

**AUDITED FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION**

**POET - BLUE OCEAN OFFSHORE SERVICES PTE.
LTD.**

(Incorporated in Singapore)

Company Registration Number: 201711115E

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

POET - BLUE OCEAN OFFSHORE SERVICES PTE. LTD.

(Incorporated in Singapore)

AUDITED FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION

DIRECTORS

Quah Peng Wah
Quan Kian Beng
Quah Kian Wah (Alternate director to Quah Kian Beng)
Cruz -Herrera Alex Bernard Ramirez
Chan Mark Ulric Go

REGISTERED OFFICE

6 Jalan Lembah Kallang
Singapore 339562

SECRETARY

Lim Lay Hoon

AUDITORS

Reanda Adept PAC
138 Cecil Street
#06-01 Cecil Court
Singapore 069538

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POET - BLUE OCEAN OFFSHORE SERVICES PTE. LTD.

DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited financial statements of POET - Blue Ocean Offshore Services Pte. Ltd. (the "company") for the financial year ended 31 December 2019.

OPINION OF THE DIRECTORS

In the opinion of the directors,

- (i) the accompanying financial statements of the company are drawn up so as to give a true and fair view of the financial position of the company as at 31 December 2019 and of the financial performance, changes in equity and cash flows of the company for the financial year ended 31 December 2019.
- (ii) at the date of this statement there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

DIRECTORS

The directors of the company in office at the date of this statement are:-

Quah Peng Wah

Quan Kian Beng

Quah Kian Wah (Alternate director to Quah Kian Beng)

Taboso Garry Lincoln Calixtro (resigned on 10 February 2020)

Go Daniel Chua (resigned on 10 February 2020)

Cruz -Herrera Alex Bernard Ramirez (appointed on 10 February 2020)

Chan Mark Ulric Go (appointed on 10 February 2020)

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the company a party to any arrangement whose object was to enable the directors of the company to acquire benefits by means of the acquisition of shares in, or debentures of, the company or any other body corporate.

DIRECTORS' INTEREST IN SHARES AND DEBENTURES

According to the register of the directors' shareholdings kept by the company under section 164 of the Singapore Companies Act, Cap. 50, particulars of interests of the directors who held office at the end of the financial year in shares of the company and related corporations are as follows: -

	Direct interest		Deemed interest	
	At the beginning of the financial year	At the end of the financial year	At the beginning of the financial year	At the end of the financial year
	<u>Number of ordinary shares</u>	<u>Number of ordinary shares</u>	<u>Number of ordinary shares</u>	<u>Number of ordinary shares</u>
The company				
Quah Peng Wah	-	-	510,000	510,000
Taboso Garry Lincoln Calixtro	245,000	245,000	-	-
Go Daniel Chua	245,000	245,000	-	-

POET - BLUE OCEAN OFFSHORE SERVICES PTE. LTD.

DIRECTORS' STATEMENT

SHARE OPTIONS

During the financial year, there were:


- (i) no options granted by the company to any person to take up unissued shares of the company.
- (ii) no shares issued by virtue of any exercise of option to take up unissued shares of the company.

As at the end of the financial period, there were no unissued shares of the company under option.

AUDITOR

REANDA ADEPT PAC, has expressed their willingness to accept re-appointment as auditor.

On behalf of the board of directors


QUAH PENG WAH
Director

Singapore

9 October 2020


CHAN MARK ULRIC GO
Director

POET - BLUE OCEAN OFFSHORE SERVICES PTE. LTD.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF POET - BLUE OCEAN OFFSHORE SERVICES PTE. LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of POET – Blue Ocean Offshore Services Pte. Ltd. (the “company”), which comprise the statement of financial position as at 31 December 2019, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the “Act”) and the Singapore Financial Reporting Standard for Small Entities (“SFRS for SE”) so as to give a true and fair view of the financial position of the company as at 31 December 2019 and of the financial performance, changes in equity and cash flows of the company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 and 2.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

POET - BLUE OCEAN OFFSHORE SERVICES PTE. LTD.

INDEPENDENT AUDITOR'S REPORT (CONT'D)

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS for SE, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the company's financial reporting process.

