

ANNICA HOLDINGS LIMITED

Condensed Interim Consolidated Financial Statements For The Fourth Quarter and Financial Year Ended 31 December 2022

This announcement has been reviewed by the Company's sponsor, Stamford Corporate Services Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (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.

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For the purposes of this announcement, "4Q2022" refers to the three-month financial period ended 31 December 2022, whereas "4Q2021" refers to the corresponding three-month financial period ended 31 December 2021. "FY2022" refers to the full financial year ended 31 December 2022, whereas "FY2021" refers to the full financial year ended 31 December 2021.

The quarterly reporting of financial statements is mandatory for Annica Holdings Limited (the "Company") pursuant to Rule 705(2) of the SGX-ST Listing Manual Section B: Rules of Catalist (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 FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	Group					
		(Restated)		Increase/ (Decrease) %	(Restated)		Increase/ (Decrease) %
		4Q2022 S\$'000	4Q2021 S\$'000		FY2022 S\$'000	FY2021 S\$'000	
Revenue	4	5,456	2,716	NM	9,414	7,655	23
Cost of sales		(4,089)	(1,615)	NM	(6,369)	(5,147)	24
Gross profit		1,367	1,101	24	3,045	2,508	21
Other income		91	34	NM	254	435	(42)
Interest income		55	57	(4)	209	225	(7)
Selling and distribution expenses		(37)	(71)	(48)	(199)	(106)	88
Administrative and general expenses		(1,210)	(1,149)	5	(4,629)	(3,932)	18
Other expenses		(17)	(85)	(80)	(34)	(97)	(65)
Impairment losses on trade and other receivables		(4)	(21)	(81)	(8)	(21)	(62)
Finance costs		(37)	(17)	NM	(247)	(49)	NM
Profit/(Loss) before tax from continuing operations	6	208	(151)	NM	(1,609)	(1,037)	55
Tax expense	7	(58)	(24)	NM	(77)	(90)	(14)
Profit/(Loss) from continuing operations		150	(175)	NM	(1,686)	(1,127)	50
Profit/(Loss) from discontinued operations		52	(2)	NM	50	(3)	NM
Profit/(Loss) for the financial period		202	(177)	NM	(1,636)	(1,130)	45
Other comprehensive loss							
<i>Items that are or may be reclassified subsequently to profit or loss:</i>							
Currency translation differences arising on consolidation		(93)	(8)	NM	(218)	(74)	NM
Other comprehensive loss for the financial period		(93)	(8)	NM	(218)	(74)	NM
Total comprehensive income/(loss) for the financial period		109	(185)	NM	(1,854)	(1,204)	54

NM: Not Meaningful

Restated: comparative figures restated due to the disposal of the 2 BVI subsidiaries (please refer to page 28 of this announcement).

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 FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022 (cont'd)

Note	Group					
	4Q2022 S\$'000	(Restated) 4Q2021 S\$'000	Increase/ (Decrease) %	FY2022 S\$'000	(Restated) FY2021 S\$'000	Increase/ (Decrease) %
Profit/(Loss) attributable to:						
- Equity holders of the Company	269	(170)	NM	(1,460)	(1,095)	33
- Non-controlling interests	(67)	(7)	NM	(176)	(35)	NM
	<u>202</u>	<u>(177)</u>	<u>NM</u>	<u>(1,636)</u>	<u>(1,130)</u>	<u>45</u>
Profit/(Loss) attributable to:						
<u>Equity holders of the Company</u>						
- Profit/(Loss) from continuing operations	217	(168)	NM	(1,510)	(1,092)	38
- Profit/(Loss) from discontinued operations	52	(2)	NM	50	(3)	NM
	<u>269</u>	<u>(170)</u>	<u>NM</u>	<u>(1,460)</u>	<u>(1,095)</u>	<u>33</u>
<u>Non-controlling interest</u>						
- Loss from continuing operations	(67)	(7)	NM	(176)	(35)	NM
- Loss from discontinued operations	-	-	NM	-	-	NM
	<u>(67)</u>	<u>(7)</u>	<u>NM</u>	<u>(176)</u>	<u>(35)</u>	<u>NM</u>
Total comprehensive income/(loss) attributable to:						
- Equity holders of the Company	176	(178)	NM	(1,678)	(1,169)	44
- Non-controlling interests	(67)	(7)	NM	(176)	(35)	NM
	<u>109</u>	<u>(185)</u>	<u>NM</u>	<u>(1,854)</u>	<u>(1,204)</u>	<u>54</u>
Total comprehensive income/(loss) attributable to:						
<u>Equity holders of the Company</u>						
- Profit/(Loss) from continuing operations	124	(176)	NM	(1,728)	(1,166)	48
- Profit/(Loss) from discontinued operations	52	(2)	NM	50	(3)	NM
	<u>176</u>	<u>(178)</u>	<u>NM</u>	<u>(1,678)</u>	<u>(1,169)</u>	<u>44</u>
<u>Non-controlling interest</u>						
- Loss from continuing operations	(67)	(7)	NM	(176)	(35)	NM
- Loss from discontinued operations	-	-	NM	-	-	NM
	<u>(67)</u>	<u>(7)</u>	<u>NM</u>	<u>(176)</u>	<u>(35)</u>	<u>NM</u>
Earnings/(Loss) per share for loss attributable to the equity holders of the Company (cents per share)						
Basic and diluted						
From continuing and discontinued operation	0.0016	(0.0010)	NM	(0.0087)	(0.0066)	31
From continuing operation	0.0013	(0.0010)	NM	(0.0090)	(0.0066)	36
From discontinued operation	0.0003	-*	NM	0.0003	-*	NM

*Amount is less than S\$0.0001

NM: Not Meaningful

Restated: comparative figures restated due to the disposal of the 2 BVI subsidiaries (please refer to page 28 of this announcement).

(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 31 DECEMBER 2022**

	Note	Group		Company	
		As at FY2022 S\$'000	As at FY2021 S\$'000	As at FY2022 S\$'000	As at FY2021 S\$'000
<u>ASSETS</u>					
Non-current assets					
Property, plant and equipment ("PPE")	12	330	415	33	86
Right-of-use ("ROU") assets		321	459	48	116
Intangible assets	11	36	36	-	-
Investments in subsidiaries		-	-	1,892	1,892
Financial assets at fair value through profit or loss	10	-	3	-	-
Trade and other receivables	13	-	-	-	223
		687	913	1,973	2,317
Current assets					
Cash and cash equivalents		1,430	736	46	65
Fixed deposits		473	654	-	-
Trade and other receivables	13	7,540	6,685	3,910	3,592
Inventories		320	549	-	-
Financial assets at fair value through profit or loss	10	-	-	-	96
		9,763	8,624	3,956	3,753
Total assets		10,450	9,537	5,929	6,070
<u>LIABILITIES</u>					
Non-current liabilities					
Borrowings	14	618	1,036	6	96
Provision for employee benefits		71	94	-	-
Deferred tax liabilities		16	22	-	-
		705	1,152	6	96
Current liabilities					
Trade and other payables		5,803	4,679	5,859	4,620
Contract liabilities		2,472	985	-	-
Borrowings	14	847	704	105	186
Tax payable		-	3	-	-
		9,122	6,371	5,964	4,806
Total liabilities		9,827	7,523	5,970	4,902
Net assets		623	2,014	(41)	1,168
<u>EQUITY</u>					
Share capital	15	68,101	67,801	68,101	67,801
Accumulated losses		(65,389)	(63,929)	(68,231)	(66,722)
Other reserves		(2,041)	(1,823)	89	89
Equity attributable to equity holders of the Company		671	2,049	(41)	1,168
Non-controlling interests		(48)	(35)	-	-
Total equity		623	2,014	(41)	1,168

(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 FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	Note	Group			
		4Q2022 S\$'000	(Restated) 4Q2021 S\$'000	FY2022 S\$'000	(Restated) FY2021 S\$'000
Cash flows from operating activities					
Profit/(Loss) before tax from continuing operations		208	(151)	(1,609)	(1,037)
Profit/(Loss) before tax from discontinued operations		52	(2)	50	(3)
		260	(153)	(1,559)	(1,040)
Adjustments for:					
Depreciation of PPE	6	47	51	200	194
Depreciation of ROU assets	6	54	57	213	234
Fair value (gain)/loss on financial assets at fair value through profit or loss	6	(1)	2	-	5
Loss on disposal of PPE	6	2	-	2	5
Impairment loss on trade and other receivables	6	-	21	4	21
Impairment loss on PPE and ROU assets	6	-	65	-	65
Write off of inventory	6	-	6	-	6
Interest expense	6	37	17	247	49
Interest income	6	(55)	(57)	(209)	(225)
Gain on disposal of subsidiaries	16	(51)	-	(51)	-
Issuance of performance shares	6	-	-	300	-
Bad debt written off	6	13	-	13	-
Bad debt recovered	6	-	(30)	-	(30)
Operating cash flows before working capital changes		306	(21)	(840)	(716)
Changes in working capital:					
Inventories		1,020	454	228	(19)
Payables and contract liabilities		335	1,426	2,712	700
Receivables		(534)	(1,733)	(698)	57
Currency translation difference		(210)	(18)	(212)	(77)
Cash generated from/(used in) operations		917	108	1,190	(55)
Income tax paid		(25)	(38)	(91)	(139)
Net cash generated from/(used in) operating activities		892	70	1,099	(194)
Cash flows from investing activities					
Interest received		5	4	6	11
Purchase of PPE		(52)	(16)	(126)	(52)
Proceeds from disposal of PPE		1	-	1	-
Net cash used in investing activities		(46)	(12)	(119)	(41)
Cash flows from financing activities					
Contribution from NCI of a subsidiary incorporated		1	-	163	-
Interest paid for bank loans		(7)	(9)	(28)	(35)
Interest paid for lease liabilities		(1)	(2)	(7)	(8)
Interest paid for third party		(4)	-	(10)	(12)
Release/(Placement) of fixed deposit pledged		(5)	(31)	157	(13)
Proceeds of borrowings		-	188	356	188
Repayment of principal portion of borrowings		(87)	(78)	(660)	(247)
Repayment of principal portion of lease liabilities		(56)	(46)	(215)	(203)
Net cash (used in)/generated from financing activities		(159)	22	(244)	(330)
Net increase/(decrease) in cash and cash equivalents		687	80	736	(565)
Cash and cash equivalents at beginning of the financial period		765	655	736	1,301
Effects of foreign currency translation on cash and cash equivalents		(22)	1	(42)	-
Cash and cash equivalents at end of the financial period		1,430	736	1,430	736
Cash and cash equivalents at end of the financial period were made up of:					
Cash and cash equivalents		1,430	736	1,430	736
Deposit placed in cash margin account		-	-	-	-
		1,430	736	1,430	736

