



## **IEV HOLDINGS LIMITED**

(Company Registration No: 201117734D)

(Incorporated in the Republic of Singapore on 26 July 2011)

(the "Company", and together with its subsidiaries, the "Group")

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### **FULL YEAR UNAUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019**

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*In view of the material uncertainty relating to going concern issued by the Company's independent auditor, Deloitte Touche LLP, on the audited financial statements of the Group for the financial ended 31 December 2018, the Company is required by the Singapore Exchange Securities Trading Limited ("Exchange") to announce its quarterly financial statements pursuant to Catalist Rule 705.*

*This announcement has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "**Sponsor**").*

*This announcement has not been examined or approved by the Exchange and the Exchange assumes 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. Ong Hwee Li, at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542, telephone (65) 6232 3210.*

**1(a)(i) Statement of Comprehensive Income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group					
	3 months ended 31 December ("4Q")			12 months ended 31 December ("12M")		
	Unaudited 4Q2019 (RM'000)	Unaudited 4Q2018 (RM'000)	% change increase/ (decrease)	Unaudited 12M2019 (RM'000)	Audited 12M2018 (RM'000)	% change increase/ (decrease)
Revenue	1,547	943	64.1	9,768	2,961	229.9
Cost of sales	(832)	(499)	66.7	(5,364)	(1,302)	312.0
Gross profit	715	444	61.0	4,404	1,659	165.5
Other operating income	374	2,703	(86.2)	502	3,074	(83.7)
Administrative expenses	(3,262)	(2,537)	28.6	(9,926)	(10,021)	(0.9)
Selling and distribution costs	-	(104)	n.m.	(683)	(161)	(324.2)
Exchange gain/(loss)	183	101	81.2	233	(480)	n.m.
Other operating expenses	(1,446)	(2,116)	(31.7)	(1,686)	(2,257)	(25.3)
Share of results of associate	-	75	n.m.	(75)	50	(250.0)
Finance costs	(121)	(67)	(80.6)	(337)	(506)	(33.4)
Loss before tax	(3,557)	(1,501)	137.0	(7,568)	(8,642)	(12.4)
Income tax	(19)	(134)	(85.8)	58	(164)	n.m.
Loss for the period/year from continuing operations	(3,576)	(1,635)	118.7	(7,510)	(8,806)	(14.7)
<b>Discontinued Operations<sup>(a)</sup></b> (Loss)/Gain for the period/year from discontinued operations	(854)	(5,186)	(83.5)	9,221	(8,246)	n.m.
(Loss)/Gain for the period/year	(4,430)	(6,821)	(35.1)	1,711	(17,052)	n.m.
Other comprehensive income/(loss), net of tax						
- Exchange differences on translation of foreign operations	(450)	813	n.m.	(403)	1,109	n.m.
- Actuarial gains in respect of defined benefit pension plan	-	170	n.m.	-	170	n.m.
Total comprehensive (loss)/gain for the period/year	(4,880)	(5,838)	(16.4)	1,308	(15,773)	n.m.
<b>(Loss)/Gain attributable to:</b>						
Owners of the parent						
- Continuing operations	(3,591)	(1,635)	119.6	(7,366)	(8,806)	(16.4)
- Discontinued operations	(854)	(5,186)	(83.5)	9,221	(8,246)	(211.8)
Non-controlling interests						
- Continuing operations	15	-	n.m.	(144)	--	n.m.
	(4,430)	(6,821)	(35.1)	1,711	(17,052)	n.m.
<b>Total comprehensive loss attributable to:</b>						
Owners of the parent	(4,895)	(5,838)	(16.2)	1,456	(15,773)	n.m.
Non-controlling interests	15	-	n.m.	(148)	-	n.m.
	(4,880)	(5,838)	(16.4)	1,308	(15,773)	n.m.

n.m. denotes not meaningful

**Notes:**

- (a) Financial statements for 4Q2018 and 12M2018 have been re-presented to show results after reclassifying a wholly owned subsidiary, IEV Energy Sdn Bhd, under discontinued operations. IEV Energy Sdn Bhd previously held 100% interest in IEV Vietnam LLC and 95% interest in PT IEV Gas. Subsequent to the completion of the disposal of PT IEV Gas and member's voluntary liquidation of IEV Vietnam LLC, IEV Energy Sdn Bhd has remained dormant.
- (b) In addition to Note (a) above, discontinued operations include: (i) the exit from renewable energy business following the transfer of the MK-1 biomass plant in Vietnam as announced on 7 November 2017, 11 January 2018 and 4 June 2018; (ii) the exit from the exploration and production sector as announced on 10 January 2018 and 13 September 2019 in relation to the member's voluntary liquidation of PT IEV Pabuaran KSO; and (iii) the exit from mobile natural gas sector as announced on 16 October 2018, 18 October 2018, 29 October 2018 and 14 November 2018 in relation to disposal of 95% interest in PT IEV Gas.

1(a)(ii) Loss for the financial period from continuing operations is arrived after crediting / (charging) the following:

	Group					
	3 months ended 31 December ("4Q")			12 months ended 31 December ("12M")		
	Unaudited 4Q2019 (RM'000)	Unaudited 4Q2018 (RM'000) (re- presented)	% change increase/ (decrease)	Unaudited 12M2019 (RM'000)	Audited 12M2018 (RM'000) (re- presented)	% change increase/ (decrease)
Rental income	50	56	(10.7)	137	288	(52.4)
Interest income	-	-	-	1	1	-
Interest expense	(121)	(67)	180.6	(337)	(506)	(33.4)
Gain on disposal of property, plant and equipment	1	17	(94.1)	22	18	22.2
Loss on disposal of asset held for sale	-	(168)	n.m.	-	(168)	n.m.
Depreciation of property, plant and equipment (include depreciation accounted for in cost of sales)	(128)	(51)	151.0	(622)	(909)	(31.6)
Depreciation of right-of-use assets	(493)	-	n.m.	(693)	-	n.m.
Amortisation of intangible assets (include amortisation accounted for in cost of sales)	(13)	(32)	(59.4)	(54)	(137)	(60.6)
(Impairment)/Write back on impairment of property, plant and equipment	(834)	(8)	n.m.	(834)	44	n.m.
(Allowance) /write back on allowance for doubtful receivables	2	(103)	n.m.	2	(103)	(81.9)
Impairment of intangible assets	-	(55)	n.m.	-	(55)	n.m.
Receivables written off	(125)	(496)	(74.8)	(125)	(496)	(74.8)
Impairment of VAT receivables	(290)	-	n.m.	(290)	-	n.m.
Allowance for inventories	(45)	(977)	(95.4)	(87)	(1,022)	(91.5)
Inventories written off	(74)	(120)	(38.3)	(74)	(198)	(62.6)
Property, plant and equipment written off	(22)	(157)	(86.0)	(79)	(157)	(49.7)
Write back of payables	108	5	n.m.	108	4	n.m.
Reversal of accrued commission no longer required	-	2,541	n.m.	-	2,541	n.m.
Write back accrued expenses	65	-	n.m.	65	-	n.m.
Gain on settlement of post - employment benefit	-	55	n.m.	-	55	n.m.
Gain on disposal of subsidiaries	40	-	n.m.	40	-	n.m.
(Under)/over provision for tax in respect to prior year	(19)	(33)	(42.4)	(19)	(33)	(42.4)
Deferred tax credit	-	-	-	77	-	n.m.

n.m. denotes not meaningful

1(a)(iii) Results of the discontinued operations are as follow:

	Group					
	3 months ended 31 December ("4Q")			12 months ended 31 December ("12M")		
	Unaudited 4Q2019 (RM'000)	Unaudited (re-presented) 4Q2018 (RM'000)	% change increase/ (decrease)	Unaudited 12M2019 (RM'000)	Audited (re-presented) 12M2018 (RM'000)	% change increase/ (decrease)
<b>Discontinued operations</b>						
Revenue	-	802	n.m.	-	18,438	n.m.
Cost of sales	-	(144)	n.m.	-	(17,795)	n.m.
Gross profit	-	658	n.m.	-	643	n.m.
Other operating income	856	(188)	n.m.	11,652	361	>100
Administrative expenses	13	(372)	n.m.	(403)	(2,725)	(85.2)
Exchange (loss) gain	185	36	413.9	66	(422)	n.m.

