

# ANNICA HOLDINGS LIMITED

Condensed Interim Consolidated Financial Statements for the Second Quarter and Half Year Financial Period Ended 30 June 2024

*This announcement has been prepared by Annica Holdings Limited (the "Company") and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "Sponsor") in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst.*

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

*The contact person for the Sponsor is Ms Goh Mei Xian, Director, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone: (65) 6636 4201.*

For the purposes of this announcement ("Announcement"), "2Q2024" refers to the three-month financial period ended 30 June 2024, whereas "2Q2023" refers to the corresponding three-month financial period ended 30 June 2023. "HY2024" refers to the six-month financial period ended 30 June 2024, whereas "HY2023" refers to the corresponding six-month financial period ended 30 June 2023. "FY2023" refers to the full financial year ended 31 December 2023.

The quarterly reporting of financial statements is required by the Singapore Exchange Securities Trading Limited ("SGX-ST") for Annica Holdings Limited (the "Company") pursuant to Rule 705(2) of the SGX-ST Listing Manual Section B: Rules of Catalyst (the "Catalist Rules"). The foregoing statement is made pursuant to Rule 705(2C) of the Catalist Rules.

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

## CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER AND HALF YEAR FINANCIAL PERIOD ENDED 30 JUNE 2024

	Note	Group					
		2Q2024 (Unaudited)	2Q2023 (Unaudited)	Increase/ (Decrease)	HY2024 (Unaudited)	HY2023 (Unaudited)	Increase/ (Decrease)
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	4	3,052	2,105	45	4,849	7,242	(33)
Cost of sales		(2,047)	(987)	NM	(2,919)	(5,498)	(47)
Gross profit		1,005	1,118	(10)	1,930	1,744	11
Other income		73	34	NM	188	115	63
Interest income		51	50	2	102	100	2
Selling and distribution expenses		(65)	(48)	35	(107)	(92)	16
Administrative and general expenses		(1,286)	(1,082)	19	(2,486)	(2,233)	11
Other expenses		(78)	(1)	NM	(146)	(2)	NM
Finance costs		(72)	(45)	60	(145)	(65)	NM
<b>(Loss)/Profit before tax from continuing operations</b>	6	(372)	26	NM	(664)	(433)	53
Tax expense	7	(105)	18	NM	(105)	(31)	NM
(Loss)/Profit from continuing operations		(477)	44	NM	(769)	(464)	66
Profit from discontinued operations		-	-	-	-	1	NM
<b>(Loss)/Profit for the financial period</b>		(477)	44	NM	(769)	(463)	66
<b>Other comprehensive income/(loss)</b>							
<i>Items that are or may be reclassified subsequently to profit or loss:</i>							
Currency translation differences arising on consolidation		5	(79)	NM	(17)	(95)	(82)
<b>Other comprehensive income/(loss) for the financial period</b>		5	(79)	NM	(17)	(95)	(82)
<b>Total comprehensive loss for the financial period</b>		(472)	(35)	NM	(786)	(558)	41

NM: Not Meaningful

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SECOND QUARTER AND HALF YEAR FINANCIAL PERIOD ENDED 30 JUNE 2024 (cont'd)**

Note	Group					
	2Q2024 (Unaudited) S\$'000	2Q2023 (Unaudited) S\$'000	Increase/ (Decrease) %	HY2024 (Unaudited) S\$'000	HY2023 (Unaudited) S\$'000	Increase/ (Decrease) %
<b>(Loss)/Profit attributable to:</b>						
- Equity holders of the Company	(521)	(34)	NM	(941)	(502)	87
- Non-controlling interests	44	78	(44)	172	39	NM
<b>(Loss)/Profit for the financial period</b>	<b>(477)</b>	<b>44</b>	<b>NM</b>	<b>(769)</b>	<b>(463)</b>	<b>66</b>
<b>(Loss)/Profit attributable to:</b>						
<b>Equity holders of the Company</b>						
- Loss from continuing operations	(521)	(34)	NM	(941)	(503)	87
- Profit from discontinued operations	-	-	-	-	1	NM
	(521)	(34)	NM	(941)	(502)	87
<b>Total comprehensive (loss)/income attributable to:</b>						
- Equity holders of the Company	(516)	(113)	NM	(958)	(597)	60
- Non-controlling interests	44	78	(44)	172	39	NM
<b>Total comprehensive loss for the financial period</b>	<b>(472)</b>	<b>(35)</b>	<b>NM</b>	<b>(786)</b>	<b>(558)</b>	<b>41</b>
<b>Total comprehensive (loss)/income attributable to:</b>						
<b>Equity holders of the Company</b>						
- Loss from continuing operations	(516)	(113)	NM	(958)	(598)	60
- Profit from discontinued operations	-	-	-	-	1	NM
	(516)	(113)	NM	(958)	(597)	60
<b>Loss per share for loss attributable to the equity holders of the Company</b>						
	(S\$ cents)			(S\$ cents)		
<i>Basic and diluted</i>						
- From continuing and discontinued operations	(0.0031)	(0.0002)		(0.0055)	(0.0030)	
- From continuing operations	(0.0031)	(0.0002)		(0.0055)	(0.0030)	
- From discontinued operations	-	-		-	-*	

\*Amount less than S\$0.0001

NM: Not Meaningful

(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION  
AS AT 30 JUNE 2024**

	Note	Group		Company	
		As at 30 June 2024 (Unaudited) S\$'000	As at 31 December 2023 (Audited) S\$'000	As at 30 June 2024 (Unaudited) S\$'000	As at 31 December 2023 (Audited) S\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment ("PPE")	12	285	226	4	1
Right-of-use ("ROU") assets		715	804	201	263
Intangible assets	11	36	36	-	-
Investments in subsidiaries		-	-	1,890	1,890
Trade and other receivables		-	-	159	229
Deferred tax assets		24	25	-	-
		<b>1,060</b>	<b>1,091</b>	<b>2,254</b>	<b>2,383</b>
<b>Current assets</b>					
Cash and cash equivalents		2,199	3,013	15	66
Fixed deposits		471	434	-	-
Trade and other receivables	13	6,148	7,175	3,879	3,363
Inventories		1,334	383	-	-
Financial assets at fair value through profit or loss	10	-*	-*	-*	-*
		<b>10,152</b>	<b>11,005</b>	<b>3,894</b>	<b>3,429</b>
<b>Total assets</b>		<b>11,212</b>	<b>12,096</b>	<b>6,148</b>	<b>5,812</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Borrowings	14	362	647	251	373
Provision for employee benefits		105	108	-	-
		<b>467</b>	<b>755</b>	<b>251</b>	<b>373</b>
<b>Current liabilities</b>					
Trade and other payables		7,145	7,640	7,982	6,372
Contract liabilities		2,960	2,008	-	-
Borrowings	14	1,766	2,054	1,412	1,709
Tax payable		152	131	-	-
		<b>12,023</b>	<b>11,833</b>	<b>9,394</b>	<b>8,081</b>
<b>Total liabilities</b>		<b>12,490</b>	<b>12,588</b>	<b>9,645</b>	<b>8,454</b>
<b>Net liabilities</b>		<b>(1,278)</b>	<b>(492)</b>	<b>(3,497)</b>	<b>(2,642)</b>
<b>EQUITY</b>					
Share capital	15	68,101	68,101	68,101	68,101
Other reserves		(789)	(772)	89	89
Accumulated losses		(69,016)	(68,075)	(71,687)	(70,832)
<b>Capital deficiency attributable to equity holders of the Company</b>		<b>(1,704)</b>	<b>(746)</b>	<b>(3,497)</b>	<b>(2,642)</b>
Non-controlling interests		426	254	-	-
<b>Total capital deficiency</b>		<b>(1,278)</b>	<b>(492)</b>	<b>(3,497)</b>	<b>(2,642)</b>