(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 FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	Note	Share capital S\$'000	Accumulated losses S\$'000	Other reserves S\$'000	Equity attributable to equity holders of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Group							
Balance as at 1 January 2022		67,801	(63,929)	(1,823)	2,049	(35)	2,014
Issuance of ordinary shares of the Company		300	-	-	300	-	300
Loss for the financial year		-	(1,460)	-	(1,460)	(176)	(1,636)
Other comprehensive loss:							
Currency translation differences arising from consolidation		-	-	(218)	(218)	-	(218)
Total comprehensive loss for the financial year		-	(1,460)	(218)	(1,678)	(176)	(1,854)
Changes in ownership interests in a subsidiary:							
Acquisition of ownership interest in a subsidiary		-	-	-	-	163	163
		-	-	-	-	163	163
Balance as at 31 December 2022		68,101	(65,389)	(2,041)	671	(48)	623
Balance as at 1 January 2021		67,801	(62,834)	(1,746)	3,221	(3)	3,218
Transfer to capital reserve		-	-	(3)	(3)	3	-
Loss for the financial year		-	(1,095)	-	(1,095)	(35)	(1,130)
Other comprehensive loss:							
Currency translation differences arising from consolidation		-	-	(74)	(74)	-	(74)
Total comprehensive loss for the financial year		-	(1,095)	(74)	(1,169)	(35)	(1,204)
Balance as at 31 December 2021		67,801	(63,929)	(1,823)	2,049	(35)	2,014

(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 FINANCIAL YEAR ENDED 31 DECEMBER 2022(cont'd)**

	Note	Share capital S\$'000	Accumulated losses S\$'000	Other reserves S\$'000	Total equity S\$'000
Company					
Balance as at 1 January 2022		67,801	(66,722)	89	1,168
Issuance of ordinary shares of the Company		300	-	-	300
Loss and total comprehensive loss for the financial period		-	(1,509)	-	(1,509)
Balance as at 31 December 2022		68,101	(68,231)	89	(41)
Balance as at 1 January 2021		67,801	(65,500)	89	2,390
Loss and total comprehensive loss for the financial period		-	(1,222)	-	(1,222)
Balance as at 31 December 2021		67,801	(66,722)	89	1,168

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 as at 31 December 2022 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) operation of generation facilities that produce electric energy, manufacturing of any fabricated metal products and construction of utility projects; and
- (e) investment holding.

2. Basis of preparation

The condensed interim consolidated financial statements for FY2022 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 financial position and performance since the last audited consolidated financial statements for FY2021.

The accounting policies adopted for the condensed interim consolidated financial statements for FY2022 are consistent with those of the previous financial year, FY2021, which were prepared in accordance with SFRS(I)s.

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

2.1 New and amended standards adopted by the Group

On 1 January 2022, the Group adopted new and amended SFRS(I) and interpretations to SFRS(I) (“**INT SFRS(I)**”) that are mandatory for application for the financial period. The adoption of these new and amended SFRS(I) and INT SFRS(I) did not have a material effect on the financial statements.

2.2 Use of judgements and estimates

In preparing the condensed interim consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant 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 FY2021.

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

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is 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 within the next interim period are included in the following notes:

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

3. Seasonal operations

The Group’s businesses were not affected significantly by seasonal or cyclical factors during FY2022.

4. Segment and revenue information

The Group is organised into the following main business segments:

- Oil and Gas Equipment;
- Engineering Services; and
- Investments and Others

These operating segments are reported in a manner consistent with internal reporting provided to the Company’s Executive Director and Chief Executive Officer, Sandra Liz Hon Ai Ling and the Board of Directors who are responsible for allocating resources and assessing the performance of the operating segments.

4.1 Reportable segments

	Engineering services S\$'000	Oil and gas equipment S\$'000	Investments and others S\$'000	Elimination S\$'000	Continuing operation S\$'000	Discontinued operation S\$'000	Total S\$'000
FY2022							
Revenue							
External sales	1,187	8,215	12	-	9,414	-	9,414
Inter-segment sales	-	-	-	-	-	-	-
Total revenue	1,187	8,215	12	-	9,414	-	9,414
Interest income	-	6	205	(2)	209	-	209
Other income	15	212	167	(140)	254	-	254
Total other income	15	218	372	(142)	463	-	463
Total revenue and other income	1,202	8,433	384	(142)	9,877	-	9,877
Depreciation of PPE	-	(146)	(54)	-	(200)	-	(200)
Depreciation of ROU assets	-	(117)	(96)	-	(213)	-	(213)
Interest expense	(10)	(233)	(6)	2	(247)	-	(247)
Segment profit	1,192	7,937	228	(140)	9,217	-	9,217
Unallocated expenses	(1,384)	(7,633)	(1,937)	128	(10,826)	50	(10,776)
(Loss)/Profit before tax	(192)	304	(1,709)	(12)	(1,609)	50	(1,559)
Tax expense	-	(77)	-	-	(77)	-	(77)
(Loss)/Profit for the financial period	(192)	227	(1,709)	(12)	(1,686)	50	(1,636)
Assets							
Non-current assets	-	570	117	-	687	-	687
Other segment assets	444	8,613	6,191	(5,485)	9,763	-	9,763
Consolidated total assets	444	9,183	6,308	(5,485)	10,450	-	10,450
Expenditures for segment non-current assets							
Additions to PPE	-	125	1	-	126	-	126
Additions to ROU assets	-	58	29	-	87	-	87
	-	183	30	-	213	-	213
Liabilities							
Segment liabilities	677	4,824	6,410	(3,565)	8,346	-	8,346
Borrowings	222	1,193	111	(61)	1,465	-	1,465
Deferred tax liabilities	-	16	-	-	16	-	16
Tax payable	-	-	-	-	-	-	-
Consolidated total liabilities	899	6,033	6,521	(3,626)	9,827	-	9,827

4.1 Reportable segments (cont'd)

	Engineering services S\$'000	Oil and gas equipment S\$'000	Investments and others S\$'000	Elimination S\$'000	Continuing operation S\$'000	Discontinued operation S\$'000	Total S\$'000
FY2021 (Restated)							
Revenue							
External sales	759	6,896	-	-	7,655	-	7,655
Inter-segment sales	-	-	-	-	-	-	-
Total revenue	759	6,896	-	-	7,655	-	7,655
Interest income	-	11	218	(4)	225	-	225
Other income	9	292	836	(702)	435	1	436
Total other income	9	303	1,054	(706)	660	1	661
Total revenue and other income	768	7,199	1,054	(706)	8,315	1	8,316
Depreciation of PPE	(13)	(127)	(54)	-	(194)	-	(194)
Depreciation of ROU assets	(27)	(114)	(93)	-	(234)	-	(234)
Interest expense	(9)	(37)	(7)	4	(49)	-	(49)
Segment profit	719	6,921	900	(702)	7,838	1	7,839
Unallocated expenses	(1,036)	(6,702)	(2,136)	999	(8,875)	(4)	(8,879)
(Loss)/Profit before tax	(317)	219	(1,236)	297	(1,037)	(3)	(1,040)
Tax expense	(6)	(84)	-	-	(90)	-	(90)
(Loss)/Profit for the financial period	(323)	135	(1,236)	297	(1,127)	(3)	(1,127)
Assets							
Non-current assets	-	672	238	-	910	-	910
Other segment assets	605	6,811	6,352	(5,147)	8,621	6	8,627
Consolidated total assets	605	7,483	6,590	(5,147)	9,531	6	9,537
Expenditures for segment non-current assets							
Additions to PPE	4	44	4	-	52	-	52
Additions to ROU assets	-	9	-	-	9	-	9
	4	53	4	-	61	-	61
Liabilities							
Segment liabilities	547	3,007	5,025	(2,877)	5,702	56	5,758
Borrowings	320	1,303	444	(327)	1,740	-	1,740
Deferred tax liabilities	-	22	-	-	22	-	22
Tax payable	2	1	-	-	3	-	3
Consolidated total liabilities	869	4,333	5,469	(3,204)	7,467	56	7,523

