

UNAUDITED RESULTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020

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

**CONSOLIDATED INCOME STATEMENT
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020 (IN \$ MILLION)**

	The Group	
	1st Half 2020-21	1st Half 2019-20
REVENUE	223.0	512.7
EXPENDITURE		
Staff costs	105.5	248.9
Material costs	30.1	69.2
Depreciation	36.3	35.9
Amortisation of intangible assets	1.7	1.6
Company accommodation	6.0	12.9
Subcontract costs	24.0	55.2
Other operating expenses	46.6	51.7
	250.2	475.4
OPERATING (LOSS)/PROFIT	(27.2)	37.3
Interest income	2.7	5.7
Finance charges	(1.5)	(2.0)
(Loss)/Surplus on disposal of property, plant and equipment	(5.3)	2.4
Impairment of base maintenance assets	(35.0)	-
Impairment of an associated company	(0.2)	-
Share of profits of associated companies, net of tax	13.5	33.1
Share of profits of joint venture company, net of tax	14.9	20.3
(LOSS)/PROFIT BEFORE TAXATION	(38.1)	96.8
Taxation	10.9	(10.0)
(LOSS)/PROFIT FOR THE PERIOD	(27.2)	86.8
(LOSS)/PROFIT ATTRIBUTABLE TO: OWNERS OF THE PARENT	(19.0)	87.6
Non-controlling interests	(8.2)	(0.8)
	(27.2)	86.8
BASIC (LOSS)/EARNINGS PER SHARE (CENTS)	(1.69)	7.82
DILUTED (LOSS)/EARNINGS PER SHARE (CENTS)	(1.69)	7.80

Notes - Profit for the period is arrived at after charging/(crediting) the following:

	The Group	
	1st Half 2020-21	1st Half 2019-20
	\$M	\$M
Impairment loss allowance	5.3	1.7
Exchange loss/(gain), net	4.1	(1.3)
Under provision of tax in respect of prior year	0.1	*
Provision for stock obsolescence, net	1.2	1.8
Impairment of property, plant and equipment	-	1.0

1(a)(i) Consolidated Statement of Comprehensive Income

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020 (IN \$ MILLION)**

	The Group	
	1st Half 2020-21	1st Half 2019-20
(LOSS)/PROFIT FOR THE PERIOD	(27.2)	86.8
OTHER COMPREHENSIVE INCOME		
<u>Item that will not be reclassified to profit or loss:</u>		
Actuarial gain on remeasurement of defined benefit plan	*	*
	*	*
<u>Items that may be reclassified subsequently to profit or loss:</u>		
Foreign currency translation	(27.8)	14.0
Net fair value adjustment on cash flow hedges	(1.3)	0.7
Share of other comprehensive income of associated/joint venture companies	7.0	(3.7)
	(22.1)	11.0
OTHER COMPREHENSIVE INCOME, NET OF TAX	(22.1)	11.0
TOTAL COMPREHENSIVE INCOME	(49.3)	97.8
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
OWNERS OF THE PARENT	(40.3)	97.9
Non-controlling interests	(9.0)	(0.1)
	(49.3)	97.8

* Amount less than \$0.1M

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020 (IN \$ MILLION)**

	The Company	
	1st Half 2020-21	1st Half 2019-20
(LOSS)/PROFIT FOR THE PERIOD	(57.8)	76.4
OTHER COMPREHENSIVE INCOME		
Other comprehensive income, net of tax		
<u>Item that may be reclassified subsequently to</u>		
<u>profit or loss:</u>		
Net fair value adjustment on cash flow hedges	(1.3)	0.7
TOTAL COMPREHENSIVE INCOME	(59.1)	77.1

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

BALANCE SHEETS AS AT 30 SEPTEMBER 2020 (IN \$ MILLION)

