



**ANAN INTERNATIONAL LIMITED** 安安国际有限公司  
(Incorporated in Bermuda)  
(Company Registration No. 35733)  
(the “Company”)

**Condensed Interim Consolidated Financial Statements  
For the Fourth Quarter and Full Year Ended 31 December 2023**

<b>TABLE OF CONTENTS</b>	<b>PAGE</b>
Condensed interim consolidated statement of profit or loss and other comprehensive income	3
Condensed interim statements of financial position	4
Condensed interim statements of changes in equity	5
Condensed interim consolidated statement of cash flows	6
Selected notes for the condensed interim consolidated financial statements	7-11
Other information required under listing manual	11-18

**Condensed interim consolidated statement of profit or loss and other comprehensive income  
For the fourth quarter and full year ended 31 December 2023**

<u>Group</u>	Three months ended	Three months ended	Increase	Twelve months ended	Twelve months ended	Increase
	31 Dec 2023 US\$'000	31 Dec 2022 US\$'000	/(decrease) %	31 Dec 2023 US\$'000	31 Dec 2022 US\$'000	/(decrease) %
Revenue	635,718	864,800	(26)	2,567,324	3,185,946	(19)
Cost of sales	(603,113)	(814,045)	(26)	(2,452,868)	(3,035,990)	(19)
<b>Gross profit</b>	<b>32,605</b>	<b>50,755</b>	<b>(36)</b>	<b>114,456</b>	<b>149,956</b>	<b>(24)</b>
Other income	1,577	349	352	6,953	921	655
Selling and distribution expenses	(28,518)	(22,136)	29	(87,019)	(72,832)	19
Administrative expenses	(1,141)	(1,476)	(23)	(4,541)	(4,699)	(3)
Other operating income/(expenses)	2,080	(3,953)	N.M.	1,906	(5,426)	N.M.
Reversal of allowance / (impairment loss) on receivables	549	(506)	(208)	(4,177)	(764)	447
Bad debt written off	(85)	(69)	23	(263)	(188)	40
Finance expenses	(4,203)	(1,475)	185	(9,441)	(4,464)	111
Share of results of associates and joint ventures	(302)	563	(154)	846	1,260	(33)
<b>Profit before income tax</b>	<b>2,562</b>	<b>22,052</b>	<b>(88)</b>	<b>18,720</b>	<b>63,764</b>	<b>(71)</b>
Income tax expense	(1,059)	(7,888)	(87)	(6,090)	(20,032)	(70)
<b>Profit for the period/year</b>	<b>1,503</b>	<b>14,164</b>	<b>(89)</b>	<b>12,630</b>	<b>43,732</b>	<b>(71)</b>
<b>Other comprehensive income/(loss):</b>						
<b>Item that may be reclassified subsequently to profit or loss</b>						
Exchange differences on translating foreign operations	4,727	4,355	9	3,490	(3,137)	N.M.
<b>Other comprehensive income/(loss) for the period/year, net of tax</b>	<b>4,727</b>	<b>4,355</b>	<b>9</b>	<b>3,490</b>	<b>(3,137)</b>	<b>N.M.</b>
<b>Total comprehensive income for the period/year</b>	<b>6,230</b>	<b>18,519</b>	<b>(66)</b>	<b>16,120</b>	<b>40,595</b>	<b>(60)</b>
<b>Profit attributable to:</b>						
Owners of the Company	902	7,139	(87)	5,664	21,149	(73)
Non-controlling interests	601	7,025	(91)	6,966	22,583	(69)
<b>Profit for the period/year</b>	<b>1,503</b>	<b>14,164</b>	<b>(89)</b>	<b>12,630</b>	<b>43,732</b>	<b>(71)</b>
<b>Total comprehensive income attributable to:</b>						
Owners of the Company	6,040	13,329	(55)	9,442	17,625	(46)
Non-controlling interests	190	5,190	(96)	6,678	22,970	(71)
<b>Total comprehensive profit for the period/year</b>	<b>6,230</b>	<b>18,519</b>	<b>(66)</b>	<b>16,120</b>	<b>40,595</b>	<b>(60)</b>

