

**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 2017 ("1H2018") S\$'000	30 Sep 2016 ("1H2017") S\$'000	
Revenue			
Sales of goods	5,758	6,552	(12.12)
Sales of services	12,829	12,991	(1.25)
Total revenue	18,587	19,543	(4.89)
Other income	156	232	(32.76)
Costs and expenses			
Costs of sales	(11,997)	(11,760)	2.02
Staff Costs	(2,868)	(3,031)	(5.38)
Depreciation of property, plant and equipment	(974)	(1,963)	(50.38)
Foreign exchange (loss)/gain	(312)	173	(280.35)
Share of result of associates	(296)	(778)	(61.95)
Other operating expenses	(1,379)	(1,382)	(0.22)
	(17,826)	(18,741)	(4.88)
Profit from operations	917	1,034	(11.32)
Finance expense	(468)	(546)	(14.29)
Profit before taxation	449	488	(7.99)
Taxation	(52)	(98)	N.M.
Profit after taxation	397	390	1.79
Profit attributable to:			
Equity holders of the parent	111	117	(5.13)
Non-controlling interest	286	273	4.76
	397	390	1.79

N.M: Not meaningful

Consolidated Statement of Comprehensive Income

	Group		Increase/ (Decrease) %
	1H2018 S\$'000	1H2017 S\$'000	
Profit after taxation	397	390	1.79
Other comprehensive income:			
Fair value adjustment of available-for-sale investment	3	3	-
Foreign currency translation on foreign operations	(1,013)	224	(552.23)
Total comprehensive income for the period	(613)	617	(199.35)
Total comprehensive income attributable to:			
Equity holders of the parent	(749)	291	(357.39)
Non-controlling interest	136	326	(58.28)
	(613)	617	(199.35)

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

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

	Group		Increase/ (Decrease) %
	1H2018 S\$'000	1H2017 S\$'000	
Interest expenses	(468)	(546)	(14.29)
Depreciation of property, plant and equipment	(974)	(1,963)	(50.38)
Write back of/(Allowance for) doubtful debts	30	(46)	100.00

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 2017 S\$'000	31 Mar 2017 S\$'000	30 Sep 2017 S\$'000	31 Mar 2017 S\$'000
Non-current assets				
Property plant and equipment	62,106	64,489	1	1
Investment in subsidiaries	-	-	38,133	38,133
Investment in associates	-	-	-	-
Goodwill	175	175	-	-
Amount due from associates	15,195	-	-	-
Other investments	4,405	4,328	-	-
	<u>81,881</u>	<u>68,992</u>	<u>38,134</u>	<u>38,134</u>
Current assets				
Inventories	3,672	3,956	-	-
Trade receivables	5,378	5,585	-	-
Other receivables	2,294	2,138	96	7
Construction in progress	7,287	7,188	-	-
Amount due from subsidiaries	-	-	25,323	25,166
Amount due from associates	680	15,278	-	-
Fixed deposits	339	349	-	-
Cash and bank balances	1,220	1,725	13	42
	<u>20,870</u>	<u>36,219</u>	<u>25,432</u>	<u>25,215</u>
Current liabilities				
Trade payables	4,909	7,387	-	-
Other payables and accruals	4,746	4,744	460	377
Bank overdraft	1,866	2,680	-	-
Amount due to subsidiaries	-	-	6,526	6,412
Loan and borrowings	20,031	17,720	-	-
Hire purchase creditors	63	63	-	-
Provision for taxation	402	430	-	-
	<u>32,017</u>	<u>33,024</u>	<u>6,986</u>	<u>6,789</u>
Net current (liabilities)/assets	<u>(11,147)</u>	<u>3,195</u>	<u>18,446</u>	<u>18,426</u>
Non-Current liabilities				
Hire purchase creditors	(188)	(220)	-	-
Amount due to a related company	(3,710)	(3,819)	-	-
Loan and borrowings	(3,317)	(4,016)	(2,200)	(2,200)
Deferred tax liabilities	(47)	(47)	-	-
	<u>(7,262)</u>	<u>(8,102)</u>	<u>(2,200)</u>	<u>(2,200)</u>
Net assets	<u>63,472</u>	<u>64,085</u>	<u>54,380</u>	<u>54,360</u>
Share capital	46,757	46,757	46,757	46,757
Translation reserve	(2,995)	(2,132)	-	-
Fair value reserve	(41)	(44)	-	-
Revenue Reserve	13,316	13,205	7,623	7,603
Shareholders' equity	<u>57,037</u>	<u>57,786</u>	<u>54,380</u>	<u>54,360</u>
Non Controlling interests	6,435	6,299	-	-
	<u>63,472</u>	<u>64,085</u>	<u>54,380</u>	<u>54,360</u>

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

Amount repayable in one year or less, or on demand

30 September 2017		31 March 2017	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
14,601	7,359	13,463	7,000

Amount repayable after one year

30 September 2017		31 March 2017	
S\$'000	S\$'000	S\$'000	S\$'000
Secured	Unsecured	Secured	Unsecured
1,305	2,200	2,036	2,200

Details of any collateral

Fixed assets purchased under hire-purchase contracts with a carrying amount of S\$287,000 (31 March 2017: S\$322,000).