\*Amount less than S\$1,000

(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE SECOND QUARTER AND HALF YEAR FINANCIAL PERIOD ENDED 30 JUNE 2024**

	Note	Group			
		2Q2024 (Unaudited) S\$'000	2Q2023 (Unaudited) S\$'000	HY2024 (Unaudited) S\$'000	HY2023 (Unaudited) S\$'000
<b>Cash flows from operating activities</b>					
(Loss)/Profit before tax from continuing operations		(372)	26	(664)	(433)
Profit before tax from discontinued operations		-	-	-	1
		(372)	26	(664)	(432)
Adjustments for:					
Depreciation of property, plant and equipment	6	45	50	75	98
Depreciation of right-of-use assets	6	75	55	150	109
Loss on disposal of property, plant and equipment	6	-	1	-	1
Interest expense	6	72	45	145	65
Interest income	6	(51)	(50)	(102)	(100)
Bad debt written off	6	-	-	-	1
Bad debt recovered	6	-	-	-	(11)
Currency translation adjustment		8	-	(20)	-
<b>Operating cash flows before working capital changes</b>		<b>(223)</b>	<b>127</b>	<b>(416)</b>	<b>(269)</b>
Changes in working capital:					
Inventories		486	(451)	(951)	(1,963)
Trade and other payables and contract liabilities		258	136	362	(3,685)
Trade and other receivables		(876)	(501)	1,129	5,188
Currency translation adjustment		-	(124)	-	(148)
<b>Cash (used in)/generated from operations</b>		<b>(355)</b>	<b>(813)</b>	<b>124</b>	<b>(877)</b>
Income tax paid		(6)	(17)	(27)	(46)
<b>Net cash (used in)/generated from operating activities</b>		<b>(361)</b>	<b>(830)</b>	<b>97</b>	<b>(923)</b>
<b>Cash flows from investing activities</b>					
Interest received		2	1	4	3
Purchase of property, plant and equipment		(28)	(7)	(136)	(27)
<b>Net cash used in investing activities</b>		<b>(26)</b>	<b>(6)</b>	<b>(132)</b>	<b>(24)</b>
<b>Cash flows from financing activities</b>					
Interest paid for bank loans		(66)	(5)	(132)	(11)
Interest paid for lease liabilities		(7)	(1)	(14)	(2)
Interest paid for third party loan		(53)	(37)	(115)	(231)
Release of fixed deposit pledged		(38)	-	(38)	21
Placement of deposit in cash margin account		6	-	(256)	-
Proceeds of borrowings		1,000	500	1,000	1,000
Repayment of principal portion of borrowings		(672)	(85)	(1,344)	(384)
Repayment of principal portion of lease liabilities		(67)	(56)	(133)	(112)
<b>Net cash generated from/(used in) financing activities</b>		<b>103</b>	<b>316</b>	<b>(1,032)</b>	<b>281</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(284)</b>	<b>(520)</b>	<b>(1,067)</b>	<b>(666)</b>
Cash and cash equivalents at beginning of the financial period		2,235	1,285	3,013	1,430
Effects of foreign currency translation on cash and cash equivalents		(8)	7	(3)	8
<b>Cash and cash equivalents at end of the financial period</b>		<b>1,943</b>	<b>772</b>	<b>1,943</b>	<b>772</b>
<b>Cash and cash equivalents at end of the financial period were made up of:</b>					
Cash and cash equivalents		1,943	772	1,943	772
Deposit placed in cash margin account		256	-	256	-
<b>Cash and cash equivalents in consolidated statement of cash flows</b>		<b>2,199</b>	<b>772</b>	<b>2,199</b>	<b>772</b>

(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY  
FOR THE HALF YEAR FINANCIAL PERIOD ENDED 30 JUNE 2024**

	Note	Equity/(capital deficiency) attributable to equity holders of the Company			Equity/(capital deficiency) attributable to equity holders of the Company S\$'000	Non-controlling interests S\$'000	Total equity / (capital deficiency) S\$'000
		Share capital S\$'000	Other reserves S\$'000	Accumulated losses S\$'000			
<b>Group</b>							
Balance as at 1 January 2024 (audited)		68,101	(772)	(68,075)	(746)	254	(492)
(Loss)/Profit for the financial period		-	-	(941)	(941)	172	(769)
Other comprehensive loss:							
Currency translation differences arising from consolidation		-	(17)	-	(17)	-	(17)
Total comprehensive (loss)/income for the financial period		-	(17)	(941)	(958)	172	(786)
<b>Balance as at 30 June 2024 (unaudited)</b>		<b>68,101</b>	<b>(789)</b>	<b>(69,016)</b>	<b>(1,704)</b>	<b>426</b>	<b>(1,278)</b>
Balance as at 1 January 2023 (audited)		68,101	(2,041)	(65,425)	635	(53)	582
Transfer to capital reserve		-	3	-	3	-	3
(Loss)/Profit for the financial period		-	-	(502)	(502)	39	(463)
Other comprehensive loss:							
Currency translation differences arising from consolidation		-	(95)	-	(95)	-	(95)
Total comprehensive (loss)/income for the financial period		-	(95)	(502)	(597)	39	(558)
<b>Balance as at 30 June 2023 (unaudited)</b>		<b>68,101</b>	<b>(2,133)</b>	<b>(65,927)</b>	<b>41</b>	<b>(14)</b>	<b>27</b>

(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY  
FOR THE HALF YEAR FINANCIAL PERIOD ENDED 30 JUNE 2024 (cont'd)**

	Note	Share capital S\$'000	Accumulated losses S\$'000	Other reserves S\$'000	Total capital deficiency S\$'000
<b>Company</b>					
Balance as at 1 January 2024 (audited)		68,101	(70,832)	89	(2,642)
Total comprehensive loss for the financial period		-	(855)	-	(855)
<b>Balance as at 30 June 2024 (unaudited)</b>		<b>68,101</b>	<b>(71,687)</b>	<b>89</b>	<b>(3,497)</b>
Balance as at 1 January 2023 (audited)		68,101	(68,231)	89	(41)
Total comprehensive loss for the financial period		-	(695)	-	(695)
<b>Balance as at 30 June 2023 (unaudited)</b>		<b>68,101</b>	<b>(68,926)</b>	<b>89</b>	<b>(736)</b>

## **NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

### **1. Corporate information**

Annica Holdings Limited (the “**Company**”) is incorporated and domiciled in Singapore and its shares are publicly traded on the Catalist board of the SGX-ST. These condensed interim consolidated financial statements for the second quarter and half year financial period ended 30 June 2024 comprise the Company and its subsidiaries (collectively, the “**Group**”). The primary activity of the Company is that of investment holdings.

The principal activities of the Group are:

- (a) trading in oilfield equipment and related products;
- (b) designing of industrial plant engineering services systems and general wholesaler and trader;
- (c) designing, engineering, procurement, construction and commissioning of solar photovoltaic system and related products;
- (d) manufacturing of electricity distribution and control apparatus, operation of generation facilities that produce electric energy, and wholesale of industrial machinery, equipment and supplies; and
- (e) investment holding.

### **2. Basis of preparation**

The condensed interim consolidated financial statements for the second quarter and half year financial period ended 30 June 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council of 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 financial position and performance of the Group since the last condensed interim consolidated financial statements of the Group for the first quarter and three months financial period ended 31 March 2024.

