



P5 CAPITAL HOLDINGS LTD.

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

This announcement has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. ("**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The details of the contact person for the Sponsor is:

Name: Mr. Shervyn Essex, Registered Professional, RHT Capital Pte. Ltd.
Address: 9 Raffles Place, #29-01, Republic Plaza Tower 1, Singapore 048619
Tel: (65) 6381 6957



P5 CAPITAL HOLDINGS LTD.

Half Year Unaudited Financial Statements for the Period Ended 30 September 2019

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 30.09.2019 S\$'000	Group 30.09.2018 S\$'000	Increase/ (Decrease) %
Revenue		4,101	4,658	(12)
Cost of sales		(2,295)	(2,938)	(22)
Gross profit		1,806	1,720	5
Other operating income		80	22	N.M.
Distribution expenses		(673)	(760)	(11)
Administrative expenses		(1,737)	(1,994)	(13)
Other operating expenses		(201)	(162)	24
Impairment loss on trade receivables & contract assets		(4)	-	100
Finance income		986	134	N.M.
Results from operating activities		257	(1,040)	N.M.
Tax expense		-	-	-
Profit/(loss) for the period / Comprehensive income	(i)	257	(1,040)	N.M.
Earnings/(loss) per share:				
Basic and diluted earnings/(loss) per share (cents)		0.05	(0.19)	

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

	Group S\$'000	Group S\$'000
	30.09.2019	30.09.2018
Depreciation of property, plant and equipment	(80)	(95)
Depreciation of right-of-use assets	(367)	-
Foreign exchange gain	58	139
Allowance for inventory obsolescence	(162)	(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.

	Note	Group S\$'000		Company S\$'000	
		30.9.2019	31.3.2019	30.9.2019	31.3.2019
Non-current assets					
Property, plant and equipment		515	625	-	-
Right-of-use assets	3	1,295	-	-	-
Investment in unquoted investment fund	1	-	3,677	-	3,677
Goodwill on consolidation		77	77	-	-
Subsidiaries		-	-	2,863	2,863
Trade and other receivables		-	-	-	-
		1,887	4,379	2,863	6,540
Current assets					
Inventories		1,915	1,952	-	-
Trade and other receivables	2	1,770	2,494	41	29
Contract assets		110	81	-	-
Amounts due from subsidiaries		-	-	2,830	2,833
Cash and cash held with financial institutions	1	12,028	8,328	11,065	6,756
		15,823	12,855	13,936	9,618
Total assets		17,710	17,234	16,799	16,158
Equity					
Share capital		19,264	19,264	19,264	19,264
Reserves		(4,978)	(5,235)	(2,604)	(3,257)
Total equity		14,286	14,029	16,660	16,007
Non-current liability					
Lease liabilities	3	615	114	-	-
		615	114	-	-
Current liabilities					
Trade and other payables		511	951	139	151
Contract liabilities		1,481	2,116	-	-
Lease liabilities	3	817	24	-	-
		2,809	3,091	139	151
Total liabilities		3,424	3,205	139	151
Total equity and liabilities		17,710	17,234	16,799	16,158

Note

1. 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.
2. Included in the other receivables as at 31 March 2019 was the rental deposits relating to its showroom premises at Mohamed Sultan Road which were only refunded in June 2019 as well as more deposits placed for stocks display at the new showroom premises at Killiney Road.
3. Compared to 31 March 2019, the Group's total assets and total liabilities as at 30 September 2019 increased mainly due to the recognition of right-of-use assets and lease liabilities with effect from 1 April 2019 in accordance with SFRS(I) 16 *Leases*.

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 30.9.2019		As at 31.3.2019	
Secured S\$'000	Unsecured S\$	Secured S\$'000	Unsecured S\$
11	806	24	-

Amount repayable after one year

As at 30.9.2019		As at 31.3.2019	
Secured S\$	Unsecured S\$	Secured S\$	Unsecured S\$
121	494	114	-

Details of any collateral

The above secured lease liabilities relate to hire purchase taken up for the purchase of vehicles.

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	
		30.9.2019 S\$'000	30.9.2018 S\$'000
Cash flows from operating activities			
Profit/(loss) for the period		257	(1,040)
Adjustments for:			
Allowance for inventories obsolescence		162	162
Allowance for impairment loss on trade receivables		4	-
Depreciation of property, plant and equipment		80	95
Depreciation of Right-of-use assets	3/pg 3	367	-
Loss on disposal of property, plant and equipment		38	-
Interest expense		8	2
Interest income		(62)	(39)
Realised gain on unquoted investment fund		(889)	-
Unrealised foreign exchange gain on unquoted investment fund		(34)	(157)
Net change in fair value of other investments		-	60
		<u>(69)</u>	<u>(917)</u>
Change in inventories		(126)	137
Change in contract assets		(29)	11
Change in trade and other receivables	2/pg 3	720	254
Change in contract liabilities		(635)	72
Change in trade and other payables		<u>(440)</u>	<u>(15)</u>
Cash used in operations		<u>(579)</u>	<u>(458)</u>
Income tax paid		-	-
Net cash used in operating activities		<u>(579)</u>	<u>(458)</u>
Cash flows from investing activities			
Acquisition of property, plant and equipment		(24)	(143)
Proceeds from disposal of discontinued operation, net of cash disposed	*	-	1,862
Proceeds from disposal of unquoted investment fund	1/pg 3	4,600	-
Proceeds from disposal of property, plant and equipment		16	-
Net cash generated from investing activities		<u>4,592</u>	<u>1,719</u>
Cash flows from financing activities			
Interest paid		(8)	(2)
Interest received		62	39
Repayment of lease liabilities	3/pg 3	<u>(367)</u>	<u>(10)</u>
Net cash (used in)/generated from financing activities		<u>(313)</u>	<u>27</u>
Net increase in cash and cash equivalents		3,700	1,288
Cash and cash equivalents at beginning of the period		<u>8,328</u>	<u>7,135</u>
Cash and cash equivalents at end of the period		<u>12,028</u>	<u>8,423</u>

Note:

*The remaining purchase consideration receivable from the Purchaser of S\$1.862 million was received on 21 May 2018.

