



**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 Three Months Period Ended 31 March 2023**

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**Condensed interim consolidated statement of profit or loss and other comprehensive income  
For the three months period ended 31 March 2023**

<u>Group</u>	Three months ended	Three months ended	Increase
	31 Mar 2023 US\$'000	31 Mar 2022 US\$'000	/(decrease) %
Revenue	652,278	626,993	4
Cost of sales	(627,483)	(599,350)	5
<b>Gross profit</b>	<b>24,795</b>	<b>27,643</b>	<b>(10)</b>
Other operating income	919	739	24
Selling and distribution expenses	(17,808)	(17,450)	2
Administrative expenses	(1,230)	(1,326)	(7)
Other operating expenses	(948)	(222)	327
Finance expenses	(1,253)	(996)	26
Share of results of associates and joint ventures	813	327	149
<b>Profit before income tax</b>	<b>5,288</b>	<b>8,715</b>	<b>(39)</b>
Income tax expense	(1,033)	(2,322)	(56)
<b>Profit for the period</b>	<b>4,255</b>	<b>6,393</b>	<b>(33)</b>
<b>Other comprehensive income:</b>			
<b>Item that may be reclassified subsequently to profit or loss</b>			
Exchange differences on translating foreign operations	1,826	3,954	(54)
<b>Other comprehensive income for the period, net of tax</b>	<b>1,826</b>	<b>3,954</b>	<b>(54)</b>
<b>Total comprehensive income for the period</b>	<b>6,081</b>	<b>10,347</b>	<b>(41)</b>
<b>Profit attributable to:</b>			
Owners of the Company	1,473	2,934	(50)
Non-controlling interests	2,782	3,459	(20)
<b>Profit for the period</b>	<b>4,255</b>	<b>6,393</b>	<b>(33)</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the Company	3,389	4,159	(19)
Non-controlling interests	2,692	6,188	(56)
<b>Total comprehensive income for the period</b>	<b>6,081</b>	<b>10,347</b>	<b>(41)</b>

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

	31 Mar 2023 US\$'000	31 Dec 2022 US\$'000	31 Mar 2023 US\$'000	31 Dec 2022 US\$'000
<b>ASSETS</b>				
<b>Non-current assets:</b>				
Property, plant and equipment	71,936	62,518	-	-
Right-of-use assets	4,200	4,313	-	-
Intangible assets	18,356	18,031	-	-
Investments in subsidiaries	-	-	50,000	50,000
Investments in associates	8,466	12,716	-	-
Investments in joint ventures	45,650	44,899	-	-
Available-for-sale financial assets	144	141	-	-
Deferred tax assets	1,315	1,294	-	-
Other receivables	1,337	1,283	-	-
<b>Total non-current assets</b>	<b>151,404</b>	<b>145,195</b>	<b>50,000</b>	<b>50,000</b>
<b>Current assets:</b>				
Inventories	90,802	107,088	-	-
Trade and other receivables	248,409	212,087	13	2
Amounts due from subsidiaries	-	-	29	29
Amounts due from related parties	26,664	23,806	-	-
Derivative financial assets	446	29	-	-
Cash and cash balance	15,794	10,829	-	-
<b>Total current assets</b>	<b>382,115</b>	<b>353,839</b>	<b>42</b>	<b>31</b>
<b>Total assets</b>	<b>533,519</b>	<b>499,034</b>	<b>50,042</b>	<b>50,031</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities:</b>				
Provisions	8	8	-	-
Trade and other payables	274,935	213,633	169	185
Derivative financial liabilities	154	110	-	-
Loans and borrowings	56,841	89,012	-	-
Lease liabilities	1,122	970	-	-
Amounts due to holding company	849	850	-	-
Amounts due to subsidiary company	-	-	1,682	1,663
Amounts due to related parties	8	64	-	-
Income tax payable	8,276	8,314	-	-
<b>Total current liabilities</b>	<b>342,193</b>	<b>312,961</b>	<b>1,851</b>	<b>1,848</b>
<b>Non-current liabilities:</b>				
Provisions	21,306	21,184	-	-
Lease liabilities	3,202	3,463	-	-
Deferred tax liabilities	3,163	2,757	-	-
Loans and borrowings	12,312	13,527	-	-
Other payables	2,211	2,091	-	-
<b>Total non-current liabilities</b>	<b>42,194</b>	<b>43,022</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>384,387</b>	<b>355,983</b>	<b>1,851</b>	<b>1,848</b>
<b>Equity:</b>				
Share capital	545	545	545	545
Share premium	196,308	196,308	196,308	196,308
Accumulated losses	(101,297)	(102,770)	(148,662)	(148,670)
Foreign currency translation reserve	(618)	(2,534)	-	-
	94,938	91,549	48,191	48,183
<b>Non-controlling interests</b>	<b>54,194</b>	<b>51,502</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>149,132</b>	<b>143,051</b>	<b>48,191</b>	<b>48,183</b>
<b>Total liabilities and equity</b>	<b>533,519</b>	<b>499,034</b>	<b>50,042</b>	<b>50,031</b>