	The Group		The Company	
	30 Sep 2020	31 Mar 2020	30 Sep 2020	31 Mar 2020
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT				
Share capital	420.0	420.0	420.0	420.0
Treasury shares	(9.8)	(13.7)	(9.8)	(13.7)
Capital reserve	2.7	2.8	2.7	2.8
Share-based compensation reserve	3.2	5.4	3.2	5.4
Foreign currency translation reserve	(10.9)	16.0	–	–
Fair value reserve	(3.1)	(8.7)	2.1	3.4
Equity transaction reserve	(0.6)	(4.5)	20.6	–
General reserve	1,136.4	1,211.5	780.6	894.5
	1,537.9	1,628.8	1,219.4	1,312.4
NON-CONTROLLING INTERESTS	26.3	32.2	–	–
TOTAL EQUITY	1,564.2	1,661.0	1,219.4	1,312.4
NON-CURRENT LIABILITIES				
Deferred taxation	6.4	18.5	6.9	17.9
Long-term lease liabilities	77.2	77.9	67.3	69.7
Long-term bank loan	9.4	7.3	–	–
	93.0	103.7	74.2	87.6
	1,657.2	1,764.7	1,293.6	1,400.0
Represented by :				
PROPERTY, PLANT AND EQUIPMENT	182.7	231.3	133.7	177.0
INTANGIBLE ASSETS	44.6	51.9	7.8	12.8
RIGHT-OF-USE ASSETS	84.3	97.0	68.4	79.2
SUBSIDIARY COMPANIES	–	–	129.4	147.0
ASSOCIATED COMPANIES	449.2	457.4	212.2	216.7
JOINT VENTURE COMPANY	171.8	159.2	61.9	61.9
PREPAYMENTS AND OTHER DEBTORS	9.4	10.6	6.0	6.0
CURRENT ASSETS				
Trade debtors	76.5	60.3	63.6	44.1
Contract assets	117.2	234.7	106.4	197.5
Prepayments and other debtors	16.6	24.7	11.9	17.6
Amount owing by immediate holding company	123.9	53.5	123.4	52.8
Amounts owing by related parties	36.3	51.6	79.4	75.0
Inventories	39.6	39.4	26.0	25.3
Short-term deposits	462.4	480.4	454.2	467.7
Cash and bank balances	52.5	39.3	16.9	6.6
	925.0	983.9	881.8	886.6
Assets held for sale	14.0	14.2	14.0	14.2
	939.0	998.1	895.8	900.8
Less:				
CURRENT LIABILITIES				
Trade and other creditors	176.5	177.5	167.4	132.4
Contract liabilities	13.2	16.4	13.0	16.4
Lease liabilities	8.3	21.3	10.2	19.7
Amounts owing to related parties	2.8	0.7	11.7	13.6
Bank loans	3.3	5.9	–	–
Tax payable	19.7	19.0	19.3	19.3
	223.8	240.8	221.6	201.4
NET CURRENT ASSETS	715.2	757.3	674.2	699.4
	1,657.2	1,764.7	1,293.6	1,400.0

**1(b)(ii) Aggregate amount of group's borrowings and debt securities
(in \$ Million)**

Amount repayable in one year or less, or on demand

As at 30 Sep 2020		As at 31 Mar 2020	
Secured	Unsecured	Secured	Unsecured
–	3.3	–	5.9

Amount repayable after one year

As at 30 Sep 2020		As at 31 Mar 2020	
Secured	Unsecured	Secured	Unsecured
–	9.4	–	7.3

Details of any collateral

Excluded in the borrowings above are lease liabilities of \$85.5 million which are secured over the right-of-use assets.

