

Half Year Financial Statements Announcement for the Financial Period Ended 30 June 2020

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

1(a)(i) Income statement

	Group		% Change Increase/ (Decrease)
	1 st half ended		
	30-Jun-20 \$'000	30-Jun-19 \$'000	
Revenue	33,337	21,099	58%
Cost of sales	(14,941)	(13,460)	11%
Gross profit	18,396	7,639	141%
Other operating income			
- Interest	121	131	(8%)
- Others - net	203	156	30%
Selling and distribution expenses	(7,191)	(4,540)	58%
Administrative expenses	(3,782)	(2,235)	69%
Finance costs	(512)	(567)	(10%)
Reversals of impairment on financial assets	284	166	71%
	7,519	750	903%
Share of results of joint ventures	249	195	28%
Share of results of associated companies	(392)	(450)	(13%)
Profit before tax	7,376	495	1390%
Income tax (expense)/credit	(923)	12	N.M.
Profit for the period	6,453	507	1173%
Attributable to:			
Equity holders of the Company	4,935	613	705%
Non-controlling interests	1,518	(106)	107%
	6,453	507	1173%

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

	Group 1 st half ended		% Change Increase/ (Decrease)
	30-Jun-20 \$'000	30-Jun-19 \$'000	
Profit for the period	6,453	507	1173%
Other comprehensive income:			
Currency translation differences arising on consolidation, net of tax	27	(34)	N.M.
Total comprehensive income	6,480	473	1270%
Total comprehensive income attributable to:			
Equity holders of the Company	4,938	579	753%
Non-controlling interests	1,542	(106)	107%
	6,480	473	1270%

1(a)(ii) Notes to income statement

	Group 1 st half ended		% Change Increase/ (Decrease)
	30-Jun-20 \$'000	30-Jun-19 \$'000	
Other income	194	199	(3%)
Interest income	121	131	(8%)
Fair value loss on financial assets at fair value through profit or loss	(3)	(16)	(81%)
Gain on disposal of a property, plant and equipment	–	1	N.M.
Amortisation of intangible assets	(20)	(28)	(29%)
Impairment loss on intangible assets	(379)	–	N.M.
Depreciation of property, plant and equipment	(591)	(707)	(16%)
Foreign exchange gain/(loss)	12	(28)	N.M.
Interest on borrowings	(512)	(567)	(10%)
Write down of inventories	(648)	(931)	(30%)
Reversal of allowance for impairment on trade receivables	284	166	71%
Tax recoverable written off	(84)	–	N.M.

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

	Group		Company	
	30-Jun-20 \$'000	31-Dec-19 \$'000	30-Jun-20 \$'000	31-Dec-19 \$'000
Non-current assets				
Property, plant and equipment	18,933	19,406	-	-
Investment in subsidiaries	-	-	12,337	12,337
Investment in joint ventures	2,468	2,552	912	912
Investment in associated companies	765	1,105	2,485	2,485
Deferred tax assets	11	11	-	-
Intangible assets	2,817	2,288	-	-
Financial assets at fair value through profit or loss	6	9	-	-
Loan to an associated company	4,000	4,000	4,000	4,000
Total non-current assets	29,000	29,371	19,734	19,734
Current assets				
Inventories	34,549	28,521	-	-
Contract assets	1,795	2,584	-	-
Trade receivables	11,152	13,548	-	-
Other receivables	3,484	2,437	3,087	2,566
Tax recoverable	-	97	-	-
Restricted cash	238	229	200	200
Cash and cash equivalents	13,656	5,996	277	180
Total current assets	64,874	53,412	3,564	2,946
Total assets	93,874	82,783	23,298	22,680
Non-current liabilities				
Deferred tax liabilities	299	302	-	-
Borrowings	2,267	2,667	2,267	2,667
Lease liabilities	8,272	8,431	-	-
Total non-current liabilities	10,838	11,400	2,267	2,667

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediate preceding financial year. (cont'd)

	Group		Company	
	30-Jun-20 \$'000	31-Dec-19 \$'000	30-Jun-20 \$'000	31-Dec-19 \$'000
Current liabilities				
Contract liabilities	1,881	504	-	-
Convertible loan notes	-	727	-	-
Trade payables	5,550	8,108	-	-
Other payables	7,967	4,928	13,260	12,235
Provisions	514	514	-	-
Borrowings	17,842	14,602	800	800
Lease liabilities	296	311	-	-
Tax payable	1,517	700	-	-
Total current liabilities	35,567	30,394	14,060	13,035
Total liabilities	46,405	41,794	16,327	15,702
Net assets	47,469	40,989	6,971	6,978
Equity				
Share capital	58,535	58,535	58,535	58,535
Currency translation reserve	(462)	(465)	-	-
Equity component of convertible loan notes	-	36	-	-
Capital reserves	(1,974)	(2,010)	-	-
Accumulated losses	(4,800)	(9,735)	(51,564)	(51,557)
Equity attributable to equity holders of the Company, total	51,299	46,361	6,971	6,978
Non-controlling interests	(3,830)	(5,372)	-	-
Total equity	47,469	40,989	6,971	6,978

1(b)(ii) In relation to the aggregate amount of the Group's borrowings and debt securities, specify the following as at the financial period reported on with comparative figures as at the end of the immediate preceding financial year.

