



**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FOURTH QUARTER AND TWELVE MONTHS ENDED 31 DECEMBER 2019**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR RESULTS**

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

	Group			Group		
	3 months ended			12 months ended		
	31.12.19	31.12.18		31.12.19	31.12.18	
	(4Q 2019)	(4Q 2018)	Change	(12M 2019)	(12M 2018)	Change
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Revenue	4,446	3,385	31	13,310	17,186	(23)
Cost of sales	(1,403)	(3,109)	(55)	(6,661)	(9,518)	(30)
<b>Gross profit</b>	<b>3,043</b>	<b>276</b>	<b>n.m.</b>	<b>6,649</b>	<b>7,668</b>	<b>(13)</b>
Other operating expenses, net	(20,495)	(39,048)	(48)	(20,176)	(39,094)	(48)
Administrative and marketing expenses	(1,141)	(889)	28	(4,034)	(3,532)	14
<b>Loss from operating activities</b>	<b>(18,593)</b>	<b>(39,661)</b>	<b>(53)</b>	<b>(17,561)</b>	<b>(34,958)</b>	<b>(50)</b>
Finance income	55	33	67	194	108	80
Finance costs	(2,501)	(2,793)	(10)	(7,782)	(7,030)	11
<b>Net finance cost</b>	<b>(2,446)</b>	<b>(2,760)</b>	<b>(11)</b>	<b>(7,588)</b>	<b>(6,922)</b>	<b>10</b>
Share of results of jointly controlled entities (net of tax)	(185)	(22)	n.m.	(167)	1,497	n.m.
<b>Loss before taxation</b>	<b>(21,224)</b>	<b>(42,443)</b>	<b>(50)</b>	<b>(25,316)</b>	<b>(40,383)</b>	<b>(37)</b>
Taxation	(476)	(842)	(43)	(1,433)	(1,325)	8
<b>Loss after taxation</b>	<b>(21,700)</b>	<b>(43,285)</b>	<b>(50)</b>	<b>(26,749)</b>	<b>(41,708)</b>	<b>(36)</b>
Non-controlling interests	1,765	(111)	n.m.	1,499	(316)	n.m.
<b>Loss for the period/year</b>	<b>(19,935)</b>	<b>(43,396)</b>	<b>(54)</b>	<b>(25,250)</b>	<b>(42,024)</b>	<b>(40)</b>

**Loss for the period is arrived at after crediting/(charging) the following:-**

	Group			Group		
	3 months ended			12 months ended		
	31.12.19	31.12.18		31.12.19	31.12.18	
	(4Q 2019)	(4Q 2018)	Change	(12M 2019)	(12M 2018)	Change
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
- Net finance cost	(2,446)	(2,760)	(11)	(7,588)	(6,922)	10
- Depreciation and amortisation	(992)	(2,358)	(58)	(4,953)	(8,049)	(38)
- Impairment of plant and equipment/financial assets/trade receivables	(20,184)	(39,120)	(48)	(20,217)	(38,212)	(47)

n.m. = not meaningful

**Statements of Financial Position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	<b>Group</b>		<b>Company</b>	
	<b>31.12.2019</b>	<b>31.12.2018</b>	<b>31.12.2019</b>	<b>31.12.2018</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
<b>Non-current assets</b>				
Property, plant and equipment	42,416	70,305	-	4
Intangible assets	2,155	3,611	-	-
Subsidiaries	-	-	46,481	56,082
Joint ventures	4,948	5,413	14,217	14,153
Other investments	-	292	-	292
Other receivables	7,564	7,818	6,990	6,990
	<b>57,083</b>	<b>87,439</b>	<b>67,688</b>	<b>77,521</b>
<b>Current assets</b>				
Inventories	565	448	-	-
Assets held for sale	6,429	4,468	-	-
Trade and other receivables	11,585	7,558	778	2,620
Amounts due from subsidiaries	-	-	3,637	3,201
Amounts due from joint ventures	1,824	1,796	1,479	1,489
Cash and cash equivalents	5,246	5,862	470	2,847
	<b>25,649</b>	<b>20,132</b>	<b>6,364</b>	<b>10,157</b>
<b>Total assets</b>	<b>82,732</b>	<b>107,571</b>	<b>74,052</b>	<b>87,678</b>
<b>Equity</b>				
Share capital	274,545	272,670	274,545	272,670
Convertible perpetual capital securities	6,811	6,811	6,811	6,811
Redeemable exchangeable preference shares	7,042	7,042	-	-
Warrants	2,384	2,384	2,384	2,384
Other reserves	(6,481)	(3,271)	(1,276)	(984)
Accumulated losses	(304,807)	(279,270)	(290,352)	(271,881)
<b>Equity attributable to owners of the Company</b>	<b>(20,506)</b>	<b>6,366</b>	<b>(7,888)</b>	<b>9,000</b>
Non-controlling interests	705	2,226	-	-
<b>Total equity</b>	<b>(19,801)</b>	<b>8,592</b>	<b>(7,888)</b>	<b>9,000</b>
<b>Non-current liabilities</b>				
Other payables	152	91	-	-
Amounts due to subsidiaries	-	-	21,716	22,859
Amounts due to related parties	23,621	22,400	23,621	22,400
Financial liabilities	16,444	16,221	-	71
Deferred tax liabilities	1,288	1,238	-	-
	<b>41,505</b>	<b>39,950</b>	<b>45,337</b>	<b>45,330</b>
<b>Current liabilities</b>				
Trade and other payables	13,402	12,438	7,047	6,794
Amounts due to joint venture	114	76	114	76
Amounts due to related parties	1,861	1,929	1,824	1,893
Financial liabilities	45,279	44,120	27,618	24,585
Provision for tax	372	466	-	-
	<b>61,028</b>	<b>59,029</b>	<b>36,603</b>	<b>33,348</b>
<b>Total liabilities</b>	<b>102,533</b>	<b>98,979</b>	<b>81,940</b>	<b>78,678</b>
<b>Total equity and liabilities</b>	<b>82,732</b>	<b>107,571</b>	<b>74,052</b>	<b>87,678</b>

