



**ENECO ENERGY LIMITED**  
**(Co. Reg. No : 200301668R)**  
**(Incorporated in Singapore)**

**Unaudited condensed interim financial statements  
for the period ended 30 June 2022**

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**Notice of Compliance: Requirement To Perform Quarterly Reporting Of Unaudited Financial Statements**

- (1) The Company is required to perform quarterly reporting (“QR”) on an ongoing basis from 07 February 2020 as per the Exchange’s Notice of Compliance dated 6 February 2020. This arises from the modified opinion issued by the Company’s statutory auditor in the Company’s 2018 annual report.  
The Company is required to perform QR until further notice from the Exchange.
- (2) QR announcement is mandatory, made pursuant to the Exchange’s requirements, as required under Listing Rule 705(2C).

Quarterly Financial Statements and Dividend Announcement for the Period Ended 30 June 2022

INFORMATION REQUIRED FOR ANNOUNCEMENT OF SECOND QUARTER

The board of directors (the "Board") of Eneco Energy Limited (the "Company", and together with its subsidiaries, the "Group") is pleased to announce the unaudited condensed interim consolidated financial statements of the Group for the quarter ended 30 June 2022.

Condensed interim consolidated statement of comprehensive income  
SGX Appendix 7.2 para 1(a)

Note	Group 3 months ended			Change %	Group for the period ended		
	30-Jun-22 S\$'000 Unaudited	30-Jun-21 S\$'000 Unaudited			30-Jun-22 S\$'000 Unaudited	30-Jun-21 S\$'000 Unaudited	Change %
<b>Continuing operations</b>							
Revenue	5	11,029	9,351	18	21,549	18,723	15
Other income	6	463	297	56	1,004	924	9
<b>Costs and operating expenses</b>							
Service costs and related expenses		(4,655)	(3,086)	51	(9,156)	(6,161)	49
Salaries and employee benefits		(4,514)	(4,285)	5	(8,855)	(8,620)	3
Depreciation and amortisation expenses		(1,425)	(1,317)	8	(2,829)	(2,639)	7
Finance costs	7	(152)	(215)	(29)	(320)	(431)	(26)
Other operating expenses		(616)	(518)	19	(1,145)	(1,153)	(1)
Total costs and operating expenses		(11,362)	(9,421)	21	(22,305)	(19,004)	17
<b>Profit from continuing operations, before tax</b>	8	<b>130</b>	<b>227</b>	(43)	<b>248</b>	<b>643</b>	(61)
Income tax	9	(64)	-	n.m	(142)	(5)	2,740
<b>Profit from continuing operations, net of tax</b>		<b>66</b>	<b>227</b>	(71)	<b>106</b>	<b>638</b>	(83)
Loss from discontinued operations, net of tax	12	(44)	(248)	(82)	(162)	(390)	(58)
<b>(Loss)/ Profit for the period</b>		<b>22</b>	<b>(21)</b>	(205)	<b>(56)</b>	<b>248</b>	(123)
<b>Other comprehensive income/(loss)</b>							
<b>Items that may be reclassified subsequently to profit or loss:</b>							
Foreign currency translation		(29)	1	(4,305)	(8)	(75)	(89)
<b>Items that will not be reclassified subsequently to profit or loss:</b>							
Foreign currency translation differences		(284)	21	(1,437)	(317)	(170)	86
Re-measurement of defined benefit obligation		5	-	n.m	1	-	n.m
Other comprehensive income/(loss) for the period, at nil tax		(308)	22	(1,505)	(324)	(245)	32
<b>Total comprehensive (loss)/ profit for the period</b>		<b>(286)</b>	<b>1</b>	(30,630)	<b>(380)</b>	<b>3</b>	(13,034)
<b>Profit/ (Loss) attributable to:</b>							
<b>Owners of the Company</b>							
- Profit from continuing operations, net of tax		65	227	(71)	105	638	(84)
- Loss from discontinued operations, net of tax		(32)	(206)	(84)	(139)	(324)	(57)
		33	21	57	(34)	314	(111)
<b>Non-controlling interests</b>							
- Profit from continuing operations, net of tax		-	-	-	-	-	-
- Loss from discontinued operations, net of tax		(11)	(42)	(74)	(22)	(66)	(67)
		(11)	(42)	(74)	(22)	(66)	(67)
		<b>22</b>	<b>(21)</b>	(205)	<b>(56)</b>	<b>248</b>	(123)
<b>Total comprehensive income/ (loss) attributable to:</b>							
- Owners of the Company		10	19	(48)	(40)	239	(117)
- Non-controlling interests		(296)	(18)	1,544	(340)	(236)	44
		<b>(286)</b>	<b>1</b>	(28,728)	<b>(380)</b>	<b>3</b>	(12,776)
<b>Earning per share attributable to owners of the Company (cents per share)</b>							
<b>From continuing and discontinued operations</b>							
Basic		0.01	0.00		(0.01)	0.05	
Diluted		0.01	0.00		(0.01)	0.05	
<b>From continuing operations</b>							
Basic		0.01	0.04		0.02	0.10	
Diluted		0.01	0.04		0.02	0.10	

**Eneco Energy Limited**  
**Condensed interim statements of financial position (Group and Company)**  
*SGX Appendix 7.2 para 1(b)(i)*

	Note	Group		Company	
		30-Jun-22 S\$'000 Unaudited	31-Dec-21 S\$'000 Audited	30-Jun-22 S\$'000 Unaudited	31-Dec-21 S\$'000 Audited
<b>Non-current assets</b>					
Plant and equipment		1,794	1,735	14	13
Right-of-use assets	11	10,249	12,340	74	88
Intangible assets		127	52	-	-
Investments in subsidiaries		-	-	9,228	9,228
Fixed deposits		308	312	-	-
		<b>12,478</b>	<b>14,439</b>	<b>9,316</b>	<b>9,329</b>
<b>Current assets</b>					
Trade receivables		9,997	9,364	-	-
Other receivables		888	812	28	25
Prepaid operating expenses		780	544	92	62
Cash and cash equivalents		2,078	2,822	57	126
Asset classified as held-for-sale	12	2,612	2,612	-	-
		<b>16,355</b>	<b>16,154</b>	<b>177</b>	<b>213</b>
<b>Current liabilities</b>					
Trade payables		11,542	10,316	-	-
Other payables	13	7,219	6,913	4,815	3,966
Provisions		152	168	-	-
Abandonment and site restoration liabilities		82	80	-	-
Lease liabilities	14	5,770	5,920	18	28
Loans and borrowings	14	735	1,511	-	-
Income tax payable		361	577	8	19
Liabilities directly associated with assets held-for-sale	12	2,112	2,112	-	-
		<b>27,973</b>	<b>27,597</b>	<b>4,841</b>	<b>4,013</b>
<b>Net current liabilities</b>		<b>(11,618)</b>	<b>(11,443)</b>	<b>(4,664)</b>	<b>(3,800)</b>
<b>Non-current liabilities</b>					
Other payables	13	2,240	2,176	-	-
Provisions		923	887	18	18
Lease liabilities	14	2,754	5,175	7	2
Loans and borrowings	14	565	-	5,042	5,042
Deferred taxation		127	127	-	-
		<b>6,609</b>	<b>8,365</b>	<b>5,067</b>	<b>5,062</b>
<b>Net (liabilities)/assets</b>		<b>(5,749)</b>	<b>(5,369)</b>	<b>(415)</b>	<b>467</b>
<b>Equity attributable to the owners of the Company</b>					
Share capital	15(c)	148,367	148,367	148,367	148,367
Treasury shares		(935)	(935)	(935)	(935)
Other reserves		3,688	3,695	2,630	2,630
Accumulated losses		(149,247)	(149,213)	(150,477)	(149,595)
		<b>1,873</b>	<b>1,914</b>	<b>(415)</b>	<b>467</b>
<b>Non-controlling Interests</b>		<b>(7,622)</b>	<b>(7,283)</b>	<b>-</b>	<b>-</b>
<b>Total Equity</b>		<b>(5,749)</b>	<b>(5,369)</b>	<b>(415)</b>	<b>467</b>

