

## UNAUDITED FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2019

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

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

|                                                                            | Note     | 3 Months Ended 31 December |                   |                             | Year Ended 31 December |                 |                             |
|----------------------------------------------------------------------------|----------|----------------------------|-------------------|-----------------------------|------------------------|-----------------|-----------------------------|
|                                                                            |          | 4Q2019<br>S\$'000          | 4Q2018<br>S\$'000 | Increase<br>(Decrease)<br>% | 2019<br>S\$'000        | 2018<br>S\$'000 | Increase<br>(Decrease)<br>% |
| <b>Revenue</b>                                                             |          | 984                        | 1,220             | -19%                        | 1,665                  | 7,679           | -78%                        |
| Cost of sales                                                              |          | (526)                      | (2,477)           | -79%                        | (866)                  | (8,026)         | -89%                        |
| <b>Gross profit/(loss)</b>                                                 |          | 458                        | (1,257)           | 136%                        | 799                    | (347)           | 330%                        |
| Other operating (losses)/income                                            | 1(a)(ii) | (51)                       | 274               | -119%                       | 429                    | 554             | -23%                        |
| Other (losses)/gains - net                                                 | 1(a)(ii) | (434)                      | 125               | -447%                       | 116                    | (65)            | 278%                        |
| Expenses                                                                   |          |                            |                   |                             |                        |                 |                             |
| - Selling and distribution expenses                                        |          | -                          | (4)               | -100%                       | -                      | (4)             | -100%                       |
| - General and administrative expenses                                      |          | (626)                      | (633)             | -1%                         | (2,151)                | (4,500)         | -52%                        |
| - Other operating expenses                                                 |          | (46)                       | (280)             | -84%                        | (46)                   | (280)           | -84%                        |
| - Finance costs                                                            |          | (289)                      | 2                 | n.m                         | (409)                  | (9)             | n.m                         |
| <b>Loss before income tax</b>                                              | 1(a)(ii) | (988)                      | (1,773)           |                             | (1,262)                | (4,651)         |                             |
| Income tax expense                                                         |          | (25)                       | (264)             | -91%                        | (25)                   | (486)           | -95%                        |
| <b>Loss after tax</b>                                                      |          | (1,013)                    | (2,037)           |                             | (1,287)                | (5,137)         |                             |
| <b>Other comprehensive (loss)/income:</b>                                  |          |                            |                   |                             |                        |                 |                             |
| <b>Items that will not be reclassified subsequently to profit or loss:</b> |          |                            |                   |                             |                        |                 |                             |
| Equity investments at FVOCI - net change in fair value                     |          | -                          | (3)               | -100%                       | -                      | (3)             | -100%                       |
| <b>Items that may be reclassified subsequently to profit or loss:</b>      |          |                            |                   |                             |                        |                 |                             |
| Currency translation differences                                           |          | 21                         | (109)             | 119%                        | (150)                  | 146             | 203%                        |
| <b>Total comprehensive loss for the financial period/year</b>              |          | (992)                      | (2,149)           | 54%                         | (1,437)                | (4,994)         | -71%                        |
| <b>(Loss)/profit attributable to:</b>                                      |          |                            |                   |                             |                        |                 |                             |
| Equity holders of the Company                                              |          | (1,033)                    | (1,634)           | -37%                        | (1,335)                | (4,620)         | -71%                        |
| Non-controlling interests                                                  |          | 20                         | (403)             | 105%                        | 48                     | (517)           | 109%                        |
|                                                                            |          | (1,013)                    | (2,037)           | -50%                        | (1,287)                | (5,137)         | -75%                        |
| <b>Total comprehensive (loss)/income attributable to:</b>                  |          |                            |                   |                             |                        |                 |                             |
| Equity holders of the Company                                              |          | (1,013)                    | (1,747)           | -42%                        | (1,475)                | (4,474)         | -67%                        |
| Non-controlling interests                                                  |          | 21                         | (402)             | 105%                        | 38                     | (520)           | 107%                        |
|                                                                            |          | (992)                      | (2,149)           | -54%                        | (1,437)                | (4,994)         | -71%                        |

n.m = Not meaningful

**1(a)(ii) Additional notes to the statement of comprehensive income for the group for the corresponding period of the immediate preceding financial year.**

|                                                         | Note | 4Q2019<br>S\$'000 | 4Q2018<br>S\$'000 | Increase<br>(Decrease)<br>% | 2019<br>S\$'000 | 2018<br>S\$'000 | Increase<br>(Decrease)<br>% |
|---------------------------------------------------------|------|-------------------|-------------------|-----------------------------|-----------------|-----------------|-----------------------------|
| <b>Other operating (losses)/income:</b>                 |      |                   |                   |                             |                 |                 |                             |
| Interest income from PTMII                              |      | 79                | 84                | -6%                         | 316             | 301             | 5%                          |
| Interest income from banks                              |      | 28                | 53                | -47%                        | 166             | 78              | 113%                        |
| Government grants                                       |      | -                 | 4                 | -100%                       | 8               | 40              | -80%                        |
| Profit guarantee due from Vendors                       |      | (163)             | 122               | -234%                       | (78)            | 122             | -164%                       |
| Sundry income                                           |      | 5                 | 11                | -55%                        | 17              | 13              | 31%                         |
|                                                         |      | <u>(51)</u>       | <u>274</u>        | <u>-119%</u>                | <u>429</u>      | <u>554</u>      | <u>-23%</u>                 |
| <b>Other (losses)/gains - net:</b>                      |      |                   |                   |                             |                 |                 |                             |
| Currency exchange (losses)/gains                        |      | (434)             | 121               | -459%                       | 105             | (117)           | 190%                        |
| Gain/(loss) on disposal of plant and equipment          |      | -                 | 1                 | -100%                       | (9)             | 51              | -118%                       |
| Bad debt reversed                                       |      | -                 | -                 | n.m                         | 20              | 1               | n.m                         |
| Impairment loss on investment in financial assets       |      | -                 | 3                 | -100%                       | -               | -               | n.m                         |
|                                                         |      | <u>(434)</u>      | <u>125</u>        | <u>-447%</u>                | <u>116</u>      | <u>(65)</u>     | <u>278%</u>                 |
| <b>Depreciation included in:</b>                        |      |                   |                   |                             |                 |                 |                             |
| - cost of sales                                         |      | (241)             | (42)              | 474%                        | (421)           | (154)           | 173%                        |
| - general and administrative expenses                   |      | (76)              | (77)              | -1%                         | (154)           | (267)           | -42%                        |
| Interest expense                                        |      | (289)             | 2                 | n.m                         | (409)           | (9)             | n.m                         |
| Impairment loss on inventories                          |      | (2)               | (39)              | -95%                        | (2)             | (39)            | -95%                        |
| Impairment loss on property, plant and equipment        |      | (8)               | -                 | n.m                         | (8)             | -               | n.m                         |
| Impairment loss on intangible assets                    |      | -                 | (101)             | -100%                       | -               | (101)           | -100%                       |
| Allowance for impairment of trade and other receivables |      | (36)              | (140)             | -74%                        | (36)            | (140)           | -74%                        |
| Employee compensation                                   |      | <u>(317)</u>      | <u>(505)</u>      | <u>-37%</u>                 | <u>(1,317)</u>  | <u>(2,183)</u>  | <u>-40%</u>                 |