## Condensed interim statements of changes in equity

	Attributable to the Owners of the Company						
	Share capital US\$'000	Share premium US\$'000	Accumulated losses US\$'000	Foreign currency translation reserve US\$'000	Equity attributable to owners of the Company US\$'000	Non-controlling interests US\$'000	Total equity US\$'000
<b>Group</b>							
At 1 January 2023	545	196,308	(102,770)	(2,534)	91,549	51,502	143,051
Profit for the period, representing Total comprehensive income for the period	-	-	1,473	-	1,473	2,782	4,255
Exchange differences on translating foreign operations	-	-	-	1,916	1,916	(90)	1,826
Balance at 31 March 2023	545	196,308	(101,297)	(618)	94,938	54,194	149,132
At 1 January 2022	545	196,308	(123,895)	979	73,937	29,610	103,547
Loss for the period, representing Total comprehensive income for the period	-	-	2,934	-	2,934	3,459	6,393
Exchange differences on translating foreign operations	-	-	-	1,225	1,225	2,729	3,954
Balance at 31 March 2022	545	196,308	(120,961)	2,204	78,096	35,798	113,894

	Attributable to the Owners of the Company			
	Share capital US\$'000	Share premium US\$'000	Accumulated losses US\$'000	Total equity US\$'000
<b>Company</b>				
At 1 January 2023	545	196,308	(148,670)	48,183
Profit for the period, representing total comprehensive income for the period	-	-	8	8
Balance at 31 March 2023	545	196,308	(148,662)	48,191
At 1 January 2022	545	196,308	(148,439)	48,414
Loss for the period, representing total comprehensive loss for the period	-	-	(412)	(412)
Balance at 31 March 2022	545	196,308	(148,851)	48,002