Save as disclosed in Note 2.1, the accounting policies and methods of computation adopted for the condensed interim consolidated financial statements for 2Q2024 and HY2024 are consistent with those of the audited consolidated financial statements for the previous financial year, FY2023, which were prepared in accordance with SFRS(I)s.

The condensed interim consolidated financial statements in this Announcement are presented in Singapore dollar which is the Company’s functional currency.

#### **2.1 New and amended standards adopted by the Group**

As at 1 January 2024, the Group adopted all the new and revised SFRS(I) pronouncements that are mandatorily effective and are relevant to its operations. The adoption of these new/revised SFRS(I) pronouncements did not result in substantial changes to the accounting policies of the Group and of the Company and had no material effect on the disclosures or on the amounts reported for the current or prior financial years.

#### **2.2 Use of judgements and estimates**

The preparation of the financial statements requires the management of the Company (“**Management**”) to make critical judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, income and expense and the disclosure of contingent liabilities. Actual results may differ from these estimates.

The critical judgements made by Management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements of the Group for FY2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to an accounting estimate is recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements of the Company are included in the following note:

- Note 10.1 – Fair value measurement.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities for 2Q2024 and HY2024 are included in the following notes:

- Note 11 – Intangible assets; and
- Note 13 – Trade and other receivables.

### **3. Seasonal operations**

The Group’s businesses were not affected significantly by seasonal or cyclical factors during 2Q2024 and HY2024.

### **4. Segment and revenue information**

The Group is organised into the following main business segments:

- Engineering Services;
- Oil and Gas Equipment;
- Renewable Energy; and
- Investments and Others.

These operating segments are reported in a manner consistent with internal reporting provided to the Executive Director and Chief Executive Officer of the Company, Ms Sandra Liz Hon Ai Ling and the board of directors of the Company (“**Board**”) who are responsible for allocating resources and assessing the performance of the operating segments.

#### 4.1 Reportable segments

The reportable segments are engineering services (“ES”), oil and gas equipment (“O&G”), renewable energy (“RE”) and investments and others (“I&O”).

	Continuing Operations					Continuing operation	Discontinued operation	Total
	ES S\$'000	O&G S\$'000	RE S\$'000	I&O S\$'000	Elimination S\$'000	S\$'000	S\$'000	S\$'000
<b>2Q2024</b>								
Revenue								
External sales	564	2,488	-	-	-	3,052	-	3,052
Inter-segment sales	-	-	-	-	-	-	-	-
Total revenue	564	2,488	-	-	-	3,052	-	3,052
Interest income	-	2	-	53	(4)	51	-	51
Other income	-	71	-	45	(43)	73	-	73
Total other income	-	73	-	98	(47)	124	-	124
Total revenue and other income	564	2,561	-	98	(47)	3,176	-	3,176
Depreciation of PPE	-	(45)	-	-	-	(45)	-	(45)
Depreciation of ROU assets	(9)	(35)	-	(31)	-	(75)	-	(75)
Interest expense	(1)	(6)	-	(69)	4	(72)	-	(72)
Segment profit/(loss)	554	2,475	-	(2)	(43)	2,984	-	2,984
Unallocated expenses	(594)	(2,264)	(59)	(471)	32	(3,356)	-	(3,356)
(Loss)/Profit before tax	(40)	211	(59)	(473)	(11)	(372)	-	(372)
Tax expense	-	(105)	-	-	-	(105)	-	(105)
(Loss)/Profit for the interim period	(40)	106	(59)	(473)	(11)	(477)	-	(477)
<b>HY2024</b>								
Revenue								
External sales	613	4,236	-	-	-	4,849	-	4,849
Inter-segment sales	-	-	-	-	-	-	-	-
Total revenue	613	4,236	-	-	-	4,849	-	4,849
Interest income	-	4	-	106	(8)	102	-	102
Other income	1	163	-	91	(67)	188	-	188
Total other income	1	167	-	197	(75)	290	-	290
Total revenue and other income	614	4,403	-	197	(75)	5,139	-	5,139
Depreciation of PPE	-	(74)	-	(1)	-	(75)	-	(75)
Depreciation of ROU assets	(18)	(70)	-	(62)	-	(150)	-	(150)
Interest expense	(3)	(12)	-	(138)	8	(145)	-	(145)
Segment profit/(loss)	593	4,247	-	(4)	(67)	4,769	-	4,769
Unallocated expenses	(723)	(3,822)	(101)	(851)	64	(5,433)	-	(5,433)
(Loss)/Profit before tax	(130)	425	(101)	(855)	(3)	(664)	-	(664)
Tax expense	-	(105)	-	-	-	(105)	-	(105)
(Loss)/Profit for the interim period	(130)	320	(101)	(855)	(3)	(769)	-	(769)
<b>Assets</b>								
Non-current assets	75	720	336	205	(300)	1,036	-	1,036
Other segment assets	281	10,351	335	5,944	(6,735)	10,176	-	10,176
Consolidated total assets	356	11,071	671	6,149	(7,035)	11,212	-	11,212
Expenditures for segment non-current assets								
Additions to PPE	-	132	-	4	-	136	-	136
Additions to ROU assets	-	60	-	-	-	60	-	60
	-	192	-	4	-	196	-	196
<b>Liabilities</b>								
Segment liabilities	1,044	4,969	789	7,983	(4,575)	10,210	-	10,210
Borrowings	172	591	-	1,663	(298)	2,128	-	2,128
Deferred tax liabilities	-	-	-	-	-	-	-	-
Tax payable	-	152	-	-	-	152	-	152
Consolidated total liabilities	1,216	5,712	789	9,646	(4,873)	12,490	-	12,490



#### 4.1 Reportable segments (cont'd)

	Continuing Operations					Continuing operation S\$'000	Discontinued operation S\$'000	Total S\$'000
	ES S\$'000	O&G S\$'000	RE* S\$'000	I&O S\$'000	Elimination S\$'000			
<b>2Q2023</b>								
Revenue								
External sales	114	1,991	-	-	-	2,105	-	2,105
Inter-segment sales	-	-	-	-	-	-	-	-
Total revenue	114	1,991	-	-	-	2,105	-	2,105
Interest income	-	1	-	49	-	50	-	50
Other income	2	20	(18)	55	(25)	34	-	34
Total other income	2	21	(18)	104	(25)	84	-	84
Total revenue and other income	116	2,012	(18)	104	(25)	2,189	-	2,189
Depreciation of PPE	-	(36)	-	(14)	-	(50)	-	(50)
Depreciation of ROU assets	-	(29)	-	(26)	-	(55)	-	(55)
Interest expense	(1)	(5)	-	(39)	-	(45)	-	(45)
Segment profit/(loss)	115	1,942	(18)	25	(25)	2,039	-	2,039
Unallocated expenses	(163)	(1,514)	(22)	(346)	32	(2,013)	-	(2,013)
(Loss)/Profit before tax	(48)	428	(40)	(321)	7	26	-	26
Tax expense	-	18	-	-	-	18	-	18
(Loss)/Profit for the interim period	(48)	446	(40)	(321)	7	44	-	44
<b>HY2023</b>								
Revenue								
External sales	128	7,114	-	-	-	7,242	-	7,242
Inter-segment sales	-	-	-	-	-	-	-	-
Total revenue	128	7,114	-	-	-	7,242	-	7,242
Interest income	-	2	-	98	-	100	-	100
Other income	16	94	(24)	100	(71)	115	-	115
Total other income	16	96	(24)	198	(71)	215	-	215
Total revenue and other income	144	7,210	(24)	198	(71)	7,457	-	7,457
Depreciation of PPE	-	(71)	-	(27)	-	(98)	-	(98)
Depreciation of ROU assets	-	(58)	-	(51)	-	(109)	-	(109)
Interest expense	(2)	(16)	-	(47)	-	(65)	-	(65)
Segment profit/(loss)	142	7,065	(24)	73	(71)	7,185	-	7,185
Unallocated expenses	(262)	(6,603)	(49)	(768)	64	(7,618)	1	(7,617)
(Loss)/Profit before tax	(120)	462	(73)	(695)	(7)	(433)	1	(432)
Tax expense	-	(31)	-	-	-	(31)	-	(31)
(Loss)/Profit for the interim period	(120)	431	(73)	(695)	(7)	(464)	1	(463)
<b>FY2023</b>								
<b>Assets</b>								
Non-current assets	93	673	337	263	(300)	1,066	-	1,066
Other segment assets	628	10,661	322	5,550	(6,131)	11,030	-	11,030
Consolidated total assets	721	11,334	659	5,813	(6,431)	12,096	-	12,096
Expenditures for segment non-current assets								
Additions to PPE	-	70	-	-	-	70	-	70
Additions to ROU assets	108	313	-	326	-	747	-	747
	108	383	-	326	-	817	-	817
<b>Liabilities</b>								
Segment liabilities	1,224	5,390	674	6,375	(3,907)	9,756	-	9,756
Borrowings	228	757	-	2,082	(366)	2,701	-	2,701
Deferred tax liabilities	-	-	-	-	-	-	-	-
Tax payable	-	131	-	-	-	131	-	131
Consolidated total liabilities	1,452	6,278	674	8,457	(4,273)	12,588	-	12,588

