

# ANNICA HOLDINGS LIMITED

Condensed Interim Consolidated Financial Statements For The Third Quarter and Nine-Month Financial Period Ended 30 September 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.*

**The contact person for the Sponsor is Mr. Bernard Lui:**  
**Telephone number: (65) 6389 3000**  
**Email address: [bernard.lui@morganlewis.com](mailto:bernard.lui@morganlewis.com)**

For the purposes of this announcement, "3Q2022" refers to the three-month financial period ended 30 September 2022, whereas "3Q2021" refers to the corresponding three-month financial period ended 30 September 2021. "9M2022" refers to the nine-month financial period ended 30 September 2022, whereas "9M2021" refers to the corresponding nine-month financial period ended 30 September 2021. "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 Catalyst (the "Catalist Rules"). The foregoing statement is made pursuant to Rule 705(2C) of the Catalyst 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 THIRD QUARTER AND NINE-MONTH FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

	Note	Group					Increase/ (Decrease) %
		3Q2022 S\$'000	3Q2021 S\$'000	Increase/ (Decrease) %	9M2022 S\$'000	9M2021 S\$'000	
Revenue	4	1,572	1,090	44	3,958	4,939	(20)
Cost of sales		(759)	(683)	11	(2,280)	(3,532)	(35)
Gross profit		813	407	NM	1,678	1,407	19
Other income		(2)	105	NM	163	401	(59)
Interest income		50	55	(9)	154	168	(8)
Selling and distribution expenses		(45)	(9)	NM	(162)	(36)	NM
Administrative and general expenses		(1,396)	(871)	60	(3,420)	(2,785)	23
Other expenses		(11)	(5)	NM	(18)	(10)	80
Impairment losses on trade and other receivables		-	-	NM	(4)	-	NM
Finance costs		(44)	(11)	NM	(210)	(32)	NM
<b>Loss before tax</b>	6	(635)	(329)	93	(1,819)	(887)	NM
Tax expense	7	-	(34)	NM	(19)	(66)	(71)
<b>Loss for the financial period</b>		(635)	(363)	75	(1,838)	(953)	93
<b>Other comprehensive loss</b>							
<i>Items that are or may be reclassified subsequently to profit or loss:</i>							
Currency translation differences arising on consolidation		(55)	29	NM	(125)	(66)	89
<b>Other comprehensive (loss)/income for the financial period, net of tax</b>		(55)	29	NM	(125)	(66)	89
<b>Total comprehensive loss for the financial period</b>		(690)	(334)	NM	(1,963)	(1,019)	93

NM: Not Meaningful

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

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER AND NINE-MONTH FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (cont'd)**

Note	Group					
	3Q2022 S\$'000	3Q2021 S\$'000	Increase/ (Decrease) %	9M2022 S\$'000	9M2021 S\$'000	Increase/ (Decrease) %
<b>Loss attributable to:</b>						
- Equity holders of the Company	(620)	(345)	80	(1,729)	(925)	87
- Non-controlling interests ("NCI")	(15)	(18)	(17)	(109)	(28)	NM
<b>Loss for the financial period</b>	<b>(635)</b>	<b>(363)</b>	<b>75</b>	<b>(1,838)</b>	<b>(953)</b>	<b>93</b>
<b>Total comprehensive loss attributable to:</b>						
- Equity holders of the Company	(675)	(316)	NM	(1,854)	(991)	87
- Non-controlling interests	(15)	(18)	(17)	(109)	(28)	NM
<b>Total comprehensive loss for the financial period</b>	<b>(690)</b>	<b>(334)</b>	<b>NM</b>	<b>(1,963)</b>	<b>(1,019)</b>	<b>93</b>
<b>Loss per share for loss attributable to the equity holders of the Company (cents per share)</b>						
- Basic and diluted	(0.0037)	(0.0021)	79	(0.0103)	(0.0055)	87