**Eneco Energy Limited**

**Condensed interim consolidated statement of cash flows**

SGX Appendix 7.2 para 1(c)

	Note	Group 3 months ended		Group For the period ended	
		30-Jun-22	30-Jun-21	30-Jun-22	30-Jun-21
		S\$'000	S\$'000	S\$'000	S\$'000
		Unaudited	Unaudited	Unaudited	Unaudited
<b>Operating activities :</b>					
Profit/(loss) before income tax					
- Continuing operations		130	227	248	643
- Discontinued operations		(44)	(248)	(162)	(390)
Adjustments for:					
Depreciation and amortisation expenses	8	1,425	1,327	2,829	2,659
Loss on disposal of right-of-use assets	8	-	-	-	29
Gain on disposal of plant and equipment and intangible assets	6	(147)	(1)	(213)	(75)
Finance costs	7	152	227	320	453
Government grant income	6	(66)	(5)	(220)	(287)
Interest income from banks	6	(2)	(2)	(4)	(6)
Allowance for doubtful trade receivables	8	31	20	59	20
Provision made		-	2	15	4
Foreign exchange translation adjustments		(245)	12	(252)	(157)
<b>Operating cash flows before working capital changes</b>		<b>1,234</b>	<b>1,559</b>	<b>2,620</b>	<b>2,893</b>
Change in inventories		-	1	-	(6)
Change in trade receivables		(997)	325	(692)	576
Change in other receivables		(189)	(132)	(75)	(137)
Change in prepaid operating expenses		(37)	180	(235)	(236)
Change in trade payables		545	282	1,220	(96)
Change in other payables and provisions		476	(511)	181	(719)
<b>Cash generated from operations</b>		<b>1,032</b>	<b>1,704</b>	<b>3,018</b>	<b>2,275</b>
Interest income received		2	2	4	6
Income tax paid		(177)	(128)	(243)	(267)
Grants received		59	158	220	252
<b>Net cash generated from operating activities</b>		<b>915</b>	<b>1,736</b>	<b>2,999</b>	<b>2,266</b>
<b>Investing activities :</b>					
Proceeds from disposal of plant and equipment		146	1	219	177
Purchase of plant and equipment		(85)	(85)	(382)	(165)
Purchase of right-of-use assets		(8)	(13)	(8)	(13)
Acquisition of intangible assets		(23)	(5)	(103)	(7)
<b>Net cash (used in)/ generated from investing activities</b>		<b>30</b>	<b>(102)</b>	<b>(274)</b>	<b>(8)</b>
<b>Financing activities :</b>					
Proceeds from loan and borrowings		-	-	1,480	-
Repayment of finance costs		(141)	(204)	(297)	(427)
Repayment of loans and borrowings		(938)	-	(1,691)	-
Principal payment of lease liabilities		(1,511)	(1,358)	(2,970)	(2,719)
<b>Net cash used in financing activities</b>		<b>(2,590)</b>	<b>(1,562)</b>	<b>(3,478)</b>	<b>(3,146)</b>
Net increase/ (decrease) in cash and cash equivalents		(1,645)	71	(753)	(888)
Effect of exchange rate changes on opening cash and cash equivalents		7	(1)	9	5
Cash and cash equivalents at beginning of period		3,715	5,835	2,822	6,789
<b>Cash and cash equivalents at end of period</b>	<b>Note A</b>	<b>2,078</b>	<b>5,905</b>	<b>2,078</b>	<b>5,906</b>
<b>Note A</b>					
Cash on hand and at bank		2,078	5,907	2,078	5,907
Fixed deposits		308	309	308	305
Cash and deposits		2,386	6,216	2,386	6,212
Less : Restricted cash classified as non-current assets		(308)	(309)	(308)	(305)
<b>Cash and cash equivalents</b>		<b>2,078</b>	<b>5,907</b>	<b>2,078</b>	<b>5,907</b>

**Eneco Energy Limited**  
Statements of Changes in Equity

SGX Appendix 7.2 para 1(d)(i)