n.m = Not meaningful

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

|                                                                           |           | Group         |               | Company       |               |
|---------------------------------------------------------------------------|-----------|---------------|---------------|---------------|---------------|
|                                                                           |           | As at 31      | As at 31      | As at 31      | As at 31      |
|                                                                           |           | December 2019 | December 2018 | December 2019 | December 2018 |
| Note                                                                      |           | S\$'000       | S\$'000       | S\$'000       | S\$'000       |
|                                                                           |           |               | (Audited)     |               | (Audited)     |
| <b>ASSETS</b>                                                             |           |               |               |               |               |
| <b>Current assets</b>                                                     |           |               |               |               |               |
| Trade and other receivables                                               | 1(b)(ii)  | 6,914         | 9,542         | 2,391         | 6,443         |
| Inventories                                                               |           | 21            | 42            | -             | -             |
| Amounts due from subsidiaries                                             |           | -             | -             | 4,369         | 4,735         |
| Right-of-use assets                                                       |           | 46            | -             | 46            | -             |
| Cash and cash equivalents                                                 |           | 2,548         | 7,186         | 1,019         | 2,245         |
| Loans due from PTMII                                                      |           | 14,013        | 13,871        | 14,013        | 13,871        |
| <b>Total current assets</b>                                               |           | <b>23,542</b> | <b>30,641</b> | <b>21,838</b> | <b>27,294</b> |
| <b>Non-current assets</b>                                                 |           |               |               |               |               |
| Plant and equipment                                                       |           | 617           | 602           | 352           | 196           |
| Right-of-use assets                                                       |           | 7,253         | -             | 39            | -             |
| Investment in subsidiaries                                                |           | -             | -             | 200           | 4,852         |
| Financial assets, at FVOCI                                                |           | -             | 2             | -             | -             |
| Deferred tax asset                                                        |           | 16            | -             | -             | -             |
| Trade and other receivables                                               | 1(b)(ii)  | 3,699         | -             | 3,699         | -             |
| Club membership                                                           |           | 6             | 6             | 6             | 6             |
| <b>Total non-current assets</b>                                           |           | <b>11,591</b> | <b>610</b>    | <b>4,296</b>  | <b>5,054</b>  |
| <b>Total assets</b>                                                       |           | <b>35,133</b> | <b>31,251</b> | <b>26,134</b> | <b>32,348</b> |
| <b>LIABILITIES</b>                                                        |           |               |               |               |               |
| <b>Current liabilities</b>                                                |           |               |               |               |               |
| Trade and other payables                                                  | 1(b)(iii) | 775           | 3,686         | 316           | 493           |
| Amounts due to subsidiaries                                               |           | -             | -             | 150           | 5,476         |
| Obligations under finance lease                                           | 1(b)(iv)  | -             | 36            | -             | -             |
| Lease liabilities                                                         |           | 1,374         | -             | 57            | -             |
| Current income tax liabilities                                            |           | 12            | 15            | -             | -             |
| <b>Total current liabilities</b>                                          |           | <b>2,161</b>  | <b>3,737</b>  | <b>523</b>    | <b>5,969</b>  |
| <b>Non-current liabilities</b>                                            |           |               |               |               |               |
| Trade and other payables                                                  | 1(b)(iii) | 2,119         | -             | -             | -             |
| Obligations under finance lease                                           | 1(b)(iv)  | -             | 25            | -             | -             |
| Lease liabilities                                                         |           | 4,798         | -             | 29            | -             |
| <b>Total non-current liabilities</b>                                      |           | <b>6,917</b>  | <b>25</b>     | <b>29</b>     | <b>-</b>      |
| <b>Total liabilities</b>                                                  |           | <b>9,078</b>  | <b>3,762</b>  | <b>552</b>    | <b>5,969</b>  |
| <b>NET ASSETS</b>                                                         |           | <b>26,055</b> | <b>27,489</b> | <b>25,582</b> | <b>26,379</b> |
| <b>EQUITY</b>                                                             |           |               |               |               |               |
| <b>Capital and reserves attributable to equity holders of the Company</b> |           |               |               |               |               |
| Share capital                                                             |           | 35,763        | 35,763        | 35,763        | 35,763        |
| Currency translation reserve                                              |           | (116)         | 24            | -             | -             |
| Fair value reserve                                                        |           | -             | (3)           | -             | -             |
| Accumulated losses                                                        |           | (9,417)       | (8,082)       | (10,181)      | (9,384)       |
| Capital reserve                                                           |           | 146           | 146           | -             | -             |
|                                                                           |           | 26,376        | 27,848        | 25,582        | 26,379        |
| <b>Non-controlling interests</b>                                          |           | (321)         | (359)         | -             | -             |
| <b>Total equity</b>                                                       |           | <b>26,055</b> | <b>27,489</b> | <b>25,582</b> | <b>26,379</b> |

\* Excludes the cost of investment in the following subsidiaries which will be struck off in due course:

- 1) TSL Transport & Engineering Pte Ltd
- 2) PSL Metal Pte Ltd
- 3) PSL Construction Logistics Holdings Pte Ltd

