

**PART I – INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1,Q2 & Q3),
HALF YEAR AND FULL YEAR RESULTS**

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

	Group Six Months ended		Increase / (Decrease)
	30 Sep 2019 ("1H2020") S\$'000	30 Sep 2018 ("1H2019") S\$'000	%
Revenue			
Sales of goods	6,946	6,636	4.67
Sales of services	15,402	10,614	45.11
Total revenue	<u>22,348</u>	<u>17,250</u>	29.55
Other income	96	90	6.67
Costs and expenses			
Costs of sales	(15,458)	(10,951)	41.16
Staff costs	(2,882)	(2,762)	4.34
Depreciation of property, plant and equipment	(1,299)	(972)	33.64
Amortisation of right-of use assets	(99)	-	100.00
Foreign exchange gain/(loss)	27	(98)	N.M.
Share of result of associates	-	(511)	(100.00)
Other operating expenses	(1,409)	(1,288)	9.39
	<u>(21,120)</u>	<u>(16,582)</u>	27.37
Profit from operations	1,324	758	74.67
Finance expense	(349)	(375)	(6.93)
Profit before taxation	<u>975</u>	<u>383</u>	154.57
Taxation	(124)	(112)	10.71
Profit after taxation	<u>851</u>	<u>271</u>	214.02
Profit attributable to:			
Equity holders of the parent	500	55	809.09
Non-controlling interest	351	216	62.50
	<u>851</u>	<u>271</u>	214.02

N.M. : Not meaningful

Consolidated Statement of Comprehensive Income

	Group		
	1H2020 S\$'000	1H2019 S\$'000	
Profit after taxation	851	271	214.02
Other comprehensive income:			
Foreign currency translation on foreign operations	793	1,751	(54.71)
Total comprehensive income for the period	<u>1,644</u>	<u>2,022</u>	(18.69)
Total comprehensive income attributable to:			
Equity holders of the parent	1,182	1,578	(25.10)
Non-controlling interest	462	444	4.05
	<u>1,644</u>	<u>2,022</u>	(18.69)

1(a) (ii) Additional information for the income statement

Profit for the period is arrived at after charging the following:

	Group		Increase/ (Decrease) %
	1H2020 S\$'000	1H2019 S\$'000	
Interest expenses	(349)	(375)	(6.93)
Depreciation of property, plant and equipment	(1,299)	(972)	33.64
Amortisation of right-of use assets	(99)	-	100.00
Allowance for doubtful debts	-	(16)	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 immediately preceding financial year

	Group		Company	
	30 Sep 2019	31 Mar 2019	30 Sep 2019	31 Mar 2019
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Property plant and equipment	58,902	59,102	1	1
Right-of-use assets	580	-	-	-
Investment in subsidiaries	-	-	49,074	48,892
Goodwill	175	175	-	-
Amount due from associates	11,412	10,179	-	-
Other investments	1,514	1,522	-	-
	72,583	70,978	49,075	48,893
Current assets				
Inventories	4,703	3,979	-	-
Trade receivables	6,776	8,132	-	-
Other receivables	2,061	1,731	29	27
Fixed deposits	666	653	-	-
Cash and bank balances	624	513	75	23
	14,830	15,008	104	50
Current liabilities				
Trade payables	6,710	7,029	-	-
Other payables and accruals	4,407	4,297	456	301
Bank overdraft	3,403	3,359	-	37
Amount due to subsidiaries	-	-	6,401	6,390
Loan and borrowings	18,953	19,174	1,100	1,100
Hire purchase creditors	84	84	-	-
Lease liability	187	-	-	-
Provision for taxation	403	712	-	-
	34,147	34,655	7,957	7,828
Net current liabilities	(19,317)	(19,647)	(7,853)	(7,778)
Non-current liabilities				
Hire purchase creditors	(152)	(194)	-	-
Lease liability	(403)	-	-	-
Amount due to a related company	(3,123)	(3,193)	-	-
Deferred tax liabilities	(47)	(47)	-	-
	(3,725)	(3,434)	-	-
Net assets	49,541	47,897	41,222	41,115
Share capital	50,585	50,585	50,585	50,585
Translation reserve	(592)	(1,274)	-	-
Revenue reserve	(7,569)	(8,069)	(9,363)	(9,470)
Shareholders' equity	42,424	41,242	41,222	41,115
Non-controlling interests	7,117	6,655	-	-
	49,541	47,897	41,222	41,115

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

Amount repayable in one year or less, or on demand

30 September 2019		31 March 2019	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
14,765	7,675	14,726	7,891

Amount repayable after one year

30 September 2019		31 March 2019	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
152	-	194	-

Details of any collateral

Fixed assets purchased under hire-purchase contracts with a carrying amount of S\$245,000 (31 March 2019: S\$284,000).

