

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FOURTH QUARTER AND TWELVE MONTHS ENDED 31 DECEMBER 2020

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

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

	Group			Group		
	3 months ended			12 months ended		
	31.12.2020	31.12.2019		31.12.2020	31.12.2019	
	(4Q 2020)	(4Q 2019)	Change	(12M 2020)	(12M 2019)	Change
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Revenue	3,157	4,446	(29)	12,262	13,310	(8)
Cost of sales	(619)	(1,403)	(56)	(4,033)	(6,661)	(39)
Gross profit	2,538	3,043	(17)	8,229	6,649	24
Other operating expenses, net	(707)	(20,495)	(97)	(665)	(20,176)	(97)
Administrative and marketing expenses	(320)	(1,141)	(72)	(3,137)	(4,034)	(22)
Profit/(Loss) from operating activities	1,511	(18,593)	n.m.	4,427	(17,561)	n.m.
Finance income	22	55	(60)	102	194	(47)
Finance costs	(1,388)	(2,501)	(45)	(5,448)	(7,782)	(30)
Net finance cost	(1,366)	(2,446)	(44)	(5,346)	(7,588)	(30)
Share of results of jointly controlled entities (net of tax)	277	(185)	n.m.	667	(167)	n.m.
Profit/(Loss) before taxation	422	(21,224)	n.m.	(252)	(25,316)	(99)
Taxation	(1,586)	(476)	n.m.	(2,567)	(1,433)	79
Loss after taxation	(1,164)	(21,700)	(95)	(2,819)	(26,749)	(89)
Non-controlling interests	51	1,765	(97)	(185)	1,499	n.m.
Loss for the period	(1,113)	(19,935)	(94)	(3,004)	(25,250)	(88)

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

	Group			Group		
	3 months ended			12 months ended		
	31.12.2020	31.12.2019		31.12.2020	31.12.2019	
	(4Q 2020)	(4Q 2019)	Change	(12M 2020)	(12M 2019)	Change
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
- Net finance cost	(1,366)	(2,446)	(44)	(5,346)	(7,588)	(30)
- Depreciation	(81)	(992)	(92)	(2,414)	(4,959)	(51)
- Impairment of property, plant and equipment and financial assets/other receivables	(733)	(20,148)	(96)	(733)	(20,217)	(96)
- Amounts due from joint ventures written-off	(472)	-	n.m.	(472)	-	n.m.
- Gain on disposal of investment in joint venture	75	-	n.m.	75	-	n.m.

n.m. = not meaningful

1(b)(i) 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	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
	US\$'000	US\$'000	US\$'000	US\$'000
Non-current assets				
Property, plant and equipment	25,972	28,369	3	-
Right-of-use assets	16,675	16,202	-	-
Subsidiaries	-	-	31,028	54,733
Joint ventures	-	4,948	-	5,965
Other receivables	603	7,564	-	6,990
	43,250	57,083	31,031	67,688
Current assets				
Inventories	547	565	-	-
Assets held for sale	7,186	6,429	-	-
Trade and other receivables	18,851	11,585	3,594	778
Amounts due from subsidiaries	-	-	2,763	3,637
Amounts due from joint ventures	59	1,824	59	1,479
Cash and cash equivalents	3,315	5,246	114	470
	29,958	25,649	6,530	6,364
Total assets	73,208	82,732	37,561	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	(6,476)	(6,480)	(1,276)	(1,276)
Accumulated losses	(308,176)	(304,807)	(325,155)	(290,352)
Equity attributable to owners of the Company	(23,870)	(20,505)	(42,691)	(7,888)
Non-controlling interests	954	705	-	-
Total equity	(22,916)	(19,800)	(42,691)	(7,888)
Non-current liabilities				
Other payables	186	152	-	-
Financial liabilities	17,724	16,444	3,193	-
Deferred tax liabilities	2,486	1,288	-	-
	20,396	17,884	3,193	-
Current liabilities				
Trade and other payables	16,544	13,401	8,074	7,047
Amounts due to joint ventures	119	114	119	114
Amounts due to related parties	27,394	25,482	27,356	25,445
Amounts due to subsidiaries	-	-	24,073	21,716
Financial liabilities	31,164	45,279	17,437	27,618
Provision for tax	507	372	-	-
	75,728	84,648	77,059	81,940
Total liabilities	96,124	102,532	80,252	81,940
Total equity and liabilities	73,208	82,732	37,561	74,052

