ALPHA DX

Evolving and Emerging Anew

ANNUAL REPORT 2020

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ALPHA DX GROUP LIMITED
(formerly known as ALPHA ENERGY HOLDINGS LIMITED)
Annual Report 2020

This annual report has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document. The Sponsor has also not drawn on any specific technical expertise in its review of this annual report.

The contact person for the Sponsor is Ms Ng Shi Qing, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.

LETTER TO SHAREHOLDERS

On behalf of the Board of Directors, we are pleased to present to you the annual report for Alpha DX Group Limited (the "**Company**", or together with its subsidiaries, the "**Group**") in respect of the financial year ended 31 December 2020 ("**FY2020**").

OIL AND GAS BUSINESSES

The Group had ceased its oil exploration and production in the Mustang Field since 28 November 2019. With the foreclosure of the Group's leases and assets and taking into consideration of the overall economic outlook as well as the outlook of the oil and gas industry, the Group would view that it is extremely difficult for the Group to continue developing the Mustang Project in the foreseeable future. The public auctions were held on 23 September 2020 and 20 January 2021 for the Mustang Road, Mustang Pad and all the Group's leases were awarded to the highest bidder, with all the assignments (excluding Badami field which was subjected to the approval from the Department of Natural Resources of the State of Alaska) being completed on 1 November 2020. Following the auctions of the Mustang Field, no qualified person has been engaged for the purpose of the Qualified Person Report for the Group's oil reserves.

The Group has been working on the disposal of JK North Slope LLC and its subsidiary corporations, namely, Brooks Range Petroleum Corporation, Caracol Petroleum LLC, and TP North Slope Development LLC ("**Proposed Disposal**"), which was approved by shareholders at the extraordinary general meeting convened on 24 March 2021. The Company is currently working to obtain the consent from a lender as part of satisfaction of the conditions precedent set out in the sale and purchase agreement.

DIVERSIFY INTO THE NEW BUSINESS

In order to preserve and improve shareholders' value, the Group has diversified its business ("**Business Diversification**") to generate additional revenue streams and has identified an opportunity in the business of providing digital transformation services in the learning and education sector. On 21 January 2021, the Group had obtained the disbursement of S$22 million loan under the convertible loan agreement and had on 22 January 2021 completed the acquisition of all the issued and fully-paid shares in the capital of Zionext Pte. Ltd. (formerly known as Kydon Learning Systems Institute Pte. Ltd.) ("**Acquisition**"). By completing the Acquisition and also with the injection of funds by DiDi Investments, Inc. from the convertible loan agreement dated 17 September 2020, the Company had fulfilled one of the resumption of trading conditions as announced on 28 December 2020. The Company is working towards satisfying the rest of the resumption of trading conditions by 2nd quarter of 2021.

Following the Acquisition, the Group is focusing on pursuing its business plan to build and operate the next generation ubiquitous learning platform which integrate the traditional Learning / Education platform (schools) with the virtually simulated digital platform which will transform the traditional learning and education system. The Group continues to explore future acquisitions of relevant technologies and various education institutions, particularly, in the Indo-Pacific region to become a dominant provider of the next generation learning platform in the region. With the completion of the disbursement of convertible loan and Acquisition, the Board believes that the company's new Business would therefore position the Group in a positive pathway for growth and enhance shareholders' value.

ACKNOWLEDGEMENTS

On behalf of the Board, we would like to express our sincere appreciation to all our vendors, business partners, bankers and shareholders for their continued support. We would also like to thank the directors, management and staff for their dedicated work and commitment during the past year.

MR DAIJI YAMADA
Chief Executive Officer and Executive Director

OPERATIONS REVIEW AND FINANCIAL HIGHLIGHTS

OPERATIONS REVIEW

Prior to the completion of the Group's proposed acquisition of education business on 22 January 2021, the Group had a single business segment, namely the Exploration and Production segment ("**MOG business**"). The Group had ceased its MOG business on 28 November 2019 and brought the Mustang oil field to a minimal maintenance state as a result of a series of events that occurred pursuant to the notices of default and sale received by the Group from its lender notifying the Group that the lender had elected to sell the Group's assets comprising the Gravel Pad, the Mustang Road, as well as all leases held by the Group through its subsidiaries in relation to the Mustang Project to satisfy the Group's indebtedness under the loan agreement with the lender (the "**Notices**"). The public auction held on 23 September 2020 on the Group's Gravel Pad, the Mustang Road and all the leases were awarded to the highest bidder, Mustang Holding LLC, with effect from 1 November 2020, while the leases relating to Badami oil field ("**Badami**") was awarded to Savant Alaska, LLC following the auction held on 20 January 2021 (collectively referred to as the "**Public Auctions**").

The Group has been working towards the disposal of JK North Slope LLC and its subsidiary corporations, namely Brooks Range Petroleum Corporation, TP North Slope Development LLC and Caracol Petroleum LLC. Shareholders' approval for the proposed disposal has been received in March 2021. The Group also intends to dispose JK North Slope Group Inc Srl and has dissolved Mustang Road LLC. Accordingly, the Group has presented the statement of profit or loss of JK North Slope Group Inc Srl, Mustang Road LLC, JK North Slope LLC, Brooks Range Petroleum Corporation, TP North Slope Development LLC and Caracol Petroleum LLC (collectively known as the "**disposal group**") as discontinued operations and their assets and liabilities as held for sale as at 31 December 2020.

As a result of the series of events highlighted above, there were no revenue and cost of sales recorded during the financial year ended 31 December 2020 ("**FY2020**").

FINANCIAL HIGHLIGHTS

Financial Performance

Other income

During FY2020, other income was mainly due to receipt of government grants from relief measures as a result of the COVID-19 pandemic in FY2020.

The decrease in other income was due to the absence of gain from reversal of fair value of expired share options as purchase consideration of US$2.56 million for the acquisition of TP North Slope Development LLC in the financial year ended 31 December 2019 ("**FY2019**").

General and administrative expenses

During FY2020, the general and administrative expenses increased largely due to (i) an increase in professional fees of US$0.24 million amounting to US$1.64 million as compared to FY2019, mainly incurred for the Group's corporate actions including, the proposed acquisition of Zionext Pte. Ltd. (formerly known as Kydon Learning Systems Institute Pte. Ltd.) and the proposed capital investment by DiDi Investments, Inc., while the Group's corporate actions during FY2019 mainly relate to the Mustang Project transactions and rights issue; and (ii) an increase of staff costs and director fees of US$0.20 million amounting to US$0.35 million as compared to FY2019 largely due to the appointment of an executive director. This is offset by the absence of (i) undertaking fees for rights issue of US$0.24 million and printing cost amounting to US$0.05 million for the abovementioned FY2019 corporate actions.

Other expenses

The changes in other expenses were mainly due to changes in foreign exchange effects.

Finance income and finance costs

The Company assigned the rights, title, interest and benefits of the amount due from a former director to settle one of the outstanding short-term loan due to an external party on 30 March 2020. Accordingly, this had resulted in a decreased in finance income from amount owing by a former director and finance costs from short-term loan during FY2020. The decrease in finance costs in FY2020 was largely due to (i) lower finance costs as the short-term loan was settled in early FY2020 compared to full year interest expenses in FY2019; and (ii) no further interest expenses incurred in year 2020 for a short-term loan due to another external party that was fully repaid in FY2019.

As a result of the above, the Group generated a net loss from continuing operations of US$2.28 million for FY2020 as compared to a net loss of US$0.32 million in FY2019.