	Group					
	3 months ended 31 December ("4Q")			12 months ended 31 December ("12M")		
	Unaudited 4Q2019 (RM'000)	Unaudited (re-presented) 4Q2018 (RM'000)	% change increase/ (decrease)	Unaudited 12M2019 (RM'000)	Audited (re-presented) 12M2018 (RM'000)	% change increase/ (decrease)
Other operating expenses	(1,908)	(5,202)	(63.3)	(2,094)	(5,976)	(65.0)
Finance cost	-	(1)	n.m.	-	(10)	n.m.
(Loss)/Gain before tax	(854)	(5,069)	(83.2)	9,221	(8,129)	n.m.
Income tax	-	(117)	n.m.	-	(117)	n.m.
(Loss)/Gain for the period / year from discontinued operations	(854)	(5,186)	(83.5)	9,221	(8,246)	n.m.

n.m. denotes not meaningful

**1(a)(iv) Loss for the financial period from discontinued operations is arrived after crediting / (charging) the following:**

	Group					
	3 months ended 31 December			12 months ended 31 December		
	Unaudited 4Q2019 (RM'000)	Unaudited 4Q2018 (RM'000)	% change increase/ (decrease)	Unaudited 12M2019 (RM'000)	Audited 12M2018 (RM'000)	% change increase/ (decrease)
Rental income	-	-	n.m.	-	25	n.m.
Interest income	-	5	n.m.	-	42	n.m.
Interest expense	-	(1)	n.m.	-	(10)	n.m.
Finance lease (expense) / income	-	(229)	n.m.	-	165	n.m.
Depreciation of property, plant and equipment (incl. depreciation accounted for in cost of sales)	-	735 <sup>(a)</sup>	n.m.	-	(659)	n.m.
Amortisation of intangible assets (include amortisation accounted for in cost of sales)	-	3	n.m.	-	(3)	n.m.
Allowance for doubtful receivables	(23)	(2)	1,050	(23)	(2)	1,050
Receivables written off	-	(103)	n.m.	-	(103)	n.m.
Write-back of property, plant and equipment	-	80	n.m.	-	-	n.m.
Impairment of intangible assets	-	(3)	n.m.	-	-	n.m.
Inventories written off	(132)	1	n.m.	(132)	-	n.m.
Property, plant and equipment written off	-	(27)	n.m.	-	(27)	n.m.
Loss on disposal of property plant and equipment	-	(3)	n.m.	-	(371)	n.m.
Gain on settlement post – employment benefit	-	95	n.m.	-	95	n.m.
Write back payables and accrued expenses due to deconsolidation of subsidiary	143	-	n.m.	11,645	-	n.m.
Loss on disposal of subsidiary	-	(5,411)	n.m.	-	(5,411)	n.m.
Loss from deconsolidation of subsidiary	(148)	-	n.m.	(861)	-	n.m.
Gain / (Loss) on disposal of finance lease receivables	-	261	n.m.	-	(44)	n.m.
Loss on liquidation of subsidiary	(929)	-	n.m.	(929)	-	n.m.

n.m. denotes not meaningful

(a) Depreciation for 4Q2018 was added back to the results of discontinued operations due to over depreciation of property, plant and equipment relating to PT. IEV Gas following the impairment of its assets.

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

	Company		Group	
	Unaudited As at 31 December 2019 (RM'000)	Audited As at 31 December 2018 (RM'000)	Unaudited As at 31 December 2019 (RM'000)	Audited As at 31 December 2018 (RM'000)
<b>ASSETS</b>				
<b>Current</b>				
Cash and bank balances	1,311	44	2,994	1,111
Trade receivables	-	-	7,220	14,157
Other receivables and prepayments	96	50	1,055	4,631
Inventories	-	-	971	1,529
Contract costs	-	-	-	1,000
	1,407	94	12,240	22,428
<b>Non-current</b>				
Property, plant and equipment	-	-	203	1,589
Right-of-use assets	-	-	12,679	-
Intangible assets	-	-	33	87
Subsidiaries	7,052	-	-	-
Associate	-	-	-	75
Other receivables and prepayments	-	-	5,740	33
Goodwill	-	-	7,434	-
Deferred tax assets	-	-	-	13
	-	-	26,089	1,797
<b>Total assets</b>	<b>8,459</b>	<b>94</b>	<b>38,329</b>	<b>24,225</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current</b>				
Overdrafts and bank borrowings	-	-	2,281	2,969
Lease liabilities	-	-	5,201	-
Advances from related party	-	-	409	-
Trade payables	-	-	6,605	13,450
Other payables and other provisions	1,216	1,825	11,544	15,244
Tax payable	-	-	23	-
Contract liability	-	-	-	2,656
	1,216	1,825	26,063	34,319
<b>Non-current</b>				
Lease liabilities	-	-	7,522	-
Deferred tax liabilities	-	-	-	90
	-	-	7,522	90
<b>Total liabilities</b>	<b>1,216</b>	<b>1,825</b>	<b>33,585</b>	<b>34,409</b>
<b>Capital and reserves</b>				
Share capital	107,674	98,338	107,674	98,338
Treasury shares	(38)	(38)	(38)	(38)
Currency translation reserve	(144)	(121)	1,690	1,486
Capital reserve	3,526	-	3,526	(380)
Accumulated losses	(103,775)	(99,910)	(108,108)	(109,582)
Equity attributable to owners of the Company	7,243	(1,731)	4,744	(10,176)
Non-controlling interests	-	-	-	(8)
<b>Net equity / capital deficiency</b>	<b>7,243</b>	<b>(1,731)</b>	<b>4,744</b>	<b>(10,184)</b>
<b>Total liabilities and equity</b>	<b>8,459</b>	<b>94</b>	<b>38,329</b>	<b>24,225</b>

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

Group	Unaudited As at 31 December 2019 Secured (RM'000)	Audited As at 31 December 2018 Secured (RM'000)
Bank loans	-	-
Bank overdraft	2,281	2,969
<b>Total Bank Borrowings</b>	<b>2,281</b>	<b>2,969</b>
Finance lease obligations	-	-
<b>Total Borrowings &amp; Debt Securities</b>	<b>2,281</b>	<b>2,969</b>
Amount repayable in one year or less, or on demand	2,281	2,969
Amount repayable after one year	-	-

#### Details of collaterals

Details of collaterals of the above borrowings are as follows: -

The bank overdraft is secured by:

- a debenture by way of a fixed and floating charge over all present and future assets of IEV Group Sdn Bhd;
- corporate guarantee provided by IEV Holdings Limited and IEV Group Sdn Bhd; and
- a personal guarantee provided by a director, Christopher Nghia Do.