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

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020 (IN \$ MILLION)**

	The Group	
	1st Half 2020-21	1st Half 2019-20
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss)/Profit before taxation	(38.1)	96.8
Adjustments for:		
Depreciation	36.3	35.9
Amortisation of intangible assets	1.7	1.6
Impairment of property, plant and equipment	–	1.0
Share-based compensation expense	1.6	2.2
Interest income	(2.7)	(5.7)
Finance charges	1.5	2.0
Impairment loss allowance	5.3	1.7
Loss/(Surplus) on disposal of property, plant and equipment	5.3	(2.4)
Impairment of base maintenance assets	35.0	–
Impairment of an associated company	0.2	–
Share of profits of associated and joint venture companies, net of tax	(28.4)	(53.4)
Exchange differences	4.1	(1.3)
Operating profit before working capital changes	21.8	78.4
(Increase)/Decrease in debtors	(16.2)	18.7
Decrease/(Increase) in contract assets	117.5	(38.9)
Increase in inventories	(0.2)	(3.0)
Decrease in creditors	(2.3)	*
Decrease in contract liabilities	(3.2)	(18.4)
(Increase)/Decrease in amounts owing by immediate holding company	(72.2)	36.5
Decrease/(Increase) in amounts owing by related parties, net	17.4	(7.1)
Cash generated from operations	62.6	66.2
Income taxes paid	(0.6)	(8.9)
NET CASH PROVIDED BY OPERATING ACTIVITIES	62.0	57.3

* Amount less than \$0.1M

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020 (IN \$ MILLION)**

	The Group	
	1st Half 2020-21	1st Half 2019-20
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure	(10.0)	(14.4)
Purchase of intangible assets	(1.6)	(3.5)
Proceeds from disposal of property, plant and equipment	0.4	5.4
Investment in an associated company	-	(0.3)
Interest received from deposits	4.6	5.8
Dividends received from associated and joint venture companies	7.5	37.9
NET CASH PROVIDED BY INVESTING ACTIVITIES	0.9	30.9
CASH FLOW FROM FINANCING ACTIVITIES		
Acquisition of additional interest in a subsidiary company	7.3	-
Repayment of borrowings	-	(4.0)
Finance charges paid	(0.1)	(0.4)
Repayment of lease liabilities	(16.7)	(12.5)
Dividends paid	(56.1)	(89.6)
Dividends paid by a subsidiary company to non-controlling interests	(0.3)	(1.3)
NET CASH USED IN FINANCING ACTIVITIES	(65.9)	(107.8)
NET CASH OUTFLOW	(3.0)	(19.6)
CASH AND CASH EQUIVALENTS AT BEGINNING PERIOD	519.7	521.6
Effect of exchange rate changes	(1.8)	1.5
CASH AND CASH EQUIVALENTS AT END PERIOD	514.9	503.5
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Short-term deposits	462.4	452.8
Cash and bank balances	52.5	50.7
CASH AND CASH EQUIVALENTS AT END PERIOD	514.9	503.5

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

**STATEMENTS OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020 (IN \$ MILLION)**

The Group	Attributable to Owners of the Parent									Non-controlling interests	Total Equity
	Share capital	Treasury shares	Capital reserve	Share-based compensation reserve	Foreign currency translation reserve	Fair value reserve	Equity transaction reserve	General reserve	Total		
Balance at 1 April 2020	420.0	(13.7)	2.8	5.4	16.0	(8.7)	(4.5)	1,211.5	1,628.8	32.2	1,661.0
Loss for the period	-	-	-	-	-	-	-	(19.0)	(19.0)	(8.2)	(27.2)
Actuarial gain on remeasurement of defined benefit plan	-	-	-	-	-	-	-	*	*	*	*
Foreign currency translation	-	-	-	-	(27.0)	-	-	-	(27.0)	(0.8)	(27.8)
Net fair value adjustment on cash flow hedges	-	-	-	-	-	(1.3)	-	-	(1.3)	-	(1.3)
Share of other comprehensive income of associated/joint venture companies	-	-	-	-	0.1	6.9	-	-	7.0	-	7.0
Other comprehensive income, net of tax	-	-	-	-	(26.9)	5.6	-	*	(21.3)	(0.8)	(22.1)
Total comprehensive income for the period	-	-	-	-	(26.9)	5.6	-	(19.0)	(40.3)	(9.0)	(49.3)
Share-based compensation expense	-	-	-	1.6	-	-	-	-	1.6	-	1.6
Treasury shares reissued pursuant to equity compensation plans	-	3.9	(0.1)	(3.8)	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	(56.1)	(56.1)	(0.3)	(56.4)
Total contributions by and distributions to owners	-	3.9	(0.1)	(2.2)	-	-	-	(56.1)	(54.5)	(0.3)	(54.8)
Acquisition of non-controlling interests without change in control	-	-	-	-	-	-	3.9	-	3.9	3.4	7.3
Changes in ownership interests in a subsidiary company	-	-	-	-	-	-	3.9	-	3.9	3.4	7.3
Balance at 30 September 2020	420.0	(9.8)	2.7	3.2	(10.9)	(3.1)	(0.6)	1,136.4	1,537.9	26.3	1,564.2