OPERATIONS REVIEW AND FINANCIAL HIGHLIGHTS

Discontinued operations

During FY2020, the loss from discontinued operations decreased largely due to

(i) the absence of impairment expenses amounted to US$179.60 million recognised in FY2019 due to the receipt of the Notices which include impairment loss of:
- exploration and evaluation assets ("**E&E assets**"),
- construction in progress of Mustang Operations Center 1, LLC ("**MOC1**") classified as asset held for sale, and
- goodwill arising from acquisition of MOC1,

as compared to FY2020, reversal of impairment on E&E assets amounted to US$5.23 million was made following the completion of the Public Auctions;

(ii) decrease in finance costs by US$6.23 million amounted to US$11.60 million as compared to FY2019 of US$17.83 million, largely due to absence of unwinding discount of borrowings, as well as decrease in deferred consideration interests offset by increase in interest expense incurred on AIDEA loan and ING loan which were capitalised in E&E assets in FY2019 whilst full year interest expensed off in Profit & Loss in FY2020;

(iii) reversal of provision for restoration costs of US$2.48 million following the Public Auctions in FY2020; and

(iv) gain on disposal of the subsidiary, MOC1 of US$0.82 million in FY2020.

This is offset by the following:

(i) expenses incurred of US$4.06 million for the gradual shutdown of the facilities and keeping the facility in a safe and secure condition in FY2020;

(ii) absence of gain on remeasurement of previously held interest in associate arising from step acquisition of Brooks Range Petroleum Corporation of US$2.12 million in FY2020; and

(iii) absence of gain on bargain purchase arising from prior year acquisition of TP North Slope Development LLC and Mustang Road LLC of US$5.99 million in FY2020.

Other comprehensive loss

This related to the fair value adjustments of US$0.17 million for the Group's investment in Badami classified as equity investments designated at FVOCI. In FY2019, the higher write down of the fair value loss of US$6.67 million was due to gain on remeasurement of previously held interest in Mustang Road LLC of US$0.05 million recognised when as Mustang Road LLC became a subsidiary corporation of the Group, offset by the fair value loss of US$6.72 million arising from the investment in Badami, in view that no amount was expected to be received as a result of the Notices.

Financial Position

Non-current assets

With the conclusion of the public auction held on 23 September 2020, the related assets and liabilities relating to Mustang Project of US$79.23 million, including the accrued interest due to Alaska Industrial Development and Export Authority ("**AIDEA**"), was derecognised as at 23 September 2020 upon the transfer of E&E assets to AIDEA.

As at 31 December 2019, recoverable amount of the E&E assets was determined based on the principal sum of all indebtedness owed to AIDEA amounting to US$74.01 million pursuant to the Notices.

The decrease in plant and equipment was due to depreciation in FY2020.

As at 31 December 2019, the total non-current other receivables amount was in relation to tax credits filed with the State of Alaska for qualified capital expenditures on the Mustang Project. The tax credits are pledged as a collateral for a bank loan and a loan from the State of Alaska. As at 31 December 2020, the decrease of non-current other receivables was due to reclassification of non-current other receivables to assets of disposal group classified as held for sale as well as derecognition of tax credit receivables due to disposal of MOC1.

Current assets

There were no other investments at FVPL due to fair value loss of equity instrument recognised in FY2020.

The decrease in the trade and other receivables was mainly due to (i) the repayment and assignment of the rights, title, interest and benefits from a former director of US$1.36 million to settle one of the outstanding short-term loan due to an external party, and (ii) reclassification of current trade and other receivables as assets of disposal group classified as held for sale.

The decrease in cash and cash equivalents for FY2020 was largely due to reclassification of cash and cash equivalents as assets of disposal group classified as held for sale due to the discontinuation of the oil and gas business. As at 31 December 2019, out of the cash and cash equivalents of US$2.33 million, there was a restricted cash of US$2.13 million as required by the State of Alaska in relation to the future restoration of the Mustang Field.

OPERATIONS REVIEW AND FINANCIAL HIGHLIGHTS

Assets of disposal group classified as held for sale

As mentioned above, the increase in assets of disposal group classified as held for sale as at 31 December 2020 is due to classification of the corresponding assets of disposal group in accordance with SFRS(I) 5 *Non-current assets held for sale and discontinued operations* while the amount as at 31 December 2019 is only relating to construction in progress for MOC1. As at 31 December 2020, the assets of disposal group classified as held for sale consist of tax credit receivables of US$15.23 million and cash and cash equivalents of US$2.15 million.

Non-current liabilities

As at 31 December 2020, non-current liabilities were reclassified to liabilities directly associated with disposal group classified as held for sale.

As at 31 December 2019, provision for restoration cost related to costs expected to be incurred in order to restore sites to their original condition for Mustang Field. This provision was reversed out in FY2020 following the completion of Public Auctions.

The decrease in non-current loan and borrowings was mainly due to reclassification to liabilities directly associated with disposal group classified as held for sale and offset with accrued interest for FY2020.

Non-current other payables was reclassified to liabilities directly associated with disposal group classified as held for sale hence no amount was recorded in FY2020. As at 31 December 2019, the non-current other payables relates to contingent payment pursuant to certain terms set out in the sales and purchase agreement for the acquisition of its working interest in the Badami, after adjustment for changes in fair value.

Current liabilities

The current borrowings as at 31 December 2019 was reclassified to liabilities directly associated with disposal group classified as held for sale while the current borrowings as at 31 December 2020 comprise of loan of S$1 million from DiDi Investments, Inc. to fund the corporate expenses.

The decrease in current trade and other payables was due to reclassification to liabilities directly associated with disposal group classified as held for sale. As at 31 December 2020, the current trade and other payables mainly consist of professional fees for the Company's corporate transactions payable by Alpha DX Group Limited. As at 31 December 2019, the current trade and other payables mainly consist payables of US$39.65 million in relation to the Mustang Field, US$4.61 million of contingent consideration payable to the seller of Badami and US$35.38 million of deferred consideration payable to the previous vendors of the Mustang Field of the current working interest owners.

Liabilities directly associated with disposal group classified as held for sale

Liabilities directly associated with disposal group classified as held for sale relating to disposal group mainly consist of trade and other payables of US$48.52 million which is in relation to the Mustang field and deferred payment of US$37.51 million, bank loan and borrowings of US$23.72 million. The increase in trade and other payables of US$3.67 million from FY2019 was mainly due to additional maintenance expenses in FY2020 and increase of deferred payment of US$2.13 million due to additional accrued interest in FY2020.

Cashflow

Net cash used in operating activities of approximately US$3.05 million in FY2020 was mainly due to changes in working capital offset by increase in outstanding payables to the Group's vendors for purchases and services in relation to gradual shutdown of the facilities and keeping the facility in a safe and secure condition.

Net cash generated from investing activities of approximately US$0.34 million in FY2020 was mainly arising from proceeds from disposal of IT business of US$0.52 million and mainly offset by net change in fair value of US$0.17 million in relation to equity investments designated at FVOCI.

Net cash provided by financing activities of approximately US$2.69 million in FY2020 was mainly due to proceeds from external loans received by the Group amounting to US$3.29 million offset by repayment of loan of US$0.07 million and payment of interest of US$0.53 million.

The financial statements for the year ended 31 December 2020 are prepared on a going concern basis notwithstanding the Group incurred a net loss of US$10.63 million for the current financial year and has a negative equity position of US$96.40 million as at 31 December 2020. Please refer to pages 44 to 45 of the audited report for the basis for the preparation of the audited financial statement on going concern. In view there are material uncertainties that may cast doubts about the ability of the Group and the Company to continue operating as going concern, the Board recommends that the trading of its shares on the SGX-ST be suspended pursuant to Listing Rule 1303(3) until it has fulfilled the conditions imposed by the SGX-ST on 24 December 2020 for the trading resumption of the Company's securities.

BOARD OF DIRECTORS

MR DAIJI YAMADA
Executive Director and Chief Executive Officer

Mr Daiji Yamada was appointed to our Board on 14 May 2020. As Executive Director and Chief Executive Officer, he is responsible for the day to day operations and spearheads the Group's corporate exercises, including the fund raising and business expansion of the Group. He has more than 25 years of experience in the corporate restructuring and education business. He is presently the President of NPO Asnaro Japan and was previously the President and Chief Executive Officer of United Vision, Inc and Chief Executive officer of MasterLingual Academy of Communication, Japan. Mr Yamada graduated with a Master of Business Administration from the Almeda University.