**1(b)(ii) Trade and other receivables comprises:**

|                                                  | Note | Group         |               | Company       |               |
|--------------------------------------------------|------|---------------|---------------|---------------|---------------|
|                                                  |      | As at 31      | As at 31      | As at 31      | As at 31      |
|                                                  |      | December 2019 | December 2018 | December 2019 | December 2018 |
|                                                  |      | S\$'000       | S\$'000       | S\$'000       | S\$'000       |
|                                                  |      |               | (Audited)     |               | (Audited)     |
| <b>Current assets</b>                            |      |               |               |               |               |
| Trade receivables (net)                          |      | 733           | 723           | -             | -             |
| Accrued service revenue                          |      | -             | 556           | -             | -             |
|                                                  |      | 733           | 1,279         | -             | -             |
| Advance payment to suppliers                     |      | 1,304         | 430           | -             | -             |
| GST recoverable                                  |      | 889           | 321           | 1             | 14            |
| Contingent consideration on acquisition of PTMII |      | 2,357         | 6,134         | 2,357         | 6,134         |
| Sundry receivables (net)                         |      | 1,457         | 1,009         | -             | -             |
|                                                  |      | 6,740         | 9,173         | 2,358         | 6,148         |
| Deposits                                         |      | 19            | 287           | 14            | 249           |
| Prepayments                                      |      | 155           | 82            | 19            | 46            |
|                                                  |      | 6,914         | 9,542         | 2,391         | 6,443         |
| <b>Non-current assets</b>                        |      |               |               |               |               |
| Contingent consideration on acquisition of PTMII |      | 3,699         | -             | 3,699         | -             |
|                                                  |      | 3,699         | -             | 3,699         | -             |

**1(b)(iii) Trade and other payables comprises:**

|                                                                                  | Note | Group         |               | Company       |               |
|----------------------------------------------------------------------------------|------|---------------|---------------|---------------|---------------|
|                                                                                  |      | As at 31      | As at 31      | As at 31      | As at 31      |
|                                                                                  |      | December 2019 | December 2018 | December 2019 | December 2018 |
|                                                                                  |      | S\$'000       | S\$'000       | S\$'000       | S\$'000       |
|                                                                                  |      |               | (Audited)     |               | (Audited)     |
| <b>Current liabilities</b>                                                       |      |               |               |               |               |
| Trade payables - non-related parties                                             |      | 122           | 165           | -             | -             |
| Accruals                                                                         |      | 396           | 493           | 307           | 440           |
| Loan from third party (former non-controlling interest of a subsidiary) [Note 1] |      | -             | 2,061         | -             | -             |
| Other payables                                                                   |      | 257           | 967           | 9             | 53            |
|                                                                                  |      | 775           | 3,686         | 316           | 493           |
| <b>Non-current liabilities</b>                                                   |      |               |               |               |               |
| Loan from third party (former non-controlling interest of a subsidiary) [Note 1] |      | 2,119         | -             | -             | -             |

**Note 1**

Refers to the former shareholder, Mr William Jackson's loan on 7 August 2017 to fund the working capital of PT IPA. This was prior to PSL's acquisition on 18 August 2017 of 75% shares in the subsidiary. The loan which bears interest at 11% per annum has no fixed repayment term, can be repaid either in part or in its entirety. For FY2017 to FY2019, Mr William Jackson has accepted to waive the interest on the loan. At Mr William Jackson's request, he was repaid S\$433,000, leaving balance of his loan of S\$2,119,000 to PT IPA as at 31 December 2019.

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

|                                                    | Note | As at 31 December 2019 |                      | As at 31 December 2018 |                      |
|----------------------------------------------------|------|------------------------|----------------------|------------------------|----------------------|
|                                                    |      | Secured<br>S\$'000     | Unsecured<br>S\$'000 | Secured<br>S\$'000     | Unsecured<br>S\$'000 |
| Amount repayable in one year or less, or on demand |      | -                      | -                    | 36                     | -                    |
| Amount repayable after one year                    |      | -                      | -                    | 25                     | -                    |

**Details of collateral**

The Group's finance lease liabilities are secured by the leased assets.

**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<br>3 Months Ended 31<br>December |                | Group<br>Year Ended 31<br>December |                |
|----------------------------------------------------------------------|----------------------------------------|----------------|------------------------------------|----------------|
|                                                                      | 2019                                   | 2018           | 2019                               | 2018           |
| Note                                                                 | S\$'000                                | S\$'000        | S\$'000                            | S\$'000        |
| <b>Cash flows from operating activities</b>                          |                                        |                |                                    |                |
| Loss before taxation                                                 | (988)                                  | (1,773)        | (1,262)                            | (4,651)        |
| <b>Adjustments for:</b>                                              |                                        |                |                                    |                |
| Depreciation of plant and equipment                                  | 317                                    | 119            | 575                                | 421            |
| (Gain)/loss on disposal of plant and equipment                       | -                                      | (1)            | 9                                  | (51)           |
| Impairment loss on intangible assets                                 | -                                      | 101            | -                                  | 101            |
| Fair value changes on profit guarantee due from vendors              | 163                                    | (122)          | 78                                 | (122)          |
| Impairment loss on investment in available-for-sale financial assets | -                                      | (3)            | -                                  | -              |
| Interest income                                                      | (107)                                  | (137)          | (482)                              | (379)          |
| Interest expense                                                     | 289                                    | (2)            | 409                                | 9              |
| <b>Operating loss before working capital changes</b>                 | <b>(326)</b>                           | <b>(1,818)</b> | <b>(673)</b>                       | <b>(4,672)</b> |
| Changes in inventories                                               | 11                                     | 3,221          | 21                                 | 1,116          |
| Changes in trade and other receivables                               | 97                                     | 470            | (1,141)                            | 2,730          |
| Changes in trade payables, other payables and accruals               | 238                                    | (859)          | (792)                              | (2,663)        |
| <b>Cash generated from/(used in) operations</b>                      | <b>20</b>                              | <b>1,014</b>   | <b>(2,585)</b>                     | <b>(3,489)</b> |
| Income tax paid                                                      | (35)                                   | (252)          | (44)                               | (474)          |
| <b>Net cash (used in)/generated from operating activities</b>        | <b>(15)</b>                            | <b>762</b>     | <b>(2,629)</b>                     | <b>(3,963)</b> |
| <b>Cash flows from investing activities</b>                          |                                        |                |                                    |                |
| Interest received                                                    | 28                                     | 53             | 166                                | 78             |
| Acquisition of plant and equipment                                   | (13)                                   | (47)           | (335)                              | (152)          |
| Proceeds from disposal of plant and equipment                        | (1)                                    | 31             | 179                                | 950            |
| Purchase of remaining non-controlling interest in TSL                | -                                      | -              | -                                  | (370)          |
| <b>Net cash generated from investing activities</b>                  | <b>14</b>                              | <b>37</b>      | <b>10</b>                          | <b>506</b>     |
| <b>Cash flows from financing activities</b>                          |                                        |                |                                    |                |
| Repayment of obligations under finance lease                         | 100                                    | (33)           | (61)                               | (185)          |
| Repayment of lease liabilities                                       | (954)                                  | -              | (1,579)                            | -              |
| Decrease/(increase) in short-term deposits pledged                   | 1,799                                  | (1,608)        | 2,640                              | (1,621)        |
| Interest paid                                                        | (289)                                  | 2              | (409)                              | (9)            |
| <b>Net cash generated from/(used in) financing activities</b>        | <b>656</b>                             | <b>(1,639)</b> | <b>591</b>                         | <b>(1,815)</b> |
| Net increase/(decrease) in cash and cash equivalents                 | 655                                    | (840)          | (2,028)                            | (5,272)        |
| Cash and cash equivalents at beginning of financial period/year      | 1,946                                  | 5,332          | 4,546                              | 9,959          |
| Effect of currency translation                                       | (53)                                   | 54             | 30                                 | (141)          |
| <b>Cash and cash equivalents at end of financial period/year</b>     | <b>2,548</b>                           | <b>4,546</b>   | <b>2,548</b>                       | <b>4,546</b>   |
| <b>Cash and cash equivalents</b>                                     |                                        |                |                                    |                |
| Cash and bank balances                                               | 2,548                                  | 7,186          | 2,548                              | 7,186          |
| Less: Fixed deposits pledged with financial institutions             | -                                      | (2,640)        | -                                  | (2,640)        |
| <b>Cash and cash equivalents at end of financial period/year</b>     | <b>2,548</b>                           | <b>4,546</b>   | <b>2,548</b>                       | <b>4,546</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.**