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

	Group 3 Months ended 31 December ("4Q")		Group 12 Months ended 31 December ("12M")	
	Unaudited 4Q2019 (RM'000)	Unaudited (re-presented) 4Q2018 (RM'000)	Unaudited 12M2019 (RM'000)	Audited (re-presented) 12M2018 (RM'000)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Loss before tax:				
- Continuing operations	(3,557)	(1,501)	(7,568)	(8,642)
- Discontinued operations	(854)	(5,069)	9,221	(8,129)
	(4,411)	(6,570)	1,653	(16,771)
Adjustments for:				
Share of results of associate	-	(75)	75	(50)
Amortisation of intangible assets	13	29	54	140
Depreciation of property, plant and equipment	128	(684)	622	1,568
Depreciation of Right-of-use assets	493	-	693	-
Gain on settlement for post-employment benefit (Reversal of provision)/Provision for post- employment benefits	-	(150)	-	(150)
	-	142	-	334
Loss/(Gain on disposal of property, plant and equipment	(1)	(14)	(22)	353
Property, plant and equipment written off	22	184	79	184
Loss on disposal of asset held for sale	--	-	-	-
Write back accrued expenses	(65)	-	(65)	-
Write back of payables and accrued expenses due to deconsolidation of subsidiary	(143)	-	(11,645)	-
Reversal of accrued commission	-	(2,541)	-	(2,541)
Inventory written off	206	119	206	198
Receivables written off	125	599	125	599

	Group 3 Months ended 31 December ("4Q")		Group 12 Months ended 31 December ("12M")	
	Unaudited 4Q2019 (RM'000)	Unaudited (re-presented) 4Q2018 (RM'000)	Unaudited 12M2019 (RM'000)	Audited (re-presented) 12M2018 (RM'000)
Payables written back	(108)	(5)	(108)	(4)
Impairment /(Write-back) of property, plant and equipment	834	(80)	834	(44)
Impairment of intangible assets	-	58	-	55
(Write back)/Allowance for inventories	(45)	977	87	1,022
Allowance for doubtful receivables	21	105	21	105
Impairment of VAT Receivables	290	-	290	-
(Gain)/Loss on disposal of subsidiary	(40)	5,411	(40)	5,411
(Gain)/ loss from deconsolidation of subsidiaries	(1,077)	-	(1,792)	-
(Income)/Loss from finance lease receivables	-	229	-	(165)
Interest income	-	(5)	(1)	(43)
(Gain)/Loss from disposal of finance lease receivables	-	(261)	-	44
Interest expenses	121	68	337	516
Operating loss before working capital changes	(1,485)	(2,464)	(5,015)	(9,239)
Long term other receivables and prepayments	(5,741)	(159)	(5,733)	(515)
Inventories	73	40	305	(11)
Contract assets	172	(1,023)	1,002	(1,000)
Trade and other receivables and prepayments	1,900	296	3,452	1,244
Contract liabilities	(151)	2,656	(2,660)	2,656
Trade and other payables	7,036	(1,370)	6,711	1,547
Amount due from an associate	(1,105)	(706)	(1,270)	(308)
Cash (used in) generated from operations	699	(2,730)	(3,208)	(5,626)
Interest received	-	5	1	43
Interest paid	(120)	(68)	(337)	(516)
Post-employment benefit paid	(74)	(158)	(135)	(269)
Income tax refunded/(paid)	49	-	286	(31)
Net cash (used in) generated from operating activities	554	(2,951)	(3,393)	(6,399)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Acquisition of property, plant and equipment	(7)	(139)	(66)	(867)
Proceeds from disposal of property, plant and equipment	-	(5)	23	110
Proceeds from disposal of assets held for sale	-	-	-	9,200
Proceeds from disposal of finance lease assets	-	2,527	-	2,595
Acquiring of subsidiary	115	-	115	-
Disposal of subsidiaries	(12)	-	(12)	-
Cash received from liquidation of subsidiary	337	(529)	335	(529)
Net cash generated from (used in) investing activities	433	1,854	395	10,509
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of finance lease	(444)	(5)	(649)	(84)
Repayment of bank borrowings	-	-	-	(6,664)
Repayment of advances from a third party	414	-	414	-
Fixed deposits pledged	(1)	-	(1)	-
Proceeds from issuance of ordinary shares	-	-	6,095	-
Capitalised transaction costs of issuance of ordinary shares	-	-	(285)	-
Net cash used in financing activities	(31)	(5)	5,574	(6,748)
Net decrease in cash and cash equivalents	956	(1,102)	2,576	(2,638)
Cash and cash equivalents at beginning of the year	(305)	(821)	(1,925)	853

	Group 3 Months ended 31 December ("4Q")		Group 12 Months ended 31 December ("12M")	
	Unaudited 4Q2019 (RM'000)	Unaudited (re-presented) 4Q2018 (RM'000)	Unaudited 12M2019 (RM'000)	Audited (re-presented) 12M2018 (RM'000)
Currency translation difference of cash and cash equivalents at beginning of the year	(4)	(2)	(4)	(140)
<b>Cash and cash equivalents at end of year</b>	647	(1,925)	647	(1,925)
<i>Cash and bank balances comprise:</i>				
Cash and bank balances	2,828	1,044	2,828	1,044
Fixed deposits	66	67	66	67
	2,994	1,111	2,994	1,111
Less: Fixed deposits	(66)	(67)	(65)	(67)
Less: Bank overdrafts	(2,281)	(2,969)	(2,281)	(2,969)
Cash and cash equivalents at end of year	647	(1,925)	647	(1,925)

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 year

**Company**

Current Period	Share capital (RM'000)	Treasury shares (RM'000)	Accumulated losses (RM'000)	Capital reserve (RM'000)	Currency translation reserve (RM'000)	Total (RM'000)
Balance as at 1 January 2019	98,338	(38)	(99,910)	-	(121)	(1,731)
Loss for the year	-	-	(3,865)	-	(23)	(3,888)
Transaction with owners:						
Increase in paid-up capital	9,621	-	-	3,526	-	13,147
Capitalised expenses	(285)	-	-	-	-	(285)
Balance as at 31 December 2019	107,674	(38)	(103,775)	3,526	(144)	7,243

Previous Period	Share capital (RM'000)	Treasury shares (RM'000)	Accumulated losses (RM'000)	Currency translation reserve (RM'000)	Total (RM'000)
Balance as at 1 January 2018	98,338	(38)	(97,175)	(78)	1,047
Loss for the year, representing total comprehensive loss for the year	-	-	(2,735)	(43)	(2,778)
Balance as at 31 December 2018	98,338	(38)	(99,910)	(121)	(1,731)



**Group**

**Current Period**

	Share capital (RM'000)	Treasury shares (RM'000)	Retained earnings (Accumulated losses) (RM'000)	Capital reserve (RM'000)	Currency translation reserve (RM'000)	Equity attributable to owners of the Company (RM'000)	Non-controlling interests (RM'000)	Total equity (RM'000)
<b>Balance as at 1 January 2019</b>	<b>98,338</b>	<b>(38)</b>	<b>(109,582)</b>	<b>(380)</b>	<b>1,486</b>	<b>(10,176)</b>	<b>(8)</b>	<b>(10,184)</b>
Total comprehensive loss for the year:								
Loss for the year	-	-	1,855	-	-	1,855	(144)	1,711
Other comprehensive income - Currency translation difference arising from consolidation	-	-	-	-	(398)	(398)	-	(398)
Total comprehensive income	-	-	1,855	-	(398)	1,457	(148)	1,309
Transactions with owners:								
Increase in paid-up capital	9,621	-	-	3,526	-	13,147	-	13,147
Capitalised expenses	(285)	-	-	-	-	(285)	-	(285)
Change in Shareholding of subsidiary	-	-	-	-	(2)	(2)	2	-
Disposal of subsidiary	-	-	-	-	5	5	4	9
Effect of deconsolidation of discontinued operations	-	-	(380)	380	599	599	150	749
Total transactions with owner	9,336	-	(380)	3,906	602	13,464	156	13,620
<b>Balance as at 31 December 2019</b>	<b>107,674</b>	<b>(38)</b>	<b>(108,108)</b>	<b>3,526</b>	<b>1,690</b>	<b>4,744</b>	<b>0</b>	<b>4,744</b>