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

	Group			
	As at 31.12.2019		As at 31.12.2018	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Amount repayable in one year or less, or on demand	45,279	1,861	44,120	1,929
Amount repayable after one year	16,444	23,621	16,221	22,400

**Details of any collateral**

Secured borrowings as at 31 December 2019 and 31 December 2018 were secured by mortgages on the respective hydro-electric power generation equipment, solar photovoltaic power plant, offshore support vessels and onshore accommodation module.

Included in cash and cash equivalents of US\$4,656,000 (31 December 2018: US\$5,018,000) being restricted or earmarked by the banks for various facilities granted.

1(b)(iii) Statement of comprehensive income for the period ended 31 December 2019

	Group			Group		
	3 months ended		Change	12 months ended		Change
	31.12.19 (4Q 2019) US\$'000	31.12.18 (4Q 2018) US\$'000		31.12.19 (12M 2019) US\$'000	31.12.18 (12M 2018) US\$'000	
Loss for the period/year	(21,700)	(43,285)	(50)	(26,749)	(41,708)	(36)
Other comprehensive income/(loss)						
<b><u>Items that may be reclassified subsequently to profit and loss:</u></b>						
Effective portion of changes in fair value of cash flow hedge	(1)	(11)	(91)	(35)	11	n.m.
Exchange differences on monetary items forming part of net investment in foreign operations	(130)	1,380	n.m.	(917)	(430)	n.m.
Foreign currency translation differences relating to financial statements of foreign operations	381	(1,868)	n.m.	723	(2,569)	n.m.
	250	(499)	n.m.	(229)	(2,988)	(92)
<b><u>Item that is not be reclassified to profit and loss:</u></b>						
Net change in fair value of financial assets at fair value through other comprehensive income (FVOCI)	273	(489)	n.m.	(2,970)	(958)	n.m.
Net change in fair value of actuarial gain or loss	(1)	-	n.m.	(33)	-	n.m.
Other comprehensive income/(loss) for the period/year	522	(988)	n.m.	(3,232)	(3,946)	(18)
Total comprehensive income/(loss) for the period/year	(21,178)	(44,273)	(52)	(29,981)	(45,654)	(34)
Attributable to:						
Owners of the Company	(19,469)	(44,172)	(56)	(28,460)	(45,867)	(38)
Non-controlling interests	(1,709)	(101)	n.m.	(1,521)	213	n.m.
	(21,178)	(44,273)	(52)	(29,981)	(45,654)	(34)

n.m. = not meaningful

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.

