the Relevant Period;
- (h) as at the Latest Practicable Date, none of the IFA its related corporations or any of the funds whose investments are managed by the IFA or its related corporations on a discretionary basis, own or control any Offeror Securities; and
- (i) none of the IFA, its related corporations or any of the funds whose investments are managed by the IFA or its related corporations on a discretionary basis, has dealt for value in the Offeror Securities during the Relevant Period.

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## APPENDIX B: GENERAL INFORMATION RELATING TO THE COMPANY

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### 7.2. Directors' intentions in relation to the Exit Offer

As at the Latest Practicable Date, Simon A. Melhem, a Director who has a direct interest in 1,400,000 Shares, has informed the Company that, in his capacity as Shareholder, he intends to vote all of his Shares in favour of the Delisting Resolution and accept the Exit Offer in respect of all of his Shares.

### 7.3. Directors' service contracts

As at the Latest Practicable Date, (i) there are no service contracts between any Director or proposed director with the Company or any of its subsidiaries with more than 12 months to run, which the employing company cannot, within the next 12 months, terminate without payment of compensation; and (ii) there are no such service contracts entered into or amended between any of the Directors or proposed director with the Company or any of its subsidiaries during the period between the start of six (6) months preceding the Joint Announcement Date and the Latest Practicable Date.

### 7.4. Arrangements affecting directors

As at the Latest Practicable Date:

- (a) there are no payments or other benefits which will be made or given to any Director or any director of any corporation, which is by virtue of Section 6 of the Companies Act, deemed to be related to the Company, as compensation for loss of office or otherwise in connection with the Exit Offer;
- (b) there are no agreements or arrangements made between any Director and any other person in connection with or conditional upon the outcome of the Exit Offer; and
- (c) save as disclosed in Section 7 (Disclosure of Interests of the Company, the Directors and the IFA) of this Appendix B, none of the Directors have a material personal interest, whether direct or indirect, in any material contract entered into by the Offeror.

## 8. MATERIAL CHANGE IN INFORMATION

Save as disclosed in this Circular and save for the information relating to the Company and the Exit Offer that is publicly available, there has been no material change in the information previously published by or on behalf of the Company during the period commencing from the Joint Announcement Date and ending on the Latest Practicable Date.

## 9. MATERIAL CONTRACTS WITH INTERESTED PERSONS

As at the Latest Practicable Date, save as disclosed in publicly available information on the Company (including but not limited to the annual reports of the Company and other announcements released by the Company), neither the Company nor any of its subsidiaries have entered into any material contracts with persons who are Interested Persons (other than those entered into in the ordinary course of business carried on by the Company) during the period commencing three (3) years preceding the Joint Announcement Date, and ending on the Latest Practicable Date.

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## **APPENDIX B: GENERAL INFORMATION RELATING TO THE COMPANY**

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### **10. MATERIAL LITIGATION**

As at the Latest Practicable Date:

- (a) save for the information relating to the Company that is publicly available, neither the Company nor any of its subsidiaries is engaged in any material litigation or arbitration proceedings, as plaintiff or defendant, which might materially and adversely affect the financial position of the Company and its subsidiaries taken as a whole; and
- (b) the Directors are not aware of any litigation, claim, arbitration or other proceedings pending or threatened against the Company or any of its subsidiaries or of any facts likely to give rise to any proceedings which might materially and adversely affect the financial position of the Company and its subsidiaries taken as a whole.

### **11. COSTS AND EXPENSES**

All expenses and costs incurred by the Company in relation to the Exit Offer shall be borne by the Company.

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## APPENDIX C: ADDITIONAL INFORMATION ON THE OFFEROR

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The following information on the Offeror has been extracted from Appendix 2 to the Exit Offer Letter, and unless otherwise defined, all terms and expressions used in the extracts below shall have the same meanings as those defined in the Exit Offer Letter:

### ***“ADDITIONAL INFORMATION ON THE OFFEROR***

#### **1. DIRECTOR**

*The name, address, and description of the Offeror Director as at the Latest Practicable Date are set out below.*

<b>Name</b>	<b>Address</b>	<b>Description</b>
Cho Yu Chung	c/o 65 Chulia Street #37-02 OCBC Centre Singapore 049513	Director

#### **2. REGISTERED OFFICE**

*The registered office of the Offeror is at 65 Chulia Street, #37-02 OCBC Centre, Singapore 049513.*

#### **3. PRINCIPAL ACTIVITIES AND SHARE CAPITAL**

*The Offeror is a company incorporated in Singapore on 6 December 2012. The principal activity of the Offeror is investment holding. As at the Latest Practicable Date, the Offeror has an issued and paid-up share capital of S\$31,000 comprising 31,000 ordinary shares.*

#### **4. SUMMARY OF FINANCIAL INFORMATION**

*Set out below is a summary of certain financial information extracted from the Offeror's audited financial statements for the financial year ended 31 December 2019 (“FY2019”), the financial year ended 31 December 2020 (“FY2020”) and the financial year ended 31 December 2021 (“FY2021”) (collectively, the “Offeror Financial Statements”). The financial information referred to in this paragraph should be read in conjunction with the Offeror's Financial Statements, which are available for inspection at the registered office of the Company during normal business hours while the Exit Offer remains open for acceptance.*



## APPENDIX C: ADDITIONAL INFORMATION ON THE OFFEROR

### 4.1 Statement of Earnings

	<b>FY2019</b> <b>(Audited)</b> <b>(S\$'000)<sup>(1)</sup></b>	<b>FY2020</b> <b>(Audited)</b> <b>(S\$'000)<sup>(1)</sup></b>	<b>FY2021</b> <b>(Audited)</b> <b>(S\$'000)<sup>(1)</sup></b>
Revenue income	103	334	–
Other income	281	103	281
Exceptional items	–	–	–
<b>Total income</b>	<b>384</b>	<b>436</b>	<b>281</b>
Net fair value changes on quoted investment	12,248	(9,186)	(24,496)
Other operating expenses	(289)	(865)	(2,037)
Loss on foreign exchange	(583)	(321)	(1)
Finance costs	(15,166)	(14,132)	(14,786)
<b>Total expenses</b>	<b>(3,790)</b>	<b>(24,504)</b>	<b>(41,320)</b>
<b>(Loss) before tax</b>	<b>(3,406)</b>	<b>(24,068)</b>	<b>(41,039)</b>
Income tax expense	(6)	(744)	2
Minority Interests	–	–	–
<b>(Loss) after tax, representing total comprehensive (loss) for the year</b>	<b>(3,411)</b>	<b>(24,812)</b>	<b>(41,037)</b>
Net (loss) per share (S\$) <sup>(2)</sup>	(110.05)	(800.38)	(1,323.79)
Net dividends per share (S\$)	–	–	–

**Notes:**

(1) Rounded to the nearest thousand.

(2) Rounded to the nearest two (2) decimal places.

### 4.2 Statement of Assets and Liabilities

	<b>FY2021</b> <b>(Audited)</b> <b>(S\$'000)<sup>(1)</sup></b>
<b>ASSETS</b>	
<b>Non-current asset</b>	
Quoted investment	192,909
<b>Current assets</b>	
Cash, cash equivalents and others	12,716
<b>Total assets</b>	<b>205,626</b>
<b>LIABILITIES AND EQUITY</b>	
<b>Non-current liabilities</b>	
Other payables	127,857
Borrowings	141,495
<b>Total non-current liabilities</b>	<b>269,352</b>
<b>Current liabilities</b>	
Other payables	705
Borrowings	29,074
<b>Total current liabilities</b>	<b>29,779</b>
<b>Total liabilities</b>	<b>299,131</b>

## APPENDIX C: ADDITIONAL INFORMATION ON THE OFFEROR

	<b>FY2021 (Audited) (S\$'000)<sup>(1)</sup></b>
<b>EQUITY</b>	
Share capital	31
Accumulated losses	(93,536)
<b>Total equity</b>	<b>(93,505)</b>
<b>Total liabilities and equity</b>	<b>205,626</b>

**Note:**

(1) Rounded to the nearest thousand.

### **5. MATERIAL CHANGES IN FINANCIAL POSITION**

As at the Latest Practicable Date, save as a result of the making and financing of the Exit Offer, there has been no known material change in the financial position of the Offeror since 31 December 2021, being the date of the last audited financial statements of the Offeror.

### **6. SIGNIFICANT ACCOUNTING POLICIES**

The audited financial statements of the Offeror for FY2021 have been prepared in accordance with the Singapore Financial Reporting Standards. The significant accounting policies of the Offeror are set out in Note 2 to the audited financial statements of the Offeror for FY2021. A copy of the Offeror Financial Statements is available for inspection at the registered office of the Company during normal business hours while the Exit Offer remains open for acceptance.

### **7. CHANGES IN ACCOUNTING POLICIES**

As at the Latest Practicable Date, there has been no change in the accounting policies of the Offeror since 31 December 2021, being the date of the last audited financial statements of the Offeror, which will cause the figures set out in this **Appendix 2** to be not comparable to a material extent.”

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## APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION OF THE COMPANY

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The provisions in the Constitution relating to rights of Shareholders in respect of capital, dividends and voting are reproduced below.

All capitalised terms used in the following extracts shall have the same meanings ascribed to them in the Constitution, a copy of which is available for inspection at Company's registered office at 65 Chulia Street #37-08 OCBC Centre Singapore 049513, during normal business hours until the Closing Date.

### (A) RIGHTS IN RESPECT OF CAPITAL

#### SHARES

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| 7. (1) The rights attaching to shares of a class other than ordinary shares shall be expressed in this Constitution.  | Shares of a class other than ordinary shares |
| (2) The Company may issue shares for which no consideration is payable to it.   | Issue of shares for no consideration         |
| 8. Subject to the Statutes and this Constitution, no shares may be issued by the Directors without the prior approval of the Company in general meeting but subject thereto and to regulation 68, and to any special rights attached to any shares for the time being issued, the Directors may allot and issue shares or grant options over or otherwise deal with or dispose of the same to such persons on such terms and conditions and for such consideration (if any) and at such time and subject or not to the payment of any part of the amount (if any) thereof in cash as the Directors may think fit. Any such shares may be issued with such preferential, deferred, qualified or special rights, privileges or conditions as the Directors may think fit. Preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors Provided always that: | Issue of shares                              |
| (a) no shares shall be issued to transfer a controlling interest in the Company without the prior approval of the Company in general meeting;   |  |
| (b) (subject to any direction to the contrary that may be given by the Company in general meeting or except as permitted under the listing rules of the Exchange) any issue of shares for cash to Members holding shares of any class shall be offered to such Members in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of the second sentence of regulation 68(1) with such adaptations as are necessary shall apply; and  |  |
| (c) any other issue of shares, the aggregate of which would exceed the limits referred to in regulation 68(2), shall be subject to the approval of the Company in general meeting.  |  |
| 9. Notwithstanding anything in this Constitution, a treasury share shall be subject to such rights and restrictions as may be prescribed in the Act and may be dealt with by the Company in such manner as may be permitted by, and in accordance with, the Act. For the avoidance of doubt, save as expressly permitted by the Act, the Company shall not be entitled to any rights of a Member under this Constitution.   | Treasury shares                              |

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## APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION OF THE COMPANY

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10. (1) Preference shares may be issued subject to such limitation thereof as may be prescribed by law or by the listing rules of the Exchange. Preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports, balance sheets and financial statements and attending general meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding up or sanctioning a sale of the undertaking of the Company or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six (6) months in arrears. In the event of preference shares being issued, the total number of issued preference shares shall not at any time exceed the total number of issued ordinary shares.
- Rights attached to preference shares
- (2) The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares from time to time already issued or about to be issued.
- Issue of further preference shares
11. If at any time the share capital is divided into different classes, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, whether or not the Company is being wound up, be varied or abrogated either with the consent in writing of the holders of three-fourths of the issued shares of the class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of shares of the class and to every such Special Resolution the provisions of Section 184 of the Act shall with such adaptations as are necessary apply. To every such separate general meeting, the provisions of this Constitution relating to general meetings shall *mutatis mutandis* apply,
- Variation of rights of shares

Provided always that:

- (a) the necessary quorum shall be two (2) persons at least holding or representing by proxy or by attorney one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy or by attorney may demand a poll, but where the necessary majority for such a Special Resolution is not obtained at the meeting, consent in writing if obtained from the holders of three-fourths of the issued shares of the class concerned within two (2) months of the meeting shall be as valid and effectual as a Special Resolution carried at the meeting; and
- (b) where all the issued shares of the class are held by one (1) person, the necessary quorum shall be one (1) person and such holder of shares of the class present in person or by proxy or by attorney may demand a poll.

The foregoing shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

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## APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION OF THE COMPANY

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| <p>12. The repayment of preference capital other than redeemable preference capital or any other alteration of preference shareholders' rights, may only be made pursuant to a Special Resolution of the preference shareholders concerned. Provided always that where the necessary majority for such a Special Resolution is not obtained at a meeting, consent in writing if obtained from the holders of three-fourths of the preference shares concerned within two (2) months of the meeting, shall be as valid and effectual as a Special Resolution carried at the meeting.</p>   | <p>Variation of rights of preference shareholders</p>           |
| <p>13. The rights conferred upon the holders of the shares of any class issued with preferred rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class or by this Constitution, be deemed to be varied by the creation or issue of further shares ranking equally therewith.</p>   | <p>Issue of further shares affecting preferred rights</p>       |
| <p>14. If by the conditions of allotment of any shares the whole or any part of the amount of the issue price thereof shall be payable by instalments every such instalment shall, when due, be paid to the Company by the person who for the time being shall be the registered holder of the share or his personal representatives, but this provision shall not affect the liability of any allottee who may have agreed to pay the same.</p>  | <p>Payment of instalments</p>                                   |
| <p>15. The Company may pay any expenses (including brokerage or commission) incurred in any issue of shares or purchase or acquisition of shares at such rate or amount and in such manner as the Directors deem fit. Such expenses may be paid in whole or in part in cash or fully or partly paid shares of the Company. The Company may, in addition to, or in lieu of, such commission, in consideration of any person subscribing or agreeing to subscribe, or of his procuring or agreeing to procure subscriptions, for any shares in the Company, confer on any such person an option call within a specified time for a specified number of shares in the Company at a specified price or on such other terms and conditions as the Directors may deem fit. The requirements of the provisions of the Act shall be observed, as far as applicable.</p> | <p>Payment of expenses (including brokerage and commission)</p> |
| <p>16. Save to the extent permitted by the Act or the listing rules of the Exchange, no part of the funds of the Company shall, directly or indirectly, be employed in the purchase of or subscription for or making of loans upon the security of any shares (or its holding company, if any). The Company shall not, except as authorised by the Act, give any financial assistance for the purpose of or in connection with any purchase of shares in the Company (or its holding company, if any).</p>  | <p>Company's shares as security</p>                             |
| <p>17. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a long period, the Company may pay interest on so much of that share capital as is for the time being paid up for the period (except treasury shares), and, subject to the conditions and restrictions mentioned in Section 78 of the Act, may charge the same to capital as part of the cost of the construction of the works or building or the provision of the plant.</p>  | <p>Power to charge interest on capital</p>                      |

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## APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION OF THE COMPANY

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18. Except as required by law, no person (other than the Depository) shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by this Constitution or by law otherwise provided) any other rights in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository or its nominee, as the case may be) entered in the Register of Members as the registered holder thereof or (where the person entered in the Register of Members as the registered holder of a share is the Depository) the person whose name is entered in the Depository Register in respect of that share. Nothing contained in this regulation relating to the Depository or the Depositors or in any depository agreement made by the Company with any common depository for shares or in any notification of substantial shareholding to the Company or in response to a notice pursuant to Section 137F of the SFA or any note made by the Company of any particulars in such notification or response shall derogate or limit or restrict or qualify these provisions; and any proxy or instructions on any matter whatsoever given by the Depository or Depositors to the Company or the Directors shall not constitute any notification of trust and the acceptance of such proxies and the acceptance of or compliance with such instructions by the Company or the Directors shall not constitute the taking of any notice of a trust.
- Company  
need not  
recognise trust

### SHARE CERTIFICATES

19. Every person whose name is entered as a Member in the Register of Members shall be entitled to receive, within ten (10) Market Days (or such other period as may be prescribed or approved by the Exchange from time to time or by the provisions of the Statutes) of the closing date of any application for shares or, as the case may be, the date of lodgement of a registrable transfer, one (1) certificate for all his shares of any one (1) class or several certificates in reasonable denominations each for a part of the shares so allotted or transferred and where a charge is made for certificates, such charge shall not exceed S\$2/- (or such other sum as may be approved by the Exchange from time to time). Where such a Member transfers part only of the shares comprised in a certificate or where a registered shareholder requires the Company to cancel any certificate or certificates and issue new certificates for the purpose of subdividing his holding in a different manner, the old certificate or certificates shall be cancelled and a new certificate or certificates for the balance of such shares issued in lieu thereof and such Member shall pay a fee not exceeding S\$2/- (or such other sum as may be approved by the Exchange from time to time) for each such new certificate or such other fee as the Directors may determine having regard to any limitation thereof as may be prescribed by the Exchange. Where the Member is a Depositor the delivery by the Company to the Depository of provisional allotments or share certificates in respect of the aggregate entitlements of Depositors to new shares offered by way of rights issue or other preferential offering or bonus issue shall to the extent of the delivery discharge the Company from any further liability to each such Depositor in respect of his individual entitlement.
- Entitlement to  
share  
certificate



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**APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION  
OF THE COMPANY**

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| 20. | The retention by the Directors of any unclaimed share certificates (or stock certificates as the case may be) shall not constitute the Company a trustee in respect thereof. Any share certificate (or stock certificate as the case may be) unclaimed after a period of six (6) years from the date of issue of such share certificate (or stock certificate as the case may be) may be forfeited and if so shall be dealt with in accordance with this Constitution <i>mutatis mutandis</i> .   | Retention of certificate            |
| 21. | The certificate of title to shares shall be issued under the Seal in such form as prescribed by the Directors from time to time, or executed as a deed in accordance with the Act. Every certificate shall bear the autographic or facsimile signatures of at least two (2) Directors or by one (1) Director and the Secretary or some other person appointed by the Directors, and shall specify the number and the class of shares to which it relates, whether the shares are fully or partly paid up, the amount (if any) unpaid on the shares and any other information as the Act may require. The facsimile signatures may be reproduced by mechanical, electronic or other means provided the method or system of reproducing signatures has first been approved by the Directors. No certificate shall be issued representing more than one class of shares.   | Form of share certificate           |
| 22. | (1) Any two (2) or more certificates representing shares of any one class held by any person whose name is entered in the Register of Members may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.   | Consolidation of share certificates |
|     | (2) If any person whose name is entered in the Register of Members shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two (2) or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request. Such person shall (unless such fee is waived by the Directors) pay a maximum fee of S\$2/- for each share certificate issued in lieu of a share certificate surrendered for cancellation or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be prescribed by the Exchange.   | Sub-division of share certificates  |
|     | (3) In the case of shares registered jointly in the names of several persons any such request may be made by any one (1) of the registered joint holders.   | Requests by joint holders           |
| 23. | (1) Subject to the provisions of the Act, if any share certificates shall be defaced, worn-out, destroyed, lost or stolen, it may be renewed or replaced on such evidence being produced and a letter of indemnity, undertaking and/or statutory declaration (if required) being given by the shareholder, transferee, person entitled, purchaser, member firm or member company of the Exchange or on behalf of its/their client(s) as the Directors shall require, and in the case of defacement or wearing out, on delivery of the old certificate and in any case on payment of such sum not exceeding S\$2/- (or such other sum as may be approved by the Exchange from time to time) as the Directors may from time to time require. In the case of destruction, loss or theft, the shareholder or person entitled to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction, loss or theft. | Issue of replacement certificates   |

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## APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION OF THE COMPANY

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| (2) When any shares under the powers in this Constitution herein contained are transferred and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered up. | New certificate in place of one not surrendered |
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### JOINT HOLDER OF SHARES

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| 24. Where two (2) or more persons are registered as the holders of any share, they shall be deemed to hold the same as joint tenants with benefit of survivorship subject to the following provisions:   | Joint holders deemed holding as joint tenants            |
| (a) the Company shall not be bound to register more than three (3) persons as the holders of any share, except in the case of executors, trustees or administrators of the estate of a deceased Member;  | Limited to 3 joint holders                               |
| (b) the joint holders of a share shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such share;  | Jointly and severally liable                             |
| (c) on the death of any one (1) of such joint holders the survivor or survivors shall be the only person or persons recognised by the Company as having any title to such share but the Directors may require such evidence of death as they may deem fit;   | Survivorship   |
| (d) any one (1) of such joint holders may give effectual receipts for any dividend or other moneys payable or property distributable to such joint holders on or in respect of the share; and  | Receipts   |
| (e) only the person whose name stands first in the Register of Members as one (1) of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive notices from the Company and any notice given to such person shall be deemed notice to all the joint holders. Only the person whose name stands first in the Depository Register shall be entitled to receive notices from the Company and any notice given to such person shall be deemed notice to all the joint Depositors. | Entitlement to delivery of share certificates and notice |

### TRANSFER OF SHARES

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|---|------------------|
| 25. Subject to the restrictions of this Constitution and any restrictions imposed by law or the Exchange or the Depository (as the case may be), any Member may transfer all or any of his shares, but every transfer by any Member must either be by means of (i) an instrument of transfer of the legal title in shares in writing and in the usual common form approved by the Exchange, or in any other form acceptable to the Directors, and must be left at the Office (or such other place as the Directors may appoint) for registration, accompanied by the certificate(s) of the shares to be transferred, and such other evidence (if any) as the Directors may require to prove the title of the intending transferor, or his right to transfer the shares; or (ii) book-entry in the Depository Register in accordance with the Act. | Form of transfer |
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## APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION OF THE COMPANY

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| 26. Shares of different classes shall not be comprised in the same instrument of transfer.   | Different classes of shares                   |
| 27. The instrument of transfer of a share shall be signed by or on behalf of the transferor and the transferee and be witnessed, provided that an instrument of transfer in respect of which the transferee is the Depository or its nominee (as the case may be) shall be effective although not signed or witnessed by or on behalf of the Depository or its nominee (as the case may be). The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members in respect thereof; Provided always that the Directors may dispense with the execution of the instrument of transfer by the transferee in any case in which they think fit in their discretion so to do. This regulation shall not apply to any transfer of shares by way of book-entry in compliance with the SFA.   | Transferor and transferee to execute transfer |
| 28. All instruments of transfer which are registered shall be retained by the Company, but any instrument of transfer which the Directors may refuse to register shall (except in any case of fraud) be returned to the party presenting the same.   | Retention of transfer                         |
| 29. No share shall in any circumstances be transferred to any infant, bankrupt or person who is mentally disordered and incapable of managing himself or his affairs but nothing herein contained shall be construed as imposing on the Company any liability in respect of the registration of such transfer if the Company has no actual knowledge of the same.  | Infant, bankrupt or mentally disordered       |
| 30. Subject to any legal requirements to the contrary, the Company shall be entitled to destroy (i) all instruments of transfer which have been registered at any time after the expiration of six (6) years from the date of registration thereof and (ii) all dividend mandates and notifications of change of address at any time after the expiration of six (6) years from the date of recording thereof and (iii) all share certificates which have been cancelled at any time after the expiration of six (6) years from the date of the cancellation thereof and it shall be conclusively presumed in favour of the Company that every entry in the Register of Members purporting to have been made on the basis of an instrument of transfer or other documents so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company, | Destruction of transfer                       |
- Provided always that:
- (a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
  - (b) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any circumstances which would not attach to the Company in the absence of this regulation;

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## APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION OF THE COMPANY

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- (c) references herein to the destruction of any document include references to the disposal thereof in any manner; and
- (d) any document referred to in this regulation 30(ii) and (iii) may be destroyed at a date earlier than that authorised by this regulation provided that a copy of such document shall have been made in any form whether in electronic or digital form which shall not be destroyed before the expiration of the period applicable to the destruction of the original of such document and in respect of which the Directors shall take adequate precautions for guarding against falsification and for facilitating its production.
31. (1) There shall be no restriction on the transfer of fully paid up shares (except where required by law or the listing rules of, or bye-laws and rules governing, the Exchange) but the Directors may in their discretion decline to register any transfer of shares upon which the Company has a lien and in the case of shares not fully paid up may refuse to register a transfer to a transferee of whom they do not approve. Directors' power to decline to register
- (2) The Directors may decline to recognise any instrument of transfer of shares unless:
- (a) a fee not exceeding S\$2/- (or such other fee as the Directors may determine having regard to any limitation thereof as may be prescribed by the Exchange) as the Directors may from time to time require, is paid to the Company in respect thereof; Payment of fee and deposit of transfer
- (b) the amount of proper duty (if any) with which each instrument of transfer of shares is chargeable under any law for the time being in force relating to stamp duty is paid;
- (c) the instrument of transfer is deposited at the Office (or such other place as the Directors may appoint) and is accompanied by a certificate of payment of stamp duty (if any), the certificate of the shares to which the transfer relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer, and where the instrument is executed by some other person on his behalf, the authority of the person so to do; and
- (d) the instrument of transfer is in respect of only one (1) class of shares.
32. If the Directors refuse to register a transfer of any shares, they shall within thirty (30) days after the date on which the transfer was lodged with the Company (or such period of time as may be prescribed by the listing rules of the Exchange) give to the transferor and to the transferee notice of their refusal to register as required by the Statutes. Notice of refusal to register

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## APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION OF THE COMPANY

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| 33. The Register of Transfers may be closed at such times and for such period as the Directors may from time to time determine; Provided always that it shall not be closed for more than thirty (30) days in any year and during such periods the Directors may suspend the registration of transfers. Further Provided always that the Company shall give prior notice of such closure as may be required to the Exchange, stating the period and purpose or purposes for which the closure is to be made.   | Closure of Register of Transfers    |
| 34. Nothing in this Constitution shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.  | Renunciation of allotment           |
| 35. Neither the Company nor its Directors nor any of its officers shall incur any liability for registering or acting upon a transfer of shares apparently made by relevant parties, although the same may, by reason of any fraud or other cause not known to the Company or its Directors or other officers, be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred, and although the transfer may, as between the transferor and transferee, be liable to be set aside, and notwithstanding that the Company may have notice that such instrument of transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee or the particulars of the shares transferred, or otherwise in defective manner. In every such case, the person registered as transferee, his executors, trustees, administrators and assigns, alone shall be entitled to be recognised as the holder of such shares and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto. | Indemnity against wrongful transfer |

### TRANSMISSION OF SHARES

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|---|------------------------------------|
| 36. In the case of the death of a Member whose name is registered in the Register of Members, the survivors or survivor where the deceased was a joint holder, and the executors, trustees or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares, but nothing herein contained shall release the estate of a deceased shareholder from any liability in respect of any share solely or jointly held by him.   | Transmission on death of Member    |
| 37. In the case of the death of a Member who is a Depositor, the survivors or survivor where the deceased was a joint holder, and the executors, trustees or administrators of the deceased where he was a sole holder and where such executors, trustees or administrators are entered in the Depository Register in respect of any shares of the deceased, shall be the only persons recognised by the Company as having any title to his interest in the shares; but nothing herein contained shall release the estate of a deceased Depositor (whether sole or joint) from any liability in respect of any share held by him. | Transmission on death of Depositor |

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## APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION OF THE COMPANY

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38. (1) Any person becoming entitled to the legal title in a share in consequence of the death or bankruptcy of any Member whose name is entered in the Register of Members, and any guardian of an infant becoming entitled to the legal title in a share and whose name is entered in the Register of Members, and any person who properly has the management of the estate of a Member whose name is entered in the Register of Members and who is mentally disordered and incapable of managing himself or his affairs or any person becoming entitled to a share by virtue of a vesting order by a court of competent jurisdiction and recognised by the Company as having any title to that share may, upon producing such evidence of title as the Directors shall require, elect either to be registered himself as holder of the share or transfer the share to some other person, but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by a Member.
- Person becoming entitled in certain circumstances may be registered
- (2) If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to transfer the share to another person, he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of this Constitution relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the event upon which transmission took place had not occurred and the notice or transfer were a transfer signed by the person from whom the title by transmission is derived. The Directors shall have, in respect of a transfer so executed, the same power of refusing registration as if the event upon which the transmission took place had not occurred, and the transfer was a transfer executed by the person from whom the title by transmission is derived. In the case of any person becoming entitled to the interest of a Depositor in respect of a share in consequence of the death of the Depositor, Section 81SQ of the SFA shall apply.
- Requirements regarding transmission of shares
- (3) The Directors may at any time give notice requiring any such person to elect whether to be registered himself as a Member in the Register of Members or, (as the case may be) entered in the Depository Register in respect of the share or to transfer the share and if the notice is not complied with within sixty (60) days the Directors may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.
- Notice to register to unregistered executors and trustees
39. Save as otherwise provided by or in accordance with this Constitution, a person becoming entitled to a share pursuant to regulation 36, 37 or 38 (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) shall be entitled to the same dividends and other advantages as those to which he would be entitled if he were the Member in respect of the share except that he shall not be entitled in respect thereof (except with the authority of the Directors) to exercise any right conferred by membership in relation to meetings of the Company or (save as aforesaid) to any of the rights or privileges of a Member in respect of the share, unless and until he shall be registered as the holder thereof; Provided
- Rights of unregistered persons entitled to a share



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## APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION OF THE COMPANY

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always that the Directors may at any time give notice requiring any such person to elect either to be registered or named in the Depository Register himself or to transfer the share, and if the notice is not complied with within sixty (60) days the Directors may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.

40. There shall be paid to the Company in respect of the registration of any probate, letter of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares, such fee not exceeding S\$2/-, or such other sum as may be approved by the Exchange from time to time, as the Directors may from time to time require or prescribe.
- Fees for registration of probate etc.

### CALLS ON SHARES

41. The Directors may from time to time, as they think fit, make calls upon the Members in respect of any moneys unpaid on their shares or on any class of their shares and not by the conditions of the issue and allotment thereof made payable at fixed times; and each Member shall (subject to his having been given at least fourteen (14) days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be made payable by instalments. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. A call may be revoked or postponed as the Directors may determine.
- Directors may make calls on shares
42. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed.
- Time when new call made
43. If before or on the day appointed for payment thereof, a call payable in respect of a share is not paid, the person from whom the amount of the call is due shall pay interest on such amount at such rate not exceeding ten per cent (10%) per annum as the Directors may determine from the day appointed for payment thereof to the time of actual payment, and shall also pay all costs, charges and expenses which the Company may have incurred or become liable for in order to procure payment of or in consequence of the non-payment of such call or instalment, but the Directors shall be at liberty to waive payment of such interest, costs, charges and expenses wholly or in part.
- Interest and other late payment costs
44. Any sum which by the terms of issue of a share is made payable upon allotment or at any fixed date and any instalment of a call shall for all purposes of this Constitution be deemed to be a call duly made and payable on the date fixed for payment and, in the case of non-payment, the provisions of this Constitution as to payment of interest and expenses, forfeiture and the like and all other relevant provisions of the Statutes or of this Constitution shall apply as if such sum were a call duly made and notified as hereby provided.
- Sum due on allotment or other fixed date
45. The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the time of payment of such calls.
- Power of Directors to differentiate



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## APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION OF THE COMPANY

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46. The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the money uncalled and unpaid upon the shares held by him and such payments in advance of calls shall extinguish (so far as the same shall extend) the liability upon the shares in respect of which it is made, and upon the money so received or so much thereof as from time to time exceeds the amount of the calls then made upon the shares concerned, the Company may pay interest at a rate agreed between the Member paying such sum and the Directors provided that such rate may not exceed eight per cent (8%) per annum without the sanction of the Company in general meeting. Capital paid on shares in advance of calls shall not whilst carrying interest confer a right to participate in profits and until appropriated towards satisfaction of any call shall be treated as a loan to the Company and not as part of its capital and shall be repayable at any time if the Directors so decide.
- Payment in advance of calls

### FORFEITURE OF SHARES

47. If a Member fails to pay the whole or any part of any call or instalment of a call or interest, costs, charges or expenses referred to in regulation 43, by or on the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of the call or instalment or interest, costs, charges or expenses remains unpaid, serve a notice on him requiring him to pay the same, together with any interest (including interest upon interest), costs, charges and/or expenses that may have been incurred by the Company by reason of such non-payment.
- Notice requiring payment of unpaid calls
48. The notice shall name a further day (not being less than fourteen (14) days from the date of service of the notice) on or before which the payment required by the notice is to be made. It shall also name the place where payment is to be made and shall state that, in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.
- Notice to state time and place of payment
49. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect.
- Forfeiture of shares for non-compliance with notice
50. A forfeiture of shares shall include all dividends in respect of the shares not actually paid before the forfeiture notwithstanding that they shall have been declared.
- Forfeiture to include all dividends
51. The Directors may accept a surrender of any share liable to be forfeited hereunder.
- Directors may accept surrender in lieu
52. The forfeiture or surrender of a share shall involve the extinction at the time of forfeiture or surrender of all interest in and all claims and demands against the Company in respect of the share, and all other rights and liabilities incidental to the share as between the Member whose share is forfeited or surrendered and the Company, except only such of those rights and liabilities as are by this Constitution expressly saved, or as are by the Act given or imposed in the case of past Members.
- Extinction of forfeited share

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## APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION OF THE COMPANY

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| 53. Notwithstanding any such forfeiture, the Directors may, at any time before the forfeited share has been otherwise disposed of, annul the forfeiture, upon the terms of payment of all calls and interest due thereon and all expenses incurred in respect of the share and upon such further terms (if any) as they shall see fit.   | Directors may allow forfeited share to be redeemed |
| 54. A share so forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person, on such terms and in such manner as the Directors think fit and at any time before a sale or disposition, the forfeiture or surrender may be cancelled on such terms as the Directors think fit. To give effect to any such sale, re-allotment or other disposition, the Directors are empowered to or may authorise some other person to transfer the shares to the purchaser.   | Sale of forfeited shares                           |
| 55. The Company may receive the consideration, if any, given for the share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed and he shall thereupon be registered as the holder of the share and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share and after registration of the transfer, the validity of the sale shall not be nullified and the remedy (if any) of any person aggrieved by the sale shall be in damages only.  | Company may receive consideration of sale          |
| 56. If any shares are forfeited and sold, any residue after the satisfaction of the unpaid calls and accrued interest and expenses, shall be paid to the person whose shares have been forfeited, or his executors, trustees, administrators or assignees or as he directs.  | Application of residue of proceeds of forfeiture   |
| 57. The Directors may accept a surrender of any share liable to be forfeited hereunder. A person whose shares have been forfeited or surrendered shall cease to be a Member in respect of the shares, but shall, notwithstanding such forfeiture or surrender, remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were payable by him to the Company in respect of the shares with interest thereon at the rate of eight per cent (8%) per annum (or such lower rate as the Directors may approve) from the date of the forfeiture or surrender until payment in respect of the shares; but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. The Directors may at their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or waive payment either wholly or in part. | Liabilities of Members whose shares forfeited      |
| 58. Notice of any forfeiture shall forthwith be given to the holder of the share forfeited or to the person entitled by transmission to the share forfeited as the case may be. An entry of the forfeiture with the date thereof and the fact of the notice given shall be made in the Register of Members or in the Depository Register (as the case may be) opposite the share. The provisions of this regulation are directory only, and no forfeiture shall be in any manner invalidated by any omission to give such notice or to make such entry as aforesaid.   | Notice of forfeiture                               |

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## APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION OF THE COMPANY

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### LIEN ON SHARES

59. (1) The Company shall have a first and paramount lien and charge on all the shares not fully paid up in the name of a Member (whether solely or jointly with others) and all dividends, interest and other distributions from time to time declared in respect of such shares. Such lien shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid, and to such amounts as the Company may be called upon by law to pay in respect of the shares of the Member or deceased Member. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this regulation.
- Company's  
lien
- (2) No Member shall be entitled to receive any dividend or to exercise any privileges as a Member until he shall have paid all calls for the time being due and payable on every share held by him, whether along or jointly with any other person, together with interest and expenses (if any).
60. For the purpose of enforcing such lien, the Directors may sell all or any of the shares subject thereto in such manner as they think fit, but no sale shall be made unless some sum in respect of which the lien exists is presently payable and until a notice in writing stating the amount due and demanding payment and giving notice of intention to sell in default, shall have been served in such a manner as the Directors shall think fit on such Member or the person (if any) entitled by transmission to the shares, and default in payment shall have been made by him or them for fourteen (14) days after such notice. To give effect to any such sale or other disposition, the Directors are empowered or may authorise some other person to transfer the shares to the purchaser.
- Sale of shares  
subject to lien
61. The net proceeds of any such sale shall be applied in or towards satisfaction of the unpaid calls and accrued interest and expenses due from the Member to the Company in respect of the shares and the residue (if any) shall be paid to the person whose shares have been forfeited or his executors, trustees, administrators or assignees or as he directs; Provided always that the Company shall be entitled to a lien upon such residue in respect of any money due to the Company but not presently payable like to that which it had upon the shares immediately before the sale thereof.
- Application of  
proceeds of  
sale
62. To give effect to any such sale, the Directors may authorise some person to transfer the shares sold to the purchaser and the Directors may enter the purchaser's name in the Register of Members as holder of the shares or may request the Depository to enter the purchaser's name in the Depository Register as the Depositor thereof, and the purchaser shall not be bound to see to the regularity or validity of the transfer or be affected by any irregularity or invalidity in the proceedings or be bound to see to the application of the purchase money. After his name has been entered in the Register of Members or the Depository Register the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
- Transfer and  
title to shares  
sold

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## APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION OF THE COMPANY

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63. A statutory declaration in writing by a Director that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts stated therein as against all persons claiming to be entitled to the share, and such declaration and the receipt of the Company of the consideration (if any) given for the share on the sale, re-allotment or disposal thereof, together with the certificate under seal for the share delivered to a purchaser (or where the purchaser is a Depositor, to the Depository or its nominee (as the case may be)) or allottee thereof, shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be entered in the Register of Members as the holder of the share or (as the case may be) in the Depository Register in respect of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the forfeiture, surrender, sale, re-allotment or disposal of the share.

