



UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 31 MARCH 2020

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

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

	Group		
	3 months ended		
	31.03.20	31.03.19	
	(1Q 2020)	(1Q 2019)	Change
	US\$'000	US\$'000	%
Revenue	1,256	3,035	(59)
Cost of sales	(1,022)	(1,751)	(42)
Gross profit	234	1,284	(82)
Other operating expenses, net	-	(9)	(100)
Administrative and marketing expenses	(948)	(865)	10
(Loss)/Profit from operating activities	(714)	410	n.m.
Finance income	29	42	(31)
Finance costs	(1,441)	(1,814)	(21)
Net finance cost	(1,412)	(1,772)	(20)
Share of results of jointly controlled entities (net of tax)	(20)	(96)	(79)
Loss before taxation	(2,146)	(1,458)	47
Taxation	(453)	(377)	20
Loss after taxation	(2,599)	(1,835)	42
Non-controlling interests	(36)	3	n.m.
Loss for the period	(2,635)	(1,832)	44

Loss for the period is arrived at after charging the following:-

	Group		
	3 months ended		
	31.03.20	31.03.19	
	(1Q 2020)	(1Q 2019)	Change
	US\$'000	US\$'000	%
- Net finance cost	(1,412)	(1,772)	(20)
- Depreciation and amortisation	(624)	(1,365)	(54)
- Impairment of plant and equipment/financial assets/trade receivables	-	(39)	(100)

n.m. = not meaningful

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

	Group		Company	
	31.03.2020	31.12.2019	31.03.2020	31.12.2019
	US\$'000	US\$'000	US\$'000	US\$'000
Non-current assets				
Property, plant and equipment	27,489	28,369	-	-
Right-of-use assets	15,914	16,202	-	-
Subsidiaries	-	-	54,802	54,733
Joint ventures	4,928	4,948	5,928	5,965
Other receivables	7,556	7,564	6,990	6,990
	55,887	57,083	67,720	67,688
Current assets				
Inventories	516	565	-	-
Trade and other receivables	10,745	11,586	750	778
Amounts due from subsidiaries	-	-	3,641	3,637
Amounts due from joint ventures	1,796	1,823	1,487	1,479
Assets held for sale	5,939	6,429	-	-
Cash and cash equivalents	3,955	5,246	172	470
	22,951	25,649	6,050	6,364
Total assets	78,838	82,732	73,770	74,052
Equity				
Share capital	274,545	274,545	274,545	274,545
Convertible perpetual capital securities	6,811	6,811	6,811	6,811
Redeemable exchangeable preference shares	7,042	7,042	-	-
Warrants	2,384	2,384	2,384	2,384
Other reserves	(6,952)	(6,480)	(1,276)	(1,276)
Accumulated losses	(307,498)	(304,807)	(290,723)	(290,352)
Equity attributable to owners of the Company	(23,668)	(20,505)	(8,259)	(7,888)
Non-controlling interests	735	705	-	-
Total equity	(22,933)	(19,800)	(8,259)	(7,888)
Non-current liabilities				
Other payables	148	152	-	-
Financial liabilities	16,201	16,444	-	-
Deferred tax liabilities	1,227	1,288	-	-
	17,576	17,884	-	-
Current liabilities				
Trade and other payables	14,113	13,401	7,364	7,047
Amounts due to joint venture	166	114	166	114
Amounts due to related parties	25,731	25,482	25,731	25,445
Amounts due to subsidiaries	-	-	21,150	21,716
Financial liabilities	43,905	45,279	27,618	27,618
Provision for tax	280	372	-	-
	84,195	84,648	82,029	81,940
Total liabilities	101,771	102,532	82,029	81,940
Total equity and liabilities	78,838	82,732	73,770	74,052

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

	Group			
	As at 31.03.2020		As at 31.12.2019	
	Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
Amount repayable in one year or less, or on demand	43,905	25,731	45,279	25,482
Amount repayable after one year	16,201	-	16,444	-

Details of any collateral

Secured borrowings as at 31 March 2020 and 31 December 2019 were secured by mortgages on the respective hydro-electric power generation equipment, solar photovoltaic power plant, offshore support vessels and onshore accommodation module.

Included in cash and cash equivalents of US\$3,602,000 (31 December 2019: US\$4,656,000) being restricted or earmarked by the banks for various facilities granted.

