Asiatic Group (Holdings) Limited
Unaudited Full Year Financial Statement and Dividend Announcement for the Financial Year Ended 31 March 2019

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1,Q2 & Q3), HALF YEAR AND FULL 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

	GROUP		Increase/
	FY2019	FY2018	(Decrease)
	S$'000	S$'000	%
Revenue			
Sales of goods	12,605	12,760	(1.2)
Sale of services	25,061	25,297	(0.9)
Total revenue	37,666	38,057	(1.0)
Other income	402	244	64.8
Costs and expenses			
Cost of sales	(25,925)	(24,459)	6.0
Staff cost	(5,703)	(5,873)	(2.9)
Depreciation of property, plant and equipment	(2,596)	(1,929)	34.6
Foreign exchange (loss)/gain	(73)	161	(145.3)
Other operating expenses	(7,104)	(2,872)	147.4
Impairment on financial assets	(9,939)	-	N.M.
Fair value loss on other investment	(3,140)	-	N.M.
Share of results of associates	(2,319)	(654)	254.6
	(56,799)	(35,626)	59.4
(Loss)/profit from operations	(18,731)	2,675	(800.2)
Finance costs	(755)	(797)	(5.3)
(Loss)/profit before taxation	(19,486)	1,878	(1,137.6)
Income tax expense	(494)	(463)	6.7
(Loss)/profit after taxation	(19,980)	1,415	(1,512.0)
Attributable to:			
Equity holders of the parent	(20,000)	923	(2,266.9)
Non-controlling interests	20	492	(95.9)
	(19,980)	1,415	(1,512.0)

Consolidated Statement of Comprehensive Income	GROUP		Increase/
	FY2019	FY2018	(Decrease)
	S$'000	S$'000	%
(Loss)/profit after taxation	(19,980)	1,415	(1,512.0)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Share of other comprehensive income of associate	64	(308)	(120.8)
Foreign currency translation on foreign operations	1,323	(2,510)	(152.7)
Total comprehensive income for the year	(18,593)	(1,403)	1,225.2
Total comprehensive income attributable to:			
Equity holders of the parent	(18,789)	(1,561)	1,103.7
Non-controlling interests	196	160	22.5
	(18,593)	(1,401)	1,227.1

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

Profit for the year is arrived at after crediting/(charging) the following:

	GROUP		Increase/
	FY2019	FY2018	(Decrease)
	S$'000	S$'000	%
Impairment on financial assets	(9,939)	-	N.M.
Impairment on investment in associate	(2,586)	-	N.M.
Fair value loss on other investment	(3,140)	-	N.M.
Interest income	16	15	6.7
Interest expenses	(755)	(797)	(5.3)
Gain on disposal of property, plant and equipment	3	-	N.M.

N.M: Not meaningful

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	
	31 Mar 2019 S$'000	31 Mar 2018 S$'000 Restated	1 Apr 2017 S$'000 Restated	31 Mar 2019 S$'000	31 Mar 2018 S$'000
Non current assets					
Property, plant and equipment	59,102	59,549	64,489	1	1
Investment in subsidiaries	-	-	-	48,892	38,133
Investment in associates	-	5,053	-	-	-
Goodwill	175	175	175	-	-
Amount due from associates	10,179	17,271	-	-	-
Other investments	1,522	4,637	4,328	-	-
	70,978	86,685	68,992	48,893	38,134
Current assets					
Inventories	3,979	3,124	3,956	-	-
Trade receivables	8,132	6,460	5,585	-	-
Other receivables	1,731	2,052	2,138	27	15
Construction in progress	-	-	7,188	-	-
Amount due from subsidiaries	-	-	-	-	25,151
Amount due from associates	-	78	15,278	-	-
Fixed deposits	653	605	2,074	-	-
Cash and bank balances	513	851	-	23	40
	15,008	13,170	36,219	50	25,206
Current liabilities					
Trade payables	7,029	4,799	7,387	-	-
Other payables and accruals	4,297	3,238	4,744	301	286
Bank overdraft	3,359	3,455	-	37	-
Amount due to subsidiary	-	-	-	6,390	6,453
Loans and borrowings	19,174	21,217	20,400	1,100	2,200
Hire purchase creditors	84	59	63	-	-
Provision for taxation	712	455	430	-	-
	34,655	33,223	33,024	7,828	8,939
Net current (liabilities)/assets	(19,647)	(20,053)	3,195	(7,778)	16,267
Non current liabilities					
Hire purchase creditors	(194)	(161)	(220)	-	-
Amount due to related company	(3,193)	(3,227)	(3,819)	-	-
Loans and borrowings	-	(513)	(4,016)	-	-
Deferred taxation	(47)	(47)	(47)	-	-
	(3,434)	(3,948)	(8,102)	-	-
Net assets	47,897	62,684	64,085	41,115	54,401
Share capital	50,585	46,757	46,757	50,585	46,757
Translation reserve	(1,274)	(2,487)	-	-	-
Fair value reserve	(41)	(41)	(44)	-	-
Revenue reserve	(8,028)	11,996	11,073	(9,470)	7,644
Shareholders' equity	41,242	56,225	57,786	41,115	54,401
Non-controlling interest	6,655	6,459	6,299	-	-
	47,897	62,684	64,085	41,115	54,401