Group	Attributable to owners of the Company											Non-controlling interests
	Total equity	Attributable to owners of the Company	Share capital	Treasury shares	Accumulated losses	Other reserves	Share based payment reserve	Others	Foreign currency translation reserve	Gain on reissuance of treasury shares	Capital reserve	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
<b>Opening balance as at 1 January 2022</b>	<b>(5,369)</b>	<b>1,914</b>	<b>148,367</b>	<b>(935)</b>	<b>(149,213)</b>	<b>3,695</b>	-	<b>908</b>	<b>(191)</b>	<b>2,630</b>	<b>348</b>	<b>(7,283)</b>
<b>Q1</b>												
Loss for the period	(78)	(67)	-	-	(67)	-	-	-	-	-	-	(11)
<b><u>Other comprehensive income</u></b>												
Re-measurement of defined benefit obligations	(4)	(4)	-	-	-	(4)	-	(4)	-	-	-	-
Foreign currency translation	(11)	21	-	-	-	21	-	-	21	-	-	(32)
<b>Total comprehensive income/ (loss) for the period</b>	<b>(93)</b>	<b>(50)</b>	<b>-</b>	<b>-</b>	<b>(67)</b>	<b>17</b>	<b>-</b>	<b>(4)</b>	<b>21</b>	<b>-</b>	<b>-</b>	<b>(43)</b>
<b>Closing balance as at 31 March 2022</b>	<b>(5,462)</b>	<b>1,864</b>	<b>148,367</b>	<b>(935)</b>	<b>(149,280)</b>	<b>3,712</b>	<b>-</b>	<b>904</b>	<b>(170)</b>	<b>2,630</b>	<b>348</b>	<b>(7,326)</b>
<b>Q2</b>												
Profit/(loss) for the period	22	33	-	-	33	-	-	-	-	-	-	(11)
<b><u>Other comprehensive income</u></b>												
Re-measurement of defined benefit obligation	5	5	-	-	-	5	-	5	-	-	-	-
Exchange differences on translating foreign operations	(313)	(29)	-	-	-	(29)	-	-	(29)	-	-	(284)
<b>Total comprehensive income for the period</b>	<b>(286)</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>33</b>	<b>(24)</b>	<b>-</b>	<b>5</b>	<b>(29)</b>	<b>-</b>	<b>-</b>	<b>(295)</b>
<b>Closing balance as at 30 June 2022</b>	<b>(5,748)</b>	<b>1,873</b>	<b>148,367</b>	<b>(935)</b>	<b>(149,247)</b>	<b>3,688</b>	<b>-</b>	<b>909</b>	<b>(199)</b>	<b>2,630</b>	<b>348</b>	<b>(7,621)</b>

Eneco Energy Limited

Statements of Changes in Equity

SGX Appendix 7.2 para 1(d)(i)

Group	Attributable to owners of the Company											
	Total equity S\$'000	Attributable to owners of the Company S\$'000	Share capital S\$'000	Treasury shares S\$'000	Accumulated losses S\$'000	Other reserves S\$'000	Share based payment reserve S\$'000	Others S\$'000	Foreign currency translation reserve S\$'000	Gain on reissuance of treasury shares S\$'000	Capital reserve S\$'000	Non-controlling interests S\$'000
<b>Opening balance as at 1 January 2021</b>	<b>(6,944)</b>	<b>412</b>	<b>148,367</b>	<b>(935)</b>	<b>(151,217)</b>	<b>4,197</b>	<b>359</b>	<b>874</b>	<b>(14)</b>	<b>2,630</b>	<b>348</b>	<b>(7,356)</b>
Restatement **	(6,425)	(5,166)	-	-	(5,166)	-	-	-	-	-	-	(1,259)
<b>Opening balance as at 1 January 2021 (As restated)</b>	<b>(13,369)</b>	<b>(4,754)</b>	<b>148,367</b>	<b>(935)</b>	<b>(156,383)</b>	<b>4,197</b>	<b>359</b>	<b>874</b>	<b>(14)</b>	<b>2,630</b>	<b>348</b>	<b>(8,615)</b>
<b>Q1</b>												
Profit/ (Loss) for the period	269	296	-	-	296	-	-	-	-	-	-	(27)
<b><u>Other comprehensive income</u></b>												
Foreign currency translation	(267)	(76)	-	-	-	(76)	-	-	(76)	-	-	(191)
<b>Total comprehensive income/ (loss) for the period</b>	<b>2</b>	<b>220</b>	<b>-</b>	<b>-</b>	<b>296</b>	<b>(76)</b>	<b>-</b>	<b>-</b>	<b>(76)</b>	<b>-</b>	<b>-</b>	<b>(218)</b>
<b><u>Contributions by and distributions to owners</u></b>												
Expiry of employee share options	-	-	-	-	359	(359)	(359)	-	-	-	-	-
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>359</b>	<b>(359)</b>	<b>(359)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total transactions with owners in their capacity as owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>359</b>	<b>(359)</b>	<b>(359)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Closing balance as at 31 March 2021</b>	<b>(13,367)</b>	<b>(4,534)</b>	<b>148,367</b>	<b>(935)</b>	<b>(155,728)</b>	<b>3,762</b>	<b>-</b>	<b>874</b>	<b>(90)</b>	<b>2,630</b>	<b>348</b>	<b>(8,833)</b>
<b>Q2</b>												
Profit/ (Loss) for the period	(21)	18	-	-	18	-	-	-	-	-	-	(39)
<b><u>Other comprehensive income</u></b>												
Re-measurement of defined benefit obligation	(2)	(2)	-	-	-	(2)	-	(2)	-	-	-	-
Exchange differences on translating foreign operations	22	1	-	-	-	1	-	-	1	-	-	21
<b>Total comprehensive income for the period</b>	<b>(1)</b>	<b>17</b>	<b>-</b>	<b>-</b>	<b>18</b>	<b>(1)</b>	<b>-</b>	<b>(2)</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>(18)</b>
<b>Closing balance as at 30 June 2021</b>	<b>(13,368)</b>	<b>(4,517)</b>	<b>148,367</b>	<b>(935)</b>	<b>(155,710)</b>	<b>3,761</b>	<b>-</b>	<b>872</b>	<b>(89)</b>	<b>2,630</b>	<b>348</b>	<b>(8,851)</b>

\*\* In FY2021, a prior year adjustment was recorded to accelerate the recognition of the provision for legal claims owing to Super Power Energy based on available contemporaneous evidence prior to the finalisation of FY2020 audited financial statements.

Accordingly, the misstatement was corrected by retrospectively adjusting the comparative information for FY2020's statement of comprehensive income in accordance with SFRS(I) 8 *Accounting Policies, Changes in Accounting Estimates and Errors*.

**Eneco Energy Limited**

**Statement of Changes in Equity**

SGX Appendix 7.2 para 1(d)(i)

Company	Total equity S\$'000	Share capital S\$'000	Treasury shares S\$'000	Accumulated losses S\$'000	Other reserves S\$'000	Share based payment reserve S\$'000	Gain on reissuance of treasury shares S\$'000
<b>Opening balance as at 1 January 2022</b>	<b>467</b>	<b>148,367</b>	<b>(935)</b>	<b>(149,595)</b>	<b>2,630</b>	<b>-</b>	<b>2,630</b>
<b>Q1</b>							
Loss for the period, representing total comprehensive loss for the period	(401)	-	-	(401)	-	-	-
<b>Total comprehensive income for the period</b>	<b>(401)</b>	<b>-</b>	<b>-</b>	<b>(401)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as at 31 March 2022</b>	<b>66</b>	<b>148,367</b>	<b>(935)</b>	<b>(149,996)</b>	<b>2,630</b>	<b>-</b>	<b>2,630</b>
<b>Q2</b>							
Loss for the period, representing total comprehensive loss for the period	(481)	-	-	(481)	-	-	-
<b>Total comprehensive income for the period</b>	<b>(481)</b>	<b>-</b>	<b>-</b>	<b>(481)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as at 30 June 2022</b>	<b>(415)</b>	<b>148,367</b>	<b>(935)</b>	<b>(150,477)</b>	<b>2,630</b>	<b>-</b>	<b>2,630</b>