Statutory  
declaration  
that share duly  
forfeited

### CONVERSION OF SHARES INTO STOCK

64. The Company may from time to time by Ordinary Resolution convert any paid up shares into stock and may from time to time by like resolution reconvert such stock into paid up shares.
65. When any shares have been converted into stock, the several holders of such stock may transfer their respective interests therein or any part of such interests in such manner as the Company in general meeting shall direct, but in the absence of such direction, the respective interests may be transferred in the same manner and subject to the same regulations as the shares from which the stock arose would have been transferred prior to conversion or as near thereto as circumstances will admit. But the Directors may if they think fit from time to time fix the minimum number of stock units transferable.
66. The holders of stock shall, according to the number of stock units held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters as if they held the shares from which the stock arose, but no such right, privilege or advantage (except as regards dividend and return of capital and the assets on winding up) shall be conferred by the number of stock units which would not, if existing in shares, have conferred that right, privilege or advantage, and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.
67. All such provisions of this Constitution as are applicable to paid up shares shall apply to stock and in all such provisions the words 'share' and 'shareholder' shall include 'stock' and 'stockholder'.

Conversion  
from share to  
stock and  
back to share

Transfer of  
stock

Rights of  
stock-holders

Interpretation

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## APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION OF THE COMPANY

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### ALTERATIONS OF CAPITAL

68. (1) Subject to any direction to the contrary that may be given by the Company in general meeting (including by way of general authority) or except as permitted under the listing rules of the Exchange, all new shares shall before issue be offered to such Members who as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as far as the circumstances admit, to the number of the existing shares to which they are entitled or hold. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined. After the expiration of that time or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares), in the opinion of the Directors, cannot be conveniently offered under this regulation 68(1).
- Offer of new shares to members
- (2) Notwithstanding regulation 68(1) but subject to the Statutes, the Company may by Ordinary Resolution in general meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the Ordinary Resolution, to:–
- General authority for Directors to issue new shares and make or grant Instruments
- (a) (i) issue shares of the Company whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, 'Instruments') that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares; and
- (b) (notwithstanding that the authority conferred by the Ordinary Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the Ordinary Resolution was in force,

Provided always that:–

- (1) the aggregate number of shares to be issued pursuant to the Ordinary Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution) shall be subject to such limits and manner of calculation as may be prescribed by the Exchange;
- (2) in exercising the authority conferred by the Ordinary Resolution, the Company shall comply with the provisions of the listing rules of the Exchange for the time being in force (unless such compliance is waived by the Exchange) and this Constitution; and
- (3) (unless revoked or varied by the Company in general meeting) the authority conferred by the Ordinary Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company, or the expiration of the period within which such Annual General Meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Act (whichever is the earliest).

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## APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION OF THE COMPANY

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69. Notwithstanding regulation 68 above but subject to the Act, the Directors shall not be required to offer any new shares or make or grant any Instruments to Members to whom by reason of foreign securities laws such offer of shares or making or granting of Instruments may not be made without registration of the shares or Instruments or a prospectus or other document, but may, at their absolute discretion and on such terms and conditions as the Directors deem fit, sell the entitlements to the new shares on behalf of such Members in such manner as they think most beneficial to the Company.
70. Subject to any directions that may be given in accordance with the powers contained in this Constitution, any capital raised by the creation of new shares shall be considered as part of the original capital as consisting of ordinary shares and shall be subject to the same provisions with reference to the payment of calls, transfer, transmission, forfeiture, lien and otherwise as if it had been part of the original capital. Capital raised deemed original capital
71. (1) The Company may by Ordinary Resolution or as otherwise permitted by the provisions of the Statutes: Power to consolidate, cancel and sub-divide shares
- (a) consolidate and divide all or any of its shares;
  - (b) subdivide its shares or any of them (subject nevertheless to the provisions of the Statutes and this Constitution) provided always that in such subdivision the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
  - (c) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person or which have been forfeited and diminish the amount of its capital by the number of the shares so cancelled; and
  - (d) subject to the provisions of the Statutes, convert its share capital or any class of shares from one currency to another currency.
- (2) The Company may by Special Resolution and subject to and in accordance with the Statutes, convert one (1) class of shares into another class of shares. Power to convert shares
72. (1) The Company may reduce its share capital or any undistributable reserve in any manner (including without limitation by return of capital in cash or in specie), subject to any requirements and consents required by law. Without prejudice to the foregoing, upon cancellation of any shares purchased or otherwise acquired by the Company pursuant to these regulations and the Act, the number of issued shares of the Company shall be diminished by the number of shares so cancelled, and where any such cancelled shares were purchased or acquired out of the capital of the Company, the amount of the share capital of the Company shall be reduced accordingly. Reduction of share capital



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## APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION OF THE COMPANY

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- (2) Subject to and in accordance with the provisions of the Act, the listing rules of the Exchange and any applicable legislation or regulation, the Company may authorise the Directors in general meeting to purchase or otherwise acquire ordinary shares, stocks, preference shares, options, debentures, debenture stocks, bonds, obligations, securities, and all other equity, derivative, debt and financial instruments issued by it on such terms as the Company may think fit and in the manner prescribed by the Act. The Company may deal with any such share which is so purchased or acquired by the Company in such manner as may be permitted by, and in accordance with, the Act (including without limitation, to hold such share as a treasury share). Without prejudice to the foregoing, upon cancellation of shares purchased or otherwise acquired by the Company pursuant to this Constitution and the Act, the number of issued shares of the Company shall be diminished by the number of shares so cancelled, and where any such cancelled shares were purchased or acquired out of the capital of the Company, the amount of the share capital of the Company shall be reduced accordingly.
- Power to repurchase shares

### BONUS ISSUES AND CAPITALISATION OF PROFITS AND RESERVES

170. The Company may, upon the recommendation of the Directors, with the sanction of an Ordinary Resolution (including any Ordinary Resolution passed pursuant to regulation 68(2)):
- Power to capitalise profits
- (a) issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:
- (i) the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided); or
- (ii) (in the case of an Ordinary Resolution passed pursuant to regulation 68(2)) such other date as may be determined by the Directors,
- in proportion to their then holdings of shares; and/or
- (b) capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or other undistributable reserve or any sum to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:
- (i) the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided); or
- (ii) (in the case of an Ordinary Resolution passed pursuant to regulation 68(2)) such other date as may be determined by the Directors),



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## APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION OF THE COMPANY

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in proportion to their then holdings of shares and applying such sum on their behalf in paying up in full new shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, new shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up and amongst them as bonus shares in the proportion aforesaid.

171. The Directors may do all acts and things considered necessary or expedient to give effect to any such bonus issue and/or capitalisation under regulation 170, with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the Members concerned). The Directors may authorise any person to enter on behalf of all the Members entitled thereto into an agreement with the Company providing for any such bonus issue and/or capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all such Members.
- Directors to give effect to bonus issues and/or capitalisation
172. In addition and without prejudice to the powers provided for by regulations 170 and 171 above, the Directors shall have power to issue shares for which no consideration is payable and/or to capitalise any undivided profits or other moneys of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full new shares, in each case on terms that such shares shall, upon issue:
- Power to issue free shares and/or to capitalise reserves for employee share-based incentive plans
- (a) be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by Members in general meeting and on such terms as the Directors shall think fit; or
- (b) be held by or for the benefit of non-executive Directors as part of their remuneration under regulation 103(1) and/or regulation 103(2) approved by Members in general meeting in such manner and on such terms as the Directors shall think fit.

The Directors may do all such acts and things considered necessary or expedient to give effect to any of the foregoing.

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### (B) RIGHTS IN RESPECT OF DIVIDENDS

#### DIVIDENDS AND RESERVES

157. Subject to any rights or restrictions attached to any shares or class of shares and except as otherwise permitted by the Act, (a) all dividends shall be declared and paid in proportion to the number of shares held by a Member but where shares are partly paid all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and (b) all dividends shall be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly. For the purposes of this regulation, no amount paid or credited as paid on a share in advance of a call shall be treated as paid on the share.
- Apportionment  
of dividends
158. The Directors may, from time to time, set aside out of the profits of the Company and carry to reserve, such sum or sums as they think proper which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may properly be applied and pending such application, may either be employed in the business of the Company or be invested. The Directors may divide the reserve fund into such special funds as they think fit and may consolidate into one (1) fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also, without placing the same to reserve, carry forward any profits. In carrying sums to reserve and in applying the same the Directors shall comply with the provisions (if any) of the Statutes.
- Power to set  
aside profits  
as reserve
159. The Directors may, upon the recommendation of the Directors and with the sanction of an Ordinary Resolution at a general meeting, from time to time declare dividends, but no such dividend shall (except as by the Statutes expressly authorised) be payable otherwise than out of the profits of the Company. No higher dividend shall be paid than is recommended by the Directors and a declaration by the Directors as to the amount of the profits at any time available for dividends shall be conclusive. The Directors may, if they think fit, and if in their opinion the profits of the Company justifies such payment, without any such sanction as aforesaid, from time to time declare and pay fixed dividends (either in cash or in specie) on any class of shares carrying a fixed dividend expressed to be payable on a fixed date on the half-yearly or other dates (if any) prescribed for the payment thereof by the terms of issue of the shares, and may also from time to time pay to the holders of any class of shares interim dividends of such amounts and on such dates and in respect of such periods as they may think fit.
- Declaration  
and payment  
of dividends
- Interim  
dividends
160. The Company may upon the recommendation of the Directors by Ordinary Resolution, direct payment of a dividend in whole or in part in specie by the distribution of specific assets (and in particular of paid-up shares or debentures or debenture stock of any other company or any combination of any specific assets) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular, may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof, and may determine that cash payments shall be made to any Members in terms of the value so fixed, in order to adjust the rights of all parties. The Directors may vest any such specific assets in trustees as may seem expedient to the Directors and no valuation, adjustment or arrangement so made shall be questioned by any Member.
- Payment of  
dividends in  
specie

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## APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION OF THE COMPANY

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161. (1) Whenever the Directors or the Company in general meeting have resolved or proposed that a dividend (including an interim, final, special or other dividend) be paid or declared on shares of a particular class in the capital of the Company, the Directors may further resolve that Members entitled to such dividend be entitled to elect to receive an allotment of shares of that class credited as fully paid in lieu of cash in respect of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:
- Scrip  
Dividends
- (a) the basis of any such allotment shall be determined by the Directors;
  - (b) the Directors shall determine the manner in which Members shall be entitled to elect to receive an allotment of shares of the relevant class credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid. The Directors may make such arrangements as to the giving of notice to Members, providing for forms of election for completion by Members (whether in respect of a particular dividend(s) or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this regulation;
  - (c) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of election has been accorded, provided that the Directors may determine, either generally or in specific cases, that such right shall be exercisable in respect of the whole or any part of that portion; and
  - (d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on the shares of the relevant class in respect of which the share election has been duly exercised (the "elected shares") and in lieu of cash and in satisfaction thereof shares of the relevant class shall be allotted and credited as fully paid to the holders of the elected shares on the basis of allotment determined as aforesaid. For such purpose, and notwithstanding the provisions of regulation 170, the Directors shall (i) capitalise and apply out of the amount standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of the profit and loss account or otherwise available for distribution as the Directors may determine, such sums as may be required to pay up in full the appropriate number of shares of the relevant class for allotment and distribution to and among the holders of the elected shares on such basis, or (ii) apply the sum which would otherwise have been payable in cash to the holders of the elected shares towards payment of the appropriate number of shares of the relevant class for allotment and distribution to and among the holders of the elected shares on such basis.

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## APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION OF THE COMPANY

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- (2) (a) The shares of the relevant class allotted pursuant to the provisions of paragraph (1) of this regulation shall rank *pari passu* in all respects with the shares of that class then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.
- Ranking of shares and other actions
- (b) The Directors may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (1) of this regulation, with full power to make such provisions as they may think fit in the case of shares of the relevant class becoming distributable in fractions (including, notwithstanding any provision to the contrary in this Constitution, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down, or whereby the benefit of fractional entitlements accrues to the Company rather than the Members) and to authorise any person to enter on behalf of the Members interested into agreement(s) with the Company providing for any such appropriation, capitalisation, application, payment and distribution of funds and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.
- (3) The Directors may, on any occasion when they resolve as provided in paragraph (1) of this regulation, determine that the rights of election under that paragraph shall not be made available to the persons who are registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register, or in respect of shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors think fit and, in such event, the provisions of this regulation shall be read and construed subject to such determination.
- Record date
- (4) The Directors may, on any occasion when they resolve as provided in paragraph (1) of this regulation, further determine that:–
- Cash in lieu of shares
- (a) no allotment of shares or rights of election for shares under that paragraph shall be made available or made to Members whose registered addresses entered in the Register of Members (or as the case may be) the Depository Register are outside Singapore or to such other Members or class of Members as the Directors may in their sole discretion decide and, in such event, the only entitlements of the Members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared; and

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## APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION OF THE COMPANY

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- (b) no allotment of shares or rights of election for shares under paragraph (1) of this regulation shall be made available or made to a person, or any persons, if such allotment or rights of election would in the opinion of the Directors cause such person, or such persons, to hold or control voting shares in excess of any shareholding or other limits which may from time to time be prescribed in any Statute, without the approval of the applicable regulatory or other authority as may be necessary.
- (5) Notwithstanding the foregoing provisions of this regulation, if at any time after the Directors' resolution to apply the provisions of paragraph (1) of this regulation in relation to any dividend but prior to the allotment of shares pursuant thereto, the Directors shall consider that, by reason of any event or circumstance (whether arising before or after such resolution) or by reason of any matter whatsoever, it is no longer expedient or appropriate to implement that proposal, the Directors may at their absolute discretion and as they deem fit in the interests of the Company, cancel the proposed application of paragraph (1) of this regulation. Cancellation
162. No shareholder shall be entitled to receive any dividend or to be present or vote at any meeting or upon a poll, or to exercise any privilege as a Member until he shall have paid all calls for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any). No right to dividends where calls outstanding
163. The Directors may deduct from any dividend or other moneys payable to a Member in respect of any share held by such Member, either alone or jointly with any other Member, any or all sums of money as may be due and payable by him, either alone or jointly with any other person in respect of any debts, liabilities or engagements to the Company on account of calls or otherwise towards satisfaction (in whole or in part) of such debts, liabilities or engagements, or any other account which the Company is required by law to deduct. Deduction from debts due to Company
164. A transfer of a share shall not pass the right to any dividend declared in respect thereof before the transfer has been registered. Effect of transfer of shares
165. (1) The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists. Retention of dividends on shares subject to lien
- (2) The Directors may retain the dividends payable on shares in respect of which any person is under this Constitution, as to the transmission of shares, entitled to become a Member, or which any person under this Constitution is entitled to transfer, until such person shall become a Member in respect of such shares or shall duly transfer the same. Retention of dividends on shares pending transmission

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## APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION OF THE COMPANY

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| 166. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the Member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.   | Waiver of dividends                  |
| 167. (1) Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the Member or person entitled thereto (or, if several persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one (1) of such persons) or (as the case maybe) to the Depository for distribution to the Depositors entitled thereto or to such Member or person at such address as such persons may in writing direct or by such means (including, by electronic means) as the Directors may decide at their absolute discretion. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby and the Company shall not be responsible for the loss of any cheque or warrant sent through the post, which shall be sent by post duly addressed to the Member for whom it is intended. | Dividend paid by cheque or warrant   |
| (2) Notwithstanding the provisions of paragraphs (1) and (3) of this regulation, the payment by the Company to the Depository of any dividend payable to a Depositor shall, to the extent of the payment made to the Depository, discharge the Company from any liability to the Depositor in respect of that payment.   | Payment to Depository good discharge |
| (3) Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as holders of such shares in the Register of Members or (as the case may be) the Depository Register at the close of business on a particular date and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights <i>inter se</i> in respect of such dividend of transferors and transferees of any such shares.  | Resolution declaring dividends       |
| 168. The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends and other moneys payable on or in respect of a share that are unclaimed after first becoming payable may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend or any such moneys unclaimed after a period of six (6) years from the date they are first payable may be forfeited and if so forfeited, shall revert to the Company. However, the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the dividends or moneys so forfeited to the person entitled thereto prior to the forfeiture. If the Depository returns any such dividend or moneys to the Company, the relevant Depositor shall not have  | Unclaimed dividends or other moneys  |



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any right or claim in respect of such dividend or moneys against the Company if a period of six (6) years has elapsed from the date such dividend or other moneys are first payable. For the avoidance of doubt no Member shall be entitled to any interest, share of revenue or other benefit arising from any unclaimed dividends or moneys, howsoever and whatsoever.

169. No dividend or other monies payable on or in respect of a share shall bear interest as against the Company. No interest on dividends

### (C) RIGHTS IN RESPECT OF VOTING

#### GENERAL MEETINGS

73. Save as otherwise permitted under the Act, an annual general meeting shall be held once in every year and in accordance with the requirements of the Act, at such time and place as may be determined by the Directors, but not more than four (4) months shall be allowed to elapse between the end of each financial year and such general meeting, unless the Registrar authorises an extension of time to hold such general meeting or as otherwise permitted by the Act, the listing rules of the Exchange and/or the Statutes. All general meetings other than annual general meetings shall be called extraordinary general meetings. The Company shall hold all its general meetings in Singapore or such other jurisdiction as may be permitted by the Exchange. Annual general meetings and extraordinary general meetings
74. The Directors may whenever they think fit convene an extraordinary general meeting and an extraordinary general meeting shall also be convened on such requisition by Members in accordance with the Act or in default may be convened by such requisitioner as provided for under the Act. The day, time and place of any meeting shall be determined by the convenors of the meeting. If at any time there are not within Singapore sufficient Directors capable of action to form a quorum at a meeting of Directors, any Director may convene an extraordinary general meeting in the same manner as nearly as possible as that in which such a meeting may be convened by the Directors. Calling for extraordinary general meetings

#### NOTICE OF GENERAL MEETINGS

75. Any general meeting at which it is proposed to pass Special Resolutions or (save as provided by the Statutes) a resolution of which special notice has been given to the Company pursuant to the Act, shall be called by at least twenty-one (21) clear days' notice in writing. An annual general meeting or any other general meeting shall be called by at least fourteen (14) clear days' notice in writing. The notice must specify the place, the day and the hour of the meeting. Such notice shall be given in the manner hereinafter mentioned to all Members other than those who are not under the provisions of this Constitution and the Act entitled to receive such notices from the Company. The period of notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given. So long as the shares in the Company are listed on the Exchange, at least fourteen (14) days' notice of every general meeting shall be given by advertisement in the daily press and in writing to the Exchange and to each securities exchange upon which the shares in the Company are listed. Notice of meeting



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Subject to the provisions of the Act and the listing rules of the Exchange, notwithstanding that it has been called by a shorter notice than that specified above, a general meeting shall be deemed to have been duly called if it is agreed:

Shorter notice

- (a) in the case of an annual general meeting by all the Members entitled to attend and vote thereat; and
- (b) in the case of an extraordinary general meeting by a majority in number of the Members having a right to attend and vote thereat, being a majority together holding not less than ninety-five per cent (95%) (or such other percentage as prescribed by the Act) of the total voting rights of all the Members having a right to vote at that meeting.

Provided also that the accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at the meeting.

Accidental omission

76. Notice of every general meeting shall be given in any manner authorised by this Constitution to:

Persons to whom notice of meeting is to be given

- (a) every Member holding shares conferring the right to attend and vote at the meeting who at the time of the convening of the meeting shall have paid all calls or other sums presently payable by him in respect of shares;
- (b) every person entitled to a share in consequence of the death or bankruptcy or otherwise of a Member who but for the same would be entitled to receive notice of the meeting;
- (c) every Director;
- (d) the Auditors, without prejudice to regulation 180; and
- (e) the Exchange (and where applicable, any other securities exchange upon which the shares in the Company are listed).

No other person shall be entitled to receive notices of general meetings; Provided always that if the meeting is called for the alteration of the objects of the Company, the notice shall comply with the provisions of Section 33 of the Act regarding notices to debenture holders.

77. There shall appear with reasonable prominence in every such notice a statement that a Member entitled to attend and vote is entitled to appoint a proxy to attend and to vote instead of him and that such proxy need not be a Member.

Contents of notice for general meeting

78. Routine business shall mean and include only business transacted at an annual general meeting of the following classes, that is to say:

Routine and special business

- (a) receiving and adopting the financial statements, the Directors' statement, the Auditor's report and other documents required to be attached to the financial statements;

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- (b) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement;
- (c) fixing of the fees of Directors proposed to be paid under regulation 103(1);
- (d) declaring dividends; and
- (e) appointing or re-appointing Auditors and fixing the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed.

Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution on the Company in respect of such special business.

79. In the case of an annual general meeting, the notice shall specify the meeting as such. In the case of any general meeting at which business other than routine business is to be transacted (special business), the notice shall specify the general nature of the special business, and if any resolution is to be proposed as a Special Resolution or as requiring special notice, the notice shall contain a statement to that effect.
- Notice to specify nature of special business

### PROCEEDINGS AT GENERAL MEETINGS

80. No business other than the appointment of a chairman shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Except as herein otherwise provided, two (2) Members present in person shall form a quorum. For the purposes of this regulation, 'Member' includes a person attending as a proxy and a corporation being a Member shall be deemed to be personally present if represented in accordance with the provisions of Section 179(3) of the Act and such corporation's representative is not otherwise entitled to be present at the meeting as a Member or proxy or as a corporate representative of another Member. Provided always that (i) a proxy representing more than one (1) Member shall only count as one (1) Member for the purpose of determining the quorum; and (ii) where a Member is represented by more than one (1) proxy such proxies shall count as only one (1) Member for the purpose of determining the quorum.
- Quorum
81. If within thirty minutes from the time appointed for the holding of a general meeting (or such longer interval as the chairman of the meeting may think fit to allow) a quorum is not present, the meeting if convened on the requisition of Members shall be dissolved. In any other case, it shall stand adjourned to the same day in the next week (or if that day is a public holiday then the next business day following that public holiday) at the same time and place or to such other day, time or place as the Directors may by not less than ten (10) days' notice appoint. At the adjourned meeting, any one (1) or more Members present in person or by proxy shall be a quorum.
- Adjournment if quorum not present

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| 82. The Chairman (if any) of the Board, failing whom the Deputy Chairman, shall preside as Chairman at a general meeting. If there be no such Chairman or Deputy Chairman, or if at any meeting neither be present within five (5) minutes after the time appointed for holding the same and willing to act as Chairman, the Directors present shall choose one of their number (or if no Director be present, or if all the Directors present decline to take the chair, the Members present shall choose one of their number) to be Chairman of the meeting.  | Chairman  |
| 83. The Chairman of any meeting at which a quorum is present may, with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) and from place to place, but no business shall be transacted at any adjourned meeting other than the business which might lawfully have been transacted at the meeting from which the adjournment took place. Where a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for thirty (30) days or more or sine die, not less than seven (7) days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting. Save as hereinbefore expressly provided, it shall not be necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting. | Adjournment<br>by chairman  |
| 84. (1) If required by the listing rules of the Exchange, all resolutions at general meetings shall be voted by poll (unless such requirement is waived by the Exchange).   | Mandatory<br>Polling  |
| (2) Subject to regulation 84(1), at any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:  | Method of<br>voting where<br>mandatory<br>polling not<br>required |
| (a) the Chairman of the meeting; or   |   |
| (b) not less than two (2) Members present in person or by proxy (where a Member has appointed more than one (1) proxy, any one (1) of such proxies may represent that Member) or attorney or in the case of a corporation by a representative, and entitled to vote thereat; or   |   |
| (c) any Member or Members present in person or by proxy (where a Member has appointed more than one (1) proxy, any one (1) of such proxies may represent that Member) or attorney or in the case of a corporation by a representative or any number or combination of such Members, holding or representing not less than five per cent (5%) of the total voting rights of all the Members having the right to vote at the meeting; or  |   |

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- (d) any Member or Members present in person or by proxy (where a Member has appointed more than one (1) proxy, any one (1) of such proxies may represent that Member) or attorney or in the case of a corporation by a representative or any number or combination of such Members, holding or representing shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than five per cent (5%) of the total sum paid up on all the shares conferring that right.

A demand for a poll made pursuant to regulation 84(2) may be withdrawn only with the approval of the Chairman of the meeting, and any such demand shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded. Unless a poll is so demanded (and the demand is not withdrawn), a declaration by the Chairman that a resolution has been carried or carried unanimously or by a particular majority or lost and an entry to that effect in the minute book shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

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| 85. | In the case of an equality of votes whether on a poll or on a show of hands, the Chairman shall be entitled to a second or casting vote in addition to the vote or votes to which he may be entitled to as a Member or as a proxy of a Member.  | Equality of votes         |
| 86. | Subject to regulation 87, where a poll is taken, it shall be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place as the Chairman of the meeting may direct and either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was taken. No notice need be given of a poll not taken at once. In case of any dispute as to the admission or rejection of a vote, the Chairman shall determine the same and such determination made in good faith shall be final and conclusive. The Chairman of the meeting may (and, if required by the listing rules of the Exchange or if so directed by the meeting shall) appoint scrutineer(s) and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll. | How a poll is to be taken |
| 87. | A poll on the election of a Chairman of a meeting or on a question of adjournment shall be taken immediately. A poll on any other question shall be taken either immediately or at such subsequent time (not being more than thirty (30) days from the date of the meeting) and place as the Chairman of the meeting may direct. No notice need be given of a poll not taken at once.   | Time for taking a poll    |
| 88. | Subject to the listing rules of the Exchange, if at any general meeting any votes shall be counted which ought not to have been counted or might have been rejected, or if votes are not counted which ought to have been counted, the error shall not vitiate the result of the vote unless it is pointed out at the same meeting at which the vote is taken or at any adjournment thereof, and is in the opinion of the Chairman of sufficient magnitude to vitiate the result of the voting. The decision of the Chairman of the meeting on such matters shall be final and conclusive.  | Error in counting votes   |

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89. The Members may, if the Directors at their absolute discretion deem fit, participate at a general meeting by telephone or video conference or by means of similar communication equipment whereby all persons participating in the meeting are able to hear and, if applicable, see each other and such participation shall constitute presence in person at such meeting and Members (or their proxy or, in the case of a corporation, their respective corporate representatives) so participating shall be counted in the quorum for the meeting. Such a meeting shall be deemed to take place where the largest group of Members (or their proxy, or in the case of a corporation, their respective corporate representatives) present for purposes of the meeting is assembled or, if there is no such group, where the Chairman of the meeting is present.
- Meetings via  
electronic  
means

### VOTES OF MEMBERS

90. (1) Each Member entitled to vote may vote in person or by proxy or attorney, and (in the case of a corporation) by a representative. A person entitled to more than one (1) vote need not use all his votes or cast all the votes he uses in the same way.
- Voting rights  
of Members
- (2) Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company and to regulation 9, every Member who is present in person or by proxy, attorney or corporate representative (as applicable) shall have one (1) vote for every share which he holds or represents, Provided always that:
- (a) where a Member is represented by one (1) or more proxies and the voting is conducted by way of a poll, the provisions of regulation 94 shall apply; and
- (b) where a Member who is not a relevant intermediary is represented by two (2) proxies, only one (1) of the two (2) proxies as determined by that Member, or failing such determination, by the Chairman of the meeting (or by a person authorised by him) in his sole discretion shall be entitled to vote on a show of hands; and
- (c) where a Member who is a relevant intermediary is represented by two (2) or more proxies, each proxy shall be entitled to vote on a show of hands.
- (3) For the purpose of determining the number of votes which a Member, being a Depositor, or his proxy may cast at any general meeting on a poll, the reference to shares held or represented shall, in relation to shares of that Depositor, be the number of shares entered against his name in the Depository Register as at seventy-two (72) hours (or any such time permitted under the Statutes) before the time of the relevant general meeting as certified by the Depository to the Company.

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91. A Member who is mentally disordered or whose person or estate is liable to be dealt with in any way under the law relating to mental capacity may vote, whether on a show of hands or on a poll, by his committee, *curator bonis* or such other person as properly has the management of his estate and any such committee, *curator bonis* or other person may vote by proxy or attorney, but no person claiming to vote pursuant to this regulation shall do so unless such evidence as the Directors may require of his authority shall have been deposited at the Office not less than seventy-two (72) hours before the time for holding the meeting at which he wishes to vote.
- Voting rights of Members who are mentally disordered
92. In the case of joint Members, any one (1) of such Members may vote and be reckoned in a quorum at any general meeting, whether in person or by proxy, but if more than one (1) such Member is present at the meeting, then in voting upon any question, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other registered holders of the share and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members or the Depository Register (as the case may be). Several executors, trustees or administrators of a deceased Member in whose name any share stands shall for the purpose of this regulation be deemed joint holders thereof.
- Voting rights of joint holders
93. Save as expressly provided herein or in the Act, no person other than a Member duly registered, and only in respect of shares upon which all calls due to the Company have been paid, shall be entitled to be present or to vote on any question, either personally or by proxy, attorney or representative at any general meeting.
- Right to vote
94. (1) Subject to the provisions of the Statutes:
- Appointment of proxies
- (a) a Member who is not a relevant intermediary may appoint not more than two (2) proxies to attend, speak and vote at the same general meeting. Where such Member's form of proxy appoints more than one (1) proxy, the proxy form shall specify the proportion of the Member's shareholding to be represented by each proxy and if no such proportion is specified, the first named proxy shall be deemed to represent 100% of the shareholdings and any second-named proxy shall be deemed to be an alternate to the first-named; and
- (b) a Member who is a relevant intermediary may appoint more than two (2) proxies to attend, speak and vote at the same general meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such Member, and the proxy form shall specify the number and class of shares in relation to which each proxy has been appointed. If the form does not specify the required information, the first-named proxy shall be deemed to represent 100% of the shareholdings.