NM: Not Meaningful

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

**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2022**

	Note	Group		Company	
		As at 9M2022 S\$'000	As at FY2021 S\$'000	As at 9M2022 S\$'000	As at FY2021 S\$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	12	386	415	46	86
Right-of-use assets		381	459	73	116
Intangible assets	11	36	36	-	-
Investments in subsidiaries		-	-	1,892	1,892
Financial assets at fair value through profit or loss	10	2	3	-	-
Trade and other receivables	13	-	-	-	223
		<b>805</b>	<b>913</b>	<b>2,011</b>	<b>2,317</b>
<b>Current assets</b>					
Cash and cash equivalents		765	736	79	65
Fixed deposits		474	654	-	-
Trade and other receivables	13	6,951	6,685	3,805	3,592
Inventories		1,341	549	-	-
Financial assets at fair value through profit or loss	10	-	-*	-	96
		<b>9,531</b>	<b>8,624</b>	<b>3,884</b>	<b>3,753</b>
<b>Total assets</b>		<b>10,336</b>	<b>9,537</b>	<b>5,895</b>	<b>6,070</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Borrowings	14	694	1,036	6	96
Provision for employee benefits		93	94	-	-
Deferred tax liabilities		22	22	-	-
		<b>809</b>	<b>1,152</b>	<b>6</b>	<b>96</b>
<b>Current liabilities</b>					
Trade and other payables		5,631	4,679	5,502	4,620
Contract liabilities		2,454	985	-	-
Borrowings	14	929	704	158	186
Tax payable		-	3	-	-
		<b>9,014</b>	<b>6,371</b>	<b>5,660</b>	<b>4,806</b>
<b>Total liabilities</b>		<b>9,823</b>	<b>7,523</b>	<b>5,666</b>	<b>4,902</b>
<b>Net assets</b>		<b>513</b>	<b>2,014</b>	<b>229</b>	<b>1,168</b>
<b>EQUITY</b>					
Share capital	15	68,101	67,801	68,101	67,801
Accumulated losses		(65,658)	(63,929)	(67,961)	(66,722)
Other reserves		(1,948)	(1,823)	89	89
<b>Equity attributable to equity holders of the Company</b>		<b>495</b>	<b>2,049</b>	<b>229</b>	<b>1,168</b>
Non-controlling interests		18	(35)	-	-
<b>Total equity</b>		<b>513</b>	<b>2,014</b>	<b>229</b>	<b>1,168</b>

(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 THIRD QUARTER AND NINE-MONTH FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022**

	Note	Group			
		3Q2022 S\$'000	3Q2021 S\$'000	9M2022 S\$'000	9M2021 S\$'000
<b>Cash flows from operating activities</b>					
Loss before tax		(635)	(329)	(1,819)	(887)
Adjustments for:					
Depreciation of property, plant and equipment	6	52	48	153	143
Depreciation of right-of-use assets	6	53	59	159	177
Fair value loss on financial assets at fair value through profit or loss	6	-	5	1	3
Loss on disposal of property, plant and equipment	6	-	1	-	5
Allowance for impairment loss on trade and other receivables	6	-	-	4	-
Interest expense	6	44	11	210	32
Interest income	6	(50)	(55)	(154)	(168)
Issuance of Performance Shares	6	300	-	300	-
<b>Operating cash flows before working capital changes</b>		<b>(236)</b>	<b>(260)</b>	<b>(1,146)</b>	<b>(695)</b>
Changes in working capital:					
Inventories		(79)	(300)	(792)	(473)
Payables and contract liabilities		1,046	366	2,377	(726)
Receivables		(721)	(129)	(164)	1,790
Currency translation difference		71	(45)	(19)	(59)
<b>Cash generated from/(used in) operations</b>		<b>81</b>	<b>(368)</b>	<b>256</b>	<b>(163)</b>
Income tax paid		3	(48)	(66)	(101)
<b>Net cash generated from/(used in) operating activities</b>		<b>84</b>	<b>(416)</b>	<b>190</b>	<b>(264)</b>
<b>Cash flows from investing activities</b>					
Interest received		-	-	1	7
Purchase of property, plant and equipment		(64)	(22)	(74)	(36)
Proceeds from disposal of property, plant and equipment		-	-*	-	-*
<b>Net cash used in investing activities</b>		<b>(64)</b>	<b>(22)</b>	<b>(73)</b>	<b>(29)</b>
<b>Cash flows from financing activities</b>					
Contribution from NCI of a subsidiary		162	-	162	-
Interest paid for bank loans		(6)	(10)	(21)	(26)
Interest paid for lease liabilities		(3)	(1)	(6)	(6)
Interest paid for third party		(3)	-	(6)	(12)
Release of fixed deposit pledged		-	-	162	18
Proceeds of borrowings		8	-	373	-
Repayment of borrowings		(262)	(28)	(573)	(169)
Repayment of lease liabilities		(52)	(55)	(159)	(157)
<b>Net cash used in financing activities</b>		<b>(156)</b>	<b>(94)</b>	<b>(68)</b>	<b>(352)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(136)</b>	<b>(532)</b>	<b>49</b>	<b>(645)</b>
Cash and cash equivalents at beginning of the financial period		917	1,187	736	1,313
Effects of foreign currency translation on cash and cash equivalents		(16)	-	(20)	(13)
<b>Cash and cash equivalents at end of the financial period</b>		<b>765</b>	<b>655</b>	<b>765</b>	<b>655</b>
<b>Cash and cash equivalents at end of the financial period were made up of:</b>					
Cash and cash equivalents		765	747	765	747
Deposit placed in cash margin account		-	(92)	-	(92)
		<b>765</b>	<b>655</b>	<b>765</b>	<b>655</b>