4.2 Disaggregation of Revenue

	Group FY2022			Total \$'000
	Engineering services \$'000	Oil and gas equipment \$'000	Investments and others \$'000	
Types of goods or services:				
Sale of goods	329	8,180	12	8,521
Services rendered	858	35	-	893
	<u>1,187</u>	<u>8,215</u>	<u>12</u>	<u>9,414</u>
Timing of revenue recognition:				
At a point in time	1,188	8,214	12	9,414
Over time	-	-	-	-
	<u>1,188</u>	<u>8,214</u>	<u>12</u>	<u>9,414</u>
Geographical information:				
Singapore	858	103	-	961
Malaysia	253	4,018	12	4,283
Indonesia	-	1,966	-	1,966
Thailand	-	1,104	-	1,104
Vietnam	76	2	-	78
China	-	28	-	28
Brunei & Myanmar	-	964	-	964
Others	-	30	-	30
	<u>1,187</u>	<u>8,215</u>	<u>12</u>	<u>9,414</u>

	FY2021			Total \$'000
	Engineering services \$'000	Oil and gas equipment \$'000	Investments and others \$'000	
Types of goods or services:				
Sale of goods	759	6,662	-	7,421
Services rendered	-	234	-	234
	<u>759</u>	<u>6,896</u>	<u>-</u>	<u>7,655</u>
Timing of revenue recognition:				
At a point in time	759	5,607	-	6,366
Over time	-	1,289	-	1,289
	<u>759</u>	<u>6,896</u>	<u>-</u>	<u>7,655</u>
Geographical information:				
Singapore	28	648	-	676
Malaysia	678	3,870	-	4,548
Indonesia	-	1,164	-	1,164
Thailand	-	402	-	402
Vietnam	53	33	-	86
China	-	-	-	-
Brunei & Myanmar	-	713	-	713
Others	-	66	-	66
	<u>759</u>	<u>6,896</u>	<u>-</u>	<u>7,655</u>

4.2 Disaggregation of Revenue (cont'd)

	Group 4Q2022			Total \$'000
	Engineering services \$'000	Oil and gas equipment \$'000	Investments and others \$'000	
Types of goods or services:				
Sale of goods	148	5,065	-	5,213
Services rendered	215	28	-	243
	<u>363</u>	<u>5,093</u>	<u>-</u>	<u>5,456</u>
Timing of revenue recognition:				
At a point in time	364	5,092	-	5,456
Over time	-	-	-	-
	<u>364</u>	<u>5,092</u>	<u>-</u>	<u>5,456</u>
Geographical information:				
Singapore	215	39	-	254
Malaysia	72	2,865	-	2,937
Indonesia	-	1,730	-	1,730
Thailand	-	401	-	401
Vietnam	76	1	-	77
China	-	-	-	-
Brunei & Myanmar	-	57	-	57
Others	-	-	-	-
	<u>363</u>	<u>5,093</u>	<u>-</u>	<u>5,456</u>

	4Q2021			Total \$'000
	Engineering services \$'000	Oil and gas equipment \$'000	Investments and others \$'000	
Types of goods or services:				
Sale of goods	34	2,652	-	2,686
Services rendered	-	30	-	30
	<u>34</u>	<u>2,682</u>	<u>-</u>	<u>2,716</u>
Timing of revenue recognition:				
At a point in time	34	2,451	-	2,485
Over time	-	231	-	231
	<u>34</u>	<u>2,682</u>	<u>-</u>	<u>2,716</u>
Geographical information:				
Singapore	28	5	-	33
Malaysia	6	1,452	-	1,458
Indonesia	-	875	-	875
Thailand	-	32	-	32
Vietnam	-	-	-	-
China	-	-	-	-
Brunei & Myanmar	-	259	-	259
Others	-	59	-	59
	<u>34</u>	<u>2,682</u>	<u>-</u>	<u>2,716</u>

4.2 Disaggregation of Revenue (cont'd)

A breakdown of sales:

	Group		Increase/ (Decrease)
	FY2022 S\$'000	FY2021 S\$'000	%
Sales reported for first half year	2,386	3,849	(38)
Operating loss after tax before deducting non-controlling interest reported for first half year	(1,203)	(590)	NM
Revenue reported for second half year	7,028	3,806	85
Operating loss after tax before deducting non-controlling interest reported for second half year	(483)	(537)	(10)

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2022 and 31 December 2021:

	Note	Group		Company	
		FY2022 S\$'000	FY2021 S\$'000	FY2022 S\$'000	FY2021 S\$'000
Financial Assets					
Financial assets at fair value through profit or loss	10	-	3	-	96
Cash and bank balances and trade and other receivables (Amortised cost)		9,076	7,001	3,949	3,858
		9,076	7,004	3,949	3,954
Financial Liabilities					
Trade and other payables and borrowings (Amortised cost)		6,746	6,276	5,809	4,773

6. Loss before taxation

6.1 Significant items

	Group			
	4Q2022 S\$'000	(Restated) 4Q2021 S\$'000	FY2022 S\$'000	(Restated) FY2021 S\$'000
Income				
Interest income from bank and deposits	5	4	6	11
Interest income from a related party	-	3	-	3
Interest income from a third party	50	50	203	211
Miscellaneous income	1	11	41	91
Government grant received	1	1	7	159
Extension fees on amount due from Ms Chong Shin Mun	15	20	60	60
Exhibition income	-	-	27	-
Rent concession	-	8	-	8
Bad debt recovered	-	-	-	31
Foreign currency exchange (loss)/gain, net	58	(6)	102	87
Expenses				
Interest expenses on borrowings	31	9	235	35
Interest expenses on lease liabilities	1	2	7	8
Interest expenses on employee benefit	5	6	5	6
(Gain)/Loss on disposal of PPE	2	-	2	5
Allowance for impairment loss on trade receivables	4	-	4	-
Allowance for impairment loss on other receivables	-	21	4	21
Fair value gain/(loss) on financial assets at fair value through profit and loss	(1)	2	-	5
Bad debt written off	13	-	13	-
Depreciation of PPE	47	51	200	194
Depreciation of ROU assets	54	57	213	234
Issuance of performance shares	-	-	300	-

6.2 Related party transactions

There were no material related party transactions during 4Q2022 and FY2022.

7. Taxation

	Group			
	4Q2022 S\$'000	4Q2021 S\$'000	FY2022 S\$'000	FY2021 S\$'000
Current income tax expense	61	45	80	111
Deferred income tax expense	(3)	(21)	(3)	(21)
	58	24	77	90

8. Dividends

No dividend has been declared during FY2021 and FY2022.

9. Net Asset Value

	Group		Company	
	FY2022	FY2021	FY2022	FY2021
Net asset value per ordinary share of the Company ("Share") based on the issued Shares at the end of the financial period reported on (in cents)	0.0040	0.0123	(0.0002)	0.0070

Net asset value per ordinary share of the Group as at FY2022 was calculated by dividing the Group's net asset value attributable to equity holders as at FY2022 of S\$671,000 (FY2021: S\$2,049,000) by the number of issued ordinary shares of the Company as at FY2022 of 16,974,767,048 (FY2021: 16,674,767,048).

Net asset value per ordinary share of the Company as at FY2022 was calculated by dividing the Company's negative net asset value attributable to equity holders as at FY2022 of S\$41,000 (FY2021: S\$1,168,000) by the number of issued ordinary shares of the Company as at FY2022 of 16,974,767,048 (FY2021: 16,674,767,048).

10. Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss comprise the following:

	Group	
	FY2022 S\$'000	FY2021 S\$'000
Quoted equity investments on the SGX-ST	-	3

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:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- 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) (Level 2); and
- Inputs for the assets or liability which are not based on observable market data (unobservable inputs) (Level 3).

The following table presents the assets measured at fair value:

	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
Group – 31 December 2022				
Financial assets				
FVTPL investments (Quoted investments)	-	-	-	-
Group – 31 December 2021				
Financial assets				
FVTPL investments (Quoted investments)	3	-	-	3

11. Intangible assets

Goodwill on consolidation

At 31 December 2021 and 31 December 2022

Group
S\$'000
36

12. Property, plant and equipment

During FY2022, the Group acquired plant and equipment amounting to S\$126,000 (31 December 2021: S\$52,000) and disposed office equipment amounting to S\$4,000 (31 December 2021: S\$7,000).

13. Trade and other receivables

Trade and other receivables comprise the following:

	FY2022 S\$'000	FY2021 S\$'000
Trade and other receivables		
Trade receivables	3,035	2,077
Other receivables:		
GPE Power Systems (M) Sdn. Bhd. ("GPE")	3,210	3,147
Advance billings from suppliers	258	941
Chong Shin Mun	225	156
Others	812	364
	<u>4,505</u>	<u>4,608</u>
	<u>7,540</u>	<u>6,685</u>

13.1 Ageing profile of trade and other receivables

	FY2022				
	Total Due S\$'000	0-30 days S\$'000	30-60 days S\$'000	60-90 days S\$'000	90+ days S\$'000
Segments					
Trade receivables					
Engineering services	230	90	70	70	-
Oil and gas equipment	2,805	793	1,868	15	129
Investments and others	-	-	-	-	-
	<u>3,035</u>	<u>883</u>	<u>1,938</u>	<u>85</u>	<u>129</u>
Other receivables					
Engineering services	11	11	-	-	-
Oil and gas equipment	892	881	-	-	11
Investments and others	3,602	189	21	22	3,370
	<u>4,505</u>	<u>1,081</u>	<u>21</u>	<u>22</u>	<u>3,381</u>
	<u>7,540</u>	<u>1,964</u>	<u>1,959</u>	<u>107</u>	<u>3,510</u>
	Total Due S\$'000	0-30 days S\$'000	30-60 days S\$'000	60-90 days S\$'000	90+ days S\$'000
Segments					
Trade receivables					
Engineering services	36	26	-	6	4
Oil and gas equipment	2,039	1,903	93	29	14
Investments and others	2	-	-	-	2
	<u>2,077</u>	<u>1,929</u>	<u>93</u>	<u>35</u>	<u>20</u>
Other receivables					
Engineering services	35	11	-	-	24
Oil and gas equipment	1,105	1,105	-	-	-
Investments and others	3,468	181	22	23	3,242
	<u>4,608</u>	<u>1,297</u>	<u>22</u>	<u>23</u>	<u>3,266</u>
	<u>6,685</u>	<u>3,226</u>	<u>115</u>	<u>58</u>	<u>3,286</u>

14. Borrowings

	FY2022			FY2021		
	Secured Borrowings	Unsecured Borrowings	Lease Liabilities	Secured Borrowings	Unsecured Borrowings	Lease Liabilities
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand	331	395	121	323	188	193
Amount repayable after one year	607	-	11	929	-	107

The secured bank borrowings and credit facilities of the Group are secured over the Group's leasehold properties, fixed deposits, corporate guarantee by the Company and personal guarantees from the directors of the Company's subsidiaries during FY2022 and FY2021.