\* The financial performance of the RE segment was previously subsumed under the I&O segment for the purposes of the condensed interim consolidated financial statements for HY2023 as announced on 10 August 2023.

## 4.2 Disaggregation of Revenue

	<b>Group HY2024</b>		
	<b>ES</b>	<b>O&amp;G</b>	<b>Total</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Types of goods or services:</b>			
Sale of goods	613	4,114	4,727
Services rendered	-	122	122
	<u>613</u>	<u>4,236</u>	<u>4,849</u>
<b>Timing of revenue recognition:</b>			
At a point in time	613	4,236	4,849
Over time	-	-	-
	<u>613</u>	<u>4,236</u>	<u>4,849</u>
<b>Geographical information:</b>			
Singapore	-	310	310
Malaysia	85	751	836
Indonesia	-	636	636
Thailand	-	649	649
Vietnam	513	2	515
Brunei & Myanmar	15	1,883	1,898
Others	-	5	5
	<u>613</u>	<u>4,236</u>	<u>4,849</u>

	<b>HY2023</b>		
	<b>ES</b>	<b>O&amp;G</b>	<b>Total</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Types of goods or services:</b>			
Sale of goods	128	7,088	7,216
Services rendered	-	26	26
	<u>128</u>	<u>7,114</u>	<u>7,242</u>
<b>Timing of revenue recognition:</b>			
At a point in time	128	7,114	7,242
Over time	-	-	-
	<u>128</u>	<u>7,114</u>	<u>7,242</u>
<b>Geographical information:</b>			
Singapore	8	477	485
Malaysia	109	4,504	4,613
Indonesia	-	281	281
Thailand	11	161	172
Vietnam	-	2	2
Brunei & Myanmar	-	1,668	1,668
Others	-	21	21
	<u>128</u>	<u>7,114</u>	<u>7,242</u>

#### 4.2 Disaggregation of Revenue (cont'd)

	<b>Group 2Q2024</b>		
	<b>ES</b>	<b>O&amp;G</b>	<b>Total</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Types of goods or services:</b>			
Sale of goods	564	2,467	3,031
Services rendered	-	21	21
	564	2,488	3,052
<b>Timing of revenue recognition:</b>			
At a point in time	564	2,488	3,052
Over time	-	-	-
	564	2,488	3,052
<b>Geographical information:</b>			
Singapore	-	239	239
Malaysia	36	414	450
Indonesia	-	565	565
Thailand	-	444	444
Vietnam	513	2	515
Brunei & Myanmar	15	822	837
Others	-	2	2
	564	2,488	3,052

	<b>2Q2023</b>		
	<b>ES</b>	<b>O&amp;G</b>	<b>Total</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Types of goods or services:</b>			
Sale of goods	114	1,965	2,079
Services rendered	-	26	26
	114	1,991	2,105
<b>Timing of revenue recognition:</b>			
At a point in time	114	1,991	2,105
Over time	-	-	-
	114	1,991	2,105
<b>Geographical information:</b>			
Singapore	8	303	311
Malaysia	95	44	139
Indonesia	-	167	167
Thailand	11	79	90
Vietnam	-	2	2
Brunei & Myanmar	-	1,379	1,379
Others	-	17	17
	114	1,991	2,105

## 5. Financial assets and financial liabilities

	Note	Group		Company	
		30 June 2024 (Unaudited) S\$'000	31 December 2023 (Audited) S\$'000	30 June 2024 (Unaudited) S\$'000	31 December 2023 (Audited) S\$'000
<b>Financial Assets</b>					
Financial assets at fair value through profit or loss	10	-*	-*	-*	-*
Financial assets at amortised costs		7,897	8,694	4,004	3,636
		<b>7,897</b>	<b>8,694</b>	<b>4,004</b>	<b>3,636</b>
<b>Financial Liabilities, at amortised costs</b>					
Trade and other payables		6,592	7,087	7,839	6,229
Provision for employee benefits		105	108	-	-
Borrowings		2,128	2,701	1,663	2,082
		<b>8,825</b>	<b>9,896</b>	<b>9,502</b>	<b>8,311</b>

\*Amount less than S\$1,000

## 6. Loss before taxation from continuing operations

### 6.1 Significant items

	Group			
	2Q2024 (Unaudited) S\$'000	2Q2023 (Unaudited) S\$'000	HY2024 (Unaudited) S\$'000	HY2023 (Unaudited) S\$'000
<b><u>Income</u></b>				
Interest income from bank and deposits	2	1	4	3
Interest income from a third party	49	49	98	97
Miscellaneous income	-	-	5	3
Government grant received	-	10	1	10
Extension fees on amount due from Ms Chong Shin Mun	15	15	30	30
Bad debt recovered	-	-	-	11
Foreign currency exchange gain	58	9	152	57
<b><u>Expenses</u></b>				
Interest expenses on borrowings	65	44	131	63
Interest expenses on lease liabilities	7	1	14	2
Loss on disposal of property, plant and equipment	-	1	-	1
Bad debt written off	-	-	-	1
Depreciation of property, plant and equipment	45	50	75	98
Depreciation of right of use assets	75	55	150	109
Foreign currency exchange loss	78	-	140	-

### 6.2 Related party transactions

There were no material related party transactions during 2Q2024 and HY2024.

## 7. Taxation

	Group			
	2Q2024 (Unaudited) S\$'000	2Q2023 (Unaudited) S\$'000	HY2024 (Unaudited) S\$'000	HY2023 (Unaudited) S\$'000
Current income tax	105	(18)	105	31
Deferred tax	-	-	-	-
	<b>105</b>	<b>(18)</b>	<b>105</b>	<b>31</b>

## 8. Dividends

No dividend has been/was declared or recommended for the current and previous financial periods reported on.