|  | Share capital | Accumulated losses | Currency translation reserve | Fair value reserve | Capital reserve | Total   | Non-controlling Interests | Total   |
|--|---------------|--------------------|------------------------------|--------------------|-----------------|---------|---------------------------|---------|
|  | S\$'000       | S\$'000            | S\$'000                      | S\$'000            | S\$'000         | S\$'000 | S\$'000                   | S\$'000 |

**FULL YEAR ENDED 31 DECEMBER**

**GROUP**

|                                                                                      |               |                |              |            |            |               |              |               |
|--------------------------------------------------------------------------------------|---------------|----------------|--------------|------------|------------|---------------|--------------|---------------|
| <b>Balance as at 1 January 2019</b>                                                  | 35,763        | (8,082)        | 24           | (3)        | 146        | 27,848        | (359)        | 27,489        |
| (Loss)/profit for the year                                                           | -             | (1,335)        | -            | -          | -          | (1,335)       | 48           | (1,287)       |
| Other comprehensive loss for the year                                                | -             | -              | (140)        | -          | -          | (140)         | (10)         | (150)         |
| Reclassification to profit or loss upon disposal                                     | -             | -              | -            | 3          | -          | 3             | -            | 3             |
| <b>Balance as at 31 December 2019</b>                                                | <b>35,763</b> | <b>(9,417)</b> | <b>(116)</b> | <b>-</b>   | <b>146</b> | <b>26,376</b> | <b>(321)</b> | <b>26,055</b> |
| <b>Balance as at 1 January 2018</b>                                                  | 35,763        | (3,462)        | (125)        | -          | 507        | 32,683        | 170          | 32,853        |
| Loss for the year                                                                    | -             | (4,620)        | -            | -          | -          | (4,620)       | (517)        | (5,137)       |
| Other comprehensive income/(loss) for the year                                       | -             | -              | 149          | (3)        | -          | 146           | (3)          | 143           |
| Acquisition of remaining non-controlling interest in TSL without a change in control | -             | -              | -            | -          | (361)      | (361)         | (9)          | (370)         |
| <b>Balance as at 31 December 2018</b>                                                | <b>35,763</b> | <b>(8,082)</b> | <b>24</b>    | <b>(3)</b> | <b>146</b> | <b>27,848</b> | <b>(359)</b> | <b>27,489</b> |

**COMPANY**

|                                       |               |                 |          |          |          |               |          |               |
|---------------------------------------|---------------|-----------------|----------|----------|----------|---------------|----------|---------------|
| <b>Balance as at 1 January 2019</b>   | 35,763        | (9,384)         | -        | -        | -        | 26,379        | -        | 26,379        |
| Loss for the year                     | -             | (797)           | -        | -        | -        | (797)         | -        | (797)         |
| <b>Balance as at 31 December 2019</b> | <b>35,763</b> | <b>(10,181)</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>25,582</b> | <b>-</b> | <b>25,582</b> |
| <b>Balance as at 1 January 2018</b>   | 35,763        | (4,834)         | -        | -        | -        | 30,929        | -        | 30,929        |
| Loss for the year                     | -             | (4,550)         | -        | -        | -        | (4,550)       | -        | (4,550)       |
| <b>Balance as at 31 December 2018</b> | <b>35,763</b> | <b>(9,384)</b>  | <b>-</b> | <b>-</b> | <b>-</b> | <b>26,379</b> | <b>-</b> | <b>26,379</b> |