**Previous Period**

	Share capital (RM'000)	Treasury shares (RM'000)	Retained earnings (Accumulated losses) (RM'000)	Capital reserve (RM'000)	Currency translation reserve (RM'000)	Equity attributable to owners of the Company (RM'000)	Non-controlling interests (RM'000)	Total equity (RM'000)
<b>Balance as at 1 January 2018</b>	<b>98,338</b>	<b>(38)</b>	<b>(92,700)</b>	<b>(380)</b>	<b>377</b>	<b>5,597</b>	<b>(175)</b>	<b>5,422</b>
Total comprehensive loss for the year:								
Loss for the year	-	-	(17,052)	-	-	(17,052)	-	(17,052)
Other comprehensive loss - Currency translation difference arising from consolidation	-	-	170	-	1,109	1,279	-	1,279
<b>Balance as at 31 December 2018</b>	<b>98,338</b>	<b>(38)</b>	<b>(109,582)</b>	<b>(380)</b>	<b>1,486</b>	<b>10,176</b>	<b>(8)</b>	<b>(10,184)</b>

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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.

	Number of shares	Resultant issued and paid-up share capital (S\$)
Issued and paid-up share capital of the Company as at 30 September 2019 (excluding treasury shares)	365,512,632	42,136,969
Issuance of new ordinary shares	46,161,962	1,154,049
Issued and paid-up share capital of the Company as at 31 December 2019 (excluding treasury shares) <sup>(1)</sup>	411,674,594	43,291,018

1. The resultant issued and paid-up share capital presented is net of issue costs incurred.

On 17 December 2019, the Company allotted and issued an aggregate of 46,161,962 ordinary shares pursuant to the completion of the acquisition of Lady Paradise Sdn Bhd. The new ordinary shares were issued at an issue price of S\$0.025 per ordinary share for an aggregate consideration of S\$1,154,049.

There were no outstanding convertibles, share options or subsidiary holdings as at 31 December 2019 and 31 December 2018.

The total number of treasury shares as at 31 December 2019 and 31 December 2018 are presented below:

	As at 31 December 2019	As at 31 December 2018
Total number of treasury shares	200,000	200,000
Total number of ordinary shares	411,674,594	285,512,632
% of treasury shares over total number of ordinary shares	0.05%	0.07%

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

	As at 31 December 2019	As at 31 December 2018
Number of issued shares of the Company	411,874,594	285,712,632
Share buy-backs held as treasury shares	(200,000)	(200,000)
Number of issued shares excluding treasury shares	411,674,594	285,512,632

**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.**

There were no sales, transfers, disposal, cancellation and /or use of treasury shares as at 31 December 2019.

**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.**

There were no sales, transfers, cancellation and / or use of subsidiary holdings as at 31 December 2019.

**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 by the Company's auditors.

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

Not applicable.

**3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

a) Updates on the efforts taken to resolve each outstanding audit issue.

b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

**This is not required for any audit issue that is a material uncertainty relating to going concern.**

Not applicable as the Group's audit issue is with respect to a material uncertainty relating to going concern.

**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 Note 5 below, the Group has 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 most recently audited financial statements for the financial year ended 31 December 2018.

**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 all the new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") and SFRS(I) Interpretations ("SFRS(I) INTs") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2019, where applicable. The adoption of these standards from the effective date has not resulted in material adjustments to the financial position, results of operations or cash flows of the Group for 12M2019 except the adoption of SFRS(I) 16 *Leases* which provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both leases and lessors. The identification of leases, distinguishing between leases and service contracts, are determined on the basis of whether there is an identified asset controlled by the customer.

The Group elected to apply SFRS(I) 16 retrospectively with the cumulative effect of initially applying the Standard recognised at the date of initial application on 1 January 2019. The impact from adoption of SFRS(I) 16 is mainly derived from the lease of an office space for three years from 1 April 2018.

The Group recognises:

- (a) a lease liability of RM0.6 million at 1 January 2019, which is measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate ("IBR") at 1 January 2019.
- (b) a right-of-use asset ("ROU" asset") of RM0.6 million at 1 January 2019, which is equal to the lease liability.

Subsequent to the initial recognition on 1 January 2019, the ROU asset is depreciated over the lease term and the lease liability is measured by increasing the carrying amount to reflect the interest on the lease liability and reducing the carrying amount to reflect lease payments made.

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

<u>Group</u>	4Q2019 (Malaysian sen)	4Q2018 (Malaysian sen)	12M2019 (Malaysian sen)	12M2018 (Malaysian sen)
Earnings/(loss) per ordinary share for the period based on the net profit/(loss) attributable to shareholders of the Company:				
(i) Basic				
- from continuing operations	(0.96)	(0.57)	(2.18)	(3.08)
- from discontinued operations	(0.23)	(1.82)	2.73	(2.89)
	(1.19)	(2.39)	0.55	(5.97)
(ii) On a fully diluted basis	(1.19)	(2.39)	0.55	(5.97)
Weighted average number of ordinary shares	373,039,039	285,512,632	337,820,658	285,512,632

Basic and diluted (loss)/earnings per ordinary share have been computed based on the Group's loss attributable to owners of the parent and the weighted average number of ordinary shares in issue during the respective periods.

The basic and fully diluted (loss)/earnings per ordinary share for each 4Q2019, 4Q2018, 12M2019 and 12M2018 were the same as there were no potentially dilutive ordinary shares existing during 4Q2019, 4Q2018, 12M2019 and 12M2018 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 period reported on and (b) immediately preceding financial year**

	Net asset value per ordinary share (Malaysian sen)	
	As at 31 December 2019	As at 31 December 2018
Group	1.2	(3.6)
Company	1.8	(0.6)

Net asset value per ordinary share as at 31 December 2019 and 31 December 2018 have been calculated based on the aggregate number of ordinary shares of 411,674,594 and 285,512,632 as at the respective dates, 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 discuss any significant factors that affected the turnover, 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**

#### **Review of Statement of Comprehensive Income**

##### *Breakdown by business segments*

#### **Three Months ended 31 December 2019**

Business sector	4Q2019			4Q2018		
	Revenue (RM'000)	Gross Profit/(Loss) (RM'000)	GP Margin %	Revenue (RM'000)	Gross Profit/(Loss) (RM'000)	GP Margin %
<b><u>Continuing Operations</u></b>						
Asset Integrity Management Sector ("AIMS")	1,519	713	46.9%	943	444	47.1%
Healthcare Sector	28	2	7.1%	-	-	-
Total from continuing operations	1,547	715	46.2%	943	444	47.1%
<b><u>Discontinued Operations</u></b>						
Mobile Natural Gas Sector	-	-	-	801	658	82.0%
Total from discontinued operations	-	-	-	801	658	82.0%
<b>Total</b>	<b>1,547</b>	<b>715</b>	<b>46.2%</b>	<b>1,745</b>	<b>1,103</b>	<b>63.2%</b>