N.M – Not Meaningful

**Condensed interim consolidated statements of financial position  
As at 31 December 2023**

	<b>Group</b>		<b>Company</b>	
	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
<b>ASSETS</b>				
<b>Non-current assets:</b>				
Property, plant and equipment	86,238	62,518	-	-
Right-of-use assets	4,729	4,313	-	-
Intangible assets	27,173	18,031	-	-
Investments in subsidiaries	-	-	50,000	50,000
Investments in associates	8,258	12,531	-	-
Investments in joint ventures	46,232	44,899	-	-
Available-for-sale financial assets	236	316	-	-
Deferred tax assets	1,334	1,294	-	-
Other receivables	1,484	1,283	-	-
<b>Total non-current assets</b>	<b>175,684</b>	<b>145,185</b>	<b>50,000</b>	<b>50,000</b>
<b>Current assets:</b>				
Inventories	100,538	107,088	-	-
Trade and other receivables	217,002	212,086	30	2
Amounts due from subsidiaries	-	-	-	29
Amounts due from related parties	13,180	23,806	-	-
Tax recoverable	4,459	-	-	-
Derivative financial assets	371	29	-	-
Cash and cash balance	49,152	10,829	-	-
<b>Total current assets</b>	<b>384,702</b>	<b>353,838</b>	<b>30</b>	<b>31</b>
<b>Total assets</b>	<b>560,386</b>	<b>499,023</b>	<b>50,030</b>	<b>50,031</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities:</b>				
Provisions	8	8	-	-
Trade and other payables	226,990	212,692	128	193
Derivative financial liabilities	551	110	-	-
Loans and borrowings	126,437	88,998	-	-
Lease liabilities	1,345	1,169	-	-
Amounts due to holding company	49	850	-	-
Amounts due to subsidiary company	-	-	1,711	1,663
Amounts due to related parties	35	64	-	-
Income tax payable	-	8,314	-	-
<b>Total current liabilities</b>	<b>355,415</b>	<b>312,205</b>	<b>1,839</b>	<b>1,856</b>
<b>Non-current liabilities:</b>				
Provisions	20,226	22,133	-	-
Lease liabilities	3,489	3,264	-	-
Deferred tax liabilities	2,785	2,757	-	-
Loans and borrowings	21,021	13,527	-	-
Other payables	3,691	2,092	-	-
<b>Total non-current liabilities</b>	<b>51,212</b>	<b>43,773</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>406,627</b>	<b>355,978</b>	<b>1,839</b>	<b>1,856</b>
<b>Equity:</b>				
Share capital	545	545	545	545
Share premium	196,308	196,308	196,308	196,308
Accumulated losses	(97,101)	(102,765)	(148,662)	(148,678)
Foreign currency translation reserve	1,233	(2,545)	-	-
	100,985	91,543	48,191	48,175
<b>Non-controlling interests</b>	<b>52,774</b>	<b>51,502</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>153,759</b>	<b>143,045</b>	<b>48,191</b>	<b>48,175</b>
<b>Total liabilities and equity</b>	<b>560,386</b>	<b>499,023</b>	<b>50,030</b>	<b>50,031</b>

## Condensed interim statements of changes in equity

	Attributable to the Owners of the Company						
	Share capital	Share premium	Accumulated losses	Foreign currency translation reserve	Equity attributable to owners of the Company	Non-controlling interests	Total equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Group</b>							
At 1 January 2023	545	196,308	(102,765)	(2,545)	91,543	51,502	143,045
Profit for the year, representing Total comprehensive income for the year	-	-	5,664	-	5,664	6,966	12,630
Exchange differences on translating foreign operations	-	-	-	3,778	3,778	(288)	3,490
Dividend paid	-	-	-	-	-	(5,406)	(5,406)
Balance at 31 December 2023	545	196,308	(97,101)	1,233	100,985	52,774	153,759
At 1 January 2022	545	196,308	(123,914)	979	73,918	29,610	103,528
Profit for the year, representing Total comprehensive income for the year	-	-	21,149	-	21,149	22,583	43,732
Exchange differences on translating foreign operations	-	-	-	(3,524)	(3,524)	387	(3,137)
Dividend paid	-	-	-	-	-	(1,078)	(1,078)
Balance at 31 December 2022	545	196,308	(102,765)	(2,545)	91,543	51,502	143,045

	Attributable to the Owners of the Company			
	Share capital	Share premium	Accumulated losses	Total equity
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Company</b>				
At 1 January 2023	545	196,308	(148,678)	48,175
Profit for the year, representing total comprehensive income for the financial year	-	-	16	16
Balance at 31 December 2023	545	196,308	(148,662)	48,191
At 1 January 2022	545	196,308	(148,457)	48,396
Loss for the year, representing total comprehensive loss for the financial year	-	-	(221)	(221)
Balance at 31 December 2022	545	196,308	(148,678)	48,175