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

**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 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
<b>Group</b>							
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 period		-	(1,729)	-	(1,729)	(109)	(1,838)
Other comprehensive loss:							
Currency translation differences arising from consolidation		-	-	(125)	(125)	-	(125)
Total comprehensive loss for the financial period		-	(1,729)	(125)	(1,854)	(109)	(1,963)
Changes in ownership interests in a subsidiary:							
Acquisition of ownership interest in a subsidiary		-	-	-	-	162	162
		-	-	-	-	162	162
<b>Balance as at 30 September 2022</b>		<b>68,101</b>	<b>(65,658)</b>	<b>(1,948)</b>	<b>495</b>	<b>18</b>	<b>513</b>
Balance as at 1 January 2021		67,801	(62,834)	(1,746)	3,221	(3)	3,218
Transfer to capital reserve		-	-	5	5	-	5
Loss for the financial period		-	(925)	-	(925)	(28)	(953)
Other comprehensive loss:							
Currency translation differences arising from consolidation		-	-	(66)	(66)	-	(66)
Total comprehensive loss for the financial period		-	(925)	(66)	(991)	(28)	(1,019)
<b>Balance as at 30 September 2021</b>		<b>67,801</b>	<b>(63,759)</b>	<b>(1,807)</b>	<b>2,235</b>	<b>(31)</b>	<b>2,204</b>

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

**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022 (cont'd)**

	Note	Share capital S\$'000	Accumulated losses S\$'000	Other reserves S\$'000	Total equity S\$'000
<b>Company</b>					
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		-	(1,239)	-	(1,239)
<b>Balance as at 30 September 2022</b>		<b>68,101</b>	<b>(67,961)</b>	<b>89</b>	<b>229</b>
Balance as at 1 January 2021		67,801	(65,500)	89	2,390
Loss and total comprehensive loss for the financial period		-	(635)	-	(635)
<b>Balance as at 30 September 2021</b>		<b>67,801</b>	<b>(66,135)</b>	<b>89</b>	<b>1,755</b>

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

### **1. Corporate information**

Annica Holdings Limited (the “**Company**”) is incorporated and domiciled in Singapore and its shares are publicly traded on the Catalist board of the Singapore Exchange. These condensed interim consolidated financial statements as at 30 September 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 9M2022 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 9M2022 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 9M2022.

### **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	Total S\$'000
<b>9M2022</b>					
<b>Revenue</b>					
External sales	824	3,122	12	-	3,958
Inter-segment sales	-	-	-	-	-
Total revenue	824	3,122	12	-	3,958
Interest income	-	1	155	(2)	154
Other income	24	133	107	(101)	163
Total other income	24	134	262	(103)	317
Total revenue and other income	848	3,256	274	(103)	4,275
Depreciation of PPE	-	(112)	(41)	-	(153)
Depreciation of ROU assets	-	(89)	(70)	-	(159)
Interest expense	(5)	(202)	(5)	2	(210)
Segment profit	843	2,853	158	(101)	3,753
Unallocated expenses	(938)	(3,203)	(1,525)	95	(5,571)
Loss before tax	(95)	(350)	(1,367)	(6)	(1,818)
Tax expense	(1)	(18)	-	-	(19)
Loss for the interim period	(96)	(368)	(1,367)	(6)	(1,837)
<b>9M2022</b>					
<b>Assets</b>					
Non-current assets	-	648	155	-	803
Other segment assets	510	8,075	6,116	(5,168)	9,533
Consolidated total assets	510	8,723	6,271	(5,168)	10,336
Expenditures for segment non-current assets					
Additions to PPE	-	74	1	-	75
Additions to ROU assets	-	63	29	-	92
	-	137	30	-	167
<b>Liabilities</b>					
Segment liabilities	625	4,749	6,032	(3,228)	8,178
Borrowings	245	1,301	164	(87)	1,623
Deferred tax liabilities	-	22	-	-	22
Tax payable	-	-	-	-	-
Consolidated total liabilities	870	6,072	6,196	(3,315)	9,823



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

	Engineering services S\$'000	Oil and gas equipment S\$'000	Investments and others S\$'000	Elimination S\$'000	Total S\$'000
<b>9M2021</b>					
<b>Revenue</b>					
External sales	725	4,214	-	-	4,939
Inter-segment sales	-	-	-	-	-
Total revenue	725	4,214	-	-	4,939
Interest income	-	7	161	-	168
Other income	10	288	202	(99)	401
Total other income	10	295	363	(99)	569
Total revenue and other income	735	4,509	363	(99)	5,508
Depreciation of PPE	(10)	(93)	(40)	-	(143)
Depreciation of ROU assets	(20)	(87)	(70)	-	(177)
Interest expense	(7)	(23)	(2)	-	(32)
Segment profit	698	4,306	251	(99)	5,156
Unallocated expenses	(847)	(4,411)	(880)	95	(6,043)
Loss before tax	(149)	(105)	(629)	(4)	(887)
Tax expense	(3)	(63)	-	-	(66)
Loss for the interim period	(152)	(168)	(629)	(4)	(953)
<b>FY2021</b>					
<b>Assets</b>					
Non-current assets	-	672	238	-	910
Other segment assets	605	6,811	6,358	(5,147)	8,627
Consolidated total assets	605	7,483	6,596	(5,147)	9,537
Expenditures for segment non-current assets					
Additions to PPE	4	44	4	-	52
Additions to ROU assets	-	9	-	-	9
	4	53	4	-	61
<b>Liabilities</b>					
Segment liabilities	547	3,007	5,081	(2,877)	5,758
Borrowings	320	1,303	444	(327)	1,740
Deferred tax liabilities	-	22	-	-	22
Tax payable	2	1	-	-	3
Consolidated total liabilities	869	4,333	5,525	(3,204)	7,523