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**APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION  
OF THE COMPANY**

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|---|--|
| <p>(2) In any case where a Member is a Depositor, the Company shall be entitled:</p> <p style="margin-left: 40px;">(a) to reject any instrument of proxy lodged by that Depositor if he is not shown to have any shares entered against his name in the Depository Register as at seventy-two (72) hours (or any such time permitted under the Statutes) before the time of the relevant general meeting as certified by the Depository to the Company; and</p> <p style="margin-left: 40px;">(b) to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by that Depositor is or are able to cast on a poll a number which is the number of shares entered against the name of that Depositor in the Depository Register as at seventy-two (72) hours (or any such time permitted under the Statutes) before the time of the relevant general meeting as certified by the Depository to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor.</p> | <p>Shares entered in Depository Register</p> |
| <p>(3) The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) given by and the notes (if any) set out in the instrument of proxy.</p>  | <p>Notes and instructions</p>                |
| <p>(4) A proxy or attorney need not be a Member.</p>  | <p>Proxy need not be a Member</p>            |
| <p>(5) Voting right(s) attached to any shares in respect of which a Member has not appointed a proxy may only be exercised at the relevant general meeting by the Member personally or by his attorney, or in the case of a corporation by its representative.</p>  |  |
| <p>(6) A Member who has deposited an instrument appointing any number of proxies to vote on his behalf at a general meeting shall not be precluded from attending and voting in person at that general meeting. Any such appointment of all the proxies concerned shall be deemed to be revoked upon the attendance of the Member appointing the proxy/proxies at the relevant general meeting.</p>   | <p>Attendance of Member at meeting</p>       |
| <p>95. (1) An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve and:</p> <p style="margin-left: 40px;">(a) in the case of an individual, shall be:</p> <p style="margin-left: 80px;">(i) signed by the appointor or his attorney duly authorised in writing, if the instrument of proxy is delivered personally or sent by post; or</p> <p style="margin-left: 80px;">(ii) authorised by that individual through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication; and</p>   | <p>Execution of proxies</p>                  |



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## APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION OF THE COMPANY

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- (b) in the case of a corporation, shall be:
- (i) either given under its common seal, executed as a deed in accordance with the Act, signed on its behalf by an attorney or a duly authorised officer of the corporation, or in some other manner approved by the Directors, if the instrument of proxy is delivered personally or sent by post; or
  - (ii) authorised by that corporation through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication.
- (2) The signature on, or authorisation of, such instrument need not be witnessed. Where an instrument appointing a proxy is signed or authorised on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to regulation 96(1), failing which the instrument may be treated as invalid. Witness and authority
- (3) The Directors may, in their absolute discretion: Directors may approve method and manner, and designate procedure, for electronic communications
- (a) approve the method and manner for an instrument appointing a proxy to be authorised; and
  - (b) designate the procedure for authenticating an instrument appointing a proxy,
- as contemplated in regulations 95(1)(a)(ii) and 95(1)(b)(ii) for application to such Members or class of Members as they may determine. Where the Directors do not so approve and designate in relation to a Member (whether of a class or otherwise), regulation 95(1)(a)(i) and/or (as the case maybe) regulation 95(1)(b)(i) shall apply.
- (4) The instrument appointing a proxy shall be deemed to confer authority generally to act at the meeting for the Member giving the proxy, including authority to demand or join in demanding a poll, to move any resolution or amendment thereto and to speak at the meeting.
96. (1) An instrument appointing a proxy or the power of attorney or other authority, if any: Deposit of proxies
- (a) if sent personally or by post, must be left at the Office, or such place or one of such places (if any) as may be specified by the Company for that purpose in or by way of note to or in any document accompanying the notice convening the meeting; or
  - (b) if submitted by electronic communication, must be received through such means as may be specified by the Company for that purpose in or by way of note to or in any document accompanying the notice convening the meeting,

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## APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION OF THE COMPANY

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and in either case, not less than seventy-two (72) hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates; Provided always that an instrument of proxy relating to more than one (1) meeting (including any adjournment thereof) having once been so delivered in accordance with this regulation 96 for the purposes of any meeting shall not be required again to be delivered for the purposes of any subsequent meeting to which it relates.

- (2) The Directors may, in their absolute discretion, and in relation to such Members or class of Members as they may determine, specify the means through which instruments appointing a proxy may be submitted by electronic communications, as contemplated in regulation 96(1)(b). Where the Directors do not so specify in relation to a Member (whether of a class or otherwise), regulation 96(1)(a) shall apply.
- Directors may specify means for electronic communications
- (3) In the event that forms of proxy are sent to Members together with any notice of meeting, the accidental omission to include the form of proxy to, or the non- receipt of such form of proxy by, any person entitled to receive a notice of meeting shall not invalidate any resolution passed or any proceeding at any such meeting.
- Accidental omission of proxy form
97. Unless otherwise directed by the Chairman of the meeting, a vote cast by proxy shall not be invalidated by the previous death or mental disorder of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made, Provided always that no intimation in writing of such death, mental disorder or revocation shall have been received by the Company at the Office (or at such other place within Singapore as may be specified for the deposit of instruments appointing proxies) at least one (1) hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.
- Intervening death or mental disorder of Member
98. Any corporation which is a Member may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members and the persons so authorised shall be entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual Member. The Company shall be entitled to treat a certificate under the seal of the corporation as conclusive evidence of the appointment or revocation of appointment of a representative under this regulation.
- Corporations acting via representative

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**APPENDIX D: RELEVANT PROVISIONS OF THE CONSTITUTION  
OF THE COMPANY**

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99. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting whose decision as to its validity shall be final and conclusive. Objections
100. Subject to this Constitution and any applicable legislation, the Board may, at its sole discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow Members who are unable to vote in person at any general meeting the option to vote in absentia, including but not limited to voting by mail, electronic mail, or facsimile. Voting in  
absentia

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## **APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021**

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The audited consolidated financial statements of the Group for FY2021 which are set out below have been reproduced from the Company's annual report for FY2021, and were not specifically prepared for inclusion in this Circular.

All capitalised terms used in the Notes to the audited consolidated financial statements of the Group for FY2021 set out below shall have the same meanings given to them in the annual report of the Company for FY2021.

A copy of the annual report of the Company for FY2021 is available for inspection at the Company's registered office at 65 Chulia Street #37-08 OCBC Centre Singapore 049513, during normal business hours until the Closing Date.

## APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

### DIRECTORS' STATEMENT

For the financial year ended 31 December 2021

The Directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 31 December 2021 and the statement of financial position of the Company as at 31 December 2021.

In the opinion of the directors,

- (a) the consolidated financial statements of the Group and the statement of financial position of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2021 and the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date in accordance with the provisions of the Singapore Companies Act 1967 and Singapore Financial Reporting Standards (International); and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

#### Names of Directors

The directors of the Company in office at the date of this statement are:

Low Chai Chong  
Mohammad Syahril  
Irwan A. Dinata  
Simon A. Melhem  
Hwang Kin Soon Ignatius  
Kuntoro Mangkusburoto

#### Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year, the Company was a party to any arrangement whose object was to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or of any other body corporate, other than as disclosed in this statement.

#### Directors' interest in shares or debentures

According to the Register of Directors' Shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967, none of the Directors who held office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

Name of director	Holdings registered in the name of director		Holdings in which a director is deemed to have an interest	
	As at 1.1.2021	As at 31.12.2021	As at 1.1.2021	As at 31.12.2021
The Company – <u>Moya Holdings Asia Limited</u>				
Simon A. Melhem	1,400,000	1,400,000	–	–

The directors' interests in the ordinary shares of the Company as at 21 January 2022 were the same as those as at 31 December 2021.

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## APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

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MOYA HOLDINGS ASIA LIMITED ANNUAL REPORT 2021

### DIRECTORS' STATEMENT

For the financial year ended 31 December 2021

#### Share option scheme

There were no share options granted during the financial year to subscribe for unissued shares of the Company or of its subsidiaries.

There were no shares issued during the financial year to which this statement relates by virtue of the exercise of the options to take up unissued shares of the Company or any subsidiary.

There were no unissued shares of the Company or any subsidiary under option at the end of the financial year.

#### Audit Committee

The Audit Committee at the end of the financial year comprises the following members:

Low Chai Chong  
Hwang Kin Soon Ignatius  
Simon A. Melhem  
Kuntoro Mangkusubroto

All members of the Audit Committee are independent and non-executive directors.

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act 1967, the Singapore Exchange Securities Trading Limited Listing Manual and Section B: Rules of Catalist ("Catalist Rules"), and the Code of Corporate Governance 2018.

In performing those functions, the Audit Committee has met four times since the last Annual General Meeting and has reviewed the following, where relevant, with the executive directors and external and internal auditors of the Company:

- audit plans and results of the internal auditor's examination and evaluation of the Group's systems of internal accounting controls;
- the Group's financial and operating results and accounting policies;
- audit plans of the external auditors;
- financial statements of the Company and consolidated financial statements of the Group before their submission to the directors of the Company and the external auditor's report on those financial statements;
- half-yearly and annual announcements as well as the related press releases on the results and financial position of the Company and the Group;
- legal and regulatory matters that may have a material impact on the financial statements and related compliance policies, programmes and reports received from regulators;
- interested person transactions (as defined in Chapter 9 of the Catalist Rules);
- co-operation and assistance given by management to the Group's external auditors; and
- re-appointment of the external auditors of the Group.

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditor and reviews the level of audit and non-audit fees.

The Audit Committee is satisfied with the independence and objectivity of the external auditor and has recommended to the Board of Directors that the auditor, Foo Kon Tan LLP, be nominated for re-appointment as auditor at the forthcoming Annual General Meeting of the Company.



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## APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

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### DIRECTORS' STATEMENT

For the financial year ended 31 December 2021

#### **Audit Committee** (continued)

Full details regarding the Audit Committee are provided in the "Corporate Governance Report" section of the annual report.

In appointing our auditors for the Company and subsidiaries, we have complied with Rules 712 and 715 of the Catalist Rules.

#### **Independent auditor**

The independent auditor, Foo Kon Tan LLP, Public Accountants and Chartered Accountants, has expressed its willingness to accept re-appointment.

On behalf of the Directors

.....  
LOW CHAI CHONG

.....  
IRWAN A. DINATA

Dated: 13 April 2022

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## APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

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MOYA HOLDINGS ASIA LIMITED ANNUAL REPORT 2021

### INDEPENDENT AUDITOR'S REPORT

To the members of Moya Holdings Asia Limited

#### Report on the Audit of the Financial Statements

##### Opinion

We have audited the financial statements of Moya Holdings Asia Limited ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2021, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 ("the Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2021 and the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

##### Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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## APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

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### INDEPENDENT AUDITOR'S REPORT

To the members of Moya Holdings Asia Limited

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	Our responses and work performed
<b>1. Accounting for service concession arrangements</b>	
<p>As at 31 December 2021, the financial assets arising from service concession arrangements amounted to S\$236.6 million, accounting for 35% of the Group's total assets.</p> <p>The Group entered into a number of service concession arrangements with certain local government water agencies in Indonesia in respect of its water supply businesses.</p> <p>Certain of these service concession arrangements are accounted for using the Financial Asset Model, whilst others are accounted for using the Intangible Asset Model, in accordance with the requirements set out in SFRS(I) INT 12 <i>Service Concession Arrangements</i>.</p> <p>Under the Financial Asset Model, we focused on the split between the construction service consideration and the operating service consideration by reference to their relative fair values.</p> <p>The relative fair values require management to apply significant judgement over the assumptions and estimates used in determining the projected cost for both the construction and operation services as well as the profit margins applied over these projected costs as the fair value of the revenues are derived from these inputs.</p>	<p>Our audit procedures in relation to the relative fair values of the construction and operation considerations in the Financial Asset Model included:</p> <ol style="list-style-type: none"><li>1. Benchmarked the forecasted operating costs used in the Financial Asset Model by comparing against actual costs of other existing service concession arrangement of the Group.</li><li>2. Benchmarked the forecasted profit margins of both the construction and operating services used in the Financial Asset Model by comparing against the average profit margin of existing service concession arrangement in the Group as well as other water operator in Indonesia.</li><li>3. Assessed the reasonableness of the key assumptions used in the Financial Asset Model as well as verify the construction progress during the year.</li><li>4. Tested the mathematical accuracy of the underlying Financial Asset Model.</li></ol> <p>Based on our audit procedures, we found the assumptions and estimates used by management in determining the relative fair values of the construction service and operating service consideration in the Financial Asset Model of the service concession arrangement to be consistent with the evidence that we obtained.</p>

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## APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

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MOYA HOLDINGS ASIA LIMITED ANNUAL REPORT 2021

### INDEPENDENT AUDITOR'S REPORT

To the members of Moya Holdings Asia Limited

#### Key Audit Matters (continued)

Key audit matter	Our responses and work performed
<p><b>2. Goodwill impairment assessment</b></p> <p>As at 31 December 2021, the Group's goodwill amounted to S\$76.0 million, accounting for 11% of the Group's total assets.</p> <p>The goodwill arises from the acquisition of Acuatico Pte Ltd and its subsidiaries ("APL Group") on 8 June 2017 and Obor Infrastructure Pte. Ltd. and its subsidiaries ("Obor Group") on 19 March 2020. The goodwill represents the expansion of the Group's business in water industry in Indonesia and also the increase of the Group's water production capacity.</p> <p>The Group is required to perform the goodwill impairment assessment at least on an annual basis by comparing the recoverable amount of the cash generating unit ("CGU") to the carrying amount. The Group assessed the recoverable amount for each CGU based on the discounted cash flow of the underlying CGU which requires significant judgements in estimating key assumptions.</p> <p>We focused on this area because of the complexity of the assessment process, significant judgements and estimation uncertainties included in the discounted cash flow projection.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"><li>• In relation to management's goodwill impairment assessment, reviewed management's process for performing annual impairment assessment.</li><li>• In respect of the discounted cash flows ("DCF"):<ol style="list-style-type: none"><li>1. Engaged an auditor's expert to assess the reasonableness of the forecasted cash flows by taking into consideration the relevant CGU's expected future operating performance (including revenue growth rates and net profit margins), as well as historical actual performance, and the general industry outlook;</li><li>2. Assessed the reasonableness of the key assumptions, including the service concession period and discount rates applied using commonly accepted methodologies and benchmarks;</li><li>3. Assessed the adequacy of the disclosures relating to the underlying estimates and assumptions; and</li><li>4. Tested the mathematical accuracy of the underlying calculations.</li></ol></li></ul> <p>Based on the audit procedures performed above, we found management's judgement in relation to the goodwill impairment assessment to be appropriately supported.</p>

#### Other matter

The financial statements for the year ended 31 December 2020 were audited by another firm of auditors whose report dated 12 March 2021 expressed an unmodified opinion on those financial statements.

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## APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

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### INDEPENDENT AUDITOR'S REPORT

To the members of Moya Holdings Asia Limited

#### Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement section of the annual report but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the other sections of the annual report ("Other Sections") which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the remaining sections of the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and take appropriate actions in accordance with SSAs.

#### Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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## APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

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MOYA HOLDINGS ASIA LIMITED ANNUAL REPORT 2021

### INDEPENDENT AUDITOR'S REPORT

To the members of Moya Holdings Asia Limited

#### Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary companies incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Ong Soo Ann.

Foo Kon Tan LLP  
Public Accountants and  
Chartered Accountants

Singapore, 13 April 2022

## APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

### STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

	Note	31 December 2021 S\$'000	31 December 2020 S\$'000
<b>The Group</b>			
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	4	19,493	26,192
Service concession assets	6	434,572	435,033
Goodwill	7	76,044	74,466
Deferred tax assets	8	14,768	14,120
Other receivables	10	3,746	1,912
		<b>548,623</b>	<b>551,723</b>
<b>Current Assets</b>			
Inventories	9	5,705	6,147
Service concession assets	6	23,221	15,039
Trade and other receivables	10	50,793	46,473
Restricted cash in banks	15(b)	7,188	5,771
Cash and cash equivalents	11	44,570	58,327
		<b>131,477</b>	<b>131,757</b>
<b>Total assets</b>		<b>680,100</b>	<b>683,480</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Share capital	12	253,728	253,728
Other reserves	13	(13,537)	(19,248)
Retained earnings		115,795	79,625
		<b>355,986</b>	<b>314,105</b>
<b>Non-controlling interests</b>		<b>23,469</b>	<b>21,328</b>
<b>Total equity</b>		<b>379,455</b>	<b>335,433</b>
<b>LIABILITIES</b>			
<b>Non-current Liabilities</b>			
Provisions	14	9,052	20,542
Deferred tax liabilities	8	52,969	45,799
Borrowings	15	117,572	175,509
Trade and other payables	16	11,739	11,477
		<b>191,332</b>	<b>253,327</b>
<b>Current Liabilities</b>			
Provisions	14	4,615	2,945
Borrowings	15	65,139	54,079
Trade and other payables	16	37,919	35,566
Current income tax liabilities		1,640	2,130
		<b>109,313</b>	<b>94,720</b>
<b>Total liabilities</b>		<b>300,645</b>	<b>348,047</b>
<b>Total equity and liabilities</b>		<b>680,100</b>	<b>683,480</b>

The annexed notes form an integral part of and should be read in conjunction with these financial statements.



## APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

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MOYA HOLDINGS ASIA LIMITED ANNUAL REPORT 2021

### STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

	Note	31 December 2021 S\$'000	31 December 2020 S\$'000
<b>The Company</b>			
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	4	125	260
Investments in subsidiaries	5	<u>238,941</u>	<u>235,983</u>
		<b>239,066</b>	236,243
<b>Current Assets</b>			
Trade and other receivables	10	181	81
Cash and cash equivalents	11	<u>1,556</u>	<u>6,710</u>
		<b>1,737</b>	6,791
<b>Total assets</b>		<b><u>240,803</u></b>	<b><u>243,034</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Share capital	12	253,728	253,728
Accumulated losses		<u>(13,265)</u>	<u>(11,153)</u>
<b>Total equity</b>		<b>240,463</b>	242,575
<b>LIABILITIES</b>			
<b>Non-current Liability</b>			
Borrowings	15	–	102
<b>Current Liabilities</b>			
Borrowings	15	125	152
Trade and other payables	16	<u>215</u>	<u>205</u>
		<b>340</b>	357
<b>Total liabilities</b>		<b>340</b>	459
<b>Total equity and liabilities</b>		<b><u>240,803</u></b>	<b><u>243,034</u></b>

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

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**APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE  
GROUP FOR FY2021**

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ANNUAL REPORT 2021 MOYA HOLDINGS ASIA LIMITED

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 December 2021

		Year ended 31 December 2021 S\$'000	Year ended 31 December 2020 S\$'000
<b>The Group</b>			
Revenue	3	257,995	240,123
Cost of sales	17	(136,614)	(135,813)
Gross profit		121,381	104,310
Administrative expenses	17	(37,299)	(37,979)
Finance income	19	1,906	3,641
Finance costs	20	(22,618)	(28,647)
Other expenses, net	21	(1,113)	(1,287)
Profit before taxation		62,257	40,038
Taxation	22	(20,257)	(3,433)
<b>Total profit for the year</b>		<b>42,000</b>	<b>36,605</b>
<b>Profit attributable to:</b>			
Owners of the parent		39,729	35,008
Non-controlling interests		2,271	1,597
		<b>42,000</b>	<b>36,605</b>

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

## APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

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MOYA HOLDINGS ASIA LIMITED ANNUAL REPORT 2021

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 December 2021

	Note	Year ended 31 December 2021 S\$'000	Year ended 31 December 2020 S\$'000
<b>The Group</b>			
<b>Profit for the year</b>		42,000	36,605
<b>Other comprehensive expense after tax:</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>			
Currency translation differences arising from consolidation		5,741	(6,404)
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Remeasurements of defined benefit pension plans, net nil of tax		(3,559)	(1,232)
<b>Other comprehensive income/(loss) for the year, net of tax</b>		2,182	(7,636)
<b>Total comprehensive income for the year</b>		<b>44,182</b>	<b>28,969</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the parent		41,881	27,441
Non-controlling interests		2,301	1,528
		<b>44,182</b>	<b>28,969</b>
<b>Earnings per share (cents)</b>			
– Basic	23	0.95	0.83
– Diluted	23	0.95	0.83

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

**APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021**

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ANNUAL REPORT 2021 MOYA HOLDINGS ASIA LIMITED

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2021

	Note	◀ Attributable to equity holders of the Company ▶					Total equity S\$'000
		Share capital S\$'000	Other reserves S\$'000	Retained earnings S\$'000	Total attributable to owners of the parent S\$'000	Non-controlling interests S\$'000	
<b>The Group</b>							
Balance at 1 January 2020		253,728	(12,322)	45,258	286,664	1,963	288,627
Profit for the year		–	–	35,008	35,008	1,597	36,605
Other comprehensive loss for the year		–	(6,335)	(1,232)	(7,567)	(69)	(7,636)
Total comprehensive income/(loss) for the year		–	(6,335)	33,776	27,441	1,528	28,969
Expiry of share option		–	(591)	591	–	–	–
Acquisition of subsidiaries	32	–	–	–	–	17,837	17,837
Balance at 31 December 2020		253,728	(19,248)	79,625	314,105	21,328	335,433
Profit for the year		–	–	<b>39,729</b>	<b>39,729</b>	<b>2,271</b>	<b>42,000</b>
Other comprehensive income/(loss) for the year		–	<b>5,711</b>	<b>(3,559)</b>	<b>2,152</b>	<b>30</b>	<b>2,182</b>
Total comprehensive income/(loss) for the year		–	<b>5,711</b>	<b>36,170</b>	<b>41,881</b>	<b>2,301</b>	<b>44,182</b>
Dividends paid to non-controlling interests		–	–	–	–	(160)	(160)
<b>Balance at 31 December 2021</b>		<b>253,728</b>	<b>(13,537)</b>	<b>115,795</b>	<b>355,986</b>	<b>23,469</b>	<b>379,455</b>

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

## APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

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MOYA HOLDINGS ASIA LIMITED ANNUAL REPORT 2021

### CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2021

The Group	Note	Year ended 31 December 2021 S\$'000	Year ended 31 December 2020 S\$'000
<b>Cash Flows from Operating Activities</b>			
Receipts from customers		215,170	180,241
Payments to suppliers, directors and employee related expenses		(117,214)	(89,390)
Payments of corporate income tax		(13,898)	(10,286)
Net cash generated from operating activities		<b>84,058</b>	80,565
<b>Cash Flows from Investing Activities</b>			
Payment of construction costs		(24,086)	(44,057)
Acquisition of fixed assets		(3,722)	(6,297)
Acquisition of subsidiaries, net of cash acquired	32	-	(14,451)
Interest received		1,279	2,203
Net cash used in investing activities		<b>(26,529)</b>	(62,602)
<b>Cash Flows from Financing Activities</b>			
Proceeds from borrowings		17,484	35,748
Net (increase)/decrease in restricted cash in banks		(1,417)	199
Principal payment of lease liabilities		(444)	(584)
Repayment of borrowings and debt issuance cost		(68,349)	(60,634)
Loan repayment to former shareholders of subsidiary		-	(10,513)
Interest paid		(18,941)	(25,181)
Dividend paid to non-controlling interests		(160)	(95)
Net cash used in financing activities		<b>(71,827)</b>	(61,060)
Net decrease in cash and cash equivalents		<b>(14,298)</b>	(43,097)
Cash and cash equivalents at beginning of year		58,327	101,544
Effects of currency translation on cash and cash equivalents		541	(120)
Cash and cash equivalents at end of year	11	<b>44,570</b>	58,327

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

# APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2021

### Reconciliation of liabilities arising from financing activities

The following is the disclosure of the reconciliation of items for which cash flows have been, or would be, classified as financing activities, excluding equity items:

	Note	Cash flows			Non-cash changes						31 December 2021 S\$'000
		1 January 2021 S\$'000	Principal repayment and payment of debt issuance cost S\$'000	Proceeds from bank loan S\$'000	Gain on modification of borrowings S\$'000	Interest expense S\$'000	Amortisation of deferred transaction costs S\$'000	Amortisation of gain on modification of borrowings S\$'000	Additions during the year, net of disposal S\$'000	Currency translation difference movement S\$'000	
Bank borrowings	15	228,638	(68,349)	17,484	-	-	1,383	1,371	-	1,657	182,184
Accrued interest	16	486	(18,941)	-	-	19,423	-	-	-	(23)	945
Lease liabilities	24	950	(444)	-	-	71	-	-	-	(50)	527
Restricted cash in banks	15(b)	5,771	1,417	-	-	-	-	-	-	-	7,188

	Note	Cash flows			Non-cash changes						31 December 2020 S\$'000
		1 January 2020 S\$'000	Principal repayment and payment of debt issuance cost S\$'000	Proceeds from bank loan S\$'000	Gain on modification of borrowings S\$'000	Interest expense S\$'000	Amortisation of deferred transaction costs S\$'000	Amortisation of gain on modification of borrowings S\$'000	Additions during the year, net of disposal S\$'000	Currency translation difference movement S\$'000	
Bank borrowings	15	245,399	(60,634)	35,748	(1,223)	-	1,297	1,890	-	6,161	228,638
Accrued interest	16	747	(25,181)	-	-	24,801	-	-	-	119	486
Lease liabilities	24	1,122	(584)	-	-	123	-	-	281	8	950
Restricted cash in banks	15(b)	5,970	(199)	-	-	-	-	-	-	-	5,771

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

# APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

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MOYA HOLDINGS ASIA LIMITED ANNUAL REPORT 2021

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

### 1 General information

Moya Holdings Asia Limited ("Company") is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office is 65 Chulia Street #37-08 OCBC Centre Singapore 049513.

The principal activities of the Company are that of an investment holding company. The principal activities of its subsidiaries are disclosed in Note 5 to the financial statements.

The Company's immediate holding corporation is Tamaris Infrastructure Pte. Ltd. incorporated in Singapore. The ultimate holding corporation is Garrison Investment Holdings Ltd., incorporated in British Virgin Island.

### 2(a) Basis of preparation

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") under the historical cost convention, except as disclosed in the accounting policies below.

These financial statements are presented in Singapore Dollar which is the Company's functional currency. All financial information has been presented in Singapore Dollar and rounded to the nearest thousand (\$'000), unless otherwise stated.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(d).

### 2(b) Adoption of new and revised SFRS(I) effective for the current financial year

On 1 January 2021, the Group and the Company have adopted all the new and revised SFRS(I), SFRS(I) interpretations ("SFRS(I) INT") and amendments to SFRS(I), effective for the current financial year that are relevant to them. The adoption of these new and revised SFRS(I) pronouncements does not result in significant changes to the Group's and the Company's accounting policies and has no material effect on the amounts or the disclosures reported for the current or prior reporting periods, except as discussed below.

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4, and SFRS(I) 16	<i>Interest Rate Benchmark Reform – Phase 2</i>	1 January 2021
Amendments to SFRS(I) 16	<i>COVID-19 Related Rent Concessions</i>	1 June 2020

#### Amendments to SFRS(I) 16 COVID-19-Related Rent Concessions

The amendments provide relief to lessees from applying SFRS(I) 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under SFRS(I) 16 if the change were not a lease modification.

The amendments are applicable on a modified retrospective basis for annual reporting periods beginning on or after 1 June 2020.

The Group has applied the amendments on 1 January 2021. In addition, the Group has elected to apply the practical expedient to all of the COVID-19 related rental concessions it has obtained as lessee.



## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

### 2(b) Adoption of new and revised SFRS(I) effective for the current financial year (continued)

#### **Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4 and SFRS(I) 16 Interest Rate Benchmark Reform – Phase 2**

The amendments address issues that might affect financial reporting after the reform of an interest rate benchmark (“IBOR reform”), including its replacement with alternative benchmark rates. The changes relate to the modification of financial assets, financial liabilities and lease liabilities, specific hedge accounting requirements, and disclosure requirements applying SFRS(I) 7 to accompany the amendments regarding modifications and hedge accounting.

On modification of financial assets, financial liabilities and lease liabilities, a practical expedient is available to allow for modifications required by the IBOR reform as a direct consequence and made on an economically equivalent basis to be accounted for by updating the effective interest rate prospectively. All other modifications are accounted for using current SFRS(I) requirements. A similar practical expedient is provided for lessee accounting applying SFRS(I) 16. SFRS(I) 4 is also amended to require insurers that apply the temporary exemption from SFRS(I) 9 to apply the amendments in accounting for modifications directly required by the reform.

Amendments to SFRS(I) 7 outline disclosure requirements to allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the entity manages those risks as well as the entity’s progress in transitioning from IBOR to alternative benchmark rates, and how the entity is managing this transition.

The amendments are effective for annual periods beginning on or after 1 January 2021. The amendments apply retrospectively but provide relief from restating comparative information.

In accordance with the transitional provisions, on 1 January 2021, the Group has applied the amendments retrospectively but is not required to restate prior period figures.

The Group has adopted the practical expedient to allow for modifications of its financial assets, financial liabilities and lease liabilities, which are required by the IBOR reform as a direct consequence and made on an economically equivalent basis, to be accounted for by updating the effective interest rate prospectively. Consequently, changes in the basis for determining the contractual cash flows of its financial assets, financial liabilities and lease liabilities that are required by the reform did not result in an adjustment to the carrying amount of the financial instrument or immediate recognition of a gain or loss.

## APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

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MOYA HOLDINGS ASIA LIMITED ANNUAL REPORT 2021

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 2(c) New and revised SFRS(I) issued but not yet effective

At the date of authorisation of these financial statements, the Group and the Company have not adopted the new and revised SFRS(I), SFRS(I) INT and amendments to SFRS(I) that have been issued but are not yet effective to them. Management anticipates that the adoption of these new and revised SFRS(I) pronouncements in future periods will not have a material impact on the Group's and the Company's accounting policies in the period of their initial application.

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 16	<i>COVID-19-Related Rent Concessions beyond 30 June 2021</i>	1 April 2021
Amendments to SFRS(I) 3	<i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to SFRS(I) 1-16	<i>Property, Plant and Equipment – Proceeds before Intended Use</i>	1 January 2022
Amendments to SFRS(I) 1-37	<i>Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022
Annual Improvements to SFRS(I)s 2018-2020:		1 January 2022
– Amendments to SFRS(I) 9	<i>Fees in the '10 per cent' Test for Derecognition of Financial Liabilities</i>	1 January 2022
– Amendments to SFRS(I) 16	<i>Lease Incentives</i>	1 January 2022
– Amendments to SFRS(I) 1-41	<i>Taxation in Fair Value Measurements</i>	1 January 2022
SFRS(I) 17	<i>Insurance Contracts</i>	1 January 2023
Amendments to SFRS(I) 1-1	<i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to SFRS(I) 17	<i>Insurance Contracts</i>	1 January 2023
Amendments to SFRS(I) 4	<i>Extension of the Temporary Exemption from Applying SFRS(I) 9</i>	1 January 2023
Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2	<i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to SFRS(I) 1-8	<i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to SFRS(I) 1-12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendment to SFRS(I) 17	<i>Initial Application of SFRS(I) 17 and SFRS(I) 9 – Comparative Information</i>	1 January 2023
Amendments to SFRS(I) 10 and SFRS(I) 1-28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Yet to be determined

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

### 2(d) Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with SFRS(I) requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year ("FY"). Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the reporting period in which the estimate is revised and in any future reporting periods affected. The areas involving significant judgement and critical accounting estimates and assumptions used are described below.

#### (i) Significant judgements used in applying accounting policies

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that have been made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

##### (a) Service concession arrangements

The Group enters into service concession arrangements with certain local government water agencies (the "grantor") in respect of water supply businesses. At the inception of the arrangement, the Group will assess if it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the services provided. Significant judgement is required to determine if the service concession is to be accounted as financial assets under the Financial Asset model or an intangible asset under Intangible Asset model, based on the contractual terms of the service concession.

Under the terms of its service concession arrangements, the Group performs more than one service (i.e. construction or upgrade services and operation services) under a single contract or arrangement. Since the amounts of consideration in the contract are not specifically split between the construction services consideration and the operating services consideration, the consideration receivable for the services provided under the service concession arrangements is allocated to the components by reference to their relative fair values. In determining the allocation, management applied significant judgement over the assumptions and estimates used in determining the projected cost for both the construction and operation services as well as the profit margin applied over the projected costs as the fair value of the revenues are derived from these inputs.

##### (b) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit ("CGU") exceeds its recoverable amount, which is the higher of its fair value less costs to sell ("FVLCTS") and its value in use ("VIU"). The FVLCTS calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The VIU calculation is based on a discounted cash flow ("DCF") model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets in the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

The carrying amounts of property, plant and equipment, intangible assets and goodwill in the Group's consolidated financial statements and cost of investments in subsidiaries in the statement of financial position are disclosed in Notes 4, 5, 6 and 7 respectively. In 2021 and 2020, a decrease in 3% in the gross profit margin or in the growth rate or an increase of 50 basis points in the discount rate, as applied in the VIU calculation, will not lead to further impairment losses recognised on intangible assets goodwill, and cost of investments in subsidiaries.

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## APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

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MOYA HOLDINGS ASIA LIMITED ANNUAL REPORT 2021

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 2(d) Critical accounting judgements and key sources of estimation uncertainty (continued)

##### (i) Significant judgements used in applying accounting policies (continued)

###### (b) Impairment of non-financial assets (continued)

In 2021 and 2020, a decrease in 3% in the gross profit margin or in the growth rate or an increase of 50 basis points in the discount rate, as applied in the VIU calculates, will not have a material impact to the profit for the year for property, plant and equipment.

The change in the estimated recoverable amount from any reasonably possible change on the key estimates does not materially cause the recoverable amount to be lower than its carrying amount.

###### (c) Amortisation period of the contractual concession rights intangible assets

In the preparation of the Group's consolidated financial statements, management applies a significant judgement in determining the useful life of the contractual concession rights intangible assets. In amortising the contractual concession rights intangible assets, management has used the extended useful life assuming PT Aetra Air Jakarta ("AAJ"), a subsidiary, will obtain a business continuation agreement for an additional period of 25 years, instead of up to its expiration in 2023.

Management is of the opinion that the use of the extended useful life of intangible assets beyond AAJ's concession period is appropriate based on the following considerations:

- Management believes that the AAJ's probability to obtain a business continuation agreement is high. Management is of the opinion that all conditions necessary to obtain a business continuation agreement will be satisfied and the cost to AAJ is not significant compared to the future economic benefits that are expected to flow to AAJ.
- There are barriers to entry in the water supply industry and AAJ is the only party currently having such water supply arrangement with the local water authorities and is the only party with know-how and experience in running the operations having been the incumbent for the past 20 years.
- Based on the historical trends obtained from similar operators in the Group and the country, the economic useful life of the intangible assets (being the water treatment facilities) exceeds the extended concession period.

As of the date of these consolidated financial statements, the business continuation agreement between AAJ and Perusahaan Daerah Air Minum Daerah Khusus Ibukota Jakarta/Municipal Office of Drinking Water Supply ("PAM JAYA") is not yet obtained. Consequently, it is possible that future operation results of the Group could be materially affected if AAJ could not obtain a business continuation agreement. The revenue and net profit of tax contributed by AAJ for FY2021 and FY2020 amounted to \$122 million (FY2020: \$126 million) and \$35 million (FY2020: \$14 million) representing 47.2% (2020 - 52.5%) and 83.5% (2020 - 38.8%) of Group's revenue and net profit.

##### (ii) Key sources of estimation uncertainty

###### (a) Purchase price allocation

The consolidated financial statements reflect acquired businesses after the completion of the respective acquisition. The Group accounts for the acquired businesses using the acquisition method which requires extensive use of accounting estimates and assumptions to allocate the purchase price to the fair market values of the acquiree's identifiable assets and liabilities at the acquisition date, particularly the fair value of the intangible assets identified from the acquisition. Estimates and assumptions such as expected volume of water billed and collected, price of water charge, operating costs and discount rate used in valuation methodology can have significant impact on its fair market value.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

### 2(d) Critical accounting judgements and key sources of estimation uncertainty (continued)

#### (ii) Key sources of estimation uncertainty (continued)

- (b) *Allowance for expected credit losses of trade and other receivables and financial assets arising from service concession arrangements*

Allowance for expected credit losses ("ECL") of trade and other receivables and financial assets arising from service concession arrangements are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the ECL calculation, based on the Group's past collection history, existing market conditions as well as forward looking estimates at each reporting date. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

The Group uses a provision matrix to calculate ECL for trade receivables and financial assets arising from service concession arrangements. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances and forecast economic conditions. The carrying amount of the Group's trade and other receivables and financial assets arising from service concession arrangements are disclosed in Notes 6 and 10. A decrease of 10% in the estimated future cash inflows will not lead to further allowance for impairment on the Group's trade and other receivables and financial assets arising from service concession arrangements.