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

Amount repayable in one year or less, or on demand

31 March 2019		31 March 2018	
S$'000	S$'000	S$'000	S$'000
Secured	Unsecured	Secured	Unsecured
14,726	7,891	16,306	8,425

Amount repayable after one year

31 March 2019		31 March 2018	
S$'000	S$'000	S$'000	S$'000
Secured	Unsecured	Secured	Unsecured
194	-	674	-

Details of any collateral

Fixed assets purchased under hire-purchase contracts have a carrying amount of S$293,000 as at 31 March 2019 (31 March 2018: S$247,000).

The Group's power plant with carrying amount of S$52,194,000 as at 31 March 2019 (31 March 2018: S$55,301,000) is subject to a first charge to secure the bank loans and borrowings.

The Group's factory building with a carrying value of S$3,315,000 as at 31 March 2019 (31 March 2018: S$3,406,000) is subject to a first charge to secure the bank loans and borrowings.

The Group's fixed deposits amounting to S$653,000 as at 31 March 2019 (31 March 2018: S$605,000) are pledged to secure banking facilities which were granted to certain subsidiaries.

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

Cash Flow Statements	**GROUP**	
	FY2019	**FY2018**
	S$'000	**S$'000**
Cash flows from operating activities		
(Loss)/profit before taxation	(19,486)	1,878
Adjustments for:		
Depreciation of property, plant and equipment	2,596	1,929
Interest expense	755	797
Share of results of associates	2,319	654
Interest income	(16)	(15)
Gain on disposal of property, plant and equipment	(3)	-
Write back of stock obsolescence	-	(34)
Write back for doubtful debts	-	(20)
Impairment on net investment in associate	2,586	-
Impairment on financial asset	9,939	-
Fair value loss on other investment	3,140	-
Currency alignment	(17)	(477)
Operating cash flow before changes in working capital	1,813	4,712
(Increase)/decrease in inventories	(855)	866
(Increase)/decrease in trade and other receivables	(630)	(766)
Increase in amount due from associates	(3,611)	64
Increase/(decrease) in trade and other payables	3,289	(4,797)
Cash generated from operations	6	79
Interest paid	(755)	(748)
Interest received	16	15
Income taxes paid	(236)	(439)
Net cash flows generated from/(used in) operating activities	(969)	(1,093)
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	37	-
Purchase of property, plant and equipment	(453)	(443)
Net cash flows used in investing activities	(416)	(443)
Cash flows from financing activities		
Net proceeds from issuance of shares	3,828	-
Redemption of non-convertible bond	(1,600)	-
Proceeds from issuance of shareholder loan	500	-
(Repayment)/increase of interest bearing term loans	(2,086)	3,018
Increase/(Repayment) of trust receipts and short term borrowings	630	(2,744)
(Increase)/decrease in pledged fixed deposits	(48)	(255)
Repayment under hire-purchase contracts, net	(81)	(63)
Net cash flows generated from/(used in) financing activities	1,143	(44)
Net decrease in cash and cash equivalents	(242)	(1,580)
Cash and cash equivalents at beginning of year	(2,604)	(955)
Cash and cash equivalents at end of year	(2,846)	(2,604)
Cash and cash equivalents consist of the following :		
Cash and bank balances	513	851
Fixed deposits	653	605
	1,166	1,456
Bank overdrafts	(3,359)	(3,455)
Less: Pledged fixed deposits	(653)	(605)
	(2,846)	(2,604)