Condensed interim consolidated statement of cash flows

<u>Group</u>	<b>Three months ended 31 Mar 2023 US\$'000</b>	<b>Three months ended 31 Mar 2022 US\$'000</b>
<b>Operating activities</b>		
Profit before income tax	5,288	8,715
<b>Adjustment for:</b>		
Depreciation and amortisation	2,628	3,145
Gain on disposal of property, plant and equipment	(3)	(7)
Loss on disposal of a subsidiary	1,106	-
Fair value measurement on derivative instrument	(374)	308
Allowance for doubtful debts	882	95
Bad debt written-off	55	40
Interest expenses	842	429
Interest income	(554)	(68)
Share of results of associate and joint ventures	(813)	(327)
Exchange realignment capital	114	6,131
	<u>9,171</u>	<u>18,461</u>
<b>Changes in working capital:</b>		
Inventories	18,068	7,605
Trade and other receivables	(31,227)	(60,867)
Trade and other payables	57,606	40,508
	<u>53,618</u>	<u>5,707</u>
<b>Cash flows generated from operations</b>		
Income taxes paid	(854)	(488)
Interest paid	(842)	(429)
Interest received	554	68
	<u>52,476</u>	<u>4,858</u>
<b>Net cash flows generated from operating activities</b>		
<b>Investing activities</b>		
Proceeds from disposal of a subsidiary	1,088	
Proceeds from disposal of property, plant and equipment	6	-
Purchases of intangible assets, property, plant and equipment	(11,020)	(11,397)
	<u>(9,926)</u>	<u>(11,397)</u>
<b>Net cash flows used in investing activities</b>		
<b>Financing activities</b>		
(Repayment to)/Proceeds from borrowings	(6,093)	25,698
Repayment of lease liabilities	(246)	(2,515)
Repayment of loan from/(loan to) holding company	(1)	(278)
Advances to related companies/related parties	(2,519)	3,675
	<u>(8,859)</u>	<u>26,580</u>
<b>Net cash flows (used in)/generated from financing activities</b>		
	<u>33,691</u>	<u>20,041</u>
<b>Net increase in cash and cash equivalents</b>		
Cash and cash equivalents at the beginning of the period	(38,082)	(52,835)
Effect of exchange rate changes on cash and cash equivalents	(271)	339
	<u>(4,662)</u>	<u>(32,455)</u>
<b>Cash and cash equivalents at the end of the period</b>		
Cash and bank balance	15,794	17,044
Bank overdrafts	(20,456)	(49,499)
Cash and cash equivalents per consolidated statement of cash flows	<u>(4,662)</u>	<u>(32,455)</u>

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

<u>Group</u>	Three months ended	Three months ended	Increase
	31 Mar 2023 US\$'000	31 Mar 2022 US\$'000	/(decrease) %
Loss (Gain) on disposal of property, plant and equipment	(3)	(7)	(57)
Interest income	(554)	(68)	715
Loss on disposal of a subsidiary	1,106	-	N.M
Depreciation and amortisation	2,628	3,145	(16)
Allowance of trade debts	882	95	828
Bad debts written-off	55	40	38
Directors' fees	28	27	4
Finance expenses	1,253	996	26
Professional fees	678	420	61
Rental expenses	2,084	1,640	27
Staff costs (including key management personnel compensation)	9,378	7,589	24
Travelling expenses	235	105	124

**E. Net assets value**

	<u>Group</u>		<u>Company</u>	
	31 Mar 2023 US cents	31 Dec 2022 US cents	31 Mar 2023 US cents	31 Dec 2022 US cents
<b>Net assets value per ordinary share</b>	<u>2.243</u>	<u>2.163</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\$94,937,753 as at 31 March 2023 (31 December 2022: US\$91,548,920) and the Company's net assets of approximately US\$48,191,505 as at 31 March 2023 (31 December 2022: US\$48,183,337) and share capital of 4,233,185,850 shares (31 December 2022: 4,233,185,850 shares).

**F. Aggregate amount of the Group's borrowings and debt securities**

	<u>Unsecured</u>		<u>Secured</u>	
	31 Mar 2023 US\$'000	31 Dec 2022 US\$'000	31 Mar 2023 US\$'000	31 Dec 2022 US\$'000
Amount payable in one year or less or on demand	6,356	6,192	50,485	82,820
Amount payable after one year	12,312	13,527	-	-



#### Details of any collateral

The secured borrowings of US\$50,485,009 are secured with trade receivables of the subsidiaries.

#### Contingent liabilities

As at 31 March 2023, the Group has also given guarantees in the amount of US\$49.11 million as follows:

- i) Bank guarantees in the amount of US\$48.81 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\$0.30 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 March 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 March 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 FY2018, FY2019 and FY2020 financial statements, Please refer to our announcement dated 23 September 2022 on updates of our auditors' comments. The audit qualification stated in FY2017 audited financial statements has been satisfactory resolved. For the qualified opinion in FY2018, FY2019 and FY2020 on non-compliance with International Accounting Standard (IAS) 36 *Impairment of Assets* for one of the investments in subsidiary, the Company has worked for it to resolve this audit issue in subsequent year audit.