1(b)(iii) Statement of comprehensive income for the period ended 31 March 2020

	Group		
	3 months ended		
	31.03.20	31.03.19	
	(1Q 2020)	(1Q 2019)	Change
	US\$'000	US\$'000	%
Loss for the period	(2,599)	(1,835)	42
Other comprehensive loss			
<u>Items that may be reclassified subsequently to profit and loss:</u>			
Effective portion of changes in fair value of cash flow hedge	2	(15)	n.m.
Exchange differences on monetary items forming part of net investment in foreign operations	(771)	(53)	n.m.
Foreign currency translation differences relating to financial statements of foreign operations	291	1,223	(76)
	(478)	1,155	n.m.
<u>Item that is not be reclassified to profit and loss:</u>			
Net change in fair value of financial assets at fair value through other comprehensive income (FVOCI)	-	(50)	n.m.
Net change in fair value of actuarial gain or loss	-	(33)	(100)
Other comprehensive (loss)/income for the period	(478)	1,072	n.m.
Total comprehensive loss for the period	(3,077)	(763)	n.m.
Attributable to:			
Owners of the Company	(3,107)	(806)	n.m.
Non-controlling interests	30	43	(30)
	(3,077)	(763)	n.m.

n.m. = not meaningful

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

	Group	
	3 months ended	
	31.03.20	31.03.19
	(1Q 2020)	(1Q 2019)
	US\$'000	US\$'000
Cash flows from operating activities		
Loss before taxation	(2,146)	(1,458)
Adjustments for:-		
Depreciation of property, plant and equipment	460	1,223
Depreciation of right-of-use assets	164	142
Write-back of impairment on:		
- financial asset	-	17
- other receivables	-	22
Interest income	(29)	(42)
Interest expense	1,441	1,814
Equity-settled share-based payment transaction	-	32
Share of results of jointly controlled entities, net of tax	20	96
Operating (loss)/profit before working capital changes	(90)	1,846
Changes in working capital:		
Inventories	49	(45)
Trade and other receivables	932	(1,568)
Trade and other payables	(66)	524
Income tax paid	(248)	(136)
Net cash generated from operating activities	577	621
Cash flows from investing activities		
Purchase of plant and equipment	(59)	(81)
Interest income received	29	42
Net cash used in investing activities	(30)	(39)
Cash flows from financing activities		
Proceeds from borrowings	25	-
Repayment of borrowings	(1,199)	(60)
Decrease/(increase) in restricted cash	1,053	(327)
Payment of lease liabilities	(13)	(10)
Interest expense paid	(558)	(181)
Net cash used in financing activities	(692)	(578)
Net (decrease)/increase in cash and cash equivalents	(145)	4
Cash and cash equivalents at beginning of period	590	844
Effect of exchange rate fluctuations on cash held	(92)	78
Cash and cash equivalents at end of period	353	926
Cash and cash equivalent comprise:		
	Group	
	3 months ended	
	31.03.20	31.03.19
	(1Q 2020)	(1Q 2019)
	US\$'000	US\$'000
Cash and cash equivalents as per statement of financial position	3,955	6,271
Less: Restricted cash	(3,602)	(5,345)
Cash and cash equivalents as per consolidated statement of cash flows	353	926

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statements of Changes in Equity

The Group	Share capital US\$'000	Perpetual securities US\$'000	Redeemable exchangeable preference US\$'000	Warrants US\$'000	Foreign currency translation US\$'000	Fair value reserve US\$'000	Hedging reserve US\$'000	Accumulated losses US\$'000	Total US\$'000	Non- controlling interests US\$'000	Total US\$'000
Balance as at 1 January 2020	274,545	6,811	7,042	2,384	(2,500)	(3,961)	(19)	(304,807)	(20,505)	705	(19,800)
Total comprehensive income/(loss) for the period	-	-	-	-	(474)	-	2	(2,635)	(3,107)	30	(3,077)
Transactions with owners, recognised directly in equity											
Contributions by and distribution to owners											
Accrued perpetual securities distributions	-	-	-	-	-	-	-	(56)	(56)	-	(56)
Total transactions with owners	-	-	-	-	-	-	-	(56)	(56)	-	(56)
Balance as at 31 March 2020	274,545	6,811	7,042	2,384	(2,974)	(3,961)	(17)	(307,498)	(23,668)	735	(22,933)