The Group's power plant with carrying amount of S\$54,673,000 (31 March 2019: S\$51,357,000) is subject to a first charge to secure the bank loans and borrowings.

The Group's factory building with a carrying value of S\$3,267,000 (31 March 2019: S\$3,311,000) is subject to a first charge to secure the bank

The Group's fixed deposits amounting to S\$666,000 as at 30 September 2019 (31 March 2019: S\$653,000) are pledged to secure banking facilities which were granted to certain subsidiaries.

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

Cash Flow Statements

	Group	
	1H2020	1H2019
	S\$'000	S\$'000
Cash flows from operating activities		
Profit before taxation	975	382
Adjustments for:		
Depreciation of property, plant and equipment	1,299	972
Amortisation of right-of use assets	99	-
Interest income	-	(15)
Interest expense	349	375
Allowance for doubtful debts	-	16
Share of results of associates	-	511
Currency alignment	(312)	(315)
Operating cash flows before changes in working capital	2,410	1,926
Increase in inventories	(725)	(648)
Increase in amount due from associates	(1,233)	(499)
Decrease in trade and other receivables	1,026	288
Decrease in trade and other payables	(209)	(268)
Cash generated from operations	1,269	799
Interest paid	(326)	(375)
Interest received	-	15
Income tax paid	(433)	(111)
Net cash generated from operating activities	510	328
Cash flows from investing activities		
Purchase of property, plant and equipment	(55)	(129)
Proceeds from sale of property, plant and equipment	-	18
Net cash used in investing activities	(55)	(111)
Cash flows from financing activities		
Net utilisation of trust receipts	192	324
Repayment of interest bearing term loans	(414)	(949)
Increase in pledged deposit	(13)	(25)
Repayment of hire purchase creditors (net)	(42)	(40)
Repayment of lease liability	(111)	-
Net cash used in financing activities	(388)	(690)
Net increase/(decrease) in cash and cash equivalents	67	(473)
Cash and cash equivalents at beginning of period	(2,846)	(2,604)
Cash and cash equivalents at end of period	(2,779)	(3,077)
Cash and cash equivalents consist of the following :		
Cash and bank balances	624	553
Fixed deposits	666	630
	1,290	1,183
Less: Pledged deposits	(666)	(630)
Less: Bank overdraft	(3,403)	(3,630)
	(2,779)	(3,077)

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.

	Share Capital	Revenue Reserve	Translation Reserve	Total attributable to owner of the Company	Non- controlling interest	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
GROUP						
Balance at 1 April 2019	50,585	(8,069)	(1,274)	41,242	6,655	47,897
Profit for the period	-	500	-	500	351	851
Other comprehensive income	-	-	682	682	111	793
Total comprehensive income for the period	-	500	682	1,182	462	1,644
Balance at 30 September 2019	50,585	(7,569)	(592)	42,424	7,117	49,541
Balance at 1 April 2018	46,757	11,931	(2,485)	56,203	6,459	62,662
Profit for the period	-	55	-	55	216	271
Other comprehensive income	-	-	1,523	1,523	228	1,751
Total comprehensive income for the period	-	55	1,523	1,578	444	2,022
Balance at 30 September 2018	46,757	11,986	(962)	57,781	6,903	64,684
COMPANY						
Balance at 1 April 2019	50,585	(9,470)	-	41,115	-	41,115
Total comprehensive income	-	107	-	107	-	107
Balance at 30 September 2019	50,585	(9,363)	-	41,222	-	41,222
COMPANY						
Balance at 1 April 2018	46,757	7,644	-	54,401	-	54,401
Total comprehensive income	-	63	-	63	-	63
Balance at 30 September 2018	46,757	7,707	-	54,464	-	54,464

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-back, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or 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.

There were no changes in the issued share capital of the Company since the last period reported on.

There were no treasury shares and subsidiary holdings as at 30 September 2019 and 30 September 2018.

