
RESPONSE TO SGX QUERIES

The Board of Directors ("Board") of the Company refers to the announcement released by the Company via SGXNet on 8 March 2022 in relation to the Company's proposed divestment of Ramba Energy Investments Limited ("Divesting Group").

The Board is pleased to provide the Company's responses to queries raised by SGX-ST in respect of the aforesaid announcement:

1. Please clarify the classification of this transaction with reference to Listing Rule 1004. In this regard, please provide the computation of the relative figures on the bases set out under Listing Rule 1006 and disclose the information required under Listing Rule 1010 if applicable.

The relative figures in relation to the proposed divestment are computed on the applicable bases set out in Rule 1006 of the Listing Manual based on the latest announced unaudited condensed interim financial statements of the Group for FY2021.

Rule 1006	Bases of Calculation	Relative Figure
(a)	Net liabilities value of the assets to be disposed of, compared with the Group's net liabilities value. This basis is not applicable to an acquisition of assets.	187.4% ⁽¹⁾
(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits.	30.8% ⁽²⁾
(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares.	< 0.1% ⁽³⁾
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable ⁽⁴⁾
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a divesting of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets. If the reserves are not directly comparable, the Exchange may permit valuations to be used instead of volume or amount.	Not applicable ⁽⁵⁾

Notes:

- (1) The net liabilities value attributable to the Divesting Group is S\$10.1 million.
- (2) The net profits attributable to the Divesting Group in FY2021 relates wholly to one off write-back of legal settlement provisions. The net profits attributable to the Divesting Group is S\$0.73 million and the Group's net profits is S\$2.384 million for FY2021 respectively.
- (3) The aggregate value of the consideration to be received is S\$1.
 The Company requested for a voluntary suspension of trading with effect from 9 March 2020 pursuant to Rule 1303(3) of the Listing Manual. The market capitalisation of the Company of S\$17.14 million is computed based on: (i) the volume-weighted average price of the Company's Shares of S\$0.0265 per share on 28 February 2020, being the last market day when the Company's Shares were traded prior to the suspension of trading; and (ii) the total number of the Company's Shares (excluding treasury shares and subsidiary holdings) of 646,867,923 as at the date of this announcement.
- (4) Rule 1006(d) of the Listing Manual is not applicable for divesting of assets.
- (5) Rule 1006(e) of the Listing Manual is not applicable as the Divesting Group does not have any interest or right to any proved and/or probable reserves. The Divesting Group does not have any underlying mineral, oil or gas assets.

As the absolute relative figures computed pursuant to Rules 1006(a) and 1006(b) exceed 20%, the proposed divestment constitutes a “major transaction” is therefore subject to the approval of the Shareholders in a general meeting pursuant to Rule 1014(2) of the Listing Manual.

2. Please clarify whether any director or controlling shareholder has any interest, direct or indirect in the divestment and the nature of such interests.

Save for their respective shareholdings in the Company, none of the Directors or Substantial Shareholders has any direct or indirect interest in the proposed divestment.

3. Please disclose the estimated financial impacts arising from the divestments.

The estimated financial effects of the proposed divestment are prepared based on the unaudited condensed financial statements of the Group for FY2021 and are subject to the following key assumptions:-

The completion of the proposed divestment of 10% participating interest in the production sharing contract relating to the Lemang Block held by PT. Hexindo Gemilang Jaya to Jadestone Energy (Lemang) Pte Ltd, as announced by the Company to SGX on 24 November 2021.

Net Tangible Assets (“NTA”)

Assuming the proposed divestment had been effected on 31 December 2021, the financial effect on the NTA of the Group will be as follows:	Before the Proposed Divestment	After the Proposed Divestment
Consolidated NTA attributable to the Shareholders of the Company (S\$'000)	1,882	4,644
Number of issued Shares (excluding treasury shares)	646,867,923	646,867,923
Net tangible assets per Share (Singapore cents)	0.29	0.72

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Earnings Per Share (EPS)

Assuming the proposed divestment had been effected on 1 January 2021 (being the beginning of the most recently completed financial year ended 31 December 2021), the financial effect on the EPS of the Group will be as follows:-

	Before the Proposed Divestment	After the Proposed Divestment
Net profit attributable to shareholders after tax (S\$'000)	1,562	3,590
Number of issued Shares (excluding treasury shares)	646,867,923	646,867,923
Profit per Share (Singapore cents)	0.24	0.55

By Order of the Board
Eneco Energy Limited

Gwee Chee Kiang
Chief Executive Officer
15 March 2022