**Condensed interim consolidated statement of cash flows**

<u>Group</u>	<b>Three months ended</b>	<b>Three months ended</b>	<b>Twelve months ended</b>	<b>Twelve months ended</b>
	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
<b>Operating activities</b>				
Profit before income tax	2,562	22,052	18,720	63,764
<b>Adjustment for:</b>				
Depreciation and amortisation	4,366	2,603	12,858	8,543
(Gain)/Loss on disposal of property, plant and equipment	(89)	(189)	(127)	(103)
Loss on disposal of a subsidiary	(1)	-	1,105	-
Fair value measurement on derivative instrument	(2,904)	707	98	95
Impairment of assets	799	932	799	932
(Reversal of allowance) / Net allowance of receivables	(549)	506	4,177	764
Bad debt written-off	85	69	263	188
Interest expenses	1,610	829	5,122	2,342
Interest income	(38)	(284)	(1,798)	(583)
Share of results of associate and joint ventures	302	(563)	(846)	(1,260)
Exchange realignment	(1,094)	3,740	(8)	1,094
Operating cash flows before changes in working capital	5,049	30,402	40,363	75,776
<b>Changes in working capital:</b>				
Inventories	33,621	(21,849)	8,332	(3,004)
Trade and other receivables	37,842	36,175	(6,808)	(17,897)
Trade and other payables	(42,026)	(7,234)	10,095	10,063
<b>Cash flows generated from operations</b>	34,486	37,494	51,982	64,938
Income taxes paid	(4,365)	(9,228)	(18,687)	(14,398)
Interest paid	(1,610)	(2,641)	(5,122)	(2,342)
Interest received	38	2,096	1,798	583
<b>Net cash flows generated from operating activities</b>	28,549	27,721	29,971	48,781
<b>Investing activities</b>				
Cash outflow from acquisition of subsidiaries	(2,649)	644	(8,570)	(1,506)
Proceeds from disposal of a subsidiary	-	-	3,466	-
Proceeds from disposal of property, plant and equipment	157	14	286	166
Purchases of intangible assets, property, plant and equipment	(7,588)	(16,899)	(35,848)	(29,342)
Disposal of other investment	-	1	-	1
<b>Net cash flows used in investing activities</b>	(10,080)	(16,240)	(40,666)	(30,681)
<b>Financing activities</b>				
Proceeds from/(repayment of) borrowings	(4,291)	(23,468)	32,451	4,015
Repayment of lease liabilities	199	1,560	(774)	(1,566)
Repayment of loan from minority shareholder	-	(444)	-	(444)
Repayment of loan from/(loan to) holding company	1	-	-	(393)
Repayment of/(advances to) related companies/related parties	10,531	(9,914)	10,992	(3,260)
Restricted cash	-	393	-	393
Dividend paid	(2,718)	(1,078)	(5,406)	(1,078)
<b>Net cash flows (used in)/generated from financing activities</b>	3,722	(32,951)	37,263	(2,333)
<b>Net (decrease)/increase in cash and cash equivalents</b>	22,191	(21,470)	26,568	15,767
Cash and cash equivalents at the beginning of the period	(34,871)	(16,624)	(38,932)	(54,078)
Effect of exchange rate changes on cash and cash equivalents	575	(838)	259	(621)
<b>Cash and cash equivalents at the end of the period</b>	(12,105)	(38,932)	(12,105)	(38,932)
Cash and bank balance	49,152	10,829	49,152	10,829
Bank overdrafts	(61,257)	(49,761)	(61,257)	(49,761)
Cash and cash equivalents per consolidated statement of cash flows	(12,105)	(38,932)	(12,105)	(38,932)

## Selected notes for the condensed interim consolidated financial statements

### A. General information

AnAn International Limited (the "Company"), is a limited liability company domiciled and incorporated in Bermuda and is listed on the Main Board of Singapore Exchange Securities Trading Limited. The address of the Company's registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The address of its principal place of business is 10 Anson Road, #17-12 International Plaza, Singapore 079903.

The Company's immediate and ultimate holding company is AnAn Group (Singapore) Pte. Ltd. ("AAG"), incorporated in Singapore.

The principal activity of the Company is that of investment holding.

### B. Basis of preparation

The condensed interim consolidated financial statements for the three months ended 31 December 2023 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's performance.

These financial statements are presented in United States dollars ("US\$") and all values are rounded to the nearest thousand (US\$'000), unless otherwise stated.

### C. Use of judgements and estimates

The preparation of the financial statements in conformity with IFRS requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

### D. Segment and revenue information

#### Revenue

	<b>Three months ended 31 Dec 2023 US\$'000</b>	<b>Three months ended 31 Dec 2022 US\$'000</b>	<b>Twelve months ended 31 Dec 2023 US\$'000</b>	<b>Twelve months ended 31 Dec 2022 US\$'000</b>
Distribution	635,179	864,310	2,565,015	3,184,660
Dividend income	539	490	2,309	1,286
	<u>635,718</u>	<u>864,800</u>	<u>2,567,324</u>	<u>3,185,946</u>

## Operating Segments

The Group's business is organised and managed separately according to the nature of the services provided. The following table presents revenue and profit information regarding business segments for the financial year ended 31 December 2023.