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:

	Group			
	As at 31.12.2020		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	31,164	27,394	45,279	25,482
Amount repayable after one year	17,724	-	16,444	-

Details of any collateral

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

Included in cash and cash equivalents an amount of US\$3,211,000 (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 December 2020

	Group			Group		
	3 months ended		Change %	12 months ended		Change %
	31.12.2020 (4Q 2020) US\$'000	31.12.2019 (4Q 2019) US\$'000		31.12.2020 (12M 2020) US\$'000	31.12.2019 (12M 2019) US\$'000	
Loss for the period	(1,164)	(21,700)	n.m.	(2,819)	(26,749)	n.m.
Other comprehensive income/(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	(1)	n.m.	9	(35)	n.m.
Exchange differences on monetary items forming part of net investment in foreign operations	(35)	(130)	(73)	-	(916)	(100)
Foreign currency translation differences relating to financial statements of foreign operations	93	381	(75)	71	723	(90)
	60	250	(76)	80	(228)	n.m.
<u>Items that will not be reclassified to profit and loss:</u>						
Net change in fair value of financial assets at fair value through other comprehensive income (FVOCI)	(12)	273	n.m.	(12)	(2,970)	n.m.
Net change in fair value of actuarial gain or loss	-	(1)	n.m.	-	(33)	n.m.
Other comprehensive income/(loss) for the period	48	522	(91)	68	(3,231)	n.m.
Total comprehensive loss for the period	(1,116)	(21,178)	(95)	(2,751)	(29,980)	(91)
Attributable to:						
Owners of the Company	(1,099)	(19,469)	(94)	(3,000)	(28,459)	(89)
Non-controlling interests	(17)	(1,709)	(99)	249	(1,521)	n.m.
	(1,116)	(21,178)	(95)	(2,751)	(29,980)	(91)

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		12 months ended	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
	(4Q 2020)	(4Q 2019)	(12M 2020)	(12M 2019)
	US\$'000	US\$'000	US\$'000	US\$'000
Cash flows from operating activities				
Profit/(Loss) before taxation	422	(21,224)	(252)	(25,316)
Adjustments for:-				
Depreciation of property, plant and equipment	(92)	779	1,692	3,932
Depreciation of right-of-use assets	173	213	722	1,027
Gain on disposal of investment in joint venture	(75)	-	(75)	-
Impairment on:				
- property, plant and equipment	550	10,139	550	10,139
- financial asset	-	6,633	-	6,633
- intangible asset	-	1,306	-	1,306
- other receivables	-	255	-	288
- equity investments at FVOCI	-	1,816	-	1,816
- joint venture	183	-	183	-
Amounts due from joint ventures written-off	472	-	472	-
Interest income	(22)	(55)	(102)	(194)
Interest expense	1,388	2,501	5,448	7,782
Equity-settled share-based payment transaction	-	-	-	45
Share of results of jointly controlled entities, net of tax	(277)	185	(667)	167
Operating profit before working capital changes	2,722	2,548	7,971	7,625
Changes in working capital:				
Inventories	(2)	(30)	18	(117)
Trade and other receivables	4,217	(2,366)	1,858	(3,752)
Trade and other payables	(83)	880	1,179	985
Income tax paid	(386)	(165)	(1,066)	(933)
Net cash from operating activities	6,468	867	9,960	3,808
Cash flows from investing activities				
Purchase of plant and equipment	(15)	(21)	(126)	(209)
Proceeds from disposal of investment in joint venture	5,353	-	5,353	-
Interest income received	22	55	102	194
Net cash from/(used in) investing activities	5,360	34	5,329	(15)
Cash flows from financing activities				
Proceeds from borrowings	316	51	341	134
Repayment of borrowings	(10,669)	(1,731)	(14,449)	(2,963)
Decrease in restricted cash	53	1,222	1,374	362
Payment of lease liabilities	(31)	(40)	(59)	(40)
Interest expense paid	(1,476)	(466)	(2,984)	(1,547)
Net cash used in financing activities	(11,807)	(964)	(15,777)	(4,054)
Net increase/(decrease) in cash and cash equivalents	21	(63)	(488)	(261)
Cash and cash equivalents at beginning of period	52	653	590	844
Effect of exchange rate fluctuations on cash held	31	-	2	7
Cash and cash equivalents at end of period	104	590	104	590
Cash and cash equivalent comprise:				
	Group			
	3 months ended		12 months ended	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
	(4Q 2020)	(4Q 2019)	(12M 2020)	(12M 2019)
	US\$'000	US\$'000	US\$'000	US\$'000
Cash and cash equivalents as per statement of financial position	3,315	5,246	3,315	5,246
Less: Restricted cash	(3,211)	(4,656)	(3,211)	(4,656)
Cash and cash equivalents as per consolidated statement of cash flows	104	590	104	590