Auditor's responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that include our opinion. Reasonable assurance is a high level assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

POET - BLUE OCEAN OFFSHORE SERVICES PTE. LTD.

INDEPENDENT AUDITOR'S REPORT (CONT'D)

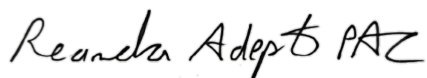
Auditor's responsibilities for the Audit of the Financial Statements (Cont'd)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, further events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the company have been properly kept in accordance with the provisions of the Act.



REANDA ADEPT PAC

Public Accountants and
Chartered Accountants

Singapore

9 October 2020

POET - BLUE OCEAN OFFSHORE SERVICES PTE. LTD.

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019

	Note	2019 USD	2018 USD
ASSETS			
Non-current asset			
Plant and equipment	4	<u>20,000,000</u>	<u>-</u>
Current assets			
Deposit paid		3,000	1,900,000
Advance billing		-	100,000
Cash and cash equivalents	5	<u>31,269</u>	<u>93,431</u>
		<u>34,269</u>	<u>2,093,431</u>
Total assets		<u>20,034,269</u>	<u>2,093,431</u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	6	1,000,000	1,000,000
Accumulated losses		<u>(110,423)</u>	<u>(9,355)</u>
		<u>889,577</u>	<u>990,645</u>
Non-current liabilities			
Other payables and accruals	7	<u>19,100,000</u>	<u>1,100,000</u>
		<u>19,100,000</u>	<u>1,100,000</u>
Current liabilities			
Other payables and accruals	7	<u>44,692</u>	<u>2,786</u>
		<u>44,692</u>	<u>2,786</u>
Total equity and liabilities		<u>20,034,269</u>	<u>2,093,431</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

POET - BLUE OCEAN OFFSHORE SERVICES PTE. LTD.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

	Note	2019 USD	2018 USD
Income			
Net foreign exchange gain/ (loss)		158	(519)
Costs and expenses			
Upkeep of marine vessel		(93,739)	-
Other expenses		(7,487)	(5,229)
Loss before taxation		<u>(101,068)</u>	<u>(5,748)</u>
Taxation	8	-	-
Loss for the financial year		<u>(101,068)</u>	<u>(5,748)</u>
Other comprehensive income		-	-
Total comprehensive loss for the financial year		<u><u>(101,068)</u></u>	<u><u>(5,748)</u></u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

POET - BLUE OCEAN OFFSHORE SERVICES PTE. LTD.

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

	Share capital USD	Accumulated Funds USD	Total USD
Balance at 1 January 2018	1,000,000	(3,607)	996,393
Total comprehensive loss for the financial year	-	(5,748)	(5,748)
Balance at 31 December 2018	1,000,000	(9,355)	990,645
Total comprehensive loss for the financial year	-	(101,068)	(101,068)
Balance at 31 December 2019	1,000,000	(110,423)	889,577

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

POET - BLUE OCEAN OFFSHORE SERVICES PTE. LTD.

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

	Note	2019 USD	2018 USD
Cash flows from operating activities			
Loss before taxation		(101,068)	(5,748)
Adjustment for:			
Unrealised exchange (gain)/loss		(158)	519
Operating loss before working capital changes		<u>(101,226)</u>	<u>(5,229)</u>
Changes in working capital:			
Deposit paid		1,897,000	(1,000,000)
Advance billing		100,000	1,000,000
Other payables and accruals		41,906	692
Net cash inflow/(outflow) from operating activities		<u>1,937,680</u>	<u>(4,537)</u>
Cash flows from investing activities			
Acquisition of plant and equipment		(20,000,000)	-
Net cash outflow from investing activities		<u>(20,000,000)</u>	<u>-</u>
Cash flows from financing activities			
Amount due to related companies (non-trade)		18,000,000	-
Net cash inflow from financing activities		<u>18,000,000</u>	<u>-</u>
Net decrease in cash and cash equivalents		(62,320)	(4,537)
Effect of exchange rate changes on cash and cash equivalents		158	(519)
Cash and cash equivalents			
- at the beginning of financial year		<u>93,431</u>	<u>98,487</u>
- at the end of financial year	5	<u><u>31,269</u></u>	<u><u>93,431</u></u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

POET - BLUE OCEAN OFFSHORE SERVICES PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

1. CORPORATE INFORMATION

The financial statements of POET – Blue Ocean Offshore Services Pte. Ltd. (the “company”) for the financial year ended 31 December 2019 were authorised for issue in accordance with a resolution of the directors on the date of the Directors' Statement.