	Group			
	3 months ended		12 months ended	
	31.12.19	31.12.18	31.12.19	31.12.18
	(4Q 2019)	(4Q 2018)	(12M 2019)	(12M 2018)
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Cash flows from operating activities</b>				
Loss before taxation	(21,224)	(42,443)	(25,316)	(40,383)
<b>Adjustments for:-</b>				
Depreciation of property, plant and equipment	954	2,332	4,802	7,946
Amortisation of intangible assets	38	26	151	103
Impairment losses/(write-back of impairment) on:				
- property, plant and equipment	16,772	34,254	16,772	34,254
- financial asset	1,816	4,442	1,816	4,442
- intangible assets	1,306	-	1,306	-
- other receivables	290	424	323	(484)
Net fair value loss on derivative assets	-	-	-	28
Interest income	(55)	(33)	(194)	(108)
Interest expense	2,501	2,793	7,782	7,030
Equity-settled share-based payment transaction	-	(26)	45	124
Share of results of jointly controlled entities, net of tax	185	22	167	(1,497)
<b>Operating profit before working capital changes</b>	<b>2,583</b>	<b>1,791</b>	<b>7,654</b>	<b>11,455</b>
<b>Changes in working capital:</b>				
Inventories	(30)	26	(119)	(446)
Trade and other receivables	(2,507)	714	(3,870)	(4,024)
Trade and other payables	1,001	1,940	1,180	3,160
Income tax paid	(165)	295	(931)	(1,081)
<b>Net cash generated from operating activities</b>	<b>882</b>	<b>4,766</b>	<b>3,914</b>	<b>9,064</b>
<b>Cash flows from investing activities</b>				
Purchase of plant and equipment	(76)	(849)	(385)	(1,001)
Net cash inflow from acquisition of subsidiary	-	-	-	40
Non-trade amounts due to joint venture	-	-	-	32
Interest income received	55	33	194	108
<b>Net cash used in investing activities</b>	<b>(21)</b>	<b>(816)</b>	<b>(191)</b>	<b>(821)</b>
<b>Cash flows from financing activities</b>				
Proceeds from borrowings	51	-	134	-
Repayment of borrowings	(1,731)	(2,094)	(2,825)	(3,777)
Non-trade amounts due to a related party	-	-	-	217
Decrease/(increase) in restricted cash	1,222	(2,063)	362	(3,201)
Interest expense paid	(466)	(171)	(1,654)	(1,218)
<b>Net cash used in financing activities</b>	<b>(924)</b>	<b>(4,328)</b>	<b>(3,983)</b>	<b>(7,979)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(63)</b>	<b>(378)</b>	<b>(260)</b>	<b>264</b>
Cash and cash equivalents at beginning of period	653	1,291	844	1,160
Effect of exchange rate fluctuations on cash held	-	(69)	6	(580)
<b>Cash and cash equivalents at end of period/year</b>	<b>590</b>	<b>844</b>	<b>590</b>	<b>844</b>
<b>Cash and cash equivalent comprise:</b>				
	Group			
	3 months ended		12 months ended	
	31.12.19	31.12.18	31.12.19	31.12.18
	(4Q 2019)	(4Q 2018)	(12M 2019)	(12M 2018)
	US\$'000	US\$'000	US\$'000	US\$'000
Cash and cash equivalents as per statement of financial position	5,246	5,862	5,246	5,862
Less: Restricted cash	(4,656)	(5,018)	(4,656)	(5,018)
<b>Cash and cash equivalents as per consolidated statement of cash flows</b>	<b>590</b>	<b>844</b>	<b>590</b>	<b>844</b>

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.

**Statements of Changes in Equity**

The Group	Share capital	Perpetual securities	Redeemable exchangeable preference shares	Warrants	Foreign currency translation reserves	Fair value reserve	Hedging reserve	Accumulated losses	Total	Non-controlling interests	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Balance as at 1 January 2019</b>	<b>272,670</b>	<b>6,811</b>	<b>7,042</b>	<b>2,384</b>	<b>(2,329)</b>	<b>(958)</b>	<b>16</b>	<b>(279,270)</b>	<b>6,366</b>	<b>2,226</b>	<b>8,592</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(172)</b>	<b>(3,003)</b>	<b>(35)</b>	<b>(25,250)</b>	<b>(28,460)</b>	<b>(1,521)</b>	<b>(29,981)</b>
<b>Transactions with owners, recognised directly in equity</b>											
<b>Contributions by and distribution to owners</b>											
Issuance of ordinary shares	1,875	-	-	-	-	-	-	-	1,875	-	1,875
Accrued perpetual securities distributions	-	-	-	-	-	-	-	(332)	(332)	-	(332)
Equity-settled share-based payment transaction	-	-	-	-	-	-	-	45	45	-	45
<b>Total transactions with owners</b>	<b>1,875</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(287)</b>	<b>1,588</b>	<b>-</b>	<b>1,588</b>
<b>Balance as at 31 December 2019</b>	<b>274,545</b>	<b>6,811</b>	<b>7,042</b>	<b>2,384</b>	<b>(2,501)</b>	<b>(3,961)</b>	<b>(19)</b>	<b>(304,807)</b>	<b>(20,506)</b>	<b>705</b>	<b>(19,801)</b>

