

**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 2018 ("1H2019") S\$'000	30 Sep 2017 ("1H2018") S\$'000	%
Revenue			
Sales of goods	6,636	5,758	15.25
Sales of services	10,614	12,829	(17.27)
Total revenue	<u>17,250</u>	<u>18,587</u>	(7.19)
Other income	90	156	(42.31)
Costs and expenses			
Costs of sales	(10,951)	(11,997)	(8.72)
Staff costs	(2,762)	(2,868)	(3.70)
Depreciation of property, plant and equipment	(972)	(974)	(0.21)
Foreign exchange (loss)	(98)	(312)	(68.59)
Share of result of associates	(511)	(296)	72.64
Other operating expenses	(1,288)	(1,379)	(6.60)
	<u>(16,582)</u>	<u>(17,826)</u>	(6.98)
Profit from operations	758	917	(17.34)
Finance expense	(375)	(468)	(19.87)
Profit before taxation	<u>383</u>	<u>449</u>	(14.70)
Taxation	(112)	(52)	115.38
Profit after taxation	<u>271</u>	<u>397</u>	(31.74)
Profit attributable to:			
Equity holders of the parent	55	111	(50.45)
Non-controlling interest	216	286	(24.48)
	<u>271</u>	<u>397</u>	(31.74)

Consolidated Statement of Comprehensive Income

	Group		
	1H2019 S\$'000	1H2018 S\$'000	
Profit after taxation	271	397	(31.74)
Other comprehensive income:			
Fair value adjustment of available-for-sale investment	-	3	(100.00)
Foreign currency translation on foreign operations	1,751	(1,013)	(272.85)
Total comprehensive income for the period	<u>2,022</u>	<u>(613)</u>	(429.85)
Total comprehensive income attributable to:			
Equity holders of the parent	1,578	(749)	(310.68)
Non-controlling interest	444	136	226.47
	<u>2,022</u>	<u>(613)</u>	(429.85)

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

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

	Group		Increase/ (Decrease)
	1H2019 S\$'000	1H2018 S\$'000	%
Interest expenses	(375)	(468)	(19.87)
Depreciation of property, plant and equipment	(972)	(974)	(0.21)
(Allowance for)/ Write back of doubtful debts	(16)	30	(153.33)

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

	30 Sep 2018 S\$'000	Group 31 Mar 2018 S\$'000 Restated	1 Apr 2017 S\$'000 Restated	Company 30 Sep 2018 S\$'000	31 Mar 2018 S\$'000
Non-current assets					
Property plant and equipment	60,976	59,549	64,489	1	1
Investment in subsidiaries	-	-	-	38,133	38,133
Investment in associates	5,197	5,053	-	-	-
Goodwill	175	175	175	-	-
Amount due from associates	17,610	17,271	-	-	-
Other investments	4,522	4,637	4,328	-	-
	88,480	86,685	68,992	38,134	38,134
Current assets					
Inventories	3,772	3,124	3,956	-	-
Trade receivables	5,599	6,460	5,585	-	-
Other receivables	2,609	2,052	2,138	104	15
Construction in progress	-	-	7,188	-	-
Amount due from subsidiaries	-	-	-	25,545	25,151
Amount due from associates	94	78	15,278	-	-
Fixed deposits	630	605	2,074	-	-
Cash and bank balances	553	851	-	10	40
	13,257	13,170	36,219	25,659	25,206
Current liabilities					
Trade payables	4,903	4,799	7,387	-	-
Convertible bond	-	-	-	-	-
Bank overdraft	3,630	3,455	-	-	-
Loan from related companies	-	-	-	-	-
Loan and borrowings	21,105	21,217	20,400	2,200	2,200
Hire purchase creditors	71	59	63	-	-
Provision for taxation	456	455	430	-	-
	33,542	33,223	33,024	9,329	8,939
Net current (liabilities)/assets	(20,285)	(20,053)	3,195	16,330	16,267
Non-current liabilities					
Hire purchase creditors	(183)	(161)	(220)	-	-
Amount due to a related company	(3,259)	(3,227)	(3,819)	-	-
Loan and borrowings	-	(513)	(4,016)	-	-
Deferred tax liabilities	(47)	(47)	(47)	-	-
	(3,489)	(3,948)	(8,102)	-	-
Net assets	64,706	62,684	64,085	54,464	54,401
Share capital	46,757	46,757	46,757	46,757	46,757
Translation reserve	(964)	(2,487)	-	-	-
Fair value reserve	(41)	(41)	(44)	-	-
Revenue Reserve	12,051	11,996	11,073	7,707	7,644
Shareholders' equity	57,803	56,225	57,786	54,464	54,401
Non-controlling interests	6,903	6,459	6,299	-	-
	64,706	62,684	64,085	54,464	54,401