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Continued)

Statements of Changes in Equity

The Group	Share capital	Perpetual securities	Redeemable exchangeable preference shares	Warrants	Foreign currency translation reserves	Fair value reserve	Hedging reserve	Accumulated losses	Total	Non-controlling interests	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance as at 1 January 2019	272,670	6,811	7,042	2,384	(2,329)	(958)	16	(279,270)	6,366	2,226	8,592
Total comprehensive income/(loss) for the period	-	-	-	-	1,091	(50)	(15)	(1,832)	(806)	43	(763)
Transactions with owners, recognised directly in equity											
Contributions by and distribution to owners											
Accrued perpetual securities distributions	-	-	-	-	-	-	-	(103)	(103)	-	(103)
Equity-settled share-based payment transaction	-	-	-	-	-	-	-	32	32	-	32
Total transactions with owners	-	-	-	-	-	-	-	(71)	(71)	-	(71)
Balance as at 31 March 2019	272,670	6,811	7,042	2,384	(1,238)	(1,008)	1	(281,173)	5,489	2,269	7,758

- 1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Continued)

Statements of Changes in Equity

The Company	Share capital US\$'000	Perpetual securities US\$'000	Warrants US\$'000	Fair value reserves US\$'000	Accumulated losses US\$'000	Total US\$'000
Balance as at 1 January 2020	274,545	6,811	2,384	(1,276)	(290,352)	(7,888)
Total comprehensive loss for the period	-	-	-	-	(315)	(315)
Transactions with owners, recognised directly in equity						
Contributions by and distribution to owners						
Accrued convertible perpetual capital securities distributions	-	-	-	-	(56)	(56)
Total transaction with owners	-	-	-	-	(56)	(56)
Balance as at 31 March 2020	274,545	6,811	2,384	(1,276)	(290,723)	(8,259)

The Company	Share capital US\$'000	Perpetual securities US\$'000	Warrants US\$'000	Fair value reserves US\$'000	Accumulated losses US\$'000	Total US\$'000
Balance as at 1 January 2019	272,670	6,811	2,384	(984)	(271,881)	9,000
Total comprehensive income/(loss) for the period	-	-	-	(18)	958	940
Transactions with owners, recognised directly in equity						
Contributions by and distribution to owners						
Accrued convertible perpetual capital securities distributions	-	-	-	-	(94)	(94)
Equity-settled share-based payment transaction	-	-	-	-	32	32
Total transaction with owners	-	-	-	-	(62)	(62)
Balance as at 31 March 2019	272,670	6,811	2,384	(1,002)	(270,985)	9,878

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

During the first quarter of 2020, there was no allotment and issuance of new ordinary shares.

As at 31 March 2020, the Company had 13,656,697,535 ordinary shares in issue and 3,084,660,568 outstanding convertibles convertible into one ordinary share each. As at 31 March 2019, the Company had 13,166,385,035 ordinary shares in issue and 3,084,660,568 outstanding convertibles convertible into one ordinary share each.

Out of the above-said, as at 31 March 2020 and 31 March 2019, there were 7,299,270 redeemable exchangeable preference shares in a subsidiary available for exchange into 523,620,516 ordinary shares of the Company.

The Company did not hold any treasury shares and subsidiary holdings as at 31 March 2020 and 31 March 2019.

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

As at 31 March 2020, the issued and paid-up share capital excluding treasury shares of the Company comprised 13,656,697,535 (31 December 2019: 13,656,697,535) ordinary shares.

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

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

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

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

- 2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditors.

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

Not applicable.

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

The auditors have issued a disclaimer of opinion on page 33 of the Company's annual report for the financial year ended 31 December 2019 due to:-

(1) Recoverability of interests in joint venture and asset divestment plans

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

(2) Deficiencies in shareholders' equity and loans and borrowings with lenders and a shareholder

The Management expects the Group's net working capital and shareholders' equity to remain negative for at least the next 12 months as the forecasted operating cashflows are insufficient to address the deficiencies with the economic challenges. The Group continue to engage in on-going negotiations/discussions with the lenders and the shareholder to restructure the borrowings as part of the whole Group's restructuring process as described in Section 10 of this announcement. We will keep the shareholders updated on significant developments in relation to the Group's finance restructuring.