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. (Continued)

Statements of Changes in Equity

The Group	Share capital	Perpetual securities	Redeemable exchangeable preference shares	Warrants	Foreign currency translation reserves	Fair value reserve	Hedging reserve	Accumulated losses	Total	Non-controlling interests	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 January 2018	272,670	6,811	7,042	2,384	567	-	5	(237,049)	52,430	2,013	54,443
Total comprehensive income/(loss) for the year	-	-	-	-	(2,896)	(958)	11	(42,024)	(45,867)	213	(45,654)
Transactions with owners, recognised directly in equity											
Contributions by and distribution to owners											
Accrued perpetual securities distributions	-	-	-	-	-	-	-	(321)	(321)	-	(321)
Equity-settled share-based payment transaction	-	-	-	-	-	-	-	124	124	-	124
Total transactions with owners	-	-	-	-	-	-	-	(197)	(197)	-	(197)
Balance as at 31 December 2018	272,670	6,811	7,042	2,384	(2,329)	(958)	16	(279,270)	6,366	2,226	8,592

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. (Continued)

**Statements of Changes in Equity**

	Share capital US\$'000	Perpetual securities US\$'000	Warrants US\$'000	Foreign currency translation reserve US\$'000	Fair value reserves US\$'000	Accumulated losses US\$'000	Total US\$'000
<b>The Company</b>							
<b>Balance as at 1 January 2019</b>	<b>272,670</b>	<b>6,811</b>	<b>2,384</b>	<b>(26)</b>	<b>(958)</b>	<b>(271,881)</b>	<b>9,000</b>
Total comprehensive income for the year	-	-	-	26	(318)	(18,184)	(18,476)
<b>Transactions with owners, recognised directly in equity</b>							
<b>Contributions by and distribution to owners</b>							
Issuance of ordinary shares	1,875	-	-	-	-	-	1,875
Accrued convertible perpetual capital securities distributions	-	-	-	-	-	(332)	(332)
Equity-settled share-based payment transaction	-	-	-	-	-	45	45
Total transaction with owners	1,875	-	-	-	-	(287)	1,588
<b>Balance as at 31 December 2019</b>	<b>274,545</b>	<b>6,811</b>	<b>2,384</b>	<b>-</b>	<b>(1,276)</b>	<b>(290,352)</b>	<b>(7,888)</b>
<b>The Company</b>							
<b>Balance at 1 January 2018</b>	<b>272,670</b>	<b>6,811</b>	<b>2,384</b>	<b>-</b>	<b>-</b>	<b>(238,558)</b>	<b>43,307</b>
Total comprehensive income for the year	-	-	-	(26)	(958)	(33,126)	(34,110)
<b>Transactions with owners, recognised directly in equity</b>							
<b>Contributions by and distribution to owners</b>							
Accrued convertible perpetual capital securities distributions	-	-	-	-	-	(321)	(321)
Distribution on redeemable exchangeable preference shares	-	-	-	-	-	-	-
Equity-settled share-based payment transaction	-	-	-	-	-	124	124
Total transaction with owners	-	-	-	-	-	(197)	(197)
<b>Balance as at 31 December 2018</b>	<b>272,670</b>	<b>6,811</b>	<b>2,384</b>	<b>(26)</b>	<b>(958)</b>	<b>(271,881)</b>	<b>9,000</b>

- 1(d)(ii) Details of any changes in the company's share capital arising from right 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 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.**

During the fourth quarter of 2019, the Company had issued 490,312,500 new ordinary shares in relation to the Group's completion on acquisition of the entire issued and paid-up share capital of Saems Capital II BV and Blue Maven Asia Energy (Private) Limited.

The above newly issued shares rank pari passu in all respects with the previously issued shares except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the date of issuance of these newly issued shares.

As at 31 December 2019, the Company had 13,656,697,535 ordinary shares in issue and 3,084,660,568 outstanding convertibles convertible into one ordinary share each. As at 31 December 2018, the Company had 13,166,385,035 ordinary shares in issue and 3,084,660,568 outstanding convertibles convertible into one ordinary share each.

Out of the above-said, as at 31 December 2019 and 31 December 2018, there were 7,299,270 redeemable exchangeable preference shares in a subsidiary available for exchange into 523,620,516 ordinary shares of the Company.

The Company did not hold any treasury shares and subsidiary holdings as at 31 December 2019 and 31 December 2018.

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

As at 31 December 2019, the issued and paid-up share capital excluding treasury shares of the Company comprised 13,656,697,535 (31 December 2018: 13,166,385,035) ordinary shares.

- 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.**

Not applicable as the Company did not hold any treasury shares as at the end of the current financial period reported on.