The Group applies the 3-stage general approach to determine ECL for non-trade amounts due from external parties and related parties. ECL is measured as an allowance equal to 12-month ECL for stage-1 assets, or lifetime ECL for stage-2 or stage-3 assets. An asset moves from stage-1 to stage-2 when its credit risk increases significantly and subsequently to stage-3 as it becomes credit-impaired. In assessing whether credit risk has significantly increased, the Group considers qualitative and quantitative reasonable and supportable forward-looking information. Lifetime ECL represents ECL that will result from all possible default events over the expected life of a financial instrument whereas 12-month ECL represents the portion of lifetime ECL expected to result from default events possible within twelve months after the reporting date.

### 2(e) Summary of significant accounting policies

#### Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Company or its subsidiary re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company or its subsidiary obtains control over the subsidiary or investee and ceases when the Company or its subsidiary loses control of the subsidiary or investee. Specifically, income and expenses of a subsidiary or an investee acquired or disposed during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company or its subsidiary gains control until the date when the Company or its subsidiary ceases to control the subsidiary or investee.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries and investees are attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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## APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

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MOYA HOLDINGS ASIA LIMITED ANNUAL REPORT 2021

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 2(e) Summary of significant accounting policies (continued)

##### Consolidation (continued)

When necessary, adjustments are made to the financial statements of subsidiaries or investees to bring their accounting policies in line with the Group's accounting policies.

In the Company's separate financial statements, investments in subsidiaries are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

##### Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group. The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date. Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill.

##### Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

##### Property, plant and equipment and depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent to initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amount over their estimated useful lives as follows:

New connection pipeline network	7 years
Leasehold land	25 years
Buildings	8 – 20 years
Furniture, fittings and office equipment	3 – 8 years
Motor vehicles	4 – 8 years
Plant and machinery	8 years

No depreciation is provided on assets under construction.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

### 2(e) Summary of significant accounting policies (continued)

#### **Property, plant and equipment and depreciation** (continued)

Subsequent expenditure relating to property, plant and equipment that have been recognised is added to the carrying amount of the asset when it is probable that future economic benefits in excess of the standard of performance of the asset before the expenditure was made will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

For acquisitions and disposals during the financial year, depreciation is provided from the month of acquisition and to the month before disposal respectively. Fully depreciated property, plant and equipment are retained in the books of accounts until they are no longer in use.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date as a change in estimates.

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "other expenses, net".

#### **Goodwill**

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

#### **Financial instruments**

Financial assets and financial liabilities are recognised on the statements of financial position when the Group becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.



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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 2(e) Summary of significant accounting policies (continued)

##### Financial assets

###### (i) Classification

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income ("FVOCI"); and
- Fair value through profit or loss ("FVPL").

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset. The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

###### (ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

###### (iii) Trade and other receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of a third party, if the trade receivables do not contain a significant financing component. Other receivables generally arise from transactions outside the normal operating activities of the Group. Trade and other receivables are subsequently measured at amortised cost using the effective interest method, less loss allowance.

###### (iv) Recognition and de-recognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On de-recognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

##### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

##### **Impairment of financial assets**

The Group recognises a loss allowance for expected credit losses ("ECL") on investments in debt instruments that are measured at amortised cost and financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

### 2(e) Summary of significant accounting policies (continued)

#### Impairment of financial assets (continued)

The Group always recognises lifetime ECL for trade and other receivables and financial assets arising from service concession arrangements. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within twelve months after the reporting date.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations, namely supply and distribution of clean water, management, technical advisory and technical analysis services in the clean water industry.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition

- actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument (e.g. significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost);
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

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## APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 2(e) Summary of significant accounting policies (continued)

##### Impairment of financial assets (continued)

###### (i) Significant increase in credit risk (continued)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if (i) the financial instrument has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a financial asset to have low credit risk when it has an external (if any) or internal credit rating of "investment grade" as per globally understood definition.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition, for financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

###### (ii) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that the receivables which meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

###### (iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

### 2(e) Summary of significant accounting policies (continued)

#### Impairment of financial assets (continued)

##### (iii) Credit-impaired financial assets (continued)

- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

##### (iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery (e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings), or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

##### (v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

For a financial guarantee contract, as the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- nature of financial instruments (i.e. the Group's trade and other receivables, finance lease receivables and amounts due from customers are each assessed as a separate group, while loans to related parties are assessed for expected credit losses on an individual basis);
- past-due status;
- nature, size and industry of debtors;
- nature of collaterals for finance lease receivables; and
- external credit ratings where available.

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## APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 2(e) Summary of significant accounting policies (continued)

##### Impairment of financial assets (continued)

- (v) Measurement and recognition of expected credit losses (continued)

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

##### Debt and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

##### Service concession assets

- (a) *Financial assets arising from service concession arrangements*

Financial assets arising from service concession arrangements represent the amounts due from the grantor for services provided by the Group in connection with service concession arrangements where the Group has an unconditional contractual right to receive cash from the grantor. Financial assets arising from service concession arrangements are measured initially at fair value and subsequently measured at amortised cost, i.e. the amount initially recognised plus the cumulative interest on that amount calculated using the effective interest method minus repayments. Financial assets arising from service concession arrangements are classified as current assets if they are expected to be settled within 12 months; otherwise, they are classified as non-current.

- (b) *Intangible assets arising from service concession arrangements*

The Group recognises an intangible asset arising from service concession arrangements when it has a right to charge users of the infrastructure under the concession arrangements.

Enhancements or upgrades to existing infrastructure or the development of new infrastructure projects not ready for use are capitalised as uncompleted projects. These accumulated costs are reclassified upon completion when the enhancement or upgrade to existing infrastructure or construction of new infrastructure is completed. Revenue associated from enhancement or upgrading of existing infrastructure or constructing of new infrastructure is recognised in accordance with revenue recognition policy.

##### Over the concession period

Acuatico Pte. Ltd. and subsidiaries

25 years

Intangible assets ready for use are amortised using the straight-line method over the life of the concession arrangement.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

### 2(e) Summary of significant accounting policies (continued)

#### Service concession assets (continued)

##### (c) Contractual concession rights

Contractual concession rights acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses, if any.

#### Over the concession period

Acuatico Pte. Ltd. and subsidiaries	17 – 25 years
Obor Infrastructure Pte. Ltd. and subsidiaries	14 – 17 years

Contractual concession rights are amortised using the straight-line method.

#### Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined on a weighted average basis, less allowances for obsolescence. A provision for obsolete and slow-moving inventory is determined on the basis of estimated future usage of individual inventory items.

#### Leases

##### (i) The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of twelve months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

##### (a) *Lease liability*

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee. The incremental borrowing rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantee;
- exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

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## APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 2(e) Summary of significant accounting policies (continued)

##### Leases (continued)

##### (i) The Group as lessee (continued)

##### (a) *Lease liability* (continued)

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that trigger those lease payments.

For all contracts that contain both lease and non-lease components, the Group has elected to not separate lease and non-lease components and account these as one single lease component.

The lease liabilities are presented as a separate line item in the statements of financial position.

The lease liability is subsequently measured at amortised cost, by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group re-measures the lease liability (with a corresponding adjustment to the related right-of-use asset or to profit or loss if the carrying amount of the right-of-use asset has already been reduced to nil) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is re-measured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

##### (b) *Right-of-use asset*

The right-of-use asset comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.



## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

### 2(e) Summary of significant accounting policies (continued)

#### Leases (continued)

##### (i) The Group as lessee (continued)

##### (b) *Right-of-use asset* (continued)

Depreciation on right-of-use assets is calculated using the straight-line method to allocate their depreciable amounts over the shorter period of lease term and useful life of the underlying asset, as follows:

Equipment	Over remaining tenure of lease
Leasehold properties	Over remaining tenure of lease

If a lease transfer ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented within "property, plant and equipment".

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

#### Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

#### Share capital

Ordinary shares are classified as equity.

#### Dividends to Company's shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

Final dividends proposed by the directors are not accounted for in shareholders' equity as an appropriation of retained earnings, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

#### Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

##### Government grant related to income

Government grant shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to income may be presented as a credit in profit or loss, either separately or under a general heading such as "Other income".

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 2(e) Summary of significant accounting policies (continued)

##### Financial liabilities

All financial liabilities are initially recognised at fair value plus, in the case of a financial liability not at FVPL, transaction costs that are directly attributable to the issue of the financial liability, and are subsequently measured at amortised cost using the effective interest method or at FVPL.

Financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies as set out below.

(i) Financial liabilities at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVPL, are subsequently measured at amortised cost using the effective interest method. Financial liabilities at amortised cost mainly include trade and other payables, borrowings and lease liabilities.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

(ii) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of reporting period, which are unpaid. They are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest method. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

(iii) Financial guarantees

The Company has issued corporate guarantees to banks for bank borrowings of its subsidiaries. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiaries fail to make principal or interest payments when due in accordance with the terms of their borrowings. Intra-Group transactions are eliminated on consolidation.

Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of:

- (a) amount initially recognised less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and
- (b) the amount of expected loss allowance computed using the impairment methodology under SFRS(I) 9.

(iv) De-recognition of financial liabilities

The Group de-recognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

### 2(e) Summary of significant accounting policies (continued)

#### **Borrowings**

Borrowings which are due to be settled within twelve months after the end of the reporting period are included in current borrowings in the statement of financial position even though the original terms were for a period longer than twelve months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the end of the reporting period. Borrowings to be settled within the Company's and the Group's normal operating cycle are classified as current.

Borrowings due to be settled more than twelve months after the end of reporting period are included in non-current borrowings in the statement of financial position.

Fees paid on the establishment of borrowing facilities are recognised as transaction costs of the borrowing to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

#### (i) Bank borrowings

Bank borrowings are recognised initially at the fair value of proceeds received less attributable transaction costs, if any. Bank borrowings are subsequently stated at amortised cost which is the initial fair value less any principal repayments. Any difference between the proceeds (net of transaction costs) and the redemption value is taken to the profit or loss over the period of the bank borrowings using the effective interest method. The interest expense is chargeable on the amortised cost over the period of the borrowings using the effective interest method.

Bank borrowings are de-recognised when the obligation is discharged, cancelled or expired. The difference between the carrying amount and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

When the contractual cash flows of bank borrowings are modified but do not result in derecognition, difference between the recalculate

#### **Borrowing costs**

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the construction or development of assets under construction. This includes those costs on borrowings acquired specifically for the construction or development of properties and assets under construction, as well as those in relation to general borrowings used to finance the construction or development of properties and assets under construction.

The actual borrowing costs incurred for borrowings acquired specifically for the construction or development of qualifying assets, less any income earned on the temporary investment of such borrowings are capitalised. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings.

#### **Finance costs**

Finance costs comprise (i) interest expense on borrowings and lease liabilities, and (ii) bank charges. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

#### **Offsetting of financial instruments**

Financial assets and liabilities are offset and the net amount reported in the statements of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

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## APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 2(e) Summary of significant accounting policies (continued)

##### Provisions

###### (a) Provision arising from service concession arrangements

Under the terms of the service concessions arrangements, the Group is responsible for operating and maintaining existing infrastructure and infrastructure related assets owned by local authorities, as well as any replacements of those assets and any new assets in the provision of services to customers in accordance with good operating practice. As such, on a regular basis, the Group is required to maintain and replace certain parts of assets within the infrastructure such as production pumps, production panel etc.

Since the Group is not specifically remunerated for its maintenance and other related activities, such obligations are recognised and measured in accordance with SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets, that is at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligations.

###### (b) Other provisions

Provisions for restructuring costs and legal claims and others are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Other provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the profit or loss as finance costs.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

##### Employee benefits

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

###### (a) Post-retirement benefit obligations

Pension schemes are classified as either defined contribution plans or defined benefit plans, depending on the economic substance of the plan as derived from its principal terms and conditions. Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. A defined benefit plan defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in relation to the defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms of maturity approximating the terms of the related pension obligations. In countries where there is no deep market for such bonds, the market rates on government bonds are used.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

### 2(e) Summary of significant accounting policies (continued)

#### Employee benefits (continued)

##### (b) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for unutilised annual leave as a result of services rendered by employees up to the reporting date.

##### (c) Termination benefits

Termination benefits are those benefits which are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the Group recognises costs for a restructuring that is within the scope of SFRS(I) 1-37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

#### Related parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Group and Company if that person:
  - (i) has control or joint control over the Company;
  - (ii) has significant influence over the Company; or
  - (iii) is a member of the key management personnel of the Group or Company or of a parent of the Company.
- (b) An entity is related to the Group and the Company if any of the following conditions applies:
  - (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
  - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
  - (iii) both entities are joint ventures of the same third party;
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
  - (vi) the entity is controlled or jointly controlled by a person identified in (a);
  - (vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
  - (viii) the entity, or any member of a group which is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 2(e) Summary of significant accounting policies (continued)

##### Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group and the Company. Directors and certain senior managerial personnel are considered key management personnel.

##### Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting or taxable profit or loss at the time of the transaction.

A deferred tax liability is recognised on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised either in other comprehensive income or directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred taxes relate to the same fiscal authority.

##### Impairment of non-financial assets

As at each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

### 2(e) Summary of significant accounting policies (continued)

#### Impairment of non-financial assets (continued)

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

#### Revenue

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or extending a service to the customer, which is when the customer obtains control of the good or derived benefits from the usage of the service. A performance obligation may be satisfied at a point in time or over time. If a performance obligation is satisfied over time, the revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that performance obligation. The amount of revenue recognised is the amount allocated to the satisfied performance obligation. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

##### (a) *Water supply charges*

Revenues generated by water supply are recognised based on volumes delivered to customers, either specifically metered and invoiced, or estimated based on the output of the supply networks.

##### (b) *Construction revenue under service concession arrangements*

Construction or upgrade services under service concession arrangements are recognised as revenue based on the percentage of completion of the work performed. The stage of completion is assessed by reference to the proportion that contract costs incurred for work performed to date compared to the estimated total contract costs.

##### (c) *Operation and maintenance revenue under service concession arrangements*

Operation and maintenance revenue arising from service concession arrangements is recognised when the services are rendered.

##### (d) *Finance income under service concession arrangements*

Finance income arising from service concession arrangements is recognised using the effective interest method.

##### (e) *Connection fees and other services*

Revenue from connection fees is recognised over the period of time that water supply services are expected to be provided through the connection. Other services are recognised when services are rendered.



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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 2(e) Summary of significant accounting policies (continued)

##### Currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollar, which is the functional currency of the Company.

(b) *Transactions and balances*

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss. Monetary items include primarily financial assets (other than equity investments), contract assets and financial liabilities.

Foreign exchange gains and losses that relate to borrowings are presented in profit or loss within "finance costs". All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within "other expenses, net".

(c) *Translation of Group entities' financial statements*

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities are translated at the closing exchange rates at the reporting date;
- (ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

##### Current and non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current or non-current classification. An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

### 2(e) Summary of significant accounting policies (continued)

#### Current and non-current classification (continued)

A liability is current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

#### Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its 'highest-and-best use' or by selling it to another market participant that would use the asset in its 'highest-and-best use'.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of SFRS(I) 16 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SFRS(I) 1-2 *Inventories* or value-in-use in SFRS(I) 1-36 *Impairment of Assets*.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – Valuation techniques for which the lowest level inputs that are significant to the fair value measurement are directly or indirectly observable; and
- Level 3 – Valuation techniques for which the lowest level inputs that are significant to the fair value measurement are unobservable.

#### Operating segments

For management purposes, operating segments are organised based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers are directly accountable to the Executive Director and Chairman who regularly review the segment results in order to allocate resources to the segment and to assess segment performance.

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 2(e) Summary of significant accounting policies (continued)

##### Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effect of all dilutive potential ordinary shares.

##### Financial instruments

Financial instruments carried on the statements of financial position include cash and cash equivalents, financial assets and financial liabilities. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item. These instruments are recognised when contracted for.

Disclosures on financial risk management objectives and policies are provided in Note 28.

#### 3 Revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product and service lines.

	At a point in time S\$'000	Over time S\$'000	Total S\$'000
<b>2021</b>			
Revenue from contracts with customers			
Water supply charges	167,573	–	167,573
Construction revenue under service concession arrangements	–	23,393	23,393
Operation and maintenance revenue under service concession arrangements	–	31,478	31,478
Connection fees	–	5,345	5,345
Other services	2,387	–	2,387
	<b>169,960</b>	<b>60,216</b>	<b>230,176</b>
Finance income under service concession arrangements	–	27,819	27,819
Total revenue for the year	<b>169,960</b>	<b>88,035</b>	<b>257,995</b>
<b>2020</b>			
Revenue from contracts with customers			
Water supply charges	142,960	–	142,960
Construction revenue under service concession arrangements	–	43,250	43,250
Operation and maintenance revenue under service concession arrangements	–	25,514	25,514
Connection fees	–	4,592	4,592
Other services	2,356	–	2,356
	145,316	73,356	218,672
Finance income under service concession arrangements	–	21,451	21,451
Total revenue for the year	145,316	94,807	240,123

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 4 Property, plant and equipment

The Group	New connection pipeline network S\$'000	Land and buildings S\$'000	Furniture, fittings and office equipment S\$'000	Motor vehicles S\$'000	Plant and machinery S\$'000	Assets under construction S\$'000	Total S\$'000
<u>Cost</u>							
At 1 January 2020	21,799	11,497	5,712	893	675	331	40,907
Acquisition of subsidiaries	–	–	63	38	3	–	104
Additions	1,325	91	640	762	49	4,357	7,224
Transfer	3,512	–	389	–	–	(3,901)	–
Disposal	–	(636)	(1)	(386)	–	–	(1,023)
Currency translation differences	(787)	(403)	(1,102)	(64)	(21)	(13)	(2,390)
At 31 December 2020	25,849	10,549	5,701	1,243	706	774	44,822
Additions	934	101	280	67	305	1,717	3,404
Transfer	1,360	–	453	–	–	(1,813)	–
Disposal	–	(47)	–	–	–	–	(47)
Currency translation differences	296	107	67	14	11	7	502
<b>At 31 December 2021</b>	<b>28,439</b>	<b>10,710</b>	<b>6,501</b>	<b>1,324</b>	<b>1,022</b>	<b>685</b>	<b>48,681</b>
<u>Accumulated depreciation</u>							
At 1 January 2020	7,075	1,949	2,619	359	229	–	12,231
Depreciation for the year	4,854	1,122	1,441	374	86	–	7,877
Disposal	–	(251)	(1)	(201)	–	–	(453)
Currency translation differences	(334)	(196)	(930)	(48)	(5)	–	(1,513)
At 31 December 2020	11,595	2,624	3,129	484	310	–	18,142
Depreciation for the year	6,390	1,238	1,406	56	112	–	9,202
Disposal	–	(47)	–	–	–	–	(47)
Currency translation differences	190	38	47	6	5	–	286
<b>At 31 December 2021</b>	<b>18,175</b>	<b>3,853</b>	<b>4,582</b>	<b>546</b>	<b>427</b>	<b>–</b>	<b>27,583</b>
<u>Accumulated impairment losses</u>							
At 1 January 2020	–	257	–	–	–	–	257
Impairment loss for the year	–	246	–	–	–	–	246
Currency translation differences	–	(15)	–	–	–	–	(15)
At 31 December 2020	–	488	–	–	–	–	488
Impairment loss for the year	–	1,100	–	–	–	–	1,100
Currency translation differences	–	17	–	–	–	–	17
<b>At 31 December 2021</b>	<b>–</b>	<b>1,605</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1,605</b>
<u>Net book value</u>							
<b>At 31 December 2021</b>	<b>10,264</b>	<b>5,252</b>	<b>1,919</b>	<b>778</b>	<b>595</b>	<b>685</b>	<b>19,493</b>
At 31 December 2020	14,254	7,437	2,572	759	396	774	26,192

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 4 Property, plant and equipment (continued)

The Company	Furniture, fittings and office equipment S\$'000	Office building S\$'000	Total S\$'000
<u>Cost</u>			
At 1 January 2020, 31 December 2020	107	394	501
Additions	2	–	2
<b>At 31 December 2021</b>	<b>109</b>	<b>394</b>	<b>503</b>
<u>Accumulated depreciation</u>			
At 1 January 2020	63	18	81
Depreciation for the year	31	129	160
At 31 December 2020	94	147	241
Depreciation for the year	7	130	137
<b>At 31 December 2021</b>	<b>101</b>	<b>277</b>	<b>378</b>
<u>Net book value</u>			
<b>At 31 December 2021</b>	<b>8</b>	<b>117</b>	<b>125</b>
At 31 December 2020	13	247	260

- (a) Right-of-use of assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 24.
- (b) Impairment losses on property, plant and equipment ("PPE")

In accordance with the Group's accounting policies, management tests its property, plant and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. With the recurring operating losses of PT Acuatico Air Indonesia ("AAI"), management has performed impairment test of its fixed assets for the year 2021 and 2020. For the purpose of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows ("CGU").

The Group used the income approach to assess the value-in-use as the recoverable value. The income approach comprises predicting the value of the future cash flows that a business will generate going forward. The discounted cash flow ("DCF") method was used which involves projecting cash flow and converting it to its present value equivalent through discounting. The discounting process uses a rate of return that is commensurate with the risks associated with the business or asset and the time value of money.

The result of the impairment test showed that as at 31 December 2021 and 2020 the recoverable value of AAI's PPE is lower than the net book value. An impairment loss of S\$1,100,000 (2020 – S\$246,000) had been recorded on its PPE. Management believes that the accumulated provision for impairment losses as of 31 December 2021 is adequate to cover any losses from the impairment of AAI's PPE.

The key assumptions used in the impairment testing as at 31 December 2021 and 2020 are as follows:

	<b>31 December 2021</b>	<b>31 December 2020</b>
Cash flow period	<b>2022 – 2043</b>	2021 – 2043
Water tariff increase	<b>20% every 5 years</b>	20% every 5 years
Discount rate	<b>10.4%</b>	12%

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 5 Investments in subsidiaries

<b>The Company</b>	<b>2021</b>	<b>2020</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<i>Equity investments at cost:</i>		
Balance at beginning of year	<b>235,983</b>	188,618
Additions:		
Quasi-equity loan as part of net investments in subsidiaries	<b>2,958</b>	47,365
Balance at end of year	<b>238,941</b>	235,983

The Group had the following subsidiaries as at 31 December 2021 and 2020:

Name of subsidiary	Principal place of business/ Country of incorporation	Proportion of ordinary shares directly held by the parent		Proportion of ordinary shares directly held by the Group		Proportion of ordinary shares directly held by NCI		
		2021	2020	2021	2020	2021	2020	
		%	%	%	%	%	%	
Moya Indonesia Holdings Pte. Ltd. ("MIH") <sup>(a)</sup>	Singapore	100	100	100	100	–	–	Investment holding company
Acuatico Pte. Ltd. ("APL") <sup>(a)</sup>	Singapore	100	100	100	100	–	–	Investment holding company and provision of management consultancy services in the clean water industry
Moya Energy Holdings Pte. Ltd. ("MEH") <sup>(a)</sup>	Singapore	100	100	100	100	–	–	Investment holding company
Moya Energy Asia Pte. Ltd. ("MEA") <sup>(c)</sup>	Singapore	100	100	100	100	–	–	Investment holding company
PT Moya Indonesia ("MI") <sup>(b)</sup>	Indonesia	100	100	100	100	–	–	Management, technical advisory and technical analysis services in the clean water industry
PT Moya Tangerang ("MT") <sup>(b)</sup>	Indonesia	100	100	100	100	–	–	Supply and distribution of clean water
PT Moya Makassar ("MM") <sup>(b)</sup>	Indonesia	100	100	100	100	–	–	Supply and distribution of clean water
PT Moya Bekasi Jaya ("MBJ") <sup>(b)</sup>	Indonesia	95	95	95	95	5	5	Supply and distribution of clean water
PT Aetra Air Jakarta ("AAJ") <sup>(b)</sup>	Indonesia	100	100	100	100	–	–	Supply and distribution of clean water
PT Aetra Air Tangerang ("AAT") <sup>(b)</sup>	Indonesia	100	100	100	100	–	–	Supply and distribution of clean water
PT Acuatico Air Indonesia ("AAI") <sup>(b)</sup>	Indonesia	100	100	100	100	–	–	Provision of management consultancy services in the clean water industry and supply and distribution of clean water
PT Air Semarang Barat ("ASB") <sup>(b)</sup>	Indonesia	75	75	75	75	25	25	Supply and distribution of clean water
Obor Infrastructure Pte. Ltd. ("Obor") <sup>(a)</sup>	Singapore	100	100	100	100	–	–	Investment holding company
PT Tanah Alam Makmur ("TAM") <sup>(b)</sup>	Indonesia	73	73	73	73	27	27	Management, technical advisory and technical analysis services in the clean water industry
PT Tirta Kencana Cahaya Mandiri ("TKCM") <sup>(b)</sup>	Indonesia	72	72	53	53	47	47	Supply and distribution of clean water
PT Traya Tirta Cisadane ("TTC") <sup>(b)</sup>	Indonesia	95	95	70	70	30	30	Supply and distribution of clean water

(a) Audited by Foo Kon Tan LLP, Singapore

(b) Audited by KAP Hadori Sugiarto Adi dan Rekan, member firm of HLB global network

(c) Dormant entity exempted from the statutory audit requirements

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### NOTES TO THE FINANCIAL STATEMENTS

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#### 5 Investments in subsidiaries (continued)

<b>The Group</b>	<b>2021</b> <b>S\$'000</b>	<b>2020</b> <b>S\$'000</b>
<i>Carrying value of non-controlling interests</i>		
TKCM	<b>7,910</b>	7,018
TTC	<b>11,632</b>	10,518
Other subsidiaries with immaterial non-controlling interest	<b>3,927</b>	3,792
<b>Total</b>	<b>23,469</b>	21,328

#### *Summarised financial information of subsidiaries with material non-controlling interests*

Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. These are presented before inter-company eliminations.

#### *Summarised statement of financial position*

	TKCM		TTC	
	2021 S\$'000	2020 S\$'000	2021 S\$'000	2020 S\$'000
<b>Current</b>				
Assets	<b>4,788</b>	5,523	<b>10,561</b>	12,587
Liabilities	<b>(3,096)</b>	(3,448)	<b>(1,079)</b>	(846)
Total current net assets	<b>1,692</b>	2,075	<b>9,482</b>	11,741
<b>Non-current</b>				
Assets	<b>9,842</b>	4,042	<b>10,407</b>	4,393
Liabilities	<b>(3,079)</b>	(3,144)	<b>(239)</b>	(370)
Total non-current net assets	<b>6,763</b>	898	<b>10,168</b>	4,023
<b>Net assets</b>	<b>8,455</b>	2,973	<b>19,650</b>	15,764

#### *Summarised profit or loss and other comprehensive income*

	TKCM		TTC	
	2021 S\$'000	19 March 2020 to 31 December 2020 S\$'000	2021 S\$'000	19 March 2020 to 31 December 2020 S\$'000
Revenue	<b>14,379</b>	7,754	<b>15,021</b>	10,949
<b>Profit before income tax</b>	<b>3,063</b>	1,759	<b>8,844</b>	5,944
Income tax expense	<b>(618)</b>	(373)	<b>(1,964)</b>	(1,313)
<b>Profit after tax</b>	<b>2,445</b>	1,386	<b>6,880</b>	4,631
Other comprehensive income	–	(45)	<b>(8)</b>	(50)
<b>Total comprehensive income</b>	<b>2,445</b>	1,341	<b>6,872</b>	4,581
Total comprehensive income allocated to non-controlling interests	<b>(684)</b>	(3)	<b>(344)</b>	(13)
Dividends paid to non-controlling interests	–	–	<b>(160)</b>	(95)

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#### 5 Investments in subsidiaries (continued)

Summarised cash flows

	TKCM		TTC	
	2021 S\$'000	19 March 2020 to 31 December 2020 S\$'000	2021 S\$'000	19 March 2020 to 31 December 2020 S\$'000
Net cash generated from operating activities	3,220	1,606	6,965	5,361
Net cash used in investing activities	(7,297)	(2,329)	(9,876)	(18)
Net cash generated from/(used in) financing activities	2,184	930	(3,199)	(982)

#### 6 Service concession assets

The Group	Note	2021 S\$'000	2020 S\$'000
Financial assets arising from service concession arrangements	6(a)	236,640	197,838
Intangible assets:			
– Service concession arrangements, net book value	6(b)	66,789	90,537
– Contractual concession rights, net book value	6(c)	154,364	161,697
		<b>457,793</b>	450,072
Current portion		23,221	15,039
Non-current portion		434,572	435,033
		<b>457,793</b>	450,072

#### 6(a) Financial assets arising from service concession arrangements

The Group	2021 S\$'000	2020 S\$'000
Balance at beginning of year	197,838	147,936
Acquisition of subsidiaries	–	5,395
Additions	21,332	38,398
Settlements	(12,824)	(10,819)
Finance income under service concession arrangements	27,819	21,451
Currency translation differences	2,475	(4,523)
Balance at end of year	<b>236,640</b>	197,838
Current portion	23,221	15,039
Non-current portion	<b>213,419</b>	182,799
	<b>236,640</b>	197,838

#### MBJ and MT

On 18 August 2011 and 20 February 2012, the Group entered into two (2) service concession agreements (“agreements”) with Indonesian municipal authority (“the grantor”) to undertake the design, build, upgrade, uprate, operate and transfer (“BOT”) of a fresh water treatment plant in Bekasi Regency and Tangerang City area respectively. Under the terms of the BOT, the Group is responsible for the upgrading of existing plant and construction of a new water treatment plant. Upon completion of the upgrading and construction, the Group will operate the water treatment plants and sell treated water to the Indonesian municipal authority. The concession period of the agreements is 25 years. The Group will be responsible for any maintenance services required during the concession period.



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#### 6 Service concession assets (continued)

##### 6(a) Financial assets arising from service concession arrangements (continued)

###### **MBJ and MT** (continued)

The Group will receive the right to charge the grantor a fee for the treated water. The quantity of treated water chargeable is guaranteed to a minimum amount stipulated in the agreements. These guaranteed minimum amounts receivable is recognised as financial assets to the extent that the Group has contractual rights under the concession arrangements. As at the end of the concession period, the water treatment plants become the property of the grantor and the Group will have no further involvement or maintenance requirements.

###### **ASB**

On 23 November 2018, the Group entered into a Cooperation Agreements (“CA”) for building, operating and maintaining Drinking Water Supply System (“SPAM”) at West Semarang with the grantor for a period of 25 years starting from commercial operation date. Based on the CA, all parties agreed to cooperate in the build, operate and transfer of raw water unit facility and production unit facility scheme in Semarang City area. The Group is obligated to sell and distribute bulk treated water to the grantor.

The Group and the grantor have agreed on the tariff and billing calculation mechanism of bulk treated water for the first year after the commercial operation date until the 25th year after the commercial operation date, as set forth in the CA. At the expiry date of the CA, the Group shall transfer all facilities, location, materials, designs and data concerning project implementation and all ongoing works which have been approved and not yet completed, insurance, along with the permits and guarantees to the grantor.

The standard rights of the grantor to terminate the agreements include poor performance by the Group and in the event of a material breach in terms of the agreements.

The standard rights of the Group to terminate the agreements include the failure of the grantor to make payment under the agreements, a material breach of the grantor obligations under the agreements, and any changes in law that would render it impossible for the Group to fulfil its obligation under the agreements.

###### **TKCM and TTC**

On 21 June 2017 and 27 January 2014, the subsidiaries, TKCM and TTC (acquired in FY2020) had entered into service concession agreements (“agreements”) with Indonesian municipal authority (“the grantor”) to undertake the rehabilitate, uprate, operate and transfer (“ROT”) of an existing water treatment plant in Cikokol Regency and Serpong Area respectively. Under the terms of the ROT, TKCM and TTC are responsible for the rehabilitation of existing water treatment plant. TKCM and TTC also operate the water treatment plants and sell treated water to the Indonesian municipal authority. The concession period of the agreements is 20 years. TKCM and TTC will be responsible for any maintenance services required during the concession period.

TKCM and TTC will receive the right to charge the grantor a fee for the treated water. The operator has a contractual right to receive a specified or determinable rate of return. These guaranteed returns are recognised as financial assets to the extent that TKCM and TTC have contractual rights under the concession arrangements. As at the end of the concession period, the water treatment plants become the property of the grantor and either TKCM and TTC will have no further involvement or maintenance requirements.

Cash paid during the year in respect of additions of financial assets arising from service concession arrangements and additions of intangible assets arising from service concession arrangements (Note 6(b)) is presented as payment of construction cost in the consolidated statement of cash flows.

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### NOTES TO THE FINANCIAL STATEMENTS

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#### 6 Service concession assets (continued)

##### 6(b) Intangible assets – service concession arrangements

The Group	Ready to use S\$'000	Uncompleted projects S\$'000	Total S\$'000
<u>Cost</u>			
At 1 January 2020	154,190	3,415	157,605
Additions	308	4,544	4,852
Transfers	5,266	(5,266)	–
Currency translation differences	(7,293)	(99)	(7,392)
At 31 December 2020	152,471	2,594	155,065
Additions	30	2,032	2,062
Transfers	2,974	(2,974)	–
Currency translation differences	2,491	16	2,507
<b>At 31 December 2021</b>	<b>157,966</b>	<b>1,668</b>	<b>159,634</b>
<u>Accumulated amortisation</u>			
At 1 January 2020	44,148	–	44,148
Amortisation for the year	24,481	–	24,481
Currency translation differences	(4,101)	–	(4,101)
At 31 December 2020	64,528	–	64,528
Amortisation for the year	26,459	–	26,459
Currency translation differences	1,858	–	1,858
<b>At 31 December 2021</b>	<b>92,845</b>	<b>–</b>	<b>92,845</b>
<u>Net book value</u>			
<b>At 31 December 2021</b>	<b>65,121</b>	<b>1,668</b>	<b>66,789</b>
At 31 December 2020	87,943	2,594	90,537

AAJ entered into a Concession Agreement (“CA”) with Perusahaan Daerah Air Minum Daerah Khusus Ibukota Jakarta with effective date of February 1, 1998 for 25 years term. The objective of the CA is to develop and manage production and distribution of clean water services in the eastern region of Daerah Khusus Ibukota Jakarta.

AAT entered into a Concession Agreement (“CA”) with Pemerintah Daerah Kabupaten Tangerang with effective date of October 2, 2009 for 25 years term. The objective of the CA is to construct the facility for its production and distribution of clean water services in the concession area, which covers Pasar Kemis, Sepatan, Sepatan Timur, Sindang Jaya, Cikupa, Sukamulya, Balaraja, and Jayanti.