The company (Company Reg. No.: 201711115E) is a limited liability company, domiciled and incorporated in the Republic of Singapore.

The registered office of the company is located at 6 Jalan Lembah Kallang, Singapore 339562.

The principal activity of the company is that of engineering design and consulting services supporting mining, oil and gas extraction and offshore exploration activities. However, the company has yet to commence trading and has not generated any revenue for the financial year.

The company is a joint venture between POET Investment Holdings Pte. Ltd., a company incorporated in the Republic of Singapore and two other joint venturers.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements are prepared in accordance with Singapore Financial Reporting Standard for Small Entities (“SFRS for SE”) issued by the Accounting Standards Council and the applicable requirements of the Singapore Companies Act, under the historical cost convention except as disclosed in the accounting policies below.

(b) Foreign currencies

Functional and presentation currencies

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates (the “functional currency”). The financial statements are presented in United States Dollars (“USD”), which is also the functional currency of the company.

Transactions and balances

Transactions in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the date of the statement of financial position are translated to the functional currency at the exchange rates closely approximating to those ruling at the date of the statement of financial position.

POET - BLUE OCEAN OFFSHORE SERVICES PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Foreign currencies (Cont'd)

Transactions and balances (Cont'd)

Non-monetary items measured at historical cost in foreign currencies are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value are translated using the exchange rates at the dates when the fair value was determined.

Translation differences are taken to the statement of comprehensive income.

(c) Plant and equipment

Items of plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment loss. Depreciation is computed on a straight-line basis so as to write off the cost or the carrying amount over their estimated useful lives.

The carrying amount, residual value and useful lives are reviewed and adjusted as appropriate at the end of each reporting period with changes in estimates accounted for on a prospective basis.

Plant and equipment are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

The carrying amount of plant and equipment at the end of the reporting period is disclosed in Note 4 to the financial statements.

(d) Financial instruments

Financial assets and financial liabilities are initially measured at the transaction price. At the end of each reporting period, they are measured at amortised cost using the effective interest method. Financial instruments that are classified as current assets or current liabilities shall be measured at the undiscounted amount of the cash or other consideration expected to be paid or received unless the arrangement constitutes, in effect, a financing transaction. If the arrangement constitutes a financing transaction, the company shall measure the financial instrument at the present value of the future payments discounted at a market rate of interest for a similar financial instrument.

POET - BLUE OCEAN OFFSHORE SERVICES PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Financial instruments (Cont'd)

At the end of each reporting period, the company shall assess whether there is objective evidence of impairment of any financial instruments that are measured at cost or amortised cost. If there is objective evidence of impairment, the company shall recognise an impairment loss in statement of comprehensive income immediately. If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the company shall reverse the previously recognised impairment loss either directly or by adjusting an allowance account.

Financial assets measured at amortised cost are presented as "Cash and cash equivalents" (Note 5) on the statement of financial position. Financial liabilities measured at amortised cost are presented as "Other payables and accruals" (Note 7) on the statement of financial position.

(e) Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current income tax for the current period and any adjustments to tax payable in respect of prior periods is recognised to be paid or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted at the date of the statement of financial position.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

POET - BLUE OCEAN OFFSHORE SERVICES PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include deposits with financial institutions which are not subject to significant change in value.

(g) Share capital and share issuance expenses

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

(h) Related parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the company if that person:

- (i) Has control or joint control over the company;
- (ii) Has significant influence over the company; or
- (iii) Is a member of the key management personnel of the company.

(b) An entity is related to the company if any of the following conditions applies:

- (i) The entity and the company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
- (iii) Both entities are joint ventures of the same third party;
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the company or an entity related to the company. If the company is itself such a plan, the sponsoring employers are also related to the company;
- (vi) The entity is controlled or jointly controlled by a person identified in (a); or
- (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

POET - BLUE OCEAN OFFSHORE SERVICES PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Key sources of accounting estimation and assumptions

The company does not have any material key sources of estimation uncertainty and assumptions at the end of the financial period that have a significant risk of causing material adjustment to the carrying amount of the assets and liabilities within the next financial year.