The Management is awaiting for the audit of the financial statements of FY2021 to be completed by mid of June 2023 and have the audit qualification stated in the audited financial statements for FY2020 to be satisfactory resolved. 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	
	31 Mar 2023	31 Mar 2022
	US\$	US\$
<b>Profit attributable to owners of the Company</b>	1,472,771	2,933,642
<b>Profit/(loss) per ordinary share</b>	US Cents	US Cents
(a) Based on the weighted average number of ordinary shares in issue; and	0.035	0.069
Weighted average number of ordinary shares in issue	4,233,185,850	4,233,185,850
(b) On a fully diluted basis	0.035	0.069
Weighted average number of ordinary shares in issue	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 of US\$652.28 million for the three months period ended 31 March 2023 ("**3M 2023**") and US\$626.99 million for the three months period ended 31 March 2022 ("**3M 2022**") were derived from the Group's fuel distribution business in France and Spain ("Dyneff Group"). The increase in the revenue by 4% for 3M 2023 compared to 3M 2022 were mainly due to the increase of the sale volume as a result of increase in demand of customers..

The costs of sales were increased to US\$627.48 million in 3M 2023, an increase of 5% from US\$599.35 million in 3M 2022, which was in line with the increase in revenue.

Gross profits were decreased to US\$24.80 million in 3M 2023 compared to US\$27.64 million in 3M 2022. The decrease in gross profits by 10% were mainly attributable to the decrease in gross profits margin by 0.6% from 4.4% in 3M 2022 to 3.8% in 3M 2023 by Dyneff Group as a result of back to normal market condition compared to exceptional market condition for 3M 2022.

Other operating income was US\$0.92 million in 3M 2023 compared to US\$0.74 million in 3M 2022. The increase in other operating income by 24% in 3M 2023 was mainly due to higher interest income and the exchange gain as EUR strengthened against USD.

Selling and distribution expenses increased by 2% from US\$17.45 million in 3M 2022 to US\$17.81 million in 3M 2023. The overall increase was mainly due to higher staff costs as result of salary increment and increased headcounts. 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 decreased by 7% from US\$1.33 million in 3M 2022 to US\$1.23 million in 3M 2023. The overall decrease was mainly due to the Group did not incur costs of US\$0.14 million for termination benefits of a long service employee in 3M 2023 compared to 3M 2022.

Other operating expenses increased by 327% from US\$0.22 million in 3M 2022 to US\$0.95 million in 3M 2023. The increase was mainly due to the loss on disposal of a subsidiary in China of US\$1.11 million and the increase in provision for bad and doubtful debts of US\$0.79 million in 3M 2023 compared to 3M 2022 and partially net off by the reversal of provision for additional VAT of US\$1.19 million in 3M 2023.

Finance expenses increased by 26% from US\$1 million in 3M 2022 to US\$1.25 million in 3M 2023 was mainly due to higher interest expenses from bank borrowings and bank commissions incurred by Dyneff Group.

The share of profits of associates and joint ventures increased by 149% from US\$0.33 million in 3M 2022 to US\$0.81 million in 3M 2023. This increase was mainly due to the increase in share of profits of a China joint venture of US\$0.45 million as well as the increase in share of profits in an associate of Dyneff Group amounted to US\$0.03 million in 3M 2023.

Income tax expense decreased by 56% from US\$2.32 million in 3M 2022 to US\$1.03 million in 3M 2023 was in line with the lower profit made by the fuel distribution business in France and Spain.

The Group recorded a net profit of US\$4.26 million for 3M 2023 compared to a net profit of US\$6.39 million for 3M 2022. These were mainly attributable to the resume of usual gross profit margin with the increase in revenue by the fuel distribution business of the Group..

