

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2020

	Group	
	2020	2019
	\$'000	\$'000
Cash flows from operating activities		
Loss for the year	(587,208)	(140,187)
Adjustments for:		
Finance income	(51,625)	(93,275)
Finance costs	141,802	130,027
Depreciation of property, plant and equipment, and right-of-use assets	173,800	214,938
Amortisation of intangible assets	27,929	27,530
Share of results of associates and joint ventures, net of tax	(513)	1,603
(Gain)/loss on disposal of property, plant and equipment, net	(947)	2,428
Loss on termination of lease liabilities	2	–
Gain on disposal of a joint venture	–	(185)
Gain on disposal of asset held for sale	(501)	–
Negative goodwill (Note 38)	–	(4,999)
Changes in fair value of financial instruments	(19,764)	(2,619)
Impairment losses on property, plant and equipment	48,989	541
Impairment losses on right-of-use assets	74,191	–
Share-based payment expenses	1,461	2,268
Property, plant and equipment written off	43	3,042
Inventories written down/(back), net	34,179	(651)
Allowance for/(write-back of) doubtful debts and bad debts, net	9,020	(338)
Tax credit	(83,500)	(36,773)
Operating (loss)/profit before working capital changes	(232,642)	103,350
Changes in working capital:		
Inventories	(15,432)	(32,286)
Contract costs	35,937	190,539
Contract assets	(89,573)	(463,674)
Contract liabilities	94,102	(79,545)
Trade and other receivables	(119,253)	272,328
Trade and other payables	(261,980)	(245,898)
Cash used in operations	(588,841)	(255,186)
Interest income received	9,135	68,555
Interest paid	(162,309)	(108,192)
Tax paid	(7,876)	(1,346)
Net cash used in operating activities	(749,891)	(296,169)

The accompanying notes form an integral part of these financial statements.

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YEAR ENDED 31 DECEMBER 2020

	Group	
	2020	2019
	\$'000	\$'000
Cash flows from investing activities		
Purchase of property, plant and equipment (Note (a))	(89,220)	(316,270)
Proceeds from sale of property, plant and equipment	2,025	1,919
Proceeds from disposal of asset held for sale	1,467	–
Proceeds from disposal of a joint venture	–	55
Purchase of intangible assets	(2,411)	–
Dividend received from associate	–	160
Dividend received from joint venture	–	2,404
Net cash used in investing activities	(88,139)	(311,732)
Cash flows from financing activities		
Proceeds from borrowings	2,397,351	2,732,839
Repayment of borrowings (Note (b))	(1,736,533)	(2,547,941)
Proceeds from rights issue, net (Note (b))	586,587	–
Payment of lease liabilities	(21,704)	(20,732)
Payment on termination of lease liabilities	(50)	–
Dividends paid to non-controlling interests of subsidiaries	(103)	(78)
Capital contribution by non-controlling interests of subsidiaries	17	–
Net cash generated from financing activities	1,225,565	164,088
Net increase/(decrease) in cash and cash equivalents	387,535	(443,813)
Cash and cash equivalents at beginning of the year	389,250	837,173
Effect of exchange rate changes on balances held in foreign currencies	(4,359)	(4,110)
Cash and cash equivalents at end of the year (Note 18)	772,426	389,250

Significant non-cash transactions

- (a) In prior year, the Group acquired property, plant and equipment with an aggregate cost of \$364,407,000, of which \$47,483,000 was settled non-cash via an offset of payables to Pacific Workboats Pte Ltd ("PWPL") for the acquisition and dividends receivable from PWPL.
- (b) During the year, the repayment of the subordinated loan of \$1,500,000,000 was settled non-cash via offset against proceeds due from Sembcorp Industries Ltd relating to its subscription for rights shares of \$1,500,000,000.