	<u>Distribution</u> US\$'000	<u>Wholesale</u> US\$'000	<u>Corporate</u> US\$'000	<u>Adjustments and eliminations</u> US\$'000	<u>Total</u> US\$'000
<b>2023</b>					
<b>Revenue:</b>					
External customers	2,565,015	-	-	-	2,565,015
Dividend income	2,309	-	-	-	2,309
Total revenue	<u>2,567,324</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,567,324</u>
<b>Results:</b>					
Segment results	27,693	1,550	391	(4,117)	25,517
Interest income	1,756	-	42	-	1,798
Finance expenses	(9,433)	(4)	(4)	-	(9,441)
Share of results of joint venture and associate	(448)	-	1,294	-	846
	<u>19,568</u>	<u>1,546</u>	<u>1,723</u>	<u>(4,117)</u>	<u>18,720</u>
Tax expense	(6,090)	-	-	-	(6,090)
Net profit/(loss) for the year	<u>13,478</u>	<u>1,546</u>	<u>1,723</u>	<u>(4,117)</u>	<u>12,630</u>
<b>Segment assets:</b>					
Segment assets	520,180	317	61,265	(77,199)	504,563
Investment in associates	10,609	-	4,367	(6,719)	8,257
Investment in joint ventures	11,844	-	26,554	7,834	46,232
Tax assets	-	-	-	1,334	1,334
Total assets	<u>542,633</u>	<u>317</u>	<u>92,186</u>	<u>(74,750)</u>	<u>560,386</u>
<b>Segment liabilities:</b>					
Segment liabilities	412,443	121,611	18,129	(143,882)	408,301
Tax liabilities	(2,404)	-	-	730	(1,674)
Total liabilities	<u>410,039</u>	<u>121,611</u>	<u>18,129</u>	<u>(143,152)</u>	<u>406,627</u>
<b>Capital expenditure</b>					
	<u>35,848</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,848</u>
<b>Significant non-cash items:</b>					
Depreciation and amortisation	<u>12,620</u>	<u>45</u>	<u>193</u>	<u>-</u>	<u>12,858</u>



	<u>Distribution</u> US\$'000	<u>Wholesale</u> US\$'000	<u>Corporate</u> US\$'000	<u>Adjustments and eliminations</u> US\$'000	<u>Total</u> US\$'000
<b>2022</b>					
<b>Revenue:</b>					
External customers	3,184,660	-	-	-	3,184,660
Dividend income	1,286	-	-	-	1,286
Total revenue	3,185,946	-	-	-	3,185,946
<b>Results:</b>					
Segment results	69,321	(561)	(2,761)	386	66,385
Interest income	583	-	-	-	583
Finance expenses	(4,450)	(2)	(12)	-	(4,464)
Share of results of joint venture and associate	202	-	1,058	-	1,260
	65,656	(563)	(1,715)	386	63,764
Tax expense	(20,032)	-	-	-	(20,032)
Net profit/(loss) for the year	45,624	(563)	(1,715)	386	43,732
<b>Segment assets:</b>					
Segment assets	458,194	230	55,770	(73,895)	440,299
Investment in associates	10,286	-	4,347	(2,102)	12,531
Investment in joint ventures	11,924	-	26,554	6,421	44,899
Tax assets	-	-	-	1,294	1,294
Total assets	480,404	230	86,671	(68,282)	499,023
<b>Segment liabilities:</b>					
Segment liabilities	349,274	123,070	14,325	(141,762)	344,907
Tax liabilities	10,363	-	-	708	11,071
Total liabilities	359,637	123,070	14,325	(141,054)	355,978
<b>Capital expenditure</b>					
	30,606	-	-	-	30,606
<b>Significant non-cash items:</b>					
Depreciation and amortisation	8,307	45	191	-	8,543

### Geographical segments

	<u>Revenue</u>		<u>Non-current assets</u>	
	<u>2023</u> US\$'000	<u>2022</u> US\$'000	<u>2023</u> US\$'000	<u>2022</u> US\$'000
Europe	2,567,324	3,185,835	144,746	111,049
People's Republic of China	-	111	30,792	34,130
Singapore	-	-	146	6
	2,567,324	3,185,946	175,684	145,185

### A breakdown of sales

	<u>Group</u>		
	<u>Year ended 31 Dec 2023</u> US\$'000	<u>Year ended 31 Dec 2022</u> US\$'000	<u>Increase/ (decrease)</u> %
Revenue reported for first half year	1,244,497	1,485,795	(16)
Net profit/(loss) after tax reported for first half year	6,081	16,608	(63)
Revenue reported for second half year	1,322,827	3,185,946	(58)
Net profit after tax reported for second half year	6,549	43,732	(85)

**E. The Group's profit before income tax is arrived at after charging / (crediting):**

<u>Group</u>	Three	Three	Increase	Twelve	Twelve	Increase
	months	months		months	months	
	ended	ended		ended	ended	
	31 Dec 2023	31 Dec 2022	/(decrease)	31 Dec 2023	31 Dec 2022	/(decrease)
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
(Gain)/Loss on disposal of property, plant and equipment	(89)	(17)	424	(127)	(103)	24
Interest income	(38)	(284)	(87)	(1,798)	(583)	208
Loss on disposal of a subsidiary	(1)	-	N.M	1,105	-	N.M
Allowance on impairment of property, plant and equipment	799	932	(14)	799	932	(14)
Depreciation and amortisation	6,918	2,603	166	12,858	8,543	51
Net Allowance /(Reversal of allowance) of receivables	(549)	506	N.M	4,177	764	447
Bad debts written-off	85	69	23	263	188	40
Directors' fees	28	28	-	111	109	2
Finance expenses	4,203	1,475	185	9,441	4,464	111
Professional fees	589	602	(2)	2,409	976	147
Rental expenses	2,908	1,983	47	9,210	6,676	38
Staff costs (including key management personnel compensation)	12,858	12,621	2	43,946	40,265	9
Travelling expenses	365	190	92	1,070	593	80