15. Share Capital

	The Group and the Company			
	FY2022		FY2021	
	Number of shares '000	Amount S\$'000	Number of shares '000	Amount S\$'000
Beginning of interim period	16,674,767	67,801	16,674,767	67,801
Issuance of new ordinary shares	300,000	300	-	-
End of interim period	<u>16,974,767</u>	<u>68,101</u>	<u>16,674,767</u>	<u>67,801</u>

During FY2022, the Company granted share awards comprising 300,000,000 new ordinary shares in the share capital of the Company to selected participants pursuant to the Annica Performance Share Plan.

16. Disposal of Subsidiaries

As previously disclosed in the Company's announcement dated 1 February 2022, the Company's two (2) wholly owned British Virgin Island subsidiaries, namely Avital Enterprises Limited and Nu-Haven Incorporated (collectively, the "BVI Subsidiaries"), have been struck off from the BVI Government Register of companies with effect from 1 May 2022.

As the BVI Subsidiaries have been dormant, the Company had decided not to pay the relevant annual license fees for the maintenance of the "live" status of the BVI Subsidiaries by the due date of 30 April 2022. Accordingly, the BVI Subsidiaries have been automatically struck off on 1 May 2022 and have ceased to be subsidiaries of the Company from such date. Nevertheless, the Company may apply to reinstate Avital Enterprises Limited and Nu-Haven Incorporated as "live" companies at any time within the next seven (7) years and five (5) years respectively.

An analysis of the results of discontinued operations is as follows:

	FY2022 S\$'000	FY2021 S\$'000
Revenue	-	-
Cost of sales	-	-
Expenses	-*	(1)
Less: tax expense	-	-
Profit/(Loss) after tax from discontinued operation	-*	(1)
Profit on disposal of the discontinued operation	51	-
Profit/(Loss) from discontinued operation	<u>50</u>	<u>(1)</u>

*Amount is less than S\$1,000

17. Subsequent events

There are no known subsequent events (after 31 December 2022) which have led to adjustments to this set of interim 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 was a change in the Company's share capital for FY2022.

- Grant of Awards and Issuance of New Shares Pursuant to the Annica Performance Share Plan

On 19 August 2022, the Company granted share awards ("**Awards**") comprising 300,000,000 new ordinary shares ("**New Shares**") in the share capital of the Company pursuant to the Annica Performance Share Plan, details of which are set out in the Company's announcement on even date and reproduced here. Following the issue of the 300,000,000 New Shares, the total number of issued and paid-up ordinary shares of the Company has increased from 16,674,767,048 to 16,974,767,048.

Date of grant of Awards:	19 August 2022								
Number of New Shares available for grant under the Share Plan and the Annica Employee Share Option Scheme (collectively, the " Share Schemes ")	The total number of new ordinary shares available for grant under the Share Schemes is 624,597,109, which is 3.75% of the existing share capital of the Company comprising 16,674,767,048 ordinary shares as at 19 August 2022, being the date of the grant of these Awards. Following the grant of the Awards, the total number of new ordinary shares available for grant under the Share Schemes is 324,597,109.								
Number of New Shares comprised in the Awards granted and information on the Awardees	Awards comprising 300,000,000 New Shares were granted to the following Director and certain Group employees (collectively, the " Awardees "). <table border="1"> <thead> <tr> <th>Name</th> <th>No. of Share Awards</th> </tr> </thead> <tbody> <tr> <td>Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin</td> <td>150,000,000</td> </tr> <tr> <td>Other employees</td> <td>150,000,000</td> </tr> <tr> <td>Total</td> <td>300,000,000</td> </tr> </tbody> </table> No Awards were granted to any controlling shareholder of the Company or any associate of a controlling shareholder or Director.	Name	No. of Share Awards	Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin	150,000,000	Other employees	150,000,000	Total	300,000,000
Name	No. of Share Awards								
Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin	150,000,000								
Other employees	150,000,000								
Total	300,000,000								
Market price of the Company's shares on the date of grant	S\$0.001 per share								
Vesting period of the Awards	The New Shares comprised in the Awards granted have vested on 19 August 2022.								
Listing and quotation of the Shares	The New Shares were listed for quotation and trading on the Catalist Board of the SGX-ST on 23 August 2022.								
Ranking of the New Shares	The New Shares rank <i>pari passu</i> in all respects with all existing shares of the Company.								
Restrictions and other conditions	There are no restrictions or any other conditions placed on the New Shares when issued.								

There are no shares 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) Remaining number of Shares comprised in the 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 st anniversary from the Date of Grant and shall be exercised before the 10 th 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 31 December 2022, the number of shares that may be issued on conversion of all the outstanding convertible securities was 30,000,000 (31 December 2021: 30,000,000) which represented approximately 0.18% (31 December 2021: 0.18%) of the total issued shares excluding treasury shares and subsidiary holdings.

There were no treasury shares or subsidiary holdings as at 31 December 2022 and 31 December 2021.

(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 FY2022	As at FY2021
Total number of issued shares excluding treasury shares ('000)	16,974,767	16,674,767

(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 31 December 2022 and 31 December 2021.

(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 31 December 2022 and 31 December 2021.

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.

As disclosed in the Company's annual report for the financial year ended 31 December 2021, the Company's auditors were unable to obtain sufficient appropriate audit evidence to satisfy themselves that (i) no further allowance for impairment loss is required with respect to the remaining consideration receivable of S\$156,000 and (ii) no allowance for impairment loss is required with respect to receivables from a former subsidiary, GPE Power Systems (M) Sdn Bhd, which amounted to S\$3,147,000. The Company's auditors were also unable to obtain sufficient appropriate audit evidence with respect to the cash flows that can be received by the Group and the Company in settlement of the said receivables mentioned in sub-point (ii) above.

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 and 24 June 2022.

In respect of audit issue (i) above, as disclosed in the Company's announcements on 19 October 2020 and 9 March 2021, the Company initially contemplated the appointment of a law firm to commence legal action against Ms. Chong Shin Mun (the "Purchaser") and the Guarantor for the purposes of recovering the outstanding Fourth Tranche Consideration as the amounts demanded under the Letters of Demand which had been served on the Purchaser and the Guarantor on 25 September 2020 (the "Demanded Amounts"), further details of which are provided in the Company's announcements dated 25 September 2020 and 19 October 2020, had not been received by the Company as of 19 October 2020.

As subsequently disclosed in the Company's announcements dated 1 March 2021, 9 March 2021, 14 April 2021 and 20 April 2021, on the advice of the Company's legal advisors, prior to the commencement of legal action, the Company had sought a written consent from the Purchaser to waive her jurisdictional rights in Singapore in favour of Malaysia, due to cost considerations. The waiver was received by the Company from the Purchaser on 14 December 2020.

Following receipt of the waiver, the Purchaser informed the Company of a new offer for the proposed sale of her assets and requested for additional time to complete the sale, which proceeds have been assigned to the Company to satisfy the Demanded Amounts. As a result of this new development, the Board had deliberated at length during its meeting in December 2020 and decided to stay its earlier decision to commence legal action and grant the Purchaser reasonable time to settle the Demanded Amounts through the sale of her assets. In arriving at their decision, the Board had considered that:

- (a) the Purchaser had, in addition to the existing security, assigned the proceeds of the sale of the Purchaser's assets to the Company; and

- (b) the Purchaser had provided the Company with a total of 810,000,000 shares amounting to S\$810,000. Save for the 140,000,000 shares with a value amounting to S\$140,000 which had yet to be monetized as at the time of the board meeting, 670,000,000 shares amounting to S\$670,000 given to the Company as partial payment towards the Purchase Price had been monetized successfully without commencing legal action.

Furthermore, the Board also weighed the legal costs, time and potential recoverability of the Demanded Amounts against any potential detriment to the Company for staying the legal action and took the view that there would not be significant detriment to the Company in staying the legal action for a reasonable period, and any legal action may actually adversely impact any potential sale of the Purchaser's assets and the Purchaser's ability to satisfy the Demanded Amounts. For the reasons disclosed in the Company's announcement dated 20 April 2021, the Audit Committee of the Company ("AC") maintains the view that the ongoing engagement with the Purchaser is in the best interests of the Company and its shareholders and should be continued at this juncture, while the AC continues to monitor and review the situation for any changes to the detriment of the Company.