## 9. Net Asset Value

	Group		Company	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Net capital deficiency per ordinary share of the Company ("Share") based on the issued Shares at the end of the financial period/year reported on (in S\$ cents)	(0.0100)	(0.0044)	(0.0206)	(0.0156)

Net capital deficiency per ordinary share of the Group as at 30 June 2024 was calculated by dividing the Group's net capital deficiency attributable to equity holders as at 30 June 2024 of S\$1,704,000 (31 December 2023: S\$746,000) by the number of issued ordinary shares of the Company as at 30 June 2024 of 16,974,767,048 (31 December 2023: 16,974,767,048).

Net capital deficiency per ordinary share of the Company as at 30 June 2024 was calculated by dividing the Company's net capital deficiency attributable to equity holders as at 30 June 2024 of S\$3,497,000 (31 December 2023: S\$2,642,000) by the number of issued ordinary shares of the Company as at 30 June 2024 of 16,974,767,048 (31 December 2023: 16,974,767,048).

## 10. Financial assets at fair value through profit or loss

Financial assets at fair value through profit and loss ("FVTPL") comprise the following:

	Group		Company	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Unquoted securities	-*	-*	-*	-*

### 10.1 Fair value measurement

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - Inputs for the asset or liability which are not based on observable market data (unobservable inputs).

The following table presents the financial assets measured at fair value:

	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
<b>Group – 31 December 2023 and 30 June 2024</b>				
<b>Financial assets</b>				
Financial assets at fair value through profit or loss	-	-	-*	-*
<b>Company – 31 December 2023 and 30 June 2024</b>				
<b>Financial assets</b>				
Financial assets at fair value through profit or loss	-	-	-*	-*

\*Amount less than S\$1,000

## 11. Intangible assets

<b>Goodwill arising on consolidation</b>	<b>Group</b>
As at 31 December 2023 and 30 June 2024	<b>S\$'000</b>
	<u>36</u>

## 12. Property, plant and equipment

During HY2024, the Group acquired plant and equipment amounting to S\$136,000 (FY2023: S\$70,000). The Group did not dispose of any plant and equipment in HY2024 (FY2023: disposed of plant and equipment amounting to S\$1,000).



**15. Share Capital**

	The Group and the Company			
	HY2024		FY2023	
	Number of shares '000	Amount S\$'000	Number of shares '000	Amount S\$'000
Beginning of financial period	16,974,767	68,101	16,974,767	68,101
Issuance of new ordinary shares	-	-	-	-
End of financial period	<u>16,974,767</u>	<u>68,101</u>	<u>16,974,767</u>	<u>68,101</u>

**16. Subsequent events**

There are no known subsequent events (after 30 June 2024) which have led to adjustments to this set of condensed interim consolidated financial statements.

## OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES

1. (d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against 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 current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no changes in the Company's share capital for 2Q2024 since 31 March 2024.

There are no shares of the Company that may be issued on conversion of any outstanding convertibles as at the end of the current financial period except as follows:

- Grant of Options pursuant to the Annica Employee Share Option Scheme:

Pursuant to the Annica Employee Share Option Scheme ("ESOS"), the Company had on 27 December 2018 granted employee share options ("ESOS Options") consisting of 42,500,000 Shares, the details of which are as follows:

(a) Date of grant of ESOS Options	27 December 2018
(b) Exercise Price of ESOS Options granted	S\$0.001 per Share
(c) Number of Shares comprised in the ESOS Options granted	42,500,000
(d) Number of Shares comprised in the ESOS Options which have lapsed; and are null and void	12,500,000
(e) Number of Shares comprised in the remaining ESOS Options	30,000,000
(f) Number of Shares comprised in the ESOS Options granted to each Director and controlling shareholders (and each of their associates)	None
(g) Market Price of the Shares on the Date of Grant	S\$0.001
(h) Validity period of the ESOS Options	28 December 2019 – 27 December 2028 (both dates inclusive)  ESOS Options shall only be exercisable after the 1 <sup>st</sup> anniversary from the Date of Grant and shall be exercised before the 10 <sup>th</sup> anniversary of the Date of Grant.

As at the date of this Announcement, no ESOS Options have been exercised by the respective ESOS Option holders.

As at 30 June 2024, the number of shares that may be issued on conversion of all the outstanding convertible securities is 30,000,000 (31 December 2023: 30,000,000) which represents approximately 0.18% (31 December 2023: 0.18%) of the total issued shares of the Company (excluding treasury shares and subsidiary holdings).

There were no treasury shares or subsidiary holdings as at 30 June 2024 and 30 June 2023.

**(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	As at 30 June 2024	As at 31 December 2023
Total number of issued shares excluding treasury shares ('000)	16,974,767	16,974,767

**(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable. The Company did not hold any treasury shares as at 30 June 2024 and 31 December 2023.

**(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable. The Company's subsidiaries did not hold any shares in the Company as at 30 June 2024 and 31 December 2023.

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

The figures have not been audited or reviewed by the 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.**

The Company refers to the two basis for qualified opinion (the "Qualified Opinion") (i) as set out in the independent auditor's report dated 11 April 2024 which is contained in the Company's annual report for FY2023; and (ii) reproduced in the Company's announcement on 12 April 2024 titled "QUALIFIED OPINION BY THE INDEPENDENT AUDITOR ON THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023".

For the purposes of this section, unless otherwise defined, all capitalised terms used herein shall bear the same meaning ascribed to them in the Company's announcements on 1 March 2021, 9 March 2021, 14 April 2021, 20 April 2021, 20 October 2021, 25 February 2022, 13 May 2022, 24 June 2022, 21 April 2023, 24 April 2024 and 14 August 2024.

In respect of the first and second basis for the Qualified Opinion, the Company had on 14 August 2024 entered into a final letter of settlement (the "Final Settlement Letter") with Chong Shin Mun (the "Purchaser") and Tan Yock Chew (the "Guarantor") in relation to the full and final settlement of the outstanding amounts owed by the Purchaser and GPE Power Systems (M) Sdn. Bhd. ("GPE") to the Company of S\$1,332,190 and S\$3,449,169 respectively (together, the "Outstanding Sum"). Pursuant to the Final Settlement Letter, the parties thereto agree, *inter alia*, that:

- (a) the Guarantor, being the sole legal and beneficial owner, shall transfer, a total of ten (10) sets of vertical automatic waste tyre pyrolysis production lines as set out in further detail in paragraph 3 of the Company's announcement dated 14 August 2024 to the Company and/or its nominee(s), within five (5) business days of written request by the Company as full and final settlement of the Outstanding Sum on the terms and conditions as set out in the Final Settlement Letter (the "Assignment"); and
- (b) upon completion of the Assignment, GPE, the Purchaser and the Guarantor shall be discharged from any and all claims, demands and causes of action arising out or in connection with the Outstanding Sum.

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

The Board confirms that the impact of all outstanding audit issues on the financial statements have been adequately disclosed to date.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in paragraph 5 below, the Group adopted the same accounting policies and methods of computation in the financial statements for the current reporting period as compared to the most recently audited consolidated financial statements for the financial year ended 31 December 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.**

The Group adopted all the new/revised SFRS(I) pronouncements that are mandatorily effective and are relevant to its operations. The adoption of these new/revised SFRS(I) pronouncements did not result in substantial changes to the Group's and the Company's accounting policies and had no material effect on the disclosures or on the amounts reported for the current or prior financial periods.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-**

- (a) Based on the weighted average number of ordinary shares on issue; and
- (b) On a fully diluted basis (detailing any adjustments made to the earnings).