**F. Net assets value**

	<u>Group</u>		<u>Company</u>	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	US cents	US cents	US cents	US cents
<b>Net assets value per ordinary share</b>	<u>2.386</u>	<u>2.162</u>	<u>1.138</u>	<u>1.138</u>

The calculation of net assets value per ordinary share is based on the Group's net assets of approximately US\$100,985,006 as at 31 December 2023 (31 December 2022: US\$91,542,621) and the Company's net assets of approximately US\$48,190,801 as at 31 December 2023 (31 December 2022: US\$48,175,618) and share capital of 4,233,185,850 shares (31 December 2022: 4,233,185,850 shares).

## G. Aggregate amount of the Group's borrowings and debt securities

	<u>Unsecured</u>		<u>Secured</u>	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	US\$'000	US\$'000	US\$'000	US\$'000
Amount payable in one year or less or on demand	8,727	6,178	117,710	82,820
Amount payable after one year	21,021	13,527	-	-

### Details of any collateral

The secured borrowings of US\$117,710,290 are secured with trade receivables of the subsidiaries.

### Contingent liabilities

As at 31 December 2023, the Group has also given guarantees in the amount of US\$46.79 million as follows:

- i) Bank guarantees in the amount of US\$46.56 million to 9 oil product suppliers to secure certain favourable buying conditions and payment terms for 2 subsidiaries; and
- ii) Letter of support to banks in the amount of US\$0.23 million in favour of a joint venture company in France.

### **Other information required under listing manual**

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

There have been no changes in the Company's share capital since the end of the previous period reported.

The Company did not have any treasury shares, subsidiary holdings or other convertibles as at end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

- 1a(ii) 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.**

The total number of issued shares as at end of 31 December 2023 and 31 December 2022 was 4,233,185,850 shares. There were no shares held as treasury shares and the Company does not have any shares that may be issued on conversion of any outstanding convertibles as at 31 December 2023 and 31 December 2022.

- 1a(iii) 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 does not have any treasury shares.

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

During the financial period, there was no transaction pertaining to subsidiary holdings.

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

These figures have neither been reviewed nor audited 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) Updates on the efforts taken to resolve each outstanding audit issue.**

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

The Company's auditor has completed audit of FY2022 financial statements. Please refer to our announcement dated 30 November 2023 on updates of our auditors' comments. The audit qualification stated in FY2022 audited financial statements pertains to the opening balance of Energy Certificate inventory, ie FY2021 Energy Certificate inventory. The FY2022 Energy Certificate inventory as at 31 December 2022 is unqualified due to receiving sufficient and appropriate audit evidence.

The Board confirmed that the impact of all outstanding audit issues on 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.**

The accounting policies and methods of computation applied by the Group are consistent with those used in its most recent audited financial statements as well as all the applicable new/revised International Financial Reporting Standards ("IFRS") and IFRS interpretations ("INT IFRS") which came into effect for the financial years beginning on or after 1 January 2023.

**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.**

In the current financial year, the Group has adopted the new and revised IFRS, and INT IFRS that are relevant to its operations and effective for the current financial year. The adoption of these new or revised IFRS or INT IFRS does not result in changes to the Group's accounting policies and has no material effect on the amounts reported for the current or prior financial years.

**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 dividend.**

	<u>Group</u>			
	Three months ended		Twelve months ended	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	US\$	US\$	US\$	US\$
<b>Profit attributable to owners of the Company</b>	901,868	7,139,504	5,663,541	21,149,453
<b>Profit/(loss) per ordinary share</b>	US Cents	US Cents	US Cents	US Cents
(a) Based on the weighted average number of ordinary shares in issue; and	0.021	0.169	0.134	0.500
Weighted average number of ordinary shares in issue	4,233,185,850	4,233,185,850	4,233,185,850	4,233,185,850
(b) On a fully diluted basis	0.021	0.169	0.134	0.500
Weighted average number of ordinary shares in issue	4,233,185,850	4,233,185,850	4,233,185,850	4,233,185,850

**7. 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.

**Review of the Group's financial performance**

The Group's revenue in the fourth quarter of the year ("4Q 2023") decreased to US\$635.72 million from US\$864.80 million in the fourth quarter of last year ("4Q 2022"), being a quarter to quarter ("Q-to-Q") decrease of 26% . The Group's revenue decreased by 19% from US\$3.19 billion for the financial year ended 31 December 2022 ("FY2022") to US\$2.57 billion for the financial year ended 31 December 2023 ("FY2023"). The Group's revenue was derived from the Group's fuel distribution business in France and Spain ("Dyneff Group"). The decrease in the revenue for both 4Q 2023 and FY2023 as compared to the corresponding periods in 2022 were mainly due to the decrease of the sale volume as a result of back to normal demand compared to surge in demand during market condition of increasing fuel price of which caused by Russia-Ukraine war started in 2022.