The Purchaser has since completed the transfer of, and successfully monetized, all the Controlled Shares under the 27 June 2019 Share Charge and all the Further Controlled Shares under the 12 December 2019 Share Charge and the 9 March 2020 Share Charge. The proceeds from such transfers, amounting to an aggregate of S\$810,000, have been applied towards part payment of the outstanding Fourth Tranche Consideration owed by the Purchaser. As at the date of this announcement, the total amount outstanding from the Purchaser is S\$1,176,221 (of which S\$933,000 has been impaired as disclosed in the audited consolidated financial statements in the Company's annual reports for the financial year ended 31 December 2020 ("FY2020") and FY2021).

In respect of audit issue (ii) above, on 15 January 2020, the Purchaser had granted 100,000,000 shares in the Company to the Company towards satisfying the outstanding scheduled payment of S\$100,000 on behalf of GPE. On 31 March 2020, the Company received S\$30,000 in cash from GPE, being the scheduled payment specified under the loan restructuring agreement. On 11 June 2020, the Company had sold the 100,000,000 shares granted by the Purchaser for a cash consideration of S\$100,000 which was applied towards satisfying the outstanding scheduled payment of S\$100,000 on behalf of GPE. On 26 July 2022, the Company received a further sum of S\$90,000 from GPE. As at the date of this announcement, the outstanding payments due from GPE amount to S\$3,233,049. The Purchaser, in her capacity as the majority shareholder and director of GPE, is negotiating the sale of certain of her assets in order to settle such outstanding payments together with the remaining outstanding Fourth Tranche Consideration.

The proposed sale of these assets involves several other stakeholders and the alignment of these transacting parties' interests requires time to resolve. Despite the understanding that the parties are working towards an expeditious completion of the proposed sale, the Company is in active discussions with Ms. Chong Shin Mun on other alternative means of monetising these assets in the event of a delay or failure of the proposed sales transaction. If so, the Company will release the necessary update announcement to shareholders and seek necessary shareholders' approval if required.

- (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 2021.

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 has adopted all the applicable new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)") and Interpretations of SFRS(I) ("INT SFRS(I)") that are relevant to its operations and effective for annual periods beginning on 1 January 2022. The adoption of these new and revised SFRS(I) and INT SFRS(I) did not result in any substantial change to the Group's accounting policies and has no material impact on the financial statements for the current financial reporting period.

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			
	4Q2022	4Q2021	FY2022	FY2021
Earnings/Loss per share based on the weighted average number of shares on issue (in cents):				
Basic and diluted earnings/loss per share				
From continuing and discontinued operation	0.0016	(0.0010)	(0.0087)	(0.0066)
From continuing operation (Note (a) and (c))	0.0013	(0.0010)	(0.0090)	(0.0066)
From discontinued operation (Note (b) and (d))	0.0003	-*	0.0003	-*

*Amount is less than 0.0001

- (a) Basic and diluted earnings per share from continuing operations for 4Q2022 were calculated by dividing the profit attributable to equity holders of the Company of S\$217,000 (4Q2021: loss attributable to equity holders of the Company of S\$168,000) by the weighted average number of shares for 4Q2022 of 16,785,725,952 (4Q2021: 16,674,767,048).

- (b) Basic and diluted earnings per share from discontinued operation for 4Q2022 were calculated by dividing the profit attributable to equity holders of the Company of S\$52,000 (4Q2021: loss attributable to equity holders of the Company of S\$2,000) by the weighted average number of shares for 4Q2022 of 16,785,725,952 (4Q2021: 16,674,767,048).
- (c) Basic and diluted loss per share from continuing operations for FY2022 were calculated by dividing the loss attributable to equity holders of the Company of S\$1,510,000 (FY2021: S\$1,092,000) by the weighted average number of shares for FY2022 of 16,785,725,952 (FY2021: 16,674,767,048).
- (d) Basic and diluted earnings per share from discontinued operations for FY2022 were calculated by dividing the profit attributable to equity holders of the Company of S\$50,000 (FY2021: loss attributable to equity holders of the Company of S\$3,000) by the weighted average number of shares for FY2022 of 16,785,725,952 (FY2021: 16,674,767,048).

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 as disclosed in the Condensed Interim Consolidated Financial Statements for FY2022 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 FY2022.

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

As announced on 11 November 2022, the Company has disclosed in paragraph 10 of page 18 of the 3Q2022 interim unaudited financial statements that "*Current broad-based inflation has driven up project and financing costs across the Group's business segments, and this may adversely impact the Group's profit margins.*". Consistent with our previous disclosure in the 3Q2022 interim unaudited financial statements, the finance cost of the Group has increased from S\$49,000 in FY2021 to S\$247,000 in FY2022, which has partially contributed to the higher loss for the financial year of the Group in FY2022.

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's operations and markets are located in Southeast Asia, a region that is economically dependent on major world economies. Global supply chains continue to face disruptions and have not resumed to pre-COVID19 levels. This is largely due to the ongoing war in Ukraine, rising global inflation and tightening of monetary policies by major economies. Global economic uncertainty coupled with heightened geopolitical tensions among major world powers have had an adverse impact on the Group's operations and performance. Current broad-based inflation may driven up financing costs across the Group's business segments. In particular, the Group's oil and gas equipment segment is highly susceptible to geopolitical risks and has also been adversely affected by the price increases from our principals with short quotation validity. Global economic uncertainty is also reflected in the general slowdown of fund raising and M&A activities, and this may adversely impact the Group's ability to raise further capital. Meanwhile, Malaysia, a key market for the Group, recently underwent a change in government in November 2022. While the Group is actively communicating and engaging with relevant stakeholders, it is possible that the Group may encounter delays in the negotiations for certain renewable energy projects arising from the change in government personnel.

In view of the above, the Directors remains cautious in the near term and the Group will continue to monitor these developments and undertake measures to mitigate any potential adverse impact. In particular, the Board opines that the diversification into the renewable energy sector since 2016 is both timely and strategic, especially in green technology and emerging hydrogen technology which have the potential for high growth and mass adoption in off-grid electrification applications, as well as fossil fuel replacements. Hydrogen forms an important part of the global renewable energy initiatives to tackle climate change. Apart from the Group's interests in rural electrification projects, the Group is also in discussions with several stakeholders to support hydrogen generation projects as potential feedstocks for power plants and for green fuel. Meanwhile, the Group continues the reset on its engineering services segment and oil and gas equipment segment, with the objective of reshaping their strategic direction to serve other markets along the value chain of the said segments. The reset aims to strengthen the Group's position along the value chain and improve the contribution from these segments. These would include building the long-term capabilities, processes and plans to deliver products more cost-effectively and identifying ways to scale efficiently. The Group will continue to embrace the adoption of suitable and relevant technology to increase flexibility and streamline operations to better manage changes in the market. The Board is also actively evaluating various strategies, including fund raising, acquisitions of suitable businesses as well as restructuring the Group's existing businesses and/or assets, in addition to a targeted, realistic approach 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.
- (b)(i) **Amount per share**
Not applicable.
- (b)(ii) **Previous corresponding period**
Not applicable. No dividend was declared for FY2021.
- (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 the financial period under review as the Group is currently not profit-making.
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 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 FY2022.
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 proceeds during FY2022.
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. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-**
- (a) Ordinary : Not Applicable
(b) Preference : Not Applicable
(c) Total : Not Applicable
17. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**
The Company confirms that there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

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 condensed interim consolidated financial statements for the financial year ended 31 December 2022 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
28 February 2023

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 posted a revenue of S\$5,456,000 in 4Q2022, which was an increase of S\$2,740,000 from S\$2,716,000 in 4Q2021. The Group reported higher revenue in 4Q2022 as compared to 4Q2021 mainly due to higher revenue generated from both engineering services segment and oil and gas equipment segment in 4Q2022.

The Group posted revenue of S\$9,414,000 in FY2022, which was an increase of S\$1,759,000 from S\$7,655,000 in FY2021. This was mainly due to higher revenue generated from both engineering services segment and oil and gas equipment segment in FY2022.

Cost of sales

The Group posted a cost of sales of S\$4,089,000 in 4Q2022, which was an increase of S\$2,474,000 from S\$1,615,000 in 4Q2021. The Group reported higher cost of sales in 4Q2022 as compared to 4Q2021 mainly due to higher cost of sales incurred in both engineering services segment and oil and gas equipment segment in 4Q2022.

The Group posted revenue of S\$6,369,000 in FY2022, which was an increase of S\$1,222,000 from S\$5,147,000 in FY2021. This was mainly due to higher cost of sales incurred in both engineering services segment and oil and gas equipment segment in FY2022.

Gross Profit

The Group reported a gross profit of S\$1,367,000 in 4Q2022, which was an increase of S\$266,000 from S\$1,101,000 in 4Q2021. The gross profit margin reported was 25% in 4Q2022, which was a decrease of 16% from 41% in 4Q2021. This was mainly due to an increase in the cost of sales and lower gross profit margin for the Group's projects in the oil and gas equipment segments in 4Q2022 as compared to 4Q2021.

The Group reported a gross profit of S\$3,045,000 in FY2022, which was an increase of S\$537,000 from S\$2,508,000 in FY2021. The gross profit margin reported was 32% in FY2022, which was a decrease of 1% from 33% in FY2021. Although the gross profit margin was reduced by 1%, the group reported higher gross profit due to higher revenue generated in FY2022 as compared to FY2021.