* Amount less than \$0.1M

**STATEMENTS OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2019 (IN \$ MILLION)**

The Group	Attributable to Owners of the Parent									Non-controlling interests	Total Equity
	Share capital	Treasury shares	Capital reserve	Share-based compensation reserve	Foreign currency translation reserve	Fair value reserve	Equity transaction reserve	General reserve	Total		
Balance at 1 April 2019	420.0	(18.0)	2.9	5.6	(18.2)	(0.9)	(4.5)	1,141.7	1,528.6	35.4	1,564.0
Profit/(Loss) for the period	-	-	-	-	-	-	-	87.6	87.6	(0.8)	86.8
Actuarial gain on remeasurement of defined benefit plan	-	-	-	-	-	-	-	*	*	*	*
Foreign currency translation	-	-	-	-	13.3	-	-	-	13.3	0.7	14.0
Net fair value adjustment on cash flow hedges	-	-	-	-	-	0.7	-	-	0.7	-	0.7
Share of other comprehensive income of associated/joint venture companies	-	-	-	-	*	(3.7)	-	-	(3.7)	-	(3.7)
Other comprehensive income, net of tax	-	-	-	-	13.3	(3.0)	-	*	10.3	0.7	11.0
Total comprehensive income for the period	-	-	-	-	13.3	(3.0)	-	87.6	97.9	(0.1)	97.8
Share-based compensation expense	-	-	-	2.2	-	-	-	-	2.2	-	2.2
Treasury shares reissued pursuant to equity compensation plans	-	4.3	(0.1)	(4.2)	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	(89.6)	(89.6)	(1.3)	(90.9)
Total contributions by and distributions to owners	-	4.3	(0.1)	(2.0)	-	-	-	(89.6)	(87.4)	(1.3)	(88.7)
Balance at 30 September 2019	420.0	(13.7)	2.8	3.6	(4.9)	(3.9)	(4.5)	1,139.7	1,539.1	34.0	1,573.1

* Amount less than \$0.1M

**STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2020 (IN \$ MILLION)**

The Company	Share capital	Treasury shares	Capital reserve	Share-based compensation reserve	Fair value reserve	Equity transaction reserve	General reserve	Total
Balance at 1 April 2020	420.0	(13.7)	2.8	5.4	3.4	–	894.5	1,312.4
Loss for the period	–	–	–	–	–	–	(57.8)	(57.8)
Other comprehensive income for the period, net of tax:								
Net fair value adjustment on cash flow hedges	–	–	–	–	(1.3)	–	–	(1.3)
Total comprehensive income for the period	–	–	–	–	(1.3)	–	(57.8)	(59.1)
Share-based compensation expense	–	–	–	1.6	–	–	–	1.6
Treasury shares reissued pursuant to equity compensation plans	–	3.9	(0.1)	(3.8)	–	–	–	–
Dividends	–	–	–	–	–	–	(56.1)	(56.1)
Total contributions by and distributions to owners	–	3.9	(0.1)	(2.2)	–	–	(56.1)	(54.5)
Acquisition of non-controlling interests without change in control	–	–	–	–	–	20.6	–	20.6
Changes in ownership interests in a subsidiary company	–	–	–	–	–	20.6	–	20.6
Balance at 30 September 2020	420.0	(9.8)	2.7	3.2	2.1	20.6	780.6	1,219.4

**STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2019 (IN \$ MILLION)**

The Company	Share capital	Treasury shares	Capital reserve	Share-based compensation reserve	Fair value reserve	General reserve	Total
Balance at 1 April 2019	420.0	(18.0)	2.9	5.6	1.4	868.1	1,280.0
Profit for the period	–	–	–	–	–	76.4	76.4
Other comprehensive income for the period, net of tax:							
Net fair value adjustment on cash flow hedges	–	–	–	–	0.7	–	0.7
Total comprehensive income for the period	–	–	–	–	0.7	76.4	77.1
Share-based compensation expense	–	–	–	2.2	–	–	2.2
Treasury shares reissued pursuant to equity compensation plans	–	4.3	(0.1)	(4.2)	–	–	–
Dividends	–	–	–	–	–	(89.6)	(89.6)
Total contributions by and distributions to owners	–	4.3	(0.1)	(2.0)	–	(89.6)	(87.4)
Balance at 30 September 2019	420.0	(13.7)	2.8	3.6	2.1	854.9	1,269.7

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

SHARE CAPITAL AND SHARE PLANS IN THE COMPANY

(A) Share Capital

During the period from April to September 2020, there was no issuance of new ordinary shares.

Group and Company	Number of Shares	Share Capital (\$ Million)
Issued and fully paid share capital <u>Ordinary Shares</u> Balance at 1 April 2020 and 30 September 2020	1,124,116,360	420.0

As at 30 September 2020, the Company has an issued share capital of 1,124,116,360 ordinary shares (30 September 2019: 1,124,116,360 ordinary shares) of which 2,713,774 were held by the Company as treasury shares (30 September 2019: 3,802,777). The treasury shares held represents 0.2% (30 September 2019: 0.3%) of the total number of issued shares (excluding treasury shares).

The Company has no subsidiary holdings as at 30 September 2020 and 30 September 2019.

(B) Restricted Share Plan and Performance Share Plan

- (i) Management staff are entitled to the Restricted Share Plan ("RSP"). In addition, senior management staff are entitled to participate in the Performance Share Plan ("PSP"). Both plans were first approved by the shareholders of the Company on 25 July 2005 and expired on 24 July 2015. On 21 July 2014, the shareholders of the Company approved the RSP 2014 and PSP 2014, which replaced the RSP and PSP respectively.
- (ii) Depending on the achievement of pre-determined targets over a stipulated period for the RSP and PSP, the final number of restricted shares and performance shares awarded could range between 0% and 150% of the initial grant of the restricted shares and between 0% and 200% of the initial grant of the performance shares.

- (iii) As at 30 September 2020, the number of outstanding shares granted under the Company's RSP and PSP were 2,293,639 (30 September 2019: 2,163,668) and 870,900 (30 September 2019: 641,987) respectively. The movement of these share awards during the half year from 1 April 2020 to 30 September 2020 is as follows:

RSP

Date of grant	Balance at 01.04.2020/ Date of grant	Adjustment *	Cancelled	Released	Balance at 30.09.2020
07.07.2017	345,884	–	–	(345,884)	–
06.07.2018	616,924	–	–	(333,922)	283,002
05.07.2019	1,137,100	(227,420)	(14,635)	(331,368)	563,677
07.07.2020	1,454,160	–	(7,200)	–	1,446,960
Total	3,554,068	(227,420)	(21,835)	(1,011,174)	2,293,639

* Adjustment at the end of performance period upon meeting stated performance targets and adjustments for number of days in service for retirees.

PSP

Date of grant	Balance at 01.04.2020/ Date of grant	Adjustment *	Cancelled	Released	Balance at 30.09.2020
07.07.2017	193,287	(110,175)	(5,283)	(77,829)	–
06.07.2018	175,300	–	–	–	175,300
05.07.2019	273,400	–	–	–	273,400
07.07.2020	422,200	–	–	–	422,200
Total	1,064,187	(110,175)	(5,283)	(77,829)	870,900

* Adjustment at the end of performance period upon meeting stated performance targets and adjustments for number of days in service for retirees.

