



P5 CAPITAL HOLDINGS LTD.

**(Company Registration No.199806046G)
Incorporated in the Republic of Singapore**

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P5 CAPITAL HOLDINGS LTD.

Half Year Unaudited Financial Statements for the Period Ended 30 September 2020

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF HALF-YEAR RESULTS

1(a) 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.

Consolidated Statement of Profit or Loss / Comprehensive Income

	Note	Group 30.09.2020 S\$'000	Group 30.09.2019 S\$'000	Increase/ (Decrease) %
Revenue		1,352	4,101	(67)
Cost of sales		(724)	(2,295)	(68)
Gross profit		628	1,806	(65)
Other operating income		634	80	N.M.
Distribution expenses		(569)	(673)	(15)
Administrative expenses		(2,176)	(1,737)	25
Other operating expenses		(30)	(201)	(85)
Impairment loss on trade receivables & contract assets		(4)	(4)	-
Finance (costs)/income		(207)	986	N.M.
Results from operating activities		(1,724)	257	N.M.
Tax expense		-	-	-
(Loss)/profit for the period	(i)	(1,724)	257	N.M.
(Loss)/Earnings per share:				
Basic and diluted (loss)/earnings per share (cents)		(0.31)	0.05	
Consolidated statement of comprehensive income				
(Loss)/profit for the period		(1,724)	257	N.M.
Item that are or may be reclassified subsequently to profit or loss:				
Foreign currency translation differences		(64)	-	N.M.
Total comprehensive (loss)/profit for the period		(1,788)	257	N.M.

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

	Group S\$'000	Group S\$'000
	30.09.2020	30.09.2019
Depreciation of property, plant and equipment	(91)	(80)
Depreciation of right-of-use assets	(419)	(367)
Foreign exchange (loss)/gain	(158)	58
Allowance for inventory obsolescence	(30)	(162)

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group S\$'000		Company S\$'000	
	30.9.2020	31.3.2020	30.9.2020	31.3.2020
Non-current assets				
Property, plant and equipment	2,877	2,823	-	-
Right-of-use assets	686	872	-	-
Intangible assets	665	665		
Subsidiaries	-	-	5,695	5,695
Trade and other receivables	-	-	1,837	881
	4,228	4,360	7,532	6,576
Current assets				
Inventories	2,465	2,195	-	-
Trade and other receivables	1,549	1,868	171	65
Contract assets	103	73	-	-
Cash and cash held with financial institutions	8,932	10,873	7,830	9,799
	13,049	15,009	8,001	9,864
Total assets	17,277	19,369	15,533	16,440
Equity				
Share capital	19,264	19,264	19,264	19,264
Reserves	(7,786)	(5,998)	(3,989)	(3,234)
Total equity	11,478	13,266	15,275	16,030
Non-current liabilities				
Deferred tax liabilities	100	100	-	-
Lease liabilities	239	233	-	-
	339	333	-	-
Current liabilities				
Trade and other payables	3,270	3,806	258	410
Contract liabilities	1,640	1,204	-	-
Lease liabilities	550	760	-	-
	5,460	5,770	258	410
Total liabilities	5,799	6,103	258	410
Total equity and liabilities	17,277	19,369	15,533	16,440

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

Amount repayable in one year or less, or on demand

As at 30.9.2020		As at 31.3.2020	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$	S\$'000	S\$
550	-	760	-

Amount repayable after one year

As at 30.9.2020		As at 31.3.2020	
Secured	Unsecured	Secured	Unsecured
S\$	S\$	S\$	S\$
239	-	233	-

Details of any collateral

The above are finance lease liabilities relating to hire purchase taken up for the purchase of vehicles and lease liabilities that arose due to the application of SFRS(I) 16, which are secured over the right-of-use assets.

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

	Note	Group	
		30.9.2020 S\$'000	30.9.2019 S\$'000
Cash flows from operating activities			
Profit/(loss) for the period		(1,724)	257
Adjustments for:			
Allowance for inventories obsolescence		30	162
Allowance for impairment loss on trade receivables		4	4
Depreciation of property, plant and equipment		91	80
Depreciation of right-of-use assets		419	367
Loss on disposal of property, plant and equipment		-	38
Interest expense		74	8
Interest income		(26)	(62)
Net fair value gain on other investments		-	(923)
		<u>(1,132)</u>	<u>(69)</u>
Change in inventories		(300)	(126)
Change in contract assets		(30)	(29)
Change in trade and other receivables		299	720
Change in contract liabilities		436	(635)
Change in trade and other payables		<u>(380)</u>	<u>(440)</u>
Cash used in operations		<u>(1,107)</u>	<u>(579)</u>
Income tax paid		-	-
Net cash used in operating activities		<u>(1,107)</u>	<u>(579)</u>
Cash flows from investing activities			
Acquisition of property, plant and equipment		(233)	(24)
Proceeds from disposal of unquoted investment fund	(i)	-	4,600
Proceeds from disposal of property, plant and equipment		-	16
Interest received		26	62
Net cash (used in)/generated from investing activities		<u>(207)</u>	<u>4,592</u>
Cash flows from financing activities			
Repayment of lease liabilities		(436)	(367)
Repayment of loan from a director		(180)	-
Interest paid		<u>(11)</u>	<u>(8)</u>
Net cash used in financing activities		<u>(627)</u>	<u>(313)</u>
Net (decrease)/increase in cash and cash equivalents		(1,941)	3,700
Cash and cash equivalents at beginning of the period		<u>10,873</u>	<u>8,328</u>
Cash and cash equivalents at end of the period		<u>8,932</u>	<u>12,028</u>