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

Amount repayable in one year or less, or on demand

30 September 2018		31 March 2018	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
16,268	8,538	16,306	8,425

Amount repayable after one year

30 September 2018		31 March 2017	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
183	-	674	-

Details of any collateral

Fixed assets purchased under hire-purchase contracts with a carrying amount of S\$278,000 (31 March 2018: S\$247,000).

The Group's power plant with carrying amount of S\$50,942,000 (31 March 2018: S\$55,301,000) is subject to a first charge to secure the bank loans and borrowings.

The Group's factory building with a carrying value of S\$3,362,000 (31 March 2018: S\$3,406,000) is subject to a first charge to secure the bank loans and borrowings.

The Group's fixed deposits amounting to S\$630,000 as at 30 September 2018 (31 March 2018: S\$605,000) 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 1H2019 S\$'000	1H2018 S\$'000
Cash flows from operating activities		
Profit before taxation	382	449
Adjustments for:		
Depreciation of property, plant and equipment	972	974
Interest income	(15)	-
Interest expense	375	468
Allowance for/ (write back) of doubtful debts	16	(30)
Share of results of associates	511	296
Currency alignment	(315)	415
Operating cash flows before changes in working capital	1,926	2,572
(Increase)/decrease in inventories	(648)	284
Increase in construction in progress	-	(99)
Increase in amount due from associates	(499)	(597)
Decrease in trade and other receivables	288	86
Decrease in trade and other payables	(268)	(2,653)
Cash generated/(used in) from operations	799	(407)
Interest paid	(375)	(468)
Interest received	15	-
Income tax paid	(111)	(80)
Net cash generated from/ (used in) operating activities	328	(955)
Cash flows from investing activities		
Purchase of property, plant and equipment	(129)	(207)
Proceeds from sale of property, plant and equipment	18	-
Net cash used in investing activities	(111)	(207)
Cash flows from financing activities		
Net utilisation of trust receipts	324	(735)
(Repayment of)/proceeds from interest bearing term loans	(949)	2,228
(Increase)/decrease in pledged deposit	(25)	10
Repayment of hire purchase creditors (net)	(40)	(32)
Net cash (used in)/ generated from financing activities	(690)	1,471
Net (decrease)/increase in cash and cash equivalents	(473)	309
Cash and cash equivalents at beginning of period	(2,604)	(955)
Cash and cash equivalents at end of period	(3,077)	(646)
Cash and cash equivalents consist of the following :		
Cash and bank balances	553	1,220
Fixed deposits	630	339
	1,183	1,559
Less: Pledged deposits	(630)	(339)
Less: Bank overdraft	(3,630)	(1,866)
	(3,077)	(646)

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	Fair Value Reserve	Total attributable to owner of the Company	Non-controlling interest	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
GROUP							
As at 31 March 2018 as previously stated	46,757	14,128	(4,619)	(41)	56,225	6,459	62,684
Adoption of SFRS(I) 1		(2,132)	2,132				-
Balance as restated at 1 April 2018	46,757	11,996	(2,487)	(41)	56,225	6,459	62,684
Profit for the year	-	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	12,051	(964)	(41)	57,803	6,903	64,706
GROUP							
As at 31 March 2017 as previously stated	46,757	13,205	(2,132)	(44)	57,786	6,299	64,085
Adoption of SFRS(I) 1		(2,132)	2,132				-
Balance as restated at 1 April 2017	46,757	11,073	-	(44)	57,786	6,299	64,085
Profit for the year	-	111	-	-	111	286	397
Other comprehensive income	-	-	(863)	3	(860)	(150)	(1,010)
Total comprehensive income for the period	-	111	(863)	3	(749)	136	(613)
Balance restated at 30 September 2017	46,757	11,184	(863)	(41)	57,037	6,435	63,472
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
COMPANY							
Balance at 1 April 2017	46,757	7,603	-	-	54,360	-	54,360
Total comprehensive income	-	20	-	-	20	-	20
Balance at 30 September 2017	46,757	7,623	-	-	54,380	-	54,380

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 have been 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 2018 and 30 September 2017.