- 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 shares US\$'000	Warrants US\$'000	Foreign currency translation reserves 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 for the year	-	-	-	-	7	(12)	9	(3,004)	(3,000)	249	(2,751)
Transactions with owners, recognised directly in equity											
Contributions by and distribution to owners											
Accrued perpetual securities distributions	-	-	-	-	-	-	-	(365)	(365)	-	(365)
Total transactions with owners	-	-	-	-	-	-	-	(365)	(365)	-	(365)
Balance as at 31 December 2020	274,545	6,811	7,042	2,384	(2,493)	(3,973)	(10)	(308,176)	(23,870)	954	(22,916)

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 US\$'000	Perpetual securities US\$'000	Redeemable exchangeable preference shares US\$'000	Warrants US\$'000	Foreign currency translation reserves 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 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	-	-	-	-	(171)	(3,003)	(35)	(25,250)	(28,459)	(1,521)	(29,980)
Transactions with owners, recognised directly in equity											
Contributions by and distribution to owners											
Issuance of Ordinary share	1,875	-	-	-	-	-	-	-	1,875	-	1,875
Accrued perpetual securities distributions	-	-	-	-	-	-	-	(332)	(332)	-	(332)
Equity-settled share-based payment transaction	-	-	-	-	-	-	-	45	45	-	45
Total transactions with owners	1,875	-	-	-	-	-	-	(287)	1,588	-	1,588
Balance as at 31 December 2019	274,545	6,811	7,042	2,384	(2,500)	(3,961)	(19)	(304,807)	(20,505)	705	(19,800)

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	Foreign currency translation reserve 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 income for the year	-	-	-	-	-	(34,438)	(34,438)
Transactions with owners, recognised directly in equity							
Contributions by and distribution to owners							
Accrued convertible perpetual capital securities distributions	-	-	-	-	-	(365)	(365)
Total transaction with owners	-	-	-	-	-	(365)	(365)
Balance as at 31 December 2020	274,545	6,811	2,384	-	(1,276)	(325,155)	(42,691)

The Company	Share capital US\$'000	Perpetual securities US\$'000	Warrants US\$'000	Foreign currency translation reserve US\$'000	Fair value reserves US\$'000	Accumulated losses US\$'000	Total US\$'000
Balance at 1 January 2019	272,670	6,811	2,384	(26)	(958)	(271,881)	9,000
Total comprehensive income for the year	-	-	-	26	(318)	(18,184)	(18,476)
Transactions with owners, recognised directly in equity							
Contributions by and distribution to owners							
Issue of ordinary shares	1,875	-	-	-	-	-	1,875
Accrued convertible perpetual capital securities distributions	-	-	-	-	-	(332)	(332)
Equity-settled share-based payment transaction	-	-	-	-	-	45	45
Total transaction with owners	1,875	-	-	-	-	(287)	1,588
Balance as at 31 December 2019	274,545	6,811	2,384	-	(1,276)	(290,352)	(7,888)

- 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 fourth quarter of 2020, there was no allotment and issuance of new ordinary shares.

As at 31 December 2020 and 31 December 2019, the Company had 13,656,697,535 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 December 2020 and 31 December 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 December 2020 and 31 December 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 December 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

On 24 December 2020, the Company had disposed all of the Company's effective interest of 48.45% in the issued and paid-up share capital of Rising Sun Energy Private Limited, which holds two solar photovoltaic plant within the Bhadla solar complex in India. The Company received approximately US\$11.7 million from the disposal. Substantial amount of the proceeds had been utilised to reduce outstanding loan amounts with certain lenders.