Amount repayable in one year or less, or on demand

As at 30.06.2020 (\$'000)		As at 31.12.2019 (\$'000)	
Secured	Unsecured	Secured	Unsecured
17,194	648	13,959	643

Amount repayable after one year

As at 30.06.2020 (\$'000)		As at 31.12.2019 (\$'000)	
Secured	Unsecured	Secured	Unsecured
2,267	-	2,667	-

Details of any collateral

- (i) The Group's banking facilities were secured by the following:
 - (a) Legal charge on the Group's leasehold property with net book value of \$9.93 million (31.12.2019: \$10.15 million);
 - (b) Corporate guarantee by the Company.

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

	Group	
	1 st half ended 30-Jun-20 \$'000	1 st half ended 30-Jun-19 \$'000
Cash flows from operating activities		
Profit before tax	7,376	495
Adjustment for:		
Amortisation of intangible assets	20	28
Exchange difference	(241)	67
Depreciation of property, plant and equipment	591	707
Gain on disposal of property, plant and equipment	–	(1)
Fair value loss on financial assets at fair value through profit or loss	3	16
Impairment loss on intangible assets	379	–
Interest expenses	512	567
Interest income	(121)	(131)
Share of results of associated companies	392	450
Share of results of joint ventures	(249)	(195)
	<hr/>	<hr/>
Operating cash flows before working capital changes	8,662	2,003
Inventories	(6,010)	(2,841)
Contract assets and contract liabilities	2,166	(493)
Receivables	1,349	(2,281)
Payables	481	3,060
Currency translation adjustments	(82)	–
	<hr/>	<hr/>
Cash from/(used in) operations	6,566	(552)
Income tax paid	(13)	–
Net cash from/(used in) operating activities	<hr/> 6,553	<hr/> (552)
Cash flows from investing activities		
Dividend received from joint venture	404	–
Interest received	121	10
Repayment of purchase deposit from a supplier	–	1,360
Proceeds of property, plant and equipment	–	1
Purchase of property, plant and equipment	(150)	(95)
Settlement of provision for liabilities	–	(15)
Development costs	(928)	(977)
Net cash (used in)/from investing activities	<hr/> (553)	<hr/> 284

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

	Group	
	1 st half ended 30-Jun-20 \$'000	1 st half ended 30-Jun-19 \$'000
Cash flows from financing activities		
Net drawdown/(repayment) of short-term borrowings	1,819	831
Drawdown of borrowings	1,421	-
Repayment of bank borrowings	(400)	(133)
Repayment of lease liabilities	(174)	(200)
Interest paid	(512)	(567)
(Increase)/decrease in fixed deposits under pledge and restricted cash	(8)	26
Repayment of convertible loan notes	(727)	-
Refund of share application money received	-	(644)
Proceeds from issuance of rights issue	-	644
Rights issue expenses	-	(162)
Net cash from/(used in) financing activities	1,419	(205)
Net increase/(decrease) in cash and cash equivalents	7,419	(473)
Cash and cash equivalents at beginning of financial year	5,996	6,118
Effects of exchange rate changes on cash and cash equivalents	241	(17)
Cash and cash equivalents at end of the period	13,656	5,628
Cash and cash equivalents comprise the following:		
Cash and cash equivalents	13,894	5,857
Less Restricted cash	(238)	(229)
Cash and cash equivalents as per statement of cash flows	13,656	5,628

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Attributable to equity holders of the Company						Non-controlling interest	Total equity
	Share capital	Currency translation reserve	Equity component of convertible loan notes	Capital reserves	Accumulated losses	Total		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2020	58,535	(465)	36	(2,010)	(9,735)	46,361	(5,372)	40,989
Profit for the financial period	-	-	-	-	4,935	4,935	1,518	6,453
Currency translation differences arising on consolidation, net of tax	-	3	-	-	-	3	24	27
Repayment of convertible loan notes	-	-	(36)	36	-	-	-	-
At 30 June 2020	58,535	(462)	-	(1,974)	(4,800)	51,299	(3,830)	47,469