The Group recognises an intangible asset arising from a service concession arrangement when it has a right to charge users of the infrastructure under the concession arrangement.

Enhancements or upgrades to existing infrastructure or the development of new infrastructure projects under construction are capitalised as uncompleted projects. These accumulated costs are reclassified upon completion when the enhancement or upgrade to existing infrastructure or construction of new infrastructure is completed. Revenue associated from enhancement or upgrading of existing infrastructure or constructing of new infrastructure is recognised in accordance with revenue recognition policy.

Bank borrowings are secured on intangible assets arising from service concession arrangements of the Group with carrying amount of S\$42.9 million (2020 – S\$45.1 million), as disclosed in Note 15.

Intangible assets have remaining amortisation period of 13-25 years (2020: 14-25 years).

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### NOTES TO THE FINANCIAL STATEMENTS

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#### 6 Service concession assets (continued)

##### 6(c) Intangible assets – contractual concession rights

The Group	2021 S\$'000	2020 S\$'000
<u>Cost</u>		
Balance at beginning of year	185,679	132,869
Acquisition of subsidiaries	–	54,951
Currency translation differences	2,901	(2,141)
Balance at end of year	<b>188,580</b>	185,679
<u>Accumulated amortisation</u>		
Balance at beginning of year	23,982	15,398
Amortisation for the year	9,719	9,068
Currency translation differences	515	(484)
Balance at end of year	<b>34,216</b>	23,982
Net book value at the end of year	<b>154,364</b>	161,697

#### 7 Goodwill

The goodwill arising from the acquisition of (i) Acuatico Pte. Ltd. and its subsidiaries (“APL Group”) and (ii) Obor Infrastructure Pte. Ltd. and its subsidiaries (“Obor Group”) are attributable to the expansion of the Group’s business in water industry in Indonesia and also to increase the Group’s production capacity.

The Group	2021 S\$'000	2020 S\$'000
<u>Cost</u>		
Balance at beginning of year	74,466	72,264
Acquisition of subsidiary	–	3,367
Currency translation differences	1,578	(1,165)
Balance at end of year	<b>76,044</b>	74,466

##### Impairment test for goodwill

The Group tests whether goodwill has suffered any impairment on an annual basis. For FY2021 and FY2020 reporting period, the recoverable amount was determined using value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on the financial budgets approved by the management covering the useful life of the lease concession period. There were no impairment charges as at 31 December 2021 and 2020.

The key assumptions used in the impairment test as at 31 December 2021 and 2020, are as follows:

The Group	2021	2020
Cash flow period	2022 – 2044	2021 – 2044
Discount rate (pre-tax)		
– APL Group	10.4%	13%
– Obor Group	10.4%	15%
Water volume		
– APL Group	31 – 331 million m <sup>3</sup>	29 – 331 million m <sup>3</sup>
– Obor Group	45 – 103 million m <sup>3</sup>	43 – 104 million m <sup>3</sup>
Average water tariff		
– APL Group	IDR2,750/m <sup>3</sup> – IDR11,382/m <sup>3</sup>	IDR2,750/m <sup>3</sup> – IDR11,880/m <sup>3</sup>
– Obor Group	IDR1,690/m <sup>3</sup> – IDR5,344/m <sup>3</sup>	IDR1,625/m <sup>3</sup> – IDR4,589/m <sup>3</sup>

A reasonably possible change in these key assumptions will not result in the carrying amount to be lower than the recoverable amount.

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#### 8 Deferred taxation

##### (i) Deferred tax liabilities

	1 January 2021 S\$'000	Adjustment due to changes in tax rate S\$'000	(Charged)/ credited to profit or loss S\$'000	Charged to equity S\$'000	Currency translation differences S\$'000	31 December 2021 S\$'000
<b>The Group</b>						
Income from financial assets	(9,675)	(408)	(3,774)	–	(520)	(14,377)
Provisions	14	–	(158)	117	78	51
Difference between accounting and tax depreciation	12	–	2	–	1	15
Amortisation of financial assets arising from service concession arrangements	(3,082)	–	(1,395)	–	322	(4,155)
Profit recognised on service concession construction revenue	(695)	–	–	–	(7)	(702)
Intangible assets arising from acquisition/fair value uplift from purchase price allocation	(32,373)	(3,070)	2,138	–	(496)	(33,801)
Deferred tax liabilities	<u>(45,799)</u>	<u>(3,478)</u>	<u>(3,187)</u>	<u>117</u>	<u>(622)</u>	<u>(52,969)</u>

	1 January 2020 S\$'000	Addition from acquisition S\$'000	Adjustment due to changes in tax rate S\$'000	(Charged)/ credited to profit or loss S\$'000	Charged to equity S\$'000	Currency translation differences S\$'000	31 December 2020 S\$'000
<b>The Group</b>							
Income from financial assets	(9,733)	–	2,307	(2,546)	–	297	(9,675)
Provisions	116	–	(15)	(126)	42	(3)	14
Difference between accounting and tax depreciation	15	–	(2)	(1)	–	–	12
Amortisation of financial assets arising from service concession arrangements	(2,481)	–	298	(921)	–	22	(3,082)
Profit recognised on service concession construction revenue	(853)	–	95	–	–	63	(695)
Intangible assets arising from acquisition/ fair value uplift from purchase price allocation	(29,230)	(11,125)	5,768	1,995	–	219	(32,373)
Deferred tax liabilities	<u>(42,166)</u>	<u>(11,125)</u>	<u>8,451</u>	<u>(1,599)</u>	<u>42</u>	<u>598</u>	<u>(45,799)</u>

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#### 8 Deferred taxation (continued)

##### (ii) Deferred tax assets

The Group	1 January 2021 S\$'000	(Charged)/ credited to profit or loss S\$'000	Charged to equity S\$'000	Currency translation differences S\$'000	31 December 2021 S\$'000
Difference between accounting and tax depreciation	6,238	3,238	–	100	9,576
Deferred revenue from connection fees	2,636	(422)	–	22	2,236
Amortisation of financial assets arising from service concession arrangements	1,065	(349)	–	(140)	576
Provisions	4,181	(2,826)	931	94	2,380
Deferred tax assets	<u>14,120</u>	<u>(359)</u>	<u>931</u>	<u>76</u>	<u>14,768</u>

The Group	1 January 2020 S\$'000	Addition from acquisition S\$'000	Adjustment due to changes in tax rate S\$'000	(Charged)/ credited to profit or loss S\$'000	Charged to equity S\$'000	Currency translation differences S\$'000	31 December 2020 S\$'000
Difference between accounting and tax depreciation	4,228	–	(430)	2,582	–	(142)	6,238
Deferred revenue from connection fees	3,338	–	(490)	(115)	–	(97)	2,636
Amortisation of financial assets arising from service concession arrangements	–	1,112	(49)	(206)	–	208	1,065
Provisions	4,463	142	(446)	213	88	(279)	4,181
Deferred tax assets	<u>12,029</u>	<u>1,254</u>	<u>(1,415)</u>	<u>2,474</u>	<u>88</u>	<u>(310)</u>	<u>14,120</u>

Deferred tax liabilities and deferred tax assets are expected to be recovered after 1 year from the reporting date.

The Group has unrecognised accumulated tax losses of S\$15,900,000 (2020: S\$14,973,000) at the reporting date which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised accumulated tax losses in their respective countries of incorporation. The accumulated tax losses will expire between 2022 and 2026 (2020 – 2021 and 2025).

Unrecognised taxable temporary differences relate to unremitted retained profits of overseas subsidiaries. Deferred tax liabilities of S\$23,539,000 (2020 – S\$15,982,000) have not been recognised for withholding and other taxes that will be payable on the earnings of overseas subsidiaries, as the timing of remission is controlled by the holding company.

#### 9 Inventories

The Group	2021 S\$'000	2020 S\$'000
At cost:		
Materials for projects	5,079	5,436
Chemicals	626	711
	<u>5,705</u>	<u>6,147</u>

The inventories are expected to be realised within 12 months after the reporting date.

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#### 10 Trade and other receivables

	The Group		The Company	
	2021 S\$'000	2020 S\$'000	2021 S\$'000	2020 S\$'000
<i>Current</i>				
Trade receivables with non-related parties	48,811	44,896	-	-
Allowance for impairment of receivables				
Balance at beginning of year	(1,584)	(765)	-	-
Movement during the year	834	(819)	-	-
Balance at end of year	(750)	(1,584)	-	-
	<b>48,061</b>	43,312	-	-
Other receivables	2,732	3,161	181	81
	<b>50,793</b>	46,473	<b>181</b>	81
<i>Non-current</i>				
Other receivables	3,746	1,912	-	-

Other receivables (current) relates mainly to prepaid taxes and advances/security deposits placed with suppliers.

Other receivables (non-current) relates to deposits placed with suppliers and is expected to be realised after 12 months from the end of reporting date.

As at 1 January 2021, the Group's gross trade receivables related to revenue from contracts with customers due from non-related parties amounted to S\$48,811,000 (2020 – S\$44,896,000).

Trade receivables are non-interest bearing and are generally on 30 to 90 days (2020 – 30 to 90 days) credit term. They are recognised at their original invoice amounts which represent their fair values on initial recognition. The Group assesses the potential customer's credit quality and determines credit limits to be allowed before accepting any new customer. Credit limits granted to customers are reviewed regularly.

Loss allowance for trade receivables is measured at an amount equal to lifetime ECL. The ECL on trade receivables are estimated using a provision matrix, and by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. In particular, the Group recognises loss allowance in full against all trade receivables over 120 days past due because historical experience has indicated that these receivables are generally not recoverable.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor is placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. None of the trade receivables that have been written off is subject to enforcement activities.

#### 11 Cash and cash equivalents

	The Group		The Company	
	2021 S\$'000	2020 S\$'000	2021 S\$'000	2020 S\$'000
Cash at banks and on hand	22,181	39,849	1,556	6,710
Short term bank deposits	22,389	18,478	-	-
	<b>44,570</b>	58,327	<b>1,556</b>	6,710

The short-term bank deposits are unpledged and mature in January 2022 (2020 – January 2021). The effective interest rate ranges from 0.25% to 4.75% (2020 – 2.25% to 7.00%) per annum.

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#### 12 Share capital

	< Number of ordinary shares >		<----- Amount ----->	
	2021	2020	2021 S\$'000	2020 S\$'000
<b>The Group and The Company</b>				
<b>Issued and fully paid with no par value:</b>				
Balance at beginning and end of year	<b>4,203,585,943</b>	4,203,585,943	<b>253,728</b>	253,728

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All issued shares rank equally with regard to the Company's residual assets.

#### 13 Other reserves

	The Group		The Company	
	2021 S\$'000	2020 S\$'000	2021 S\$'000	2020 S\$'000
Currency translation reserve (Note 13(a))	<b>19,363</b>	25,074	-	-
Capital reserve (Note 13(b))	<b>(5,826)</b>	(5,826)	-	-
	<b>13,537</b>	19,248	-	-

##### 13(a) Currency translation reserve

	2021 S\$'000	2020 S\$'000
<b>The Group</b>		
Balance at beginning of year	<b>25,074</b>	18,739
Net currency translation differences of financial statements of foreign subsidiaries	<b>(5,711)</b>	6,335
Balance at end of year	<b>19,363</b>	25,074

##### 13(b) Capital reserve

	2021 S\$'000	2020 S\$'000
<b>The Group</b>		
Capital reserve	<b>(5,826)</b>	(5,826)

Capital reserve comprised merger reserve which arose as a result of the difference between the considerations for the acquisition by the Company of Moya Asia Pte. Ltd. ("MAL") pursuant to the Restructuring Exercise and the Scheme and the issued share capital of MAL. The merger reserve is a non-distributable reserve.

#### 14 Provisions

	Note	2021 S\$'000	2020 S\$'000
<b>The Group</b>			
<u>Current</u>			
Provisions arising from service concession arrangements	14(a)	<b>4,615</b>	2,945
<u>Non-current</u>			
Provisions arising from service concession arrangements	14(a)	<b>4,045</b>	6,336
Provisions for employee benefits	14(b)	<b>5,007</b>	14,206
		<b>9,052</b>	20,542
		<b>13,667</b>	23,487

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#### 14 Provisions (continued)

##### 14(a) Provisions arising from service concession arrangements

Movement in provisions arising from service concession arrangements as follows:

<b>The Group</b>	<b>2021 S\$'000</b>	<b>2020 S\$'000</b>
Balance at beginning of year	9,281	9,684
Effect of changes in the discount rate (Note 21)	(113)	232
Provision utilised	(964)	(897)
Accretion expense (Note 20)	370	536
Currency translation differences	86	(274)
Balance at end of year	8,660	9,281
Less portion due within one year	(4,615)	(2,945)
Non-current portion	4,045	6,336

Under the terms of the service concessions arrangements for PT Aetra Air Jakarta and PT Aetra Air Tangerang, the Group is responsible for operating and maintaining existing infrastructure and infrastructure related assets owned by local authorities, as well as any replacements of those assets and any new assets in the provision of services to customers in accordance with good operating practice. As such, on a regular basis, the Group is required to maintain and replace certain parts of assets within the infrastructure such as production pumps, production panel etc.

Since the Group is not specifically remunerated for its maintenance and other related activities, such obligations are recognised and measured in accordance with SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*, that is at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligations.

##### 14(b) Provisions for employee benefits

The amount recognised in the consolidated statement of financial position is determined as follows:

<b>The Group</b>	<b>2021 S\$'000</b>	<b>2020 S\$'000</b>
Present value of defined benefit obligations	35,522	35,974
Fair value of plan assets	(30,515)	(21,768)
Liability recognised in the consolidated statement of financial position	5,007	14,206



## APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 14 Provisions (continued)

##### 14(b) Provisions for employee benefits (continued)

The movement in the defined benefit obligations is as follows:

<b>The Group</b>	<b>Present value</b>	<b>Fair value of</b>	<b>Total</b>
<b>2021</b>	<b>of obligation</b>	<b>plan assets</b>	<b>SS\$'000</b>
	<b>SS\$'000</b>	<b>SS\$'000</b>	<b>SS\$'000</b>
Balance at beginning of year	35,974	(21,768)	14,206
Acquisition of subsidiaries	–	–	–
Current service cost	1,166	–	1,166
Interest expense/(income)	2,052	(1,622)	430
Past service cost and gains and losses on settlement	(812)	–	(812)
	<b>2,406</b>	<b>(1,622)</b>	<b>784</b>
Remeasurements:			
– Changes in financial assumptions	(365)	–	(365)
– Experience adjustments	3,483	–	3,483
– Changes in demographic assumptions	203	–	203
– Return on plan assets, excluding amount included in interest income in interest income	–	80	80
	<b>3,321</b>	<b>80</b>	<b>3,401</b>
Benefit payments	(6,525)	6,314	(211)
Employer's contributions	6	(14,543)	(14,537)
Employees' contributions	–	(49)	(49)
Asset acquired	–	–	–
Asset ceiling	–	1,160	1,160
Adjustment on long leave liabilities	(3)	–	(3)
Currency translation adjustment	343	(87)	256
	<b>(6,179)</b>	<b>(7,205)</b>	<b>(13,384)</b>
Balance at end of year	<b>35,522</b>	<b>(30,515)</b>	<b>5,007</b>
<b>The Group</b>	<b>Present value</b>	<b>Fair value of</b>	<b>Total</b>
<b>2020</b>	<b>of obligation</b>	<b>plan assets</b>	<b>SS\$'000</b>
	<b>SS\$'000</b>	<b>SS\$'000</b>	<b>SS\$'000</b>
Balance at beginning of year	34,398	(21,716)	12,682
Acquisition of subsidiaries	658	–	658
Current service cost	2,624	–	2,624
Interest expense/(income)	2,389	(1,541)	848
Past service cost and gains and losses on settlement	(296)	–	(296)
	<b>4,717</b>	<b>(1,541)</b>	<b>3,176</b>
Remeasurements:			
– Changes in financial assumptions	1,490	–	1,490
– Experience adjustments	54	–	54
– Changes in demographic assumptions	22	–	22
– Return on plan assets, excluding amount included in interest income in interest income	–	13	13
	<b>1,566</b>	<b>13</b>	<b>1,579</b>
Benefit payments	(4,398)	4,420	22
Employer's contributions	–	(3,445)	(3,445)
Employees' contributions	–	(59)	(59)
Asset acquired	–	124	124
Asset ceiling	–	(3)	(3)
Currency translation adjustment	(967)	439	(528)
	<b>(5,365)</b>	<b>1,476</b>	<b>(3,889)</b>
Balance at end of year	<b>35,974</b>	<b>(21,768)</b>	<b>14,206</b>

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 14 Provisions (continued)

##### 14(b) Provisions for employee benefits (continued)

The significant actuarial assumptions used were as follows:

The Group	2021	2020
Discount rate	7.5%	4.7% – 7.0%
Salary growth rate	6.0%	5.0% – 6.0%

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is as follows:

The Group	Change in assumption %	Impact on defined benefit obligation	
		Increase in assumption %	Decrease in assumption %
Discount rate	1%	Decrease by 7.15%	Increase by 8.19%
Salary growth rate	1%	Increase by 2.58%	Decrease by 2.37%

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the consolidated statement of financial position.

Plan assets are comprised of:

	The Group 2021		The Group 2020	
	S\$'000	%	S\$'000	%
<i>Assets with quoted market prices</i>				
Bonds	15,674	51.37	12,365	56.80
Government securities	3,792	12.43	3,983	18.30
Shares	768	2.52	927	4.26
<i>Assets without quoted market prices</i>				
Time deposits	9,894	32.42	4,055	18.63
Land and building	346	1.13	408	1.87
On call deposit	16	0.05	4	0.02
Direct investment	25	0.08	26	0.12
Total	<u>30,515</u>	<u>100.0</u>	<u>21,768</u>	<u>100.00</u>

Expected contributions to post-employment benefit plans for the following year are S\$2,987,000.

Expected maturity analysis of undiscounted pension benefits of the Group is as follows:

At 31 December 2021	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
Pension benefits	S\$2,987,000	S\$3,014,000	S\$6,903,000	S\$14,507,000	S\$27,411,000

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 15 Borrowings

	The Group		The Company	
	2021 S\$'000	2020 S\$'000	2021 S\$'000	2020 S\$'000
<b>Current</b>				
Bank borrowings				
Syndication banks				
PT Bank OCBC NISP Tbk ("OCBC NISP – Indonesia")	59,332	49,382	–	–
PT Bank Central Asia Tbk ("BCA")	6,185	4,528	–	–
PT Bank Danamon Indonesia Tbk ("Danamon")	–	821	–	–
Borrowings – PT Indonesia Infrastructure Finance ("IIF")	–	818	–	–
Deferred transaction costs	(1,912)	(1,781)	–	–
Lease liabilities	462	231	125	152
	<b>65,139</b>	<b>54,079</b>	<b>125</b>	<b>152</b>
<b>Non-current</b>				
Bank borrowings				
Syndication banks				
OCBC NISP – Indonesia	53,873	110,413	–	–
BCA	34,530	39,469	–	–
Danamon	32,698	16,193	–	–
IIF	–	2,669	–	–
Deferred transactions costs	–	8,658	–	–
Lease liabilities	(3,594)	(2,612)	–	–
	65	719	–	102
	<b>117,572</b>	<b>175,509</b>	<b>–</b>	<b>102</b>
	<b>182,711</b>	<b>229,588</b>	<b>125</b>	<b>254</b>

#### 1. OCBC NISP – Indonesia

##### MT

On 3 May 2017, MT entered into a term loan facility agreement with OCBC NISP – Indonesia.

On 21 February 2020, MT signed an amended term loan ("TL") facility agreement with OCBC NISP – Indonesia regarding change in the payment period of TL 1 and TL 2 from quarterly to monthly instalments. The changes for the instalment payment period started from 26 March 2020 and 26 June 2020 respectively for each term loans. MT is also responsible to maintain the balance in DSRA to cover at the minimum 1 time principal and interest payment for the following month.

Information related to the facility based on latest amendment are as follows:

Type	Limit	Terms	Interest payment period	Annual interest rate
TL 1	IDR190.7 billion (SGD20 million)	120 months	At 26th of every month	Prime lending rate
TL 2	IDR174.3 billion (SGD18 million)	94 months	At 26th of every month	Prime lending rate

The purpose of the loan facility was to finance and/or refinance and/or repay the outstanding letter of credit in relation to the capital expenditures of BOT project in Tangerang, Indonesia. As at 31 December 2020, MT has fully drawn down all the facility of TL 1 and TL 2.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

### 15 Borrowings (continued)

#### 1. OCBC NISP – Indonesia (continued)

##### MT (continued)

The term loan facility agreement is secured by the following items:

1. Fiduciary guarantee on MT's receivables, in the amount of IDR8 billion.
2. Pledge of shares owned by MI in MT.
3. Pledge of MT's Debt Service Reserve Account ("DSRA").
4. Corporate guarantee from the Company and MI.

Cash in the DSRA amounting to S\$5,810 (2020 – S\$11,600) is presented as restricted cash in banks in the consolidated statement of financial position.

Financial covenants for the term loans are as follows:

1. MT shall maintain the Adjusted Debt-to-Equity Ratio ("DER") of not more than 2.50.
2. Starting 1 January 2019, MT shall maintain the Debt Service Coverage Ratio ("DSCR") of not less than 1.00.

As at 31 December 2021 and 2020, MT has complied with the financial covenants set out in the loan facility agreement.

##### MB

On 29 June 2016, MB entered into a term loan facility agreement with OCBC NISP – Indonesia.

On 24 February 2020, MB signed an amended term loan facility agreement with OCBC NISP – Indonesia regarding change in the payment period of TL 1 and TL 2 from quarterly to monthly installments. The changes for the installment payment period started from 26 March 2020 and 26 May 2020 for each term loan. MB is also responsible to maintain the balance in DSRA to cover at the minimum 1 time principal and interest payment for the following month.

Information related to the loan facility based on latest amendment are as follows:

Type	Limit	Terms	Interest payment period	Annual interest rate
TL 1	IDR42.7 billion (SGD4.4 million)	69 months	At 26th of every month	Prime lending rate
TL 2	IDR123 billion (SGD12.6 million)	96 months	At 26th of every month	Prime lending rate

The purpose of the loan facility was to (a) refinance the amounts due to MI in relation to the past construction expenditures of BOT project in Bekasi, Indonesia, and (b) finance future capital expenditures of BOT project in Bekasi, Indonesia. As at 31 December 2020, MB has fully drawn down all the facility of TL 1 and TL 2.

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 15 Borrowings (continued)

##### 1. OCBC NISP – Indonesia (continued)

###### MB (continued)

The term loan facility agreement is secured by the following items:

1. Fiduciary guarantee on MB's receivables, in the amount of IDR35 billion.
2. Pledge of shares owned by MI in MB.
3. Pledge of MB's DSRA.
4. Corporate guarantee from the Company and MI.

Cash in the DSRA amounting to S\$2,736 (2020 – S\$4,700) is presented as restricted cash in banks in the consolidated statement of financial position.

Financial covenants for the term loans are as follows:

1. MB shall maintain the Adjusted DER of not more than 1.50.
2. Starting 1 January 2019, MB shall maintain the DSCR of not less than 1.00.

As at 31 December 2021 and 2020, MB has complied with the financial covenants set out in the loan facility agreement.

##### 2. Syndication banks

###### AAJ

On 8 January 2018, AAJ entered into a loan syndication agreement with BCA, OCBC NISP – Indonesia and PT Bank China Construction Bank Indonesia Tbk. ("CCB") amounting to IDR2,150 billion for Facility 1 with a term of 5 years and IDR200 billion for Facility 2 with a term of 1 year.

On 10 April 2018, AAJ, BCA, OCBC NISP – Indonesia and CCB agreed to transfer part of Facility 1 of syndicated loan to IIF amounted to IDR217.2 billion. There are no changes to the terms and conditions of the syndicated loan arising from this transfer.

On 22 June 2020, all parties agreed to amend the minimum applicable annual interest rate for Facility 1 from 9.50% to 9.25% and for Facility 2 from 9.25% to 9.00%.

On 6 January 2021, all parties agreed to extend the loan terms of Facility 2 until 8 January 2022. Subsequent to reporting date, the facility had been extended to 8 January 2023.

On 5 February 2021, all parties agreed to amend the minimum applicable annual interest rate for Facility 1 from 9.25% to 8.75% and for Facility 2 from 9.00% to 8.50%.

On 10 May 2021, all parties agreed to amend the minimum applicable annual interest rate for Facility 1 from 8.75% to 8.25% and for Facility 2 from 8.50% to 8.00%.

On 23 December 2021, all parties agreed to amend the minimum applicable annual interest rate for Facility 1 from 8.25% to 8.00% and for Facility 2 from 8.00% to 7.75%. As at 31 December 2021, there is unused portion of the Facility 2 amounted to IDR200 billion.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

### 15 Borrowings (continued)

#### 2. Syndication banks (continued)

##### AAJ (continued)

Information related to the loan facility based on latest amendment are as follows:

Type	Limit	Terms	Interest payment period	Annual interest rate
Facility 1	IDR2,150 billion (SGD213 million)	60 months	Monthly	JIBOR 1 month + 3.50%*
Facility 2	IDR200 billion (SGD20 million)	12 months	Monthly	JIBOR 1 month + 3.35%**

\* Minimum applicable interest rate 8.00% (2020 – 9.25%)

\*\* Minimum applicable interest rate 7.75% (2020 – 9.00%)

The loan facility is secured by the following:

1. Corporate guarantees from the Company and APL;
2. Pledge over the issued shares of AAJ held by APL;
3. Pledge over the issued shares of AAJ held by TPE;
4. Charge over the issued shares of APL held by MIH;
5. Pledge over DSRA (BCA and OCBC NISP – Indonesia), escrow account (BCA), revenue account (BCA), operational account (BCA and OCBC NISP – Indonesia) and treasury account (BCA, OCBC NISP – Indonesia, CCB and PT Bank Mega Tbk (“Mega”)) of AAJ.

Cash in the DSRA amounting to S\$5,695,971 (2020 – S\$4,446,700) is presented as restricted cash in banks in the consolidated statement of financial position.

Financial covenants for the TL are as follows:

1. AAJ shall maintains the DSCR at the minimum of 110%;
2. AAJ shall maintains the Liabilities to Tangible Net Worth Ratio at the maximum of 3 times;
3. AAJ shall maintains the Adjusted Current Ratio at the minimum of 1 time.

As at 31 December 2021 and 2020, all of these financial covenants have been met.

##### AAT

On 8 January 2018, AAT entered into a loan syndication agreement with BCA, OCBC NISP – Indonesia, and CCB amounting to IDR800 billion for Facility 1 with a term of 10 years and IDR25 billion for Facility 2 with a term of 1 year.

On 12 April 2018, AAT, BCA, OCBC NISP – Indonesia and CCB agreed to transfer part of Facility 1 of syndicated loan to IIF amounted IDR82.7 billion. There are no changes to the terms and conditions for the syndicated loan related to this transfer.

On 1 April 2020, AAT has fully drawdown the Facility 2 of syndicated loan and has fully paid the loan principal and interest on 29 June 2020.

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### NOTES TO THE FINANCIAL STATEMENTS

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#### 15 Borrowings (continued)

##### 2. Syndication banks (continued)

###### AAT (continued)

On 22 June 2020, all of the parties agreed to amend the minimum applicable annual interest rate from 9.75% to 9.50% for Facility 1 and from 9.25% to 9.00% for Facility 2.

On 6 January 2021, all of the parties agreed to extend the due date of drawdowns for Facility 2 to 8 January 2022.

On 5 February 2021, all parties agreed to amend the minimum applicable annual interest rate for from 9.50% to 9.00% for Facility 1 and from 9.00% to 8.50% for Facility 2.

On 10 May 2021, all parties agreed to amend the minimum applicable annual interest rate from 9.00% to 8.50% for Facility 1 and from 8.50% to 8.00% for Facility 2.

On 23 December 2021, all parties agreed to amend the minimum applicable annual interest rate from 8.50% to 8.25% for Facility 1 and from 8.00% to 7.75% for Facility 2. As at 31 December 2021, there is unused portion of the Facility 2 amounted to IDR25 billion.

Information related to the loan facility based on latest amendment are as follows:

Type	Limit	Terms	Interest payment period	Annual interest rate
Facility 1	IDR800 billion (SGD80 million)	120 months	Monthly	JIBOR 1 month + 3.75%*
Facility 2	IDR25 billion (SGD2.5 million)	12 months	Monthly	JIBOR 1 month + 3.35%**

\* Minimum applicable interest rate 8.25% (2020 – 9.50%)

\*\* Minimum applicable interest rate 7.75% (2020 – 9.00%)

The loan facility is secured by the following:

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

Cash in the DSRA amounting to S\$949,892 (2020 – S\$1,005,800) is presented as restricted cash in banks in the consolidated statement of financial position.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

### 15 Borrowings (continued)

#### 2. Syndication banks (continued)

##### AAT (continued)

Financial covenants for the TL are as follows:

1. AAT shall maintain the DSCR at the minimum of 110%;
2. AAT shall maintain the Liabilities to Tangible Net Worth Ratio at the maximum of 3 times;
3. AAT shall maintain the Adjusted Current Ratio at the minimum of 1 time.

As at 31 December 2021 and 2020, AAT has complied with the financial covenants set out in the loan facility agreement.

#### 3. BCA

##### ASB

On 29 April 2019, ASB entered into a loan agreement with BCA amounting to IDR265 billion for Facility A with a term of 144 months.

On 23 March 2020, all of the parties agreed to amend the interest rate from 10.25% to 10.00% effective from 27 March 2020.

On 11 June 2020, all of the parties agreed to amend the interest rate from 10.00% to 9.75% effective from 25 June 2020.

On 8 January 2021, all of the parties agreed to amend the interest rate from 9.75% to 9.50% effective from 15 January 2021.

On 26 February 2021, all of the parties agreed to amend the interest rate from 9.50% to 9.25% effective from 4 March 2021.

On 17 March 2021, all of the parties agreed to amend the interest rate from 9.25% to 9.00% effective from 1 April 2021.

On 25 May 2021, all of the parties agreed to amend the interest rate from 9.00% to 8.50% effective from 28 May 2021.

On 27 October 2021, all of the parties agreed to amend the interest rate from 8.50% to 8.25% effective from 1 November 2021.

Information related to the loan facility based on latest amendment are as follows:

Type	Limit	Terms	Interest payment period	Annual interest rate
Facility A	IDR265 billion (SGD25.4 million)	144 months	Monthly	Fixed 8.25%*

\* In the loan agreement, BCA has the right to adjust the annual interest rate to the change in market



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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 15 Borrowings (continued)

##### 3. BCA (continued)

##### ASB (continued)

For Facility A (Investment Credit), there are sublimit facility Letter of Credit ("L/C") in the form of Sight L/C and Usance L/C at maximum equivalent to US\$8,000,000 with the conditions as follows:

- a. Sublimit facility L/C can be issued in foreign currencies US Dollar, Euro, Singapore Dollar, Japanese Yen, Australian Dollar and Pound Sterling.
- b. The L/C payment is due until the end of the grace period.

Other facility includes a bank guarantee with total facility of IDR18 billion for the purpose of implementation guarantee for the construction of Drinking Water Supply System ("SPAM").

The purpose of the loan facility was to finance the construction of SPAM production and facilitate the purchase of goods needed for the construction of SPAM production units and fixed assets.

The term loan facility agreement is secured by the following items:

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

Cash in the DSRA amounting to S\$383,893 (2020 – S\$2,500) is presented as restricted cash in banks in the consolidated statement of financial position.

Financial covenants for the term loans are as follows:

1. Starting 1 year after commercial operation date, ASB shall maintain the DSCR of not less than 1.00. As at the year ended 31 December 2020, commercial operations have not commenced;
2. ASB shall maintain the adjusted DER not more than 3.00 starting 31 December 2021 and not more than 2.50 starting 31 December 2022. DER is defined as total liabilities deducted with loan to shareholders, divided by sum of total equity and loan to shareholders.

As at 31 December 2021 and 2020, ASB has complied with the financial covenants set out in the loan facility agreement.

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 15 Borrowings (continued)

##### 3. BCA (continued)

###### TKCM

On 24 June 2021, TKCM entered into a loan agreement with BCA amounting to IDR164 billion for Facility 1, 2, and 3 with a term of 120 months.

Information related to the loan facility are as follows:

Type	Limit	Terms	Interest payment period	Annual interest rate
Facility 1	IDR36 billion (SGD35.5 million)	120 months	Monthly	Fixed 8.25%*
Facility 2	IDR113 billion (SGD105.2 million)	120 months	Monthly	Fixed 8.25%*
Facility 3	IDR15 billion (SGD14.0 million)	12 months	Monthly	Fixed 8.25%*

\* In the loan agreement, BCA has the right to adjust the annual interest rate to the change in market

Other facility includes a bank guarantee with total facility of IDR1.5 billion for the purpose of implementation guarantee for the construction in cooperation agreement with Perusahaan Daerah Air Minum Tirta Kerta Raharja ("PDAM TKR").

These loans facilities will be used for:

1. Facility 1: to take over the TKCM's investment credit facility at Danamon.
2. Facility 2: to finance the construction of reservoir, transmission pipe and air backwash system.
3. Facility 3: to finance TKCM working capital.

The term loan facilities agreement is secured by the following items:

1. Pledge over a TKCM's ordinary shares owned by TAM and PT Tirta Bangun Nusantara.
2. Pledge over the claim rights of bank guarantee (Performance/Surety Bond) from EPC contractor, insurance and concession termination compensation from PDAM TKR.
3. Pledge over TKCM's bank accounts in BCA.
4. Corporate guarantee and letter of undertaking from the Company.
5. Corporate guarantee and letter of undertaking from Obor.
6. Fiduciary guarantee on a TKCM's trade receivables.

Cash in the DSRA amounting to S\$38,399 is presented as restricted cash in banks in the consolidated statement of financial position.

Financial covenants for the term loans are as follows:

1. TKCM shall maintain the Adjusted DER of not more than 3.00.
2. TKCM shall maintain the DSCR of not less than 1.00.

As at 31 December 2021, TKCM has complied with the financial covenants set out in the loan facility agreement.

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### NOTES TO THE FINANCIAL STATEMENTS

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#### 15 Borrowings (continued)

##### 3. BCA (continued)

###### TAM

On 18 June 2021, TAM entered into a loan agreement with BCA amounting to IDR101 billion for Facility 1 with a term of 120 months.

Information related to the loan facility are as follows:

Type	Limit	Terms	Interest payment period	Annual interest rate
Facility 1	IDR101 billion (SGD94.0 million)	120 months	Monthly	Fixed 8.25%*

\* In the loan agreement, BCA has the right to adjust the annual interest rate to the change in market

These loans facilities will be used for take over the TAM's investment credit facility at IIF.