	Group			
	2Q2024 (S\$ cents)	2Q2023 (S\$ cents)	HY2024 (S\$ cents)	HY2023 (S\$ cents)
Loss per share based on the weighted average number of shares in issue:				
Basic and diluted loss per share				
From continuing and discontinued operations	(0.0031)	(0.0002)	(0.0055)	(0.0030)
From continuing operations (Note (a) and (c))	(0.0031)	(0.0002)	(0.0055)	(0.0030)
From discontinued operations (Note (b) and (d))	-	-	-	-*

\*Amount is less than S\$0.0001

- (a) Basic and diluted loss per share from continuing operations for 2Q2024 was calculated by dividing the loss attributable to equity holders of the Company from continuing operations of S\$521,000 (2Q2023: S\$34,000) by the weighted average number of shares for 2Q2024 of 16,974,767,048 (2Q2023: 16,974,767,048).
- (b) No basic and diluted earnings per share from discontinued operations for 2Q2024, 2Q2023 and HY2024.
- (c) Basic and diluted loss per share from continuing operations for HY2024 was calculated by dividing the loss attributable to equity holders of the Company from continuing operations of S\$941,000 (HY2023: S\$503,000) by the weighted average number of shares for HY2024 of 16,974,767,048 (HY2023: 16,974,767,048).
- (d) Basic and diluted earnings per share from discontinued operations for HY2023 was calculated by dividing the profit attributable to equity holders of the Company from discontinued operations of S\$1,000 by the weighted average number of shares for HY2023 of 16,974,767,048.

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**

- (a) current financial period reported on; and
- (b) immediately preceding financial year.

Please refer to Note 9 to the Condensed Interim Consolidated Financial Statements for further information.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
  - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Please refer to Appendix A for the review of the performance of the Group during 2Q2024 and HY2024.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders of the Company.

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

The Group operates in Southeast Asia, a region that is heavily reliant on the major global economies and is highly susceptible to external economic shocks. The economic and inflationary outlook of these major economies is still highly uncertain and any associated adverse developments may affect the overall business environment of the Group in the near term.

Other factors which may impact the Group include possible supply chain disruptions or shocks resulting from the worsening of geopolitical conflicts (such as the ongoing Russo-Ukrainian war, and the Israel-Hamas war that is threatening to spiral into a wider conflict with other countries in the Middle East and beyond), extreme weather conditions and higher costs due to rising interest rates and volatile foreign currency exchange rates. These factors may adversely impact the Group's operations and performance by driving up financing and operational costs generally. In particular, the Group's oil and gas equipment segment is highly vulnerable to geopolitical risks and continues to be adversely affected by price increases from our principals (which has been exacerbated by short quotation validity). This may have an adverse impact on the profitability of our operations in Malaysia as a major component of our costs are denominated in US dollars. Meanwhile, although the Malaysian government has been pursuing policies aimed at strengthening the economy especially in the renewable-related sector, there is naturally a time lag for the implementation of such policies, and this may affect the Group's ability to scale its projects according to its desired pace.

Given these challenges, the Directors are adopting a cautious approach by closely monitoring developments and implementing measures to mitigate potential negative impacts. The Group's diversification into the green technology and renewable energy sector since 2016 has strategically positioned the Group as an energy transition company and is expected to play a critical role in balancing the energy trilemma of security, affordability, and environmental sustainability. With the current concerted efforts and collaboration worldwide to combat climate change and the increasing emphasis on environmental, social, and corporate governance issues, the Group is optimistic that it is the opportune moment to strengthen its position as a niche player in carbon reduction related projects both domestically and internationally.

Further to the Group's resetting strategy, the Group is also streamlining its current operations by consolidating its business units and/or business segments to, *inter alia*, improve cost-efficiency and attain wider brand awareness. In particular, the Group is focusing on localisation instead of geographical expansion, targeting sectors with stronger market outlooks, investing in vertical integration, and strengthening supply chain resiliency. In addition, the Board is actively and continuously evaluating various strategies, including fundraising, acquisitions of suitable businesses, and restructuring of existing businesses and assets, while also focusing on realistic approaches to cashflows and expense management.

11. **If a decision regarding dividend has been made:-**

- (a) **Whether an interim (final) ordinary dividend has been declared (recommended); and**  
No dividend has been declared or recommended for the current financial period reported on.

- (b)(i) **Amount per share**  
Not applicable.

- (b)(ii) **Previous corresponding period**  
Not applicable. No interim dividend was declared or recommended in the previous corresponding financial period.

- (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 pm) will be registered before entitlements to the dividend are determined.**  
Not applicable.

12. **If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**  
No dividend has been recommended or declared for 2Q2024 as the Group was not profit-making for 2Q2024.

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

The Group has not obtained a general mandate from shareholders of the Company for interested person transactions pursuant to Rule 920(1)(a)(ii) of the Catalist Rules.

There was no interested person transaction, as defined in Chapter 9 of the Catalist Rules, entered into by the Company or any of its subsidiaries during 2Q2024 as required to be disclosed pursuant to the Catalist Rules.

- 14. Please disclose the use of the IPO proceeds and any proceeds arising from any offerings pursuant to Chapter 8 as and when such funds are materially disbursed and whether such a use is in accordance with the stated use and in accordance with the percentage allocated in the offer document or the announcement of the issuer. Where the proceeds are used for general working capital purposes, the issuer must announce a breakdown with specific details on the use of proceeds for working capital. Where there is any material deviation from the stated use of proceeds, the issuer must also announce the reasons for such deviation.**

There were no outstanding IPO proceeds or other proceeds arising from any offerings pursuant to Chapter 8 of the Catalist Rules during 2Q2024.

- 15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).**

The Company confirms that the required undertakings under Rule 720(1) of the Catalist Rules have been obtained from its Directors and Executive Officers in the format set out in Appendix 7H of the Catalist Rules.

- 16. Disclosure of acquisitions (including incorporations) and realisations of shares since the end of the previous reporting period pursuant to Rule 706A.**

The Group does not have any acquisitions (including incorporations) and realisations of shares in subsidiaries and/or associated companies since the end of the previous reporting period, up to 30 June 2024.

#### **Confirmation by the Board**

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm 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 unaudited condensed interim consolidated financial statements for the second quarter and six months financial period ended 30 June 2024 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Sandra Liz Hon Ai Ling  
Executive Director and Chief Executive Officer

Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin  
Independent and Non-Executive Chairman

Singapore  
14 August 2024

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.

#### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

##### Revenue

The Group reported revenue of S\$3,052,000 in 2Q2024, which was a 45% increase of S\$947,000 from S\$2,105,000 in 2Q2023. The Group reported higher revenue in 2Q2024 as compared to 2Q2023 mainly due to the higher revenue generated from both engineering services and oil and gas equipment segment in 2Q2024.

The Group reported revenue of S\$4,849,000 in HY2024, which was a 33% decrease of S\$2,393,000 from S\$7,242,000 in HY2023. This was mainly due to lower revenue generated from its oil and gas equipment segment in HY2024.

##### Cost of sales

The Group reported cost of sales of S\$2,047,000 in 2Q2024, which was an increase of S\$1,060,000 from S\$987,000 in 2Q2023. The Group reported higher cost of sales in 2Q2024 as compared to 2Q2023 due to higher revenue recognised in 2Q2024 as compared to 2Q2023.

The Group reported cost of sales of S\$2,919,000 in HY2024, which was a 47% decrease of S\$2,579,000 from S\$5,498,000 in HY2023. This was mainly due to lower cost of sales incurred in oil and gas equipment segment in HY2024.