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Attributable to equity holders of the Company					Total	Non-controlling interest	Total equity
	Share capital	Currency translation reserve	Equity component of convertible loan notes	Capital reserves	Accumulated losses			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2019	43,461	(345)	36	(2,010)	(11,471)	29,671	(4,786)	24,885
Profit for the financial period	-	-	-	-	613	613	(106)	507
Currency translation differences arising on consolidation, net of tax	-	(34)	-	-	-	(34)	-	(34)
Issue of shares	15,300	-	-	-	-	15,300	-	15,300
Share issue expenses	(226)	-	-	-	-	(226)	-	(226)
At 30 June 2019	58,535	(379)	36	(2,010)	(10,858)	45,324	(4,892)	40,432

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

Company	Share capital \$'000	Accumulated losses \$'000	Total \$'000
At 1 January 2020	58,535	(51,557)	6,978
Loss for the financial period	-	(7)	(7)
At 30 June 2020	58,535	(51,564)	6,971

Company	Share capital \$'000	Accumulated losses \$'000	Total \$'000
At 1 January 2019	43,461	(50,749)	(7,288)
Loss for the financial period	-	(466)	(466)
Issue of shares	15,300	-	15,300
Share issue expenses	(226)	-	(226)
At 30 June 2019	58,535	(51,215)	7,320

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

Not applicable.

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.

	30.06.2020	31.12.2019
Total number of issued shares excluding treasury shares	299,999,987	299,999,987

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

Not applicable.

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

The figures have not been audited or reviewed by the auditors.

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

Not applicable.

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

Except as disclosed in paragraph 5 below, there were no changes in accounting policies and methods of computation adopted in the preparation of financial information for the current reporting period as compared to the latest audited annual financial statements for the financial year ended 31 December 2019.

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

The Group has adopted the new Singapore Financial Reporting Standards (International) and interpretations that are relevant to its operations and effective for annual periods beginning on or after 1 January 2020. The adoption of these new and revised SFRS(I) and SFRS(I) INT did not result in changes to the Group's accounting policies

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.

Earnings/(loss) per ordinary share of the period based on net profit/(loss) attributable to shareholders:

Group

	1 st half ended	
	30-Jun-20	30-Jun-19
(i) Based on weighted average number of ordinary shares in issue		
Net earnings/(loss) per ordinary share for the period	1.65 cents	0.24 cents
Weighted average number of ordinary shares in issue	299,999,987	256,999,989
(ii) On a fully diluted basis		
Net earnings/(loss) per ordinary share for the period	1.65 cents	0.28 cents
Weighted average number of ordinary shares in issue	299,999,987	256,999,989

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	
	30-Jun-20	31-Dec-19	30-Jun-20	31-Dec-19
Net asset value per ordinary share based on existing share capital	17 cents	15 cents	2 cents	2 cents

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

Key changes in the Group's financials:

Profit and loss review

1H2020 vs 1H2019

Revenue

	Group		
	1H2020	1H2019	%
	\$'000	\$'000	Change
Electrical and Technical Supply	15,691	17,767	(12)
Security	15,564	2,201	607
Integration Engineering	2,082	1,131	84
Total revenue	33,337	21,099	58

Electrical and Technical Supply

The Electrical and Technical Supply Division accounts for 47% of the Group's turnover in 1H2020 compared to 84% in 1H2019. Revenue from the division decreased by 12% mainly attributable to a drop in the level of activities of customers brought about by restricted or temporary cessation of operations by shipyards in Singapore and in the region due to the Covid-19 pandemic.

Security

The Security Division comprises Infrared and Thermal Sensing Technology and Cyber Security businesses. The Security Division accounts for 47% of the Group's turnover in 1H2020 compared to 10% in 1H2019, with revenue increasing by \$13.4 million or 607% driven by the global increase in demand for its Mass Fever Screening Systems ("MFSS") due to the widespread Covid-19 outbreak.

Integration Engineering

Engineering Services Division accounts for 6% of the Group's turnover in 1H2020. Despite reduced level of activities of customers due to the COVID-19 pandemic, the Engineering Services Division saw its 1H2020 revenue increase by 84% from 1H2019 where its Glass Reinforced Epoxy ("GRE") pipes business was still in its nascent stage.

Gross profit

The Group's overall gross profit increased from \$7.6 million in 1H2019 to \$18.4 million in 1H2020 mainly driven by higher revenues from its Security and Integration Engineering Divisions. Overall gross margin increased from 36% in 1H2019 to 55% in 1H2020 mainly due to contributions from the Infrared and Thermal Sensing Technology business.

