



PEC LTD.

21 Shipyard Road, Singapore 628144
Tel: 6268 9788 Fax: 6268 9488 www.peceng.com
Co. Reg. No: 198200079M

FIRST HALF FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 DECEMBER 2020

The Directors are pleased to announce the operating results of the Group and the Company for the period ended 31 December 2020.

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

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

Results for period ended 31 December 2020 (1H 2021):

	Group		Change
	1H 2021	1H 2020	
	S\$'000	S\$'000	%
Revenue	175,677	292,296	(40%)
Cost of sales	(134,016)	(240,547)	(44%)
Gross profit	41,661	51,749	(19%)
Gross profit margin	24%	18%	
Other operating income	6,300	1,939	225%
Administrative expenses	(13,065)	(16,017)	(18%)
Other operating expenses	(27,818)	(28,222)	(1%)
Finance expenses	(629)	(447)	41%
Share of results of associate	267	207	29%
Profit before taxation	6,716	9,209	(27%)
Income tax expense	(2,989)	(2,543)	18%
Profit after taxation	3,727	6,666	(44%)
Attributable to:			
Equity holders of the Company	3,695	6,165	(40%)
Non-controlling interests	32	501	(94%)
	3,727	6,666	(44%)
Other comprehensive income:			
<i>Item that will not be reclassified subsequently to profit or loss:</i>			
Net change in fair value reserve	(1)	-	NM
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Foreign currency translation	(1,658)	(43)	NM
Total other comprehensive income for the period, net of tax	(1,659)	(43)	NM
Total comprehensive income for the period	2,068	6,623	(69%)
Total comprehensive income attributable to:			
Owners of the Company	2,044	6,194	(67%)
Non-controlling interests	24	429	NM
	2,068	6,623	(69%)

Denotes: NM – not meaningful



PEC LTD.

21 Shipyard Road, Singapore 628144
Tel: 6268 9788 Fax: 6268 9488 www.peceng.com
Co. Reg. No: 198200079M

1(a)(ii) The income statement is arrived after crediting / (debiting) the following:-

	Group	
	1H 2021	1H 2020
	S\$'000	S\$'000
Depreciation of right-of-use assets	(1,360)	(870)
Amortisation of intangible assets	(4)	(9)
Depreciation of property, plant and equipment	(5,995)	(5,990)
Depreciation of investment property	(77)	(78)
Write back of impairment losses/(impairment losses) on financial assets	668	(22)
Write back of cash written off	203	–
Loss on disposal of subsidiary	–	(6)
Interest expense	(193)	(309)
Interest expense on lease liabilities	(390)	(138)
Interest expense on reinstatement cost	(46)	–
Exchange loss, net	(4,157)	(1,156)
Gain on disposal of property, plant and equipment, net	358	661
Insurance claim	99	159
Interest income	160	498



PEC LTD.