**FOR 3 MONTHS ENDED 31 DECEMBER**

**GROUP**

|                                                  |               |                |              |            |            |               |              |               |
|--------------------------------------------------|---------------|----------------|--------------|------------|------------|---------------|--------------|---------------|
| <b>Balance as at 1 October 2019</b>              | 35,763        | (8,384)        | (136)        | -          | 146        | 27,389        | (342)        | 27,047        |
| (Loss)/profit for the period                     | -             | (1,033)        | -            | -          | -          | (1,033)       | 20           | (1,013)       |
| Other comprehensive income for the period        | -             | -              | 20           | -          | -          | 20            | 1            | 21            |
| <b>Balance as at 31 December 2019</b>            | <b>35,763</b> | <b>(9,417)</b> | <b>(116)</b> | <b>-</b>   | <b>146</b> | <b>26,376</b> | <b>(321)</b> | <b>26,055</b> |
| <b>Balance as at 1 October 2018</b>              | 35,763        | (6,448)        | 134          | -          | 146        | 29,595        | 43           | 29,638        |
| Loss for the period                              | -             | (1,634)        | -            | -          | -          | (1,634)       | (403)        | (2,037)       |
| Other comprehensive (loss)/income for the period | -             | -              | (110)        | (3)        | -          | (113)         | 1            | (112)         |
| <b>Balance as at 31 December 2018</b>            | <b>35,763</b> | <b>(8,082)</b> | <b>24</b>    | <b>(3)</b> | <b>146</b> | <b>27,848</b> | <b>(359)</b> | <b>27,489</b> |

**COMPANY**

|                                       |               |                 |          |          |          |               |          |               |
|---------------------------------------|---------------|-----------------|----------|----------|----------|---------------|----------|---------------|
| <b>Balance as at 1 October 2019</b>   | 35,763        | (9,110)         | -        | -        | -        | 26,653        | -        | 26,653        |
| Loss for the period                   | -             | (1,071)         | -        | -        | -        | (1,071)       | -        | (1,071)       |
| <b>Balance as at 31 December 2019</b> | <b>35,763</b> | <b>(10,181)</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>25,582</b> | <b>-</b> | <b>25,582</b> |
| <b>Balance as at 1 October 2018</b>   | 35,763        | (6,897)         | -        | -        | -        | 28,866        | -        | 28,866        |
| Loss for the period                   | -             | (2,487)         | -        | -        | -        | (2,487)       | -        | (2,487)       |
| <b>Balance as at 31 December 2018</b> | <b>35,763</b> | <b>(9,384)</b>  | <b>-</b> | <b>-</b> | <b>-</b> | <b>26,379</b> | <b>-</b> | <b>26,379</b> |

- 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 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.**

**Share Capital**

There was no change in the Company's share capital since 31 December 2018.

**Convertible Securities**

There are no outstanding convertibles 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.

**Treasury Shares and Subsidiary Holdings**

The Company did not have any treasury shares and subsidiary holdings 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.

- 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 financial year.**

| Number of shares                                          | As at<br>31 December<br>2019 | As at<br>31 December<br>2018 |
|-----------------------------------------------------------|------------------------------|------------------------------|
| Total number of issued shares (excluding treasury shares) | 55,686,996                   | 55,686,996                   |

- 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. The Company did not have any treasury shares during and 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. The Company did not have any subsidiary holdings during and 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.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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.**

Save as disclosed in paragraph 5 of this announcement, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial period reported on as those used in the most recent audited annual financial statements.

**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 the same accounting policies and methods of computation in the preparation of financial statements for the current financial period reported on as those used in the most recently audited financial statements for the financial year ended 31 December 2018, save for the adoption of the Singapore Financial Reporting Standard (International) ("SFRS(I)") and Interpretation of SFRS(I) ("INT FRS(I)") that are mandatory for financial years beginning on or after 1 January 2019. The adoption of these new SFRS(I) and INT FRS(I) have no material impact to the results of the Group and of the Company for the current financial period reported on.

**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<br>3 Months Ended 31 December |            | Group<br>Full Year Ended 31 December |            |
|-------------------------------------------------------------------------------------------|-------------------------------------|------------|--------------------------------------|------------|
|                                                                                           | 2019                                | 2018       | 2019                                 | 2018       |
| <b>Profit/(loss) per share</b>                                                            |                                     |            |                                      |            |
| (i) Based on weighted average number of ordinary shares on issue (cents)                  | (1.86)                              | (2.93)     | (2.40)                               | (8.30)     |
| (ii) On a fully diluted basis (cents) *                                                   | (1.86)                              | (2.93)     | (2.40)                               | (8.30)     |
| <b>Number of weighted average ordinary shares used in the computation of (i) and (ii)</b> | 55,686,996                          | 55,686,996 | 55,686,996                           | 55,686,996 |

\* There are no diluted ordinary shares.

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

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

|                                              | As at<br>31 December<br>2019 | As at<br>31 December<br>2018 |
|----------------------------------------------|------------------------------|------------------------------|
| <b>GROUP</b>                                 |                              |                              |
| Net asset value per ordinary share (dollars) | 0.47                         | 0.49                         |
| <b>COMPANY</b>                               |                              |                              |
| Net asset value per ordinary share (dollars) | 0.46                         | 0.47                         |

The net asset value per ordinary share is calculated based on the total number of issued shares excluding treasury shares and subsidiary holdings as at 31 December 2019 and 31 December 2018 of 55,686,996.

**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.**

On 4 July 2018, the Group entered into a Settlement Agreement, pursuant to which, amongst others, TSL Transport & Engineering Pte Ltd ("TSL") has become a wholly-owned subsidiary of the Group following a Share Transfer and Suit 734 has been discontinued and withdrawn. The principal business of TSL consists of excavation and earthmoving works as well as engineering design and consultancy activities in Singapore. Following the completion of the Settlement Agreement and taken into consideration the competitive business environment, the Group considered it expedient to dispose all its trucks and equipment in Singapore to be able to fully focus on similar construction logistics businesses in Indonesia.

As disclosed in the Company's Results Announcement for the financial period ended 30 June 2019, the Group's construction logistics business is fully focused on opportunities in Indonesia. As part of the management's efforts to generate revenue and improve the financial performance of the Group, PT Indah Perkasa Abadi ("PT IPA") began sourcing for other projects in its ordinary course of business and which are more commercially viable. In May 2019, it successfully secured an agreement with PT. Cahaya Riau Mandiri ("PT CRM") to lease and operate heavy equipment. PT CRM carries on the business of mining activities, ranging from removal of overburden, coal mining and heavy equipment rental. PT CRM is an independent third party unrelated to any of PSL's Directors, controlling shareholders and each of their associates. Mr Edison, who is a 7.17% shareholder in PSL also owns 25% shares in PT CRM. He is not a director of PT CRM nor have any nominee(s) on the PT CRM board.

Arising from this project, PT IPA resumed its heavy equipment purchase plan which is at a cost of approximately S\$8.6 million. Approximately 80% of the said cost will be financed by finance leases and the remaining by internal working capital.