##### Gross Profit

The Group reported a gross profit of S\$1,005,000 in 2Q2024, which was a 10% decrease of S\$113,000 from S\$1,118,000 in 2Q2023. The gross profit margin in 2Q2024 was 33%, which was a decrease of 20% from 53% in 2Q2023. This was mainly due to a one-off project in the oil and gas equipment segment which had a high gross profit margin in 2Q2023.

The Group reported a gross profit of S\$1,930,000 in HY2024, which was a 11% increase of S\$186,000 from S\$1,744,000 in HY2023. The gross profit margin in HY2024 was 40%, which was an increase of 16% from 24% in HY2023. The Group reported higher gross profit and gross profit margin in HY2024 as compared to HY2023, mainly due to higher gross profit margin project recognised in HY2024.

##### Other income

The Group reported other income of S\$73,000 in 2Q2024, which was an increase of S\$39,000 from S\$34,000 in 2Q2023. In 2Q2024, other income was mainly derived from foreign currency exchange gains. By comparison, in 2Q2023, other income was mainly derived from government grants and foreign currency exchange gains.

The Group received other income of S\$188,000 in HY2024, which was a 63% increase of S\$73,000 from S\$115,000 in HY2023. In HY2024, other income comprised mainly government grants and foreign exchange gains. By comparison, in HY2023, other income comprised mainly government grants received, bad debt recovered and a gain on foreign currency. Foreign exchange gain was higher in HY2024 as compared to HY2023 mainly due to the fluctuation of the United States Dollar, Malaysian Ringgit and the Indonesian Rupiah against the Singapore Dollar during HY2024.

##### Interest income

The Group received interest income of S\$51,000 in 2Q2024, which was a 2% increase of S\$1,000 from S\$50,000 in 2Q2023. This represents a marginal variance.

The Group received interest income of S\$102,000 in HY2024, which was a 2% increase of S\$2,000 from S\$100,000 in HY2023. Again, this represents a marginal variance.

##### Selling and distribution expenses

The Group incurred selling and distribution expenses of S\$65,000 in 2Q2024, which was a 35% increase of S\$17,000 from S\$48,000 in 2Q2023. This was mainly due to higher travelling expenses incurred during 2Q2024.

The Group incurred selling and distribution expenses of S\$107,000 in HY2024, which was a 16% increase of S\$15,000 from S\$92,000 in HY2023. The increase was mainly due to higher travelling expenses incurred in HY2024.

##### Administrative and general expenses

The Group incurred administrative and general expenses of S\$1,286,000 in 2Q2024, which was a 19% increase of S\$204,000 from S\$1,082,000 in 2Q2023. This increase was mainly due to higher professional fee, office expenses and a short-term rental of office cum warehouse by a subsidiary, Panah Jaya Makmur Sdn Bhd ("PJM"), in 2Q2024.

The Group incurred administrative and general expenses of S\$2,486,000 in HY2024, which was a 11% increase of S\$253,000 from S\$2,233,000 in HY2023. This increase was mainly due to higher professional fee, office expenses and a short-term rental of office cum warehouse by PJM during HY2024. The depreciation charged on property, plant and equipment ("PPE") in HY2024 was lower as compared to HY2023 as some PPE had been fully depreciated in HY2024. The depreciation charged on right-of-use ("ROU") assets in HY2024 was higher as compared to HY2023 mainly due to the addition of ROU assets in FY2023.

Other expenses

The Group incurred other expenses of S\$78,000 in 2Q2024, which was an increase of S\$77,000 from S\$1,000 in 2Q2023. This was mainly due to foreign currency exchange loss in 2Q2024. By comparison, in 2Q2023, other expenses were mainly due to loss on a disposal of office equipment.

The Group incurred other expenses of S\$146,000 in HY2024, which was an increase of S\$144,000 from S\$2,000 in HY2023. Other expenses incurred in HY2024 were mainly due to foreign currency exchange loss and donation incurred. By comparison, in HY2023, other expenses were mainly due to bad debt written off upon the disposal of Cahya Suria Services Sdn. Bhd. (“**CSS**”), a former indirectly wholly owned subsidiary of the Company, and loss on a disposal of office equipment.

Finance costs

The Group incurred finance costs of S\$72,000 in 2Q2024, which was a 60% increase of S\$27,000 from S\$45,000 in 2Q2023. The increase in the Group’s finance costs in 2Q2024 was mainly due to higher loan interest paid to third parties.

The Group incurred finance costs of S\$145,000 in HY2024, which was an increase of S\$80,000 from S\$65,000 in HY2023. The decrease in the Group’s finance costs in HY2024 was mainly due to the higher loan interest paid to third parties.

Tax expense

The Group recognised tax expenses of S\$105,000 in 2Q2024, which is an increase of S\$123,000 from tax income of S\$18,000 in 2Q2023. This was mainly due to the profit generated by the oil and gas equipment segment in 2Q2024.

The Group incurred tax expense of S\$105,000 in HY2024, which was an increase of S\$74,000 from S\$31,000 in HY2023. The tax expense arose mainly from the revenue generated by the oil and gas equipment segment during HY2024.

Profit from discontinued operations

The Group’s discontinued operations in HY2023 pertained to CSS, which is a former indirectly wholly owned subsidiary of the Company as abovementioned. The Company had decreased its effective shareholding interest in CSS from 100% to 10% following a disposal by Cahya Suria Energy Sdn. Bhd. of 9,000 ordinary shares representing 90% of the shareholdings of CSS to a third-party purchaser during HY2023. As at the date of disposal on 1 February 2023, the profit after tax from discontinued operations was S\$1,000.

(Loss)/Profit for the financial period

The Group reported a loss for the financial period of S\$477,000 in 2Q2024, which was a decrease of S\$521,000 from profit for the financial period of S\$44,000 in 2Q2023. The losses incurred by the Group in 2Q2024 was mainly due to the lower gross profit higher selling and distribution expenses, higher administrative and general expenses, higher other expenses and higher finance costs incurred as compared to 2Q2023 as explained above.

The Group reported a loss for the financial period of S\$769,000 in HY2024, which was an increase of S\$306,000 from S\$463,000 in HY2023. The losses incurred by the Group in HY2024 were mainly due to higher selling and distribution expenses, higher administrative and general expenses, higher other expenses and higher finance costs incurred as explained above.

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:-

- (b) 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
- (c) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on. (cont'd)

## STATEMENTS OF FINANCIAL POSITION

### Non-current assets

The Group's non-current assets decreased by S\$31,000 from S\$1,091,000 as at 31 December 2023 to S\$1,060,000 as at 30 June 2024. The increase was mainly due to the depreciation charged on ROU assets.

### Current assets

The Group's current assets decreased by S\$853,000 from S\$11,005,000 as at 31 December 2023 to S\$10,152,000 as at 30 June 2024. The decrease was primarily due to a decrease in cash and cash equivalents and trade and other receivables, offset against the increase in fixed deposits and good in transit which is categorised under inventories.

### Non-current liabilities

The Group's non-current liabilities decreased by S\$288,000 from S\$755,000 as at 31 December 2023 to S\$467,000 as at 30 June 2024. The decrease was mainly due to the reclassification of long-term borrowings to short-term borrowings.

### Current liabilities

The Group reported current liabilities of S\$12,023,000 as at 30 June 2024, which was an increase of S\$190,000 from S\$11,833,000 as at 31 December 2023. This increase was mainly due to the increase in contract liabilities and tax payable partially offset against the reduction in trade and other payables and repayment of short-term borrowings.