The Company is working towards satisfying all the remaining post-completion conditions in order to receive the remaining consideration. As at the date of this announcement, the Company has completed the First Retention Obligation and the Company received an amount of approximately US\$1.3 million which was utilised to repay the Group's borrowings and interest expenses.

In relation to the divestment plan for the Group's other solar asset, the Group is still in discussion with interested parties and update will be provided when there is material development on the discussion.

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

Management expects the Group's net working capital and shareholders' equity to remain negative for at least the next 12 months from the reporting date as the forecast operating cashflows are insufficient to address the deficiencies. As updated in our monthly announcements, the Group continues to engage in on-going discussions with the lenders and creditors to formalise their commitment to provide continued support on the Group's financial restructuring process.

(3) Cash flows from operating activities

With current COVID-19 pandemic together with the economic challenges and regulatory delays 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 Group has continuously engaged with its customers and has managed to collect the long outstanding receivable balances from the customers. Meanwhile, the Group is still working on the following two items:

- (a) the Group has obtained the necessary qualification from relevant authorities for two of the three mini hydro plants and had begun to progressively receive payment. The Group is continuously following up with relevant authorities to qualify the Group for payments on the remaining one of the three mini hydro power plant that had their PPA extended for a further five years; and
- (b) the receipt of the government subsidies in relation to our China photovoltaic power plant which the Group had submitted its claims.

(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 paragraph 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 do not 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			
	4Q 2020	4Q 2019	12M 2020	12M 2019
(in US\$ cents)				
(a) Based on the weighted average number of ordinary shares on issue;	(0.01)	(0.15)	(0.02)	(0.19)
and				
(b) On a fully diluted basis *	(0.01)	(0.15)	(0.02)	(0.19)
Note:				
Weighted average number of ordinary shares (in million):				
- Basic earnings per share	13,657	13,177	13,657	13,169
- Diluted earnings per share *	13,657	13,177	13,657	13,169

* The outstanding convertibles (including warrants, perpetual securities 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.

(in US\$ cents)	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Net asset value per ordinary share based on existing issued share capital excluding treasury shares as at the end of the year reported on	(0.17)	(0.15)	(0.31)	(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

4Q 2020 vs 4Q 2019

The Group's revenue for the three months ended 31 December 2020 ("4Q 2020") decreased by US\$1,289,000 from US\$4,446,000 to US\$3,157,000 as compared to the corresponding three months ended 31 December 2019 ("4Q 2019") mainly due to decrease in generation output for the Sri Lanka Mini Hydro Power Plants as compared to 4Q 2019.

The Group's cost of sales for 4Q 2020 decreased by US\$784,000 to US\$619,000 as compared to 4Q 2019. The decrease in cost of sales is mainly due to lower depreciation incurred as the impairment of assets was recorded in Dec 2019.

As a result of the above, the Group's gross profit for 4Q 2020 decreased by US\$505,000 to US\$2,538,000 as compared to 4Q 2019.

Other operating expenses (net) in 4Q 2020 decreased by US\$19,788,000 to US\$707,000 as compared to 4Q 2019 mainly due to lower impairment of US\$550,000 for property, plant and equipment and US\$183,000 for amount due from joint ventures recognised in 4Q 2020 as compared to impairment of US\$10,139,000 for property, plant and equipment, US\$1,306,000 for intangible assets and US\$8,704,000 for financial assets/other receivables recognised in 4Q 2019.

Administrative and marketing expenses in 4Q 2020 decreased by US\$821,000 to US\$320,000 as compared to 4Q 2019 mainly due to expenses relating to disposal of investment in joint venture recognised in prior quarters have been reclassified to gain on disposal of investment in joint venture which was recorded in other operating expenses. The decrease was also due to lower professional fee incurred in 4Q 2020 compare to 4Q 2019.

Finance costs in 4Q 2020 decreased by US\$1,113,000 as compared to 4Q 2019 mainly due to repayment of principal to lenders and lower interest rate.

Share of results of jointly controlled entities increased by US\$462,000 in 4Q 2020 due to the Group's joint venture in India contributing higher revenue from photovoltaic power plant.