Other income

The Group received other income of S\$91,000 in 4Q2022, which was an increase of S\$57,000 from S\$34,000 in 4Q2021. This was mainly due to increase in foreign exchange gain in 4Q2022. By comparison, in 4Q2021, other income comprised mainly rent concession and other miscellaneous income.

The Group received other income of S\$254,000 in FY2022, which was a 42% decrease of S\$181,000 from S\$435,000 in FY2021. In FY2022, other income comprised mainly exhibition income received, government grants from the Singapore government and a gain on foreign currency exchange. By comparison, in FY2021, other income comprised mainly amounts received from the Singapore government under the Jobs Support Scheme, bad debt recovered and a gain on foreign currency exchange. The bad debt recovered concerned Panah Jaya Services Sdn. Bhd., a related subsidiary, which had fully recovered the bad debt of S\$30,000 from its trade receivable which had been written off during FY2020. Foreign exchange gain was higher in FY2022 as compared to FY2021 mainly due to the fluctuation of the United States Dollar, Malaysian Ringgit and the Indonesian Rupiah against the Singapore Dollar in FY2022.

Interest income

The Group received interest income of S\$55,000 in 4Q2022, which was a 4% decrease of S\$2,000 from S\$57,000 in 4Q2021 which represents a marginal variance.

The Group received interest income of S\$209,000 in FY2022, which was an increase of S\$16,000 from S\$225,000 in FY2021 and which represents a marginal variance.

Selling and distribution expenses

The Group incurred selling and distribution expenses of S\$37,000 in 4Q2022, which was a 48% decrease of S\$34,000 from S\$71,000 in 4Q2021. This was mainly due to lower travelling expenses incurred during 4Q2022 as compared to 4Q2021.

The Group incurred selling and distribution expenses of S\$199,000 in FY2022, which was an 88% increase of S\$93,000 from S\$106,000 in FY2021. This was mainly due to higher exhibition expenses and travelling expenses incurred during FY2022.

Administrative and general expenses

The Group incurred administrative and general expenses of S\$1,210,000 in 4Q2022, which was a 5% increase of S\$59,000 from S\$1,149,000 in 4Q2021. This was mainly due to higher professional fees incurred during 4Q2022.

The Group incurred administrative and general expenses of S\$4,629,000 in FY2022, which was a 18% increase of S\$695,000 from S\$3,932,000 in FY2021, mainly due to higher employment expenses, higher professional fees and expenses incurred in relation to the issuance of performance shares under the Annica Performance Share Plan. The depreciation charged on PPE and ROU assets remained fairly consistent between FY2022 and FY2021.

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)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (cont'd)

Other expenses

The Group incurred other expenses of S\$17,000 in 4Q2022, which was a 80% decrease of S\$68,000 from S\$85,000 in 4Q2021. The other expenses in 4Q2022 were mainly due to loss on asset disposal. By comparison, in 4Q2021, other expenses comprised impairment loss on PPE and ROU assets and written off of inventory.

The Group incurred other expenses of S\$34,000 in FY2022, which was a 65% decrease of S\$63,000 from S\$97,000 in FY2021. Other expenses incurred in FY2022 were mainly due to fair value loss on a financial asset and one-off loss of inventory cost. By comparison, in FY2021, other expenses comprised loss on asset disposal and fair value loss on a financial asset, impairment loss on PPE and ROU assets written off of inventory.

Impairment losses on trade and other receivables

The Group incurred impairment losses on trade and other receivables of S\$4,000 in 4Q2022, which was a 81% decrease of S\$17,000 from S\$21,000 in 4Q2021. This was mainly due to lesser long overdue trade and other receivables being impaired during 4Q2022 as compared to 4Q2021.

The Group incurred impairment losses on trade and other receivables of S\$8,000 in FY2022, which was a 62% decrease of S\$13,000 from S\$21,000 in FY2021. This was mainly due to lesser long overdue trade and other receivables being impaired during FY2022 as compared to FY2021.

Finance costs

The Group incurred finance costs of S\$37,000 in 4Q2022, which was an increase of S\$20,000 from S\$17,000 in 4Q2021. The increase in the Group's finance costs incurred in 4Q2022 arose mainly due to higher interest expenses on borrowing from third parties.

The Group incurred finance costs of S\$247,000 in FY2022, which was an increase of S\$198,000 from S\$49,000 in FY2021. The increase in the Group's finance costs incurred in FY2022 arose mainly due to higher interest expenses on borrowing from third parties.

Tax expense

The Group incurred income tax expense of S\$58,000 in 4Q2022, which was an increase of S\$34,000 from S\$24,000 in 4Q2021. The tax expense incurred by the Group was S\$77,000 in FY2022, which was a 14% decrease of S\$13,000 from S\$90,000 in FY2021. The tax expense arose mainly from the revenue generated by the oil and gas equipment segment during FY2022.

Profit from discontinued operations

The Group's discontinued operations pertained to the investments and others segment, which comprise the BVI Subsidiaries, which were disposed in FY2022. As at the date of disposal on 1 May 2022, the profit after tax attributable from discontinued operations are S\$50,000. The Group had a gain on disposal of subsidiaries which amounted to S\$51,000.

Profit / Loss for the financial period

The Group reported a profit for the financial period of S\$202,000 in 4Q2022, which was a decrease of S\$379,000 from loss for the financial period of S\$177,000 in 4Q2021. The Group reported a loss for the financial period of S\$1,636,000 in FY2022, which was a 45% increase of S\$506,000 from S\$1,130,000 in FY2021. The losses incurred by the Group in FY2022 were mainly due to higher selling and distribution expenses, higher administrative and general expenses and higher finance costs as explained above. Engineering services segment and investments and others segment reported a loss for FY2022 while oil and gas equipment segment reported a gain for FY2022.

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:-

- (d) 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
- (e) 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\$226,000 from S\$913,000 as at FY2021 to S\$687,000 as at FY2022. The decrease is mainly due to the depreciation charged on PPE and ROU assets.

Current assets

Current assets of the Group amounted to S\$9,763,000 as at FY2022, an increase of S\$1,139,000 from S\$8,624,000 as at FY2021. The increase is primarily due to an increase in cash and bank balances and trade and other receivables offset against the decrease in fixed deposit pledged to bank and inventories.

Non-current liabilities

There was a decrease in the Group's non-current liabilities of S\$447,000 from S\$1,152,000 as at FY2021 to S\$705,000 as at FY2022. The decrease is mainly due to the reclassification of long-term borrowings to short-term borrowings.

Current liabilities

The Group reported current liabilities of S\$9,122,000 as at FY2022, which is an increase of S\$2,751,000 from S\$6,371,000 as at FY2021. This increase is mainly due to increase in trade and other payables, contract liabilities and borrowings arising from the reclassification of long-term borrowings to short-term borrowings.

Shareholders' equity

The Group's capital and reserves attributable to equity holders of the Company was S\$671,000 as at FY2022. This represents a decrease of S\$1,378,000 from S\$2,049,000 as at FY2021. This decrease is mainly attributable to losses incurred during FY2022.

STATEMENT OF CASH FLOWS

4Q2022

The Group recorded a net cash generated from operating activities of S\$892,000 in 4Q2022 (4Q2021: S\$70,000). This increase is mainly due to better cash flow management in 4Q2022.

The Group recorded a net cash used in investing activities of S\$46,000 in 4Q2022 (4Q2021: S\$12,000). The cash used in investing activities was mainly due to purchase of plant and equipment during 4Q2022 and 4Q2021.

The Group posted a net cash used in financing activities of S\$159,000 in 4Q2022 (4Q2021: net cash generated from financing activities of S\$22,000). The cash used in financing activities in 4Q2022 mainly comprise interest paid on borrowings of S\$12,000 and the repayment of borrowings and lease liabilities of S\$143,000.

FY2022

The Group recorded a net cash generated from operating activities which amounted to S\$1,099,000 in FY2022 (FY2021: net cash used in operating activities of S\$194,000). This increase was mainly due to better cash flow management in FY2022.

The Group recorded a net cash used in investing activities which amounted to S\$119,000 in FY2022 (FY2021: S\$41,000). This increase is mainly due to payments made to acquire plant and equipment during FY2022 and FY2021.

The Group recorded a net cash used in financing activities which amounted to S\$244,000 in FY2022 (FY2021: S\$330,000). The net cash used in financing activities in FY2022 mainly comprised of interest paid on borrowings of S\$45,000 and repayment of borrowings and lease liabilities of S\$875,000, offset against the release of fixed deposit of S\$157,000, proceeds from borrowings of S\$356,000 and the contribution from NCI of a subsidiary of S\$163,000.

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).

MATTERS ARISING DURING 2022

Update on the Pilot Project

Pursuant to the Company's announcements dated 5 June 2018, 24 September 2018, 31 January 2019, 25 April 2019, 23 June 2019, 6 September 2019, 9 June 2020, 13 August 2020, 1 March 2021, 3 June 2021, 10 November 2021, 12 April 2022, 8 August and 15 November 2022 in relation to the Pilot Project entered into between the Company's subsidiary, H2 Energy Sdn. Bhd. ("H2E") and the Sarawak State Health Department ("SSHD") under the Ministry of Health, Malaysia ("Ministry of Health"), the Board of Directors of the Company (the "Board") have progressively updated shareholders on the latest milestones of the Pilot Project.