The Group's power plant with carrying amount of S\$52,039,000 (31 March 2017: S\$60,136,000) is subject to a first charge to secure the bank loans and borrowings.

The Group's factory building with a carrying value of S\$3,457,000 (31 March 2017: S\$3,504,000) is subject to a first charge to secure the bank loans and borrowings.

The Group's fixed deposits amounting to S\$339,000 as at 30 September 2017 (31 March 2017: S\$349,000) 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	
	1H2018 S\$'000	1H2017 S\$'000
Cash flows from operating activities		
Profit before taxation	449	488
Adjustment for:		
Depreciation of property, plant and equipment	974	1,963
Interest income	-	(9)
Interest expense	468	546
(Write back of)/Provision for allowance of doubtful debts	(30)	46
Share of results of associates	296	778
Currency alignment	415	(630)
Operating cash flows before changes in working capital	2,572	3,182
Increase in inventories	284	(30)
Increase/(decrease) in construction in progress	(99)	284
Increase in amount due from associates	(597)	(3,629)
Decrease in trade and other receivables	86	1,516
(Decrease)/Increase in trade and other payables	(2,653)	2,599
Cash (used in)/generated from operations	(407)	3,922
Interest paid	(468)	(546)
Interest received	-	9
Income tax paid	(80)	(74)
Net cash (used in)/generated from operating activities	(955)	3,311
Cash flows from investing activity		
Purchase of property, plant and equipment	(207)	(57)
Net cash used in investing activity	(207)	(57)
Cash flows from financing activities		
Net repayment of trust receipts	(735)	(481)
Proceeds from/(Repayment) of interest bearing term loans	2,228	(6,432)
Decrease in pledged deposit	10	2,699
Repayment of hire purchase creditors (net)	(32)	(20)
Net cash generated from/(used in) financing activities	1,471	(4,234)
Net increase/(decrease) in cash and cash equivalents	309	(980)
Cash and cash equivalents at beginning of period	(955)	270
Cash and cash equivalents at end of period	(646)	(710)
Cash and cash equivalents consist of the following :		
Cash and bank balances	1,220	1,519
Fixed deposits	339	-
	1,559	1,519
Less: Pledged deposits	(339)	-
Less: Bank overdraft	(1,866)	(2,229)
	(646)	(710)

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							
Balance at 1 April 2017	46,757	13,205	(2,132)	(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 at 30 September 2017	46,757	13,316	(2,995)	(41)	57,037	6,435	63,472
GROUP							
Balance at 1 April 2016	46,757	13,118	(3,163)	(44)	56,668	5,666	62,334
Profit for the year	-	117	-	-	117	273	390
Other comprehensive income	-	-	171	3	174	53	227
Total comprehensive income for the period	-	117	171	3	291	326	617
Balance at 30 September 2016	46,757	13,235	(2,992)	(41)	56,959	5,992	62,951
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
COMPANY							
Balance at 1 April 2016	46,757	6,856	-	-	53,613	-	53,613
Total comprehensive income	-	(177)	-	-	(177)	-	(177)
Balance at 30 September 2016	46,757	6,679	-	-	53,436	-	53,436

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 2017 and 30 September 2016.

The Company did not have any outstanding options or convertibles as at 30 September 2017 and 30 September 2016.

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.

	30 September 2017	31 March 2017
Total number of issued shares less Treasury shares	1,324,462,688 NIL	1,324,462,688 NIL
Total number of issued shares excluding Treasury shares	1,324,462,688	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 1H2018.

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 1H2018.

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 2017.

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 adopted the new/revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 April 2017. 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 FRS and INT FRS 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	
	1H2018	1H2017
(a) Based on weighted average number of ordinary shares in issue	0.008 Singapore Cent	0.009 Singapore Cent
(b) On a fully diluted basis	0.008 Singapore Cent	0.009 Singapore Cent

Note:

The earnings per ordinary share for 1H2018 is calculated based on the Group's profit attributable to equity holders of the parent of S\$111,000 (1H2017: S\$117,000) divided by the weighted average number of ordinary shares in issue of 1,324,462,688 in 1H2018 (1H2017: 1,324,462,688).