## 4.2 Disaggregation of Revenue

	<b>Group 9M2022</b>			<b>Total \$'000</b>
	<b>Engineering services \$'000</b>	<b>Oil and gas equipment \$'000</b>	<b>Investments and others \$'000</b>	
Types of goods or services:				
Sale of goods	181	3,115	12	3,308
Services rendered	643	7	-	650
	<u>824</u>	<u>3,122</u>	<u>12</u>	<u>3,958</u>
Timing of revenue recognition:				
At a point in time	824	3,122	12	3,958
Over time	-	-	-	-
	<u>824</u>	<u>3,122</u>	<u>12</u>	<u>3,958</u>
Geographical information:				
Singapore	643	64	-	707
Malaysia	181	1,153	12	1,346
Indonesia	-	236	-	236
Thailand	-	703	-	703
Vietnam	-	1	-	1
China	-	28	-	28
Brunei & Myanmar	-	907	-	907
Others	-	30	-	30
	<u>824</u>	<u>3,122</u>	<u>12</u>	<u>3,958</u>

	<b>9M2021</b>			<b>Total \$'000</b>
	<b>Engineering services \$'000</b>	<b>Oil and gas equipment \$'000</b>	<b>Investments and others \$'000</b>	
Types of goods or services:				
Sale of goods	725	4,010	-	4,735
Services rendered	-	204	-	204
	<u>725</u>	<u>4,214</u>	<u>-</u>	<u>4,939</u>
Timing of revenue recognition:				
At a point in time	725	3,156	-	3,881
Over time	-	1,058	-	1,058
	<u>725</u>	<u>4,214</u>	<u>-</u>	<u>4,939</u>
Geographical information:				
Singapore	-	643	-	643
Malaysia	672	2,418	-	3,090
Indonesia	-	289	-	289
Thailand	-	370	-	370
Vietnam	53	33	-	86
China	-	-	-	-
Brunei & Myanmar	-	454	-	454
Others	-	7	-	7
	<u>725</u>	<u>4,214</u>	<u>-</u>	<u>4,939</u>

## 4.2 Disaggregation of Revenue (cont'd)

	<b>Group 3Q2022</b>			<b>Total \$'000</b>
	<b>Engineering services \$'000</b>	<b>Oil and gas equipment \$'000</b>	<b>Investments and others \$'000</b>	
Types of goods or services:				
Sale of goods	179	1,164	12	1,355
Services rendered	217	-	-	217
	<u>396</u>	<u>1,164</u>	<u>12</u>	<u>1,572</u>
Timing of revenue recognition:				
At a point in time	396	1,164	12	1,572
Over time	-	-	-	-
	<u>396</u>	<u>1,164</u>	<u>12</u>	<u>1,572</u>
Geographical information:				
Singapore	217	(11)	-	206
Malaysia	179	278	12	469
Indonesia	-	54	-	54
Thailand	-	372	-	372
Vietnam	-	1	-	1
China	-	27	-	27
Brunei & Myanmar	-	443	-	443
Others	-	-	-	-
	<u>396</u>	<u>1,164</u>	<u>12</u>	<u>1,572</u>

	<b>3Q2021</b>			<b>Total \$'000</b>
	<b>Engineering services \$'000</b>	<b>Oil and gas equipment \$'000</b>	<b>Investments and others \$'000</b>	
Types of goods or services:				
Sale of goods	-*	1,092	-	1,091
Services rendered	-	(1)	-	(1)
	<u>-*</u>	<u>1,091</u>	<u>-</u>	<u>1,090</u>
Timing of revenue recognition:				
At a point in time	-*	1,092	-	1,091
Over time	-	(1)	-	(1)
	<u>-*</u>	<u>1,091</u>	<u>-</u>	<u>1,090</u>
Geographical information:				
Singapore	-	201	-	201
Malaysia	-*	465	-	464
Indonesia	-	56	-	56
Thailand	-	227	-	227
Vietnam	-	-	-	-
China	-	-	-	-
Brunei & Myanmar	-	143	-	143
Others	-	(1)	-	(1)
	<u>-*</u>	<u>1,091</u>	<u>-</u>	<u>1,090</u>