#### **Twelve Months ended 31 December 2019**

Business sector	12M2019			12M2018		
	Revenue (RM'000)	Gross Profit/(Loss) (RM'000)	GP Margin %	Revenue (RM'000)	Gross Profit/(Loss) (RM'000)	GP Margin %
<b><u>Continuing Operations</u></b>						
Asset Integrity Management Sector ("AIMS")	9,740	4,402	45.2%	2,961	1,659	56.0%
Healthcare Sector	28	2	7.1%	-	-	-
Total from continuing operations	9,768	4,404	45.1%	2,961	1,659	56.0%
<b><u>Discontinued operations</u></b>						

Business sector	12M2019			12M2018		
	Revenue (RM'000)	Gross Profit/(Loss) (RM'000)	GP Margin %	Revenue (RM'000)	Gross Profit/(Loss) (RM'000)	GP Margin %
Mobile Natural Gas Sector	-	-	-	18,438	643	3.5%
Total from discontinued operations	-	-	-	18,438	643	3.5%
<b>Total</b>	<b>9,768</b>	<b>4,404</b>	<b>45.1%</b>	<b>21,400</b>	<b>2,303</b>	<b>10.8%</b>

## Continuing Operations

### Revenue

The Group's revenue from the Asset Integrity Management Sector ("AIMS") for 4Q2019 increased by 61.1% to RM1.5 million from RM0.9 million in 4Q2018, due mainly to increased sales of the Group's proprietary marine growth control ("MGC") products. For 12M2019, the Group's revenue increased by 230% to RM9.8 million from RM3.0 million in 12M2018 due mainly to increased MGC sales, a completed Advanced Inspection Solution project and an on-going retrofitted corrosion control project.

The Group had, during 12M2019 diversified into the healthcare and wellness sector with the completion of acquisition of Lady Paradise Sdn Bhd, as announced by the Company on 15 December 2019. The Healthcare Sector recorded marginal revenue of RM28 thousand for 4Q2019 as the planned postpartum centres are currently undergoing renovations, not fully operational during FY2019, and are expected to be fully operational by 3Q2020.

### Gross Profit

The Group's gross profit for 4Q2019 increased by 61.0% to RM0.7 million from RM0.4 million for 4Q2018, due mainly to increased MGC sales activity. Similarly, the Group's gross profit for 12M2019 increased by 165.5% to RM4.4 million from RM1.7 million in 12M2018 due mainly to AIMS sales activities and in particular MGC sales.

The Group's gross profit margin remained generally stable at 46.2% in 4Q2019 and 47.1% in 4Q2018. Group gross profit margin for 12M2019 decreased to 45.1% compared to 56.0% in 12M2018 due mainly to increased business activities from non-proprietary products and services including an Advanced Inspection Solution project and a retrofitted corrosion control project which have lower gross profit margins compared to the sales of the Group's proprietary MGC products.

### Other Operating Income

The Group's other operating income for 4Q2019 declined by 86.2% to RM0.4 million from RM2.7 million for 4Q2018 due mainly to a one-off reversal of accrued sales commission amounting to approximately RM2.5 million in 4Q2018 due to the expiry of an agency agreement. The Group's other operating income for 12M2019 declined by 83.7% to RM0.5 million from RM3.1 million in 12M2018, due mainly to (i) decline in rental income of RM145 thousand after the disposal of the Vietnam biomass plant; and (ii) a one-off reversal of accrued sales commission amounting to RM2.5 million in 12M2018 that was no longer required and offset by (i) a write-back of payables of RM0.1 million in relation to waivers by trade vendors and (ii) RM0.1 million write back of provision for slow moving stock in relation to MGC product components.

### Administrative Expenses

Administrative expenses in 4Q2019 increased by 28.6% to RM3.3 million from RM2.5 million in 4Q2018 due mainly to (i) RM0.5 million of administrative expenses incurred by the recently established Healthcare Sector of the Group including RM0.4 in depreciation of right-of-use assets arising from the adoption of SFRS(I)16 and (ii) an increase of RM0.3 million administrative expenses incurred by the Company for various corporate exercises during 12M2019 and an expanded board of directors.

Administrative expenses in 12M2019 reduced marginally to RM9.9 million from RM10.0 million in 12M2018. The AIM Sector undertook cost reduction measures that reduced administrative expenses by RM0.9 million including (i) reducing manpower headcount and salary cuts; (ii) disposal of non-essential fixed assets to reduce depreciation expenses (iii) reduced travel expenses and (iv) disposal of non-core loss-making subsidiaries in Vietnam and India. Such reduction of administrative expenses were mostly offset by (i) RM0.7 million of depreciation of right-of-use assets recorded due to the adoption of SFRS(I)16. The depreciation of right-of-use assets include mainly rental costs incurred for a postpartum

centre and the Company's increased expenses of RM0.3 million for various corporate exercises and expansion of the its' Board of Directors during 12M2019.

Amortisation of intangible assets decreased by 59.4% from RM32 thousand in 4Q2018 to RM13 thousand in 4Q2019 and by 60.6% from RM137 thousand in 12M2018 to RM54 thousand in 12M2019; due mainly to the full impairment provision during FY2018 of a licensed corrosion control technology which is no longer in use.

#### *Selling and Distribution Costs*

Selling and distribution costs represent commissions payable to agents for AIMS sales made for the Group. Selling and distribution cost for 4Q2019 was nil compared to RM0.1 million for 4Q2018 as sales of the Group's proprietary MGC products were sold direct to Malaysia customers where no commissions were payable. For 12M2019, selling and distribution cost increased by 324.2% to RM0.7 million from RM0.16 million for 12M2018, which reflected increased international sales activity of MGC products during 12M2019 compared to 12M2018 which command a sales commission.

#### *Exchange (Loss)/Gain*

The Group recorded a marginal increase in exchange gain of RM0.2 million for 4Q2019 compared to an exchange gain of RM0.1 million for 4Q2018. For 12M2019, the Group recorded an exchange gain of RM0.2 million compared to an exchange loss of RM0.5 million for 12M2018. The exchange gain for both 4Q2019 and 12M2019 was mainly due to the depreciation of the Malaysian Ringgit against the US Dollar during the period of review and increased AIMS business activities which were denominated in US Dollars.

#### *Other Operating Expenses*

Other operating expenses for 4Q2019 decreased by 31.7% to RM1.4 million from RM2.1million in 4Q2018. Similarly, other operating expenses for 12M2019 decreased by 25.3% to RM1.7 million from RM2.2 million in 12M2018. The reduction was mainly due to a reduction in the following expenses in 12M2019 compared to 12M2018: (i) provision for slow moving stock of RM1.0 million, (ii) write off of an amount due from an associate of RM0.4 million; (iii) loss of RM0.2 million on disposal of an asset held for sale; and (iv) provision for doubtful receivables of RM0.1 million. This reduction was offset by an increase in the following expenses in 12M2019 compared to 12M2018: (i) impairment of property plant and equipment of RM0.8 million; (ii) impairment of corrosion control product inventory of RM0.2 million; and (iii) impairment of VAT receivable of RM0.3 million in relation to an Indonesian subsidiary that ceased operations.