## Eneco Energy Limited

### Statements of Changes in Equity

SGX Appendix 7.2 para 1(d)(i)

Company	Total equity S\$'000	Share capital S\$'000	Treasury shares S\$'000	Accumulated losses S\$'000	Other reserves S\$'000	Share based payment reserve S\$'000	Gain on reissuance of treasury shares S\$'000
<b>Q1</b>							
<b>Opening balance as at 1 January 2021</b>	<b>4,546</b>	<b>148,367</b>	<b>(935)</b>	<b>(145,875)</b>	<b>2,989</b>	<b>359</b>	<b>2,630</b>
Loss for the period, representing total comprehensive loss for the period	(548)	-	-	(548)	-	-	-
<b><u>Contributions by and distributions to owners</u></b>							
Expiry of employee share options	-	-	-	359	(359)	(359)	-
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>359</b>	<b>(359)</b>	<b>(359)</b>	<b>-</b>
<b>Total transactions with owners in their capacity as owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>359</b>	<b>(359)</b>	<b>(359)</b>	<b>-</b>
<b>Balance as at 31 March 2021</b>	<b>3,998</b>	<b>148,367</b>	<b>(935)</b>	<b>(146,064)</b>	<b>2,630</b>	<b>-</b>	<b>2,630</b>
<b>Q2</b>							
Loss for the period, representing total comprehensive loss for the period	(467)	-	-	(467)	-	-	-
<b>Total comprehensive income for the period</b>	<b>(467)</b>	<b>-</b>	<b>-</b>	<b>(467)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as at 30 June 2021</b>	<b>3,531</b>	<b>148,367</b>	<b>(935)</b>	<b>(146,531)</b>	<b>2,630</b>	<b>-</b>	<b>2,630</b>



## **Eneco Energy Limited**

### **Notes to the condensed interim consolidated financial statements**

#### **1 Corporate information**

The Company is incorporated as a limited liability company and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST). These condensed interim consolidated financial statements as at and for the 6 months ended 30 June 2022 comprise the Company and its subsidiaries (collectively, the Group).

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are:

- (a) Provision of transportation management, logistics services and airport cargo terminal handling; and
- (b) Exploration and production of oil and gas.

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

*SGX Appendix 7.2 para 4*

The condensed interim consolidated financial statements for the 6 months ended 30 June 2022 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 understand changes in the Group's financial positions and performance of the Group since the last annual financial statements for the year ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

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

#### **2.1 New and amended standards**

*SGX Appendix 7.2 para 5*

The Group has adopted the applicable revised Singapore Financial Reporting Standards (International) ("SFRS(I)") that are mandatory for the accounting periods beginning on or after 1 January 2022.

The following is the amended SFRS(I), SFRS(I) Interpretations and amendments to SFRS(I) that are relevant to, the Group:

- Amendments to SFRS(I) 1-16 - Properties, Plant and Equipment - Proceeds before intended use
- Amendments to SFRS(I) 1-37 - Onerous Contracts - Cost of Fulfilling a Contract

The adoption of the above amended SFRS(I) did not have any significant impact on the financial statements of the Group.

#### **2.2 Use of judgement 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 consolidated financial statements as at and for the year ended 31 December 2021.

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 notes:

- (a) Identification of functional currency
- (b) Impairment of non-financial assets
- (c) Determination of the lease term of right-of-use assets
- (d) Contingent liabilities
- (e) Income tax

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period are discussed below:

- (a) Depreciation of plant and equipment and right-of-use assets
- (b) Estimation of the incremental borrowing rate
- (c) Provision of expected credit losses of trade and other receivables

## Eneco Energy Limited

### Notes to the condensed interim consolidated financial statements

#### 2.2 Use of judgement and estimates (Cont'd)

##### Judgements made in applying accounting policies

###### (a) Identification of functional currency

The functional currency of each entity in the Group is the currency of the primary economic environment in which it operates. Determination of the functional currency involves significant judgement and other companies may make different judgements based on similar facts. Management reconsiders the functional currency if there is a change in the underlying transactions, events and conditions which determines its primary economic environment.

The determination of functional currency affects the carrying amount of the non-current assets included in the statement of financial position and, as a consequence, the amortisation of those assets included in the statement of comprehensive income. It also impacts the exchange gains and losses included in the statement of comprehensive income.

###### (b) Impairment of non-financial assets

The Group and the Company assess whether there are any indicators of impairment for non-financial assets, comprising plant and equipment, right-of-use asset and investments in subsidiaries at the end of each reporting period. These non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value-in-use. When value-in-use calculation is undertaken, management estimates the expected future cash flows from the asset or cash-generating unit by applying a suitable discount rate to calculate the present value of those cash flows. When fair value less costs to sell is used, it is determined by making reference to a recent sale transaction.

###### (c) Determination of the lease term of right-of-use assets

The Group leases leasehold buildings, transport equipment and office equipment from third parties to operate its business. In determining the lease term of these leases, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or period after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects the assessment, and that is within the control of the lessee.

For leases of leasehold buildings and transport equipment, the following factors are normally the most relevant:

- (i) If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate);
- (ii) If the leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not to terminate);
- (iii) Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

###### (d) Contingent liabilities

Recognition and measurement for contingent liabilities is based on management's view of the expected outcome of the contingencies after consulting legal counsel for litigation cases and experts.

###### (e) Income tax

The Group has exposures to income taxes in Singapore and Indonesia. Significant judgment is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issue based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

## **Eneco Energy Limited**

### **Notes to the condensed interim consolidated financial statements**

#### **2.2 Use of judgement and estimates (Cont'd)**

##### **Key sources of estimation uncertainty**

###### (a) Depreciation of plant and equipment and right-of-use assets

The cost of plant and equipment and right-of-use assets are depreciated on a straight-line basis over their estimated useful lives.

Management reviews annually the estimated useful lives of plant and equipment and right-of-use assets, based on factors that include asset utilisation, internal technical evaluation, technological changes and anticipated use of the assets. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned.

A reduction in the estimated useful lives of these non-financial assets would increase depreciation expense and decrease non-current assets.

###### (b) Estimation of the incremental borrowing rate ("IBR")

For the purpose of calculating the right-of-use asset and lease liability, management applies the interest rate implicit in the lease ("IRIL") and, if the IRIL is not readily determinable, management will use the IBR applicable to the lease asset. The IBR is the rate of interest that the entity would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. For most of the leases where the Company is the lessee, the IRIL is not readily determinable.