\* Amount less than S\$1,000

## 5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 September 2022 and 31 December 2021:

	Note	Group		Company	
		9M2022 S\$'000	FY2021 S\$'000	9M2022 S\$'000	FY2021 S\$'000
<b>Financial Assets</b>					
Financial assets at fair value through profit or loss	10	2	3	-	96
Cash and bank balances and trade and other receivables (Amortised cost)		5,536	7,001	3,840	3,858
		<u>5,538</u>	<u>7,004</u>	<u>3,840</u>	<u>3,954</u>
<b>Financial Liabilities</b>					
Trade and other payables and borrowings (Amortised cost)		7,147	6,276	5,556	4,773

## 6. Loss before taxation

### 6.1 Significant items

	Group			
	3Q2022 S\$'000	3Q2021 S\$'000	9M2022 S\$'000	9M2021 S\$'000
<b>Income</b>				
Interest income from bank and deposits	-	-	1	7
Interest income from a third party	50	55	153	161
Miscellaneous income	2	4	40	80
Government grant received	5	15	6	158
Extension fees on amount due from Ms Chong Shin Mun	15	15	45	40
Exhibition income	-	-	27	-
Bad debt recovered	-	-	-	31
Foreign currency exchange (loss)/gain, net	(24)	73	45	92
<b>Expenses</b>				
Interest expenses on borrowings	41	10	204	26
Interest expenses on lease liabilities	3	1	6	6
Loss on disposal of property, plant and equipment	-	1	-	5
Allowance for impairment loss on other receivables	-	-	4	-
Fair value gain/(loss) on financial assets at fair value through profit and loss	-	5	1	3
Depreciation of property, plant and equipment	52	48	153	143
Depreciation of right of use assets	53	59	159	177
Issuance of performance shares	300	-	300	-

### 6.2 Related party transactions

There were no material related party transactions during 3Q2022 and 9M2022.

## 7. Taxation

	Group			
	3Q2022 S\$'000	3Q2021 S\$'000	9M2022 S\$'000	9M2021 S\$'000
Current income tax expense	-	34	19	66
Deferred income tax expense	-	-	-	-
	<u>-</u>	<u>34</u>	<u>19</u>	<u>66</u>

## 8. Dividends

No dividend has been declared during 9M2021 and 9M2022.

## 9. Net Asset Value

	Group		Company	
	9M2022	FY2021	9M2022	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)	0.003	0.012	0.001	0.007

Net asset value per ordinary share of the Group as at 9M2022 was calculated by dividing the Group's net asset value attributable to equity holders as at 9M2022 of S\$495,000 (FY2021: S\$2,049,000) by the number of issued ordinary shares of the Company as at 9M2022 of 16,974,767,048 (FY2021: 16,674,767,048).

Net asset value per ordinary share of the Company as at 9M2022 was calculated by dividing the Company's net asset value attributable to equity holders as at 9M2022 of S\$229,000 (FY2021: S\$1,168,000) by the number of issued ordinary shares of the Company as at 9M2022 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	
	9M2022 S\$'000	FY2021 S\$'000
Quoted equity investments on the SGX-ST	2	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
<b>Group – 30 September 2022</b>				
<b>Financial assets</b>				
FVTPL investments (Quoted investments)	2	-	-	2
<b>Group – 31 December 2021</b>				
<b>Financial assets</b>				
FVTPL investments (Quoted investments)	3	-	-	3

## 11. Intangible assets

Goodwill on consolidation	Group S\$'000
At 31 December 2021 and 30 September 2022	36

## 12. Property, plant and equipment

During 9M2022, the Group acquired plant and equipment amounting to S\$74,000 (31 December 2021: S\$52,000) and did not dispose any property, plant and equipment (31 December 2021: S\$7,000).

## 13. Trade and other receivables

Trade and other receivables comprise the following:

	9M2022 S\$'000	FY2021 S\$'000
<b>Trade and other receivables</b>		
Trade receivables	840	2,077
Other receivables:		
GPE Power Systems (M) Sdn. Bhd. ("GPE")	3,172	3,147
Advance billings from suppliers	2,430	941
Chong Shin Mun	198	156
Others	311	364
	6,111	4,608
	6,951	6,685

### 13.1 Ageing profile of trade and other receivables

	9M2022				
	Total Due S\$'000	0-30 days S\$'000	30-60 days S\$'000	60-90 days S\$'000	90+ days S\$'000
<b>Segments</b>					
<b>Trade receivables</b>					
Engineering services	176	97	75	-	4
Oil and gas equipment	662	336	62	-	264
Investments and others	2	-	-	-	2
	<u>840</u>	<u>433</u>	<u>137</u>	<u>-</u>	<u>270</u>
<b>Other receivables</b>					
Engineering services	64	64	-	-	-
Oil and gas equipment	2,476	2,476	-	-	-
Investments and others	3,571	221	22	22	3,306
	<u>6,111</u>	<u>2,761</u>	<u>22</u>	<u>22</u>	<u>3,306</u>
	<u>6,951</u>	<u>3,194</u>	<u>159</u>	<u>22</u>	<u>3,576</u>

	FY2021				
	Total Due S\$'000	0-30 days S\$'000	30-60 days S\$'000	60-90 days S\$'000	90+ days S\$'000
<b>Segments</b>					
<b>Trade receivables</b>					
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>
<b>Other receivables</b>					
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

	9M2022			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	330	425	174	323	188	193
Amount repayable after one year	678	-	16	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 9M2022 and FY2021.