- 1(d)(v) A statement showing all sales, transfers, disposal, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable as the Company did not hold subsidiary holdings as at the end of the current financial period reported on.

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

Not applicable.

- 3A Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:  
(a) Update on the efforts taken to resolve each outstanding audit issue**

The auditors have issued a disclaimer opinion on page 29 of the Company's annual report for the financial year ended 31 December 2018 due to:-

Matters relating to the recoverability of interests in divestment of certain asset

The Company has been working on the divestment on the assets. Upon receipt of binding offer from potential buyer, the fair value of the asset can be ascertained. The Group had provided an update on the divestment of the asset in the announcement dated 13 March 2020 as well as in section 10 of this announcement.

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

The Board confirms that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.



**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 under note 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the 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 and the Company have applied same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the year ended 31 December 2018, except for the adoption of new/revised SFRS(I) applicable for the financial period beginning 1 January 2019 as follows:

SFRS(I) 16 Leases

SFRS(I) INT 23 Uncertainty over Income Tax Treatments

Long-term Interests in Associates and Joint Ventures (Amendments to SFRS(I) 1-28)

Prepayment Features with Negative Compensation (Amendments to SFRS(I) 9)

Previously Held Interest in a Joint Operation (Amendments to SFRS(I) 3 and 11)

Income Tax Consequences of Payments on Financial Instruments Classified as Equity (Amendments to SFRS(I) 1-12)

Borrowing Costs Eligible for Capitalisation (Amendments to SFRS(I) 1-23)

Plan Amendment, Curtailment or Settlement (Amendments to SFRS(I) 1-19)

The adoption of the above standards do not have any significant impact on the financial statements except for SFRS(I)16.

**SFRS(I) 16 Leases**

SFRS(I) 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. SFRS(I) 16 replaces existing lease accounting guidance, including SFRS(I) 1-17 Leases, SFRS(I) INT 4 Determining whether an Arrangement contains a Lease, SFRS(I) INT 1-15 Operating Leases – Incentives and SFRS(I) INT 1-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard is effective for annual periods beginning on or after 1 January 2019, with early adoption permitted.

The Group and the Company adopted SFRS(I) 16 initially on 1 January 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting SFRS(I) 16 was recognised as an adjustment to the opening balance of retained earnings at 1 January 2019, with no restatement of comparative information. The Group and the Company adopted the practical expedient to grandfather the definition of a lease on transition.

As at 1 January 2019, the adoption of SFRS(I) 16 resulted in the following effects at the Group:-

	<b>Group US\$'000</b>
<b>Asset</b>	
Right-of-use assets	21,800
<b>Liabilities</b>	
Lease liabilities	16,635

There is no impact on the Company's financial statements on the adoption of SFRS(I)16.

The nature of expenses related to those leases with change as SFRS(I) 16 replaces the straight-line operating lease expense with depreciation charge for right-of-use assets and interest expense on lease liabilities.

**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			
	4Q 2019	4Q 2018	12M 2019	12M 2018
(in US\$ cents)				
(a) Based on weighted average number	(0.15)	(0.33)	(0.19)	(0.32)
(b) On a fully diluted basis *	(0.15)	(0.33)	(0.19)	(0.32)
Note:				
Weighted average number of ordinary shares (in million):				
- Basic earnings per share	13,177	13,166	13,169	13,166
- Diluted earnings per share *	13,177	13,166	13,169	13,166

\* The outstanding convertibles (including perpetual securities and redeemable exchangeable preference shares) were excluded in the computation of the diluted earnings per share because these convertibles were anti-dilutive for the respective financial periods.

**7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**

- (a) current financial period reported on; and  
(b) immediately preceding financial year.

	Group		Company	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
(in US\$ cents)				
Net asset value per ordinary share based on existing issued share capital excluding treasury shares as at the end of the year reported on	(0.15)	0.05	(0.06)	0.07

**8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and  
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

**Income Statement Review**

**4Q 2019 vs 4Q 2018**

The Group's revenue for the three months ended 31 December 2019 ("4Q19") increased by US\$1,061,000 to US\$4,446,000 as compared to the corresponding three months ended 31 December 2018 ("4Q18") due to higher generation of hydro power electricity as well higher tariff rates from mini-hydro power plant ("MHPPs"). The increase was partially offset by the suspension in revenue recognition in certain MHPPs, amounting to 13.6MW, that are pending finalisation of renewal of the Power Purchase Agreements ("PPAs").