The Company did not have any outstanding options or convertibles as at 30 September 2018 and 30 September 2017.

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 2018 and 31 March 2018
Total number of issued shares less: Treasury shares	1,324,462,688 NIL
Total number of issued shares excluding Treasury shares	1,324,462,688

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 1H2019.

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 1H2019.

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 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 a new financial reporting framework, Singapore Financial Reporting Standards (International) ("SFRS(I)") on 1 April 2018. In application of SFRS(I) 1, the Group has elected for the optional exemption to reset translation differences for all foreign operations to nil at the date of transition at 1 April 2017. As result, cumulative translation losses of S\$2.1 million was reclassified from foreign currency translation reserve to revenue reserves at 1 April 2017. The Group has adopted the amendments and interpretations of SFRS(I) ("INT SFRS(I)") that are effective for annual periods beginning on or after 1 April 2018. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new/revised SFRS(I) and INT SFRS(I) did not have any significant impact on the current or prior financial statements of the Group and the Company.

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)	
	1H2019	1H2018
(a) Based on weighted average number of ordinary shares in issue	0.004	0.008
(b) On a fully diluted basis	0.004	0.008

Note:

The earnings per ordinary share for 1H2019 is calculated based on the Group's profit attributable to equity holders of the parent of S\$55,000 (1H2018: S\$111,000) divided by the weighted average number of ordinary shares in issue of 1,324,462,688 in 1H2019 (1H2018: 1,324,462,688).

The basic and diluted earnings per ordinary share are the same for 1H2019 and 1H2018 because there were no potentially dilutive ordinary securities as at 30 September 2018 and 30 September 2017 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 2018	31 March 2018	30 Sep 2018	31 March 2018
Net asset value per ordinary share based on total number of issued shares as at the end of the financial period (Singapore Cents)	4.4	4.2	4.1	4.1

Note:

The net asset value per ordinary share as at 30 September 2018 is calculated based on 1,324,462,688 (31 March 2018: 1,324,462,688) ordinary shares in issue.

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, costs, 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

Revenue

	1H2019		1H2018		Increase / (Decrease)
	S\$'000	% of total revenue	S\$'000	% of total revenue	%
By business divisions					
- Fire-fighting and Protection	7,613	44.1%	6,979	37.5%	9.08
- Power related	9,637	55.9%	11,608	62.5%	(16.98)
Total	17,250	100.0%	18,587	100.0%	(7.19)

The Group's revenue for 1H2019 decreased by 7.2% to S\$17.3 million from S\$18.6 million in 1H2018. The primary reason for the decrease was due to the decrease in revenue from the Power related division by S\$2.0 million due to lower revenue in Phnom Penh plant and drop in demand from a major customer having their own sub station in Special Economic Zone. However, a increase of demand will be foreseen with the opening of a new phase in the Zone. This is partially offset by a 9.1% increase in revenue from the Fire-fighting and protection business segment due to increase in industrial sales, both local and overseas.

Profitability

The Group's profit from operations decreased approximately S\$0.1 million from S\$0.9 million in 1H2018 to S\$0.8 million in 1H2019.

Cost of sales decreased by S\$1.0 million from S\$12.0 million in 1H2018 to S\$11.0 million in 1H2019. The decrease was mainly due to lower direct operating costs in the current period as a result of lower power generation of the power segment. Depreciation of property, plant and equipment remained flat at S\$1.0 million as the net book value of some power plant assets have reached their respective residual values. These assets remain in operation. The Group recorded a foreign exchange loss of S\$0.1 million in 1H2019 as compared to loss of S\$0.3 million in 1H2018, arising from unrealised revaluation of the foreign currencies payables of the Malaysia Ringgit denominated subsidiaries in which Malaysia Ringgit has weakened against the Group's functional currency (SGD) in 1H2019 as compared to the corresponding period. The performance in the associates had declined slightly as the share of losses incurred by associates increased from S\$0.3 million in 1H2018 to S\$0.5 million in 1H2019, caused by some unforeseen temporary setbacks in relation to the overhauling of the turbine earlier than scheduled of the Maju Intan Biomass Energy Sdn Bhd's power plant.

Finance cost decreased by 19.9% in 1H2018 as there is lower debt outstanding as compared with the previous corresponding period.

The increase of taxation cost by 15.4% in 1H19 was largely contributed by higher profitability from the Fire-fighting and protection business segments, despite the lower revenue for the Group compared to 1H2018.