The term loan facility agreement is secured by the following items:

1. Pledge over TTC ordinary shares owned by TAM.
2. Pledge over TAM ordinary shares owned by Obor.
3. Pledge over TAM and TTC's bank accounts in BCA.
4. Corporate guarantee and letter of undertaking from the Company.
5. Corporate guarantee and letter of undertaking from Obor.
6. Fiduciary guarantee on TTC trade receivables.

Cash in the DSRA amounting to S\$111,408 is presented as restricted cash in banks in the consolidated statement of financial position.

Financial covenants for the term loan are as follows:

1. TAM shall maintain the Adjusted DER of not more than 3.00.
2. TAM shall maintain the DSCR of not less than 1.00.

As at 31 December 2021, TAM has complied with the financial covenants set out in the loan facility agreement.

##### 4. Danamon

###### TKCM

On 28 February 2018, TKCM entered into a loan agreement with Danamon with the information as follows:

Type	Limit	Terms	Interest payment period	Annual interest rate
TL	IDR45 billion (SGD4.4 million)	77 months	At 25th of every month	Danamon internal interest rates

The purpose of the loan facility was for financing the project of uprating production capacity of WTP in the Cikokol area.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

### 15 Borrowings (continued)

#### 4. Danamon (continued)

##### TKCM (continued)

The term loan facility agreement is secured by the following items:

1. Fiduciary guarantee on TKCM's receivables, amounting to IDR45 billion.
2. Pledge of shares owned by TAM and PT Tirta Bangun Nusantara in TKCM.
3. Pledge of TKCM's DSRA.

Financial covenants for the term loans are as follows:

1. TKCM shall maintain the Adjusted DER of not more than 1.50.
2. TKCM shall maintain the DSCR of not less than 1.50.

As at 31 December 2020, cash in the DSRA amounting to S\$97,700 is presented as restricted cash in banks in the consolidated statement of financial position.

As at 31 December 2020, TKCM has complied with the financial covenants set out in the loan facility agreement.

TKCM also has a bank guarantee facility with Danamon, with total facility amounting to IDR1.5 billion, which is available for use until 9 October 2020. As at 31 December 2020, TKCM has not utilised the bank guarantee facility.

The loan has fully paid in June 2021.

#### 5. IIF

##### TAM

On 21 December 2017, TAM and TTC entered into a term loan facility agreement with IIF which have been amended several times with details as follows:

Type	Limit	Terms	Interest payment period	Annual interest rate
TL – Tranche A	IDR125 billion (SGD12.4 million)	120 months	At 26th of every month	JIBOR 1 month + 5.00%*
TL – Tranche B	IDR72 billion (SGD7.1 million)	120 months	At 26th of every month	JIBOR 1 month + 5.00%*
TL – Tranche C	IDR25 billion (SGD2.4 million)	120 months	At 26th of every month	JIBOR 1 month + 4.75%*

As at 31 December 2020, TAM has utilised Tranche A loan facility whereas TTC has not yet withdrawn any amount from Tranche B and C loan facilities.

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#### 15 Borrowings (continued)

##### 5. IIF (continued)

##### TAM (continued)

The term loan facility agreement is secured by the following items:

1. Fiduciary guarantee on TTC's receivables, either existing or will be existing in the future, in the amount of IDR227 billion.
2. Fiduciary guarantee on TTC's insurance claim.
3. Pledge of term deposits owned by PT Bahtera Hijau Mandiri with amount IDR25 billion.
4. Pledge of TTC's shares owned by TAM.
5. Pledge of TAM and TTC's bank accounts in BCA.
6. Pledge of Obor shares in TAM.

Financial covenants for the term loans are DSCR of TAM and TTC is not less than 1.2 DSCR is defined as TTC's profit before income tax, interest and depreciation or amortisation expenses divided by interest expenses and total repayment of bank loan during the year.

As at 31 December 2020, Cash in the DSRA amounting to S\$202,000 is presented as restricted cash in banks in the consolidated statement of financial position.

As at 31 December 2020, TAM and TTC have complied with the financial covenants set out in the loan facility agreement.

This loan has fully paid in June 2021.

#### 15(a) Fair value of borrowings

Management believes that the carrying amounts of the Group's borrowings approximate their fair values as at 31 December 2021 and 2020. Most of the Group's long-term borrowings are charged with floating interest rates.

#### 15(b) Restricted cash in banks

The Group	2021 S\$'000	2020 S\$'000
Cash in bank	1,967	604
Short-term fixed deposits	5,221	5,167
Total	7,188	5,771

The short-term fixed deposits mature in January 2022 (2020 – January 2021). The effective interest rate ranges from 2.68% to 3.00 % (2020 – 3.45% to 4.85%) per annum.

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#### 15 Borrowings (continued)

##### 15(c) Undrawn borrowing facilities

	2021 S\$'000	2020 S\$'000
<b>The Group</b>		
Expiring within one year	7,115	–
Expiring above one year	32,086	36,525
Total	39,201	36,525

The facilities expire within one year from the reporting date and are subject to annual review at various dates during 2022. The facilities are arranged mainly for funding and/or refunding the capital expenditures related to the construction of water treatment project and working capital purpose.

#### 16 Trade and other payables

	The Group		The Company	
	2021 S\$'000	2020 S\$'000	2021 S\$'000	2020 S\$'000
Current				
Trade payables to non-related parties	3,509	3,573	–	–
Accruals and other payables	27,935	26,761	215	205
Deferred revenue	5,530	4,746	–	–
Accrued interest	945	486	–	–
Total	37,919	35,566	215	205
Non-current				
Other payables	1,568	366	–	–
Deferred revenue	10,171	11,111	–	–
Total	11,739	11,477	–	–

##### *Deferred revenue*

	2021 S\$'000	2020 S\$'000
<b>The Group</b>		
Deferred revenue		
– Connection fees	10,681	12,426
– Shortfall of water supply	5,020	3,431
Total deferred revenue	15,701	15,857

	2021 S\$'000	2020 S\$'000
<b>The Group</b>		
Revenue recognised in current period that was included in the deferred revenue balance at the beginning period		
– Connection fees	5,345	4,592

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#### 16 Trade and other payables (continued)

<b>The Group</b>	<b>2021 \$'000</b>	<b>2020 \$'000</b>
Aggregate amount of transaction price allocated to contracts that are partially or fully unsatisfied as at end of financial year:		
– Connection fees	<b>10,681</b>	12,426
Transaction price allocated to unsatisfied performance obligations as at end of financial year may be recognised as revenue in the next reporting periods as follows:		
– Year 2021	–	4,746
– Year 2022	<b>5,530</b>	4,061
– Year 2023	<b>1,438</b>	1,157
– Year 2024	<b>1,271</b>	992
– Year 2025	<b>1,067</b>	790
– Year 2026	<b>774</b>	500
– Year 2027	<b>475</b>	180
– Year 2028	<b>126</b>	–

Deferred revenue arises from the revenue from connection fees recognised over time and a portion of MBJ's billing to the grantor in relation to shortage between the actual bulk treated water supply with annual minimum offtake as set forth in the CA. The grantor could take the shortage of that bulk treated water in the next years with certain conditions in accordance with the CA.

#### 17 Expense by nature

<b>The Group</b>	<b>2021 S\$'000</b>	<b>2020 S\$'000</b>
Employee compensation (Note 18)	<b>36,703</b>	35,287
Amortisation [Notes 6(b) and 6(c)]	<b>36,178</b>	33,549
Electricity and fuel, recognised as cost of inventories	<b>23,569</b>	16,224
Construction cost expenses	<b>23,198</b>	42,248
Raw water	<b>15,053</b>	10,906
Depreciation (Note 4)	<b>9,202</b>	7,877
Chemicals, recognised as cost of inventories	<b>4,336</b>	3,234
Repairs and maintenance	<b>3,968</b>	3,792
Office expenses	<b>3,744</b>	3,460
Customer services and water meter reading	<b>3,735</b>	3,263
Security	<b>3,030</b>	2,224
Professional and consultancy fees	<b>2,742</b>	3,434
Insurance	<b>2,143</b>	2,251
Royalty to Pemkab	<b>1,133</b>	1,011
Disconnection and reconnection	<b>966</b>	571
Land and building tax	<b>640</b>	805
Auditor's remuneration:		
– auditors of the Company	<b>180</b>	120
– other auditors of subsidiaries	<b>183</b>	523
Non-audit fees paid to:		
– auditors of the Company	–	38
– other auditors of subsidiaries	–	91
Others	<b>3,210</b>	2,884
Total cost of sales and administrative expenses	<b>173,913</b>	173,792

#### 18 Employee compensation

<b>The Group</b>	<b>2021 S\$'000</b>	<b>2020 S\$'000</b>
Wages and salaries	<b>35,919</b>	32,111
Employee benefits [Note 14(b)]	<b>784</b>	3,176
	<b>36,703</b>	35,287

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#### 19 Finance income

	2021 S\$'000	2020 S\$'000
<b>The Group</b>		
Interest income	1,741	2,288
Decrease in provision for impairment of receivable due to passage of time	165	130
Gain on modification of borrowings	–	1,223
	1,906	3,641

#### 20 Finance costs

	2021 S\$'000	2020 S\$'000
<b>The Group</b>		
Interest expense		
– Bank borrowings	19,423	24,801
– Amortisation of deferred transaction costs	1,383	1,297
– Amortisation of gain on modification of borrowings	1,371	1,890
– Lease liabilities (Note 24)	71	123
Accretion of provision for service concession arrangement [Note 14(a)]	370	536
	22,618	28,647

#### 21 Other expenses, net

	2021 S\$'000	2020 S\$'000
<b>The Group</b>		
Currency exchange (loss)/gain, net	(478)	2,040
Effect of changes in discount rate for provision arising from service concession arrangement [Note 14(a)]	113	(232)
Impairment loss on property, plant and equipment (Note 4)	(1,100)	(246)
Other gain/(losses), net	352	(2,849)
	(1,113)	(1,287)

#### 22 Taxation

		2021 S\$'000	2020 S\$'000
<b>The Group</b>			
Current taxation			
– Foreign		13,233	11,344
Deferred tax expenses/(income)	8	7,024	(7,911)
		20,257	3,433

In 2020, there is recognition of deferred income tax benefit arising from the changes of applicable Indonesia tax rate from 25% to 22% for the financial year ended 31 December 2020 and 2021, and to 20% for the financial year ending 31 December 2022 onwards (this has been revoked in FY2021, whereby the tax rate will remain at 22%).



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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 22 Taxation (continued)

The tax on the Group's results before tax differs from the theoretical amount that would arise using the various applicable corporate tax rates of income tax as follows:

<b>The Group</b>	<b>2021</b> <b>S\$'000</b>	<b>2020</b> <b>S\$'000</b>
Profit before taxation	<b>62,257</b>	40,038
Tax rates applicable to profits in the countries concerned	<b>15,589</b>	8,998
Tax effect on non-deductible expenses <sup>(1)</sup>	<b>894</b>	4,499
Tax effect on non-taxable income <sup>(2)</sup>	<b>(1,104)</b>	(4,674)
Utilisation of previously unrecognised tax losses	<b>(946)</b>	(1,606)
Tax effect on unrecognised deferred tax assets	<b>2,346</b>	2,412
Tax effect on changes in tax rate	<b>3,478</b>	(6,196)
	<b>20,257</b>	3,433

(1) Included in non-deductible expenses relate mainly to depreciation and amortisation of non-qualifying assets, overseas accrued interest expenses and impairment of PPE.

(2) Included in non-taxable income relates mainly to unremitted interest income.

#### 23 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

For the purpose of calculating diluted earnings per share, profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares arising from share options, if any.

#### 23 Earnings per share (continued)

<b>The Group</b>	<b>2021</b>	<b>2020</b>
Net profit attributable to equity holders of the Group (S\$'000)	<b>39,729</b>	35,008
Weighted average number of ordinary shares for purpose of calculating Basic and diluted earnings per share ('000)	<b>4,203,586</b>	4,203,586
Basic earnings per share (cents)	<b>0.95</b>	0.83
Diluted earnings per share (cents)	<b>0.95</b>	0.83

#### 24 Leases

##### Nature of the Group's leasing activities

##### *Land and buildings*

The Group leases office space and land for the purpose of back-office operations and installation of pipeline networks. The Group makes monthly payments and these are recognised as right-of-use assets with property, plant and equipment (Note 4).

There are no externally imposed covenants on these lease arrangements.

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### NOTES TO THE FINANCIAL STATEMENTS

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#### 24 Leases (continued)

##### Nature of the Group's leasing activities (continued)

##### Motor vehicles

The Group leases vehicles to support operational activities.

The Group makes monthly lease payments to acquire plant and equipment used for manufacturing and construction activities. The Group also acquires motor vehicles under hire purchase arrangements to render internal logistics support. These plant and equipment and motor vehicles are recognised as the Group's as right-of-use assets with property, plant and equipment (Note 4). The hire purchase agreements for motor vehicles prohibit the Group from subleasing them to third parties.

##### (a) Carrying amounts

<b>The Group</b>	<b>2021 S\$'000</b>	<b>2020 S\$'000</b>
<u>ROU assets classified within PPE</u>		
Land and buildings	269	483
Motor vehicles	274	561
Total	543	1,044

##### (b) Depreciation charge during the year

<b>The Group</b>	<b>2021 S\$'000</b>	<b>2020 S\$'000</b>
Land and buildings	298	417
Motor vehicles	292	258
Total	590	675

Addition of ROU assets during the financial year 2021 was S\$82,000 (2020 – S\$717,000), including no ROU assets acquisition of subsidiaries (2020 – S\$23,000), no disposal during the year (2020 – S\$436,000) and gain on currency translation differences S\$7,000 (2020 – loss on currency translation differences S\$20,000).

##### (c) Lease liabilities

	<b>The Group</b>		<b>The Company</b>	
	<b>2021 S\$'000</b>	<b>2020 S\$'000</b>	<b>2021 S\$'000</b>	<b>2020 S\$'000</b>
Undiscounted lease payments due:				
– Financial Year 1	225	273	128	139
– Financial Year 2	314	456	–	128
– Financial Year 3	78	311	–	–
– Financial Year 4 and beyond	–	78	–	–
	617	1,118	128	267
Less: Future interest cost	(90)	(168)	(3)	(13)
Lease liabilities	527	950	125	254
Presented as:				
– Current	462	231	125	152
– Non-current	65	719	–	102
	527	950	125	254

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#### 24 Leases (continued)

##### Nature of the Group's leasing activities (continued)

##### Motor vehicles (continued)

##### (c) Lease liabilities (continued)

Lease liabilities are denominated in the following currencies:

	The Group		The Company	
	2021 S\$'000	2020 S\$'000	2021 S\$'000	2020 S\$'000
Singapore Dollar	125	254	125	254
Indonesian Rupiah	402	696	–	–
	<b>527</b>	<b>950</b>	<b>125</b>	<b>254</b>

##### (d) Interest expense

	2021 S\$'000	2020 S\$'000
<b>The Group</b>		
Interest expense on lease liabilities	<b>71</b>	<b>123</b>

##### (e) Lease expense not capitalised in lease liabilities

	2021 S\$'000	2020 S\$'000
<b>The Group</b>		
Lease expense – short-term leases	<b>536</b>	491
Lease expense – low value leases	<b>228</b>	364
Total	<b>764</b>	<b>855</b>

Total cash outflow for all leases in 2021 was S\$1,208,000 (2020 – S\$1,439,000).

#### 25 Related party transactions

Related party is defined as companies in which a director has interests or is associated with.

In addition to the information disclosed elsewhere in the financial statements, the following are significant transactions that took place between the Group and related parties at mutually agreed amounts:

	2021 S\$'000	2020 S\$'000
<b>The Group</b>		
Interest income	<b>371</b>	80
Loan receivable	<b>1,218</b>	1,116

The above related party transactions and balances are with PT Tamaris Prima Energi ("TPE") (an entity under common control).

Loan receivable from TPE is unsecured with fixed interest of 1% to 1.5% (2020 – 1% to 1.5%) and have maturity of January to October 2023 (2020 – January 2021 to October 2023).

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#### 25 Related party transactions (continued)

##### 25.1 Key management personnel compensation:

Key management personnel compensation is as follows:

	2021 S\$'000	2020 S\$'000
<b>The Group</b>		
Salaries and other short-term employee benefits	7,127	6,743

#### 26 Commitments

##### Capital commitments

The amounts committed as at the end of the reporting period year for future expenditure but not recognised in the consolidated financial statements are as follows:

	2021 S\$'000	2020 S\$'000
<b>The Group</b>		
Commitments in respect of contracts placed for service concession arrangements	28,337	41,926
Commitments to purchase property, plant and equipment	3,831	3,455
<b>Total</b>	32,168	45,381

#### 27 Financial information by operating segments

##### 27.1 Information about reportable segment profit or loss, assets and liabilities

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by SFRS(I) 8 Operating Segments. This disclosure standard has no impact on the reported financial performance or financial position of the reporting entity.

For management purposes the reporting entity is organised into one major strategic operating segments: Built-Operate-Transfer ("BOT"). Such a structural organisation is determined by the nature of risks and returns associated with each business segment and it defines the management structure as well as the internal reporting system. It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance.

The segment and the type of products and services is as follows:

BOT business	:	Provision of comprehensive range of water treatment solutions to government including commissioning, operation and maintenance of a wide range of water treatment plants on design, build, rehabilitate, operate and transfer arrangements.
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The management reporting system evaluates performances based on a number of factors. However, the primary profitability measurement to evaluate segment's operating results is based on a measure of earnings before interest, tax, depreciation and amortization ("EBITDA"). This measurement basis excludes the effects of certain items of other income and expenditure from the operating segments that are not expected to recur regularly in every period which are separately analysed. In the calculation of EBITDA, management also uses revenue based on the actual amounts billed to the customers during the year for the provision of water services instead of the amounts of revenue reported in the statement of profit or loss. In the reconciliation of EBITDA to profit before tax (Note 27.2), the adjustments made to the revenue in the calculation of EBITDA is shown as "Other adjustments".

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### NOTES TO THE FINANCIAL STATEMENTS

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#### 27 Financial information by operating segments (continued)

##### 27.2 Profit or loss and reconciliations

The following tables illustrate the information about the reportable segment profit or loss, assets and liabilities.

The Group	BOT S\$'000	Unallocated S\$'000	Total S\$'000
<b>2021</b>			
<b>Revenue and EBITDA by segment</b>			
Total revenue by segment	228,996	28,999	257,995
Total EBITDA by segment	110,776	1,475	112,251
<b>2020</b>			
<b>Revenue and EBITDA by segment</b>			
Total revenue by segment	236,128	3,995	240,123
Total EBITDA by segment	99,816	(6,182)	93,634

A reconciliation of EBITDA to profit before tax is as follows:

The Group	BOT S\$'000	Unallocated S\$'000	Total S\$'000
<b>2021</b>			
<b>Total EBITDA</b>	110,776	1,475	112,251
Depreciation			(9,202)
Amortisation			(36,178)
Finance cost			(22,618)
Interest income			1,906
Adjustments to other income and expense			(211)
Other adjustments			16,309
<b>Profit before income tax</b>			<b>62,257</b>
<b>2020</b>			
<b>Total EBITDA</b>	99,816	(6,182)	93,634
Depreciation			(7,877)
Amortisation			(33,549)
Finance cost			(28,647)
Interest income			3,641
Adjustments to other income and expense			(120)
Other adjustments			12,956
<b>Profit before income tax</b>			<b>40,038</b>

Other adjustments represent adjustment to exclude the impact of adoption SFRS(I) INT 12, construction revenue under service concession arrangements, finance income under service concession arrangements and related construction costs.

##### 27.3 Assets and reconciliations

The Group	S\$'000
<b>2021</b>	
Total assets for reportable segments	645,194
Unallocated	34,906
<b>Total group assets</b>	<b>680,100</b>
<b>2020</b>	
Total assets for reportable segments	652,069
Unallocated	31,411
<b>Total group assets</b>	<b>683,480</b>

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#### 27 Financial information by operating segments (continued)

##### 27.4 Liabilities and reconciliations

	The Group S\$'000
<b>2021</b>	
Total liabilities for reportable segments	(287,844)
Unallocated	(12,801)
<b>Total group liabilities</b>	<b>(300,645)</b>
<b>2020</b>	
Total liabilities for reportable segments	(335,032)
Unallocated	(13,015)
<b>Total group liabilities</b>	<b>(348,047)</b>

##### 27.5 Other material items and reconciliations

	BOT S\$'000	Unallocated S\$'000	Total S\$'000
<b>The Group</b>			
Expenditures for PPE			
<b>2021</b>	<b>3,328</b>	<b>50</b>	<b>3,378</b>
2020	6,310	106	6,416
Expenditures for intangible assets			
<b>2021</b>	<b>23,198</b>	–	<b>23,198</b>
2020	42,061	–	42,061
Depreciation			
<b>2021</b>	<b>8,484</b>	<b>718</b>	<b>9,202</b>
2020	7,105	772	7,877
Amortisation			
<b>2021</b>	<b>36,178</b>	–	<b>36,178</b>
2020	33,549	–	33,549
Finance cost			
<b>2021</b>	<b>21,300</b>	<b>1,318</b>	<b>22,618</b>
2020	27,510	1,137	28,647
Impairment losses on PPE			
<b>2021</b>	–	<b>1,100</b>	<b>1,100</b>
2020	–	246	246

##### 27.6 Revenue from major products and services

Revenues from external customers are derived mainly from water supply charges and others that are included in "Other services". The breakdown of the Group's revenue by products and services is provided under Note 5.

Revenues of S\$81,487,000 (2020 – S\$85,363,000) are derived from a single external customer. These revenues are attributable to the BOT segment.

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#### 27 Financial information by operating segments (continued)

##### 27.7 Geographical information

The Group's main business segment only operates in Indonesia. The operations in this area is principally the provision and supply of clean water, and provision to customer.

	Revenue		Non-current assets	
	2021 S\$'000	2020 S\$'000	2021 S\$'000	2020 S\$'000
Indonesia	257,995	240,123	547,280	550,347
Singapore	–	–	1,343	1,376
	<b>257,995</b>	240,123	<b>548,623</b>	551,723

#### 28 Financial risk management objectives and policies

The Group's and the Company's financial risk management policies set out the Group's and the Company's overall business strategies and its risk management philosophy. The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include currency risk, interest rate risk, liquidity risk, market price risk and credit risk. The Group's and the Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise adverse effects from the unpredictability of financial markets on the Group's and the Company's financial performance.

The Board of Directors reviews and agrees policies and procedures for the management of these risks. The Audit Committee provides independent oversight to the effectiveness of the risk management process.

The Group and the Company do not hold or issue derivative financial instruments for speculative purposes.

As at 31 December 2021, the Group's and the Company's financial instruments mainly consisted of cash and cash equivalents, receivables, payables, lease liabilities and bank borrowings.

There has been no change to the Group's and the Company's exposures to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below.

##### 28.1 Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

The Group operates in Asia with dominant operations in Indonesia. Entities in the Group transacts predominantly in their respective functional currencies. Currency risk arises within entities in the Group when transactions entered into are denominated in currencies other than those of their respective functional currencies.

The Group is exposed to currency risk arising from USD and IDR, primarily with respect to cash and cash equivalents, trade and other receivables and intra-group receivables and payables.

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 28 Financial risk management objectives and policies (continued)

##### 28.1 Currency risk (continued)

The following is the summary of significant balances:

	USD S\$'000	IDR S\$'000	Total S\$'000
<b>The Group</b>			
<b>At 31 December 2021</b>			
<b>Financial assets</b>			
Cash and cash equivalents	5,651	–	5,651
Trade and other receivables	–	1,675	1,675
<b>Financial liability</b>			
Intra-group payables*	–	(62,103)	(62,103)
<b>Net currency exposure</b>	<b>5,651</b>	<b>(60,428)</b>	<b>(54,777)</b>
<b>At 31 December 2020</b>			
<b>Financial assets</b>			
Cash and cash equivalents	5,639	–	5,639
Trade and other receivables	–	415	415
<b>Financial liability</b>			
Intra-group payables*	–	(56,733)	(56,733)
<b>Net currency exposure</b>	<b>5,639</b>	<b>(56,318)</b>	<b>(50,679)</b>

\* Foreign currency intra-group receivables and payables that do not form part of the net investment in a foreign operation are included in the sensitivity analysis for currency risk because even though these intra-group receivables and payables are eliminated in the consolidated statement of financial position, the effect on the profit or loss from their foreign currency translation is not fully eliminated.

##### Sensitivity analysis for foreign currency risk

If the USD changes against IDR or IDR changes against SGD by 3% as at 31 December 2021 and 2020 respectively with all other variables including tax rate being held constant, the effects arising from the net financial liabilities/assets that are exposed to currency risk will be as follows:

	← Increase/(Decrease) →			
	2021		2020	
<b>The Group</b>	Profit before taxation S\$'000	Equity S\$'000	Profit before taxation S\$'000	Equity S\$'000
<b>United States dollar</b>				
– strengthened 3% (2020 – 3%)	170	170	169	169
– weakened 3% (2020 – 3%)	(170)	(170)	(169)	(169)
<b>Indonesia Rupiah</b>				
– strengthened 3% (2020 – 3%)	1,813	1,813	1,690	1,690
– weakened 3% (2020 – 3%)	(1,813)	(1,813)	(1,690)	(1,690)

The currency risk is minimal at the Company level as the balances are mainly denominated in SGD, which is the functional currency of the Company.



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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 28 Financial risk management objectives and policies (continued)

##### 28.2 Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The Group periodically reviews its liabilities and monitors interest rate fluctuations to ensure that the exposure to interest rate risk is within acceptable levels.

The Group's exposure to interest rate risk arises primarily from bank borrowings and cash placed with financial institutions.

The interest rates of fixed deposits placed with financial institutions, bank borrowings and lease liabilities are disclosed in Notes 11 and 15 to the financial statements respectively.

The following table sets out the carrying amount, by maturity, of the Group's financial instruments that are exposed to interest rate risk:

The Group	Within 1 year S\$'000	1 – 2 years S\$'000	2 – 3 years S\$'000	3 – 4 years S\$'000	4 – 5 years S\$'000	Over 5 years S\$'000	Total S\$'000
<b>At 31 December 2021</b>							
<b>Floating rate</b>							
Fixed deposits	22,389	–	–	–	–	–	22,389
Restricted fixed deposits	5,221	–	–	–	–	–	5,221
Bank borrowings	<u>(67,052)</u>	<u>(17,446)</u>	<u>(18,827)</u>	<u>(19,980)</u>	<u>(23,873)</u>	<u>(40,512)</u>	<u>(187,690)</u>
	<u>(39,442)</u>	<u>(17,446)</u>	<u>(18,827)</u>	<u>(19,980)</u>	<u>(23,873)</u>	<u>(40,512)</u>	<u>(160,080)</u>
<b>At 31 December 2020</b>							
<b>Floating rate</b>							
Fixed deposits	18,478	–	–	–	–	–	18,478
Restricted fixed deposits	5,167	–	–	–	–	–	5,167
Bank borrowings	<u>(55,863)</u>	<u>(66,329)</u>	<u>(17,240)</u>	<u>(18,627)</u>	<u>(19,773)</u>	<u>(55,199)</u>	<u>(233,031)</u>
	<u>(32,218)</u>	<u>(66,329)</u>	<u>(17,240)</u>	<u>(18,627)</u>	<u>(19,773)</u>	<u>(55,199)</u>	<u>(209,386)</u>

Interest on financial instruments subject to floating interest rates is contractually repriced at intervals of less than 6 months. The other financial instruments of the Group and the Company that are not included in the above table are not subject to interest rate risks.

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the end of reporting period and on the assumption that the change took place at the beginning of the financial year and is held constant throughout the reporting period. The magnitude represents management's assessment of the likely movement in interest rates under normal economic conditions.

The Group	Increase/(Decrease)			
	2021		2020	
Interest rate	Profit (loss) after taxation S\$'000	Equity S\$'000	Profit (loss) after taxation S\$'000	Equity S\$'000
– decreased by 1% per annum	1,248	1,248	1,633	1,633
– increased by 1% per annum	<u>(1,248)</u>	<u>(1,248)</u>	<u>(1,633)</u>	<u>(1,633)</u>

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

### 28 Financial risk management objectives and policies (continued)

#### 28.2 Cash flow and fair value interest rate risks (continued)

The financial assets arising from service concession arrangements is not subjected to interest rate risk. These assets are carried at amortised costs using the effective interest method.

- (i) Interest risk management
- (ii) Interest rate benchmark reform

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (“IBORs”) with alternative nearly risk-free rates (referred to as ‘interest rate benchmark reform’). The Group is exposed to the following interest rate benchmark, Indonesian JIBOR, which is subject to the IBOR reform and has exposures to the non-derivative financial assets and non-derivative financial liabilities.

The Group has closely monitored the market and the output from the various industry working groups managing the transition to new interest rate benchmarks. This includes announcements made by the Association of Banks in Singapore (ABS), the Singapore Foreign Exchange Market Committee (SFEMC), Indonesia Foreign Exchange Market Committee (IFEMC), and the Steering Committee for SOR Transition to SORA (SC-STs) (collectively, the “IBOR Committees”). Under the direction of the IBOR Committees, the Singapore Interbank Offered Rate (SIBOR) and the Singapore Swap Offer Rate (SOR) are expected to be phased out and replaced by the Singapore Overnight Rate Average (SORA). The IBOR Committees have made clear that SOR, which relies on USD LIBOR, is expected to be discontinued post-2021, and SIBOR is expected to cease after that.

In response to the announcements, the Group has in place an interest rate benchmark transition programme comprising the following work streams: risk management, tax, treasury, legal, accounting and information technology. The aim of the programme is to understand where the IBOR exposures are within the business, so as to prepare and deliver on an action plan to enable a smooth transition to alternative benchmark rates.

The Group is in the midst of finalising its transition and fall-back plans during the current financial year.

For the Group’s floating rate debt, the Group is in active discussions with the banks to amend the bank borrowings to change the reference benchmark interest rate from JIBOR to relevant benchmarks.

The key risks for the Group arising from the transition are as follows:

- If the bilateral negotiations with the Group’s counterparties are not successfully concluded before the cessation of JIBOR, there are significant uncertainties with regard to the interest rate that will apply. This gives rise to additional interest rate risk that was not anticipated when the contracts were entered into and thus will not be captured by the Group’s interest rate risk management strategy.
- Interest rate risk over settlement may arise if a non-derivative instrument and the derivative instrument held to manage the interest rate risk on the non-derivative instrument transition to alternative benchmark rates at different times. This risk may also arise where back-to-back derivatives transition at different times.
- There are fundamental differences between IBOR and the various alternative benchmark rates which the Group will be adopting. IBOR are forward-looking term rates published for a period (e.g. 12 months) at the beginning of that period and include an inter-bank credit spread, whereas alternative benchmark rates are typically risk-free overnight rates published at the end of the overnight period with no embedded credit spread. These differences will result in additional uncertainty regarding floating rate interest payments, which may require additional liquidity management.

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 28 Financial risk management objectives and policies (continued)

##### 28.2 Cash flow and fair value interest rate risks (continued)

###### (ii) Interest rate benchmark reform (continued)

The key risks for the Group arising from the transition are as follows: (continued)

- If no agreement is reached to implement the interest rate benchmark reform on existing contracts, (e.g. arising from differing interpretation of existing fallback terms), there is a risk of prolonged disputes with counterparties which could give rise to additional legal and other costs.
- The following table shows the quantitative information about the Group's non-derivative financial liabilities that have yet to transition to an alternative benchmark rate as at 31 December 2021. The amounts of financial liabilities are shown at their carrying amounts and derivatives are shown at their nominal amounts.

	<b>The Group 2021 S\$'000</b>
Non-derivative financial liabilities	
– Bank loans	<b>113,205</b>
	<b>113,205</b>

The Group will continue to apply these amendments to SFRS(I) 9 and SFRS(I) 1-39 until the end of the uncertainty arising from the IBOR reform with respect to the timing and amount of the underlying cash flows that the Group is exposed to. The Group has assumed that this uncertainty will not end until the Group's contracts that reference IBOR are amended to specify the date on which the interest rate benchmark will be replaced, the cash flows of the alternative benchmark rate and the relevant spread adjustment.

##### 28.3 Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group adopts the policy of dealing only with:

- Customers of appropriate credit standing and history, and obtaining sufficient collateral where appropriate to mitigate credit risk; and
- High credit quality counterparties rating by external credit rating companies.

The major classes of financial assets of the Group are bank deposits and receivables.

Credit risk on bank deposits is limited because counter parties are entities with acceptable credit rating.

Credit risk from customers is mitigated by the Group's management through a series of actions to improve receivables collection, such as increasing the number of location of payment points, establishment of bill payment facilities resulting from cooperation with financial institution, and direct collection from the customer's premises. In addition, management tries to improve the number of key account customers mainly from the industrial sector. It is expected that this will reduce the impact of credit risk customers.

As the Group and Company does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the consolidated statement of financial position.

## APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 28 Financial risk management objectives and policies (continued)

##### 28.3 Credit risk (continued)

The movements in credit loss allowance are as follows:

The Group	2021 S\$'000	2020 S\$'000
Balance at beginning of year	1,584	765
Allowance made	96	889
Reversal of allowance	(937)	(40)
Currency translation difference	7	(30)
Balance at end of year	<u>750</u>	<u>1,584</u>

As at 31 December 2021 and 2020, there is no credit loss allowance made for the financial assets arising from service concession arrangements.

##### **Trade receivables and financial assets arising from service concession arrangements**

The Group uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables.

In measuring the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and days past due, whilst for financial assets arising from service concession arrangements, the Group uses individual analysis for each customer.

In calculating the expected credit loss rates, the Group considers historical loss rates for each customer and/or category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

The Group has identified the inflation rate and the unemployment rate of the areas in which it sells goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade receivables and financial assets arising from service concession arrangements are written-off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group.

The Group considers a financial asset as in default if the counterparty fails to make contractual payments within 180 days when they fall due and writes off the receivables thereafter. Where receivables are written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss. The Group's credit risk exposure in relation to trade receivables and financial asset arising from service concession arrangement under SFRS(I) 9 as at 31 December 2021 and 2020 are set out in the provision matrix as follows:

	← Past due →					Total S\$'000
	Current S\$'000	Within 30 days S\$'000	31 – 60 days S\$'000	61 – 90 days S\$'000	More than 90 days S\$'000	
<b>The Group</b>						
<b>2021</b>						
<b>Trade receivables</b>						
Expected loss rate	0.12%	0.47%	2.83%	6.68%	6.65%	1.54%
Trade receivables	23,680	13,867	2,418	811	8,036	48,812
Loss allowance	(29)	(65)	(68)	(54)	(534)	(750)
<b>2020</b>						
<b>Trade receivables</b>						
Expected loss rate	0.69%	1.68%	9.42%	10.13%	14.54%	3.53%
Trade receivables	24,371	10,925	1,868	1,570	6,162	44,896
Loss allowance	(169)	(184)	(176)	(159)	(896)	(1,584)

Other than the above, there are no credit loss allowance for other financial assets as at 31 December 2021.

## APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 28 Financial risk management objectives and policies (continued)

##### 28.4 Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group's and the Company's exposure to liquidity arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group and the Company ensure that there are adequate funds to meet all its obligations in a timely and cost-effective manner. The Group and the Company aim at maintaining flexibility in funding by keeping committed credit facilities available as disclosed in Note 15 to the financial statements.

The table below summarises the Group's and the Company's financial liabilities into relevant maturity groupings based on the remaining period from the end of reporting period to the contractual maturity date. The amounts disclosed in the table are based on the contractual undiscounted cash flows. Balance due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year S\$'000	Between 1 and 5 years S\$'000	More than 5 years S\$'000	Total S\$'000
<b>The Group</b>				
<b>At 31 December 2021</b>				
Trade and other payables	32,389	1,568	–	33,957
Lease liabilities	225	392	–	617
Borrowings (excluding lease liabilities)	66,589	104,138	20,459	191,186
	<b>99,203</b>	<b>106,098</b>	<b>20,459</b>	<b>225,760</b>
<b>At 31 December 2020</b>				
Trade and other payables	30,820	366	–	31,186
Lease liabilities	255	843	–	1,098
Borrowings (excluding lease liabilities)	77,012	167,125	64,041	308,178
	<b>108,087</b>	<b>168,334</b>	<b>64,041</b>	<b>340,462</b>
<b>The Company</b>				
<b>At 31 December 2021</b>				
Trade and other payables	215	–	–	215
Lease liabilities	125	–	–	125
	<b>340</b>	<b>–</b>	<b>–</b>	<b>340</b>
Financial guarantees for subsidiaries	<b>236,300</b>	<b>50,600</b>	<b>360,100</b>	<b>647,000</b>
<b>At 31 December 2020</b>				
Trade and other payables	205	–	–	205
Lease liabilities	152	102	–	254
	<b>357</b>	<b>102</b>	<b>–</b>	<b>459</b>
Financial guarantees for subsidiaries	<b>22,500</b>	<b>252,400</b>	<b>147,300</b>	<b>422,200</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

### 29 Fair value measurement

(i) Definition of fair value

SFRS(I)s define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(ii) Non-financial assets and liabilities

(a) *Fair value hierarchy*

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used. The different levels have been defined as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. There were no transfers into or out of fair value hierarchy levels for the financial years ended 31 December 2021 and 2021.

The Group does not have any financial assets and financial liabilities measured at fair value, classified under Level 1, 2 of the fair value hierarchy.

(i) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amount of trade and other receivables (Note 10), financial assets under service concession (Note 6), cash and cash equivalents (Note 11), restricted cash in banks (Note 15), trade and other payables (Note 16), current borrowings (Note 15) and provisions (Note 14(a)) are reasonable approximation of fair values due to their short-term nature.

The carrying amounts of provisions (Note 14(a)) and non-current borrowings (Note 15) are reasonable approximation of fair values as their interest rates approximate the market lending rate.

(ii) Non-financial assets and liabilities not carried at fair value but for which fair value is disclosed

The Group's employee benefit liabilities are not measured at fair values but which fair values are disclosed. They are classified under Level 3 of the fair value hierarchy. The details on the fair value of employee benefit liabilities are disclosed in Note 14(b).

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 30 Financial instruments

##### Accounting classifications of financial assets and financial liabilities

The carrying amount of the different categories of financial instruments are as follows:

	The Group		The Company	
	2021 S\$'000	2020 S\$'000	2021 S\$'000	2020 S\$'000
Financial assets, at amortised cost	<b>342,938</b>	310,321	<b>1,737</b>	6,791
Financial liabilities, at amortised cost	<b>216,668</b>	260,774	<b>340</b>	459

#### 31 Capital management

The Group's and the Company's objectives when managing capital are:

- (a) to safeguard the Group's and the Company's ability to continue as going concern;
- (b) to support the Group's and the Company's stability and growth;
- (c) to provide capital for the purpose of strengthening the Group's and the Company's risk management capability; and
- (d) to provide an adequate return to shareholders.

Having regards to its gearing exposure, the Group and the Company actively and regularly review and manage its capital structure to ensure optimal capital structure and shareholders' returns, taking into consideration the future capital requirements of the Group and the Company and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. The Group and the Company currently do not adopt any formal dividend policy.

Total capital is calculated as total equity plus net debt.

	Note	2021 S\$'000	2020 S\$'000
<b>The Group</b>			
Borrowings	15	<b>182,711</b>	229,588
Less: Cash and cash equivalents	11	<b>(44,570)</b>	(58,327)
Net debt		<b>138,141</b>	171,261
Total equity		<b>379,455</b>	335,433
Total capital		<b>517,596</b>	506,694
<b>Gearing ratio</b>		<b>27%</b>	34%

The Group and the Company are in compliance with all externally imposed capital requirements for the financial years ended 31 December 2021 and 2020.

#### 32 Business combination

On 19 March 2020, the Group acquired a 73% effective equity interest in Obor Group. Obor is an investment holding company incorporated in Singapore, while Obor's subsidiaries' principal activities are the developing and operating of water treatment facilities for the distribution of clean water. Obor's subsidiaries operations are entirely in Indonesia. As a result of the acquisition, the Group is expected to expand its business in the water industry and also increase the Group's water production capacity.

## APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 32 Business combination (continued)

Details of the consideration paid, the assets acquired and liabilities assumed and the effects on the cash flows of the Group, at the acquisition date, are as follows:

##### Purchase consideration

	S\$'000
The Group	
Cash paid and consideration transferred for the business	24,776

##### Effect on cash flows of the Group

	S\$'000
The Group	
Cash paid (as above)	24,776
Less:	
Advance for acquisition of subsidiaries paid in prior year	(1,000)
Cash and cash equivalents in subsidiary acquired	(9,325)
Cash outflow on acquisition	14,451

##### Identifiable assets acquired and liabilities assumed

	At fair value S\$'000
<b>The Group</b>	
Cash and cash equivalents	9,325
Restricted cash in banks	191
Trade and other receivables	3,655
Inventories	535
Property, plant and equipment (Note 4)	104
Financial assets arising from service concession arrangements (Note 6a)	5,395
Intangible assets arising from contractual concession rights (Note 6c)	54,951
Deferred tax assets	1,254
Trade and other payables	(1,021)
Current income tax liabilities	(528)
Shareholder loan	(11,042)
Borrowings	(11,790)
Provision for employee benefits	(658)
Deferred tax liabilities	(11,125)
<b>Total identifiable net assets</b>	39,246
Less: Non-controlling interests at fair value	(17,837)
<b>Total identifiable net assets of the Group</b>	21,409
Add: Goodwill (Note 7)	3,367
<b>Consideration transferred for the business</b>	24,776

##### Acquisition-related costs

Acquisition-related costs of S\$265,000 that were directly attributable to acquisition activities are included in other expenses, net in profit or loss and in operating cash flows in the statement of cash flows.

##### Acquired receivables

The fair value of trade and other receivables is S\$3,655,000 which is the gross contractual amount and expected to be fully collectible.



## APPENDIX E: AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2021

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### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

#### 32 Business combination (continued)

##### Non-controlling interests

The Group has chosen to recognise the 27% non-controlling interest at its fair value of S\$17,837,000. The fair value was estimated by applying an income approach. This is a Level 3 fair value measurement. The fair value estimates are based on:

- an assumed discount rate of 11% per annum;
- average water volume of 43 – 100 million m<sup>3</sup>;
- average water tariff of IDR1,625/m<sup>3</sup> – IDR4,255/m<sup>3</sup>.

##### Goodwill

The goodwill of S\$3,367,000 arising from the acquisition is attributable to the expansion of the Group's business in the water industry in Indonesia and also the increase in the Group's water production capacity, as disclosed in Note 7.

##### Revenue and profit contribution

The acquired business contributed consolidated revenue of S\$18,703,000 and consolidated net profit of S\$5,203,000 to the Group from the period from 19 March 2020 to 31 December 2020.

Had Obor Group been consolidated from 1 January 2020, consolidated revenue and consolidated profit for the year ended 31 December 2020 would have been S\$24,080,000 and S\$6,841,000 respectively.

#### 33 Comparative figures

Certain reclassifications have been made to the prior year's financial statements to reclassify (i) debtors recorded in the current assets to non-current assets as it is expected to be realised more than 12 months after the reporting period, (ii) creditors recorded in the non-current liabilities to current liabilities as it is expected to be settled within 12 months after the reporting period. The effects are as follows:

	(As previously reported) 31 December 2020 S\$'000	Adjustments S\$'000	(As reclassified) 31 December 2020 S\$'000
<b>The Group</b>			
<b>Assets</b>			
<b>Non-current Assets</b>			
Other receivables	1,116	796	1,912
<b>Current Assets</b>			
Trade and other receivables	47,269	(796)	46,473
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
Trade and other payables	12,040	(563)	11,477
<b>Current Liabilities</b>			
Trade and other payables	35,003	563	35,566

This reclassification is not considered to be material to the consolidated financial statements as a whole, and does not affect the opening statement of financial position of the earliest comparative period i.e 1 January 2020. Hence no third statement of financial position is presented.

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## APPENDIX F: 1H2022 RESULTS

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**MOYA HOLDINGS ASIA LIMITED**  
Registration number: 201301085G

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### **Condensed Interim Financial Statements For The Half Year Ended 30 June 2022**

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "Sponsor"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst.*

*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. Alex Tan, Chief Executive Officer, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.*

## APPENDIX F: 1H2022 RESULTS

### A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	Group		Change + / (-) %
		Unaudited 6 months ended 30.06.2022 ("HY2022") (S\$'000)	Unaudited 6 months ended 30.06.2021 ("HY2021") (S\$'000)	
Revenue	4	127,227	125,405	1
Cost of sales		(65,120)	(65,488)	(1)
<b>Gross profit</b>		<b>62,107</b>	<b>59,917</b>	<b>4</b>
<b>Other item of income:</b>				
Interest income		749	977	(23)
<b>Other items of expenses:</b>				
Administrative expenses		(21,977)	(19,362)	14
Finance costs		(8,780)	(12,473)	(30)
Other expenses		(427)	(459)	(7)
Other (losses)/gains, net		(1,759)	2,577	N.M
<b>Profit before tax</b>	<b>5</b>	<b>29,913</b>	<b>31,177</b>	<b>(4)</b>
Income tax expense	6	(9,905)	(9,797)	1
<b>Profit after tax</b>		<b>20,008</b>	<b>21,380</b>	<b>(6)</b>
<b>EBITDA<sup>(1)</sup></b>		<b>55,029</b>	<b>54,084</b>	<b>2</b>
<b>Profit after tax, attributable to:</b>				
Owners of the parent		18,790	20,382	(8)
Non-controlling interests		1,218	998	22
<b>Profit after tax</b>		<b>20,008</b>	<b>21,380</b>	<b>(6)</b>

N.M – not meaningful

Note:

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

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	Group		Change + / (-) %
	Unaudited HY2022 (S\$'000)	Unaudited HY2021 (S\$'000)	
<b>Profit for the period</b>	20,008	21,380	(6)
<b>Other comprehensive (loss)/income:</b>			
<b>Item that will not be reclassified subsequently to profit or loss:</b>			
Re-measurements of defined benefit pension plans, net of tax	-	(265)	N.M
<b>Item that may be reclassified subsequently to profit or loss:</b>			
Currency translation differences arising from consolidation	459	(205)	N.M
<b>Other comprehensive (loss)/income, net of tax</b>	<b>459</b>	<b>(470)</b>	<b>N.M</b>
<b>Total comprehensive income</b>	<b>20,467</b>	<b>20,910</b>	<b>(2)</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the parent	19,291	19,946	(3)
Non-controlling interests	1,176	964	22
<b>Total comprehensive income</b>	<b>20,467</b>	<b>20,910</b>	<b>(2)</b>
N.M – not meaningful			
<b>Earnings per share (“EPS”) attributable to the owners of the parent during the period:</b>			
Basic EPS (S\$ in cents)	0.45	0.48	
Diluted EPS (S\$ in cents)	0.45	0.48	

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### B. Condensed interim statements of financial position

	Notes	Group		Company	
		Unaudited 30.06.2022 (S\$'000)	Audited 31.12.2021 (S\$'000)	Unaudited 30.06.2022 (S\$'000)	Audited 31.12.2021 (S\$'000)
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	9	14,051	19,493	58	125
Investments in subsidiaries			-	237,672	238,941
Service concession assets	8	429,293	434,572	-	-
Goodwill		77,925	76,044	-	-
Deferred income tax assets		16,303	14,768	-	-
Other non-current assets		3,668	3,746	-	-
<b>Total non-current assets</b>		<b>541,240</b>	<b>548,623</b>	<b>237,730</b>	<b>239,066</b>
<b>Current assets</b>					
Inventories		4,991	5,705	-	-
Service concession assets	8	23,703	23,221	-	-
Trade and other receivables		51,809	50,793	202	181
Restricted cash in banks and time deposits		7,035	7,188	-	-
Cash and cash equivalents		37,472	44,570	765	1,556
<b>Total current assets</b>		<b>125,010</b>	<b>131,477</b>	<b>967</b>	<b>1,737</b>
<b>Total assets</b>		<b>666,250</b>	<b>680,100</b>	<b>238,697</b>	<b>240,803</b>
<b>Equity and liabilities</b>					
<b>Equity attributable to owners of the parent</b>					
Share capital	11	253,728	253,728	253,728	253,728
Capital reserve		5,826	5,826	-	-
Foreign currency translation reserve		(18,862)	(19,363)	-	-
Retained earnings/(accumulated losses)		134,585	115,795	(15,249)	(13,265)
<b>Equity attributable to owners of the parent</b>		<b>375,277</b>	<b>355,986</b>	<b>238,479</b>	<b>240,463</b>
Non-controlling interests		24,645	23,469	-	-
<b>Total equity</b>		<b>399,922</b>	<b>379,455</b>	<b>238,479</b>	<b>240,463</b>
<b>Non-current liabilities</b>					
Provisions		8,738	9,052	-	-
Borrowings	10	113,919	117,572	-	-
Deferred income tax liabilities		55,204	52,969	-	-
Trade and other payables		11,547	11,739	-	-
<b>Total non-current liabilities</b>		<b>189,408</b>	<b>191,332</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>					
Provisions		4,200	4,615	-	-
Borrowings	10	35,103	65,139	57	125
Current income tax liabilities		4,380	1,640	-	-
Trade and other payables		33,237	37,919	161	215
<b>Total current liabilities</b>		<b>76,920</b>	<b>109,313</b>	<b>218</b>	<b>340</b>
<b>Total liabilities</b>		<b>266,328</b>	<b>300,645</b>	<b>218</b>	<b>340</b>
<b>Net assets</b>		<b>399,922</b>	<b>379,455</b>	<b>238,479</b>	<b>240,463</b>
<b>Total equity and liabilities</b>		<b>666,250</b>	<b>680,100</b>	<b>238,697</b>	<b>240,803</b>

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### C. Condensed interim statements of changes in equity

Group	Share capital (S\$'000)	Capital reserve (S\$'000)	Share option reserve (S\$'000)	Foreign currency translation reserve (S\$'000)	Retained earnings (S\$'000)	Equity attributable to parent (S\$'000)	Non-controlling interests (S\$'000)	Total equity (S\$'000)
<b>At 1 January 2021</b>	253,728	5,826	-	(25,074)	79,625	314,105	21,328	335,433
Profit for the financial period	-	-	-	-	20,382	20,382	998	21,380
<b>Other comprehensive income</b>								
Currency translation differences arising from consolidation	-	-	-	(171)	-	(171)	(34)	(205)
Re-measurement of defined benefit pension plans, net of tax	-	-	-	-	(265)	(265)	-	(265)
<b>Total comprehensive income for the financial period</b>	-	-	-	(171)	20,117	19,946	964	20,910
<b>At 30 June 2021</b>	<b>253,728</b>	<b>5,826</b>	<b>-</b>	<b>(25,245)</b>	<b>99,742</b>	<b>334,051</b>	<b>22,292</b>	<b>356,343</b>
<b>At 1 January 2022</b>	253,728	5,826	-	(19,363)	115,795	355,986	23,469	379,455
Profit for the financial period	-	-	-	-	18,790	18,790	1,218	20,008
<b>Other comprehensive income</b>								
Currency translation differences arising from consolidation	-	-	-	501	-	501	(42)	459
Re-measurements of defined benefit pension plans, net of tax	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the financial period</b>	-	-	-	501	18,790	19,291	1,176	20,467
<b>At 30 June 2022</b>	<b>253,728</b>	<b>5,826</b>	<b>-</b>	<b>(18,862)</b>	<b>134,585</b>	<b>375,277</b>	<b>24,645</b>	<b>399,922</b>

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Company	Share capital (S\$'000)	Share option reserve (S\$'000)	Accumulated losses (S\$'000)	Total equity (S\$'000)
<b>At 1 January 2021</b>	<b>253,728</b>	-	<b>(11,153)</b>	<b>242,575</b>
Total comprehensive loss	-	-	(1,276)	(1,276)
<b>At 30 June 2021</b>	<b>253,728</b>	-	<b>(12,429)</b>	<b>241,299</b>
<b>At 1 January 2022</b>	<b>253,728</b>	-	<b>(13,265)</b>	<b>240,463</b>
Total comprehensive loss	-	-	(1,984)	(1,984)
<b>At 30 June 2022</b>	<b>253,728</b>	-	<b>(15,249)</b>	<b>238,479</b>

### D. Condensed interim consolidated statement of cash flows

(S\$'000)	Unaudited HY2022	Unaudited HY2021
<b>Cash flows from operating activities</b>		
Receipts from customers	111,347	103,105
Payments to suppliers, directors and employees	(59,263)	(57,009)
Payments of corporate income tax	(6,933)	(6,775)
<b>Net cash flows provided from operating activities</b>	<b>45,151</b>	<b>39,321</b>
<b>Cash flows from investing activities</b>		
Acquisitions of fixed assets and other non-current assets	(1,114)	(1,920)
Interest received	478	613
Payments of construction costs	(11,750)	(14,136)
<b>Net cash flows used in investing activities</b>	<b>(12,386)</b>	<b>(15,443)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(7,263)	(10,229)
Net decrease in restricted cash in banks and fixed deposits	154	43
Proceeds from borrowings	6,210	17,136
Repayments of borrowings and debt issuance cost	(38,453)	(39,834)
Principal payments of lease liabilities	(242)	(256)
Cash dividends paid by subsidiary to non-controlling interest	-	(158)
<b>Net cash flows used in financing activities</b>	<b>(39,594)</b>	<b>(33,298)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(6,829)</b>	<b>(9,420)</b>
Cash and cash equivalents, beginning balance	44,570	58,327
Net effects of exchange rate changes	(269)	(397)
<b>Cash and cash equivalents, closing balance</b>	<b>37,472</b>	<b>48,510</b>



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### E. Notes to the condensed interim consolidated financial statements

#### 1. Corporate Information

Moya Holdings Asia Limited (the “**Company**”) (company registration number 201301085G) is listed on the Singapore Exchange and incorporated and domiciled in Singapore and whose shares are publicly traded on the Catalist of the Singapore Exchange. The address of its registered office is 65 Chulia Street #37-08 OCBC Centre Singapore 049513. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2022 comprise the Company and its subsidiaries (collectively, the “**Group**”).

The principal activities of the Company are that of an investment holding company. The principal activities of its subsidiaries are as follow:

- (a) Supply and distribution of clean water;
- (b) Investment holding company;
- (c) Investment holding company and provision of management consultancy services in the clean water industry; and
- (d) Management, technical advisory and technical analysis services in the clean water industry.

#### 2. Basis of Preparation

The condensed interim financial statements for the six months ended 30 June 2022 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the financial year ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency.

#### 2.1. Adoption of new and amended standards

The Group has adopted the applicable new and revised Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) which became effective for the accounting period beginning on or after 1 January 2022 as follow:

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 16	<i>COVID-19-Related Rent Concessions beyond 30 June 2021</i>	1 April 2021
Amendments to SFRS(I) 3	<i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to SFRS(I) 1-16	<i>Property, Plant and Equipment - Proceeds before Intended Use</i>	1 January 2022
Amendments to SFRS(I) 1-37	<i>Onerous Contracts - Cost of Fulfilling a Contract</i>	1 January 2022
Annual Improvements to SFRS(I)s 2018-2020:		1 January 2022
- Amendments to SFRS(I) 9	<i>Fees in the ‘10 per cent’ Test for Derecognition of Financial Liabilities</i>	1 January 2022
- Amendments to SFRS(I) 16	<i>Lease Incentives</i>	1 January 2022
- Amendments to SFRS(I) 1-41	<i>Taxation in Fair Value Measurements</i>	1 January 2022

The adoption of the new SFRS(I) did not result in material adjustments to the financial position, results of operations or cash flows of the Group for the six months ended 30 June 2022.

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### 2.2. Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 December 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

### 3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period reported on.

### 4. Segment and revenue information

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by SFRS(I) 8 Operating Segments. This disclosure standard has no impact on the reported financial performance or financial position of the reporting entity.

For management purposes, the reporting entity is organised into one major strategic operating segment: Build-Operate-Transfer ("**BOT**"). Such a structural organisation is determined by the nature of risks and returns associated with each business segment and it defines the management structure as well as the internal reporting system. It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance.

The segment and the type of products and services is as follows:

**BOT business:** Provision of comprehensive range of water treatment solutions to government including commissioning, operation and maintenance of a wide range of water treatment plants on design, build, rehabilitate, operate and transfer arrangements.

Operating Segments (S\$'000)	BOT Projects	Unallocated	Group
<b>Profit or loss and reconciliations</b>			
<b>HY2022</b>			
Total revenue	112,591	14,636	127,227
Profit/(loss) before tax	43,508	(13,595)	29,913
Income tax expense			(9,905)
Profit for the period			<u>20,008</u>
<b>HY2021</b>			
Total revenue	111,243	14,162	125,405
Profit/(loss) before tax	40,241	(9,064)	31,177
Income tax expense			(9,797)
Profit for the period			<u>21,380</u>
<b>Assets and Liabilities and reconciliations</b>			
<b>As at 30 June 2022</b>			
Total assets for reportable segments	639,389	-	639,389
Unallocated	-	26,861	26,861
Total assets			<u>666,250</u>
Total liabilities for reportable segments	(253,733)	-	(253,733)
Unallocated	-	(12,595)	(12,595)
Total liabilities			<u>(266,328)</u>

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<b>Operating Segments (S\$'000)</b>	<b>BOT</b>		
	<b>Projects</b>	<b>Unallocated</b>	<b>Group</b>
<b>As at 30 June 2021</b>			
Total assets for reportable segments	647,509	-	647,509
Unallocated	-	32,192	32,192
Total assets			<u>679,701</u>
Total liabilities for reportable segments	(310,833)	-	(310,833)
Unallocated	-	(12,525)	(12,525)
Total liabilities			<u>(323,358)</u>
<b>Other material items and reconciliations</b>			
<b>HY2022</b>			
Capital expenditure	7,725	65	7,790
Depreciation of property, plant and equipment	4,768	360	5,128
Amortisation	18,963	-	18,963
Finance cost	8,407	373	8,780
<b>HY2021</b>			
Capital expenditure	11,727	46	11,773
Depreciation of property, plant and equipment	4,203	358	4,561
Amortisation	17,733	-	17,733
Finance cost	11,436	1,037	12,473

### Geographical Information

	<b>Revenue</b>		<b>Non-current assets</b>	
	<b>HY2022</b>	<b>HY2021</b>	<b>HY2022</b>	<b>HY2021</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Indonesia	127,227	125,405	539,641	543,091
Singapore	-	-	1,599	1,183
Total	<u>127,227</u>	<u>125,405</u>	<u>541,240</u>	<u>544,274</u>

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

### 5. Profit before taxation

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

	<b>Group</b>		
	<b>HY2022</b>	<b>HY2021</b>	<b>Change</b>
	<b>(S\$'000)</b>	<b>(S\$'000)</b>	<b>+ / (-)</b>
			<b>%</b>
Sale of water and related services <sup>(1)</sup>	106,992	102,832	4
Adjustment from adoption of SFRS (I) INT 12 <sup>(1)(2)</sup>	(7,514)	(5,632)	33
Service concession construction revenue <sup>(1)</sup>	7,037	10,743	(35)
Other revenue <sup>(1)</sup>	4,455	3,719	20
Finance income under service concession arrangements <sup>(1)(2)</sup>	16,257	13,743	18
Depreciation of property, plant and equipment <sup>(3)</sup>	(5,128)	(4,561)	12
Amortisation of service concession assets <sup>(4)</sup>	(18,963)	(17,733)	7
Allowance for doubtful debts <sup>(5)</sup>	(966)	(331)	192
Finance costs	(8,780)	(12,473)	(30)
Net foreign exchange adjustment gains <sup>(6)</sup>	1,271	857	48

#### Notes:

- (1) Classified as revenue in consolidated statement of profit or loss and other comprehensive income.
- (2) In accordance with the Singapore Financial Reporting Standards (International) Interpretations 12 – Service Concession Arrangements (“SFRS (I) INT 12”), when the Group (as operator) receives payment during the period of the service concession arrangement, it will apportion such payment between a repayment of the financial asset arising from the construction activities of the service concession arrangement, reducing the carrying amount of the financial assets on its statement of financial position, and revenue from operating and maintaining the water treatment plants in its statement of profit or loss. Interest income on financial assets arising from the service concession arrangement will also be recognised.
- (3) The increase was mainly due to depreciation charges arising from new equipment acquired in HY2022.

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- (4) The increase was mainly due to amortisation expense from additional intangible assets arising from a service concession arrangement, and amortisation expense from intangible assets arising from a contractual concession right in HY2022.
- (5) The increase was due to higher expected credit losses based on assessment under SFRS(I) 9 – Financial Instruments.
- (6) Classified as other (losses)/gains, net in consolidated statement of profit or loss and other comprehensive income.

### 6. Income tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	<u>Group</u>	
	HY2022 S\$'000	HY2021 S\$'000
Current income tax expense	9,723	8,441
Deferred tax expense	182	1,356
Income tax expense	<u>9,905</u>	<u>9,797</u>

### 7. Net Asset Value

	<u>Group</u>		<u>Company</u>	
	Unaudited	Audited	Unaudited	Audited
	30.06.2022	31.12.2021	30.06.2022	31.12.2021
Net asset value per ordinary share based on issued share capital <sup>(1)</sup> (S\$ cents)	8.93	8.47	5.67	5.72

Note:

(1) Based on issued share capital of 4,203,585,943 ordinary shares as at 30 June 2022 (31 December 2021: 4,203,585,943 ordinary shares).

### 8. Service concession assets

	Notes	<u>Group</u>	
		HY2022 S\$'000	FY2021 S\$'000
Financial assets arising from service concession arrangements	8A	248,432	236,640
Intangible assets:			
- Service concession arrangements, net book value	8B	52,400	66,789
- Contractual concession rights, net book value	8C	<u>152,164</u>	<u>154,364</u>
		<u>452,996</u>	<u>457,793</u>
Current portion		23,703	23,221
Non-current portion		<u>429,293</u>	<u>434,572</u>
		<u>452,996</u>	<u>457,793</u>

#### 8A. Financial assets arising from service concession arrangements

	<u>Group</u>	
	HY2022 S\$'000	FY2021 S\$'000
Beginning of financial period	236,640	197,838
Additions	6,523	21,332
Settlements	(7,514)	(12,824)
Finance income under service concession arrangements	16,257	27,819
Currency translation differences	<u>(3,474)</u>	<u>2,475</u>
End of financial period	248,432	236,640

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	<u>Group</u>	
	HY2022 S\$'000	FY2021 S\$'000
Current portion	23,703	23,221
Non-current portion	224,729	213,419
	<b>248,432</b>	<b>236,640</b>

### 8B. Intangible assets - service concession arrangements

<b>Group</b>	<b>Ready to use S\$'000</b>	<b>Uncompleted projects S\$'000</b>	<b>Total S\$'000</b>
<b>As at 30 June 2022</b>			
<u>Cost</u>			
Beginning of financial period	157,966	1,668	159,634
Additions	15	499	514
Transfers	415	(415)	-
Currency translation differences	(3,436)	(24)	(3,460)
	154,960	1,728	156,688
<u>Accumulated amortisation</u>			
Beginning of financial period	(92,845)	-	(92,845)
Amortisation for the period	(14,074)	-	(14,074)
Currency translation differences	2,631	-	2,631
	(104,288)	-	(104,288)
<b>Net book value at the end of financial period</b>	<b>50,672</b>	<b>1,728</b>	<b>52,400</b>
<b>As at 31 December 2021</b>			
<u>Cost</u>			
Beginning of financial year	152,471	2,594	155,065
Additions	30	2,032	2,062
Transfers	2,974	(2,974)	-
Currency translation differences	2,491	16	2,507
	157,966	1,668	159,634
<u>Accumulated amortisation</u>			
Beginning of financial year	(64,528)	-	(64,528)
Amortisation for the year	(26,459)	-	(26,459)
Currency translation differences	(1,858)	-	(1,858)
	(92,845)	-	(92,845)
<b>Net book value at the end of financial year</b>	<b>65,121</b>	<b>1,668</b>	<b>66,789</b>

The Group recognises an intangible asset arising from a service concession arrangement when it has a right to charge users of the infrastructure under the concession arrangement.

Enhancements or upgrades to existing infrastructure or the development of new infrastructure projects under construction are capitalised as uncompleted projects. These accumulated costs are reclassified upon completion when the enhancement or upgrade to existing infrastructure or construction of new infrastructure is completed. Revenue associated from enhancement or upgrading of existing infrastructure or constructing of new infrastructure is recognised in accordance with revenue recognition.

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### 8C. Intangible assets - contractual concession rights

	HY2022 S\$'000	<u>Group</u> FY2021 S\$'000
<u>Cost</u>		
Beginning of financial period	188,580	185,679
Currency translation differences	3,457	2,901
End of financial period	<u>192,037</u>	<u>188,580</u>
<u>Accumulated amortisation</u>		
Beginning of financial period	(34,216)	(23,982)
Amortisation for the period	(4,888)	(9,719)
Currency translation differences	(769)	(515)
End of financial period	<u>(39,873)</u>	<u>(34,216)</u>
<b>Net book value at the end of financial period</b>	<b><u>152,164</u></b>	<b><u>154,364</u></b>

### 9. Property, plant and equipment

During the six months ended 30 June 2022, the Group acquired assets amounting to S\$0.8 million (30 June 2021: S\$1.2 million) and disposed assets amounting to S\$0.1 million during the year (30 June 2021: nil).

### 10. Borrowings

Amount repayable in one year or less, or on demand

As at 30 June 2022 (S\$'000)		As at 31 December 2021 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
35,103	-	65,139	-

Amount repayable after one year

As at 30 June 2022 (S\$'000)		As at 31 December 2021 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
113,919	-	117,572	-

#### Details of any collateral

As at 30 June 2022:

PT Aetra Air Jakarta (“AAJ”)

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

PT Aetra Air Tangerang (“AAT”)

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

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### PT Moya Bekasi Jaya (“MB”) and PT Moya Tangerang (“MT”)

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

### PT Air Semarang Barat (“ASB”)

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

### PT Tanah Alam Makmur (“TAM”)

- Fiduciary guarantee on PT Traya Tirta Cisadane (“TTC”) trade receivables;
- Pledge over TTC ordinary shares owned by TAM;
- Pledge over TAM ordinary shares owned by Obor Infrastructure Pte. Ltd. (“Obor”);
- Corporate guarantee and letter of undertaking from the Company;
- Corporate guarantee and letter of undertaking from Obor; and
- Pledge over TAM and TTC’s bank accounts in BCA.

### PT Tirta Kencana Cahaya Mandiri (“TKCM”)

- Fiduciary guarantee on a TKCM’s trade receivables;
- Pledge over TKCM’s ordinary shares owned by TAM and PT Tirta Bangun Nusantara;
- Pledge over the claim rights of bank guarantee (Performance/Surety Bond) from Engineering Procurement Construction (“EPC”) contractor, insurance and concession termination compensation from PDAM TKR;
- Corporate guarantee and letter of undertaking from the Company;
- Corporate guarantee and letter of undertaking from Obor; and
- Pledge over TKCM’s bank accounts in BCA.

## 11. Share capital

	HY2022		FY2021	
	No. of ordinary shares	Share Capital S\$’000	No. of ordinary shares	Share Capital S\$’000
<u>Group and Company</u>				
Beginning and end of financial period/financial year	4,203,585,943	253,728	4,203,585,943	253,728

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company. The Company does not have any treasury shares.

As at 30 June 2022, there were no outstanding share options under the Employee Share Option Scheme (as at 30 June 2021: nil).

There were no other outstanding convertibles, treasury shares or subsidiary holdings as at 30 June 2022 and 30 June 2021.

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

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

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## APPENDIX F: 1H2022 RESULTS

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

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

**12. Subsequent events**

There are no known subsequent events which have led to adjustments to this set of interim financial statements.



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## APPENDIX F: 1H2022 RESULTS

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### F. Other information required pursuant to Appendix 7C of the Catalyst Rules

#### 1. Review

The condensed consolidated statement of financial position of Moya Holdings Asia Limited and its subsidiaries as at 30 June 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

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

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

Not applicable. The latest audited financial statements of the Company and the Group for the financial year ended 31 December 2021 are not subject to any adverse opinion, qualified opinion or disclaimer of opinion.

#### 2. Review of performance of the Group

The Group's principal business comprises (i) concession arrangements and bulk water provider project undertaken by Acuatico Pte. Ltd. and its subsidiaries (namely, PT Aetra Air Jakarta, PT Aetra Air Tangerang, PT Acuatico Air Indonesia and PT Air Semarang Barat) (the "**Acuatico Group**"), (ii) Build-Operate-Transfer projects ("**BOT Projects**") under contract and development undertaken by PT Moya Bekasi Jaya ("**Bekasi**"), PT Moya Tangerang ("**Tangerang**"), PT Moya Makassar, and Obor Infrastructure Pte. Ltd. and its subsidiaries (namely, PT Traya Tirta Cisadane and PT Tirta Kencana Cahaya Mandiri) (the "**Obor Group**"), and (iii) operation and maintenance of water supply system in Batam undertaken by PT Moya Indonesia ("**Project Batam**").

##### **2.1 Statement of Profit or Loss and Other Comprehensive Income (HY2022 vs HY2021)**

###### **2.1 (a) Revenue**

Revenue increased by S\$1.8 million, from S\$125.4 million in HY2021 to S\$127.2 million in HY2022. This was mainly due to increase in (i) water sales from Tangerang and Bekasi BOT Projects, Acuatico Group, Obor Group, and Project Batam; (ii) finance income under service concession arrangements from the Acuatico Group, Tangerang and Bekasi BOT Projects; and (iii) service concession construction revenue from Obor Group. The aforementioned increases were partially offset by decrease in service concession construction revenue from the Acuatico Group and the Tangerang BOT Projects.