Note:

- (i) Mainly due to the redemption of all the Company's participating shares held in Quantedge Global Fund (Offshore) amounting to a net sale proceeds of approximately S\$4.6 million.

- 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.

Statement of Changes in Equity

Group

	Share capital S\$'000	Translation reserve S\$'000	Accumulated (losses)/ profit S\$'000	Total equity S\$'000
At 1 April 2019	19,264	-	(5,235)	14,029
Total comprehensive income for the period				
Profit for the period	-	-	257	257
Total comprehensive income for the period	-	-	257	257
At 30 September 2019	19,264	-	(4,978)	14,286
At 1 April 2020	19,264	1	(5,999)	13,266
Total comprehensive income for the period				
Loss for the period	-	-	(1,724)	(1,724)
Other comprehensive income				
Foreign currency translation differences – foreign operations	-	(64)	-	(64)
Total comprehensive income for the period	-	(64)	(1,724)	(1,788)
At 30 September 2020	19,264	(63)	(7,723)	11,478

Company	Share capital S\$'000	Capital reserve S\$'000	Accumulated (losses)/profit S\$'000	Total equity S\$'000
At 1 April 2019	19,264	1,216	(4,473)	16,007
Total comprehensive income for the period				
Profit for the period	-	-	653	653
Total comprehensive income for the period	-	-	653	653
At 30 September 2019	19,264	1,216	(3,820)	16,660
At 1 April 2020	19,264	1,216	(4,450)	16,030
Total comprehensive income for the period				
Loss for the period	-	-	(755)	(755)
Total comprehensive income for the period	-	-	(755)	(755)
At 30 September 2020	19,264	1,216	(5,205)	15,275

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the 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.**

None.

The Company does not have treasury shares or any outstanding convertibles or subsidiary holdings as at 30 September 2020 (31 March 2020: Nil).

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

The number of ordinary shares issued excluding treasury shares as at 30 September 2020 is 557,524,443 (31 March 2020: 557,524,443).

- 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.

- 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.

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

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

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

Not applicable.

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

Except as disclosed in paragraph 5 below, the Group and the Company have applied the same accounting policies and methods of computation in the financial statements for the current financial year as compared with the audited financial statements for the year ended 31 March 2019.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has applied *COVID-19 Related Rent Concessions – Amendment to SFRS(I) 16*. The Group applies the practical expedient allowing it not to assess whether eligible rent concessions that are a direct consequence of the COVID-19 pandemic are lease modifications. The Group applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the Group choose not to apply the practical expedient, or that do not qualify for the practical expedient, the Group assesses whether there is a lease modification.

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	
	30.9.2020	30.9.2019
Net (loss)/profit attributable to shareholders (S\$'000)	(1,724)	257
Weighted average number of ordinary shares in issue		
- basic & diluted	557,524,443	557,524,443
Basic and diluted (loss)/earnings per share (cents)	(0.31)	0.05

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	
	30.9.2020	31.3.2020	30.9.2020	31.3.2020
Net asset value per ordinary share based on 557,524,443 shares as at 30 September 2019 and 31 March 2019 respectively	2.06 cents	2.38 cents	2.74 cents	2.88 cents

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.

Review of financial performance

The Group's revenue fell by approximately S\$2.75 million or 67% from S\$4.1 million for the 6 months ended 30 September 2019 ("1HFY2020") to S\$1.4 million for the 6 months ended 30 September 2020 ("1HFY2021"). The decrease in revenue was mainly due to the Circuit Breaker imposed by the Singapore Government, arising from the COVID-19 pandemic, which occurred in April to May, and was subsequently extended to 1 June 2020. The aftermath and impact of the Circuit Breaker, in addition to safety measures implemented by the authorities as businesses gradually resume, had impacted consumer behavior, delayed/stalled ongoing projects and affected the way businesses can continue to operate. Hence, the Group's revenue for 1HFY2021 could not recover to pre-Covid-19 level.:

Administrative expenses increased by approximately 25% to S\$2.18 million in 1HFY2021 resulting from costs incurred from Green Energy Investment Holding Private Limited (“GEI”) and its subsidiaries, and P5 Design Ventures Pte Ltd amounting approximately to S\$0.2 million and S\$0.1 million respectively.

The Group received the government grants under the Job Support Scheme of approximately \$0.3 million and rental rebates of approximately \$0.2 million as part of the COVID-19 Government Relief Measures, which contributed to the increase in other operating income to approximately \$0.63 million in 1HFY2021.