#### *Share of Results of Associate*

Share of results of associate was nil for 4Q2019 compared to a gain of RM75 thousand for 4Q2018. For 12M2019, the share of results of associate was a loss of RM75 thousand compared to a gain of RM50 thousand for 12M2018. The nil result for 4Q2019 and loss for 12M2019 was due to low business activities of an AIMS associate, IEV (Malaysia) Sdn. Bhd. for the period under review.

#### *Finance Costs*

Finance cost for 4Q2019 was 80.6% higher at RM121 thousand compared to RM67 thousand for 4Q2018, which was largely attributed to interest computation on lease contract obligations in accordance with the adoption of SFRS(I)16. Finance cost for 12M2019 decreased by 33.4% to RM337 thousand from RM506 thousand in 12M2018. The reduction in finance cost was attributed to the full settlement during 12M2018 of a mortgage attached to an office space and reduction of bank overdraft amounts, which was partially offset by interest computation on lease contract obligations.

#### *Profit/ Loss Before Taxation from continuing operations*

For reasons set out above, the Group reported a loss before taxation of RM3.6 million for 4Q2019, which was a 137.0% increase from the loss before taxation of RM1.5 million for 4Q2018. For 12M2019, the Group recorded a loss before taxation of RM7.6 million, which was a 12.4% decrease from the loss before taxation of RM8.6 million for 12M2018.

#### **Discontinued Operations**

For 12M2019, a profit before tax of RM9.2 million from discontinued operations was recorded due mainly to a RM11.6 million reversal of provisions and liabilities as the Company commenced member's voluntary liquidation of PT IEV Pabuaran KSO, as announced on 13 September 2019. This gain was partially offset by RM0.4 million of administrative expenses and RM2.1 million of other operating expenses related to the closing and liquidation of various subsidiaries.

## **Review of Statement of Financial Position**

### *Current Assets*

Trade receivables decreased by RM6.9 million to RM7.2 million as at 31 December 2019 from RM14.2 million as at 31 December 2018, due mainly to (i) the removal of RM4.8 million of trade receivables related to creditor settlements with Swiber Offshore Construction Pte Ltd that is under judicial management and (ii) settlement of AIMS project invoices. The current portion of other receivables and prepayments decreased by RM3.6 million to RM1.1 million as at 31 December 2019 from RM4.6 million as at 31 December 2018 due mainly to (i) receipt of RM2.7 million as settlement sum for the disposal of the Vietnam biomass plant to BSB, (ii) a tax refund of RM0.3 million in relation to the disposal of a corporate office space, (iii) impairment of VAT receivables of RM0.3 million from an Indonesian subsidiary that has ceased operations; and (iv) expensing of RM0.3 million in prepayments.

Inventories decreased by RM0.5 million to RM1.0 million as at 31 December 2019 from RM1.5 million as at 31 December 2018, due mainly to (i) RM0.2 million impairment and write-down of Oxifree inventories; and (ii) RM0.3 million depletion of marine growth control products. Contract costs as at 31 December 2019 reduced to nil from RM1.0 million as at 31 December 2018 due to the net transfer of RM1.0 million in contract cost to cost of sales following the completion of an AIMS Advanced Inspection Solutions project during 12M2019.

### *Non-Current Assets*

Net carrying value of property, plant and equipment (“PPE”) decreased by RM1.4 million to RM0.2 million as at 31 December 2019 from RM1.6 million as at 31 December 2018. The decrease was mainly due to (i) RM0.9 million impairment of PPE mainly relating to corrosion control equipment and office renovation, (ii) RM0.6 million of depreciation charges and (iii) a RM0.1 million write off. These decreases were partially offset by (i) the acquisition of PPE of RM0.1 million and (ii) the addition of RM0.1 million of PPE arising from the acquisition of a subsidiary. Right-of-use assets of RM12.7 million as at 31 December 2019 was due to the adoption of SFRS(I)16 *Leases*, effective 1 January 2019 for (i) lease of an office space with a carrying value of RM0.3 million and (ii) lease of a property for a postpartum centre with a carrying value of RM12.3 million. Net book value of intangible assets decreased to RM33 thousand as at 31 December 2019 from RM87 thousand as at 31 December 2018 due to amortisation charges during 12M2019.

Other long-term receivables and prepayments increased to RM5.7 million as at 31 December 2019 from RM33 thousand as at 31 December 2018 due mainly to deposits and progress payments for renovation works related to a postpartum centre.

Goodwill of RM7.4 million as at 31 December 2019 relates to the acquisition of Lady Paradise Sdn Bhd, for which 46,151,962 ordinary shares in the Company were issued on 17 December 2019 with fair value of S\$0.05 per ordinary share, as consideration for the acquisition. The fair value was referenced to the closing trade price of Company’s shares on 17 December 2019. After accounting for the fair value of assets and liabilities being acquired in Lady Paradise, the balance of the fair value of consideration shares is allocated to goodwill.

### *Capital and Reserves*

Share capital of the Company and the Group increased to RM107.7 million as at 31 December 2019 from RM98.3 million as at 31 December 2019 due to (i) the allotment and issuance of 80,000,000 new ordinary shares in the Company at an issue price of S\$0.025 per ordinary share pursuant to a placement exercise; and (ii) the allotment and issuance of 46,161,962 new ordinary shares in the Company at an issue price of S\$0.025 per ordinary share to the vendors of Lady Paradise Sdn Bhd.

Currency translation reserves increased to RM1.7 million as at 31 December 2019 from RM1.5 million as at 31 December 2018 mainly due to (i) the strengthening of the Malaysian Ringgit against the US Dollar during 12M2019; and (ii) the deconsolidation effects from the disposal of two AIMS subsidiaries in Vietnam and India.

Capital reserves have increased from a debit balance of RM0.4 million as at 31 December 2018 to a credit balance of RM3.5 million due to (i) the difference between the issuance price of S\$0.025 per ordinary share for the issuance of 46,161,962 new ordinary shares to the vendors of Lady Paradise Sdn Bhd and the fair value of S\$0.05 per ordinary share of the shares that were issued having referenced to the end of trading day closing price for the Company’s shares; and (ii) the transfer of the RM0.4 million debit balance as at 31 December 2018 to accumulated losses upon the liquidation of a subsidiary.

Accumulated losses had decreased by RM1.5 million to RM108.1 million as at 31 December 2019 from RM109.6 million as at 31 December 2018, mainly due to the reasons as explained above.

#### *Non-Current Liabilities and Current Liabilities*

Bank borrowings (current and non-current portions) decreased to RM2.3 million as at 31 December 2019 from RM3.0 million as at 31 December 2018 due mainly to repayment of bank overdraft balances. Current and non-current lease liabilities totalling RM12.7 million is due to the adoption of SFRS(I)16 *Leases* for the lease of an office space and a commercial property for a postpartum centre.

Advances from a related party of RM0.4 million as at 31 December 2019 is in relation to working capital support for the AIM Sector. Trade payables decreased by RM6.8 million to RM6.6 million as at 31 December 2019 from RM13.4 million as at 31 December 2018, due mainly to (i) removal of RM4.8 million of trade payables related to creditor settlements with Swiber Offshore Construction Pte Ltd that is under judicial management; and (ii) settlement of AIMS project invoices of RM2.0 million.

