

## GSS ENERGY LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration No. 201432529C)



SGX/MEDIA RELEASE – FOR IMMEDIATE RELEASE

### **GSS Energy Posts Revenue of S\$24.3 million As Precision Engineering Continues With Various Initiatives**

- **Group’s revenue remains stable at S\$24.3 million amid challenging environment**
- **Net profit after tax for the Group’s Precision Engineering (“PE”) business was S\$0.7 million for 1Q2019**

**Singapore, 10 May 2019** – The Board of Directors (the “**Board**”) of **GSS Energy Limited** (“**GSS Energy**”, and together with its subsidiaries, the “**Group**”) announced its financial results for the three months ended 31 March 2019 (“**1Q2019**”).

	1Q2019	1Q2018	Change
	3 months	3 months	
	(S\$'000)	(S\$'000)	%
Revenue	24,346	24,395	(0.20)
Gross Profit	3,910	5,694	(31.33)
<i>Gross Profit Margin</i>	<b>16.1%</b>	<b>23.3%</b>	<b>(7.2) ppt</b>
Total Expenses	(3,393)	(3,486)	(2.7)
EBITDA	900	1,757	(48.78)
Corporate Expenses	(617)	(580)	6.4
Net profit attributable to shareholders of the company	(200)	670	(129.9)
Net profit attributable to shareholders of the company (excluding corporate expenses)	417	1,250	(66.6)

Note: ppt denotes percentage points

## FINANCIAL REVIEW

The Group's revenue in 1Q2019 maintained stable at around S\$24.3 million when compared to 1Q2018. Gross profit margin in 1Q2019 was reduced to 16.1% from 23.3% in 1Q2018, due mainly to change in product mix, stiffer price competition and increase in depreciation expenses as a result of introduction of new machines.

The Group holds its expense at about S\$3.4 million, as cost increased in PE business and offset by reduction in O&G business cost.

The Group's net loss attributable to shareholders was S\$0.2 million for 1Q2019 of which PE business achieved a net profit after tax of S\$0.7 million, offset by loss in O&G business and corporate expenses.

<i>Financial positions</i>	As At 31 March 2019	As At 31 December 2018	Change
	(S\$'000)	(S\$'000)	%
Cash and cash equivalents	5,871	6,111	(3.9)
Total assets	78,861	76,933	2.5
Loan and borrowings	4,882	5,033	(3.0)
Total liabilities	32,470	30,476	6.5
Total equity	46,391	46,457	(0.1)
Net asset value per share (Singapore cents)*	9.45	9.45	-

\*The net assets value per share for the period ended 31 March 2019 is calculated based on the share capital (excluding treasury shares) in issue at the end of the period of 496,158,657 ordinary shares (31 December 2018: 496,158,657 ordinary shares)

Note: NM denotes "not meaningful"

The Group has a cash and bank balance of S\$5.9 million as of 31 March 2019. The Group's net asset value per share held at 9.45 Singapore cents per share as of 31 March 2019.

## **BUSINESS UPDATES AND OUTLOOK**

Commenting on the financial results and outlook for the Group, Mr. Sydney Yeung, CEO of GSS Energy, commented, *“In O&G business, we continue to actively pursue monetisation of our Trembul assets. While in PE business, we are confident with the guidance given by our existing customers and continue to pursue various initiatives.”*

- End -

### **ABOUT GSS ENERGY LIMITED (Bloomberg Ticker: GSSE SP EQUITY)**

GSS Energy has two core operating businesses: Oil and Gas (“**O&G**”) and Precision Engineering (“**PE**”). The O&G business is engaged in oil production in Indonesia, while the PE business is engaged in precision engineering, with a presence in Singapore, Indonesia and China.

GSS Energy officially started trading on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on February 12, 2015. Pursuant to a scheme of arrangement under Section 210 of the Companies Act, undertaken by Giken Sakata, Giken Sakata became a wholly-owned operating subsidiary of GSS Energy. Giken Sakata had been listed on SGX since 1993 and its listing status was transferred to GSS Energy with effect from February 12, 2015.

For more information, please visit [www.gssenergy.com.sg](http://www.gssenergy.com.sg)

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This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte. Ltd. (the “**Sponsor**”) for compliance with the relevant rules of the SGX-ST. The Company's Sponsor has not independently verified the contents of this announcement.

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

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