(C) Deferred Share Award ("DSA")

Grants of Deferred Share Award ("DSA") of fully paid ordinary shares are granted to senior management staff. At the end of a 3-year vesting period, an additional final award will be vested equal to the Base Award multiplied by the accumulated dividend yield. The details of the DSA are as follows:

Date of grant	Balance at 01.04.2020/ Date of grant	Cancelled	Released	Balance at 30.09.2020
05.07.2019	173,278	–	–	173,278
07.07.2020	155,616	–	–	155,616
Total	328,894	–	–	328,894

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

As at 30 September 2020, the Company has an issued share capital of 1,121,402,586 ordinary shares (31 March 2020: 1,120,313,583) excluding 2,713,774 ordinary shares (31 March 2020: 3,802,777) held by the Company as treasury shares.

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

During the period from 1 April 2020 to 30 September 2020, the Company did not purchase any treasury shares (1 April 2019 to 30 September 2019: nil). The Company transferred 1,089,003 treasury shares to employees on vesting of share-based incentive plans (1 April 2019 to 30 September 2019: 1,203,197 on vesting of share-based incentive plans).

Treasury shares are presented as a component within equity attributable to owners of the parent.

Group and Company	Number of Shares	Treasury Shares (\$ Million)
Balance at 1 April 2020	3,802,777	13.7
Treasury shares transferred on vesting of share-based incentives plans	(1,089,003)	(3.9)
Balance at 30 September 2020	2,713,774	9.8

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

The Company has no subsidiary holdings as at 30 September 2020 and 30 September 2019. There were no sales, transfers, cancellation and/or use of subsidiary holdings for the period 1 April 2020 to 30 September 2020.

2. Whether the figures have been audited or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard).

The figures have not been audited nor reviewed by the auditors.

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial period as compared to the audited financial statements as at 31 March 2020 except for the adoption of new or revised International Financial Reporting Standards (“IFRS”) and Interpretations of IFRS (“INT IFRS”) that are mandatory for financial year beginning on or after 1 April 2020. The adoption of these FRS and INT FRS has no significant impact to the Group.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Please refer to paragraph 4.

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

	Group	
	1st Half 2020-21	1st Half 2019-20
(Loss)/Earnings per share (cents)		
- Basic *	(1.69)	7.82
- Diluted #	(1.69)	7.80

* Based on the weighted average number of ordinary shares in issue excluding treasury shares.

Based on the weighted average number of ordinary shares in issue excluding treasury shares, after adjusting for the dilutive effect of options, restricted and performance shares.

**7. Net asset value (for the issuer and group) per ordinary share based on issued share capital excluding treasury shares of the issuer at the end of the:-
(a) current financial period reported on; and
(b) immediately preceding financial year.**

	Group		Company	
	As at 30 Sep 20	As at 31 Mar 20	As at 30 Sep 20	As at 31 Mar 20
Net asset value per share (cents)	137.1	145.4	108.7	117.2

- 8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

GROUP EARNINGS

First Half FY2020-21

The Group recorded a revenue of \$223.0 million for the first half ended 30 September 2020, a decrease of \$289.7 million (-56.5%) compared to the same period last year due to a reduction in the Group's business activities as a result of low flight activities and massive grounding of aircraft.

With cost measures implemented and grants from government support schemes, the Group expenditure was also down but at a lower rate. Group expenditure at \$250.2 million, was down \$225.2 million (-47.4%) with reduction mainly in manpower costs and subcontract costs. Reduction in manpower costs was mainly through a set of staff measures that included salary cuts, furlough, voluntary no pay leave, release of contract staff as well as voluntary Special Early Retirement Scheme.

Consequently, the Group incurred an operating loss of \$27.2 million compared to an operating profit of \$37.3 million in the same period last year.