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

The Group's non-current assets stand at US\$151.40 million as at 31 March 2023 compared to US\$145.20 million as at 31 December 2022, and comprised property, plant and equipment of US\$71.94 million, right-of-use assets of US\$4.20 million, intangible assets of US\$18.36 million, investments in associates and joint ventures of US\$54.12 million, available-for-sale financial assets of US\$0.14 million, deferred tax assets of US\$1.32 million and other receivables of US\$1.34 million. The increase of US\$6.20 million was mainly attributable to Dyneff Group's addition of the intangible assets of US\$0.25 million, property, plant and equipment of US\$10.64 million and right-of-use assets of US\$0.13 million, offset by the depreciation and amortisation of US\$2.63 million and disposal of investment in associates of US\$4.73 million of which wholly-owned by a subsidiary in China which was disposed during the reporting period.

The current assets stood at US\$382.12 million as 31 March 2023 compared to US\$353.84 million as at 31 December 2022. Overall, the increase of US\$28.28 million in current assets was mainly from the increase of US\$36.32 million in trade and other receivables, US\$4.97 million in cash and cash balance, increase of US\$2.86 million in amounts due from related parties and offset by the decrease of US\$16.29 million in inventories. The increase in trade receivables was in line with the higher sales and the debtor-sales outstanding ratio remained between 20 to 25 days. The decrease in inventory was mainly due to increase in inventory turnover days of which in line with the increase in demand from customers during the reporting period. The increase in the amount due from related parties was 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\$29.23 million in current liabilities was due to an increase of US\$61.30 million in trade and other payables, partially offset by decrease of US\$31.81 million in loans and borrowings. The decrease in loan and borrowings was mainly due to the repayment of bank overdraft and short-term loans in 3M 2023. 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 decrease of US\$0.83 million in non-current liabilities was mainly due to the decrease in lease liabilities of US\$0.26 million and decrease of loans and borrowings of US\$1.22 million as a result of repayments.

Overall, the Group's net assets stood at US\$94.94 million as at 31 March 2023, or 2.24 US cents per share, compared to US\$91.55 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\$52.48 million in 3M 2023, as compared to net cash flows generating from operating activities of US\$4.86 million in 3M 2022. This increase in cash flow generated from operating activities was mainly attributable to the higher cashflows due to increase of inventory turnover and sales volume as a results of increase demand from customers and increase in trade and other payables during the financial period.

The net cash flows used in investing activities of US\$9.93 million in 3M 2023 as compared to US\$11.40 million in 3M 2022 was mainly due to purchases of intangible assets and property, plant and equipment by our Dyneff Group in France and receipt of first tranche of sales proceeds from disposal of a subsidiary in China.

The increase in net cash flows used in financing activities of US\$8.86 million in 3M 2023, as compared to net cash flows generated from financing activities of US\$26.58 million in 3M 2022 was mainly attributable to repayments of borrowings of US\$6.09m and the advances to related parties of US\$2.52 million.

The Group's cash and cash equivalents in the consolidated statement of cashflows comprises cash and bank balances of US\$15.79 million and bank overdrafts of US\$20.46 million as at 31 March 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 due to Covid-19.

**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 Q1 2023. The transactions were entered into between the Group's wholly owned subsidiaries Singapore Anan Petrochemical & Energy Pte. Ltd. ("SPE") and Hong Kong China Energy Finance Service Co., Limited ("HKCEFS") and AAG.

<u>Transactions</u>	<u>USD</u>
Expenses paid on behalf of AAG by SPE	814
Amount hold on trust by HKCEFS for AAG	46,789

**13. Negative confirmation pursuant to Rule 705 (5)**

We, Zang Jian Jun and Siow Hung Jui, being two directors of the Company, do hereby confirm on behalf of the Board of Directors of the Company, that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the financial period ended 31 March 2023 to be false or misleading in any material aspect.

**14. 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.

**15. 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:-	:	<p>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);</p> <p>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);</p> <p>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</p> <p>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).</p>
Completion is conditional upon, amongst other things:	:	<p>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");</p> <p>2.2 the signing and delivery of the necessary documents to effect the Proposed Transaction (the "Second Tranche Conditions");</p> <p>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</p> <p>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").</p>

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

**BY ORDER OF THE BOARD**

**Zang Jian Jun**  
**Executive Director and Executive Chairman**  
**Date: 12 May 2023**