Other operating income

There were no significant changes in other operating income in 1H2020.

Operating expenses

The Group's operating expenses comprise mainly of Selling & Distribution and Administrative expenses which have increased in 1H2020 in line with the increase in the level of activities. Selling & Distribution expenses increased by 58% or \$2.7 million, from \$4.5 million in 1H2019 to \$7.2 million in 1H2020, mainly due to increase in personnel related costs of \$2.3 million and higher rental expenses of \$0.2 million. Administrative expenses increased by 69% or \$1.6 million, from \$2.2 million in 1H2019 to \$3.8 million in 1H2020, mainly due to increase in personnel related costs of \$1.0 million and impairment of intangible assets of \$0.4 million.

Reversals of impairment losses on financial assets

Reversal of impairment losses on financial assets increased by \$0.1 million in 1H2020 due to lower allowance for impairment of trade receivables.

Share of results of joint ventures

The share of profits of joint ventures for the period remain largely unchanged.

Share of results of associated companies

The decrease in share of losses of associated companies was due to lower losses recognized by the Group's associated companies for 1H2020.

Net profit for the period

The Group registered an increase in net profit of \$6.0 million or 1,173%, from \$0.5 million in 1H2019 to \$6.5 million in 1H2020, mainly due to higher revenue, partially offset by increases in personnel related costs, rental expenses and impairment of intangible assets.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Balance Sheet review

Investment in joint ventures

The decrease in investment in joint ventures was due to the recognition of the Group's share of profits in its joint venture, offset by dividends received from its joint venture.

Investment in associated companies

The decrease in investment in associated companies was mainly due to the recognition of the Group's share of losses in its associated companies, partially offset by write-down of intangible assets.

Intangible assets

Intangible assets increased by \$0.5 million from \$2.3 million as at 31 December 2019 to \$2.8 million as at 30 June 2020 due to development costs incurred by the Group's subsidiaries, partially offset by impairment of intangible assets of \$0.4 million in 1H 2020.

Inventories

Inventories increased by \$6.0 million from \$28.5 million as at 31 December 2019 to \$34.5 million as at 30 June 2020, mainly due to increase in raw materials and work in progress by the Electrical and Technical Supply, Infrared and Thermal Sensing Technology and Integration Engineering Divisions, partially offset by higher provision for stock obsolescence.

Contract assets

Contract assets decreased by \$0.8 million from \$2.6 million as at 31 December 2019 to \$1.8 million as at 30 June 2020, mainly due to decrease in unbilled receivables for projects relating to the Security and Integration Engineering Divisions.

Trade receivables

Trade receivables decreased by \$2.4 million from \$13.5 million as at 31 December 2019 to \$11.1 million as at 30 June 2020, mainly due to lower revenue by the Electrical and Technical Supply Division.

Other receivables

Other receivables increased by \$1.1 million from \$2.4 million as at 31 December 2019 to \$3.5 million as at 30 June 2020 mainly due to recognition of grant receivables related to the Jobs Support Scheme and increase in advance payments made to suppliers.

Cash and cash equivalents

Cash and cash equivalents increased by \$7.7 million from \$6.0 million as at 31 December 2019 to \$13.7 million as at 30 June 2020 mainly due to collections from increased revenues of the Group for 1H2020.

Contract liabilities

Contract liabilities increased by \$1.4 million from \$0.5 million as at 31 December 2019 to \$1.9 million as at 30 June 2020, due to increase in advance consideration received from customers for the Security Division.

Convertible loan notes

The convertible loan notes were redeemed in full in June 2020.

Trade payables

Trade payables decreased by \$2.5 million from \$8.1 million as at 31 December 2019 to \$5.6 million as at 30 June 2020 mainly due to lower purchases in 1H2020 by the Electrical and Technical Supply and Integration Engineering Divisions and due to repayment of trade payable balances in 1H2020.

Other payables

Other payables increased by \$3.1 million from \$4.9 million as at 31 December 2019 to \$8.0 million as at 30 June 2020 mainly due to increase in provisions for personnel related costs and the recognition of unrecognised grant income related to the Jobs Support Scheme.

Borrowings

Borrowings increased by \$2.8 million from \$17.3 million as at 31 December 2019 to \$20.1 million as at 30 June 2020 mainly due to increase in use of trade facilities in 1H2020.

Tax payable

Provision for income tax liabilities increased by \$0.8 million from \$0.7 million as at 31 December 2019 to \$1.5 million as at 30 June 2020 mainly due to increase in taxable profits in 1H2020.