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							
(Unaudited)							
As at 31 March 2018 as previously stated	46,757	14,128	(4,619)	(41)	56,225	6,459	62,684
Adoption of SFRS(I) 1	-	(2,132)	2,132	-	-	-	-
Adoption of SFRS(I) 9	-	(24)	2	-	(22)	-	(22)
Balance as restated at 1 April 2018	46,757	11,972	(2,485)	(41)	56,203	6,459	62,662
Loss for the year	-	(20,000)	-	-	(20,000)	20	(19,980)
Other comprehensive income	-	-	1,211	-	1,211	176	1,387
Total comprehensive income for the year	-	(20,000)	1,211	-	(18,789)	196	(18,593)
Issuance of shares	3,828	-	-	-	3,828	-	3,828
Balance at 31 March 2019	50,585	(8,028)	(1,274)	(41)	41,242	6,655	47,897
GROUP							
(Audited)							
As at 31 March 2017 as previously stated	46,757	13,205	(2,132)	(44)	57,786	6,299	64,085
Adoption of SFRS(I) 1	-	(2,132)	2,132	-	-	-	-
Balance as restated at 1 April 2017	46,757	11,073	-	(44)	57,786	6,299	64,085
Profit for the year	-	923	-	-	923	492	1,415
Other comprehensive income	-	-	(2,487)	3	(2,484)	(332)	(2,816)
Total comprehensive income for the year	-	923	(2,487)	3	(1,561)	160	(1,401)
Balance at 31 March 2018	46,757	11,996	(2,487)	(41)	56,225	6,459	62,684
COMPANY							
(Unaudited)							
Balance at 1 April 2018	46,757	7,644	-	-	54,401	-	54,401
Issuance of shares	3,828	-	-	-	3,828	-	3,828
Total comprehensive income	-	(17,114)	-	-	(17,114)	-	(17,114)
Balance at 31 March 2019	50,585	(9,470)	-	-	41,115	-	41,115
COMPANY							
(Audited)							
Balance at 1 April 2017	46,757	7,603	-	-	54,360	-	54,360
Total comprehensive income	-	41	-	-	41	-	41
Balance at 31 March 2018	46,757	7,644	-	-	54,401	-	54,401

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.

	Number of shares	S$
Issued and fully paid ordinary shares at 30 September 2018	1,324,462,688	46,756,799
Placement of Ordinary shares on 26 October 2018	232,000,000	3,828,000
Issued and fully paid ordinary shares at 31 March 2019	1,556,462,688	50,584,799

There were no treasury, subsidiary holdings, outstanding options or convertibles as at 31 March 2019 and 31 March 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.

	31 March 2019	31 March 2018
Total number of issued shares less Treasury shares	1,556,462,688 NIL	1,324,462,688 NIL
Total number of issued shares excluding Treasury shares	1,556,462,688	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 FY2019.

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 FY2019.

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.

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 recent 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 recent audited financial statements for the financial year ended 31 March 2018.

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

As required by the listing rules of the Singapore Exchange, the Group has adopted Singapore Financial Reporting Standards (International) ("SFRS(I)") with effect from 1 April 2018. The Group's financial statements for the financial year ending 31 March 2019 has been prepared in accordance with SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)").

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 March 2018, except the adoption of new/revised SFRS(I) applicable for the financial period beginning 1 April 2018 as follows:

- SFRS(I) 1 First-time Adoption of Singapore Financial Reporting Standards (International)
- SFRS(I) 9 Financial Instruments

(i) Application of SFRS(I) 1 optional exemptions

SFRS(I) 1 requires that the Group applies SFRS(I) on a retrospective basis, as if such accounting policy had always been applied. If there are changes to accounting policies arising from new or amended standards effective 1 April 2018, restatement of comparatives may be required because SFRS(I) 1 requires both the opening balance sheet and comparative information to be prepared using the most current accounting policies. SFRS(I) 1 provides mandatory exceptions and optional exemptions from retrospective application, which are often different from those specific transition provisions in individual FRSs applied to the FRS financial statements. The Group has elected for the optional exemptions in SFRS(I) 1 to reset the foreign currency translation reserve for all foreign operations to zero as at the date of transition to SFRS(I) 1 on 1 April 2017. As a result, an amount of $2,132,000 was adjusted against the opening retained earnings as at 1 January 2017.