12M 2020 vs 12M 2019

The Group's revenue for the twelve months ended 31 December 2020 ("12M 2020") decreased by US\$1,048,000 from US\$13,310,000 to US\$12,262,000 as compared to the corresponding twelve months ended 31 December 2019 ("12M 2019"). The decrease in revenue was due to a decrease in generation output for the Sri Lanka Mini Hydro Power Plants. This is partially off-set by the recognition of the revenue in arrears (relating to period from May 2019 to December 2019: US\$1,450,000) on the three mini-hydro power plants in 12M 2020 which PPAs were renewed in July 2020.

The Group's cost of sales for 12M 2020 decreased by US\$2,628,000 to US\$4,033,000 as compared to 12M 2019. The decrease in cost of sales is mainly due to lower depreciation incurred as the impairment of assets was recorded in Dec 2019.

As a result of the above, the Group's gross profit for 12M 2020 increased by US\$1,580,000 to US\$8,229,000 as compared to 12M 2019.

Other operating expense (net) in 12M 2020 decreased by US\$19,511,000 to US\$665,000 as compared to 12M 2019 mainly due to lower impairment of US\$550,000 for property, plant and equipment and US\$183,000 for amount due from joint ventures recognised in 12M 2020 as compared to impairment of US\$10,139,000 for property, plant and equipment, US\$1,306,000 for intangible assets and US\$8,737,000 for financial assets/other receivables recognised in 12M 2019.

Administrative and marketing expenses in 12M 2020 decreased by US\$897,000 to US\$3,137,000 as compared to 12M 2019 mainly due to reduction in management fees, insurance costs and travelling expenses as compared to 4Q 2019.

Finance costs in 12M 2020 decreased by US\$2,334,000 as compared to 12M 2019 mainly due to repayment of principal to lenders and lower interest rate.

Share of results of jointly controlled entities increased by US\$834,000 in 12M 2020 due to the Group's joint venture in India contributing higher revenue from photovoltaic power plant.

Statement of Financial Position Review

Non-current Assets

The Group's Non-current Assets amounted to US\$43,250,000 as at 31 December 2020. The decrease of US\$13,833,000 was mainly due to the disposal of investment in joint venture in December 2020 resulting in the decrease in both investment and other receivables of the joint venture. The remaining decrease is due to impairment of property, plant and equipment and depreciation charge for the 12M 2020 period.

Current Assets

The Group's Current Assets amounted to US\$29,958,000 as at 31 December 2020. The increase of US\$4,309,000 was mainly due to the remaining proceeds receivable from disposal of investment in joint ventures amounting to approximately US\$3.7 million and revenue in arrears from the renewed PPAs of 3 Mini Hydro Power Plants.

Total Liabilities

The Group's Total Liabilities decreased by US\$6,408,000 to US\$96,124,000 as at 31 December 2020 as compared to 31 December 2019. This was mainly due to higher repayment of borrowings to financial institutions in the month of December 2020 from the proceeds of disposal on investment in joint venture, and it was partially off-set by the increase in trade and other payables as a result of accrual of interest expense for the 12M 2020 period.

Statement of Cash Flows Review

Cash Flow from Operating Activities

The Group's net cash from operating activities in 4Q 2020 was US\$6,468,000. This was mainly due to cash collection from amount due from joint venture, trade receivables, coupled with negotiation with creditors to defer certain payments.

Cash Flow from Investing Activities

The Group's net cash from investing activities in 4Q 2020 was US\$5,360,000. This was mainly due to the proceeds from disposal of investment in joint venture.

Cash Flow from Financing Activities

The Group's net cash used in financing activities in 4Q 2020 was US\$11,807,000. This was mainly due to the net repayment of borrowings and interest expense.

Going concern assessment

The Group had net liabilities of US\$22,916,000 as at 31 December 2020. Higher net liabilities as compared to 31 December 2019 is mainly due to the losses incurred for the 12M 2020 period. In addition, the Group had net current liabilities of US\$45,770,000 as at 31 December 2020. The net current liabilities is a result of certain liabilities being reclassified from non-current to current liabilities as the Group did not meet the repayment schedule, financial covenants and the general undertaking imposed by the lenders. The Group continues to engage in on-going discussions with the lenders to restructure the borrowings as part of the whole Group's restructuring process, while looking for new potential investors.