On 12 April 2022, the Company announced that H2E had conducted an official user training of the Pilot Module at the Pilot Project site to each of (a) Sector Program Lestari, Sustainable Programme Sector, Ministry of Health Malaysia, (b) Bahagian Perkhidmatan Kejuruteraan, Engineering Services Division, Ministry of Health Malaysia, (c) Kementerian Kesihatan Malaysia, Ministry of Health Malaysia, and (d) Pejabat Kesihatan Bahagian Miri, Miri Divisional Health Office. The training included, *inter alia*, a presentation on the working principles of the components of the Power Module and a live presentation of the operation of the Power Module. H2E had also officially launched and commenced the Pilot Project on the same day.

On 8 August 2022, the Company announced that the Pilot Project had been completed and H2E's technical team was compiling the data from the Pilot Project for the purposes of preparing a project report for presentation to the Ministry of Health, Malaysia and the SSHD (the "H2E1 Pilot Project"). The Company also announced the official launch of the Solar-Hydrogen Module model "H2E1" ("H2E1") at the Long Loyang Clinic, Sarawak (the "Clinic") on 8 August 2022, which was attended and officiated by YB Datuk Haji Julaihi bin Haji Narawi, Minister of Utilities and Telecommunications Sarawak.

H2E1 is currently operational and supplies 25-30kW of electricity per day (daytime usage of 15kW and night-time usage of 10kW) to the Clinic, with a peak load of 2.88 kWp. This provides the Clinic with electricity for essential lighting and refrigeration (for vaccines, medicines, etc.), defibrillators and other basic medical equipment.

On 14 November 2022, H2E's technical team completed the compilation of the data from the Pilot Project and has prepared the report (the "H2E1 Pilot Project Report") following completion of the H2E1 Pilot Project and presented the H2E1 Pilot Project Report to the Ministry of Health. Following this, the Group will continue to hold discussions with the Ministry of Health on the commercialisation of the H2E1.

The Group will continue to keep shareholders updated on the progress, outcome and commercialisation of the H2E1 and make the necessary announcements as and when there are material developments in compliance with the Catalist Rules.

Recovery of Consideration Payable to the Company pursuant to the Disposal of GPE

Reference is made to the Company's announcements on 26 July 2018, 29 October 2018, 15 January 2019, 15 February 2019, 2 May 2019, 20 May 2019, 31 May 2019, 9 June 2019, 27 June 2019, 19 July 2019, 13 August 2019, 27 August 2019, 3 October 2019, 5 November 2019, 11 November 2019, 12 November 2019, 26 November 2019, 9 December 2019, 15 December 2019, 4 February 2020, 2 March 2020, 9 March 2020, 1 May 2020, 14 May 2020, 22 May 2020, 23 June 2020, 21 August 2020, 28 August 2020, 25 September 2020, 19 October 2020, 1 March 2021, 9 March 2021, 14 April 2021, 20 April 2021, 20 October 2021, 25 February 2022 and 13 May 2022 in relation to, *inter alia*:

- (a) the Sale and Purchase Agreement entered into between the Company and Chong Shin Mun (the "Purchaser") on the disposal by the Company of its entire shareholding interest in GPE;
- (b) the Share Charge and Control Deed dated 27 June 2019 over 697,330,000 Controlled Shares ("**27 June 2019 Share Charge**"), the Share Charge and Control Deed dated 12 December 2019 over 50,000,000 Further Controlled Shares ("**12 December 2019 Share Charge**"), and the Share Charge and Control Deed dated 9 March 2020 over an additional 62,670,000 Further Controlled Shares ("**9 March 2020 Share Charge**") entered into between the Company and the Purchaser;
- (c) the Power of Attorney dated 27 June 2019 over 697,330,000 Controlled Shares, the Power of Attorney dated 12 December 2019 over 50,000,000 Further Controlled Shares, and the Power of Attorney dated 9 March 2020 over an additional 62,670,000 Further Controlled Shares granted by the Purchaser to the Company; and
- (d) the service of the Letters of Demand on the Purchaser and Tan Yock Chew (the "Guarantor"),

(collectively, the "Earlier Announcements").

Unless otherwise defined, all capitalised terms used herein shall bear the same meanings ascribed to them in the Earlier Announcements.

The Purchaser has since completed the transfer of, and successfully monetized, all the Controlled Shares under the 27 June 2019 Share Charge and all the Further Controlled Shares under the 12 December 2019 Share Charge and the 9 March 2020 Share Charge. The proceeds from such transfers, amounting to an aggregate of S\$810,000, have been applied towards part payment of the outstanding Fourth Tranche Consideration owed by the Purchaser. As at the date of this announcement, the total amount outstanding from the Purchaser is S\$1,176,221 (of which S\$933,000 has been impaired as disclosed in the audited consolidated financial statements in the Company's annual reports for FY2020 and FY2021).

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).

MATTERS ARISING DURING 2022 (cont'd)

Recovery of Consideration Payable to the Company pursuant to the Disposal of GPE (cont'd)

As mentioned in section 3A(a) on page 17 and 18 of this announcement, the proposed sale of the Purchaser's assets involves several other stakeholders and the alignment of these transacting parties' interests requires time to resolve. Despite the understanding that the parties are working towards an expeditious completion of the proposed sale, the Company is in active discussions with Ms. Chong Shin Mun on other alternative means of monetising these assets in the event of a delay or failure of the proposed sales transaction.

Subscription of Shares in H2 Energy Sdn. Bhd. by Majority Shareholder

On 30 December 2018, the Company had entered into a conditional subscription agreement with its then associate company, H2 Energy Sdn. Bhd. (formerly known as HT Energy (S) Sdn. Bhd.) ("**H2E**"), for the subscription of up to 1,000,000 redeemable convertible non-cumulative preference shares in H2E ("**RCNCPS**").

Pursuant to a letter of undertaking provided by Muhammad Hatta Bin Sukarni, the majority shareholder and managing director of H2E (the "**Majority Shareholder**"), to H2E and the Company on 18 March 2019 (the "**Letter of Undertaking**"), the Majority Shareholder had undertaken, *inter alia*:

- (a) to subscribe for 301,837 ordinary shares at RM1.00 each in the capital of H2E (the "**Subscription Shares**") for a total subscription price of RM301,837 (the "**Subscription Price**"); and
- (b) the Subscription Shares shall be fully subscribed, and the Subscription Price shall be paid by the Majority Shareholder to H2E in cash, on or before 31 December 2019 (the "**Original Subscription Date**").

As of 29 July 2022, all of the Subscription Shares have been fully subscribed by the Majority Shareholder and H2E has received the Subscription Price in full. Following the allotment and issuance of the Subscription Shares to the Majority Shareholder, the capital of H2E has increased from RM10,000 comprising 10,000 ordinary shares in the capital of H2E ("**Ordinary Shares**") and 290,000 RCNCPS to RM601,837 comprising 311,837 Ordinary Shares and 290,000 RCNCPS.

Immediately following the allotment and issuance of the Subscription Shares to the Majority Shareholder as abovementioned, the Company transferred the 290,000 RCNCPS to Cahya Suria Energy Sdn. Bhd ("**CSE**"), a wholly-owned subsidiary of the Company and an existing shareholder of H2E (the "**Transfer**"), as part of an internal restructuring. The Transfer is for the purposes of streamlining and consolidating the Group's shareholding in H2E at the CSE level.

Immediately following the Transfer, CSE has, pursuant to the terms of the RCNCPS as set out in the Subscription Agreement between H2E, the Company, the Majority Shareholder and CSE dated 30 December 2018, as amended and supplemented by the Supplemental Agreement dated 1 December 2021 (collectively, the "**Subscription Agreement**"), issued a notice of conversion to H2E to convert all the 290,000 RCNCPS in the capital of H2E held by CSE into 290,000 new Ordinary Shares at the conversion rate of one (1) Ordinary Share for every RM1.00 paid on the RCNCPS (the "**New Ordinary Shares**"). The New Ordinary Shares have been allotted and issued by H2E to CSE on 29 July 2022. Following the conversion of the RCNCPS and the allotment and issuance of the New Ordinary Shares, the capital of H2E remains unchanged at RM601,837 but now comprises 601,837 Ordinary Shares instead.

Immediately following the allotment and issuance of the New Ordinary Shares, CSE and the Majority Shareholder have increased their respective investments in the capital of H2E (the "**Additional Investment**") by subscribing for an additional 195,100 Ordinary Shares and 203,063 Ordinary Shares at RM1.00 per Ordinary Share, respectively (collectively, the "**Additional Subscription Shares**").

Following the allotment and issuance of the Additional Subscription Shares:

- (a) the capital of H2E has increased from RM601,837 comprising 601,837 Ordinary Shares to RM1,000,000 comprising 1,000,000 Ordinary Shares; and
- (b) CSE holds 490,000 Ordinary Shares in H2E (representing 49% of its issued share capital) and the Majority Shareholder holds the remaining 510,000 Ordinary Shares in H2E (representing the remaining 51% of its issued share capital). In this regard, there has not been a change in the Group's effective shareholding in H2E.

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).

MATTERS ARISING DURING 2022 (cont'd)

Grant of Awards and Issuance of New Shares Pursuant to the Annica Performance Share Plan

On 19 August 2022, the Company granted share awards ("Awards") comprising 300,000,000 new ordinary shares ("New Shares") in the share capital of the Company pursuant to the Annica Performance Share Plan, details of which are set out in the Company's announcement on even date and reproduced below. Following the issue of the 300,000,000 New Shares, the total number of issued and paid-up ordinary shares of the Company has increased from 16,674,767,048 to 16,974,767,048.