The cost of sales has decreased to US\$2.45 billion in FY2023, a decrease of 19% from US\$3.04 billion in FY2022, which was in line with the decrease in revenue. The gross profit margin has also decreased slightly from 4.7% in FY2022 to 4.5% in FY2023, which was mainly due to the stiffer market competition faced by the Dyneff Group.

Other income of US\$1.58 million for 4Q 2023 was a 352% increase as compared to US\$0.35 million in 4Q 2022 was mainly due to other income was earned from a French customer who requested to delay in delivery of shipments during 4Q 2023. Other income for FY2023 and FY2022 were US\$6.95 million and US\$0.92 million respectively, an increase of US\$6.03 million was mainly a result of increase in interest income of US\$1.21 million as well as increase in other income mainly due to penalties imposed on some contracted customers of US\$4.82 million.

Selling and distribution expenses increased by 29% from US\$22.14 million in 4Q 2022 to US\$28.52 million in 4Q 2023. It also increased by 19% from US\$72.83 million in FY2022 to US\$87.02 million in FY2023. The overall increase of US\$14.19 million in FY2023 was mainly due to higher staff costs of US\$4.20 million from salary increment and increased headcounts; higher rental of oil distribution equipment of US\$2.58 million; depreciation of US\$3.38 million, insurance and office supplies of US\$0.81 million; other expenses of US\$1.72 million due to repairs and maintenance of the oil distribution equipment; utilities of US\$0.57 million and impairment loss of US\$0.80 million incurred for the underperforming motorway gas station. The selling and distribution expenses were not in correlation to the Group's revenue as the significant fixed staff costs does not fluctuate according to the revenue generated.

Administrative expenses remained constant as compared to FY2022.

Impairment loss on receivables increased from US\$0.76 million in FY2022 to US\$4.18 million in FY2023 was mainly due to the increase of provision for doubtful debts of US\$3.83 million made, as explained in Q3 2023, as a result of non-payment for several gas deliveries by a contract customer of the Dyneff Group. To mitigate further losses, Dyneff Group has ceased further deliveries to this customer. Bad debts written off for FY2023 and FY2022 were only 0.01% and 0.006% of FY2023 and FY2022 revenue respectively and were incurred within normal course of business.

Finance expenses increased from US\$1.48 million in 4Q 2022 to US\$4.21 million in 4Q 2023 and US\$4.46 million in FY2022 to US\$9.44 million in FY2023 due to higher interest expenses from bank borrowings and bank commissions incurred by Dyneff Group.

The share of losses of associates and joint ventures was US\$0.30 million in 4Q 2023 as compared to share of profits of US\$0.56 million in 4Q 2022. This decrease in 4Q 2023 was mainly due to increase in share of losses of associates and joint ventures in France of US\$0.30 million. It also caused the overall share of profits of associates and joint ventures decreased from US\$1.26 million in FY2022 as compared to US\$0.85 million in FY2023.

Income tax expense incurred of US\$1.06 million and US\$6.09 million in 4Q 2023 and FY2023 respectively, compared to income tax expense of US\$7.89 million in 4Q 2022 and US\$20.03 million in FY2022, were mainly due to the lower profits generated by the Group in 4Q 2023 and FY2023 compared to 4Q 2022 and FY2022.

The Group recorded a net profit of US\$1.50 million and US\$12.63 million in 4Q 2023 and FY2023 respectively, compared to a higher net profit of US\$14.16 million and US\$43.73 million in 4Q 2022 and FY2022 respectively. These were attributable to the decrease in revenue by the fuel distribution business and the increase of overall finance expenses, and selling and distribution expenses.

### **Review of the Group's financial position**

The Group's non-current assets stand at US\$175.68 million as at 31 December 2023 compared to US\$145.19 million as at 31 December 2022, and comprised property, plant and equipment of US\$86.24 million, right-of-use assets of US\$4.73 million, intangible assets of US\$27.17 million, investments in associates and joint ventures of US\$54.49 million, available-for-sale financial assets of US\$0.24 million, deferred tax assets of US\$1.33 million and other receivables of US\$1.48 million. The increase of US\$30.50 million was mainly attributable to Dyneff Group's addition of the property, plant and equipment of US\$33.95 million, the intangible assets of US\$9.06 million, offset by the depreciation and amortisation of US\$12.86 million and disposal of investment in associates of US\$4.27 million of which wholly-owned by a subsidiary in China which was disposed during the reporting period.