Therefore, management estimates the IBR relevant to each lease asset by using observable inputs (such as market interest rate and asset yield) when available, and then making certain lessee specific adjustments.

###### (c) Provision of expected credit losses of trade and other receivables

Management uses a provision matrix to calculate expected credit losses (ECLs) for trade receivables. The provision rates are determined based on the Group's historical observed default rates analysed in accordance to days past due. Management will calibrate the matrix to adjust for historical credit loss experience with forward-looking information.

The Group's and the Company's credit risk exposure on other receivables are based on qualitative and quantitative factors that are indicative of risk of default (including but not limited to external ratings, audited financial statements, management accounts, cashflow projections and available press information).

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast of economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

#### **3 Seasonal operations**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

**Eneco Energy Limited**

**Notes to the condensed interim consolidated financial statements**

**4 Segment information**

**Segmental revenue and results for business segments (of the Group) with comparative information for the corresponding period of the immediately preceding year.**

The Group is organised into the following main business segments:

- (a) logistics, comprising of transportation management and air cargo terminal handling services;
- (b) oil and gas (discontinued operation); and
- (c) corporate

**For the 6 months ended 30 June 2022**

	<b>Oil &amp; Gas (Discontinued)</b>	<b>Logistics</b>	<b>Rental</b>	<b>Corporate</b>	<b>Eliminations / Adjustments</b>	<b>Total</b>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Revenue:</b>						
Sales to external customers	-	21,549	-	-	-	21,549
Other income	-	876	-	128	-	1,004
Inter-segment sales	-	188	-	-	(188)	-
<b>Total</b>	<b>-</b>	<b>22,613</b>	<b>-</b>	<b>128</b>	<b>(188)</b>	<b>22,553</b>
Segment (loss)/profit	(161)	1,295	-	(728)	-	406
Finance costs						(320)
Profit before tax						86
Taxation						(142)
<b>Net loss for the period</b>						<b>(56)</b>
Interest income	-	142	-	-	(138)	4
Depreciation and amortisation expenses	-	(2,802)	-	(27)	-	(2,829)
Other non-cash income/ (expense)	-	154	-	-	-	154
<b>Other segment information</b>						
Segment assets	2,848	25,748	-	237	-	28,833
Segment liabilities	13,257	19,420	-	1,416	489	34,582
Additions to non-current assets	-	919	-	5	-	924

**For the 6 months ended 30 June 2021**

	<b>Oil &amp; Gas (Discontinued)</b>	<b>Logistics</b>	<b>Rental</b>	<b>Corporate</b>	<b>Eliminations / Adjustments</b>	<b>Total</b>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Revenue:</b>						
Sales to external customers	-	18,723	-	-	-	18,723
Other income	19	924	-	11	-	954
Inter-segment sales	-	218	-	-	(218)	-
<b>Total</b>	<b>19</b>	<b>19,865</b>	<b>-</b>	<b>11</b>	<b>(218)</b>	<b>19,677</b>
Segment (loss)/profit	(370)	2,010	-	(934)	-	706
Finance costs						(453)
Profit before tax						253
Taxation						(5)
<b>Net profit for the period</b>						<b>248</b>
Interest income	-	79	-	-	(73)	6
Depreciation and amortisation expenses	(20)	(2,614)	-	(25)	-	(2,659)
Other non-cash income/ (expense)	-	26	-	-	-	26
<b>Other segment information</b>						
Segment assets	5,865	30,436	-	369	-	36,670
Segment liabilities	19,496	22,236	-	1,560	321	43,613
Additions to non-current assets	-	674	-	-	-	674

**Eneco Energy Limited**

**Notes to the condensed interim consolidated financial statements**

**Segment information (cont'd)**

**4 Segmental revenue and results for business segments (of the Group) with comparative information for the corresponding period of the immediately preceding year.**

**Geographical information**

**For the 6 months ended 30 June 2022**

	Singapore		
	Logistics S\$'000	Corporate S\$'000	Total S\$'000
Revenue	15,402	-	15,402
<b>Segment assets</b>			
Non-current assets	9,707	88	9,795

	Indonesia			
	Logistics S\$'000	Oil & Gas (Discontinued) S\$'000	Total S\$'000	Grand total S\$'000
Revenue	6,147	-	6,147	21,549
<b>Segment assets</b>				
Non-current assets	2,670	13	2,683	12,478

**For the 6 months ended 30 June 2021**

	Singapore		
	Logistics S\$'000	Corporate S\$'000	Total S\$'000
Revenue	13,625	-	13,625
<b>Segment assets</b>			
Non-current assets	11,089	122	11,211

	Indonesia			
	Logistics S\$'000	Oil & Gas (Discontinued) S\$'000	Total S\$'000	Grand total S\$'000
Revenue	5,098	-	5,098	18,723
<b>Segment assets</b>				
Non-current assets	3,255	5,273	8,528	19,739

## Eneco Energy Limited

### Notes to the condensed interim consolidated financial statements

	Group		Group	
	3 months ended		for the period ended	
	30-Jun-22	30-Jun-21	30-Jun-22	30-Jun-21
	S\$'000	S\$'000	S\$'000	S\$'000
	Unaudited	Unaudited	Unaudited	Unaudited
<b>5 Revenue</b>				
<b>Continuing operations</b>				
Logistics services	11,029	9,351	21,549	18,723
	<u>11,029</u>	<u>9,351</u>	<u>21,549</u>	<u>18,723</u>
<b>6 Other income</b>				
<b>Continuing operations:</b>				
Diesel consumed by service partners	1	4	2	18
Port rebates	37	61	67	116
Interest income from banks	2	2	4	6
Government grant income	66	5	220	287
Gain on disposal of plant and equipment and intangible assets	147	1	213	75
Others	210	224	498	422
	<u>463</u>	<u>297</u>	<u>1,004</u>	<u>924</u>
<b>Discontinued operations</b>	-	-	-	19
	<u>463</u>	<u>297</u>	<u>1,004</u>	<u>943</u>
Government grant income relates to COVID-19 related government grants such as jobs support scheme. Others include shifting, parking charges and trucking surcharge.				
<b>7 Finance costs</b>				
<b>Continuing operations:</b>				
Finance charges on lease liabilities	127	181	274	364
Interest on borrowings	14	23	24	45
Commitment fee on loan facility	11	11	22	22
	<u>152</u>	<u>215</u>	<u>320</u>	<u>431</u>
<b>Discontinued operations:</b>				
Finance charges on Operator's cash calls	-	11	-	22
Accretion of interest on abandonment & site restoration liabilities	-	1	-	-
	<u>-</u>	<u>12</u>	<u>-</u>	<u>22</u>
	<u>152</u>	<u>227</u>	<u>320</u>	<u>453</u>
<b>8 Profit before tax for the period</b>				
Profit/(loss) before tax for the period included the following items -				
<b>Continuing operations:</b>				
Depreciation and amortisation expenses:				
Plant and equipment	(64)	(167)	(389)	(340)
Right-of-use assets	(1,343)	(1,144)	(2,412)	(2,287)
intangible assets	(18)	(6)	(28)	(12)
Foreign exchange (loss)/gain, net	25	(19)	18	(5)
Legal and other professional fees	(129)	(35)	(247)	(167)
Allowance for doubtful trade receivables	(31)	(20)	(59)	(20)
Loss on disposal of right-of-use assets	-	-	-	(29)
<b>Discontinued operations:</b>				
Depreciation and amortisation expenses:				
investments in exploration and evaluation assets	-	(10)	-	(20)
	<u>-</u>	<u>(10)</u>	<u>-</u>	<u>(20)</u>
<b>9 Income tax</b>				
The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:				
<b>Continuing operations:</b>				
Current taxation				
Current year	35	-	71	-
Underprovision in respect of prior years	29	-	71	5
	<u>64</u>	<u>-</u>	<u>142</u>	<u>5</u>