**Financial Performance – 4Q2019 vs 4Q2018**

Revenue decreased from S\$1.2 million in 4Q2018 to S\$1.0 million in 4Q2019 due to slightly lower revenue from the Construction Logistics Segment contributed by PT IPA from lease of heavy equipment to PT CRM which commenced from mid-August 2019. From August 2017 to 2018, PT IPA was primarily involved in projects within the civil construction industry for the supply of work and materials within Indonesia.

In tandem with the lower revenue, cost of sales decreased from S\$2.5 million in 4Q2018 to S\$0.5 million in 4Q2019, resulting in a gross profit of S\$0.5 million for 4Q2019 as compared to a gross loss of S\$1.3 million for 4Q2018. As disclosed in the Company's Results Announcement for the financial period ended 31 December 2018, the resultant gross loss was mainly attributable to cost overruns incurred by PT IPA as a result of wet weather conditions in Indonesia which impeded the progress of the work.

Other operating (losses)/income decreased from S\$0.3 million in 4Q2018 to a loss of S\$51,000 in 4Q2019 mainly due to revaluation of profit guarantee denominated in USD due from the Vendors of PTMII.

Other (losses)/gains decreased from a gain of S\$0.1 million in 4Q2018 to a loss of S\$0.4 million in 4Q2019 mainly due to an increase in foreign exchange losses arising from the depreciation of USD on the USD denominated loan due from PTMII.

Selling and distribution expenses recorded marginal difference in 4Q2019 and 4Q2018.

General and administrative expenses recorded marginal difference in 4Q2019 and 4Q2018.

Other operating expenses decreased from S\$0.3 million in 4Q2018 to S\$46,000 in 4Q2019 mainly due to a decrease in impairment losses on inventories, intangible assets as well as trade and other receivables recorded in 4Q2018.

Finance costs increased by S\$0.3 million in 4Q2019 mainly due to interest incurred on new loans obtained by PT IPA to finance the purchase of heavy equipment.

Despite the lower revenue, the Group recorded a loss after tax of S\$1.0 million for 4Q2019 as compared to a loss of S\$2.0 million for 4Q2018, mainly due to a significant reduction in cost of sales. This was partially offset by an increase in other losses arising from an increase in foreign exchange losses, other operating losses arising from revaluation of profit guarantee denominated in USD due from the Vendors of PTMII and higher finance costs incurred.

**Financial Performance – FY2019 vs FY2018**

Revenue decreased from S\$7.7 million in FY2018 to S\$1.7 million in FY2019 mainly due to scaling down of TSL operations and lower revenue from the Construction Logistics segment contributed by PT IPA from lease of heavy equipment to PT CRM which commenced from mid-August 2019. From August 2017 to 2018, PT IPA was primarily involved in projects within the civil construction industry for the supply of work and materials within Indonesia.

In tandem with the lower revenue, cost of sales decreased from S\$8.0 million in FY2018 to S\$0.9 million in FY2019, resulting in a gross profit of S\$0.8 million for FY2019 as compared to gross loss of S\$0.4 million for FY2018. As disclosed in the Company's Results Announcement for the financial period ended 31 December 2018, the resultant gross loss was mainly attributable to cost overruns incurred by PT IPA as a result of wet weather conditions in Indonesia which impeded the progress of the work.

Other operating income decreased from S\$0.6 million in FY2018 to S\$0.4 million in FY2019 mainly due to revaluation of profit guarantee denominated in USD due from the Vendors of PTMII.

Other (losses)/gains increased from a loss of S\$65,000 in FY2018 to a gain of S\$0.1 million in FY2019 mainly due to an increase in foreign exchange gains arising from the revaluation of IDR intercompany loan.

Selling and distribution expenses recorded marginal difference in FY2019 and FY2018.

General and administrative expenses decreased from S\$4.5 million in FY2018 to S\$2.2 million in FY2019 mainly due to a reduction in payroll expenses, operating expenses from PT IPA as well as professional fees incurred in relation to PTMII and TSL legal case. This is in tandem with a series of cost cutting measures implemented by the Management to emerge from the SGX Watchlist.

Other operating expenses decreased from S\$0.3 million in FY2018 to S\$46,000 in FY2019 mainly due to a decrease in impairment losses on inventories, intangible assets as well as trade and other receivables recorded in FY2018.

Finance costs increased by S\$0.4 million in FY2019 mainly due to interest incurred on new loans obtained by PT IPA to finance the purchase of heavy equipment.

Despite the lower revenue, the Group recorded a loss after tax of S\$1.3 million for FY2019 as compared to a loss of S\$5.1 million for FY2018, mainly due to a significant reduction in cost of sales. This is coupled with a decrease in general and administrative expenses arising from a series of cost cutting measures implemented by the Management to emerge from the SGX Watchlist as well as a decrease in other operating expenses.

#### **Cash flow – 4Q2019 vs 4Q2018**

Net cash used in operating activities was S\$15,000 in 4Q2019 compared to net cash generated from operating activities of S\$0.8 million in 4Q2018 mainly due to (1) an increase in trade and other receivables from the Construction Logistics segment arising from heavy equipment rental income due from PT CRM and (2) movement in inventories from the Construction Logistics segment. This partially offset by (1) reduced losses for the Group; (2) increase in trade and other payables and (3) translation of profit guarantee due from the Vendors of PTMII.

Net cash generated from investing activities recorded marginal difference in 4Q2019 and 4Q2018.

Net cash generated from financing activities was S\$0.7 million in 4Q2019 compared to net cash used in financing activities of S\$1.6 million 4Q2018 mainly due to changes in short-term deposits pledged to banks, partially offset by repayment of finance lease liabilities along with interest by PT IPA to finance the purchase of heavy equipment.

As a result of the above, the Group's cash and cash equivalents decreased from S\$3.7 million as at 30 September 2019 to S\$2.5 million as at 31 December 2019.

#### **Cash flow – FY2019 vs FY2018**

Net cash used in operating activities was S\$2.6 million in FY2019 compared to S\$4.0 million in FY2018 mainly due to (1) reduced losses for the Group; (2) increase in trade and other payables and (3) translation of profit guarantee due from the Vendors of PTMII. This is partially offset by (1) an increase in trade and other receivables from the Construction Logistics segment arising from heavy equipment rental income due from PT CRM and (2) movement in inventories from the Construction Logistics segment.