The Group's cost of sales for 4Q19 decreased by US\$1,706,000 to US\$1,403,000 as compared to 4Q18. The decrease in cost of sales is largely as a result of lower depreciation expense post impairment exercise of assets in renewable energy segment and oil and gas segment in Dec 2018, coupled with cessation of depreciation charge on certain fully depreciated mini hydro assets from Sep 2019.

As a result of the above, the Group's gross profit for 4Q19 increased by US\$2,767,000 to US\$3,043,000 as compared to 4Q18.

Operating expenses in 4Q19 was primarily due to impairment losses on property, plant and equipment from renewable energy assets of US\$16,466,000, impairment of intangible assets of US\$1,306,000 and impairment of financial asset of US\$1,816,000.

Administrative and marketing expenses in 4Q19 increased largely due to one-off incurrence of legal and professional fees in relation to the arbitration with a charterer customer.

Finance costs in 4Q19 decreased as compared to 4Q18, largely due to additional accrual in interest expenses on outstanding loans in 4Q18.

Share of loss of jointly controlled entities in 4Q19 increased marginally due to lower revenue contribution from the Group's joint venture in India.

## **12M 2019 vs 12M 2018**

The Group's revenue for the twelve months ended 31 December 2019 ("12M19") decreased by US\$3,876,000 to US\$13,310,000 as compared to the corresponding twelve months ended 31 December 2018 ("12M18") largely due to lower rainfall during the year that resulted in lower revenue contribution from MHPPs as well as suspension in revenue recognition in certain hydro plants, amounting to 13.6 MW, that are pending finalisation of renewal of the PPAs.

The Group's cost of sales for 12M19 decreased by US\$2,857,000 to US\$6,661,000 as compared to 12M18. The decrease in cost of sales is largely due to lower depreciation expense post impairment exercise of assets in renewable energy segment and oil and gas segment in Dec 2018, coupled with cessation of depreciation charge from Sep 2019 on certain fully depreciated mini hydro assets.

As a result of the above, the Group's gross profit for 12M19 decreased by US\$1,019,000 to US\$6,649,000 as compared to 12M18.

Operating expenses in 12M19 was primarily due to impairment losses on property, plant and equipment from renewable energy assets of US\$16,466,000, impairment of intangible assets of US\$1,306,000 and impairment of financial asset of US\$1,816,000.

Administrative and marketing expenses in 12M19 increased largely due to one-off incurrence of legal and professional fees in relation to the arbitration with a charterer customer.

Higher finance costs was largely due to the increase in interest charges accumulated on existing loans from lenders and financial institutions.

Share of loss in 12M19 as compared to share of profit of jointly controlled entities in 12M18 was due to lower revenue contribution and higher interest expense incurred by the Group's joint venture in India.

## **Statement of Financial Position Review**

### **Non-current Assets**

The Group's Non-current Assets amounted to US\$57,083,000 as at 31 December 2019. The decrease of US\$30,356,000 was mainly due to impairment losses on the Group's property, plant and equipment, intangible assets arising from acquisition of subsidiary in prior year and reclassification of accommodation module from Non-current Assets to Current Assets pending its disposal in Oct 2020.

### **Current Assets**

The Group's Current Assets amounted to US\$25,649,000 as at 31 December 2019. The increase was mainly due to higher trade and other receivables due to slower collection of trade receivables from customers of US\$2,400,000 and higher accrued revenue of US\$1,600,000. Asset held for sale as of 31 December 2018 was made up of Alpha Energy Limited's shares which was impaired as at 31 December 2019. There was a reclassification of accommodation module from Property, Plant and Equipment as at 31 December 2018 to Asset held for sale as at 31 December 2019 of US\$6,429,000.

### **Total Liabilities**

The Group's Total Liabilities increased by US\$3,554,000 to US\$102,533,000 as at 31 December 2019 as compared to 31 December 2018. The increase was mainly due to higher accrual of financing costs to lenders, financial institutions and related parties. In addition, there was an increase in financial liabilities due to higher outstanding loans.

### **Reclassification of borrowings to current liabilities**

As at 31 December 2019, the Group was in a net current liabilities position of US\$35,379,000. This was mainly due to the classification of the Group's term loans of US\$22,498,000 from Non-current liabilities to Current liabilities. The classification as current liabilities was a result of the Group ceasing certain scheduled loan repayments. The Group is still in negotiations with the banks to refinance the said term loans.

## **Going concern**

The Group had net liabilities of US\$19,801,000 as at 31 December 2019. This was largely due to the impairment loss of the Group's property, plant and equipment, intangible assets and financial assets as of 31 December 2019.

As announced in the Group's quarterly results announcements over the past financial year, the ability of the Group to continue as a going concern is contingent upon the continual support from the lenders, which is critical to the completion of the Group's financing restructuring exercise as well as the completion of the planned divestment of certain of the Group's assets.