## Eneco Energy Limited

### 10 Related party transactions

There were no material related party transactions during the financial period.

### 11 Right-of-use assets

	Note	30-Jun-22 S\$'000 Unaudited	31-Dec-21 S\$'000 Audited
<b>Cost</b>			
Opening balance		24,189	23,165
New leases entered during the period/ year		445	2,905
Early termination/ end of lease		(156)	(1,061)
Reclassification to "plant and equipment" on full repayment of lease liabilities		(178)	(865)
Net exchange differences		(61)	45
Closing balance		<b>24,239</b>	<b>24,189</b>
<b>Accumulated Depreciation</b>			
Opening balance		11,849	8,651
Depreciation for the period/ year	8	2,412	4,629
Early termination/ end of lease		(141)	(1,017)
Reclassification to "plant and equipment" on full repayment of lease liabilities		(103)	(433)
Net exchange differences		(27)	19
Closing balance		<b>13,990</b>	<b>11,849</b>
Carrying amount		<b>10,249</b>	<b>12,340</b>

### 12 Assets and liabilities directly associated with assets held-for sale

In November 2021, the Group announced that it has entered into a Settlement and Transfer Agreement to dispose of its remaining 10% participating interest in Lemang PSC to Jadestone Energy (Lemang) Pte Ltd, the existing Operator. Accordingly, management has classified the assets and liabilities associated with the Lemang PSC as a disposal group held-for-sale and measured the non-current assets at the lower of the carrying amount and fair value less cost to sell.

The agreement is subject to the satisfaction of certain conditions precedent which have yet to be completed as at 30 June 2022.

Assets and liabilities of the disposal group classified as "held-for-sale" are summarised as follows:

(a) The major classes of assets and liabilities:

	30-Jun-22 S\$'000 Unaudited	31-Dec-21 S\$'000 Audited
<b>Assets</b>		
Oil and gas properties and investment in exploration and evaluation assets	326	326
Inventories	2,286	2,286
Trade and other receivables		
Asset classified as held-for-sale	<b>2,612</b>	<b>2,612</b>
<b>Liabilities</b>		
Trade and other payables	(1,894)	(1,894)
Abandonment and site restoration liabilities	(218)	(218)
Liabilities directly associated with assets held-for-sale	<b>(2,112)</b>	<b>(2,112)</b>
Net assets of asset classified as held-for-sale	<b>500</b>	<b>500</b>

(b) The results of the discontinued operations and the re-measurement of the disposal group are as follows:

Note	Group for the period ended	
	30-Jun-22 S\$'000 Unaudited	30-Jun-21 S\$'000 Unaudited
<b>Revenue</b>		
Other income	6	19
<b>Expenses</b>		
Service costs and related expenses	-	(233)
Salaries and employee benefits	(109)	(106)
Depreciation and amortisation expenses	8	(20)
Finance costs	7	(22)
Other operating expenses	(53)	(28)
	<b>(162)</b>	<b>(409)</b>
<b>Loss from discontinued operations, before tax</b>	<b>(162)</b>	<b>(390)</b>
Income tax	-	-
<b>Loss from discontinued operations, after tax</b>	<b>(162)</b>	<b>(390)</b>

## Eneco Energy Limited

### 13 Other payables

	30-Jun-22 S\$'000 Unaudited	31-Dec 21 S\$'000 Audited
<b>Current</b>		
Accrued salaries & employee benefits	2,024	2,184
Sundry payables and provisions	5,195	4,729
<b>Total</b>	<u><u>7,219</u></u>	<u><u>6,913</u></u>
<b>Non-current</b>		
Production bonus	255	248
Sundry payables	1,985	1,928
<b>Total</b>	<u><u>2,240</u></u>	<u><u>2,176</u></u>

### 14 Aggregate amount of Group's borrowings and debt securities

SGX Appendix 7.2 para 1(b)(ii)

	30-Jun-22 S\$'000 Unaudited	31-Dec 21 S\$'000 Audited
<b>(a) Amount repayable in one year or less, or on demand (secured)</b>		
Loans and borrowings	735	1,511
Lease liabilities	5,770	5,920
<b>(b) Amount repayable after one year (secured)</b>		
Loans and borrowings	565	-
Lease liabilities	2,754	5,175
<b>Total</b>	<u><u>9,824</u></u>	<u><u>12,606</u></u>

#### Loans and borrowings

The Group's loans and borrowings of S\$1.3 million (2021: S\$1.5 million) are secured by way of a corporate guarantee by the Company.

#### Lease liabilities

The Group's lease liabilities which include transport equipment, are secured by the lessors' title to the leased assets.

### 15 Share Capital

- (a) **Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles 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.**

SGX Appendix 7.2 para 1 (d)(ii)

No share options were granted or exercised since the end of the previous period reported on.

There was also no shares that may be issued on conversion of all the outstanding convertibles 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.



## Eneco Energy Limited

- (b) Number of shares held as treasury shares against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer.

	30-Jun-22 No. of Shares	31-Dec-21 No. of Shares
Treasury shares	1,807,215	1,807,215
Number of issued ordinary shares (excluding treasury shares)	646,867,923	646,867,923
Percentage (%)	0.28%	0.28%

- (c) To show the total number of issued shares excluding treasury shares as at the end of the current financial year end as at the

	As at 30-Jun-22		As at 31-Dec-21	
	No. of Shares	Amount S\$'000	No. of Shares	Amount S\$'000
<b>Issued and fully paid:</b>				
At beginning and end of the period/ year	646,867,923	148,367	646,867,923	148,367

- (d) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial

SGX Appendix 7.2 para 1 (d)(iv)

The movement of treasury shares is as follow:

As at 1 January 2022	1,807,215
Re-issuance of treasury shares	-
As at 30 June 2022	1,807,215

- (e) A statement showing all sales, transfers, cancellation and / or use of subsidiary holdings as at the end of the current financial

SGX Appendix 7.2 para 1 (d)(v)

Not applicable.