MR YOSHIYASU NARUSE
Non-Independent Non-Executive Director

Mr Yoshiyasu Naruse was appointed to our Board on 21 January 2021 and is presently the Executive Director and Chief Executive Officer of DiDi Investments, Inc.. Mr Naruse also served as the Senior Vice President of C2C Global Education Japan (formerly known as Yamanashi Gakuin School Corporation), a non-profit organisation involved in education business in Japan. He has extensive experience in education business and more than 25 years of experience in the financial and capital market sector. He previously worked in several banks, namely Deutsche Bank, HSBC and Fuji Bank. Mr Naruse graduated with a Bachelor of Commerce Degree from Keio University.

MR TAN SER KO
Non-Executive Director

Mr Tan Ser Ko was appointed to the Board as Non-Executive Director on 6 June 2014. He is presently the Chief Executive Officer and Executive Director of Charisma Energy Services Limited ("Charisma"), a company listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("SGX-ST"). He is responsible for overseeing the strategic planning, corporate management, daily operations, business development and performance of Charisma. Mr Tan has 22 years of experience in banking, finance and investment. After serving his scholarship bond with the Singapore Armed Forces, he started his banking career in consumer and enterprise banking. His past directorships in companies listed on the SGX-ST include Contel Corporation Limited, M Development Limited and Surface Mount Technology (Holdings) Limited. Mr Tan holds a Bachelor of Engineering Degree from the National University of Singapore.

MR FABIAN SVEN BAHADUR SCHELER
Non-Independent Non-Executive Director

Mr Fabian was appointed to our Board on 7 May 2019 and is presently the portfolio manager of Amadeus Capital SA, a limited company based in Geneva which is owned by the private holding company of Mr Tim Brockmann's family. Mr Fabian started his career in 2011 at BHF-BANK in Frankfurt, nowadays known as Oddo BHF, through their training program and worked in their Equity Sales and Trading department, focusing on Special Situations and German Small-and Mid Caps. In 2015, he joined ETHENEA Independent Investors, a Luxembourg based multi-asset house, in Zurich as an equity specialist. Aside from covering US and European single stocks, he also worked on the development of quantitative models for asset allocation and market timing. Mr Fabian holds a master degree in Finance from Frankfurt School of Finance and Management.

BOARD OF DIRECTORS

MR MAX NG CHEE WENG

Independent Non-Executive Director

Mr Max Ng was appointed to our Board on 25 July 2019 and is presently the Managing Director of Gateway Law Corporation. He practices in the field of Intellectual Property & Technology Law, amongst others. He is a Fellow with the Singapore Institute of Arbitrators and the Asian Institute of Alternative Dispute Resolution, and sits on the panel of arbitrators and mediators of the Asian International Arbitration Centre. He is also an Associate Mediator with the Singapore Mediation Centre, and sits on the Panel of Mediators for the Law Society Mediation Scheme. He is also a Commissioner for Oaths and a Notary Public. He is listed as a leading lawyer in publications such as Asia Pacific Legal 500, Chambers Asia-Pacific, Asia Law Leading Lawyers and Who's Who Legal.

MR CHANG CHI HSUNG

Independent Non-Executive Director

Mr Chang Chi Hsung was appointed to the Board on 22 March 2021. He is the Chairman of Audit Committee and a Member of the Nominating and Remuneration Committees. He is the Managing Director of OA group of companies, a professional service firm providing audit, accounting, corporate secretarial, valuation, tax and business advisory services. He has over 20 years of professional experience in international accounting firms. Prior to founding OA group of companies, he worked in KPMG Malaysia, KPMG Singapore and Mazars Singapore where he gathered his experience in audit and accounting advisory.

Presently, Mr Chang is an Independent Director of Reclaims Global Limited and Rich Capital Holdings Limited, both companies listed on the Catalist of the Singapore Exchange Securities Trading Limited, where he sits on the Audit and Remuneration committees. He also sits on the Nominating committee for Rich Capital Holdings Limited. He is a Non-Executive Director, IPO and Audit Committee member of Haina Intelligent Equipment International Holdings Limited, a company listed on the Main Board of the Stock Exchange of Hong Kong Limited.

He graduated with a Bachelor of Commerce degree in Accounting and Finance from the University of New South Wales, Australia, in 2001. He is a Chartered Accountant of Singapore and Malaysia, a fellow member of CPA Australia, a member of Hong Kong Institute of CPA and is also qualified as an ASEAN Chartered Professional Accountant. Mr Chang has been a member of the Singapore Institute of Directors since 2017.

MS MICHIKO KOYANO

Independent Non-Executive Director

Ms Michiko Koyano was appointed to our Board on 22 March 2021. She has more than 25 years of experience in private treasury and capital market sales. She was with Deutshe Bank from 2005 to 2014, with her last position as a Director in capital market sales. Ms Koyano holds a General Business Degree from the Hitotsubashi School of Business.

CORPORATE INFORMATION

BOARD OF DIRECTORS
Mr Daiji Yamada
Mr Yoshiyasu Naruse
Mr Tan Ser Ko
Mr Fabian Sven Bahadur Scheler
Mr Max Ng Chee Weng
Mr Chang Chi Hsung
Ms Michiko Koyano

REGISTERED OFFICE
229 Mountbatten Road,
#01-11 Mountbatten Square,
Singapore 398007

Tel : (65) 6512 4255
Fax : (65) 6349 2726
Website : https://alpha-dx.com.sg
Email : enquiries@alpha-dx.com.sg

AUDIT COMMITTEE
Mr Chang Chi Hsung (Chairman)
Mr Max Ng Chee Weng
Mr Fabian Sven Bahadur Scheler

SHARE REGISTRAR
Tricor Barbinder Share Registration Services
(A division of Tricor Singapore Pte Ltd)
80 Robinson Road #02-00
Singapore 068898

REMUNERATION COMMITTEE
Mr Max Ng Chee Weng (Chairman)
Mr Tan Ser Ko
Mr Chang Chi Hsung

INDEPENDENT AUDITOR
Nexia TS Public Accounting Corporation
80 Robinson Road #25-00
Singapore 068898
Partner-in-charge: Ms Meriana Ang Mei Ling
(Appointed since financial year ended
31 December 2019)

NOMINATING COMMITTEE
Ms Michiko Koyano (Chairman)
Mr Tan Ser Ko
Mr Max Ng Chee Weng

SPONSOR
PrimePartners Corporate Finance Pte. Ltd.
16 Collyer Quay
#10-00 Income at Raffles
Singapore 049318
Registered Professional: Ms Ng Shi Qing

COMPANY SECRETARY
Mr Tan Wee Sin

CORPORATE GOVERNANCE REPORT

Alpha DX Group Limited (the "**Company**") and its subsidiaries (the "**Group**") recognise the importance of and are committed to maintaining a high standard of corporate governance within the Group. Good corporate governance provides the framework for an ethical and accountable corporate environment, which will protect the interests of the Company's shareholders and promote investors' confidence.

This report outlines the Company's corporate governance practices and structures in the financial year ended 31 December 2020 ("**FY2020**"), with reference made to the principles and provisions set out in the Code of Corporate Governance 2018 (the "**Code**"), guidelines from Code of Corporate Governance 2012 ("**Code 2012**") which are still in effect as well as the disclosure guide developed by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") in January 2015 (the "**Guide**"). The Company has complied with the principles and guidelines as set out in the Code, where appropriate. Appropriate explanations have been provided in the relevant sections below where there are deviations from the Code.