In relation to the Singapore Exchange Securities Trading Limited's queries dated 9 March 2020 and dated 11 March 2020, the Company had on 13 March 2020 informed shareholders that the Board of Directors had directed the Company's management to engage an external consultant to review the Group's financial position and its ability to operate as a going concern (the "Financial Review").

The external consultant will:

- assess the Group's viability and future plans, which includes reviewing the cash flow projections prepared by management and discussing with management to ascertain the realisable value of the portfolio of the Group's assets;
- assist in management's assessment of the Group's ability to continue as a going concern; and
- propose the courses of actions that the Group may pursue to address the issues/concerns identified and re-evaluate the Group's current action plans.

The Company expects the report on the Financial Review to be issued by the external consultant by middle of April 2020 ("Financial Review Report"). The Company's Audit Committee and Board of Directors will be able to make a more informed assessment/decision of the Group's ability to carry on as a going concern after having obtained the Financial Review Report. The Company will provide its updates as and when there are material developments.

## **Statement of Cash Flows Review**

### **Cash Flow from Operating Activities**

The Group's net cash generated from operating activities in 4Q19 was US\$882,000. This was mainly due to cash collection from trade receivables, coupled with negotiation with creditors to defer certain payments.

### **Cash Flow from Investing Activities**

The Group's net cash used in investing activities in 4Q19 was US\$21,000. This was mainly due to addition in property, plant and equipments, partially offset by interest income received by the Group.

### **Cash Flow from Financing Activities**

The Group's net cash used in financing activities in 4Q19 was US\$924,000. This was mainly due to the net repayment of borrowings and interest expenses.

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

Not applicable. No forecast or prospect statement had been previously disclosed to shareholders.

**10 A commentary at the date of the announcement of the significant trends and 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.**

As at the date of this announcement, the Group had successfully restructured one of the subsidiary's bank financing facility for a maturity extension of seven years to October 2026 with a bank lender and had also entered into a standstill agreement up to October 2020 with another bank lender, of which the lender has agreed to withhold demand for payment under the standstill period. The Group is still in the discussion with one remaining bank lender in relation to its financing structure. In relation to the maturity of redeemable and exchangeable preference shares (the "REPS"), pursuant to the expiry of the standstill period on 29 February 2020, the Company is currently in the midst of discussion with the holders of the REPS to further extend the standstill period.

On the planned divestment of the Group's assets, the Group is currently in negotiation with prospective buyers on divesting certain of the Group's assets. The Group had signed a non-binding memorandum of understanding in January 2020 on one of its solar assets and is in negotiation for the definitive documentation. The Group had also started negotiation on a divestment of another solar asset in December 2019. However, the progress of the negotiation on such divestment has been delayed as a consequence of the recent outbreak of Covid-19.

As mentioned in paragraph 8 above, there are certain hydro plants in Sri Lanka that are pending finalisation of renewal of the PPA. While the operation of business activities of the mini hydro power assets remains within the Group's expectation, further prolonged finalisation of renewal of PPA as well as slower payment by the debtors on outstanding trade receivable balance will have negative impact on the Group's operating cashflows.

The Group had been awarded a final judgement in January 2020 amounting to approximately US\$36 million by the Singapore International Arbitration Center, in favour of the Group against a charterer customer. Over the next twelve months, the Group will be working with the legal counsels to enforce the final judgement in the relevant jurisdictional courts. However, as the actual recovery from the customer is uncertain and the Company had not accounted for this amount in its financial statements in the Results Announcement.

We will keep the shareholders updated on significant developments in relation to the Group's refinancing discussion.

**11 Dividend**

***(a) Current Financial Period Reported On***

No dividend was declared for the current financial period reported on.

***(b) Corresponding Period of the Immediately Preceding Financial Year***

No dividend was declared for the corresponding period of the immediately preceding financial year.

***(c) Date payable***

Not applicable.

***(d) Books closure date***

Not applicable.

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

As the Company incurred losses for 12M19, no dividend has been declared or recommended for the financial period.

**13 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 had on 30 April 2019, obtained a general mandate from shareholders for interested person transactions ("IPTs").

For details, please refer to the Appendix to Annual Report 2018 dated 15 April 2019.

Particulars of IPTs for the period 1 January 2019 to 31 December 2019 are as follows:

Name of interested person	Nature of relationship	Aggregate value of all IPTs during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) US\$	Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) US\$
Ezion Holdings Limited	Management fee paid/payable to *	NIL	363,924
Ezion Holdings Limited	Interest paid/payable to *	1,069,240 (note 1)	NIL

\*Ezion Holdings Limited is a controlling shareholder of the Company.