Date of grant of Awards:	19 August 2022								
Number of New Shares available for grant under the Share Plan and the Annica Employee Share Option Scheme (collectively, the "Share Schemes")	<p>The total number of new ordinary shares available for grant under the Share Schemes is 624,597,109, which is 3.75% of the existing share capital of the Company comprising 16,674,767,048 ordinary shares as at 19 August 2022, being the date of the grant of these Awards.</p> <p>Following the grant of the Awards, the total number of new ordinary shares available for grant under the Share Schemes is 324,597,109.</p>								
Number of New Shares comprised in the Awards granted and information on the Awardees	<p>Awards comprising 300,000,000 New Shares were granted to the following Director and certain Group employees (collectively, the "Awardees").</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Name</u></th> <th style="text-align: right;"><u>No. of Share Awards</u></th> </tr> </thead> <tbody> <tr> <td>Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin</td> <td style="text-align: right;">150,000,000</td> </tr> <tr> <td>Other employees</td> <td style="text-align: right;">150,000,000</td> </tr> <tr> <td>Total</td> <td style="text-align: right; border-top: 1px solid black;">300,000,000</td> </tr> </tbody> </table> <p>No Awards were granted to any controlling shareholder of the Company or any associate of a controlling shareholder or Director.</p>	<u>Name</u>	<u>No. of Share Awards</u>	Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin	150,000,000	Other employees	150,000,000	Total	300,000,000
<u>Name</u>	<u>No. of Share Awards</u>								
Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin	150,000,000								
Other employees	150,000,000								
Total	300,000,000								
Market price of the Company's shares on the date of grant	S\$0.001 per share								
Vesting period of the Awards	The New Shares comprised in the Awards granted have vested on 19 August 2022.								
Listing and quotation of the Shares	The New Shares were listed for quotation and trading on the Catalist Board of the SGX-ST on 23 August 2022.								
Ranking of the New Shares	The New Shares rank <i>pari passu</i> in all respects with all existing shares of the Company.								
Restrictions and other conditions	There are no restrictions or any other conditions placed on the New Shares when issued.								

Recipient of the Asia Corporate Excellence & Sustainability Awards 2022

As announced by the Company on 13 September 2022, the Company was a recipient of the Asia Corporate Excellence & Sustainability Awards ("ACES Awards") 2022 in the Asia's Most Promising SMEs category. The annual ACES Awards recognize successful companies and individuals in Asia across two main domains: leadership and corporate social responsibility. The awards value and recognize the services and achievements of businesses, large and small, national and international, for their contributions to their communities and the world. Through ACES, companies and their leaders share a platform to take pride in their excellence, learn, build connections, and exchange new ideas while showcasing Asia's best practices for sustainable growth.

The Company had received the Asia's Most Promising SMEs Award for the year 2022. This is an award that is granted to aspiring small & medium enterprises (SMEs) in Asia which express clear business direction with strong initiatives in driving growth for the enterprise. This award also recognises enterprises which hold immense potential for future growth and job creation. This award reinforces the commitment to the Group's vision and long-term strategy of reshaping the Group as an energy transition group of companies, in the face of the challenges brought about by the effects of global inflationary pressures and supply chain disruptions mainly due to the prolonged effects of COVID19 and the war in Ukraine.

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).

MATTERS ARISING DURING 2022 (cont'd)

Non-Binding Memorandum of Understanding with PT. Calypte Energy Indonesia

As announced by the Company on 21 October 2022, the Company has on even date entered into a non-binding Memorandum of Understanding (the "**MOU**") with Calypte Holding Pte. Ltd. ("**CHPL**").

The Energy Market Authority ("**EMA**") issued a second Request for Proposal ("**RFP2**") on 1 July 2022 to appoint licensed electricity importers to import up to a cumulative total of four (4) gigawatts of low carbon electricity by year 2035, as part of EMA's plan to decarbonize the energy sector (the "**Authorised Business**").

The Company and CHPL (together, the "**Parties**") intend to collaborate and participate in the RFP2, and have entered into the MOU to facilitate further and more detailed negotiations with the intention of:

- (a) submitting a non-binding expression of interest proposal ("**EOI Proposal**") by the Company to EMA before 29 December 2023 in response to the RFP2; and
- (b) entering into such detailed legally binding documentation on the Parties' collaboration on the Authorised Business, including without limitation, the entering into of an offtake agreement between CHPL and the Company for the Company's purchase of electricity generated by the Solar Power Plant.

Following submission of the EOI Proposal, EMA may commence negotiations with the Company if its EOI Proposal provides all the required information. Following such negotiations and further development of the EOI Proposal, the Company may elect to submit a binding proposal (the "**Final Proposal**") to EMA. If the Final Proposal is assessed to be attractive and suitable, EMA may provide conditional approval ("**Conditional Approval**") to the Company. Assuming EMA has granted Conditional Approval to the Company, EMA may subsequently issue a full electricity importer licence ("**Importer Licence**") to the Company provided the Company fulfils certain obligations and condition precedents. The process of attaining an Importer Licence from EMA is not subject to a specific timeline and the time required may differ according to each proposal's delivery plan.

Termination of Framework Agreement Between H2 Energy Sdn Bhd and Hydro X Gen Pty Ltd

Reference is made to the announcements made on 8 March 2021 and 16 December 2021 in relation to, inter alia, the Framework Agreement entered into between H2 Energy Sdn Bhd (the "**H2E**") and Hydro X Gen Pty Ltd ("**Hydro X**") on 16 December 2021 (the "**Hydro X Framework Agreement**").

As announced by the Company on 31 October 2022, the H2E and Hydro X have, on even date, entered into a deed of termination and release to mutually terminate the Hydro X Framework Agreement (the "**Termination Deed**").

Framework Agreement Between H2 Energy Sdn Bhd and H2U Power Tech Pty Ltd

Reference is made to the announcement made on 8 March 2021 in relation to the term sheet (the "**H2U Term Sheet**") entered into between H2E and H2U Power Tech Pty Ltd (the "**Licensee**"). Following the termination of the Hydro X Framework Agreement on 31 October 2022, the H2E re-commenced negotiations with the Licensee on the licensing arrangement envisaged under the H2U Term Sheet. Pursuant to negotiations, on 11 November 2022, H2E entered into a new framework agreement with the Licensee (the "**H2U Framework Agreement**").

Pursuant to the H2U Framework Agreement, the H2E has agreed to grant the Licensee a perpetual, sole licence under the Licensed Know-how to assemble, install, distribute, market and sell, the Solar H-2 Power System ("**SH2PS**") worldwide except the Excluded Territories.

In consideration for the rights granted by the Licensor under the H2U Framework Agreement, the Licensee is to pay or otherwise provide H2E with non-refundable up-front licensing fee comprising an aggregate cash consideration of A\$250,000 and such number of immediately tradeable, unrestricted shares of the potential listing vehicle of the Licensee worth A\$125,000. The Licensee shall further pay to the H2E royalties of 1.5% on the gross revenue of the SH2PS that are (a) sold by the Licensee; (b) lent, leased, let on hire or sold on hire purchase by the Licensee; (c) supplied by the Licensee to any person otherwise than in (a) or (b) above; or (d) put into use by the Licensee.

The definitions of "Licensed Know-how" and "Excluded Territories" are set out in the Company's announcement dated 11 November 2022. Please refer to the Company's announcement dated 11 November 2022 for further information on the H2U Framework Agreement. The Company will provide further updates to shareholders as and when there are any material developments in compliance with the Catalist Rules.

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).

MATTERS ARISING DURING 2022 (cont'd)

Research Collaboration with Universiti Malaysia Sarawak

Reference is made to the Company's announcement made on 12 September 2018, in relation to, inter alia, the memorandum of understanding entered into between Universiti Malaysia Sarawak ("**UNIMAS**") and H2 Energy Sdn Bhd ("**H2E**") dated 12 September 2018 (the "**Earlier MOU**"). The Earlier MOU expired on 11 September 2022. Following the expiration of the Earlier MOU, H2E has, on 14 December 2022, entered into a new MOU (the "**New MOU**") with UNIMAS on substantially the same terms.

UNIMAS, represented by the Institute of Sustainable and Renewable Energy (ISuRE), is a university in Sarawak, Malaysia established in 1992. UNIMAS strives to enhance and strengthen its research capabilities and has undertaken various initiatives to complement its educational excellence. Under the New MOU, the Company and UNIMAS have agreed to collaborate on research in the field of efficient generation of electricity for renewable and sustainable energy and to prepare proposals for joint grant applications through relevant government or private organizations. The parties shall also identify other areas of cooperation to be mutually agreed from time to time for the furtherance of the research collaboration.

The Board is over the view that the continued research collaboration with UNIMAS is complementary to the Group's business in the renewable energy sector. As the continued research collaboration is focused on research on efficient generation of electricity for renewable and sustainable energy, results from the research in this area may lead to process improvement, efficiency gains or new products and services which the Group can leverage upon for its business.

Striking Off of Avital Enterprises Limited and Nu-Haven Incorporated

The Company's two (2) wholly owned British Virgin Island subsidiaries, namely Avital Enterprises Limited and Nu-Haven Incorporated (collectively, the "**BVI Subsidiaries**"), have been struck off from the BVI Government Register of companies with effect from 1 May 2022.

As the BVI Subsidiaries have been dormant, the Company has decided not to pay the relevant annual license fees for the maintenance of the "live" status of the BVI Subsidiaries by the due date of 30 April 2022. Accordingly, both BVI Subsidiaries have been automatically struck off on 1 May 2022 and have ceased to be subsidiaries of the Company from such date. Nevertheless, the Company may apply to reinstate Avital Enterprises Limited and Nu-Haven Incorporated as "live" companies at any time within the next seven (7) years and five (5) years respectively.