Net cash generated from investing activities was S\$10,000 in FY2019 compared to S\$0.5 million in FY2018 mainly due to acquisition of more property, plant and equipment in FY2019 and a decrease in proceeds from the disposal of trucks and equipment following the scaling down of TSL's operations in FY2018. This is partially offset by payment of S\$0.4 million to purchase the remaining non-controlling interest in TSL as part of the settlement to resolve all outstanding disputes in FY2018.

Net cash generated from financing activities was S\$0.6 million in FY2019 compared to net cash used in financing activities of S\$1.8 million in FY2018 mainly due to changes in short-term deposits pledged to banks, partially offset by repayment of finance lease liabilities along with interest by PT IPA to finance the purchase of heavy equipment.

As a result of the above, the Group's cash and cash equivalents decreased from S\$7.2 million as at 31 December 2018 to S\$2.5 million as at 31 December 2019.

#### **Financial Position**

Current assets decreased by S\$7.1 million from S\$30.6 million as at 31 December 2018 to S\$23.5 million as at 31 December 2019 mainly due to a decrease in cash and cash equivalents as highlighted in the cash flow statement above, coupled with a decrease in trade and other receivables arising from partial reclassification of profit guarantee due from the Vendors of PTMII from current to non-current following the execution of the New Settlement Agreement dated 19 February 2020 which states that the profit guarantee plus accrued interest will be repaid over 36 months.

Non-current assets increased by S\$11.0 million from S\$0.6 million as at 31 December 2018 to S\$11.6 million as at 31 December 2019 mainly due to an increase in right-of-use assets (lease of heavy equipment and photocopier machines) as well as an increase in trade and other receivables arising from partial reclassification of profit guarantee due from the Vendors of PTMII from current to non-current as explained above.

Current liabilities decreased by S\$1.5 million from S\$3.7 million as at 31 December 2018 to S\$2.2 million as at 31 December 2019 mainly due to a decrease in trade and other payables from the Construction Logistics segment as well as reclassification of the loan from a non-controlling shareholder of a subsidiary from current to non-current. This is partially offset by new loans obtained to finance the purchase of heavy equipment.

Non-current liabilities increased by S\$6.9 million from S\$25,000 as at 31 December 2018 to S\$6.9 million as at 31 December 2019 due to an increase in trade and other payables arising from the reclassification of the loan from a non-controlling shareholder of a subsidiary from current to non-current as explained above. This is coupled with new loans obtained to finance the purchase of heavy equipment.

As a result of the above, the Group's net assets decreased by S\$1.4 million from S\$27.5 million as at 31 December 2018 to S\$26.1 million as at 31 December 2019.

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

There was no forecast, or prospect statement, 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.**

The Company has, since November 2016, been embroiled in protracted litigation proceedings arising from its claims for amounts due and owing by Mr Sudirman Kurniawan, Mr Angelo Fernandus, PT. Triputra Senamustika (collectively, the “**Sudirman Group**”) and PT. Momentum Indonesia Investama (“**PTMII**”) to the Company in respect of the profit guarantee under the Conditional Sale and Purchase Agreement dated 17 March 2015, the Shareholders’ Deed of Agreement dated 25 November 2015 and the Loan Agreement dated 25 November 2015.

The Company has on 19 February 2020 executed a New Settlement Agreement (“**Agreement**”) to resolve all outstanding disputes with the Sudirman Group and PTMII and expects to recover an estimated sum of US\$18.0 million, constituting (a) the entirety of the Shareholder’s Loan of US\$11.5 million owing by PTMII to the Company, (b) the insurance proceeds of US\$0.61 million (Rp 8.35 Billion) in respect of the sunken barge known as Momentum 3007, (c) 50% of the proceeds from the agreed sale of the barge known as Pacific 3002, in the sum of US\$0.31 million (Rp 4.25 Billion), and (d) the Profit Guarantee plus accrued interest of US\$5.57 million. To date and in accordance with the Agreement announced on 21 February 2020, the Company received a sum of approximately US\$3.16 million, constituting partial repayment of the Shareholder’s Loan of US\$3 million and US\$0.16 million relating to the first monthly instalment for the Profit Guarantee.

Under the Agreement, the Company and Sudirman Group mutually agreed to break up their business partnership in PTMII. The Company, the Sudirman Group and PT MII (collectively the “**Parties**”) have mutually agreed to dispose the vessels which are owned by PTMII, and distribute equally any remaining cash balance in PT MII to the Company and Sudirman Group.

In accordance with the Announcement dated 21 February 2020, the Parties agree to discontinue/ withdraw the Singapore High Court proceedings under HC/S 1238/2016 and HC/S 573/2017 and the District Court of Batam by 25 March 2020.

PSL Management may add that, the Company has incurred substantial time and professional costs on the abovementioned litigation proceedings. Even if these proceedings are ultimately successful, and judgments obtained against the Parties, the Company envisages having to incur further time along with significant professional expenditures to enforce the judgments in Indonesia. With these aspects taken into consideration together with the commercial terms stated in the Agreement as a whole, the Company is of the view that resolution of the litigation proceedings is in the interests of the Company and its Shareholders. The Company will focus on rebuilding its businesses to generate substantive values to the Shareholders.

Indonesia’s economy continue to grow by growth has slowed in 2019 for the first time in four years. The impact from the Covid-19 epidemic could slow the country’s economic growth further. Decline in global commodity prices could lead to a decline in Indonesia’s exports in 2020<sup>1</sup>.

The Group’s Indonesian subsidiary PT Indah Perkasa Abadi (“PT IPA”) continues to work hard to grow its business of leasing of heavy equipment. In view of the growing challenging environment, the Group will continue to be cautious and selective in the type of projects to be pursued and exercise prudence in financial management.

With the expected funds to be recovered from the New Settlement Agreement, the Group continues to explore other potential business opportunities within Indonesia to develop or to acquire profitable businesses through mergers and acquisitions which can generate sustainable returns to our Shareholders.

<sup>1</sup><https://asia.nikkei.com/Economy/Coronavirus-threatens-Indonesia-outlook-as-growth-slows-in-2019>

**11. Dividend**

**(a) Current financial period reported on**

Any dividend declared for the current financial period reported on?

No.