(ii) SFRS(I) 9 Financial Instruments

Classification and measurement
SFRS(I) 9 requires debt instruments to be measured either at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVPL). Classification of debt instruments depends on the entity's business model for managing the financial assets and whether the contractual cash flows represent solely payments of principal and interest (SPPI). An entity's business model is how an entity manages its financial assets in order to generate cash flows and create value for the entity either from collecting contractual cash flows, selling financial assets or both. If a debt instrument is held to collect contractual cash flows, it is measured at amortised cost if it also meets the SPPI requirement. Debt instruments that meet the SPPI requirement that are held both to collect the assets' contractual cash flows and to sell the assets are measured at FVOCI. Financial assets are measured at FVPL if they do not meet the criteria of FVOCI or amortised cost.

The assessment of the business model and whether the financial assets meet the SPPI requirements was made as of 1 April 2018, and then applied retropectively to those financial assets that were not derecognised before 1 April 2018.

Impairment
SFRS(I) 9 requires the Group to record expected credit losses on all of its financial assets measured at amortised cost or FVOCI and financial guarantees. The Group previously recorded impairment based on the incurred loss model when there is objective evidence that a financial asset is impaired.

The Group has assessed which business model apply to the financial assets held by the Group at 1 April 2018 and has classified its financial instruments into the appropriate categories in accordance with SFRS(I) 9. The effects are as follows:

Financial assets:	**G R O U P**				
Measurement category	**FRS 39 carrying amount on 31 March 2018**	**Re-measurement**	**SFRS(I) 9 carrying amount on 1 April 2018**	**Retained earnings effect on 1 April 2018**	**Translation effect on 1 April 2018**
At amortised cost:					
Amount due from associates	17,271	-	17,271	-	-
Trade receivables	6,460	(137)	6,323	(137)	-
Other receivables	2,052	-	2,052	-	-
Amount due from associates	78	-	78	-	-
Fixed deposits	605	-	605	-	-
Cash and bank balances	851	-	851	-	-
At amortised cost balances, reclassifications and remeasurements at 1 April 2018	**27,317**	**(137)**	**27,180**	**(137)**	**-**
FVPL:					
Other investments	4,476	113	4,589	113	2
FVPL balances, reclassifications and remeasurements at 1 April 2018	**4,476**	**113**	**4,589**	**113**	**2**
FVOCI:		-		-	-
Other investments	161	-	161	-	-
FVOCI balances, reclassifications and remeasurements at 1 April 2018	**161**	**-**	**161**	**-**	**-**

The initial application of SFRS(I) 9 does not have any reclassification effect on the Company's results.

6. Earning per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	GROUP	
(Singapore Cents)	FY2019	FY2018
(a) Based on weighted average number of ordinary shares in issue	(1.405)	0.070
(b) On a fully diluted basis	(1.405)	0.070

Note:
The loss/earnings per ordinary share for the respective financial years was calculated based on the Group's loss after taxation attributable to equity holders of the parent of S$20.00 million in FY2019 (FY2018: S$0.92 million), divided by the weighted average number of ordinary shares in issue of 1,423,891,259 in FY2019 (FY2018: 1,324,462,688).

The basic and diluted loss/earnings per ordinary share are the same for FY2019 and FY2018 because there were no potentially dilutive ordinary securities as at 31 March 2019 and 31 March 2018 respectively.

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 March 2019	31 March 2018	31 March 2019	31 March 2018
Net asset value per ordinary share based on total number of issued shares (excluding treasury shares) as at the end of the financial year (Singapore Cents)	2.6	4.2	2.6	4.1

Note:
The net asset value per ordinary share as at 31 March 2019 is calculated based on 1,556,462,688 (31 March 2018: 1,324,462,688) ordinary shares in issue (excluding treasury shares).

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 include a discussion of (a) any significant factors that affected the turnover, costs, and earning 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

Revenue

	FY2019		FY2018		Increase/ (Decrease)
	S$'000	% of total revenue	S$'000	% of total revenue	%
By business divisions					
- Fire-fighting and Protection	14,572	38.7%	14,992	39.4%	(2.8)
- Power related	23,094	61.3%	23,065	60.6%	0.1
TOTAL	37,666	100.0%	38,057	100.0%	(0.0)

The increase in revenue of our power related division was mainly due to an increase in demand for electricity generated from our plants in Cambodia. The fire-fighting and protection division recorded lower revenue due to the lower sales from the industrial fire fighting business during FY2019 as most of the clients continued to be weighed down by the depressed marine, oil and gas sector.