(A) BOARD MATTERS

The Board's Conduct of its Affairs

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

As at the date of this report, the Board has seven (7) members comprises the following:

Name of Director	**Designation**
Mr. Daiji Yamada[1]	Chief Executive Officer and Executive Director
Mr. Yoshiyasu Naruse[2]	Non-Independent Non-Executive Director
Ms. Michiko Koyano [3]	Independent Non-Executive Director
Mr. Chang Chi Hsung[4]	Independent Non-Executive Director
Mr. Max Ng Chee Weng	Independent Non-Executive Director
Mr. Tan Ser Ko	Non-Independent Non-Executive Director
Mr. Fabian Sven Bahadur Scheler	Non-Independent Non-Executive Director

Notes:

(1) Mr. Daiji Yamada was appointed as Executive Director with effect from 14 May 2020 and thereafter re-designated as Chief Executive Officer and Executive Director with effect from 8 December 2020.

(2) Mr. Yoshiyasu Naruse was appointed as Non-Independent Non-Executive Director with effect from 21 January 2021.

(3) Ms. Michiko Koyano was appointed as Independent Non-Executive Director with effect from 22 March 2021.

(4) Mr. Chang Chi Hsung was appointed as Independent Non-Executive Director with effect from 22 March 2021.

Role of Board

Directors have objectively discharged their duties and responsibilities as fiduciaries in the best interests of the Company and have held Management accountable for performance during FY2020.

The Board is entrusted with the responsibility for the overall management of the business and corporate affairs of the Group, and its principal functions include:

(i) providing entrepreneurial leadership, setting strategic objectives, and ensuring that the necessary financial and human resources are in place for the Group to meet its long term objectives;

(ii) establishing and maintaining a sound risk management framework of prudent and effective internal control systems which enables risks to be assessed and managed, including safeguarding of shareholders' interests and the Group's assets;

(iii) reviewing the performance and approving the remuneration of key management personnel;

(iv) identifying the key stakeholder groups and recognising that their perceptions affect the Group's reputation;

(v) to review and appoint CEO and Directors as well as Board Committees;

(vi) setting the Group's value and standards (including ethical standards), and ensuring that obligations to shareholders and other stakeholders are understood and met;

(vii) considering sustainability issues (e.g. environmental and social factors), as part of its strategic formulation; and

(viii) generally managing the affairs of the Group.

CORPORATE GOVERNANCE REPORT

The Board has put in place a code of conduct and ethics, which set out a code of conduct and ethical standards for Directors and staff to adhere to, and sets appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the Company. Directors who face a conflict of interest recuse themselves from discussions and decisions involving the issues of conflict.

Delegation to Board Committees

Certain matters are delegated to committees of the Board, whose duties and responsibilities are monitored and endorsed by the Board. These committees include the Audit Committee ("**AC**"), the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**") (collectively, the "**Board Committees**"), all of which operate within clearly defined and written terms of reference and functional procedures, which are reviewed on a regular basis by the Board. Each of these Board Committees reports its activities regularly to the Board. Further details of AC, NC and RC are set out in Principles 10, 4 and 6, respectively.

Frequency of Meetings

The Board held three (3) scheduled meetings in FY2020. Ad-hoc meetings are convened as warranted by circumstances. Dates of Board meetings, Board Committees meetings and shareholders meetings are scheduled in advance in consultation with the Directors to assist them in planning their attendance. A Director who is unable to attend a Board or any of the Board Committees meeting physically may participate via telephone conference or other electronic and telegraphic means which is permissible under the Constitution of the Company ("**Constitution**"). In addition, matters requiring decisions of the Board are to be approved by way of written resolutions of the Board. Directors with multiple board representations have ensured that sufficient time and attention were given to the affairs of the Company in FY2020.

Due to the COVID-19 situation, the Board and Board Committees as well as shareholders meetings were conducted using video conference.

The number of meetings of the Board and Board Committees and shareholders held in FY2020, as well as the attendance of each Board member thereat, is set out below:

				Board Committees		
Type of Meetings	**AGM#**	**EGM***	**Board**	**AC**	**NC**	**RC**
Number of meetings held	1	2	3	3	1	1
Name of Director			**Number of meetings attended**			
Mr. Daiji Yamada[(1) (6)]	1	2	2	2	N.A.	N.A.
Mr. Yoshiyasu Naruse[(2)]	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Ms. Michiko Koyano[(3)]	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Chang Chi Hsung[(4)]	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Ravinder Singh Grewal s/o Sarbjit Singh[(5)]	1	2	3	3	1	1
Mr. Tan Ser Ko[(6)]	1	2	3	3	1	1
Mr. Fabian Sven Bahadur Scheler[(7)]	1	2	3	3	1	1
Mr. Max Ng Chee Weng	1	2	3	3	1	1
Mr. Majid Alexander Jourabchi[(8)]	N.A.	N.A.	N.A	N.A	N.A.	N.A.

Notes:
Annual General Meeting   * Extraordinary General Meeting

(1) Mr. Daiji Yamada was appointed as Executive Director on 14 May 2020 and thereafter re-designated as Chief Executive Officer and Executive Director w.e.f. 8 December 2020.
(2) Mr. Yoshiyasu Naruse was appointed as Non-Independent Non-Executive Director w.e.f. 21 January 2021.
(3) Ms. Michiko Koyano was appointed as Independent Non-Executive Director w.e.f. 22 March 2021.
(4) Mr. Chang Chi Hsung was appointed as Independent Non-Executive Director w.e.f. 22 March 2021.
(5) Mr. Ravinder Singh Grewal s/o Sarbjit Singh retired as an Independent Non-Executive Director on 23 October 2020. Following his retirement, Mr. Ravinder Singh Grewal s/o Sarbjit Singh ceased as the Chairman of the AC and NC and a member of the RC.
(6) Mr. Tan Ser Ko and Mr. Daiji Yamada attended the AC meetings held during FY2020 by invitation.
(7) Mr. Fabian Sven Bahadur Scheler attended the NC and RC meetings held during FY2020 by invitation.
(8) Mr. Majid Alexander Jourabchi resigned as a Non-Independent Non-Executive Director w.e.f. 26 April 2020.

N.A. – Not applicable

CORPORATE GOVERNANCE REPORT

The Company believes that the flow of relevant, complete and accurate information on a timely basis is critical for the Board to discharge of its duties effectively. The Management provides the Directors with half-year management accounts, as well as relevant background and explanatory information relating to the matters that would be discussed in the Board meetings, prior to the scheduled meetings. All Directors are also furnished with timely updates on the financial position and any material development of the Group as and when necessary.

Matters Requiring Board Approval

The Board had previously approved and adopted internal control procedures and guidelines for the Company. Under such procedures and guidelines, matters which specifically require the Board's decision or approval are those involving:

- corporate strategies and business plans;
- investment and divestment proposals;
- funding decisions of the Group;
- nomination of Directors and appointment of key executives;
- half-year and full-year results announcements, the annual report and financial statements;
- material acquisitions and disposals of assets;
- matters in relation to the overall strategic and management of the Group; and
- matters which require approval as specified under the SGX-ST Listing Manual Section B: Rules of the Catalist ("**Catalist Rules**"), Companies Act, Chapter 50 of Singapore (the "**Companies Act**") and other relevant laws and regulations.

Training for Directors

The Board ensures that newly appointed Directors will undergo an orientation program introducing them to the Group's business strategies, operations and governance practices to facilitate the effective discharge of their duties. The Company also provides training for first-time Directors in areas such as accounting, legal and industry-specific knowledge as appropriate.

Upon appointment to the Board, a new Director will receive a formal letter of appointment setting out, among other things, a Director's duties and obligations. All the newly appointed directors have been briefed on the Group's business and its operations.

In addition, as required under the Catalist Rules, a new Director who has no prior experience as a director of a company listed on the SGX-ST must undergo training as prescribed by the SGX-ST. Such training will be completed within one (1) year from the date of the appointment.

There was one (1) first time Director appointed in FY2020, namely Mr. Daiji Yamada. Subsequent to the financial year, three (3) Directors, Mr. Yoshiyasu Naruse, Ms. Michiko Koyano and Mr. Chang Chi Hsung were appointed. Mr. Yoshiyasu Naruse and Ms. Michiko Koyano are first time Directors.