Cash flow review

1H2020 vs 1H2019

The net cash flows from operating activities for 1H2020 was \$6.6 million compared to net cash flows used in operating activities of \$0.6 million in 1H2019. This was mainly due to the increase in profits, decrease in contract assets and liabilities, and receivables, partially offset by increases in inventories and decrease in payables.

The net cash flows used in investing activities for 1H2020 was \$0.6 million, as compared to net cash flows generated from investing activities of \$0.3 million in 1H2019. This was mainly due to repayment of purchase deposit from a supplier in 1H2019, partially offset by dividend received from joint venture in 1H2020.

The net cash generated from financing activities for 1H2020 was \$1.4 million, as compared to net cash flows used in financing activities of \$0.2 million in 1H2019, mainly due to the drawdown of bank borrowings, partially offset by repayment of convertible loan notes.

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.

As economies around the world continue to grapple with unprecedented challenges and uncertainties brought about by the Covid-19 pandemic and deepening geopolitical tensions, BH Global remains steadfast to its diversification and growth strategies which has allowed the Group to realise positive outcomes during this difficult time.

Despite decline in year-on-year revenue by the Group's core Electrical and Technical Supply Division, BH Global saw its overall Group revenue increase by 58% year-on-year for 1H2020, mainly attributable to increase in sales by the Group's Security Segment. The Group posted a 1,173% increase in operating profits from \$0.5 million in 1H2019 to S\$6.5 million for 1H2020.

The Group's Electrical and Technical Supply Division saw a 12% decline in revenue year-on-year from \$17.8 million in 1H2019 to \$15.7 million in 1H2020. This was attributable to a drop in the level of activities of customers brought about by restricted, or complete shut-down of, operations by major shipyards in Singapore and in the region due to the Covid-19 pandemic.

Similarly, the Group's Integration Engineering Division was impacted by restricted or shutdown of operations by local and regional shipyards, as well as Covid-19 driven border control restrictions which diminished the Division's ability to service its overseas projects. Despite these challenges, the Integration Engineering Division saw a 84% growth in revenue year-on-year to register \$2.1 million in revenue for 1H2020 versus \$1.1 million in 1H2019 as the Division's Glass Reinforced Epoxy ("GRE") pipes business was still in its nascent stage in the first half of FY2019.

The Group's Security Segment which comprises the Infrared and Thermal Sensing Technology and Cyber Security Divisions, was uplifted by the boost in demand for its Mass Fever Screening Systems ("MFSS") globally due to the widespread Covid-19 outbreak. Revenue for the Security Segment increased by 607% year-on-year from \$2.2 million in 1H2019 to S\$15.6 million in 1H2020.

The Group has achieved strong results for the first half of FY2020 but must remain vigilant on the rapidly evolving global conditions. The possibility of a long-drawn restriction of activities in local and regional shipyards due to measures to manage Covid-19 risks cannot be discounted and this may continue to weigh heavily on the Group's operations and performance. While market demand for technological solutions with applications towards managing Covid-19 related risks remains strong, the Group is also cognizant of the fact that the strong performance during the peak of Covid-19 in 1H2020 may not necessarily continue linearly in the second half of the year and beyond. In addition, geo-political tensions in Asia and the worsening US-China trade relations may also dampen the Group's performance going forward.

Notwithstanding the above, the Group remains positive and committed to its diversification and growth strategies. The Group is looking forward to the launch of Singapore's first hybrid electric propulsion fast launch in Q32020 following the signing of a Memorandum of Understanding with strategic partners on 11 February 2020. As a strong advocate for environmentally friendly and commercially viable solutions for the maritime industry, the Group will continue to develop and launch various initiatives to further strengthen its lead in this area.

11. Dividend

(a) Current Financial Period Reported On?

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year?

None.

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

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared or recommended for the period ended 30 June 2020.

13. Confirmation that the issuer has procured undertakings from all its directors and executive officer under Rules 720(1) of the listing manual

The Company hereby confirms that it has procured undertakings from all its directors and executive officer under Rule 720(1) of the listing manual.

14. Interested Person Transactions

[Note Rule 920(1)(a)(ii) – An issuer must announce the aggregate value of transactions conducted pursuant to the general mandate for interested person transactions for the financial periods which it is required to report on pursuant to Rule 705.]

The Group has not obtained a shareholder's mandate pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

15. Negative assurance confirmation

The Board of Directors confirms that, to the best of its knowledge, nothing has come to its attention which may render the unaudited interim financial results for the financial period ended 30 June 2020 to be false or misleading, in any material respect.

On behalf of the Board of Directors

Vincent Lim Hui Eng
Executive Chairman and
Chief Executive Officer
14 August 2020

Patrick Lim Hui Peng
Chief Operating Officer