Profitability

Cost of sales increased mainly due to higher direct operating costs as a result of higher power generation of the power segment, slightly offset by decrease of the cost of sales of the fire-fighting and protection segment..

The increase in other income was mainly contributed by sales of fuel in Cambodia to Electricite Du Cambodge ("EDC"). The increase in depreciation of property, plant and resulted from adjustments of depreciation due to reduction in power plant asset's residual value in Cambodia. The performance in the associates had declined as the share of losses incurred by associates in FY2019 caused by setbacks in relation to the overhauling of the turbine earlier than scheduled, write-off of construction in progress and accrued deemed interest on payables to holding company in the Maju Intan Biomass Energy Sdn Bhd's ("MJE") power plant.

With the adoption of SFRS(I) 9, assessments has been made on the Group's financial instruments which resulted in a fair value loss of S$3.1 million on the convertible bonds, impairment of S$0.1 million on the trade receivables of the Asiatic Fire System Pte Ltd and impairment of S$9.8 million in relation to the receivables (trade receivables & advances) from associates and subsidiaries. Other operating expenses had increased due to impairment of cost of investment in an associate, MJE which amounted to S$2.6 million and S$1.1 million from provision of withholding tax in Cambodia.

Due to a combination of the above factors, loss after tax of S$20.0 million was recorded in FY2019 against profit after tax of S$1.4 million in FY2018.

Movement in comprehensive income

As noted in the statement of comprehensive income, there was a foreign currency translation gain on Cambodia operations amounting to S$1.3 million (FY2018: S$2.5 million translation loss) mainly due to the strengthening of US dollar against Singapore dollar as at the end of FY2019. The charge was directly accounted for in the statement of changes in equity under translation reserve.

Balance Sheet

As at 31 March 2019, non-current assets decreased due to (i) decrease in investment in associates arising from the S$2.6 million impairment of net investment in an associates and a S$2.4 million share of loss from associates, (ii) S$7.1 million impairment of amount due from an associate, MJE, (iii) S$3.1 million fair value loss of convertible bonds held and (iv) depreciation of property, plant & equipment of S$2.6 million which was offset by a gain S$2.2 million in translating the Cambodian's PPE from USD to SGD.

The increase in inventories was due to slower than anticipated demand from the Fire-fighting and protection segment and increase from receivables contributed by an increase of power business receivables of S$2.1 million due to higher power demand from EDC towards the end of FY2019 and offset by a decrease of S$0.7 million from fire-fighting and protection segment's receivables from tighter collection measures. The decrease in other receivables had resulted from a reduction of prepaid tax that had been recognised in Malaysia

The increase of trade payables was mainly due to the increased trade purchases to accomodate the higher power demand from EDC and increase of other payable arising from a provision of withholding tax in Cambodia. However, these increases were mitigated by a decrease of loans and borrowing resulted by redemption of the Group's non-convertible bond by S$1.6 million and repayment of bank loan amounted to S$0.4 million.

Non-current liabilities decreased mainly due to reduction of the long term portion of the bank loan due to repayment.

As at 31 March 2019, the Group had a net current liabilities position arising 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 FY2018. Such reclassification arose as the amount due from MJE are not expected to be repaid within the next 12 months. The Group has been closely monitoring the Maju Intan plant performance and MJE is currently in negotiations to restructure existing loans to improve its liquidity position. In addition, subsequent to the FY2019, the Group has successfully rolled over approximately S$19.3 million out of S$22.6 million of short term loans, and has continued to fulfil its debt obligations. A substantial portion of the term loans has been secured by the Group's power plant assets and factory building and the Group was in a net asset position of S$47.9 million as at 31 March 2019.

Based on the foregoing, the Board believes that the Group will be able to operate as a going concern and is of the view that the Group's working capital is sufficient to meet its present requirements and for the next twelve months.

Cash Flow

During FY2019, net cash generated from operating activities were used to support increase in working capital and payment of interest and tax. Net cash flow used in investing activities was utilised to purchase property plant and equipment. The Group recorded a net cash inflow from its financing activities arising from issuance of shares and offset by (i) the redemption of the non convertible bonds and (ii) repayment of interest bearing term loans. Overall cash and cash equivalent decreased by S$0.2 million during FY2019.

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

It was disclosed in the half year results dated 30 September 2018 that the fire-fighting and protecion business is expected to sustain the current performance. In addition, it was disclosed that the biomass project is expecting an improved performance.