###### **2.1 (b) Cost of Sales**

Cost of sales decreased by S\$0.4 million, from S\$65.5 million in HY2021 to S\$65.1 million in HY2022. This was mainly due to decrease in service concession construction cost from the Acuatico Group and the Tangerang BOT Project, as well as cost efficiency programs implemented by the Group. The aforementioned decreases were partially offset by increase in (i) service concession construction cost from the Obor Group; and (ii) amortisation and depreciation expenses arising from new intangible assets and equipment acquired during HY2022.

###### **2.1 (c) Gross Profit**

Gross profit increased by S\$2.2 million, from S\$59.9 million in HY2021 to S\$62.1 million in HY2022. This was mainly due to increase in water sales, as well as cost efficiency programs implemented by the Group over the years to reduce costs.

###### **2.1 (d) Interest Income**

Interest income decreased by S\$0.2 million, from S\$1.0 million in HY2021 to S\$0.8 million in HY2022, mainly due to lower time deposits placement.

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## APPENDIX F: 1H2022 RESULTS

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### **2.1 (e) Administrative Expenses**

Administrative expenses increased by S\$2.6 million, from S\$19.4 million in HY2021 to S\$22.0 million in HY2022, mainly due to increase in employee related expenses, office expense and depreciation expense. The aforementioned increases were partially offset by decrease in professional fees.

### **2.1 (f) Finance Costs**

Finance costs decreased by S\$3.7 million, from S\$12.5 million in HY2021 to S\$8.8 million in HY2022, mainly due to decrease in bank loans as a result of instalment repayment of existing bank loans.

### **2.1 (g) Other Losses/(Gains), net**

The Group recorded other losses, net of S\$1.8 million in HY2022, as compared to other gains, net of S\$2.6 million in HY2021. Other losses, net of S\$1.8 million in HY2022 relate mainly to (i) charges from PAM Jaya of S\$1.0 million; and (ii) allowance for doubtful receivables and provisions for slow-moving inventory and property, plant and equipment of S\$2.0 million, partially offset by foreign exchange gain of S\$1.2 million arising from the depreciation of the Indonesia Rupiah (“IDR”) against the United States Dollar (“USD”) and Singapore Dollar (“SGD”) in HY2022.

Other gains, net of S\$2.6 million in HY2021 relate mainly to (i) adjustment of accrued expense related to construction cost of S\$2.0 million; (ii) foreign exchange gain of S\$0.9 million arising from the depreciation of the IDR against the USD and SGD in HY2021; and (iii) other gains which relate to write-back of provision for impairment of trade receivables in the Acuatico Group due to recovery of receivables and others of S\$0.7 million, partially offset by charges from PAM Jaya of S\$1.0 million.

### **2.1 (h) Income Tax Expense**

Income tax expense increased by S\$0.1 million, from S\$9.8 million in HY2021 to S\$9.9 million in HY2022, mainly due to increase in current income tax expense from the Acuatico Group, the Obor Group, and Project Batam, partially offset by decrease in deferred tax expense in HY2022.

### **2.1 (i) Profit After Tax**

As a result of the above, the Group’s net profit decreased by S\$1.4 million, from S\$21.4 million in HY2021 to S\$20.0 million in HY2022.

### **2.1 (j) EBITDA**

EBITDA increased by S\$0.9 million, from S\$54.1 million in HY2021 to S\$55.0 million in HY2022, mainly due to increase in water sales, as well as cost efficiency programs implemented by the Group over the years to reduce costs.

### **2.1 (k) Currency translation differences arising from consolidation**

The Group experienced currency translation differences from the consolidation of its foreign operations as the reporting currency of the Group’s consolidated financial statements is in SGD. The Group recognised currency translation gain of S\$0.4 million in HY2022 arising from the depreciation of IDR against SGD and depreciation of SGD against USD in HY2022.

## **2.2 Statement of Financial Position (30 June 2022 vs 31 December 2021)**

The Group’s total equity increased by S\$20.4 million or 5.0%, from S\$379.5 million as at 31 December 2021 to S\$399.9 million as at 30 June 2022. The increase was mainly due to (i) net profit attributable to owners of the parent of S\$18.8 million in HY2022; (ii) increase in non-controlling interests of S\$1.2 million; and (iii) currency translation gain of S\$0.4 million.

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## APPENDIX F: 1H2022 RESULTS

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

The Group's non-current assets decreased by S\$7.4 million or 1.3%, from S\$548.6 million as at 31 December 2021 to S\$541.2 million as at 30 June 2022. This was mainly due to decrease in (i) service concession assets of S\$5.3 million (reasons as set out in Section 2.2(b) of this announcement on "Current Assets - service concession assets (current and non-current)"); and (ii) property, plant and equipment of S\$5.4 million (mainly due to depreciation charges). The aforementioned decrease was partially offset by (i) increase in goodwill of S\$1.9 million due to the depreciation of SGD against the USD in HY2022; and (ii) increase in deferred income tax assets of S\$1.5 million.

### **2.2 (b) Current Assets**

The Group's current assets decreased by S\$6.5 million or 5.0%, from S\$131.5 million as at 31 December 2021 to S\$125.0 million as at 30 June 2022. This was mainly due to decrease in (i) cash and cash equivalents of S\$7.1 million; and (ii) inventories of S\$0.7 million, partially offset by increase in (i) trade and other receivable of S\$1.0 million; and (ii) service concession assets of S\$0.5 million.

Cash and cash equivalents decreased by S\$7.1 million, from S\$44.6 million as at 31 December 2021 to S\$37.5 million as at 30 June 2022. Please refer to Section 2.3 of this announcement on the statement of cash flows for explanations on the decrease in cash and cash equivalents of the Group.

Inventories decreased by S\$0.7 million, from S\$5.7 million as at 31 December 2021 to S\$5.0 million as at 30 June 2022, mainly due to the provision for slow-moving inventory and usage of inventory, partially offset by purchase of additional inventory.

Service concession assets comprised service concession arrangements and contractual concession rights. Please refer to note 5 in the condensed interim consolidated financial statements, footnote (2), on the accounting treatment of the Group's financial assets arising from service concession arrangement. Service concession assets (current and non-current) decreased by S\$4.8 million, from S\$457.8 million as at 31 December 2021 to S\$453.0 million as at 30 June 2022, mainly due to amortisation of intangible assets arising from service concession arrangements and intangible assets arising from contractual concession rights, partially offset by additional service concession construction progress for the BOT Projects from the Acuatico Group, the Obor Group, and the Tangerang BOT Projects.

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

The Group's non-current liabilities decreased by S\$1.9 million or 1.0%, from S\$191.3 million as at 31 December 2021 to S\$189.4 million as at 30 June 2022. This was mainly due to decrease in (i) borrowings of S\$3.6 million; (ii) provisions of S\$0.3 million; and (iii) trade and other payables of S\$0.2 million, partially offset by increase in deferred income tax liabilities of S\$2.2 million.

Borrowings (current and non-current) decreased by S\$33.7 million, from S\$182.7 million as at 31 December 2021 to S\$149.0 million as at 30 June 2022, mainly due to instalment repayment of existing bank loans in HY2022, partially offset by drawdown of bank loans.

### **2.2 (d) Current Liabilities**

The Group's current liabilities decreased by S\$32.4 million or 30.0%, from S\$109.3 million as at 31 December 2021 to S\$76.9 million as at 30 June 2022. This was mainly due to decrease in (i) borrowings of S\$30.0 million mainly due to instalment repayment of existing bank loans in HY2022; (ii) trade and other payables of S\$4.7 million; and (iii) provisions of S\$0.4 million (re-classified from non-current portion). The aforementioned decrease was partially offset by increase in current income tax liabilities of S\$2.7 million.

Provisions which relate to contractual obligation arising from the concession arrangement, decreased by S\$0.4 million, from S\$4.6 million as at 31 December 2021 to S\$4.2 million as at 30 June 2022, due to the reclassification of provisions that will be due in the next 12 months from non-current liabilities.

Current income tax liabilities increased by S\$2.7 million or 167.1%, from S\$1.6 million as at 31 December 2021 to S\$4.3 million as at 30 June 2022, mainly due to increase in current income tax expense from the Acuatico Group, Obor Group and Project Batam arising from higher taxable income, respectively.

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## APPENDIX F: 1H2022 RESULTS

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

The Group reported a positive working capital of S\$48.1 million as at 30 June 2022 and S\$22.2 million as at 31 December 2021.

### **2.3 Statement of Cash Flows (HY2022)**

Net cash flows provided from operating activities in HY2022 was S\$45.1 million, due to receipts from customers of S\$111.3 million, partially offset by payments to suppliers, directors and employees of S\$59.3 million, and payments of corporate income tax of S\$6.9 million.

Net cash flows used in investing activities in HY2022 was S\$12.4 million, due to payments of construction costs related to the BOT Projects and water supply concessions of S\$11.8 million, and purchase of fixed assets and other non-current assets of S\$1.1 million, partially offset by receipts of interest income from time deposit of S\$0.5 million.

Net cash flows used in financing activities in HY2022 was S\$39.6 million, due to repayments of borrowings and payment of debt issuance cost of S\$38.5 million, interest paid of S\$7.3 million, and principal payments of lease liabilities of S\$0.2 million, partially offset by proceeds from borrowings of S\$6.2 million and decrease in restricted cash in banks of S\$0.2 million.

As a result of the above, and net effects of currency translation on cash and cash equivalents in HY2022 of S\$0.3 million, the Group's cash and cash equivalents decreased by S\$7.1 million in HY2022.

### **3. 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.

### **4. 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 operating period and the next 12 months**

The Group is focusing on organic growth of its operating subsidiaries.

PT Tirta Kencana Cahaya Mandiri ("**TKCM**") has completed the installation of its 8.4 km pipe network. The construction of reservoir and recycle backwash system are expected to be completed in the third quarter of 2022. Following completion of the construction, the Group expects an increase in TKCM water sales volume.

PT Moya Tangerang ("**MT**") has been continuously working on the pipe network installation in Tangerang city, which is expected to be completed by end of 2023. The Group expects an increase in MT water sales volume upon completion of the installation.

PT Air Semarang Barat ("**ASB**"), a joint venture company owned by AAJ and PT Medco Infrastruktur Indonesia, has a cooperation agreement with Perusahaan Daerah Air Minum Tirta Moedal Semarang ("**PDAM Semarang**"), the municipal water company of Semarang city. The project has a 25-year concession period (commencing from 22 May 2021) with a water treatment capacity of up to 1,000 lps. Entering the second year of its operation, ASB water sales volume is starting to increase steadily. The increase of water sales volume will increase the reliability of clean water supply to the customers and therefore will increase the service coverage ratio of clean water in Semarang city. The Group expects the project to further expand and strengthen its business in the water treatment industry in Indonesia.

On 17 June 2022, PT Moya Indonesia ("**PT MI**") in consortium with PT Pembangunan Perumahan (Persero) Tbk ("**PP**") has won a tender to manage the operation and maintenance of the upstream and downstream of water supply system ("**Project**") in Batam, Indonesia. The Project will have a 15-year concession period after the handover date of operation and maintenance from Badan Pengusahaan Batam (Batam Free Trade Zone and Free Port Authority), an Indonesia Government Agency. For the purpose of the Project, PT MI and PP will establish two joint ventures in Indonesia whereby PT MI and PP will own 60% and 40% interest, respectively, for both joint ventures.

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## APPENDIX F: 1H2022 RESULTS

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Besides focusing on organic growth, the Group is also looking for opportunities to further expand its business via participation in new tender, either Business-to-Business or Public-to-Private Partnership, as well as mergers and acquisitions to deliver greater value to the shareholders of the Company and to enhance the Group's profitability. Due to the general market uncertainties arising from the COVID-19 pandemic, the Group will continue to closely monitor the global economic condition and mandatory health protocol implementation that might affect the expansion growth of the Group and will update shareholders of the Company as and when necessary.

### 5. Dividend information

**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.

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

The Board of Directors of the Company ("**Board**") does not recommend any dividend to be declared for HY2022, as the Board deems it appropriate to retain the cash for the Group's capital expenditure and for the Group's future growth.

### 6. Interested person transactions

**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.

### 7. Confirmation by the Board pursuant to Rule 705(5) of the Catalist 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 knowledge, nothing has come to the attention of the Board which may render the unaudited financial results for the six-month financial period ended 30 June 2022 to be false

## APPENDIX F: 1H2022 RESULTS

or misleading in any material aspect.

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

On behalf of the Board, we hereby confirm that we have procured all the required undertakings from all the Directors and Executive Officers of the Company in the format set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

### 9. Use of Proceeds

Rights Issue, completed in July 2018

Use of net proceeds	Amount on a re-allocated basis as at 28 February 2022 <sup>(1)</sup> (S\$' million)	Amount utilised as at 13 April 2022 <sup>(2)</sup> (S\$' million)	Amount utilised from 14 April 2022 up to date of this announcement (S\$' million)	Balance (on a re-allocated basis) as at the date of this announcement (S\$' million)
Full repayment of the bank loan	64.46	64.46	-	-
Continual expansion through acquisitions, joint ventures and/or strategic partnerships	49.89	49.89	-	-
Development of BOT Projects in bulk water supply and water supply concessions in Indonesia	11.16	11.16	-	-
General corporate and working capital requirements of the Group	6.80	5.57	0.73 <sup>(3)</sup>	0.50
<b>Total use of net proceeds</b>	<b>132.31</b>	<b>131.08</b>	<b>0.73<sup>(3)</sup></b>	<b>0.50</b>
Rights issue expenses	0.73	0.73	-	-
	<b>133.04</b>	<b>131.81</b>	<b>0.73<sup>(3)</sup></b>	<b>0.50</b>

Notes:

- (1) Please refer to the Company's announcements dated 20 July 2018, 27 February 2020 and 28 February 2022 in respect of the re-allocation of use of Net Proceeds.
- (2) The Company provided an update on the use of proceeds from the Rights Issue in its annual report for the financial year ended 31 December 2021 ("**Annual Report 2021**") issued on 13 April 2022. Please refer to page 51 of the Annual Report.
- (3) A breakdown of the use of proceeds from the Rights Issue for general corporate and working capital requirements of the Group is as follows:

	S\$' million
Staff cost	0.36
Office expense	0.36
Others	0.01
<b>Total</b>	<b>0.73</b>

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

### 10. Confirmation by the Board

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-month period ended 30 June 2022 to be false or misleading in any material aspect.

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## APPENDIX F: 1H2022 RESULTS

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### 11. Disclosure pursuant to Rule 706A of the Catalyst Rules

The Company did not acquire or dispose shares in an entity which will result in that entity in becoming or ceasing to be, a subsidiary or associated company of the Company, or result in a change in the Company's shareholding percentage in a subsidiary or associated company, during HY2022.

On behalf of the Board of Directors

Mohammad Syahrial  
Chief Executive Officer

Low Chai Chong  
Lead Independent Director

28 July 2022

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## **APPENDIX G: BASES AND ASSUMPTIONS OF THE REVISED STATEMENT OF PROSPECTS**

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### **1. REVISED STATEMENT OF PROSPECTS**

As described in paragraph 5.6 of Appendix B to this Circular, the Directors have made the following Revised Statement of Prospects in the Tender Announcement:

*“Due to AAJ expecting to cease its current operations from 1 February 2023, there is a possibility the Group will be in a loss position for the current financial year ending 31 December 2022 due to the possibility of impairment of goodwill and accelerated amortisation of intangible assets that are associated with AAJ.”*

### **2. ASSUMPTIONS**

The Revised Statement of Prospects, for which the Directors are solely responsible, was arrived at on bases consistent with the accounting policies adopted by the Group as set out in the audited consolidated financial statements of the Group for FY2021, and was made based on the following assumptions:

- (a) there will be no significant changes in existing political, economic, legal or regulatory conditions affecting the activities of the Group, the industry, and the countries in which the Group operates;
- (b) there will be no significant changes in the principal activities, management and organisational structure of the Group;
- (c) there will be no material changes in the accounting policies of the Group;
- (d) there will be no material changes in applicable accounting standards, which may adversely affect the results of the Group;
- (e) there will be no material acquisitions or disposals of assets by the Group, save for those carried out in the ordinary course of business;
- (f) save for AAJ expecting to cease its current operations under the existing cooperation agreement with PAM JAYA from 1 February 2023, there will be no material changes in the relationships the Group has with its major clients, customers and suppliers which may affect the Group’s business;
- (g) there will be no material changes to the tax legislation, bases or rates of taxation, provident fund contributions, government levies and interest rate from those then prevailing;
- (h) there will be no material changes in the existing employment benefits of the Group;
- (i) there will be no material exceptional item or exceptional expense item;
- (j) there will be no exceptional circumstances that would require material provisions to be made by the Group in respect of any contingent liability or arbitration threatened or otherwise, abnormal bad debts;
- (k) there will be no material changes in inflation rates;

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**APPENDIX G: BASES AND ASSUMPTIONS OF  
THE REVISED STATEMENT OF PROSPECTS**

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- (l) there will be no material changes in the prevailing foreign currency exchange rates that will adversely affect the results of the Group; and
- (m) save for the COVID-19 pandemic, there will be no pandemic diseases, natural disasters that may affect the Group's operations and the competitive environment in which the Group operates.

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## APPENDIX H: LETTER FROM THE AUDITORS IN RELATION TO THE REVISED STATEMENT OF PROSPECTS

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Board of Directors  
Moya Holdings Asia Limited  
65 Chulia Street, #37-08  
OCBC Centre  
Singapore 049513

Dear Sirs,

### INDEPENDENT AUDITOR'S LETTER IN RELATION TO THE REVISED STATEMENT OF PROSPECTS AS SET OUT IN THE COMPANY'S ANNOUNCEMENT DATED 17 OCTOBER 2022

We have provided this letter solely to the directors of Moya Holdings Asia Limited (the "**Company**") for inclusion in the announcement dated 17 October 2022 in relation to, *inter alia*, the winning of a tender and entry into cooperation agreements for water supply system projects in Jakarta, Indonesia, by the Company's wholly-owned subsidiary, PT Moya Indonesia ("**Announcement**").

This letter had been prepared for inclusion in the Announcement.

As disclosed in the Announcement, the directors of the Company ("**Directors**") have made a revised Statement of Prospects ("**Revised Statement of Prospects**") as set out below:

*"Due to AAJ expecting to cease its current operations from 1 February 2023, there is a possibility the Group will be in a loss position for the current financial year ending 31 December 2022 due to the possibility of impairment of goodwill and accelerated amortisation of intangible assets that are associated with AAJ."*

We have examined the Revised Statement of Prospects in accordance with the Singapore Standards on Assurance Engagements applicable to the examination of prospective financial information. The Directors are solely responsible for the Revised Statement of Prospects including the completeness of the Revised Statement of Prospects and assumptions on which the Revised Statement of Prospects is based.

Based on our examination of the evidence supporting the assumptions as set out in the Announcement, nothing has come to our attention to cause us to believe that these assumptions do not provide a reasonable basis for the Revised Statement of Prospects. Further, in our opinion, the Revised Statement of Prospects are properly prepared on the basis of such assumptions and is consistent with the accounting policies normally adopted by the Group which are in accordance with Singapore Financial Reporting Standards (International).

Actual results may be different from the Revised Statement of Prospects since anticipated events frequently do not occur as expected and the variation may be material.

Chartered Accountants of Singapore

Fookon Tan LLP (UEN: T10LL0002B) is an accounting limited liability partnership registered in Singapore under the Limited Liability Partnerships Act (Chapter 163A).



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## APPENDIX H: LETTER FROM THE AUDITORS IN RELATION TO THE REVISED STATEMENT OF PROSPECTS

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### **Restriction on Use and Distribution**

Our work in connection with the Revised Statement of Prospects has been undertaken solely for the purpose of reporting to the Directors under the Singapore Code on Takeovers and Mergers to meet the regulatory requirements for the Announcement and is not intended to be used or relied on for any other purpose.

Foo Kon Tan LLP  
Public Accountants and  
Chartered Accountants

Singapore, 17 October 2022

Chartered Accountants of Singapore

Foo Kon Tan LLP (UEN: T10LL0002B) is an accounting limited liability partnership registered in Singapore under the Limited Liability Partnerships Act (Chapter 163A).



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## APPENDIX I: LETTER FROM THE IFA IN RELATION TO THE REVISED STATEMENT OF PROSPECTS

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SAC Capital Private Limited  
1 Robinson Road #21-00 AIA Tower Singapore 048542  
Tel: (65) 6232 3200 Fax: (65) 6232 3244  
Business Registration No.: 200401542N

17 October 2022

The Board of Directors  
Moya Holdings Asia Limited  
65 Chulia Street #37-08  
OCBC Centre  
Singapore 049513

Dear Sirs,

### EXIT OFFER FOR THE PROPOSED VOLUNTARY DELISTING OF MOYA HOLDINGS ASIA LIMITED (THE "COMPANY", AND TOGETHER WITH ITS SUBSIDIARIES, THE "GROUP") AND THE REVISED STATEMENT OF PROSPECTS

On 14 September 2022, the Company and Tamaris Infrastructure Pte. Ltd. ("**Offeror**") made a joint announcement ("**Joint Announcement**") in relation to the following:

- (a) the proposed voluntary delisting of the Company (the "**Delisting**") from the Official List of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") pursuant to Rules 1307 and 1308 of the SGX-ST Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**"); and
- (b) the exit offer (the "**Exit Offer**") in cash, to be made by Oversea-Chinese Banking Corporation Limited ("**OCBC Bank**"), for and on behalf of the Offeror, to acquire all the issued and paid-up ordinary shares in the capital of the Company (the "**Shares**") (excluding treasury shares) held by the shareholders of the Company (the "**Shareholders**") other than those Shares already owned, controlled or agreed to be acquired by the Offeror and its concert parties (collectively, the "**Offeror Concert Party Group**") as at the date of the Exit Offer.

On 17 October 2022, the Company announced the winning of tender and entry into cooperation agreements for water supply system projects in Jakarta, Indonesia, as well as the ceasing of the existing cooperation agreement for PT Aetra Air Jakarta ("**AAJ**"), a wholly-owned subsidiary of the Company ("**Announcement**"). As disclosed in the Announcement, the board of directors of the Company (the "**Directors**") have made a revised Statement of Prospects ("**Revised Statement of Prospects**") as follows:

*"Due to AAJ expecting to cease its current operations from 1 February 2023, there is a possibility the Group will be in a loss position for the current financial year ending 31 December 2022 due to the possibility of impairment of goodwill and accelerated amortisation of intangible assets that are associated with AAJ."*

Shareholders may wish to refer to the Announcement for the full context of the Revised Statement of Prospects.

Accordingly, this letter has been prepared for inclusion in the Announcement in connection with the Exit Offer pursuant to Rule 25 of The Singapore Code on Take-overs and Mergers (the "**Code**").

We have discussed the key bases and assumptions underlying the Revised Statement of Prospects, as set out in the Announcement, with the Directors and the management of the Company. We have also considered and relied on the letter dated 17 October 2022 prepared by Foo Kon Tan LLP, the external auditors of the Company, addressed to the Directors in relation to their examination of the Revised Statement of Prospects.

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## APPENDIX I: LETTER FROM THE IFA IN RELATION TO THE REVISED STATEMENT OF PROSPECTS

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We have relied on the accuracy and completeness of all financial and other information provided to us by the Company and have assumed such accuracy and completeness for the purposes of providing this report. Whilst care has been exercised in reviewing the information which we have relied on, we have not independently verified the information or representations. Accordingly, no representation or warranty, expressed or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of such information or representations. We have, however, made reasonable enquiries and exercised our judgement (as deemed necessary) in assessing the information and representations provided to us, and have found no reason to doubt the accuracy or reliability of such information or representations which we have relied on in our evaluation. Save as provided in this letter, we do not express any other opinion on the Revised Statement of Prospects.

Based on the above, we are of the opinion that the Revised Statement of Prospects (for which the Directors are solely responsible) have been made by the Directors after due and careful enquiry.

We have provided this report solely to the Directors in compliance with Rule 25 of the Code and for no other purposes. We do not accept responsibility to any other person(s), other than the Directors, in respect of, arising out of, or in connection with this report.

Yours faithfully  
For and on behalf of  
**SAC CAPITAL PRIVATE LIMITED**

Tan Kian Tiong  
Partner

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### MOYA HOLDINGS ASIA LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number 201301085G)

*All capitalised terms used in this Notice which are not defined herein shall, unless the context otherwise requires, have the same meanings ascribed to them in the circular to shareholders of the Company dated 28 October 2022 (the “Circular”).*

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting (the “**EGM**”) of Moya Holdings Asia Limited (the “**Company**”) will be held at NUSS Suntec City Guild House, 3 Temasek Boulevard, #02-401/402 Suntec City Mall, Singapore 038983 on 21 November 2022 at 2:00 p.m. for the purpose of considering and, if thought fit, passing with or without any amendments, the following resolution (on a poll to be taken) to be passed in accordance with the requirements of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (the “**Delisting Resolution**”).

#### **DELISTING RESOLUTION**

That:

- (a) the voluntary delisting of the Company from the Official List of the SGX-ST under Rules 1307 and 1308 of the Catalist Rules (the “**Delisting**”), pursuant to which the Exit Offer (as defined in the Circular) to the shareholders of the Company (the “**Shareholders**”) would be made to the Shareholders on the terms and conditions set out in the Circular, be and is hereby approved; and
- (b) the directors of the Company and each of them be and is hereby authorised and empowered to complete and to do all such acts and things as they or he may consider necessary or expedient to give effect to the Delisting and/or this Delisting Resolution, with such modification thereto (if any) as they or he shall think fit in the interests of the Company.

By Order of the Board

Low Chai Chong  
Non-Executive and Lead Independent Director  
Singapore

28 October 2022

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### Notes:

#### Submission of Proxy Forms to Vote

1. (a) A member of the Company (who is not a Relevant Intermediary) entitled to attend, speak and vote at the EGM is entitled to appoint not more than two (2) proxies to attend, speak and vote in his/her stead. Where such member appoints two (2) proxies, he/she shall specify the proportion of his/her shareholding to be represented by each proxy in the form of proxy.
- (b) A member of the Company who is a Relevant Intermediary may appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two (2) proxies, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

“**Relevant Intermediary**” shall have the same meaning ascribed to it in Section 181 of the Companies Act.

2. A proxy need not be a member of the Company. The instrument appointing a proxy or proxies must be under the hand of the appointor or on his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its seal or under the hand of an officer or attorney duly authorised.
3. The instrument appointing a proxy or proxies must:
  - (a) if submitted by email, be received by M & C Services Private Limited at [gpb@mncsingapore.com](mailto:gpb@mncsingapore.com); or
  - (b) if submitted by post, be lodged at the office of the Company’s Registrar, M & C Services Private Limited at 112 Robinson Road #05-01, Singapore 068902,

in either case not less than 72 hours before the time appointed for the EGM, and in default the instrument of proxy shall not be treated as valid.

#### Submission of questions

1. Shareholders may submit any substantial and relevant questions they may have in relation to the resolution to be tabled for approval at the EGM, at the EGM itself.
2. Shareholders may also submit any substantial and relevant questions they may have in relation to the resolution to be tabled for approval at the EGM in advance of the EGM by **9:00 a.m. on 5 November 2022** (the “**Cut-Off Time**”) via email to [ir@moyaasia.com](mailto:ir@moyaasia.com) and provide their particulars as follows:
  - (a) Full name (for individuals)/company name (for corporates) as per CDP/CPF/SRS Account records;
  - (b) NRIC or Passport Number (for individuals)/Company Registration Number (for corporates);
  - (c) Contact Number; and
  - (d) Email Address.
3. The Company will endeavour to address all substantial and relevant questions received from Shareholders by the Cut-Off Time relating to the resolution to be tabled for approval at the EGM prior to the EGM by publishing the responses to these questions on SGXNET at the URL <https://www.sgx.com/securities/company-announcements> and the Company’s corporate website at the URL [www.moyaasia.com](http://www.moyaasia.com) by **2:00 p.m. on 15 November 2022**. The Company will also address any subsequent clarifications sought, or follow-up questions received after the Cut-Off Time, prior to, or at, the EGM in respect of substantial and relevant matters relating to the resolution to be tabled for approval at the EGM.
4. The Company shall only address substantial and relevant questions (as may be determined by the Company in its sole discretion) received. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.
5. The Company will publish the minutes of the EGM (together with the responses to any subsequent clarification sought, or follow-up questions, in respect of substantial and relevant matters relating to the resolution to be tabled for approval at the EGM, addressed by the Company at the EGM) on SGXNET at the URL <https://www.sgx.com/securities/company-announcements> and the Company’s corporate website at the URL [www.moyaasia.com](http://www.moyaasia.com) within one (1) month from the date of the EGM.



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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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6. Shareholders, who would have been able to be appointed as proxies by Relevant Intermediaries under Section 181(1C) of the Companies Act, such as CPFIS Investors or SRS Investors, should approach their respective agents, such as CPF Agent Banks or SRS Agent Banks, to submit their questions in relation to the resolution to be tabled for approval at the EGM prior to the EGM and have their substantial queries and relevant comments answered.

### Further Updates

Shareholders should note that the manner of conducting the EGM may be subject to further changes based on the evolving COVID-19 situation, any legislative amendments and any directives or guidelines from government agencies or regulatory authorities. Any changes to the manner of conducting the EGM will be announced by the Company on SGXNET. Shareholders are advised to check SGXNET and the Company's corporate website regularly for any further updates.

### Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, or submitting any question prior to the EGM in accordance with this notice of EGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and addressing relevant and substantial questions from members received before the EGM and if necessary, following up with the relevant members in relation to such questions, and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Photographic, sound and/or video recordings of the EGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the EGM. Accordingly, the personal data of a Shareholder of the Company (such as his name, his presence at the EGM and any questions he may raise or motions he propose/second) may be recorded by the Company for such purpose.

*This notice has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

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

*The contact person for the Sponsor is Mr. Alex Tan, Chief Executive Officer, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77 Singapore 068896, telephone (65) 6636 4201.*

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# PROXY FORM

## MOYA HOLDINGS ASIA LIMITED

(Incorporated in the Republic of Singapore)  
Company Registration No. 201301085G

## PROXY FORM EXTRAORDINARY GENERAL MEETING

### IMPORTANT

1. A relevant intermediary (as defined in Section 181(6) of the Companies Act 1967 of Singapore) may appoint more than two (2) proxies to attend, speak and vote at the extraordinary general meeting of the Company.
2. For CPF/SRS investors who have used their CPF/SRS monies to buy shares in the Company, this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS investors should contact their respective Agent Banks if they have any queries regarding their appointment as proxies.
3. By submitting an instrument appointing a proxy(ies) and/or representative(s), a member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 28 October 2022.

I/We \_\_\_\_\_ (Name) \_\_\_\_\_ (\*NRIC/Passport/Co. Reg. No.)  
of \_\_\_\_\_ (Address)  
being a member/members\* of **MOYA HOLDINGS ASIA LIMITED** (the "Company"), hereby appoint:

Name	NRIC/Passport Number	Proportion of Shareholdings	
		Number of Shares	%
Address			

and/or\*

Name	NRIC/Passport Number	Proportion of Shareholdings	
		Number of Shares	%
Address			

or failing him/her\*, the Chairman of the extraordinary general meeting ("EGM") of the Company as my/our\* proxy/proxies\* to attend, speak and vote for me/us\* on my/our\* behalf at the EGM to be held at NUSS Suntec City Guild House, 3 Temasek Boulevard, #02-401/402 Suntec City Mall, Singapore 038983 on 21 November 2022 at 2:00 p.m. and at any adjournment thereof.

I/We\* direct my/our\* proxy/proxies\* to vote for or against the resolution to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, the proxy/proxies\* may vote or abstain from voting at his/her\* discretion. The resolution will be put to vote at the EGM by way of poll.

\* Delete as appropriate

DELISTING RESOLUTION	No. of Votes FOR**	No. of Votes AGAINST**	No. of Votes ABSTAIN**
Approval for the voluntary delisting of the Company pursuant to Rule 1307 and Rule 1308 of the Catalist Rules			

\*\* Voting will be conducted by poll. If you wish to exercise all your votes "For" or "Against" the resolution or to "Abstain" from voting on the resolution in respect of all your votes, please tick (✓) within the relevant box provided. Alternatively, if you wish to exercise some and not all your votes "For" and "Against" the resolution and/or to "Abstain" from voting in respect of the resolution, please indicate the number of votes "For", the number "Against" and/or the number "Abstain" in the boxes provided for the resolution.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2022.

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

\_\_\_\_\_  
Signature(s) of Member(s) or  
Common Seal of Corporate Member

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## PROXY FORM

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### Notes:

This proxy form has been made available on SGXNet and the Company's corporate website at [www.moyaasia.com](http://www.moyaasia.com). Printed copies of the proxy form has been despatched to members.

1. If the member has Shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited), he should insert that number of Shares. If the member has Shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert that number of Shares. If the member has Shares entered against his name in the Depository Register and Shares registered in his name in the Register of Members, he should insert the aggregate number of Shares entered against his name in the Depository Register and registered in his name in the Register of Members. If the number of Shares is not inserted, this form of proxy ("**proxy form**") will be deemed to relate to all the Shares held by the member.
2. (a) A member of the Company who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the EGM. Where such member's proxy form appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form.  
(b) A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member's form of proxy appoints more than two (2) proxies, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"**Relevant Intermediary**" shall have the same meaning ascribed to it in Section 181(6) of the Companies Act 1967 of Singapore.

3. This duly executed proxy form, together with the power of attorney or other attorney (if any) under which it is signed, or duly certified copy thereof, must:
  - (a) if submitted by email, be received by M & C Services Private Limited at [gpb@mncsingapore.com](mailto:gpb@mncsingapore.com); or
  - (b) if submitted by post, be lodged at the office of the Company's Share Registrar, M & C Services Private Limited at 112 Robinson Road #05-01, Singapore 068902.

in either case, **by 2:00 p.m. on 18 November 2022** (being not less than seventy-two (72) hours before the time appointed for holding the EGM) (or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid.

4. Completion and return of the instrument appointing a proxy or proxies shall not preclude a member from attending, speaking and voting at the EGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the EGM in person and, in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the EGM.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer of the corporation.
6. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
7. A corporation which is a member may by a resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act 1967 of Singapore.
8. For investors who hold Shares in the capital of the Company under CPF Investment Scheme ("**CPF Investors**") or Supplementary Retirement Scheme ("**SRS Investors**"), this proxy form is not valid for their use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS Investors who wish to appoint a proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the EGM (i.e. by 5:00 p.m. on 9 November 2022).
9. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for the holding of the EGM, as certified by The Central Depository (Pte) Limited to the Company.

### Personal Data Privacy:

By submitting an instrument a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the notice of EGM dated 28 October 2022.