Share of profits of associated and joint venture companies at \$28.4 million was \$25.0 million (-46.8%) lower year-on-year, with a profit of \$37.9 million from the engine and component segment and a loss of \$9.5 million from the airframe and line maintenance segment. Contributions from associated and joint venture companies continued to be impacted by reduction in flying hours and extended maintenance intervals, partially offset by cost saving measures and government support. Some of the group companies also incurred one-time staff redundancy costs during the period.

Due to significant decline in hangar revenue projections brought about by lower flight hours; large number of aircraft taken out of operations and parked; and the likelihood that some of the parked older generation aircraft will not return to operation, the Group recognised a non-cash impairment loss on its base maintenance unit's assets of \$35.0 million. As the recovery outlook remains uncertain, we will continue to monitor the situation closely and make additional impairment if required.

Group recorded a net loss of \$19.0 million for the first half ended 30 September 2020, a decline of \$106.6 million year-on-year.

The adverse impact of COVID-19 on the Group's financial performance for the first half was cushioned by grants from government support schemes; most significantly, the Jobs Support Scheme (JSS). Without this support, the Group would have recorded a loss of \$114.6 million.

Basic loss per share was 1.69 cents for the current period.

GROUP FINANCIAL POSITION

As at 30 September 2020, equity attributable to owners of the parent was \$1,537.9 million, a decrease of \$90.9 million (-5.6%) compared to 31 March 2020, due to the payment of the final dividend in respect of FY2019-20, a loss in the foreign currency translation reserve due to the weakening of the US dollar and losses incurred for the period.

Total assets stood at \$1,881.0 million as of 30 September 2020, a decrease of \$124.5 million (-6.2%), due mainly to a reduction in the contract assets balance and the impairment loss on base maintenance unit's assets.

The Group had a cash balance of \$514.9 million as of 30 September 2020, a decrease of \$4.8 million (-0.9%), and low borrowings.

Net asset value per share as at 30 September 2020 was 137.1 cents.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

IMPACT OF COVID-19

All segments of the Group's businesses were severely impacted by the COVID-19 pandemic during the first half of the financial year as significantly lower flight activities resulted in low work volume.

The number of flights handled by our Line Maintenance unit in Singapore was only 14% of the number handled in the same 6-month period last year. At our overseas Line Maintenance stations, business was similarly affected by the reduced number of flights handled. The number of hangar checks performed was also lower as demand for airframe maintenance weakened with the low flight activities and grounding of aircraft.

The number of flights handled in the second quarter was 16% of the same period last year, which was only three percentage points higher than the first quarter, indicating a continued slow recovery rate. For hangar checks, while we were able to bring forward some aircraft maintenance checks to utilise our hangar capacity in the first quarter, such opportunities were more limited in the second quarter, hence fewer checks were performed.

With the weaker recovery outlook, deeper salary cuts were implemented in addition to the other cost management measures such as furlough, voluntary no pay leave, voluntary early retirement, release of contract staff and scheduled shutdown of maintenance shops.

The volume of work at our joint venture and associated companies has similarly declined due to the low flight activities and grounding of aircraft. Similar cost management initiatives were implemented by these companies. Some of our partners and joint venture companies also had to reduce manpower in response to the sustained reduction in demand.

As part of the review of our investment portfolio, we restructured our investments in The Philippines as well as Heavy Maintenance Singapore Services, and proceeded with the dissolution of our joint venture, Line Maintenance Partnership (Thailand), in the quarter.

The adverse impact on the Group's financial performance has been cushioned by the government's wage support under the JSS, which has been extended by another seven months. The support for aerospace MRO operators is for 10 months at 75% of capped monthly wage and seven months at 50% of capped monthly wage. We have applied the guidance by the Institute of Singapore Chartered Accountants on the accounting recognition of the JSS government grants to accrue JSS grants from March 2020 to July 2021.