- 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 2018	19,264	-	(3,816)	15,448
Total comprehensive income for the period				
Loss for the period	-	-	(1,040)	(1,040)
Total comprehensive income for the period	-	-	(1,040)	(1,040)
At 30 September 2018	19,264	-	(4,856)	14,408
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

Company	Share capital S\$'000	Capital Reserve (i) S\$'000	Accumulated (losses)/profit S\$'000	Total equity S\$'000
At 1 April 2018	19,264	1,216	(3,800)	16,680
Total comprehensive income for the period				
Loss for the period	-	-	(236)	(236)
Total comprehensive income for the period	-	-	(236)	(236)
At 30 September 2018	19,264	1,216	(4,036)	16,444
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

Note:

- (i) This relates to the excess of net assets acquired over the consideration paid by P5 Capital Holdings Ltd. to SEPL in respect of the lighting business.

- 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 2019 (31 March 2019: 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 2019 is 557,524,443 (31 March 2019: 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.

- 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 for the adoption of the new/revised Singapore Financial Reporting Standards (International) (SFRS(I)) that became effective for the financial period beginning 1 April 2019, the Group and the Company have adopted the same accounting policies and methods of computation in the financial statements for the current financial period 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 adopted Singapore Financial Reporting Standards (International) (SFRS(I)) 16 *Leases*, effective for the annual periods beginning on or after 1 January 2019.

SFRS(I) 16

SFRS(I) 16 introduces a single, on-balance sheet lease accounting model for lessee. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and lease liability representing its obligation to make lease payments. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as financial or operating leases.

The Group applied the modified retrospective approach with no restatement of comparative information and the practical expedient for recognition exemptions for short-term leases and leases for low-value items. On 1 April 2019, the Group recognized right-of-use assets and lease liabilities of approximately S\$1,662,000.

The Group's activities as a lessor are not material.

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	
	30.9.2019	30.9.2018
Net profit/(loss) attributable to shareholders (S\$'000)	257	(1,040)
Weighted average number of ordinary shares in issue		
- basic & diluted	557,524,443	557,524,443
Basic and diluted loss per share (cents)	0.05	(0.19)

**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	
	30.9.2019	31.3.2019	30.9.2019	31.3.2019
Net asset value per ordinary share based on 557,524,443 shares as at 30 September 2019 and 31 March 2019 respectively	2.56 cents	2.52 cents	2.99 cents	2.87 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.**

The turnover of the Group for the 6 months ended 30 September 2019 ("1HFY2020") amounted to S\$4.1 million, a decrease of approximately 12% from the 6 months ended 30 September 2018 of S\$4.7 million. The decrease in revenue of the Group was mainly due to the decrease in revenue from bespoke carpentry and lower furniture sales, partially offset by higher revenue from lighting products.

P5 Studio Pte Ltd shifted its focus to supply mainly contract furniture instead of bespoke carpentry (which generally yielded lower profit margins). Retail furniture sales saw a lower demand and was also partially affected by the relocation of its showroom from Mohamed Sultan Road to Killiney Road in Apr/May 2019. The retail and contract furniture business generated an operating loss of approximately S\$0.5 million for 1HFY2020.

The Company redeemed all its participating shares held in Quantedge Global Fund (Offshore) (the “Fund”) on 12 August 2019. The excess of the net proceeds over the book value of the Fund as at 31 March 2019 was approximately S\$0.9 million.

Overall, the Group’s profit for 1HFY2020 amounted to S\$0.3 million.

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 refers to the Straits Times article published on 1 October 2019 regarding the rise of Private home prices by 0.9% in Q3. (“Article”)¹. As stated in the Article, “Despite Singapore’s economic slowdown and downside risks ahead, private home prices rose for the second consecutive quarter. The third-quarter price rise was driven by non-landed private homes, whose prices rose 1.7 per cent quarter on quarter, after increasing 2 per cent in the previous quarter. While the housing market continue to be influenced by forces in the wider economy, our population growth, rising household income, and positive employment numbers will remain key drivers for both home prices and demand over the long term. Singapore will remain an attractive safe haven for foreign investors to park their funds here.”²

The Group will continue its strategy to build and deepen the collaborative partnerships with designers, architects and clients to provide wider design solutions to meet the diverse market demands for both high end to mid-range residential and commercial projects.

As announced on 31 October 2019, the Group entered into a sale and purchase agreement to acquire Green Energy Investment Holding Private Limited (“GEI”) and Green Waste Recycling Company Private Limited (“GWRC”) (“Proposed Acquisition”). GEI is engaged in the investment of plants for the production of advanced biodiesel and activated carbon. GWRC is involved in the marketing and sales of biodiesel and activated carbon as well as providing plant maintenance support services. The initial primary market for the business is South East Asia. As the energy market focus gradually deviates from unsustainable sources, the Group hopes to meet the demand for renewable sustainable energy using its 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

¹ Article: <https://www.straitstimes.com/business/property/private-home-prices-rise-09-in-q3-ura-flash-data>

² *ibid*

(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 2019 in order to retain funds for working capital and future business expansion.

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.

Save as disclosed in paragraph 10 regarding the Proposed Acquisition, 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

8 November 2019

P5

NEGATIVE ASSURANCE ON INTERIM RESULTS

Confirmation by the Board on announcement of results for the half year ended 30 September 2019

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 2019 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

8 November 2019