Mr. Daiji Yamada was appointed as an Executive Director with effect from 14 May 2020. He has been briefed on the roles and responsibilities of the director of a listed company as well as the Group's business and operations. Due to limited sessions conducted by SID on the roles and responsibilities of a director of a listed company under Rule 406(3)(a) of the Catalist Rules as well as his time commitment spent on the Group's corporate restructuring undertaken during FY2020, Mr. Daiji Yamada attended one course held in October 2020 and he will commit his time to attend all remaining courses held in May 2021.

Mr. Yoshiyasu Naruse was appointed as a Non-Independent Non-Executive Director with effect from 21 January 2021. He has been briefed on the roles and responsibilities of the director of a listed company as well as the Group's business and operations. The Company will make arrangement for Mr. Yoshiyasu Naruse to attend the seminars and/or courses conducted by SID on the roles and responsibilities of a director of a listed company as required under Rule 406(3)(a) of the Catalist Rules within the first year of his appointment.

Ms. Michiko Koyano and Mr. Chang Chi Hsung were appointed as Independent Non-Executive Directors with effect from 22 March 2021. The newly appointed Independent Non-Executive Directors have been briefed on the roles and responsibilities of the director of a listed company as well as the Group's business and operations. The Company will make arrangement for Ms. Michiko Koyano to attend the seminars and/or courses conducted by SID on the roles and responsibilities of a director of a listed company as required under Rule 406(3)(a) of the Catalist Rules within the first year of her appointment. Mr. Chang Chi Hsung, whom is not a first time director of

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companies listed on SGX-ST, is not required to attend the Listed Entity Directors Programme conducted by the SID under Rule 406(3)(a) of the Catalist Rules.

Directors are informed of and encouraged to attend relevant training programmes organised by the SID and seminars to develop the necessary skills in facilitating the discharge of their duties and responsibilities as Directors, the funding of which will be provided by the Company.

Directors are provided with regular updates on changes to the Catalist Rules, relevant laws, regulations and accounting standards. Directors are also provided with regular insights into the Group's operational facilities and periodically meet with the Management to gain a better understanding of the Group's business operations. The Board, as a whole, is updated regularly on the Company's risk management initiatives and key changes in the relevant regulatory environment, which have an important bearing on the Company and the Directors' obligations to the Company.

During FY2020, changes or amendments to accounting standards which have a direct impact on financial statements were reported to and discussed with the AC at its meetings by the Company's auditors.

The Board has separate and independent access to the Company Secretary and the Management at all times. The role of the Company Secretary includes responsibility for ensuring the Board's procedures are followed and that the applicable rules and regulations are complied with. The Company Secretary attends and prepares minutes of meetings of the Board, Board Committees and shareholders and assists the Board in ensuring that the Company complies with the relevant statutory requirements. The appointment and removal of the Company Secretary are subject to the approval of the Board as a whole.

Each member of the Board has direct access to the Group's independent professional advisors as and when necessary to enable each member to discharge his responsibility effectively. Any cost of obtaining professional advice will be borne by the Company.

Board Composition and Guidance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

As at the date of this Report, the Board comprises of seven (7) members, six (6) of whom are Non-Executive Directors, out of which three (3) are independent. The Non-Executive Directors make up a majority of the Board.

The Company endeavours to maintain a strong and independent element on the Board. The NC and the Board are cognisant of the Code's recommendation for independent directors to make up a majority of the Board where the Chairman is not independent. As the Company is still undergoing corporate restructuring, it has yet to appoint Chairman of the Company. The Board ensures that the decisions at Board level are thoroughly deliberated and made in the best interest of the Company with Independent Directors frequently voicing out their views and challenging the Management's assumptions.

Board Size

The Board considers its present board size of seven (7) members is adequate and appropriate to facilitate effective decision-making, taking into account the scope and nature of the operations of the Group for FY2020.

The Directors come from different background and possess different core competencies, qualifications and skills. The Board comprises members with management experience, industry knowledge, strategic planning experience and includes professionals with financial, accounting and legal backgrounds. They bring with them a wealth of experience that enhances the overall quality of the Board.

The composition of the Board is reviewed on an annual basis by the NC to ensure that the Board has the appropriate mix of expertise and experience. The NC is of the view that no individual or small group of individuals dominates the Board's decision-making process.

Competencies of Directors and Board Diversity

The NC is of the view that the current Board and Board Committees comprises Directors who as a group provide an appropriate balance and diversity of skills, experience, knowledge and expertise for the Board and Board Committees to be effective. Details of the Directors' qualifications and experience are presented in pages 5 to 6 of this Annual Report under the heading "Board of Directors" and in this Report.

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The Company does not have a written policy on Board Diversity. The Company recognises and embraces the benefits of diversity of experience, age, skill sets, gender and ethnics on Board. As the Company is in the midst of restructuring its operations and undertaking business diversification, the Board would consider adopting a formal diversity policy once it has completed its corporate restructuring exercise.

Notwithstanding the above, the Board has taken the following steps to maintain and to enhance its balance and diversity:

(i) Annual review by the NC to assess if the existing attributes and core competencies of the Board are complementary and enhance the efficacy of the Board; and

(ii) Annual evaluation by the Directors of the skill sets the other Directors possess, with a view to understand the range of expertise which is lacking by the Board.

The NC will consider the results of these exercises in its recommendation for the appointment of new directors and/or the re-appointment of incumbent directors.

The Non-Executive Directors constructively challenge and assist in the formulation of strategy, and assist the Board in reviewing Management's performance in meeting goals and long term objectives. The Non-Executive Directors also monitor the Management's performance.

The Non-Executive Directors are scheduled to meet at least once annually, and as warranted, without the presence of Management to discuss concerns or matters such as the effectiveness of the Management. During FY2020, the Non-Executive Directors met and communicated among themselves once in the absence of the Management.

Chairman and Chief Executive Officer

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The Company had refreshed its Board during FY2021 and has yet to appoint the Chairman of the Board. Mr. Daiji Yamada, the Executive Director and CEO of the Company is in charge of the management and day-to-day operation of the Group. He is also responsible for developing the overall strategic directors of the Group, as well as the business strategies and policies of the Group.

The Board is of the view that, at this point in time, it is in the best interest of the Group to be led by the Executive Director and CEO, so as to ensure that the decision-making process of the Group would not be unnecessarily hindered. In the absence of the Chairman of the Board, Mr Daiji Yamada, the Executive Director and CEO of the Company has been tasked to temporarily chairing the general meetings and board meetings, until the Company's Chairman is identified.

All major proposals and decision made by the Executive Director and CEO are discussed and reviewed by the AC. The performance of the Executive Director and CEO would be reviewed by the NC and his remuneration package would be reviewed by the RC. As the AC, NC and RC consist of all non-executive directors with majority comprising independent directors, the Board believes that there is a sufficient strong and independent element and adequate safeguards in place against an uneven concentration of power and authority in a single individual.

Nevertheless, the Board will take into consideration the separation of the role of the Chairman and the CEO or to appoint a lead independent director, where necessary.

To ensure effectiveness of the Board, Mr. Daiji Yamada is assisted by the Board, the Company Secretary and the Management to ensure the effectiveness in all aspects include, *inter alia*:

(i) the timely scheduling and proper conducting of meetings to enable the Board to perform its duties responsibly;

(ii) promoting a culture of openness and debate at the Board;

(iii) fostering effective communication and constructive relation amongst the Directors, within Board Committees, between shareholders, between the Directors and Management;

(iv) ensuring the quality, quantity and timeliness of information between Management and the Board; and

(v) ensuring compliance with the Code.

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The Board is of the view that the Independent Directors are available to shareholders during the general meetings (when circumstances permit) or via email to whistleblow@alpha-dx.com.sg where they have concerns and for which contact through the normal channels of communication with the Management are inappropriate or inadequate.

Board Membership

Principle 4: ***The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.***

The NC comprises of three (3) members, two (2) of whom are, including the NC Chairman, are independent.