(3) Cash flows from operating activities

With current COVID-19 pandemic together with the economic challenges and regulatory matter encountered in the Group's energy and power segment, there are material uncertainties about the operating cash flows to be generated from the Group's continuing businesses, so as to meet debts as and when they fall due, at least in the next 12 months from the reporting date. The Company is monitoring and assessing possible impacts (if any) and will provide its stakeholders with updates on a timely basis if and when there are further developments.

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

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

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

Except as disclosed under note 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the year ended 31 December 2019.

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

The Group and the Company have applied same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the year ended 31 December 2019, except for the adoption of new/revised SFRS(I) applicable for the financial period beginning 1 January 2020 as follows:

Amendments to References to Conceptual Framework in SFRS(I) Standards

Definition of a Business (Amendments to SFRS(I) 3)

Definition of Material (Amendments to SFRS(I) 1-1 and SFRS(I) 1-8)

SFRS(I) 17 Insurance Contracts

The above new SFRS(I)s, interpretations and amendments to SFRS(I)s are not expected to have a significant impact on the Group's consolidated financial statements and the Company's statement of financial position.

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	
	1Q 2020	1Q 2019
(in US\$ cents)		
(a) Based on weighted average number	(0.02)	(0.01)
(b) On a fully diluted basis *	(0.02)	(0.01)
Note:		
Weighted average number of ordinary shares (in million):		
- Basic earnings per share	13,657	13,166
- Diluted earnings per share *	13,657	13,166

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

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

(a) current financial period reported on; and

(b) immediately preceding financial year.

	Group		Company	
	31.03.2020	31.12.2019	31.03.2020	31.12.2019
(in US\$ cents)				
Net asset value per ordinary share based on existing issued share capital excluding treasury shares as at the end of the year reported on	(0.16)	(0.15)	(0.06)	(0.06)

- 8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Income Statement Review **1Q 2020 vs 1Q 2019**

The Group's revenue for the three months ended 31 March 2020 ("1Q 2020") decreased by US\$1,779,000 to US\$1,256,000 as compared to the corresponding three months ended 31 March 2019 ("1Q 2019") due to lower generation output in 1Q 2020 as well as the suspension in revenue recognition in certain mini-hydro power plants amounting to 13.6MW, that are pending finalisation of renewal of the Power Purchase Agreements ("PPAs"), and the recognition of tariff adjustment in 1Q 2019 on prior years generation outputs.

The Group's cost of sales for 1Q 2020 decreased by US\$729,000 to US\$1,022,000 as compared to 1Q 2019. The decrease in cost of sales is largely as a result of lower depreciation expense post impairment exercise of assets in renewable energy segment and oil and gas segment in Dec 2019, coupled by cessation of depreciation charge on certain fully depreciated mini hydro assets from Sep 2019.

As a result of the above, the Group's gross profit for 1Q 2020 decreased by US\$1,050,000 to US\$234,000 as compared to 1Q 2019.

Administrative and marketing expenses in 1Q 2020 increased by US\$83,000 as compared to 1Q 2019 mainly due to the professional fee incurred in relation to the finance restructuring of the Group.

Finance costs in 1Q 2020 decreased as compared to 1Q 2019 mainly due to reduction in the financing costs after restructuring of a term loan.

Share of loss of jointly controlled entities in 1Q 2020 decreased marginally due to lower revenue contribution from the Group's joint venture in India.

Statement of Financial Position Review

Non-current Assets

The Group's Non-current Assets amounted to US\$55,887,000 as at 31 March 2020. The decrease of US\$1,196,000 was mainly due to depreciation expense and foreign currency translation differences in 1Q 2020. Other receivables mainly relate to the non-trade amount due from a joint venture.

Current Assets

The Group's Current Assets amounted to US\$22,951,000 as at 31 March 2020. The decrease was mainly due to the collection of receivables and utilisation of available cash balances for repayment of certain bank loans, coupled with translation difference on asset held for sale.

Total Liabilities

The Group's Total Liabilities decreased by US\$761,000 to US\$101,771,000 as at 31 March 2020 as compared to 31 December 2019. The decrease was mainly due to repayment of borrowing to financial institutions.