21 Shipyard Road, Singapore 628144
Tel: 6268 9788 Fax: 6268 9488 www.peceng.com
Co. Reg. No: 198200079M

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

	Group		Company	
	31 Dec 2020	30 Jun 2020	31 Dec 2020	30 Jun 2020
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	88,213	91,698	41,240	42,029
Investment property	5,725	5,782	–	–
Investment securities	1	1	1	1
Investment in subsidiaries	–	–	55,380	55,970
Investment in an associate	5,717	5,450	354	354
Intangible assets	60	64	60	64
Prepayments	1,231	1,427	–	–
Deferred tax assets	965	965	965	965
Right-of-use assets	20,476	21,489	15,742	16,258
Trade receivables	–	44	–	–
	<u>122,388</u>	<u>126,920</u>	<u>113,742</u>	<u>115,641</u>
Current assets				
Contract assets	33,637	12,034	19,573	6,817
Accrued income	18,849	22,889	8,861	12,923
Inventories	708	443	–	–
Trade receivables	76,346	141,080	46,581	30,402
Other receivables and deposits	7,346	10,012	9,743	13,134
Prepayments	3,217	2,244	1,097	824
Capitalised contract costs	15,667	20,496	–	–
Amounts due from subsidiaries	–	–	6,476	4,406
Cash and short-term deposits	139,179	100,069	39,229	50,840
	<u>294,949</u>	<u>309,267</u>	<u>131,560</u>	<u>119,346</u>
Total Assets	<u>417,337</u>	<u>436,187</u>	<u>245,302</u>	<u>234,987</u>
EQUITY AND LIABILITIES				
Current liabilities				
Contract liabilities	61,010	66,640	3,111	4,377
Trade payables	25,133	26,294	15,017	12,485
Other payables and accruals	56,156	71,995	29,687	24,077
Provisions	7,384	6,887	4,420	3,889
Loans and borrowings	14,733	14,385	10,000	10,000
Deferred income	3,306	3,358	2,944	2,944
Lease liabilities	1,966	1,897	1,035	1,247
Income tax payable	3,136	1,469	63	265
	<u>172,824</u>	<u>192,925</u>	<u>66,277</u>	<u>59,284</u>
Net current assets	122,125	116,342	65,283	60,062
Non-current liabilities				
Provisions	2,820	2,774	2,678	2,634
Loans and borrowings	4,516	4,634	–	–
Lease liabilities	18,238	18,994	15,010	15,210
Deferred tax liabilities	529	518	–	–
	<u>26,103</u>	<u>26,920</u>	<u>17,688</u>	<u>17,844</u>
Total Liabilities	<u>198,927</u>	<u>219,845</u>	<u>83,965</u>	<u>77,128</u>
Net assets	<u>218,410</u>	<u>216,342</u>	<u>161,337</u>	<u>157,859</u>
Equity attributable to owners of the Company				
Share capital	58,836	58,836	58,836	58,836
Treasury shares	(576)	(576)	(576)	(576)
Statutory reserve	2,481	2,481	–	–
Fair value reserve	(12)	(13)	(12)	(13)
Retained earnings	159,846	156,153	103,089	99,612
Premium paid on acquisition of non-controlling interests	(4,841)	(4,841)	–	–
Foreign currency translation reserve	(900)	750	–	–
	<u>214,834</u>	<u>212,790</u>	<u>161,337</u>	<u>157,859</u>
Non-controlling interests	3,576	3,552	–	–
Total Equity	<u>218,410</u>	<u>216,342</u>	<u>161,337</u>	<u>157,859</u>
Total equity and liabilities	<u>417,337</u>	<u>436,187</u>	<u>245,302</u>	<u>234,987</u>



PEC LTD.

21 Shipyard Road, Singapore 628144
Tel: 6268 9788 Fax: 6268 9488 www.peceng.com
Co. Reg. No: 198200079M

1(b)(ii) Aggregate amount of Group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31 Dec 2020		As at 30 Jun 2020	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
6,699	10,000	6,282	10,000

Amount repayable after one year

As at 31 Dec 2020		As at 30 Jun 2020	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
22,754	–	23,628	–

Detail of any collateral

The Group's borrowings include loans and borrowings as well as lease liabilities. Certain of the Group's loans and borrowings were secured over corporate guarantee and certain property, plant and equipment and deposits.



PEC LTD.

21 Shipyard Road, Singapore 628144
Tel: 6268 9788 Fax: 6268 9488 www.peceng.com
Co. Reg. No: 198200079M

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

	Group	
	1H 2021	1H 2020
	S\$'000	S\$'000
Cash flows from operating activities		
Profit before taxation	6,716	9,209
<i>Adjustments for:</i>		
Depreciation of property, plant and equipment	5,995	5,990
Depreciation of investment property	77	78
Gain on disposal of property, plant and equipment, net	(358)	(661)
(Write back of impairment losses)/impairment losses on financial assets	(668)	22
Provision, net	554	289
Foreign exchange differences	3,636	787
Amortisation of intangible assets	4	9
Amortisation of capitalised contracts cost	5,581	8,784
Depreciation of right-of-use assets	1,360	870
Share of results of associate	(267)	(207)
Interest income	(160)	(498)
Interest expense on lease liabilities	390	138
Interest expense	239	309
Operating cash flows before working capital changes	23,099	25,119
Increase in contract assets	(20,335)	(1,885)
Decrease in contract liabilities	(5,630)	(521)
Decrease/(increase) in accrued income	4,191	(5,485)
(Increase)/decrease in capitalised contract costs	(819)	24,652
Increase in inventories	(261)	(87)
Decrease/(Increase) in trade receivables, other receivables and deposits, and prepayments	62,959	(42,328)
(Decrease)/increase in trade and other payables and accruals	(16,217)	15,129
Cash flows generated from operations	46,987	14,594
Tax paid	(1,345)	(1,845)
Interest paid	(585)	(518)
Interest received	160	498
Net cash flows generated from operating activities	45,218	12,729
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	379	1,048
Proceeds from liquidated subsidiaries upon completion	504	-
Proceeds from disposal of asset held for sale	-	187
Proceeds from disposal of intangible assets	-	2
Purchase of property, plant and equipment	(3,126)	(6,790)
Dividend income from associate	-	130
Net cash flows used in investing activities	(2,243)	(5,423)
Cash flows from financing activities		
Repayment of borrowings	(5,337)	(364)
Proceeds from borrowings	5,615	1,706
Payment of principal portion of lease liabilities	(1,018)	(548)
Dividends paid on ordinary shares	-	(5,099)
Net cash flows used in financing activities	(740)	(4,305)
Net increase in cash and cash equivalents	42,235	3,001
Effect of exchange rate changes on cash and cash equivalents	(3,125)	(127)
Cash and cash equivalents at beginning of the period	100,069	93,370
Cash and cash equivalents at end of the period	139,179	96,244