**(b) Corresponding period of the immediately preceding financial year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**12. If no dividend has been declared (recommended), a statement to that effect.**

No dividend has been declared (recommended).

No profits were derived by PSL for FY2019 and with the accumulated losses to date, there were no retained earnings for any dividend appropriation.

**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.**

No IPT mandate has been obtained from shareholders. There was no IPT during the current financial period reported on.

**14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)**

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual.

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

**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.**

**Business segments:**

| 31 December 2019                                 | Trading & Engineering<br>S\$'000 | Construction Logistics<br>S\$'000 | Corporate<br>S\$'000 | Group<br>S\$'000 |
|--------------------------------------------------|----------------------------------|-----------------------------------|----------------------|------------------|
| Sales to external parties                        | -                                | 1,665                             | -                    | 1,665            |
| EBITDA                                           | (14)                             | 958                               | (1,658)              | (714)            |
| Impairment loss on inventories                   |                                  |                                   |                      | (2)              |
| Impairment loss on property, plant and equipment |                                  |                                   |                      | (8)              |
| Impairment loss on trade and other receivables   |                                  |                                   |                      | (36)             |
| Depreciation                                     |                                  |                                   |                      | (575)            |
| Interest income                                  |                                  |                                   |                      | 482              |
| Finance expense                                  |                                  |                                   |                      | (409)            |
| Loss for the year                                |                                  |                                   |                      | <b>(1,262)</b>   |

| 31 December 2018<br>(Audited)        | Trading & Engineering<br>S\$'000 | Construction Logistics<br>S\$'000 | Corporate<br>S\$'000 | Group<br>S\$'000 |
|--------------------------------------|----------------------------------|-----------------------------------|----------------------|------------------|
| Sales to external parties            | -                                | 7,679                             | -                    | 7,679            |
| EBITDA                               | (234)                            | (1,922)                           | (2,790)              | (4,946)          |
| Impairment loss on inventories       |                                  |                                   |                      | (39)             |
| Impairment loss on intangible assets |                                  |                                   |                      | (101)            |
| Depreciation                         |                                  |                                   |                      | (421)            |
| Interest income                      |                                  |                                   |                      | 379              |
| Finance expense                      |                                  |                                   |                      | (9)              |
| Loss for the year                    |                                  |                                   |                      | <b>(5,137)</b>   |

| 31 December 2019                             | Trading & Engineering<br>S\$'000 | Construction Logistics<br>S\$'000 | Corporate<br>S\$'000 | Group<br>S\$'000 |
|----------------------------------------------|----------------------------------|-----------------------------------|----------------------|------------------|
| Segment assets                               | -                                | 12,038                            | 20,547               | 32,585           |
| Unallocated assets                           |                                  |                                   |                      |                  |
| - Short-term deposits and bank balances      |                                  |                                   |                      | 2,548            |
| Total assets                                 |                                  |                                   |                      | <b>35,133</b>    |
| Segment assets includes:                     |                                  |                                   |                      |                  |
| - Additions of property, plant and equipment | -                                | 103                               | 232                  | 335              |
| Segment liabilities                          | -                                | <b>8,454</b>                      | <b>624</b>           | <b>9,078</b>     |

| 31 December 2018<br>(Audited)                | Trading & Engineering<br>S\$'000 | Construction Logistics<br>S\$'000 | Corporate<br>S\$'000 | Group<br>S\$'000 |
|----------------------------------------------|----------------------------------|-----------------------------------|----------------------|------------------|
| Segment assets                               | 37                               | 3,508                             | 20,520               | 24,065           |
| Unallocated assets                           |                                  |                                   |                      |                  |
| - Short-term deposits and bank balances      |                                  |                                   |                      | 7,186            |
| Total assets                                 |                                  |                                   |                      | <b>31,251</b>    |
| Segment assets includes:                     |                                  |                                   |                      |                  |
| - Additions of property, plant and equipment | -                                | 137                               | 15                   | 152              |
| Segment liabilities                          | <b>22</b>                        | <b>2,326</b>                      | <b>1,414</b>         | <b>3,762</b>     |

#### Geographical segments:

| Revenue   | Group<br>For the year ended |                              |
|-----------|-----------------------------|------------------------------|
|           | 2019<br>S\$'000             | 2018<br>S\$'000<br>(Audited) |
| Singapore | -                           | 612                          |
| Indonesia | 1,665                       | 7,067                        |
|           | <b>1,665</b>                | <b>7,679</b>                 |

Revenue is based on the location of the companies that generate those sales.

| Non-Current Assets | Group<br>For the year ended |                              |
|--------------------|-----------------------------|------------------------------|
|                    | 2019<br>S\$'000             | 2018<br>S\$'000<br>(Audited) |
| Singapore          | 4,095                       | 206                          |
| Indonesia          | 7,480                       | 402                          |
|                    | <b>11,575</b>               | <b>608</b>                   |

Non-current assets comprising fixed assets, right-of-use assets, trade and other receivables and club membership are based on the location of the companies that own those 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 of this announcement for more details.

**17. A breakdown of sales**

|                                                                                                   | Group              |                 | Increase/<br>(Decrease) |
|---------------------------------------------------------------------------------------------------|--------------------|-----------------|-------------------------|
|                                                                                                   | For the year ended |                 |                         |
|                                                                                                   | 2019<br>S\$'000    | 2018<br>S\$'000 |                         |
| Sales reported for first half year                                                                | 86                 | 5,693           | (98.49)                 |
| Operating loss after tax before deducting non-controlling interests reported for first half year  | (803)              | (1,637)         | (50.95)                 |
| Sales reported for second half year                                                               | 1,579              | 1,986           | (20.49)                 |
| Operating loss after tax before deducting non-controlling interests reported for second half year | (484)              | (3,500)         | (86.17)                 |

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

|            | Group              |                 |
|------------|--------------------|-----------------|
|            | For the year ended |                 |
|            | 2019<br>S\$'000    | 2018<br>S\$'000 |
| Ordinary   | -                  | -               |
| Preference | -                  | -               |
| Total      | -                  | -               |

**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(13). If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704(13) of the Listing Manual, the Company confirms that, to the best of its knowledge, there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company as at the date of this announcement.

**BY ORDER OF THE BOARD**

Stephen Leong, BBM  
Vice Chairman and Executive Director

28 February 2020