Critical judgements in applying the entity's accounting policies

In the process of applying the company's accounting policies, management is not aware of any judgements that have significant effect on the amounts recognised in the financial statements.

4. PLANT AND EQUIPMENT

	Marine vessel USD
Cost	
At 1 January 2019	-
Additions	20,000,000
At 31 December 2019	<u>20,000,000</u>

As at the reporting date, the vessel was not yet ready for its intended use, therefore no depreciation is charged for the year. The company took delivery of the vessel subsequent to the reporting date on 6 June 2020.

5. CASH AND CASH EQUIVALENTS

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following:

	2019 USD	2018 USD
Cash at bank	<u>31,269</u>	<u>93,431</u>

POET - BLUE OCEAN OFFSHORE SERVICES PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

6. SHARE CAPITAL

	No. of ordinary shares Issued share capital	Amount Share capital USD
2019 and 2018		
Beginning and end of financial year	1,000,000	1,000,000

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and right to dividends as and when declared by the company.

7. OTHER PAYABLES AND ACCRUALS

	2019 USD	2018 USD
<u>Non-current liabilities</u>		
Amount due to related companies (trade)	4,158,100	100,000
Amount due to related companies (non-trade)	8,941,900	-
Amount due to shareholders (non-trade)	6,000,000	1,000,000
	<u>19,100,000</u>	<u>1,100,000</u>
<u>Current liabilities</u>		
Other payables	41,871	-
Accruals	2,821	2,786
	<u>44,692</u>	<u>2,786</u>
	<u>19,144,692</u>	<u>1,102,786</u>

The amounts due to shareholders and related companies are unsecured, non-interest bearing and has no fixed term of repayment. Related companies are corporate entities controlled by the directors/shareholders of the company.

8. TAXATION

Major components of income tax expense:

	2019 USD	2018 USD
Current year tax	-	-
	<u>-</u>	<u>-</u>

POET - BLUE OCEAN OFFSHORE SERVICES PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

8. TAXATION (CONT'D)

Reconciliation between tax expense and the accounting loss:

	2019 USD	2018 USD
Loss before income tax	(101,068)	(5,748)
Tax at the applicable tax rate of 17% (2018: 17%)	(17,182)	(977)
Tax effect of income that are not chargeable in determining taxable profit	17,182	977
	-	-

9. COMMITMENTS

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows: -

	2019 USD	2018 USD
Capital commitment with respect to purchase of a vessel	-	18,000,000

10. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, significant transactions with related parties at terms agreed between the parties, are as follows:

	2019 USD	2018 USD
Deposit paid to a related company for purchase of a vessel	-	1,000,000
Advances of funds (loans) from shareholders	-	1,000,000
Advances of funds (loans) from related companies	13,941,900	-
Purchase of marine vessel from a related company	20,000,000	-

POET - BLUE OCEAN OFFSHORE SERVICES PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

11. EVENTS OCCURRING AFTER THE REPORTING PERIOD

Since early 2020, the epidemic of Coronavirus Disease 2019 (the "COVID-19 outbreak") has spread across different regions over the world and it has affected the business and economic activities of the company to some extent. The financial results subsequent to the report date is likely to be negatively impacted as a result of regional and global travel restrictions, lockdown measures, loss of customer, supply chain disruptions, and other forms of interruptions to businesses.

As the situation relating to the coronavirus pandemic remains uncertain, it is currently difficult to predict the magnitude of the financial impact and economic sentiment as the tenure and severity of the virus outbreak is still unknown. The management will pay close attention to the development of the COVID-19 outbreak and continues to evaluate its impact on the business and operation of the company as part of its risk management function.

POET - BLUE OCEAN OFFSHORE SERVICES PTE. LTD.

OTHER EXPENSES

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

	2019 USD	2018 USD
Audit fee	2,227	2,934
Bank charges	325	85
Filing fee	44	-
Fine	441	-
GST Written Off	205	206
Legal and professional fees	2,339	-
Printing & stationery	209	422
Secretarial fee	1,103	995
Tax fee	594	587
	<u>7,487</u>	<u>5,229</u>