The names of the members of the NC are as follows:

Ms. Michiko Koyano	Chairman
Mr. Tan Ser Ko	Member
Mr. Max Ng Chee Weng	Member

Responsibilities of the NC

When the need for a new Director arises, or where it is considered that the Board would benefit from the services of a new Director with a particular skillset or expertise, or to replace a retiring Director, the NC will be responsible for nominating the new Director.

The NC has written terms of reference clearly defining its membership, administration and duties. The NC meets at least once a year. The NC is responsible for, and its key terms of reference include, the following:

(i) to make recommendations to the Board on all Board appointments, including re-appointments, having regard to a Director's contribution and performance (i.e., attendance, preparedness, participation and candour) including, if applicable, as an Independent Director. All Directors are required to submit themselves for re-nomination and re-election at regular intervals and at least once every three (3) years;

(ii) to determine annually, and as and when circumstances require, whether or not a Director is independent (bearing in mind the guidelines of the Code and the Catalist Rules, and any other salient factors);

(iii) in respect of a Director who has multiple board representations on various companies, to decide whether or not such Director is able to and has been adequately carrying out his duties as Director, having regard to the competing time commitments that are faced when serving on multiple boards (it should be noted that to address the competing time commitments that are faced when Directors serve on multiple boards, the NC has reviewed and the Board has determined that the maximum number of listed company board representations which any Director may hold is six (6));

(iv) to review and approve any new employment of related persons and the proposed terms of their employment;

(v) to recommend process and procedures for assessing the effectiveness of the Board as a whole, its Board Committees and each of the individual Director, and propose objective performance criteria, subject to Board's approval, which address how the Board enhances long-term shareholders' value; and

(vi) to review succession plans for Directors and CEO, in particular the appointment and/or replacement of Chairman, the CEO and key management personnel as well as review the training and professional development programs for the Board.

Each member of the NC will abstain, and had in FY2020 abstained, from reviewing and voting on any resolution relating to the assessment of his performance or his re-election as Director, or in any matter where he has an interest.

As of the date of this report, the Company does not have any alternate Director.

Selection and Appointment of New Directors

The NC will ensure that there is a formal and transparent process for all appointments to the Board. For new appointments, the NC will determine if a candidate's background, experience and knowledge will bolster the core competencies of the Board. The selected candidate must also be a person of integrity and be prepared to commit time and attention to the Company's affairs, especially if he is serving on multiple boards.

CORPORATE GOVERNANCE REPORT

Where a vacancy arises under any circumstances, or where it is considered that the Board will benefit from the services of a new Director with particular skills, the NC will determine the selection criteria and selects candidates with the appropriate expertise and experience for the position. The NC will then make recommendations for the Board's approval in relation to the shortlisted candidates. The process for the selection and appointment of new Directors is as follows:

(i) the NC evaluates the balance of skills, knowledge and experience of the Board and, in light of such evaluation and in consultation with the Board, prepares a description of the role and the essential and desirable competencies for a particular appointment;

(ii) the NC would consider candidates proposed by the Directors, key management personnel or substantial shareholders, and where necessary, the NC may seek help and suggestions from external parties to source for potential candidates;

(iii) the NC meets with shortlisted candidates to assess their suitability and to ensure that the candidates are aware of the expectations and the commitment required of them; and

(iv) the NC makes the recommendations to the Board for consideration and approval.

Re-Election of Directors

Article 104 of the Constitution requires one-third of the Directors to retire from office at the AGM of the Company every year provided always that all Directors shall retire from office at least once every three (3) years and are, subject to the Companies Act. Such retiring directors are eligible to offer themselves for re-election. Article 105 of the Constitution provides that the Directors to retire in every year shall be those who have been longest in office since their last election.

In addition to the foregoing, Article 114 of the Constitution provides that a newly appointed Director shall hold office only until the next AGM of the Company, and shall be eligible for re-election.

Pursuant to Article 104 of the Constitution, Mr. Tan Ser Ko and Mr. Max Ng Chee Weng will be retiring as Directors of the Company at the forthcoming AGM and being eligible, had consented to stand for re-election as Directors at the forthcoming AGM.

Pursuant to Article 114 of the Constitution, Mr. Yoshiyasu Naruse, Ms. Michiko Koyano and Mr. Chang Chi Hsung will be retiring as Directors of the Company at the forthcoming AGM and being eligible, had consented to stand for re-election as Directors at the forthcoming AGM.

The NC has recommended that the abovementioned Directors be nominated for re-election at the forthcoming AGM. In making the recommendation, the NC had considered and is satisfied with the Directors' overall contributions and performance. The Board has assessed and concurred with the NC's recommendation.

Information regarding the Directors seeking for re-election, including the information required under Appendix 7F of the Catalist Rules is set out under the "Additional Information on Directors Seeking Re-election" in pages 107 to 119 of the Annual Report. Mr Tan Ser Ko, upon re-election as a Director of the Company, shall remain as a Non-Executive Director and a member of the RC and NC. Mr. Chang Chi Hsung, upon re-election as a Director of the Company, shall remain as an Independent Non-Executive Director, Chairman of the AC, and a member of the RC. Mr. Max Ng Chee Weng will, upon re-election as a Director of the Company, shall remain as an Independent Non-Executive Director, Chairman of the RC, and a member of the AC and NC. Mr Yoshiyasu Naruse, upon re-election as a Director of the Company, shall remain as a Non-Independent Non-Executive Director of the Company. Ms Michiko Koyano, upon re-election as a Director of the Company, shall remain as an Independent Non-Executive Director and the chairman of the NC. Mr. Chang Chi Hsung and Mr. Max Ng Chee Weng will be considered independent for the purposes of the Rule 704(7) of the Catalist Rules.

The NC had reviewed the declaration of independence provided by each of the Independent Directors in accordance with the Code and Catalist Rules. The NC and Board consider a Director as independent if he has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere or be reasonably perceived to interfere with the exercise of the Director's independent business judgement with a view to the best interests of the Company. Under the Catalist Rules, a director will not be independent if (i) he is employed or has been employed by the Company or any of its related corporations for the current or any of the past three financial years; and (ii) he has an immediate family member who is employed or has been employed by the Company or any of its related corporations for any of the past three financial years, and whose remuneration is or was determined by the remuneration committee of the Company.

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The NC, taking into consideration the above, determined that Mr. Max Ng Chee Weng, Ms. Michiko Koyano and Mr. Chang Chi Hsung are independent according to the Code and Catalist Rules. The Independent Directors have also confirmed their independence in accordance with the Code and Catalist Rules.

There is no Director who is deemed independent by the Board, notwithstanding the existence of a relationship as stated in the Code and Catalist Rules that would otherwise deem him not to be independent.

None of the Independent Directors have served on the Board for a period exceeding nine years since the date of their first appointment.

The NC ensured that new Directors were aware of their duties and obligations. The NC also reviewed whether a Director is able to and has been adequately carrying out his or her duties as a Director of the Company. Having assessed the capacity of the Directors based on factors disclosed below in this report, the Board is of the view that Directors with multiple board representation would allow Directors to have increased exposure to different Boards and broaden their experience and knowledge in relation to Board matters, ultimately benefitting the Company. As mentioned above, the Board has determined that the maximum number of listed company board representations which any Director may hold is six (6).

While some Directors have multiple board representations and other principal commitments, the NC is satisfied the Directors are able to adequately carry out their duties as directors for FY2020 based on the attendance of the Directors and their contributions at meetings of the Board and Board Committees and their time commitment to the affairs of the Company.

In assessing the capacity of Directors, the NC has considered, amongst others, the following:

(i) expected and/or competing time commitments of Directors, including whether such commitment is a full-time or part-time employment capacity;

(ii) geographical location of Directors;

(iii) size and composition of the Board;

(iv) nature and scope of the Group's operations and size; and

(v) capacity, complexity and expectations of the other listed directorships and principle commitments held.

The measures and evaluation tools in place to assess the performance and consider competing time commitments of the Directors include the following:-

- declarations by individual Directors of their directorships in other listed companies and principal commitments;
- attention to the Company's affairs, having regard to his/her other commitments; and
- assessment of the individual Directors' performance based on the performance criteria set.