The current assets stood at US\$384.70 million as at 31 December 2023 compared to US\$353.84 million as at 31 December 2022. Overall, the increase of US\$30.86 million in current assets was from the increase of US\$4.92 million in trade and other receivables, US\$38.32 million in cash and cash balance, US\$4.46 million in tax recoverable and offset by the decrease of US\$6.55 million in inventories and US\$10.63 million in amount due from related parties. The increase in trade receivables was mainly due to higher sales at the end of December 2023. The increase in cash and cash balance was due to proceeds drawn from borrowings and collection of sales proceeds from disposal of a subsidiary in China, and the increase in tax receivable was mainly due to more tax paid in advance by the Dyneff Group. The decrease in inventories was mainly due to clearing inventories in order to sell at higher pricing with higher demand during fourth quarter of 2023. The decrease in the amount due from related parties was the repayment of the advances provided by Dyneff SAS to one joint venture, which was in the midst of obtaining long term financing, for the capital expenditure requirements.

The increase of US\$43.21 million in current liabilities was mainly due to an increase of US\$14.30 million in trade and other payables and US\$37.44 million in short-term loans and borrowings, partially offset by decrease of US\$8.31 million in income tax payable. The higher trade and other payables were mainly attributable to the resume of normal credit terms compared to shorter payment periods requested by the suppliers as at 31 December 2022. The increase in short-term loan and borrowings was mainly the proceeds drawn from borrowings to meet the working capital requirements. The decrease in income tax payables were mainly as result of repayments to tax authority. The increase of US\$7.44 million in non-current liabilities was mainly due to the increase in of loans and borrowings and lease liabilities of US\$7.49 million and US\$0.22 million respectively for acquisitions of subsidiaries and partially offset by the decrease in provision of US\$1.91 million due to reversal as a result of no longer required for tax related disputes.

Overall, the Group's net assets stood at US\$100.98 million as at 31 December 2023, or 2.39 US cents per share, compared to US\$91.54 million as at 31 December 2022 or 2.16 US cents per share.

## **Review of the Group's cash flows**

The Group recorded net cash flows generated from operating activities of US\$28.55 million in 4Q 2023, as compared to US\$27.72 million in 4Q 2022. This increase in cash flow generated from operating activities was mainly attributable to higher inflow of cash generated from trade and other receivables and inventories, offset by the increase in cash used in trade and other payables. The lower net cash flows generating from operating activities of US\$29.97 million in FY2023, as compared net cash flows generating from operating activities of US\$48.78 million in FY2022 was mainly due to the lower cash inflow from trade and other receivables, partially offset by the increase in tax and interest paid.

The net cash flows used in investing activities of US\$40.67 million in FY2023 respectively as compared to US\$30.68 million in FY2022 was mainly due to purchases of intangible assets and property, plant and equipment and acquisition of the subsidiaries by our Group in France.

The net cash flows generating from financing activities of US\$3.72 million in 4Q 2023, as compared to net cash flows used in financing activities of US\$32.95 million in 4Q 2022 was mainly attributable to repayment of advances provided to a joint venture in France in 4Q 2023 and higher repayment of borrowings in 4Q 2022. The net cash flows generating from financing activities was US\$37.26 million in FY2023, as compared to net cash flows used in financing activities of US\$2.33 million in FY2022 was mainly due to higher proceeds drawn from borrowings and repayment of advances provided to a joint venture in France.

The Group's cash and cash equivalents in the consolidated statement of cashflows comprises cash and bank balances of US\$49.15 million and bank overdrafts of US\$61.26 million as at 31 December 2023.

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

No forecast or prospect statement has been previously disclosed to shareholders.

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

The Group's main revenue is derived from Dyneff Group in France and Spain currently. The Group will continue to seek organic growth and diversification into other natural energy while remaining cautious with the uncertainty in the economic outlook.

**10. Dividend**

**If a decision regarding dividend has been made:**

**(a) Whether an interim (final) ordinary dividend has been declared (recommended); and**

There was no final ordinary dividend recommended

**(b) (i) Current financial period reported on**

There were no dividends declared for the financial period reported on.

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

There were no dividends declared for the corresponding period of the immediately preceding financial year.

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the Dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)**

Not applicable.

**(d) The date the dividend is payable.**

Not applicable.

**(e) The date on which Registrable Transfers received by the company (up to 5.00 p.m.) will be registered before entitlements.**

Not applicable.

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

No dividend has been declared or recommended as working capital is required for the Group’s business activities.

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

The Group does not have a general mandate from shareholders for interested person transactions.

The Group has the following transactions with AnAn Group (Singapore) Pte Ltd (“AAG”), the immediate holding company in Q4 2023. The transactions were entered into between the Group’s wholly owned subsidiary Hong Kong China Energy Finance Service Co., Limited (“HKCEFS”) and AAG.

