



GSS ENERGY LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 201432529C)

MATERIAL VARIANCES BETWEEN THE UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND AUDITED FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2022

1. INTRODUCTION

The board of directors (the “**Board**”) of GSS Energy Limited (the “**Company**”, together with its subsidiaries, the “**GSS Energy Group**”) refers to the announcement dated 15 March 2023 in relation to the Group’s unaudited financial statements for the year ended 31 December 2022 (“**FY2022**”) (the “**Unaudited Statements**”) and the Company’s audited financial statements for the FY2022 (the “**Audited Statements**”) included in the Company’s annual report for FY2022 which was announced on SGXNet on 13 July 2023.

2. MATERIAL VARIANCES

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of the Catalist of the Singapore Exchange Securities Trading Limited, the Board wishes to inform that certain adjustments and reclassifications were made to the Unaudited Statements following the finalisation of the audit by the Company’s external auditor.

Shareholders of the Company are advised to read this announcement in conjunction with the Audited Statements which is included in the annual report of the Company for FY2022 which is released by the Company on 13 July 2023.

The material variances (variances in excess of 5%) between the Unaudited Statements and the Audited Statements are set out below:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME				
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022				
	Audited Group	Unaudited Group	Variance	Notes
	S\$'000	S\$'000	S\$'000	
Other items of income				
Other income	890	788	102	1(a)
Interest income	92	23	69	1(b)
Other items of expense				
Other expenses	(500)	(190)	(310)	1(c)
Finance costs	(1,412)	(1,558)	(146)	1(d)
Loss allowance on trade receivables and amount due from an associate	(10,042)	(12,576)	(2,534)	1(e)
Share of loss of an associate, net of tax	(2,753)	(39)	(2,714)	1(f)
Income tax expense	(436)	(399)	(37)	1(g)

EXPLANATORY NOTES ON VARIANCES

Note 1(a): Due to reclassification of S\$102,000 received by a subsidiary of the Company from revenue to other income as the amount did not meet the revenue recognition criteria.

Note 1(b): Due to reclassification of S\$69,000 from administrative expenses relating to short term investment in fixed deposits by a subsidiary of the Company to interest income.

Note 1(c): Due mainly to reclassification of S\$310,000 from selling and distribution expenses relating to the allowance for inventory obsolescence to other expenses.

Note 1(d): Due to reclassification of S\$146,000 from interest expenses relating to the currency forward contract differences to administrative expenses.

Notes 1(e) & 1(f): Due mainly to reclassification of the Company's investment in an associate, PT Sarana GSS Trembul, from impairment loss on investment in associate to share of loss of an associate (net of tax).

Note 1(g): Due to the adjustment for additional income tax expenses provision.

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022								
	Audited		Unaudited		Variance			
	Group	Company	Group	Company	Group	Notes	Company	Notes
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		S\$'000	
Non-current assets								
Due from a subsidiary	-	6,250	-	-			6,250	2(d)
Current assets								
Due from subsidiaries	-	802	-	6,260			(5,458)	2(e)
Current liabilities								
Due to a subsidiary	-	2,147	-	1,354			793	2(f)
Trade payables	20,930	-	16,943	-	3,987	2(a)		
Loans and borrowings	11,940	-	16,102	-	(4,162)	2(b)		
Non-current liabilities								
Retirement benefit obligations	2,040	-	1,495	-	545	2(c)		

EXPLANATORY NOTES ON VARIANCES

Notes 2(a) and 2(b): Due mainly to reclassification of S\$4,162,000 relating to invoice financing for the purchase of goods from loan and borrowings to trade payables.

Note 2(c): Due to reclassification of retirement benefits obligation from current liabilities to non-current liabilities.

Note 2(d): Due to reclassification of amount due from subsidiary from current assets to non-current assets.

Note 2(e): Due to the net off between Note 2(d) & Note 2(f) (with rounding differences).

Note 2(f): Due to classification of amount due from subsidiary and amount due to subsidiary as separate line items in the Audited Statements (instead of netting the amount and classifying as a single line item).

CONSOLIDATED STATEMENT OF CASH FLOWS				
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022				
	Audited	Unaudited	Variance	Notes
	Group	Group		
	S\$'000	S\$'000	S\$'000	
Net cash generated from operating activities	17,833	14,360	3,473	3(a)
Net cash (used in)/generated from financing activities	(11,415)	(7,365)	(4,050)	3(b)
Net change in cash and cash equivalents	(465)	99	(564)	3(c)
Effect of foreign exchange rate changes in cash and cash equivalents	(121)	(644)	523	3(d)

EXPLANATORY NOTES ON VARIANCES

Notes 3(a) & 3(b): Due mainly to reclassification of S\$4,162,000 relating to invoice financing for the purchase of goods from loan and borrowings to trade payables. Please refer to notes 2(a) and 2(b) above.

Notes 3(c) & 3(d): Due mainly to including the effects of foreign exchange rate changes in cash and cash equivalents from the net cash generated operating activities and net cash (used in)/generated from financing activities and some minor reclassifications.

3. OTHER NOTES

The Board would like to highlight to shareholders that apart from the above adjustments and reclassifications, there are some other minor immaterial reclassifications made to certain line items in the Audited Statements which do not have any material impact on the Group's financial results.

By Order of the Board
GSS Energy Limited

Anthony Kuek

Chairman
13 July 2023

*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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