Key information on the Directors is set out below:

Name and Appointment	**Date of initial appointment**	**Date of last re-election**	**Directorship in other listed companies and/or other principal commitments – Present**	**Directorship in other listed companies and/or other principal commitments – Past (in the last five preceding years)**
Mr. Daiji Yamada (Executive Director and CEO)	14 May 2020	23 October 2020	Other Listed Companies Nil Principal Commitments - NPO Asnaro Japan - C2C Global Education Japan (formerly known as Yamanashi Gakuin School Corporation)	Other Listed Companies Nil Principal Commitments - Asnaro Challengers, LLC - MasterLingual Academy of Communication, Japan - Yamanashi Gakuin School Corporation, Chief Strategy Officer

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Name and Appointment	Date of initial appointment	Date of last re-election	Directorship in other listed companies and/or other principal commitments – Present	Directorship in other listed companies and/or other principal commitments – Past (in the last five preceding years)
Mr. Yoshiyasu Naruse (Non-Independent Non-Executive Director)	21 January 2021	N/A	Other Listed Companies Nil Principal Commitments - DiDi Investments, Inc. - DiDi Academy, Inc. - C2C Global Education Japan (formerly known as Yamanashi Gakuin School Corporation)	Other Listed Companies Nil Principal Commitments - ERC Institute Pte. Ltd.
Ms. Michiko Koyano (Independent Non-Executive Director)	22 March 2021	N/A	Other Listed Companies Nil Principal Commitments Nil	Other Listed Companies Nil Principal Commitments Nil
Mr. Chang Chi Hsung (Independent Non-Executive Director)	22 March 2021	N/A	Other Listed Companies - Reclaims Global Limited - Rich Capital Holdings Limited - Haina Intelligent Equipment International Holdings Limited – (Cayman) (listed on the main board of the Stock Exchange of Hong Kong Limited) Principal Commitments - OA International Holdings Pte Ltd - OA Valuation Pte Ltd - OA Assurance PAC - OA Tax Advisory Pte Ltd - RF International Holdings Private Limited - Reclaims Global Limited - RF Strategic Capital Pte Ltd - Rich Capital Holdings Limited - OA Corporate Advisory (Hong Kong) Limited – (Hong Kong) - Rio Tinto Trading Co, Limited – (Hong Kong) - Heroic Wish Limited – (BVI) - Haina Intelligent Equipment International Holdings Limited – (Cayman)	Other Listed Companies Nil Principal Commitments - RF Fund Management Private Limited - Singapore Blockchain Commodities Trading Exchange Pte Ltd - D&A Strategic Capital Pte. Ltd. - OA Corporate Services Pte Ltd - Jing Li Business Advisory Pte Ltd (struck-off) - Haina Technology Group Limited - 7W Digital Marketing Pte Ltd (struck-off) - D&A Strategic Capital Sdn Bhd (struck-off) - One Assurance LLP (Partnership) (struck-off)

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Name and Appointment	Date of initial appointment	Date of last re-election	Directorship in other listed companies and/or other principal commitments – Present	Directorship in other listed companies and/or other principal commitments – Past (in the last five preceding years)
Mr. Tan Ser Ko (Non-Executive Director)	6 June 2014	26 April 2019	Other Listed Companies Charisma Energy Services Limited & Subsidiaries Principal Commitments - Centennial Capital Pte. Ltd. - Charisma Energy Services Limited - Grenzone Pte. Ltd. - Henosis Investments Pte. Ltd. - Strategic Equipment Inc - Bhadla Solar Investments Pte. Ltd.	Other Listed Companies Nil Principal Commitments - Rising Sun Energy Pvt Ltd - Rising Bhadla 1 Private Limited - Rising Bhadla 2 Private Limited
Mr. Max Ng Chee Weng (Independent Non-Executive Director)	25 July 2019	23 October 2020	Other Listed Companies Challenger Technologies Limited Principal Commitments - Achilles Sports Pte Ltd - Advantage Property Services Pte. Ltd. - Almond Innovations Pte. Ltd. - Amaroo Blackdown Investments Pte. Ltd. - Aryaka Networks Singapore Pte. Ltd. - Aurora Global Investment Pte. Ltd. - Challenger Technologies Limited - Cronus Sports Pte. Ltd. - Dawei LNG Terminal Holding Pte. Ltd. - Dawei Power Holding Pte. Ltd. - Dawei Residence Holding Pte. Ltd. - Dawei Telecom Holding Private Limited - DMPH Holdings Pte. Ltd. - Euro Moto Sport Pte. Ltd. - Eurobikes Trading Company Pte. Ltd. - Finscore Pte. Ltd. - Full Prospect (IP) Pte. Ltd. - Gateway law Corporation - Gateway Corporate Services Pte. Ltd. - Hebe Fashions Pte. Ltd. - Hillmorton Pte. Ltd. - Inforserve Holdings Pte. Ltd. - Kingkow (IP) Pte. Ltd. - Kolon Sport China (IP) Pte. Ltd.	Other Listed Companies Nil Principal Commitments - AquaAgro Projects Pte. Ltd. - Adamas Pharmaceuticals Asia Pte. Ltd. - BelleKimia Singapore Pte. Ltd. - Bloom Aqua Pte. Ltd. - Discoperi Pte. Ltd. - Law In Order Pte. Ltd. - Phyto Medichem Singapore Pte. Ltd. - Quang Minh Vietnam-Singapore Pte. Ltd. - Sea Aquaculture Pte. Ltd. - Techjet Aviation Pte. Ltd. - Tradeways Pte. Ltd. - Ventura Pacific Corporation Pte. Ltd.

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Name and Appointment	Date of initial appointment	Date of last re-election	Directorship in other listed companies and/or other principal commitments – Present	Directorship in other listed companies and/or other principal commitments – Past (in the last five preceding years)
Mr. Max Ng Chee Weng (Independent Non-Executive Director) *(Cont'd)*			- La Plantation Management Pte. Ltd. - Laumes International Resorts Pte. Ltd. - LNG Plus International (Singapore) Pte. Ltd. - Lukela Pte. Ltd. - Marine Stewardship Council - Masikap Holdings Pte. Ltd. - McLarty Asia Pte. Ltd. - Mitik Nature Pte. Ltd. - MOBH Holding Pte. Ltd. - Motive Force Sport Products (Singapore) Pte. Ltd. - Myandawei Industrial Estate Holding Pte. Ltd. - Oatly APAC Pte. Ltd. - Oatly Pte. Ltd. - Oatly Singapore Operations & Supply Pte. Ltd. - Oventure Pte. Ltd. - Pay All Lifestyle Payment Network Pte. Ltd. - Sintech CLC Pte. Ltd. - SLTI Pte. Ltd. - Thai International Industrial Estate Development Private Limited - Thai Power Development Private Limited - Thai Telecom Development Private Limited - Wing (Cambodia) Pte. Ltd. - Xcoal Energy & Resources Singapore Pte. Ltd. - Xnergy & Resources Pte. Ltd.	
Mr. Fabian Sven Bahadur Scheler (Non-Independent Non-Executive Director)	7 May 2019	23 October 2020	Other Listed Companies Nil Principal Commitments - Amadeus Capital SA - W Capital Management (Gibraltar) Ltd - Amadeus Quantamental SARL	Other Listed Companies Nil Principal Commitments Nil

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Board Performance

Principle 5: ***The Board undertakes a formal annual assessment of its effectiveness as a whole, and that each of its board committees and individual directors.***

The NC had adopted processes for the evaluation of the performance and effectiveness of the Board as a whole, the Board Committees and contribution of each of the individual Directors based on performance criteria set by the Board.