Other payables and provisions decreased by RM3.7 million to RM11.5 million as at 31 December 2019 from RM15.2 million as at 31 December 2018, mainly due to: (i) RM11.6 million net reversal of provisions and payables in relation to a members' voluntary liquidation of PT IEV Pabuaran KSO. This was offset by (i) the inclusion of RM7.1 million of payables from the Healthcare Sector for renovation costs owing to contractors and overhead accruals and (ii) increase in amounts due to an associate of RM0.7 million. Contract liability of RM2.7 million as at 31 December 2018 was reduced to nil as at 31 December 2019 due to the recognition of revenue from an AIMS Advanced Inspection Solutions project during 12M2019.

The Group has a negative working capital of RM13.8 million as at 31 December 2019 as compared to a negative working capital of RM11.9 million as at 31 December 2018, due mainly to (i) RM7.1 million of renovations cost commitments and accruals from the Healthcare Sector and (ii) current lease liabilities of RM5.2 million primarily from the leased commercial property for a postpartum centre. Barring any unforeseen circumstances, the Group should be able to meet its working capital commitments for the next 12 months in view of (i) a recently concluded subscription of 76,000,000 new ordinary shares in the Company at an issue price of S\$0.05 per ordinary share, raising gross proceeds of S\$3.8 million (approximately RM11.5 million); (ii) potential additional corporate fund raising exercises; and (iii) the Group's estimated revenue from the AIM and Healthcare sectors for FY2020.

#### **Review of Statement of Cash Flows**

For 4Q2019, the Group's operating activities generated a net cash of RM0.6 million. This was mainly due to (i) increase in operating payables of RM7.0 million; (ii) decrease in operating receivables of RM1.9 million; and (iii) decrease in contract costs of RM0.2 million. These were partially offset by (i) an operating loss before working capital changes of RM1.5 million; (ii) increase in other receivables and prepayments of RM5.7 million; (iii) increase in amount due from an associate of RM1.1 million; and (iv) increase in progress billings of RM0.2 million. Investing activities for 4Q2019 generated a net cash of RM0.4 million due mainly to (i) liquidation of a subsidiary generating RM0.3 million and (ii) disposal of subsidiaries generating RM0.1 million. Financing activities in 4Q2019 included an advance of RM0.4 million from a related party which was offset by the payment of finance lease obligations of RM0.4 million.

For 12M2019, the Group's operating activities used a net cash of RM3.4 million. This was mainly due to (i) operating loss before working capital changes of RM5.0 million; (ii) increase in other receivables and prepayments of RM5.7 million; (iii) increase in progress billings of RM2.7 million; (iv) increase in amount due from an associate of RM1.3 million; and (v) interest payments of RM0.3 million. These were partially offset by (i) increase in operating payables of RM6.7 million; (ii) decrease in operating receivables RM3.5 million; (iii) decrease in contract costs RM1.0 million; (iv) decrease in inventories of RM0.3 million; and (v) tax refunds of RM0.3 million. Investing activities in 12M2019 generated net cash of RM0.4 million from (i) cash proceeds of RM0.3 million from the liquidation of a subsidiary and (ii) net cash of RM0.1 million from disposal of subsidiaries. Financing activities for 12M2019 generated RM5.6 million in net cash from (i) RM5.8 million in net proceeds from the subscription of 80,000,000 new ordinary shares; and (ii) an advance of RM0.4 million from a related party; which were partially offset by the payment of finance lease obligations of RM0.6 million.

As a result of the above the cash and bank balance was RM3.0 million as at 31 December 2019, as compared to RM1.1 million as at 31 December 2018.



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

No forecast or prospect statement has been previously disclosed to shareholders.

**10. A commentary at the date of the announcement of the significant trend 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**

Asset Integrity Management Sector

Oil price has dropped by 20% since the start of the novel Coronavirus (Covid-19) that has caused a widespread shutdown in China's economy. Oil demand is expected to contract in 1Q2020, the first quarterly contract in more than 10 years<sup>1</sup>. This has prompted OPEC and its non-OPEC allies to consider additional cuts on top of the 1.7 mb/d already pledged<sup>2</sup>. Although the Energy Information Agency (EIA) still forecasts average oil price for 2020 at USD 55.71/bbl, the full impact of Covid-19 on the global economy and oil demand is still uncertain until the outbreak can be controlled.

Despite the sharp drop in oil price, the Group is cautiously optimistic about its performance in the Engineering Business Division as over the past few years, the Group has transformed its business into a centre of disruptive technologies for the brownfield market segment, focusing on advanced technologies that offer cost savings to customers. Malaysia, Vietnam and India remain the focused countries of the Engineering Business Division. Since January 2020, a number of new strategic alliance agreements have been signed with technology providers from Australia, Singapore and Russia in the fields of Advanced Inspection Solutions and Corrosion Control Solutions, which further consolidate the Group's position as a regional platform to channel disruptive technologies to customers in both upstream and downstream sectors in Asia.

Healthcare Sector

Subsequent to the EGM of 16 October 2019, apart from the acquisition of Lady Paradise (M) Sdn Bhd, which currently operates the postpartum care centre at SS2 Petaling Jaya, Selangor, the Healthcare Division has also been actively seeking out and negotiating to set up postpartum care centres, one each in Malaysia and Singapore. The Singapore centre is situated at 49 and 49A Hendon Road and is currently undergoing renovation and refurbishment works. The Singapore centre is expected to commence operations in 2Q2020. The Malaysia centre is situated at Level 2, Pacific Star Business Hub, Section 13, Petaling Jaya, Selangor and is expected to commence operations in 3Q2020.

In mid-January 2020, the Group organised a ground breaking event for the Malaysia centre and marked the launching of our postpartum care centres' name, **NADORA**, which is a combination of **NASCIO**, being the Greek goddess of birth and protector of infants, and **DORO** which means Gift in Greek.

In the midst of the COVID-19 outbreak, we are proceeding with the construction and renovation of our postpartum centres, mindful of the capital expenditure. Barring any unforeseen circumstance, we are cautiously optimistic on the future of the Healthcare Sector.

**11. If a decision regarding dividend has been made:**

**(a) Whether an interim (final) ordinary dividend has been declared (recommended)**

No.

**(b) Previous corresponding period/rate %**

None

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

There is no interim dividend recommended and declared by the Directors in respect of the current financial period ended 31 December 2019 as the Group recorded a loss from its continuing operations in 4Q2019 and 12M2019.

<sup>1</sup> <https://www.naturalgasintel.com/articles/121076-iaa-cuts-global-oil-demand-forecast-on-coronavirus>