Due to a combination of the above factors, the Group's net profit declined by S\$0.12 million to S\$0.3 million in 1H2019. The profit attributable is skewed towards more to 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 year.

Balance Sheet

As at 30 September 2018, non-current assets increased by S\$1.8 million to S\$88.5 million as compared to S\$86.4 million as at 31 March 2018 largely due to the strengthening of the US Dollars in translating the value of the PPE.

Current assets increased by S\$0.1 million resulted from an increase in inventories by S\$0.7 million due from increase in demand from the Fire-fighting and protection segment and offset by decrease from receivables by S\$0.3 million of the Fire-fighting and protection business due to more stringent collection measures and decrease in cash and cash equivalents by S\$0.3 million, compared to 31 March 2018.

Current liabilities decreased by S\$0.3 million to S\$33.5 million as at 30 September 2018 from S\$33.2 million as at 31 March 2018. The increase arose from the increase in trade and other payables by S\$0.2 million contributed by the Fire-fighting and protection business segment's higher trade revenue and bank overdraft which increased by S\$0.1 million to S\$3.6 million as at 30 September 2018. The increase was partially offset by a decrease of loan and borrowings approximately by S\$0.1 million due to repayment.

Non-current liabilities as at 30 September 2018 decreased by S\$0.5 million, mainly due to repayment of the long term portion of the bank loan.

As at 30 September 2018, the Group had a net current liabilities position of S\$20.3 million which arose from the utilisation of short-term financing on the Group's energy projects in Cambodia and Malaysia as well as the reclassification arising from the deferment of amount due from associate, MJE, and capitalisation of construction in progress to net investment in associates. The Group has been closely monitoring the Maju Intan plant performance. Subsequent to 30 September 2018, the company has completed a placement exercise that raised net proceeds of S\$3.77 million and the Group is currently in negotiations to restructure existing loans to improve its liquidity position. In addition, subsequent to FY2018, the Group has successfully rolled over approximately S\$13.4 million of short term loans, and continues to fulfil its debt obligations. 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\$64.7 million as at 30 September 2018.

Cash Flow

In 1H2019, a net cash inflow arising from of S\$0.3 million was recorded from operating activities as compared to a net cash outflow of S\$1.0 million in 1H2018. The change was mainly due to changes in working capital depreciation expenses of S\$0.9 million and partially offset by the increase in inventories of S\$0.6 million. Under investing activities, net cash of S\$0.1 million was used to finance the purchase of commercial vehicles and machineries. Net cash used in financing activities of S\$0.7 million in 1H2019 was mainly to repay loan and borrowings. Overall cash and cash equivalents decreased by S\$0.5 million in 1H2019.

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 sustain the current performance, especially in the supply of products from both local and overseas. The Phnom Penh and Silhanoukville plants are expected to remain flat for the next half year while an increase in demand is expected in the Special Economic Zone coming from additional machineries installed by a multi national beverage company. The biomass project in Malaysia has rectified most of the underlying obstacles and expecting an improved performance from the 2nd half of the year.

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

No dividend has been recommended for the current financial period reported on.

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 Catalyst Rules. There was no IPT of S\$100,000 and above for entered into during 1H2019.

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. Utilisation of proceeds from new shares subscription

The Company refers to the net proceeds amounting to S\$3.77 million (after deducting estimated costs and expenses incurred in connection with the subscription of 232 million shares (the "Subscription") of approximately S\$60,000) completed on 26 October 2018 (the "Net Proceeds").

As of date of the announcement, the Net Proceeds have been partially utilised as follows:

Intended use	Amount raised (S\$' million)	Amount utilised (S\$' million)	Balance (S\$' million)
Reducing Group's debts and payables	2.20	1.00	1.20
Investment in new projects	0.60	0.25	0.35
Working capital requirements*	0.97	0.45*	0.52
Total	3.77	1.25	2.07

* Breakdown of working capital requirements

- Purchases of raw materials S\$0.32 million
- Payment of trade payables S\$0.13 million

The above utilisations are in accordance with the intended use of the net proceeds and percentage allocated, as stated in the announcement dated 12 October 2018.

The Board will continue to update in periodic announcements on the utilisation of the balance of the proceeds from the subscription as and when the proceeds are materially disbursed and provide a status report on such use in its annual report and its half yearly and full year financial results announcements.

16. 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 2018 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 2018

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"), for compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

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

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