- 16 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

SGX Appendix 7.2 para 6

Earnings per share (EPS)	Group		Group	
	3 months ended		6 months ended	
	30-Jun-22	30-Jun-21	30-Jun-22	30-Jun-21
<b>From continuing and discontinued operations</b>				
Based on the weighted average number of shares (cents)				
- net (loss)/ profit attributable to shareholders	- *	- *	(0.01)	0.05
Weighted average number of shares	646,867,923	646,867,923	646,867,923	646,867,923
<b>On a fully diluted basis</b>				
- net (loss)/ profit attributable to shareholders	- *	- *	(0.01)	0.05
Weighted average number of shares	646,867,923	646,867,923	646,867,923	646,867,923

During the period ended 30 June 2022, diluted earnings per share is calculated on the same basis as basic earnings per share as there are no dilutive potential ordinary shares as at 30 June 2022.

\* amount is negligible

- 17 Net assets value (for the issuer and Group) per ordinary share based on issued share capital at the end of the :

(a) current financial period reported on; and

(b) immediately preceding financial year

SGX Appendix 7.2 para 7

Net Assets Value (NAV)	Group		Company	
	30-Jun-22	31-Dec-21	30-Jun-22	31-Dec-21
No. of ordinary shares	646,867,923	646,867,923	646,867,923	646,867,923
NAV per ordinary share (In cents)	0.29	0.30	(0.06)	0.07

- 18 Subsequent events

There are no known significant subsequent events which have led to adjustments to this set of financial statements.

- 19 Review

SGX Appendix 7.2 para 2 and 3

The condensed interim statements of financial position of Eneco Energy Limited and its subsidiaries as at 30 June 2022 and the related condensed interim consolidated statement of comprehensive income, statements of changes in equity and condensed interim consolidated statement of cash flows for the period then ended and certain explanatory notes have not been audited or reviewed.

## Eneco Energy Limited

### Other information

- 20 Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:—  
(a) Updates on the efforts taken to resolve each outstanding audit issue.  
(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.  
This is not required for any audit issue that is a material uncertainty relating to going concern.

SGX Appendix 7.2 para 3A

Not applicable.

- 21 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, (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

SGX Appendix 7.2 para 8

#### Group Income Review

##### 2Q 2022 vs 2Q 2021

The Group's revenue in 2Q 2022 was S\$11.0 million, which was S\$1.68 million higher than the S\$9.35 million achieved in 2Q 2021. This improvement was attributable to contributions from the logistics segment, where revenue has been derived from numerous contracts and services across Singapore and Indonesia. The easing of Covid 19 restrictions had helped increase business volumes both domestically and cross borders.

Other income has increased by S\$0.17 million to S\$0.46 million due mainly to increase in gains on disposal of plant and equipment and intangible assets of S\$0.15 million and higher government grant received of S\$0.06 million. This has been partially offset by lower port rebates received of S\$0.02 million.

(a) Service costs and operating expenses were higher by S\$1.57 million mainly due to:-

i. Higher service costs and related expenses of S\$1.3 million, largely in line with revenue increase and higher outsourced service costs due to the shortage of labour during the quarter.

ii. There was higher diesel costs incurred due to higher usage and increased rates amounting to S\$0.23 million during the quarter.

(b) Higher salaries and employee benefits of S\$0.23 million due to higher direct costs resulting from the higher business volume.

(c) There was higher depreciation and amortisation expenses amounting to S\$0.11 million due to normal depreciation charged on new transport equipment purchased in the last financial year.

(d) Losses from discontinued operation was lower by S\$0.2 million as the Group continues to scale down its operations in the Oil and Gas segment.

##### 1H 2022 vs 1H 2021

The Group's revenue in 1H 2022 was S\$21.5 million, which was S\$2.8 million higher than the S\$18.7 million achieved in 1H 2021. This improvement was attributable to contributions from the logistics segment, where revenue has been derived from numerous contracts and services across Singapore and Indonesia.

Other income has increased by S\$0.08 million to S\$1.0 million due mainly to increase in gains on disposal of plant and equipment and intangible assets of S\$0.14 million. This has been partially offset by lower port rebates received of S\$0.05 million and lower government grants received amounting to S\$0.07 million.

(a) Service costs and operating expenses were higher by S\$3.0 million mainly due to:-

i. Higher service costs and related expenses of S\$2.6 million, largely in line with revenue increase and higher outsourced service costs due to the shortage of labour during the period.

ii. There was higher diesel costs incurred due to higher usage and increased rates amounting to S\$0.33 million during the period

(b) Higher salaries and employee benefits of S\$0.24 million due to higher direct costs resulting from the higher business volume.

(c) There was higher depreciation and amortisation expenses amounting to S\$0.19 million due to normal depreciation charged on new transport equipment purchased in the last financial year.

(d) Losses from discontinued operation was lower by S\$0.23 million as the Group continues to scale down its operations in the Oil and Gas segment.

#### Group Balance Sheet Review

Non-current assets decreased by S\$1.96 million to S\$12.5 million largely due to depreciation charged on Right-of-use assets during the period. This was partially offset by purchases of new transport equipment and furniture and fittings during the period.

Current assets increased by S\$0.21 million largely due to higher prepaid operating expenses and higher trade receivables as at period end. This increase was partially offset by lower cash and cash equivalents.

Current liabilities increased by S\$0.38 million due mainly to higher trade and other payables at period end by S\$1.53 million. This was partially offset by a reduction in lease liabilities and loans and borrowings of S\$0.93 million due to repayment during the period.

Non-current liabilities decreased by S\$1.76 million due to the reclassification of lease liabilities to current liabilities during the period. The decrease was partially offset by the draw down of term loan during the period.

The Group provides for lifetime Expected Credit Loss (ECL) for all trade receivables using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance to days past due. As the Group's credit exposure is monitored on an ongoing basis, the Group has determined that the ECL on trade and other receivables is insignificant. The Group is positive of the recoverability based on the historical collection performance and does not foresee any substantial credit loss arising from the trade receivables balance.

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**Other information**

**21 Negative Working Capital position**

The Group reported a deficit in working capital position of S\$11.6 million (31 December 2021: S\$11.4 million) and a net liabilities of S\$5.7 million (31 December 2021: S\$5.4 million).