PEC LTD.

21 Shipyard Road, Singapore 628144
Tel: 6268 9788 Fax: 6268 9488 www.peceng.com
Co. Reg. No: 198200079M

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

GROUP

	----- Attributable to owners of the Company -----									
	Share Capital	Treasury shares	Statutory Reserve	Retained earnings	Fair value reserve	Premium paid on acquisition of non-controlling interests	Foreign currency translation reserve	Equity attributable to owners of the company, total	Non-controlling interests	Equity, total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 July 2020	58,836	(576)	2,481	156,153	(13)	(4,841)	750	212,790	3,552	216,342
Total comprehensive income	–	–	–	3,695	(1)	–	(1,650)	2,044	24	2,068
Transfer of loss on disposal of equity instruments at FVOCI	–	–	–	(2)	2	–	–	–	–	–
At 31 December 2020	58,836	(576)	2,481	159,846	(12)	(4,841)	(900)	214,834	3,576	218,410

GROUP

	----- Attributable to owners of the Company -----									
	Share Capital	Treasury shares	Statutory Reserve	Retained earnings	Fair value reserve	Premium paid on acquisition of non-controlling interests	Foreign currency translation reserve	Equity attributable to owners of the company, total	Non-controlling interests	Equity, total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 July 2019	58,836	(445)	2,481	174,012	(14)	(2,189)	(1,205)	231,476	9,491	240,967
Total comprehensive income	–	–	–	6,165	–	–	29	6,194	429	6,623
Dividend paid to non-controlling interest by subsidiaries	–	–	–	–	–	–	–	–	(891)	(891)
Dividends on ordinary shares	–	–	–	(5,099)	–	–	–	(5,099)	–	(5,099)
At 31 December 2019	58,836	(445)	2,481	175,078	(14)	(2,189)	(1,176)	232,571	9,029	241,600



PEC LTD.

21 Shipyard Road, Singapore 628144
Tel: 6268 9788 Fax: 6268 9488 www.peceng.com
Co. Reg. No: 198200079M

<u>COMPANY</u>	<u>Share Capital</u>	<u>Treasury shares</u>	<u>Retained earnings</u>	<u>Fair value reserve</u>	<u>Total</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
At 1 July 2020	58,836	(576)	99,612	(13)	157,859
Total comprehensive income	–	–	3,479	(1)	3,478
Transfer of loss on disposal of equity instruments at FVOCI	–	–	(2)	2	–
At 31 December 2020	58,836	(576)	103,089	(12)	161,337

<u>COMPANY</u>	<u>Share Capital</u>	<u>Treasury shares</u>	<u>Retained earnings</u>	<u>Fair value reserve</u>	<u>Total</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
At 1 July 2019	58,836	(445)	118,693	(14)	177,070
Total comprehensive income	–	–	2,407	–	2,407
Dividends on ordinary shares	–	–	(5,099)	–	(5,099)
At 31 December 2019	58,836	(445)	116,001	(14)	174,378



PEC LTD.

21 Shipyard Road, Singapore 628144
Tel: 6268 9788 Fax: 6268 9488 www.peceng.com
Co. Reg. No: 198200079M

- 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.**

Issued and fully paid ordinary shares:	Number of Shares	
	As at 31 Dec 2020	As at 31 Dec 2019
As at beginning and end of period	254,643,826	254,965,226

- 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 end of the immediately preceding year.**

Total number of issued shares excluding treasury shares	As at 31 Dec 2020	As at 30 June 2020
	254,643,826	254,643,826

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

Treasury shares:	Number of Shares	
	As at 31 Dec 2020	As at 31 Dec 2019
As at beginning and end of period	1,070,937	749,537

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

Not applicable. The Company did not have subsidiary holdings as at the end of the current financial period reported on.

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

The figures have not been audited or reviewed.