With changing rules and regulations on maintaining safe operations, the Company closely monitors and adapt to these requirements to ensure compliance and the safe and effective continuation of operations at the workplace.

OUTLOOK

Recovery of our MRO business is contingent on the recovery of the aviation industry, which continues to remain uncertain. The current forecast by the International Air Transport Association for full recovery to pre-pandemic levels is not expected till 2024, one year later than its previous forecast. We are encouraged by the efforts of Singapore and various countries to revive air travel through the establishment of green lanes and air travel bubbles and hope that this would stimulate travel and higher flight frequencies into Singapore.

We will stay flexible and nimble to adapt to the changing market environment while continuing to manage our expenditure and cashflow with prudence. Our strong balance sheet with low borrowings provides support for eventual recovery as well as our search for opportunities to strengthen existing or bring new capabilities to the Group.

We are working closely with our joint venture companies to ensure that they overcome their operating challenges for sustained growth. At the same time, we are also looking out for new opportunities to strengthen our portfolio.

To emerge stronger in the post-COVID future, we are deepening and broadening the scope of our Transformation efforts, which have yielded positive results thus far. Under Phase 2, we have developed a pipeline of Transformation initiatives in digitalisation, automation and continuous improvement programmes like 'Lean'. Beyond operational efficiency and productivity, these initiatives aim to improve staff expertise, increase value for customers, develop capabilities and promote the culture of continuous improvement and collaboration.

11. Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of dividend	Interim
Dividend Type	Cash
Dividend Rate	3.0 cents per ordinary share
Tax rate	Tax exempt one-tier

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

12. If no dividend has been declared/recommendeded, a statement to that effect.

In view of the weak performance and the need to conserve cash to sustain the business, the Company will not declare any interim dividends.

13. Interested Person Transactions

(In \$ Million)

The aggregate value of all Interested Person Transactions (“IPTs”) entered into during the half year of Financial Year 2020-21 are as follows:

Name of Interested Person	Nature of relationship	Non-Mandated Aggregate value of all IPTs (excluding all mandated transactions pursuant to Rule 920 of the SGX Listing Manual and transactions less than \$100,000)	Mandated Aggregate value of all IPTs conducted under a shareholders’ mandate pursuant to Rule 920 of the SGX Listing Manual (excluding transactions less than \$100,000)
Singapore Airlines Group			
Singapore Airlines Limited	Controlling shareholder of the Company	-	177.2*
SilkAir (Singapore) Pte Ltd	Wholly-owned subsidiary of the Company’s controlling shareholder	-	17.8
Non-listed Associates of Temasek Holdings (Private) Limited (“Temasek”)			
Aetos Training Academy Pte Ltd	Associates of Temasek	-	0.2
Synergy FMI Pte Ltd		-	1.3
Total		-	196.5

* Includes principal, interest and service fees, in respect of treasury transactions with SIA.

Notes:

1.All the transactions set out in the above are based on records from the Company’s Register of Interested Person Transactions for the financial period under review, and include transactions whose durations exceed the financial period under review and/or multiple transactions with the same interested person. The transactions were based on actual or estimated values of the transactions for the entire duration of the relevant transactions in the case of fixed term contracts or annual/periodic values of the transactions in the case of open-ended contracts, taking into account agreed rates.

2.All the above interested person transactions were done on normal commercial terms.

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (namely, its Chief Executive Officer, Executive Vice-President and Chief Financial Officer) in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

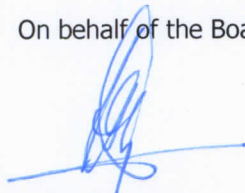
Lu Ling Ling
Company Secretary
3 November 2020

Singapore Co. Regn. No.: 198201025C

CONFIRMATION BY THE BOARD

We, Tang Kin Fei and Ng Chin Hwee, being two directors of SIA Engineering Company Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the half year FY2020-21 financial results to be false or misleading in any material respect.

On behalf of the Board,



TANG KIN FEI
Chairman

3 November 2020



NG CHIN HWEE
Chief Executive Officer