The Board of Directors is of the view that the Group is able to operate as a going concern due to the following:

- (a) The Company has received a no objection letter from the SGX-ST in relation to its application for lifting its voluntary suspension and request for resumption of trading in the Company's securities upon satisfaction of certain conditions which are currently in progress;
- (b) The Group is able to generate sufficient cash flows from its logistics operations;
- (c) The Company has an undrawn S\$1.5 million credit facility from a lender;
- (d) In FY2021, the Group has entered into a Settlement and Transfer Agreement to transfer the remaining 10% participating interest in Lemang PSC to the existing Operator. Pending the completion of this transaction, net sale proceeds of S\$500,000 contribute towards the Group's cashflows;
- (e) On 8 March 2022, the Group entered into a Shares Sale and Purchase Agreement with Indonusa Oil Ltd for the divestment of Ramba Energy Investments Limited, the intermediate holding company of the oil and gas entities domiciled in Indonesia. This will allow the Group to exit the loss making and high risk Oil & Gas business;
- (f) The Company also announced on 25 March 2022 that it had entered into a placement agreement with SAC Capital Private Limited for the proposed placement of (i) up to an aggregate of 1,660,000,000 new ordinary shares of the Company at an issue price of S\$0.009 per share and (ii) up to 1,660,000,000 detachable, transferrable and non-listed warrants at an issue price of S\$0.001 per warrant, on the basis of one warrant for each placement share, with each warrant carrying the right to subscribe for one new ordinary share in the capital of the Company at an exercise price of S\$0.009 for each share. The placement proceeds from the exercise will put the Company in a stronger financial position once its shares are allowed to resume trading on SGX. The Company has received the Approval-in-Principal ("AIP") from the Exchange on 1 August 2022 and would be convening an Extraordinary General Meeting on 19 August 2022 to seek shareholders' approval on the proposed shares placement exercise; and
- (g) The Group's net current liabilities mainly arose from the Group's oil and gas segment, domiciled in Indonesia. The Board is of the view that the Group shareholdings in the entities which own the various oil and gas assets in Indonesia, are ringfenced through multiple layers of shareholdings and would not have an impact to the viability of the Company's financial position in the event of contingent or actual legal claims by third party creditors against these entities.

**Group Cashflow Statement Review**

For the period ended 30 June 2022, the Group reported net cash inflow from operating activities of S\$3.0 million compared to S\$2.3 million in the corresponding period in the last financial year. The increase was brought about by higher turnover during the period.

The Group reported net cash outflow from investing activities of S\$0.27 million compared to a net cash outflow of S\$0.01 million in the last corresponding period. This was due to the purchase of plant and equipment and intangible assets during the period.

The Group reported net cash outflow from financing activities of S\$3.48 million as compared to S\$3.15 million in the last corresponding period. The outflows were due to repayment of loan and borrowings, lease obligations and related finance costs. The outflows were partially offset by proceeds from the drawdown of a S\$1.48 million term loan during the period.

The Group reported net cash and cash equivalents of S\$2.1 million as at 30 June 2022 as compared to S\$2.8 million as at 31 December 2021.

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

*SGX Appendix 7.2 para 9*

Not applicable.

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

*SGX Appendix 7.2 para 10*

With the economy slowly recovering from the aftermath of the Covid 19 pandemic, the Group seeks to grow and expand its logistics business amidst the ever competitive business environment that it operates in. Business cost in the logistic sector is expected to remain high in view of inflationary pressures. The lifting of border restrictions by countries in the region should increase the pool of workers that the industry can tap on but the recovery to pre-pandemic conditions might still take some time. The increase in commodities prices due to the current Russia-Ukraine situation and regional instability continue to cast uncertainties on the speed of economy recovery. This will directly impact our cost of doing business and affect the business opportunities available to the Group. The Group will continue to strengthen its business relationships with existing customers via closer cooperation to achieve win-win results for all parties involved. We continue to seek out contracts with good profit margins while extending the scope of services available to our customers.

The Group will be convening an extraordinary general meeting on 19 August 2022 to seek shareholders' approval to dispose the Group's Oil & Gas Business and the proposed placement of up to 1,660,000,000 placement shares at the issue price of S\$0.009 per placement share, up to 1,660,000,000 warrants at the issue price of S\$0.001 per warrant on the basis of one warrant for each placement share, with each warrant carrying the right to subscribe for one warrant share at the exercise price of S\$0.009 per warrant share.

The Group will keep shareholders informed on the progress of the disposal and placement exercise.

**COVID-19 update**

With the easing of Covid 19 restrictions in Singapore and in the regional countries, the Group has encouraged all its staff to maintain a high level of vigilance. We will work closely and adhere to the local governments' guidelines and ensure ongoing compliance with any existing restriction measures still in place. We will continue to work around staff shortages due to absenteeisms caused by infections and a shrunken pool of foreign workers.

We are aware that the subsiding Covid-19 pandemic might not be permanent and resurgence due to virus mutations can continue to impact daily operations in the countries that we operate in. In this uncertain environment, we remain cautious about the stability of the economies in which we operate given the unpredictable nature of Covid-19.

## Eneco Energy Limited

### 24 Dividend

*SGX Appendix 7.2 para 11*

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Date Payable - Not Applicable

(d) Books closure date - Not Applicable

**If no dividend has been declared (recommended), a statement to that effect.**

*SGX Appendix 7.2 para 12*

No dividend for the current period ended 30 June 2022 is recommended in order to conserve cash.

### 25 Interested person transactions

**If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), 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.**

No IPT general mandate has been obtained from the shareholders.

### 26 Please disclose the status on the use of proceeds raised from IPO and any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with the stated use. Where the proceeds have been used for working capital purpose, a breakdown with specific details on how the proceeds have been applied must be disclosed.

*SGX Appendix 7.2 para 8*

No proceeds were raised from IPO and other offerings for the period under review.

### 27 Details of exploration (including geophysical surveys), mining development and / or production activities undertaken by the Company and summary of the expenditure incurred on those activities, including explanation for any material variances with previous projects, for the period under review. If there has been no exploration, development and / or production activity respectively, that the fact must be stated.

*Rule 705(7)*

Based on the joint venture financial statements received from the Operator of Lemang PSC, nil amount was incurred for development activities.

### 28 Board of Directors' assurance

*SGX Appendix 7.2 para 14 and 15*

As at the date of this announcement, the Board of Directors confirms that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the interim financial results to be false or misleading, in any material aspect pursuant to Rule 705(5) of the SGX-ST Listing Manual.

The Company confirms it has procured the undertakings from all its Directors and executive officers as required under Rule 720(1) of the SGX-ST Listing Manual.

**BY ORDER OF THE BOARD  
ENECO ENERGY LIMITED**

Gwee Chee Kiang  
Chief Executive Officer  
12 August 2022