<sup>2</sup> <https://www.iea.org/reports/oil-market-report-february-2020>

**13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

**(a) Business Segment**

	Asset Integrity Management		Healthcare		Corporate		Discontinued Operations		Combined	
	FY2019 RM'000	FY2018 RM'000	FY2019 RM'000	FY2018 RM'000	FY2019 RM'000	FY2018 RM'000	FY2019 RM'000	FY2018 RM'000	FY2019 RM'000	FY2018 RM'000
<b>REVENUE</b>										
Total sales	14,191	14,142	28	-	-	-	-	18,438	14,219	32,580
Inter-segment sales	(4,451)	(11,181)	-	-	-	-	-	-	(4,451)	(11,181)
External sales	9,740	2,961	28	-	-	-	-	18,438	9,768	21,399
<b>RESULTS</b>										
Segment results	(4,729)	(33,247)	(625)	-	(1,802)	25,061	9,221	(8,119)	2,065	(16,305)
Finance costs	(393)	(506)	56	-	-	-	-	(10)	(337)	(516)
Share of results of associates	(75)	50	-	-	-	-	-	-	(75)	50
Taxation	(5,197)	(33,703)	(569)	-	(1,802)	25,061	9,221	(8,129)	1,653	(16,771)
Profit/(Loss) for the Year									58	(281)
Profit/(loss) attributable to									1,711	(17,052)
- owners of the parent									1,711	(17,052)
- non-controlling interest									144	-
Profit/(Loss) for the Year									1,855	(15,921)
<b>OTHER INFORMATION</b>										
Segment assets	10,579	19,516	18,550	-	1,331	94	66	2,872	30,526	22,387
Investment in associates	-	83	-	-	-	-	-	-	-	83
Combined total assets (excluding taxation)	10,579	19,599	18,550	-	1,331	94	66	2,872	30,526	22,470
Unallocated assets									7,820	1,764
Consolidated total assets									38,346	24,234
Segment liabilities (excluding taxation)	13,148	17,787	19,497	-	542	1,825	147	11,634	33,334	31,246
Unallocated liabilities									250	3,163
Consolidated total liabilities									33,584	34,409
Capital expenditure										
- property, plant and equipment	7	610	-	-	-	-	-	208	7	818
Amortisation of intangible assets	54	137	-	-	-	-	-	3	54	140
Depreciation of property, plant and equipment	622	909	1	-	-	-	-	659	623	1,568
Depreciation of right-of-use asset	267	-	426	-	-	-	-	-	693	-
(Write-back)/Impairment of property, plant and equipment	834	44	-	-	-	-	-	-	834	44
Property, plant and equipment written off	79	157	-	-	-	-	-	-	79	157
Gain on disposal of property, plant and equipment	(22)	(18)	-	-	-	-	-	371	(22)	353
Allowance for inventories	87	1,022	-	-	-	-	-	-	87	1,022
Inventories written off	60	197	14	-	-	-	132	1	206	198

	Asset Integrity Management		Healthcare		Corporate		Discontinued Operations		Combined	
	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018	FY2019	FY2018
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Write back payables and accrued expenses due to deconsolidation of subsidiary	-	-	-	-	-	-	(11,645)	-	(11,645)	-
(Write back)/Allowance for doubtful receivables	(2)	103	-	-	-	-	23	2	21	105
VAT receivables written off	290	-	-	-	-	-	-	-	290	-
Receivables written off	125	496	-	-	-	-	-	103	125	599
Write back payables	(108)	-	-	-	-	-	-	-	(108)	-
Write back accrued expenses	(65)	-	-	-	-	-	-	-	(65)	-
Gain on settlement of post-employment	-	(55)	-	-	-	-	-	(95)	-	(150)
Reversal of accrued commission	-	(2,541)	-	-	-	-	-	-	-	(2,541)
Loss on deconsolidation of subsidiary	-	-	-	-	-	-	(868)	-	(868)	-
Loss on liquidation of subsidiary	-	-	-	-	-	-	(929)	-	(929)	-
(Gain)/Loss on disposal of subsidiary	(40)	-	-	-	-	-	-	5,411	(40)	5,411
Finance lease income	-	-	-	-	-	-	-	-	-	(165)
Loss on disposal of asset held for sale	-	168	-	-	-	-	-	-	-	168
Loss on finance lease receivable	-	-	-	-	-	-	-	44	-	44

\*\* Business segments classified under Discontinued operations include Exploration & Production, Renewable Energy and Mobile Natural Gas

**(b) Geographical Segment**

The following table shows the distribution of the Group's combined sales based on geographical location of customers.

	FY2019 RM'000	FY2018 RM'000
<u>Continuing operations</u>		
Nigeria	3,175	-
Vietnam	2,849	625
Malaysia	2,313	1,228
Thailand	1,431	40
India	-	587
Ghana	-	273
Indonesia	-	209
Others	-	-
Revenue from continuing operations	9,768	2,962
<u>Discontinued operation</u>		
Indonesia	-	18,438
Revenue from discontinued operations	-	18,438
<b>Total Revenue</b>	<b>9,768</b>	<b>21,399</b>

**14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments**

Please refer to Note 8 above.

15. A breakdown of sales

	Group						% change decrease
	FY2019 RM'000			FY2018 RM'000			
	Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations	Total	
a) Sales reported for first half year	4,069	-	4,069	1,608	12,314	13,922	(71%)
b) Operating profit/loss after tax before deducting non-controlling interests reported for first half year	(3,748)	(295)	(4,043)	(4,473)	(1,912)	(6,385)	(37%)
c) Sales reported for second half year	5,699	-	5,699	1,353	6,124	7,477	(24%)
d) Operating profit/loss after tax before deducting non-controlling interests reported for second half year	(3,684)	10,004	6,320	(4,333)	(6,334)	(10,667)	n.m.

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

Company	FY2018 SGD	FY2017 SGD
(a) Ordinary	-	-
(b) Preference	-	-
(c) Total	-	-

17. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect

The Group does not have a general mandate from shareholders for interested person transactions ("IPTs") pursuant to Rule 920(1)(a)(ii) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited the ("Catalist Rules"). There were no IPTs entered into during the financial period reported on which exceeds S\$100,000 in value.

18. Use of Proceeds from Share Subscription

The Board of Directors wishes to provide an update on the use of the proceeds arising from the allotment and issue of 80.0 million new ordinary shares at an issue price of S\$0.025 per share in the capital of the Company through a share subscription exercise (the "Share Subscription") that was completed on 15 May 2019. The net proceeds of approximately S\$1.906 million (after deducting expenses of approximately S\$0.094 million incurred by the Company in connection with the Share Subscription) have been utilised as follows:

Use of Proceeds	Amount allocated (as announced on 26 April 2019) (S\$'000)	Amount utilised as at the date of this announcement (S\$'000)	Balance of net proceeds as at the date of this announcement (S\$'000)
(i) Identify and invest into new business	1,000	491	509
(ii) Working capital	906	853 <sup>(1)</sup>	53
Total	1,906	1,344	562

Note:

- Working capital utilisation comprise of (i) payment of trade and other payables of S\$274 thousand; (ii) payment of professional fees of S\$263 thousand; and (iii) manpower and overheads of S\$316 thousand.

The Board of Directors further wishes to provide an update on the use of the proceeds arising from the allotment and issue of 76.0 million new ordinary shares at an issue price of S\$0.05 per share in the capital of the Company through a share subscription exercise (the "Share Subscription") that was completed on 14 January 2020. The net proceeds of approximately S\$3.788 million (after deducting expenses of approximately S\$0.012 million incurred by the Company in connection with the Share Subscription) have been utilised as follows

Use of Proceeds	Amount allocated (as announced on 23 December 2019)	Amount utilised as at the date of this announcement	Balance of net proceeds as at the date of this announcement
	(S\$'000)	(S\$'000)	(S\$'000)
(i) Renovation and refurbishment of postpartum centres	3,000	1,390	1,610
(ii) Working capital	788	788 <sup>(1)</sup>	0
Total	3,788	2,178	1,610

Note:

1. Working capital utilisation has been for overheads including property rental for a postpartum centre.

**19. 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 all the required undertakings under the Rule 720(1) of the Catalist Rules have been obtained from its Directors and Executive Officers in the format set out in Appendix 7H of the Catalist Rules.

**20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement**

The Company confirms that there is no person occupying a managerial position in the Company and its subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company pursuant to Rule 704(10) of the Catalist Rules.

**ON BEHALF OF THE BOARD OF DIRECTORS**

CHRISTOPHER NGHIA DO PRESIDENT & CEO	HARRY NG LEAD INDEPENDENT DIRECTOR
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Date: 28 February 2020