The Company did not have any outstanding options or convertibles as at 30 September 2019 and 30 September 2018.

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

	As at 30 September 2019 and 31 March 2019	
Total number of issued shares	1,556,462,688	
less: Treasury shares	NIL	
Total number of issued shares excluding Treasury shares	1,556,462,688	

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

Not applicable. There were no treasury shares during and as at the end of 1H2020.

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.

Not applicable. There were no subsidiary holdings during and as at the end of 1H2020.

2. Whether the figures have been audited, or reviewed, and in accordance with which 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 qualification or emphasis of a matter)

Not applicable.

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

Except as disclosed in paragraph 5 below, the accounting policies and methods of computation adopted in the financial statements for the current reporting period are consistent with those disclosed in the most recently audited financial statements for the financial year ended 31 March 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 had consistently applied the same accounting policies and methods of computation in the Group's financial statements for the current financial year as compared with the most recently audited annual financial statements for the financial year ended 31 March 2019, except for the adoption of certain new or revised Singapore Financial Reporting Standards (International) ("SFRS(I)") and Interpretations to SFRS(I) ("SFRS(I) INT") which became mandatory from 1 April 2019. The adoption of these SFRS(I) and SFRS(I) INT has no significant impact to the financial position or performance of the Group and the Company except for the following:

Adoption of SFRS(I) 16

SFRS(I) 16 is effective from 1 January 2019, and the Group has adopted SFRS(I) 16 using the modified retrospective approach which do not require any restatement of prior period financial statements.

Adoption of this new standard has resulted in leases being recognised on balance sheet, with exemption of short-term and low value assets' leases. Under this new standard, at the commencement of a lease, a "right-of-use asset" and a "lease liability" for lease payments are recognised on the balance sheet. This new standard also requires separate recognition of finance charge on the lease liability and depreciation on the right-of-use asset in the profit and loss account.

On 1 April 2019, the Group recognised right-of-use assets of S\$679,000 and lease liabilities of S\$679,000.

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 (Singapore Cents)	
	1H2020	1H2019
(a) Based on weighted average number of ordinary shares in issue	0.032	0.004
(b) On a fully diluted basis	0.032	0.004

Note:

The earnings per ordinary share for 1H2020 is calculated based on the Group's profit attributable to equity holders of the parent of S\$500,000 (1H2019: S\$55,000) divided by the weighted average number of ordinary shares in issue of 1,556,462,688 in 1H2020 (1H2019: 1,324,462,688).

The basic and diluted earnings per ordinary share are the same for 1H2020 and 1H2019 because there were no potentially dilutive ordinary securities as at 30 September 2019 and 30 September 2018 respectively.

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

	Group		Company	
	30 Sep 2019	31 March 2019	30 Sep 2019	31 March 2019
Net asset value per ordinary share based on total number of issued shares as at the end of the financial period (Singapore Cents)	2.7	2.6	2.6	2.6

Note:

The net asset value per ordinary share as at 30 September 2019 is calculated based on 1,556,462,688 (31 March 2019: 1,556,462,688) ordinary shares in issue (excluding treasury shares).

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 include a discussion of (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

Revenue

	1H2020		1H2019		Increase
	S\$'000	% of total revenue	S\$'000	% of total revenue	%
By business divisions					
- Fire-fighting and Protection	8,041	36.0%	7,613	44.1%	5.62
- Power related	14,307	64.0%	9,637	55.9%	48.46
Total	22,348	100.0%	17,250	100.0%	29.55

The Group's revenue for 1H2020 increased by 29.6% from 1H2019. The primary reason for the increase was due to the increase in revenue from the Power related division due to higher revenue in all the three plants ie. Phnom Penh, Silhanoukville and Special Economic Zone. This increase in demand was a result of huge power shortfall in Cambodia. In addition, there is an increase in revenue from the Fire-fighting and protection business segment of S\$0.4mil due to increased project business in the Marine sector.

Profitability

Cost of sales increased mainly due to higher direct operating costs in the current period as a result of higher power generation of the power segment and refurbishment of the engines at Phnom Penh and Silhanoukville plants arising from the extension of Power Purchase Agreement ("PPA"). The higher staff cost was a result of higher staff overtime from the increased power generation of all the Cambodian power plants. Depreciation of property, plant and equipment was higher due to further depreciation in the Cambodia power plant assets (i.e. Phnom Penh and Sihanoukville) as a result of adjustments in the residual value. Amortisation of right-of-use assets, being leased properties in Singapore and Cambodia, arising from the adoption of SFRS(I) 16 was recognised in the current period.