However, the fire-fighting and protection division recorded lower revenue due to the lower sales from the industrial fire fighting business during FY2019 as most of the clients continued to be weighed down by the depressed marine, oil and gas sector. The performance of the biomass plant in Malaysia was affected by setbacks in relation to the overhauling of the turbine earlier than scheduled.

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

Power purchase agreement for our power plants in Phnom Penh and Sihanoukville which was due for renewal at end of 30 April 2019 has been renewed for another 3 years.

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 where most of the clients operate in.

The biomass plant in Malaysia is appealing to the Malaysian government for a tariff increase and extension of tenor of the Renewable Energy Power Purchase Agreement.

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) Books closure date

Not applicable

12. If no dividend has been declared/recommended, a statement to the effect

No dividend has been recommended for FY2019. The Group needs to conserve cash as working capital.

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 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 entered into for FY2019.

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 the 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. 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 financial year ended 31 March 2019:

	Fire Fighting and Protection	**Power Related**	**Total**
	S$'000	S$'000	S$'000
Revenue	14,572	23,094	37,666
	======	======	======
Finance costs	(135)	(620)	(755)
Impairment on financial assets	(79)	(9,860)	9,939
Fair value loss on other investment	-	(3,140)	(3,140)
Depreciation of property plant and equipment	(417)	(2,179)	(2,596)
Segment result	524	(20,010)	(19,486)
	======	======	======

For the financial year ended 31 March 2018:

	Fire Fighting and Protection	**Power Related**	**Total**
	S$'000	S$'000	S$'000
Revenue	14,992	23,065	38,057
	======	======	======
Finance cost	(117)	(680)	(797)
Write back of doubtful debts, net	19	-	19
Depreciation of property plant and equipment	(397)	(1,532)	(1,929)
Segment result	868	1,010	1,878
	======	======	======

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Please refer to paragraph 8 above.

17. A breakdown of sales

	FY2019	**FY2018**	**Increase/ (Decrease)**
	S$'000	**S$'000**	**%**
Sales reported for the first half year	17,250	18,587	(7.2)
Operating profit after tax before deducting minority interests for the first half year	271	397	(31.7)
Sales reported for the second half year	20,416	19,470	4.9
Operating profit after tax before deducting minority interests for the second half year	(20,251)	1,020	(2,085.4)

18. Utilisation of proceeds from new shares subscription

The Company refers to the net proceeds amounting to S$3.77 million (after deducting estimated costs and expenses incurred in connection with the subscription of 232

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

Intended use	**Amount raised (S$' million)**	**Amount utilised (S$' million)**	**Balance (S$' million)**
Reducing Group's debts and payables	2.20	2.20	0.00
Investment in new projects	0.60	0.60	0.00
Working capital requirements*	0.97	0.97*	0.00
Total	3.77	3.77	0.00

* Breakdown of working capital requirements

- Purchases of raw materials	S$0.76 million
- Payment of trade payables	S$0.21 million

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

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

	FY2019	**FY2018**
(a) Ordinary	NA	NA
(b) Preference	NA	NA
(c) Total	NA	NA

NA: Not applicable

20. 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.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Tan Ah Kan	83	Father of Executive Directors, Tan Boon Kheng and Tan Boon Siang	Founder of Asiatic Fire System Pte Ltd. Main duties include Providing advisory services to Asiatic Fire System Pte Ltd Year position was first held: 1986	No changes in duties and position held during the year
Tan Ah Soi	68	Uncle of Executive Directors, Tan Boon Kheng and Tan Boon Siang	Factory Supervisor of Asiatic Fire System Pte Ltd. Main duties include managing the Servicing / Refilling Plant. Year position was first held: 2018	There's a change of postion from Factory Manager to Factory Supervisor during the year
Tan Boon Yew	60	Brother of Executive Directors, Tan Boon Kheng and Tan Boon Siang	Director of Asiatic Fire System Pte Ltd. Main duties include managing the marine-base divison. Year position was first held: 1981	No changes in duties and position held during the year
Lee Yoke Chun	55	Spouse of Managing Director, Tan Boon Kheng	Administration and Human Resources Manager of the Company Main duties include Recruitment & Formulating HR Policies Year position was first held: 1987	No changes in duties and position held during the year

BY ORDER OF THE BOARD

Tan Boon Kheng
Managing Director
31 July 2019

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 (“SGX-ST”) Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assume 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 Mr Joseph Au, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, and E-mail: sponsorship@ppcf.com.sg).