**Note (1) Details of the Interested Persons and Rationale for the transaction**

Ezion Holdings Limited ("**Ezion**") is a company incorporated in Singapore, specialised in the development, ownership and chartering of strategic offshore assets to support the offshore energy markets.

Ezion is a controlling shareholder with 39.99% shareholdings in the Company as at the date of the announcement. In accordance with Chapter 9 of the Catalist Rules, Ezion is deemed to be interested persons for the purposes of Chapter 9 of the Catalist Rules. Accordingly, transactions entered into between the Company and Ezion are regarded as interested person transactions and are subject to Chapter 9 of the Listing Manual.

As a result of the reduction of the Group's net tangible assets ("Group NTA"), the aggregate value of the IPT is 12.4% of the Group's latest audited NTA as at 31 December 2018. The Company entered into a loan agreement with Ezion during the financial year ended 31 December 2016 for the purpose of meeting Group's expansion in strategic renewable assets. The Group was in need of financing then but had encountered delays in obtaining external financing. A loan agreement with Ezion of US\$8 million was signed in financial year ended 31 December 2016, with an addendum to the loan agreement in financial year ended 31 December 2017 to increase the quantum of the loan to US\$22 million. The loan was advanced on the basis that there is no fixed term of repayment with interest charged at a rate of 5% per annum throughout the loan tenure. The rate of interest was set taking into account that the loan is unsecured and the financial position of the Group. As there is limited current resource for the Company to repay the loan, the interest of US\$1,069,240 was accrued for 12M19 in connection with the loan.

As mentioned above, as the interest payable to Ezion has exceeded 5% pf the Group's latest audited NTA, it is the intention of the Company to table the IPT at the upcoming Company's annual general meeting to approve the payment of interests.

**Audit Committee Statement**

The Audit Committee and the Board of Directors of the Company is of the view that the transaction was entered into on normal commercial terms and on an arm's length basis, and is not prejudicial to the interests of the Company.

**Interest of Directors and Substantial Shareholders**

Save as disclosed above, none of the Directors or Substantial shareholders of the Company have any interest, directly or indirectly, in the transaction.

**14 Confirmation of undertakings from Directors and Executive Officers**

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Catalist Rule 720(1).

## PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

- 15 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.**

For the year ended 31 December 2019 and 31 December 2018, all revenue, capital expenditure, assets and liabilities were derived from one single business segment in providing power and energy services.

Geographical segments information for the Group is as follows:

	Revenue		Non-current assets *	
	2019 US\$'000	2018 US\$'000	2019 US\$'000	2018 US\$'000
South Asia	9,681	12,384	27,079	40,203
East Asia	3,548	4,191	14,511	22,119
Australia	-	503	-	6,719
Others	81	108	826	1,264
Total operations	13,310	17,186	42,416	70,305

\* Non-current assets consist of property, plant and equipment (including Right-of-use assets).

- 16 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Please refer to paragraph 8.

- 17 A breakdown of financials as follows:-**

	Group		Variance (%)
	2019 US\$'000	2018 US\$'000	
Revenue			
(a) first half year	5,571	9,894	(44)
(b) second half year	7,739	7,292	6
Total for the year	13,310	17,186	
Total profit/(loss) after income tax before deducting non-controlling interest :			
(a) first half year	(3,253)	1,369	n.m.
(b) second half year	(23,496)	(43,077)	(45)
Total for the year	(26,749)	(41,708)	

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

Not applicable. No dividend has been declared or recommended for 12M19 and 12M18.

- 19 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.**

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

- 20 Disclosure of acquisition of the issuer to include the aggregate value of the consideration pursuant to Rule 706A**

Pursuant to Rule 706A of the Catalist Rules, the Company had issued and allotted 490,312,500 Consideration Shares for a total consideration of US\$1,875,000 on 30 December 2019 with regards to the acquisition of Saems Capital II BV and Blue Maven Asia Energy (Private) Limited. Upon completion of the acquisition, Saems Capital II BV and Blue Maven Asia Energy (Private) Limited have become indirect wholly-owned subsidiaries of the Company. For further details on the acquisition, please refer to the Company's announcement dated 1 April 2018.

### BY ORDER OF THE BOARD

\_\_\_\_\_  
**Tan Wee Sin**  
**Company Secretary**  
**31 March 2020**

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

*This announcement has not been examined or approved by the SGX-ST. The SGX-ST 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 Ms. Gillian Goh, Director, Head of Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and Email: [sponsorship@ppcf.com.sg](mailto:sponsorship@ppcf.com.sg)).*