### 15. Share Capital

	The Group and the Company			
	9M2022		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 9M2022, the Company has granted share awards comprising 300,000,000 new ordinary shares issued in the share capital of the Company.

### 16. Subsequent events

There are no known subsequent events (after 30 September 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 3Q2022.

- 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 " <b>Share Schemes</b> ")	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 " <b>Awardees</b> ").  <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 will vest immediately 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 pari passu 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 <sup>st</sup> anniversary from the Date of Grant and shall be exercised before the 10 <sup>th</sup> anniversary of the Date of Grant.
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As at the date of this announcement, no ESOS Options have been exercised by the respective ESOS Option holders.

As at 30 September 2022, the number of shares that may be issued on conversion of all the outstanding convertible securities was 30,000,000 (30 September 2021: 30,000,000) which represented approximately 0.18% (30 September 2021: 0.18%) of the total issued shares excluding treasury shares and subsidiary holdings.

There were no treasury shares or subsidiary holdings as at 30 September 2022 and 30 September 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 9M2022	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 30 September 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 30 September 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\$1,141,707 (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\$3,188,852. 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 discussions with Ms. Chong Shin Mun on other alternative means of monetizing these assets in the event that the proposed sale of assets fails. 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			
	3Q2022	3Q2021	9M2022	9M2021
Loss per share based on the weighted average number of shares on issue (in cents):				
- basic and diluted loss per share (Note (a))	(0.0037)	(0.0021)	(0.0103)	(0.0055)

(a) Basic and diluted loss per share for 3Q2022 and 9M2022 were calculated by dividing the loss attributable to equity holders of the Company of S\$620,000 and S\$1,729,000 respectively (3Q2021: S\$345,000; 9M2021: S\$925,000) by the weighted average number of shares for 3Q2022 and 9M2022 of 16,722,019,795 (3Q2021 and 9M2021: 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 9M2022 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 9M2022.

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

No forecast or prospect statement was previously disclosed to shareholders.

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 policies implemented by the People's Republic of China in response to COVID19, and is exacerbated by, inter alia, the ongoing war in Ukraine and rising global inflation. 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 has driven up project and financing costs across the Group's business segments, and this may adversely impact the Group's profit margins. 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 slowdown of fund raising and M&A activities, and this may adversely impact the Group's ability to raise further capital. The political situation in Malaysia, a key market for the Group, remains fragile and uncertain, with general elections looming in November 2022 casting a pall on the Malaysian economy as well as the Group's projects in the renewable energy sector.

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 with potential for high growth and mass adoption in off-grid electrification applications, as renewable energy initiatives gain traction across the globe to tackle climate change. 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 identify 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 Directors are also actively evaluating various strategies, including fund raising, acquisitions of suitable businesses as well as restructuring the Group's existing business or assets to improve the existing business and earnings base of the Group, 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 9M2021.

- (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 Catalyst Rules.

There was no interested person transaction, as defined in Chapter 9 of the Catalyst Rules, entered into by the Company or any of its subsidiaries during 9M2022.

**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 9M2022.

**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.

**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 nine-month financial period ended 30 September 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  
11 November 2022

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\$1,572,000 in 3Q2022, which was an increase of S\$482,000 (44%) from S\$1,090,000 in 3Q2021. The Group had reported higher revenue in 3Q2022 as compared to 3Q2021 mainly due to higher revenue generated from the oil and gas equipment segment in 3Q2022.

The Group posted revenue of S\$3,958,000 in 9M2022, which was a decrease of S\$981,000 (20%) from S\$4,939,000 in 9M2021. This was mainly due to lower revenue generated from the oil and gas equipment segment in 9M2022.

##### Gross Profit

The Group reported a gross profit of S\$813,000 in 3Q2022, which was an increase of S\$406,000 from S\$407,000 in 3Q2021. The gross profit margin reported was 52% in 3Q2022, which was an increase of 15% from 37% in 3Q2021. This was mainly due to higher gross profit margin projects in the oil and gas equipment segments in 3Q2022 as compared to 3Q2021.

The Group reported a gross profit of S\$1,678,000 in 9M2022, which was an increase of S\$271,000 (19%) from S\$1,407,000 in 9M2021. The gross profit margin reported was 42% in 9M2022, which was an increase of 14% from 28% in 9M2021. This was mainly due to higher gross profit margin projects in the oil and gas equipment segments in 9M2022 as compared to 9M2021.

##### Other income

The Group reported a reversal of other income of S\$2,000 in 3Q2022, which was a decrease of S\$107,000 from S\$105,000 in 3Q2021. This was mainly due to a reversal of exhibition income recognised 1Q2022 and reduction of foreign exchange gain in 3Q2022. By comparison, in 3Q2021, other income comprised mainly amounts received from the Singapore government under the Jobs Support Scheme and foreign currency exchange gain.