The share of loss in associate is no longer taken into account as the cost of investment in associate has been fully impaired. The increase in other operating expenses was attributed by impairment of work in progress to Maju Intan Biomass plant.

Finance cost decreased due to lower debt outstanding as compared with the previous corresponding period.

Due to a combination of the above factors, the Group's net profit improved in 1H2020. The profit attributable is skewed more towards non-controlling interest as the Cambodian entities which are not wholly owned contributed a larger proportion of profit to the Group for this half of the financial year.

Balance Sheet

As at 30 September 2019, non-current assets increased largely due to current year's advances to associate as compared to 31 March 2019. Overall, current assets increased resulted from an increase in inventories contributed by higher demands of the Fire-fighting and protection segment and offset by decrease of trade receivables from the power generation business. The decrease in trade receivables was attributable to receivables from EDC (Electricite Du Cambodge) are usually lower in September which is the low generation season in Cambodia as compared to 31 March 2019.

The current liabilities as at 30 September 2019 remained flat as compared to 31 March 2019 which is attributed by the recording of the lease liability from the adoption of SFRS(I)16 in 1H2020 and mitigated by repayment of loan and borrowings.

Non-current liabilities as at 30 September 2019 increased as compared to 31 March 2019 due to recording of the non-current portion of the lease liability.

As at 30 September 2019, the Group was in net current liabilities position arising from the utilisation of short-term financing amounting to S\$13.5 million on the Group's energy projects in Cambodia and Malaysia. In the current period, the Group has successfully rolled over approximately S\$18.9 million out of S\$22.3 million of short term loans, and the balance of S\$3.4 million relates to bank overdraft. A substantial portion of the term loans has been secured by the Group's power plant assets and factory building and the Group was in a net asset position of S\$49.5 million as at 30 September 2019.

Based on the foregoing, the Board is of the opinion that the Group is able to operate as a going concern and able to meet its obligations as they fall due and the Group's working capital is sufficient to meet its present requirements and for the next twelve months.

Cash Flow

During HY2020, net cash generated from operating activities were used to support increase in working capital and payment of interest and tax. Net cash flow used in investing activities was utilised to purchase property plant and equipment. The Group recorded a net cash outflow from its financing activities resulting from repayment of interest bearing term loans. Overall cash and cash equivalents increased by \$0.07 million during 1H2020.

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

No specific prospect or forecast statement was previously made.

10. A commentary at the date of the announcement of the 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

Fire-fighting and protection business is expected to increase its revenue in the second half of the year with increased orders.

The Phnom Penh and Silhanoukville plants are expected to continue the increase in generation in view of the ongoing power shortage in Cambodia for the second half of the year. Increase in demand is also expected in the Special Economic Zone coming from new customers and plant expansion of the existing customers.

The biomass project in Malaysia is currently negotiating with Maybank to restructure its facilities. In addition, the appeal for the increase of tariff and the extension of the PPA tenor is ongoing. The Group is also actively looking at streamlining the Group's activities, including the divestment of assets as and when the opportunities arises.

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

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

None.

(c) Date Payable

Not applicable.

(d) Book Closure Date

Not applicable.

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

No dividend has been recommended for the current financial period reported on as the Group is currently in a negative revenue reserve position.

13. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 902(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate for IPTs under Rule 920 of the Catalist Rules. There were no IPTs of S\$100,000 and above entered into during 1H2020.

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

The Company confirms that undertakings have been procured from the Board of Directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

15. Confirmation by the Directors pursuant to Rule 705(5) of the Listing Manual

We, Tan Boon Kheng and Tan Boon Siang, being two of the directors of Asiatic Group (Holdings) Limited, confirm that to the best of the Board's knowledge, nothing has come to the Board's attention which may render the unaudited interim financial results for the half year ended 30 September 2019 of the Group and the Company to be false or misleading in any material aspect.

On behalf of the Board,

Tan Boon Kheng

Tan Boon Siang

BY ORDER OF THE BOARD

Tan Boon Kheng
Managing Director
14 November 2019

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"), in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assume no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Joseph Au, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, and E-mail: sponsorship@ppcf.com.sg).