Going concern

The Group had net liabilities of US\$22,933,000 as at 31 March 2020. Higher net liabilities as compared to 31 December 2019 is largely due to the losses incurred for the period. In addition, the Group had net current liabilities of US\$61,244,000 as at 31 March 2020. This was largely due to financial liabilities and amounts due to shareholders classified as current liabilities because the Group did not meet the repayments schedules, financial covenants and the general undertaking imposed on the restructured loan and the shareholders' loan respectively. The Group continue to engage in on-going negotiations/discussions with the lenders and the shareholder to restructure the borrowings as part of the whole Group's restructuring process as described in Section 10 of this announcement.

The ability of the Group to continue as a going concern is contingent upon the continual support from the lenders, which is critical to the completion of the Group's finance restructuring exercise as well as the completion of the planned divestment of certain of the Group's assets. The Board will be able to make a more informed assessment/decision of the Group's ability to carry on as a going concern after having obtained the Financial Review Report by the external consultant, which is expected to be issued by mid-June 2020.

Statement of Cash Flows Review

Cash Flow from Operating Activities

The Group's net cash generated from operating activities in 1Q 2020 was US\$577,000. This was mainly due to cash collection from trade receivables, coupled with negotiation with creditors to defer certain payments.

Cash Flow from Investing Activities

The Group's net cash used in investing activities in 1Q 2020 was US\$30,000. This was mainly due to addition in property, plant and equipments, partially offset by interest income received by the Group.

Cash Flow from Financing Activities

The Group's net cash used in financing activities in 1Q 2020 was US\$692,000. This was mainly due to the net repayment of borrowings and interest expenses.

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

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

10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

As at the date of this announcement, the Group is still in the discussion with creditors in relation to its finance restructuring. In relation to the maturity of redeemable and exchangeable preference shares (the "REPS"), pursuant to the expiry of the standstill period on 30 June 2020, the Company will continue to engage in discussion with the REPS holders during this period.

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

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

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

11 Dividend

(a) Current Financial Period Reported On

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

(b) Corresponding Period of the Immediately Preceding Financial Year

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

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

As the Company incurred losses for 1Q 2020, no dividend has been declared or recommended for the financial period.

13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

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

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

The IPT mandate sought on 30 April 2019 will expire on the date of the upcoming Annual General Meeting ("AGM"), and the Company will be seeking shareholders' approval for the proposal renewal of the IPT mandate at the upcoming Extraordinary General Meeting ("EGM") which will be held immediately after the adjournment of the AGM.

Particulars of IPTs for the period 1 January 2020 to 31 March 2020 are as follows:

Name of interested person	Nature of relationship	Aggregate value of all IPTs during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) US\$	Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) US\$
<u>Ezion Holdings Limited</u> Management fee paid/payable to	Controlling shareholder of the Company	NIL	104,407
<u>Ezion Holdings Limited</u> Interest paid/payable to	Controlling shareholder of the Company	266,578 (note 1)	NIL

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

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

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

The Company is seeking shareholders' approval for among others, the proposed payment of interest payable for its financial year ending 31 December 2020 on the principal drawn down under the loan from Ezion Holdings Limited in the upcoming EGM. In the event that the proposed resolution is not approved by shareholders in the EGM, the Company may have to convene a general meeting to seek approval for the abovementioned transaction, as the Group is currently in a net liability position.

14 Disclosure of acquisition of the issuer to include the aggregate value of the consideration pursuant to Rule 706A

Not applicable. The Company did not acquire and dispose any shares in any companies during 1Q 2020.

15 Confirmation of undertakings from Directors and Executive Officers

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

BY ORDER OF THE BOARD

Tan Wee Sin
Company Secretary
10 June 2020

Confirmation by Directors pursuant to Rule 705(5) of the Listing Manual Section B: Rules of Catalyst

We confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited interim financial results of the Group for the period ended 31 March 2020 to be false or misleading in any material aspect.

On behalf of the Board of directors

.....
Tan Ser Ko
Executive Director / CEO

.....
Eng Chiaw Koon
Non-Executive Director

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

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

The contact person for the Sponsor is Ms. Gillian Goh, Director, Head of Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and Email: sponsorship@ppcf.com.sg).