The Group received other income of S\$163,000 in 9M2022, which was a 59% decrease of S\$238,000 from S\$401,000 in 9M2021. In 9M2022, other income comprised mainly exhibition income received and a gain on foreign currency exchange. By comparison, in 9M2021, 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\$31,000 from its trade receivable which had been written off during FY2020. Foreign exchange gain was lower in 9M2022 as compared to 9M2021 mainly due to the fluctuation of the United States Dollar, Malaysian Ringgit and the Indonesian Rupiah against the Singapore Dollar in 9M2022.

##### Interest income

The Group received interest income of S\$50,000 in 3Q2022, which was a 9% decrease of S\$55,000 in 3Q2021 which represents a marginal variance.

The Group received interest income of S\$154,000 in 9M2022, which was an 8% decrease of S\$168,000 in 9M2021 and which represents a marginal variance.

##### Selling and distribution expenses

The Group had incurred selling and distribution expenses of S\$45,000 in 3Q2022, which was an increase of S\$36,000 from S\$9,000 in 3Q2021. This was mainly due to higher travelling expenses incurred during 3Q2022 as compared to 3Q2021.

The Group had incurred selling and distribution expenses of S\$162,000 in 9M2022, which was an increase of S\$126,000 from S\$36,000 in 9M2021. This was mainly due to higher exhibition expenses and travelling expenses during 9M2022.

##### Administrative and general expenses

The Group had incurred administrative and general expenses of S\$1,396,000 in 3Q2022, which was a 60% increase of S\$525,000 from S\$871,000 in 3Q2021. This was mainly due to higher employment expenses and expenses on issuance of performance shares during 3Q2022.

The Group had incurred administrative and general expenses of S\$3,420,000 in 9M2022, which was a 23% increase of S\$635,000 from S\$2,785,000 in 9M2021, mainly due to higher employment expenses, higher professional fee and expenses on issuance of performance shares. The depreciation charged on property, plant and equipment ("PPE") and right of use assets ("ROU") remained fairly consistent between 9M2022 and 9M2021.

##### Other expenses

The Group had incurred other expenses of S\$11,000 in 3Q2022, which was an increase of S\$6,000 from S\$5,000 in 3Q2021. Other expenses incurred in 3Q2022 were mainly due to one-off loss of inventory cost. By comparison, in 3Q2021, other expenses comprised fair value loss on a financial asset.

The Group had incurred other expenses of S\$18,000 in 9M2022, which was an 80% increase of S\$8,000 from S\$10,000 in 9M2021. Other expenses incurred in 9M2022 were mainly due to fair value loss on a financial asset and one-off loss of inventory cost. By comparison, in 9M2021, other expenses comprised loss on asset disposal and fair value loss on a financial asset.

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)

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

##### Impairment losses on trade and other receivables

Impairment losses on other receivables of S\$4,000 had been recognised during 9M2022. There were no impairment losses on financial assets during 3Q2021 and 9M2021.

##### Finance costs

The Group had incurred finance costs of S\$44,000 in 3Q2022, which was an increase of S\$33,000 from S\$11,000 in 3Q2021. The finance costs incurred in 3Q2022 arose mainly from interest expenses on borrowings from bank and third parties.

The Group had incurred finance costs of S\$210,000 in 9M2022, which was an increase of S\$178,000 from S\$32,000 in 9M2021. The finance costs incurred in 9M2022 arose mainly from interest expenses on borrowings from banks, third parties and lease liabilities.

##### Tax expense

The Group did not incur any income tax expense in 3Q2022. In 3Q2021, The Group had recognised income tax expenses of S\$34,000. The tax expense incurred by the Group was S\$19,000 in 9M2022, which was a 71% decrease of S\$47,000 from S\$66,000 in 9M2021. The tax expense arose mainly from the oil and gas equipment and engineering services segments during 9M2022.

##### Loss for the financial period

The Group reported a loss for the financial period of S\$635,000 in 3Q2022, which was a 75% increase of S\$272,000 from S\$363,000 in 3Q2021. The Group reported a loss for the financial period of S\$1,838,000 in 9M2022, which was a 93% increase of S\$885,000 from S\$953,000 in 9M2021. The losses incurred were mainly due to lower revenue, lower other income associated with higher selling and distribution expenses, higher administrative and general expenses and higher finance costs as explained above.

A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (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)

## STATEMENTS OF FINANCIAL POSITION

### Non-current assets

The Group's non-current assets decreased by S\$108,000 from S\$913,000 as at FY2021 to S\$805,000 as at 9M2022 mainly due to the depreciation charged on property, plant and equipment and right-of-use assets.