In view of the above uncertainties faced by the Group, the Board and the Audit Committee is of the view that the Company's shares should remain suspended under Rule 1303(3)(c) of the Catalist Rules.

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 would like to update that:

1) In relation to the completed disposal of all of the Company's effective interest of 48.45% in the issued and paid-up share capital of Rising Sun Energy Private Limited, the Company remains committed to working towards satisfying all of the post-completion conditions in order to receive the remaining consideration. The Company has completed the First Retention Obligation and the Company received an amount of approximately US\$1.3 million which was utilised to repay the Group's borrowings and interest expenses.

2) In relation to the disposal of the accommodation module in Port Melville, both the buyer and the Group have finalised the terms of the extension to complete the transaction and the buyer continues to make payments in accordance with the progressive 12-month payment plan in lieu of the lump sum payment which was due in October 2020. As at end of March 2021, the Company has fully repaid the loan that financed the accommodation module.

3) In relation to the maturity of Redeemable Exchangeable Preference Shares ("REPS"), the Company had entered into the eleventh variation agreement dated as of 30 March 2021 to further extend the standstill period with the REPS Investors from 31 March 2021 up to and including 30 September 2021.

The Company, through its corporate consultant, is in early talks with an interested investor ("Potential Investor") to secure new cash funding for the Group. The Company will be looking into restructuring the Group's remaining debt based on terms that can be mutually agreed with the Potential Investor. Once the discussion with the Potential Investor materialises, the Company will seek shareholders' approval for these contemplated transactions in due course and also submit proposals to resume trading in its securities to the SGX through its sponsor.

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 12M 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 22 June 2020, obtained a general and specific mandate from shareholders for interested person transactions ("IPTs").

Particulars of IPTs for the period 1 January 2020 to 31 December 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>Management fee expenses</u>			
Ezion Holdings Limited	A controlling shareholder of the Company	NIL	253,608
<u>Interest expenses</u>			
Ezion Holdings Limited	A controlling shareholder of the Company	NIL	1,075,099

14 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 Catalyst Rule 720(1).

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**15 Segmented revenue and results for the operating segment (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

For the year ended 31 December 2020 and 31 December 2019, all revenue, capital expenditure, assets and liabilities were derived from one single business segment in providing power and energy services.

Geographical segments information for the Group is as follows:

	Revenue		Non-current assets *	
	2020 US\$'000	2019 US\$'000	2020 US\$'000	2019 US\$'000
South Asia	8,924	9,681	6,410	27,079
East Asia	3,302	3,548	17,728	14,511
Others	36	81	19,112	826
Total operations	12,262	13,310	43,250	42,416

* Non-current assets consist of property, plant and equipment (including Right-of-use 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.

17 A breakdown of sales as follows:-

	Group		Variance (%)
	2020 US\$'000	2019 US\$'000	
Revenue			
(a) first half year	3,739	5,571	(33)
(b) second half year	8,523	7,739	10
Total for the year	12,262	13,310	
Total profit/(loss) after income tax before deducting non-controlling interest :			
(a) first half year	(3,205)	(3,253)	(1)
(b) second half year	386	(23,496)	n.m.
Total for the year	(2,819)	(26,749)	

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

Not applicable. No dividend has been declared or recommended for 12M 2020 and 12M 2019.

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(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(10) of the Catalyst Rules, the Company confirms that there is no person occupying a managerial position in the Company or in any of its subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

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

On 24 December 2020, the Group had completed the disposal of investment in joint venture, Rising Sun Energy Private Limited ("RSE"). The Group has received consideration of approximately US\$11.7 million on completion date. The remaining consideration receivable subsequent to completion date is approximately US\$3.7 million. For further information, please kindly refer to announcements made by the Company dated 21 August 2020, 15 September 2020, 20 November 2020 and 24 December 2020, monthly update announcement dated 16 April 2021, together with the circular dated 15 September 2020 in relation to the proposed disposal of shares in RSE.

BY ORDER OF THE BOARD

Tan Wee Sin
Company Secretary
28 April 2021

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

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