### Negative Working Capital

The Group reported negative working capital of S\$1,871,000 as at 30 June 2024, which was an increase of S\$1,043,000 from S\$828,000 as at 31 December 2023. This increase was mainly due to the increase in contract liabilities in current liabilities, which is expected to be recognised as revenue within the next 12 months.

### Shareholders' equity

The Group's capital and reserves attributable to equity holders of the Company was a net capital deficiency of S\$1,278,000 as at 30 June 2024. This represents an increase in net capital deficiency of S\$786,000 from S\$492,000 as at 31 December 2023. The net capital deficiency position for 30 June 2024 was mainly due to the losses attributable to equity holders of the Company as at 30 June 2024.

## STATEMENT OF CASH FLOWS

### 2Q2024

The Group recorded a net cash used in operating activities of S\$361,000 in 2Q2024 (2Q2023: S\$830,000). The net cash used in operating activities in 2Q2024 was lower as compared to 2Q2023 was mainly due to the lower operating cash flows used after changes in working capital in 2Q2024.

The Group recorded a net cash used in investing activities of S\$26,000 in 2Q2024 (2Q2023: S\$6,000). The net cash used in investing activities in 2Q2024 was mainly due to the payments made to acquire plant and equipment.

The Group posted a net cash generated from financing activities of S\$103,000 in 2Q2024 (2Q2023: S\$316,000). The net cash generated from financing activities in 2Q2024 mainly comprised interest paid on borrowings of S\$126,000, placement of fixed deposit pledged of S\$38,000, release of deposit in cash margin account of S\$6,000, proceed of borrowings of S\$1,000,000 and repayment of borrowings and lease liabilities of S\$739,000.

### HY2024

The Group recorded a net cash generated from operating activities of S\$97,000 in HY2024 (HY2023: net cash used in operating activities of S\$923,000). This was mainly due to the higher operating cash flows generated after changes in working capital in HY2024.

The Group recorded a net cash used in investing activities of S\$132,000 in HY2024 (HY2023: S\$24,000). This increase in net cash used in investing activities in HY2024 was mainly for the capitalisation of renovation costs for the office cum warehouse rented by PJM and payments made to acquire plant and equipment.

The Group recorded a net cash used in financing activities of S\$1,032,000 in HY2024 (HY2023: net cash generated from financing activities of S\$281,000). The net cash used in financing activities in HY2024 mainly comprised interest paid on borrowings of S\$261,000, placement of fixed deposit pledged of S\$38,000, placement of deposit in cash margin account of S\$256,000, proceed of borrowings of S\$1,000,000 and repayment of borrowings and lease liabilities of S\$1,477,000.

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 (cont'd).

#### KEY MATTERS ARISING DURING 2024

##### Proposed Conversion of Cash Advances into New Ordinary Shares in the Capital of the Company

The Company had on 8 July 2024 entered into a debt conversion agreement (the "**Debt Conversion Agreement**") with Ms Sandra Liz Hon Ai Ling ("**Ms Hon**"), Mr Lim In Chong ("**Mr Lim**"), Mr Pek Seck Wei ("**Mr Pek**") and Mr Mohamed Shafeii Bin Abdul Gaffoor ("**Mr Shafeii**") (each a "**Creditor**", collectively, the "**Creditors**") for the Proposed Debt Conversion. The Creditors had extended to the Company interest-free and unsecured cash advances amounting to an aggregate sum of S\$2,400,000 ("**Advances**"). As of the date of the Debt Conversion Agreement, the total amount owing by the Company to the Creditors under the Advances is S\$2,400,000 (the "**Outstanding Debt**").

Pursuant to the terms of the Debt Conversion Agreement, the Creditors have agreed to convert the Outstanding Debt of S\$2,400,000 into 2,285,714,286 new ordinary shares in the capital of the Company ("**Debt Conversion Shares**") at the conversion price of S\$0.00105 per Debt Conversion Share (the "**Proposed Debt Conversion**"). The Debt Conversion Shares are to be issued in full repayment of the Outstanding Debt. Upon the allotment and issuance of the Debt Conversion Shares to the Creditors, the Outstanding Debt under the Advances shall be deemed to be fully repaid.

Details of the Creditors, the portion of the Outstanding Debt owing by the Company to each Creditor and the number of Debt Conversion Shares to be allotted and issued to each Creditor pursuant to the Debt Conversion Agreement are set out below:

Name of Creditor	Details of the Creditors	Portion of Outstanding Debt	Number of Debt Conversion Shares
Ms Hon	Ms Hon is the Executive Director and Chief Executive Officer of the Company. On 8 July 2024, she holds 1,092,619,845 shares in the Company (" <b>Shares</b> "), representing 6.44% of the total existing issued and paid-up share capital of the Company, and is a substantial shareholder of the Company.	S\$1,100,000	1,047,619,048
Mr Lim	Mr Lim is the Non-Independent and Non-Executive Director of the Company. On 8 July 2024, he holds 1,807,378,770 Shares, representing 10.65% of the total existing issued and paid-up share capital of the Company, and is a substantial shareholder of the Company.	S\$100,000	95,238,095
Mr Pek	Mr Pek is a director of Industrial Engineering Systems Pte Ltd, IES Engineering Systems Sdn. Bhd., Cahya Suria Energy Sdn. Bhd., and H2E International Pte Ltd., subsidiaries of the Company. On 8 July 2024, he holds 454,630,992 Shares, representing 2.68% of the total existing issued and paid-up share capital of the Company. For the avoidance of doubt, he is not a substantial shareholder of the Company.	S\$400,000	380,952,381
Mr Shafeii	Mr Shafeii is the Chief Executive Officer of Panah Jaya Services Sdn. Bhd., a subsidiary of the Company. On 8 July 2024, he does not hold any Shares in the Company.	S\$800,000	761,904,762
<b>Total</b>		<b>S\$2,400,000</b>	<b>2,285,714,286</b>

The Company will be convening an extraordinary general meeting ("**EGM**") on 29 August 2024 to seek Shareholders' approval for, *inter alia*, the Proposed Debt Conversion. The circular containing, *inter alia*, the notice of the EGM and details of the Proposed Debt Conversion has been issued by the Company on 14 August 2024. Please refer to the Company's circular to shareholders dated 14 August 2024 for more information on the Proposed Debt Conversion.

**Full and Final Settlement in Relation to Outstanding Sum Owed by Chong Shin Mun and GPE Power Systems (M) Sdn Bhd**

The Company had on 14 August 2024 entered into a final letter of settlement (the "**Final Settlement Letter**") with Chong Shin Mun (the "**Purchaser**") and Tan Yock Chew (the "**Guarantor**") in relation to the full and final settlement of the outstanding amounts owed by the Purchaser and GPE Power Systems (M) Sdn. Bhd. ("**GPE**") to the Company of S\$1,332,190 and S\$3,449,169 respectively (together, the "**Outstanding Sum**"). Pursuant to the Final Settlement Letter, the parties thereto agree, *inter alia*, that:

- (a) the Guarantor, being the sole legal and beneficial owner, shall transfer, a total of ten (10) sets of vertical automatic waste tyre pyrolysis production lines as set out in further detail in paragraph 3 of the Company's announcement dated 14 August 2024 to the Company and/or its nominee(s), within five (5) business days of written request by the Company as full and final settlement of the Outstanding Sum on the terms and conditions as set out in the Final Settlement Letter (the "**Assignment**"); and
- (b) upon completion of the Assignment, GPE, the Purchaser and the Guarantor shall be discharged from any and all claims, demands and causes of action arising out or in connection with the Outstanding Sum,

(the "**Settlement**").

For more information on the Settlement, please refer to the Company's announcement dated 14 August 2024.