### Current assets

Current assets of the Group amounted to S\$9,531,000 as at 9M2022, an increase of S\$907,000 from S\$8,624,000 as at FY2021. This was primarily due to an increase in cash and bank balances, inventories and trade and other receivables offset against fixed deposit pledged to bank.

### Non-current liabilities

There was a decrease in the Group's non-current liabilities of S\$343,000 from S\$1,152,000 as at FY2021 to S\$809,000 as at 9M2022 mainly due to the reclassification of long-term borrowings to short-term borrowings.

### Current liabilities

The Group reported current liabilities of S\$9,014,000 as at 9M2022, which was an increase of S\$2,643,000 from S\$6,371,000 as at FY2021. This was 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\$495,000 as at 9M2022. This represents a decrease of S\$1,554,000 from S\$2,049,000 as at FY2021 and is mainly attributable to losses incurred during 9M2022.

## STATEMENT OF CASH FLOWS

### 3Q2022

The Group also recorded a net cash generated from operating activities of S\$84,000 in 3Q2022 (3Q2021: net cash used in operating activities of S\$416,000). The cash generated from operating activities for 3Q2022 was mainly due to better cash flow management in 3Q2022.

The Group also recorded a net cash used in investing activities of S\$64,000 in 3Q2022 (3Q2021: S\$22,000). The cash used in investing activities for 3Q2022 was mainly due to purchase of plant and equipment during 3Q2022 and 3Q2021.

The Group had posted a net cash used in financing activities of S\$156,000 in 3Q2022 (3Q2021: S\$94,000). The cash used in financing activities in 3Q2022 was mainly due to interest paid on borrowings of S\$12,000 and the repayment of borrowings and lease liabilities of S\$314,000, offset against the contribution from NCI of a subsidiary of S\$162,000.

### 9M2022

The Group had recorded a net cash generated from operating activities which amounted to S\$190,000 in 9M2022 (9M2021: net cash used in operating activities of S\$264,000). This was mainly due to better cash flow management in 9M2022.

The Group had recorded a net cash used in investing activities which amounted to S\$73,000 in 9M2022 (9M2021: S\$29,000) mainly due to payments made to acquire plant and equipment during 9M2022 and 9M2021.

The Group had recorded a net cash used in financing activities which amounted to S\$68,000 in 9M2022 (9M2021: S\$352,000). The net cash used in financing activities in 9M2022 mainly comprised of interest paid on borrowings of S\$33,000 and repayment of borrowings and lease liabilities of S\$732,000, offset against the release of fixed deposit of S\$162,000, proceeds from borrowings of S\$373,000 and the contribution from NCI of a subsidiary of S\$162,000.

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 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 and 8 August 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, the Board has 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.

In a recent update on 8 August 2022, the Company announced that the Pilot Project has been completed and H2E's technical team is currently 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 the same day, which was attended and officiated by YB Datuk Haji Julaihi bin Haji Narawi, Minister of Utilities and Telecommunications Sarawak.

H2E1 is now 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 essential lighting and refrigeration (for vaccines, medicines, etc.), defibrillators and other basic medical equipment.

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.

### 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\$1,141,707 (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).

As mentioned in section 3A(a) on page 16 and 17 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 discussions with Ms. Chong Shin Mun on other alternative means of monetizing these assets in the event that the proposed sale of assets fails.

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- (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)

##### 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**").

On 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 RM300,000 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 at the conversion rate of one (1) Ordinary Share for every RM1.00 paid on the RCNCPS into 290,000 new Ordinary Shares (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:

- (i) 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
- (ii) 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.



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- (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 " <b>Share Schemes</b> ")	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 " <b>Awardees</b> ").  <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> No Awards were granted to any controlling shareholder of the Company or any associate of a controlling shareholder or Director.	<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 will vest immediately 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 pari passu 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

The Company is 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.

This year, the Company has received the Asia's Most Promising SMEs Award, 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 our commitment to the Group's vision and long-term strategy of reshaping ourselves 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).

#### **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**").

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:

- I. 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
- II. 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 (the "**Definitive Agreements**").

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 (collectively, the "**Earlier Announcements**") in relation to, inter alia, the Framework Agreement entered into between H2 Energy Sdn Bhd (the "**Licensor**") 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 Licensor and Hydro X (the "**Parties**") 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 H2 Energy Sdn Bhd (the "**Licensor**") and H2U Power Tech Pty Ltd (the "**Licensee**"). Following the termination of the Hydro X Framework Agreement on 31 October 2022, the Licensor re-commenced negotiations with the Licensee on the licensing arrangement envisaged under the H2U Term Sheet. Pursuant to negotiations, on 11 November 2022, the Licensor entered into a new framework agreement with the Licensee (the "**H2U Framework Agreement**").

Pursuant to the H2U Framework Agreement, the Licensor has agreed to grant the Licensee a perpetual, sole licence under the Licensed Know-how (the "**Licence**") to assemble, install, distribute, market and sell, the Solar H-2 Power System ("**SH2PS**") or the "**Licensed Product**") 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 the Licensor with 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 Licensor 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.