The basic and diluted earnings per ordinary share are the same for 1H2018 and 1H2017 because there were no potentially dilutive ordinary shares as at 30 September 2017 and 30 September 2016 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 2017	31 March 2017	30 Sep 2017	31 March 2017
Net asset value per ordinary share based on total number of issued shares as at the end of the financial period (Singapore Cents)	4.3	4.3	4.1	4.1

Note:

The net asset value per ordinary share as at 30 September 2017 is calculated based on 1,324,462,688 (31 March 2017: 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

	1H2018		1H2017		Increase / (Decrease)
	S\$'000	% of total revenue	S\$'000	% of total revenue	%
By business divisions					
- Fire-fighting and Protection	6,979	37.5%	8,037	41.1%	(13.16)
- Power related	11,608	62.5%	11,506	58.9%	0.89
Total	18,587	100.0%	19,543	100.0%	(4.89)

The Group's revenue for 1H2018 decreased by approximately S\$0.9 million to S\$18.6 million from S\$19.5 million in 1H2017, a 5% decrease. The primary reason for the decrease was due to the decrease in revenue from the Fire-Fighting and protection division by S\$1.0 million; from S\$8.0 million in 1H2017 to S\$7.0 million in 1H2018 due to lower sales from the industrial sector during the financial period. The decline in the sale was mainly due to the continued depressed marine and oil and gas industries.

Profitability

The Group's profit from operations decreased approximately S\$0.1 million from S\$1.0 million in 1H2017 to S\$0.9 million in 1H2018.

Cost of sales increased by S\$0.2 million from S\$11.8 million in 1H2017 to S\$12.0 million in 1H2018. The increase was mainly due to higher direct operating expenses in the current period. Depreciation of property, plant and equipment decreased by approximately 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\$0.3 million in 1H2018 as compared to a gain of S\$0.2 million in 1H2017, following a weakening of US dollar in 1H2018 as compared to the corresponding period. The performance in the associates improved as the share of loss incurred by associates declined from S\$0.8 million in 1H2017 to S\$0.3 million in 1H2018, boosted by increased power generation from improved efficiency of the power plant, Maju Intan Biomass Energy Sdn Bhd.

Finance cost decreased by 14.3% in 1H2018 as there are lower debt outstanding as compared with the corresponding prior period.

Due to a combination of the above factors, the Group's net profit remained on par at S\$0.4 million in 1H2018.

Balance Sheet

As at 30 September 2017, non-current assets increased by S\$12.9 million to S\$81.9 million as compared to S\$69.0 million as at 31 March 2017 mainly due to the deferment of amount due from associate, Maju Intan Biomass Energy Sdn Bhd, amounting to S\$15.2 million. The increase was partially offset by the decrease in the net book value of property, plant and equipment due to depreciation.

Current assets decreased by S\$15.3 million mainly due to the reclassification of amount due from associate from current assets to non-current assets following a deferment of the amount to support the Maju Intan Biomass Energy Sdn Bhd's effort in improving the operating efficiency of the plant.

Current liabilities decreased by S\$1.0 million to S\$32.0 million as at 30 September 2017 from S\$33.0 million as at 31 March 2017. The decrease arose from settlement of trade payables which reduced by S\$2.5 million in 1H2018 and of bank overdraft which decreased by S\$0.8 million to S\$1.9 million as at 30 September 2017. The decrease was partially offset by an increase of loan and borrowings approximately by S\$2.3 million that were used to repay trade payables.

Non-current liabilities as at 30 September 2017 decreased by S\$0.8 million, mainly due to repayment of loan and borrowings.

As at 30 September 2017, the Group had a net current liabilities position of S\$11.1 million as compared against a net current assets position of S\$3.2 million as at 31 March 2017. The net current liabilities 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, Maju Intan Biomass Energy Sdn Bhd, in 1H2018. The Group has been closely monitoring the Maju Intan plant performance and noted the performance of the plant has made continued improvements. The Group is currently in negotiations to restructure existing loans to improve its liquidity position. In addition, the Group has successfully rolled over approximately S\$13.4 million of short term loans in 1H2018, and has continued to fulfill 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\$63.5 million as at 30 September 2017.

Cash Flow

In 1H2018, a net cash outflow of S\$1.0 million was recorded from operating activities as compared to a net cash inflow of S\$3.3 million in 1H2017. The change was mainly due to decrease in trade and other payables by S\$2.7 million. Under investing activities, net cash of S\$0.2 million was used to finance the purchase of commercial vehicles. Net cash generated from financing activities of S\$1.5 million in 1H2018 was mainly due to the proceeds from loan and borrowings which were used for repayment of trade payables. Overall cash and cash equivalents increased by S\$0.3 million in 1H2018.

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 remain challenging in view of the current economy outlook, especially in the marine and oil and gas segment.

The biomass project in Malaysia is currently undergoing alterations and additions works to further enhance its operation efficiency.

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 Catalist Rules. There was no IPT of S\$100,000 and above for 1H2018.

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 Yew, 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 2017 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 Yew

BY ORDER OF THE BOARD

Tan Boon Kheng
Managing Director
10 November 2017

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 Catalist. 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)