- 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 and the Company have applied the same accounting policies and methods of computation in the financial statements for the current financial period as those applied in the Group's and the Company's most recently audited financial statements for the year ended 30 June 2020.



PEC LTD.

21 Shipyard Road, Singapore 628144
Tel: 6268 9788 Fax: 6268 9488 www.peceng.com
Co. Reg. No: 198200079M

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.**

None.

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	
	1H 2021	1H 2020
Weighted average number of ordinary shares for basic earnings per share computation ('000)	254,723	254,842
Effect of dilution		
-Performance share plan ('000)	-	-
Weighted average number of ordinary shares for diluted earnings per share computation ('000)	254,723	254,842
Earnings per share (cents per share)		
- Basic	1.5	2.4
- Diluted	1.5	2.4

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

	Group		Company	
	31 Dec 2020	30 Jun 2020	31 Dec 2020	30 Jun 2020
Net asset value per ordinary share based on issued shares at the end of the respective periods (in cents)	84.4	83.6	63.4	62.0
No. of shares in computing NAV ('000)	254,644	254,644	254,644	254,644



PEC LTD.

21 Shipyard Road, Singapore 628144
Tel: 6268 9788 Fax: 6268 9488 www.peceng.com
Co. Reg. No: 198200079M

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

Financial performance review 1HFY2021

Revenue

The Group's revenue decreased by S\$116.6 million from S\$292.3 million in 1H FY2020 to S\$175.7 million in 1H FY2021. This was mainly due to decrease in revenue from project works and maintenance services in 1HFY2021 resulting from the delay in restarting operations caused by Covid-19.

Cost of sales

As revenue decrease, the Group's cost of sales decreased by S\$106.5 million from S\$240.5 million in 1H FY2020 to S\$134.0 million in 1H FY2021. The decrease was mainly due to decrease in labour, subcontractors, material, and other direct operating costs. Government grants helped to offset the cost of Covid-19 related disruptions.

Gross profit and gross profit margin

The Group's gross profit decreased by S\$10.0 million from S\$51.7 million in 1H FY2020 to S\$41.7 million in 1H FY2021. This was mainly due to decrease in profit contribution resulting from revenue decrease.

The increase in Group's profit margin from 18% in 1H FY2020 to 24% in 1H FY2021 was mainly attributable to project settlements.

Other operating income

Other operating income increased by S\$4.4 million from S\$1.9 million in 1H FY2020 to S\$6.3 million in 1H FY2021. There was an increase arising from writeback of impairment losses on financial assets, partial write back of cash written off (refer to SGX announcement dated 11 August 2020) and sundry income including the Job Support Scheme grant received. The increase was partially offset by a decrease in interest income, insurance claim and lower gain from disposal of assets in the current period.

Administrative expenses

Administrative expenses decreased by S\$2.9 million from S\$16.0 million in 1H FY2020 to S\$13.1 million in 1H FY2021. This was mainly due to decrease in salaries remuneration and general administrative expenses. The decrease was partially offset by an increase in legal and professional fees.



PEC LTD.

21 Shipyard Road, Singapore 628144
Tel: 6268 9788 Fax: 6268 9488 www.peceng.com
Co. Reg. No: 198200079M

Other operating expenses

Other operating expenses decreased by S\$0.4 million from S\$28.2 million in 1H FY2020 to S\$27.8 million in 1H FY2021. This was mainly due to a reduction in other operating cost such as freight forwarding, insurance, personal protective equipment cost, travelling, medical, training expenses and amortisation of intangible assets. The reduction was partially offset by a loss on forex (primarily due to depreciation of USD), increase in depreciation of right-of-use assets, workers accommodation and employee welfare expenses.

Finance expenses

Finance expenses increased by S\$0.2 million from S\$0.4 million in 1H FY2020 to S\$0.6 million in 1H FY2021. This was mainly due to increase in interest expense on lease liabilities and reinstatement. The increase was partially offset by a decrease in interest on loans and short-term financings.

Taxation

The effective tax rate increased from 27.6% in 1H FY2020 to 44.5% in 1H FY2021. This was mainly due to certain loss-making entities within the Group upon consolidation, reduced the overall profitability of the Group, and therefore increased the effective tax rate in 1H FY2021. The increase in tax provision in 1H FY2021 was mainly attributable to tax provision for overseas entities.



PEC LTD.