<b><u>Transactions</u></b>	<b><u>USD</u></b>
Amount hold on trust by HKCEFS for AAG	46,789

**13. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7 under Rule720(1))**

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

**14. 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 the Section 7 of this announcement.

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

	<b>Latest Full Year</b>	<b>Previous Full Year</b>
	<b>US\$’000</b>	<b>US\$’000</b>
Ordinary	-	-
Preference	-	-

**16. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Mr Zang Jian Hui	47	Brother of Mr Zang Jian Jun (Executive Director and Executive Chairman and substantial shareholder of the Company).	Position: Non-executive Director of the Company’s principal subsidiaries with effective from 1 November 2023.  Duties: Evaluating performance of investments/ subsidiaries.	No changes in duties and position during the year.



## 17. Disclosure pursuant to Rule 706(A)

The Company had on 20 March 2023 announced that the Company's wholly-owned subsidiary, Hong Kong China Energy Finance Service Co., Limited, has on 17 March 2023 entered into an equity transfer agreement for the proposed disposal of 100% equity interest of the following entity:

Name	:	Shanghai Dajiang Shenyuan Equity Investment Fund Management Co., Ltd
Principal Activity	:	Equity trust investment and consultancy services
Country of incorporation	:	People's Republic of China
Paid-up Capital	:	RMB 27,940,799
Adjusted net asset value as at 31 March 2023	:	RMB 32,493,377
The Consideration	:	RMB 25,000,000
The Consideration will be satisfied or paid in the following four (4) tranches:-	:	<ol style="list-style-type: none"><li>1.1 an amount of RMB 7,500,000 representing 30% of the Consideration shall be paid within five (5) business days of the fulfilment of the First Tranche Conditions (as defined below);</li><li>1.2 an amount of RMB 5,000,000 representing 20% of the Consideration shall be paid within five (5) business days of the fulfilment of the Second Tranche Conditions (as defined below);</li><li>1.3 an amount of RMB 5,000,000 representing 20% of the Consideration shall be paid within five (5) business days of the fulfilment of the Third Tranche Conditions (as defined below); and</li><li>1.4 the balance amount of RMB 7,500,000 representing 30% of the Consideration shall be paid within five (5) business days of the fulfilment of the Fourth Tranche Conditions (as defined below).</li></ol>
Completion is conditional upon, amongst other things:	:	<ol style="list-style-type: none"><li>2.1 the Target and Purchaser obtaining the necessary corporate authorisations in connection with the Proposed Transaction and the satisfactory legal, financial and business due diligence of the Purchaser (the "First Tranche Conditions");</li><li>2.2 the signing and delivery of the necessary documents to effect the Proposed Transaction (the "Second Tranche Conditions");</li><li>2.3 the Purchaser completing the application for the industrial and commercial registration of the Purchaser as a new shareholder of the Target, obtaining a new business licence for the Target and effecting the change of tax registration of the Target (the "Third Tranche Conditions"); and</li><li>2.4 the industrial and commercial registration having completed for three (3) months without any tax arrears, penalties and debt recourse. In the event of any overdue taxes, penalties and debt recourse, the Purchaser has the right to use the balance to offset the balance amount to be paid to the Seller (the "Fourth Tranche Conditions").</li></ol>

The impact of the above disposal that would have on the Group's results is also disclosed in the announcement on 20 March 2023.

The Company had on 3 August 2023 announced that all the conditions precedent to the above proposed disposal has been fulfilled, full consideration has been received and the proposed disposal has been completed on 2 August 2023.

The Company had on 26 July 2023 announced that the Company's French Subsidiary, Dyneff SAS, has entered into a share purchase agreement on 25 July 2023 for the proposed acquisition of 100% equity interest of the following entity:

Name	:	CPA SAS
Principal Activity	:	Wholesale distribution of refined petroleum products
Country of incorporation	:	France
Paid-up Capital	:	EUR 2,035,998
Net asset value as at 31 December 2022	:	EUR 5,822,384
Number of share(s)	:	565,555 ordinary shares
Consideration	:	EUR 9,411,247

The Company had on 3 September 2023 announced that the Company's French Subsidiary, Dyneff SAS, has entered into a share purchase agreement on 31 August 2023 for the proposed acquisition of 100% equity interest of the following entity:

Name	:	France Habitat Enr SAS
Principal Activity	:	Installation of photovoltaic solar panels
Country of incorporation	:	France
Paid-up Capital	:	EUR 30,000
Net asset value as at 31 December 2022	:	EUR 452,437
Number of share(s)	:	1,000 ordinary shares
Consideration	:	EUR 6,076,006

The impact of the above acquisitions that would have on the Group's results is also disclosed in the announcement on 26 July 2023 and 3 September 2023.

The Company had on 19 December 2023 announced that all the conditions precedent to the above proposed acquisition of 100% stake in France Habitat Enr SAS has been fulfilled, full consideration has been paid to the Seller and the proposed acquisition has been completed on 18 December 2023.

**BY ORDER OF THE BOARD**

**Zang Jian Jun**  
**Executive Director and Executive Chairman**  
**Date: 29 February 2024**