Finance costs of \$0.2 million in 1HFY2021 included unrealized exchange loss and interest accretion expenses on the interest-free director’s loans and other interest-free related party loans extended to GEI and Green Waste Recycling Company Private Limited (“GWRC”) in relation to their acquisition. Finance income in 1HFY2020 included the gain on the Company’s redemption of its investments in Quantedge Global Fund (Offshore) of approximately S\$0.9 million.

Overall, the Group’s loss for 1HFY2021 amounted to S\$1.7 million.

Review of financial position as at 30 September 2020

The net assets of the Group amounted to approximately S\$11.5 million as at 30 September 2020 as compared to approximately S\$13.3 million as at 31 March 2020. The overall decrease in net assets was mainly attributable to:

- (i) the increase in inventories was mainly due to new brands added to the Company’s offering under P5 Studio Pte. Ltd.;
- (ii) the decrease in Trade and other receivables from approximately S\$1.9 million as at 31 March 2020 to S\$1.5 million as at 30 September 2020 was mainly due to lower sales and active monitoring / collection of receivables; and
- (iii) the increase in Contract liabilities was mainly due to increased deposits received from new orders obtained.

Review of cashflow statement as at 30 September 2020

The Group’s Cash and cash held with financial institutions decreased from approximately S\$10.9 million as at 31 March 2020 to S\$8.9 million as at 30 September 2020 was mainly due to the following:

- (i) the net cash used in operating activities of approximately S\$1.1 million was attributed to the loss incurred for the period, partially offset by the increase in deposits received and the decrease in trade and other receivables;
- (ii) the net cash used in investing activities of approximately S\$0.2 million was mainly due to the purchase of property, plant and equipment from the green energy division; and
- (iii) the net cash used in financing activities of approximately S\$0.6 million which included the repayment of loan from a director.

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

No forecast has been disclosed.

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.

The Company continues to focus on rigorous cost management while maintaining a balanced and strategic approach to managing existing manpower and new talent acquisition in a fast-changing

market environment. With the progressive deterioration in the domestic retail environment, the interim period running up to the financial year end will continue to be fraught with challenges for the lifestyle business as retail industry continues to consolidate.

However, on-going digitalization that will provide real-time visual analytics is expected to bring about improved operational efficiency that will help the division capture new markets and revenue streams and maintain a tight grip on resource management. The management believes that the interim increase in manpower cost arising from talent acquisition will be a necessary and timely trade-off for forging recovery performance in the next 12 months in a more resilient property market. Management expects stronger sales to be realised as Singapore reopens its economy progressively in Phase 2 and 3.

Following the completion of acquisition of GEI and GWRC and incorporation of PT. Gold Fifty One, the Group has embarked on its foray to diversify its business into the renewable and sustainable energy industry by investing into the production of advanced biodiesel and activated carbon, including the provision of plant maintenance services. To bolster its future earnings, it intends to provide alternative source of clean energy to meet rising energy consumption in the South East Asia markets. However, the prolonged COVID-19 pandemic has disrupted its business plan.

Nevertheless, GEI and its subsidiaries are actively finding other sources of revenue to mitigate the COVID-19 economic impact. This is through offering and supporting commercial and government projects in its green solutions like powering of data centres and harbour craft. In addition, the Group is exploring ways to grow its green energy business, which includes but is not limited to, suitable co-investing opportunities that may arise with local partners in countries like Singapore, Indonesia, Malaysia and Thailand to promote and sell its green technologies.

**11. If a decision regarding dividend has been made,
(a) Whether an interim (final) ordinary dividend has been declared (recommended); and**

Nil

(b) (i) Amount per share (cents)

Nil

(ii) Previous corresponding period (cents)

Nil

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable

(d) The date the dividend is payable

Not applicable

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

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

No dividend had been declared for the half year ended 30 September 2020 as the Group had incurred a loss.

- 13. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 921(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company has not obtained a general mandate from shareholders for interested person transactions.

There were no interested person transactions entered into under shareholders' mandate or otherwise during the financial year under review that were \$100,000 or more pursuant to Rule 921(1)(a)(ii) of the Listing Manual.

- 14. Undertakings from Directors and Executive Officers**

Pursuant to amended Listing Rule 720(1) and in the form set out at Appendix 7H, the Company had procured its directors and relevant executive officers' undertakings.

BY ORDER OF THE BOARD

Ong Bee Hoon
Company Secretary

13 November 2020

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NEGATIVE ASSURANCE ON INTERIM RESULTS

Confirmation by the Board on announcement of results for the half year ended 30 September 2020

We, Mr Lim Shao-Lin and Mr Roger Daeson Khoo Kim Peng, being Directors of **P5 Capital Holding Ltd. (“Company”)**, do hereby confirm, for and on behalf of the Board of the Company that, to the best of our knowledge, nothing has come to the attention of the Board which may render the financial results for the half year ended 30 September 2020 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Lim Shao-Lin
Director

Roger Daeson Khoo Kim Peng
Director

13 November 2020