21 Shipyard Road, Singapore 628144
Tel: 6268 9788 Fax: 6268 9488 www.peceng.com
Co. Reg. No: 198200079M

Balance Sheet Review

The Group's non-current assets decreased by S\$4.5 million from S\$126.9 million in FY2020 to S\$122.4 million in 1HFY2021. This was mainly due to decrease in property, plant and equipment, prepayment, right-of-use assets and non-current trade receivables.

The Group's current assets decreased by S\$14.4 million from S\$309.3 million in FY2020 to S\$294.9 million in 1HFY2021. This was mainly due to decrease in accrued income, a significant reduction in the trade receivables (a result of payment from a customer as previously announced), capitalized contract cost, other receivables and deposits. The decrease was partially offset by an increase in contract assets, inventories, prepayments, cash and short-term deposits.

The Group's current liabilities decreased by S\$20.1 million from S\$192.9 million in FY2020 to S\$172.8 million in 1HFY2021. This was mainly due to decrease in contract liabilities, other payables and accruals. The decrease was partially offset by an increase in provisions and provision for tax.

The Group's non-current liabilities decreased by S\$0.8 million from S\$26.9 million in FY2020 to S\$26.1 million in 1HFY2021. This was mainly due to decrease in lease liabilities, loan and borrowings.

Cash Flow Review

Net cash generated from operating activities for the Group in 1H FY2021 was S\$45.7 million (mainly a result of partial payment from an overdue receivable as previously announced).

The Group used S\$2.7 million in investing activities in 1H FY2021, this was mainly due to purchase of construction equipment, motor vehicles and office equipment to support the business operation. This was partly offset by proceeds from disposal of property, plant and equipment and proceeds from liquidated subsidiaries upon completion.

The Group used S\$0.7 million in financing activities in 1H FY2021 which was mainly due to payment of lease liabilities which is partially offset by net proceeds from bank borrowings.

As a result of the above, there was an increase in cash and cash equivalents of S\$42.2 million to S\$139.2 million in 1H FY2021.



PEC LTD.

21 Shipyard Road, Singapore 628144
Tel: 6268 9788 Fax: 6268 9488 www.peceng.com
Co. Reg. No: 198200079M

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.

Although prospects are mixed in our key markets in Middle East and Asia, PEC has made further inroads to grow and diversify its income stream and capabilities. PEC recently set up entities in Oman and Singapore to capture new opportunities such as the design and fabrication of modular process and gas compression solutions through PEC Process Systems Pte. Ltd. The latter will expand PEC's capabilities and strengthen its push into the growing clean energy sector. However, margin and cost pressures persist, especially in Singapore, and competition remains intense. We will continue to work hard to improve the cost efficiency of our overall operating structure through digitalisation and prudent financial discipline.

The orderbook stood at S\$141.0 million as at 31 December 2020, excluding maintenance contracts.

11. Dividend

If a decision regarding dividend has been made: -

(a) Whether an interim (final) dividend has been declared (recommended); and

No interim dividend has been declared/recommended.

(b) Previous corresponding period (cents)

NIL.

(c) The date the dividend is payable

Not applicable.

(d) The date on which Registrable Transfer receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable.

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

No interim dividend has been declared for the current first half year. The Company will review and consider a final dividend as may be recommended by the Board and approved by shareholders at the Annual General Meeting.

13. Interested person transaction

No general mandate has been obtained from shareholders for interested person transaction.



PEC LTD.

21 Shipyard Road, Singapore 628144
Tel: 6268 9788 Fax: 6268 9488 www.peceng.com
Co. Reg. No: 198200079M

14. Confirmation

The Directors of the Company confirm 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 first half financial results to be false or misleading in any material aspects.

15. Confirmation under Rule 720 (1) of the Listing Rules

The Company has procured an undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) as required under Rule 720(1).

16. Disclosure on Acquisitions and Realisations Pursuant to Rule 706A

During the half year ended 31 December 2020:

- a) There was neither acquisition nor sale of:
- (i) shares resulting in a company becoming or ceasing to be a subsidiary or an associated company of the Company.
 - (ii) shares resulting in the Company increasing or reducing its shareholding percentage in a subsidiary or an associated company.
- b) There were the following announcements relating to incorporation / winding up of companies:

Date	Details	Announcement Reference No.
16 December 2020	Incorporation of subsidiary PEC international LLC	SG201216OTHLHFO
28 October 2020	Incorporation of subsidiary PEC Process Systems Pte. Ltd.	SG201028OTHROHSV
22 September 2020	Member's voluntary winding up of a subsidiary, PT Audex Indonesia	SG200922OTHR1Z3E

BY ORDER OF THE BOARD
Edna Ko Poh Thim
Executive Chairman
10th February 2021