For the evaluation of the Board's performance, the criteria for the evaluation are in respect of Board composition, procedures, training, strategy and performance. The NC also undertook an evaluation of the Board Committees based on, amongst others, the size, training in accounting, legal and oil and gas as well as education industry knowledge and their performance in relation to discharging their responsibilities as set out in their respective terms of reference. For the evaluation of the performance of each of the individual Director, the criteria include, *inter alia*, attendance at Board meetings and related activities, participation in Board discussions, ability to make informed business decisions and performance in respect of specific delegated tasks.

The NC would review the criteria on a periodic basis to ensure that the criteria used is able to provide an accurate and effective performance assessment, taking into consideration factors such as industry standards and the industry operating environment, with the objective to enhance long term shareholders value, and thereafter propose amendments if any, to the Board for approval. No changes were made to the criteria for FY2020 as the Group is still undergoing the corporate restructuring. The NC will review the criteria, where necessary, when the corporate restructuring completes.

The assessment process for the evaluation of the Board, Board Committees and each of the individual Director involves and includes the completion of a questionnaire by Board members annually, and applying the performance criteria determined by the NC and approved by the Board. This data is collated by the Company Secretary and reviewed by the Chairman of the NC, who presents a summary of the overall assessment to the NC for review and deliberation. Areas where performance and effectiveness could be enhanced and recommendations for improvements are then submitted to the Board for discussion and, where appropriate, approved for implementation.

All NC members have abstained from voting or review process of any matters in connection with the assessment of his performance.

The NC has conducted and reviewed its assessments of the Board as a whole, its Board Committees and each of the individual Director for FY2020. The Chairman of the NC confers with the Chairman of the Board on the findings and ensures appropriate follow-up actions are taken as necessary. The NC and Board is satisfied that the Directors have discharged their duties adequately and the Board has met it performance objectives in FY2020 and during the ongoing organisational restructuring exercise of the Group.

No external facilitator was used in the evaluation process in FY2020.

(B) REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6: ***The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.***

The RC comprises of three (3) members, the majority of whom, including the RC Chairman, are independent. All members of the RC are Non-Executive Directors.

The names of the members of the RC are as follows:

Mr. Max Ng Chee Weng	Chairman
Mr. Tan Ser Ko	Member
Mr. Chang Chi Hsung	Member

The RC has written terms of reference clearly defining its membership, administration and duties. The RC is responsible for, and its key terms of reference include, reviewing and recommending to the Board a framework of remuneration for the Directors and key management personnel and determining specific remuneration packages for each Executive Director and key management personnel. The recommendations of the RC are made in consultation with the CEO and submitted for endorsement by the Board. The recommendations should cover all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, and benefits in kind.

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With a view to be fair and to avoid rewarding poor performance, the RC is also responsible for reviewing the Company's obligations arising in the event of the termination of a Director's and/or key management personnel's contract of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

The RC also makes recommendations to the Board on long term incentive schemes, including share performance schemes, which may be set up from time to time. The RC will review and consider whether any Director should be eligible for benefits under such incentive schemes.

In addition, the RC will perform an annual review of the remuneration of employees related to the Company's Directors and substantial shareholders (if any) to ensure that their remuneration packages are in line with the Group's staff remuneration guidelines and commensurate with their respective job scope and level of responsibilities. The RC will also review and approve any bonuses, pay increases and/ or promotion for these employees.

No Director is involved in deciding his own remuneration, except in providing information and documents if specifically requested by the RC to assist in its deliberations.

The members of the RC possess general knowledge in the field of executive compensation matters as they manage their own businesses and/or are holding other directorships, the RC has access to expert professional advice on remuneration matters, as and when necessary. The RC ensures that existing relationships, if any, between the Company and its appointed remuneration experts will not affect the independence and objectivity of the remuneration experts. The expenses of such services shall be borne by the Company.

No remuneration consultants were engaged by the Company in FY2020.

Level and Mix of Remuneration

Principle 7: ***The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objective of the company.***

In setting remuneration packages, the RC will ensure that Directors and the key management personnel are adequately but not excessively remunerated, and that remuneration packages of the Directors and the key management personnel are in line with the industry and comparable companies.

The remuneration framework for Directors and key management personnel is aligned with the interests of the shareholders and other relevant stakeholders and appropriate to attract, retain and motivate them to provide good stewardship of the Company for the long-term success of the Company. All remuneration packages for Directors and key management personnel are subject to review and approval by the Board. Directors' fees are further subject to the approval of shareholders at the Company's AGM as mentioned above.

Currently, the RC is of the view that it is unnecessary to use contractual provisions to allow the Company to reclaim incentive components of remuneration from the Executive Director and key management personnel in exceptional circumstances of misstatement of financial statements, or of misconduct resulting in financial loss to the Company due to availability of legal remedies as the Group pays performance bonuses based on the actual performance of the Group and/or Company (and not on forward-looking results) as well as the actual results of its Executive Directors and key management personnel.

The Independent and Non-Executive Directors are paid directors' fees, taking into account factors such as effort and time spent, and their responsibilities. The Independent Directors and the Non-Executive Directors received a base directors' fees. Directors' fees are determined in accordance with a remuneration framework comprising basic fees and additional fees for serving on any of the Board Committees, having regard to the scope and extent of a Director's responsibilities and obligations, the prevailing market conditions and referencing Directors' fees against comparable benchmarks. The Independent Directors are not over-compensated to the extent that their independence may be compromised. Directors' fees are recommended by the Board for approval at the Company's AGM.

Disclosure in Remuneration

Principle 8: ***The company is transparent on its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.***

The RC reviews and recommends to the Board a framework of remuneration for the Board and key management personnel to ensure that the structure is competitive and sufficient to attract, retain and motivate the Directors and key management personnel to run the Company successfully in order to maximise shareholders' value. The recommendations of the RC on the remuneration of Directors and key management personnel have been

CORPORATE GOVERNANCE REPORT

submitted for endorsement by the Board. The members of the RC do not participate in any decisions concerning their own remuneration.

The remuneration packages for Executive Director and the key management personnel take into account the performance of the Group and each individual Executive Director and the key management personnel, giving due regard to the financial and commercial health and business needs of the Group. The remuneration of the Executive Director and key management personnel include a fixed monthly salary, an annual wage supplement and a variable incentive bonus which is designed to align the interests of such Director and key management personnel with those of the Company and shareholders. The RC has reviewed and satisfied that the performance conditions were met for FY2020.

The breakdown, showing the level and mix of each individual Director's remuneration for FY2020, by percentage (%), are as follows:

Remuneration Bands and Name of Director	**Base / Fixed salary**	**Directors' fees[1]**	**Variable or performance benefits related income / Bonus**	**Share Plan Awards**	**Other Benefits**	**Total**
Below S$250,000						
Mr. Daiji Yamada[2]	100%	-	-	-	-	100%
Mr. Yoshiyasu Naruse[3]	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Ms. Michiko Koyano[4]	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Chang Chi Hsung[5]	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Tan Ser Ko	-	100%	-	-	-	100%
Mr. Fabian Sven Bahadur Scheler	-	100%	-	-	-	100%
Mr. Max Ng Chee Weng	-	100%	-	-	-	100%
Mr. Ravinder Singh Grewal s/o Sarbjit Singh[6]	-	100%	-	-	-	100%
Mr. Majid Alexander Jourabchi[7]	-	100%	-	-	-	100%

Notes:

(1) Directors' fees for FY2020 have been approved at the AGM held on 23 October 2020.
(2) Mr. Daiji Yamada was appointed as Executive Director on 14 May 2020 and thereafter re-designated as Chief Executive Officer and Executive Director with effect from 8 December 2020.
(3) Mr. Yoshiyasu Naruse was appointed as Non-Independent Non-Executive Director on 21 January 2021.
(4) Ms. Michiko Koyano was appointed as Independent Non-Executive Director on 22 March 2021.
(5) Mr. Chang Chi Hsung was appointed as Independent Non-Executive Director on 22 March 2021.
(6) Mr. Ravinder Singh Grewal s/o Sarbjit Singh retired as Independent Non-Executive Director on 23 October 2020.
(7) Mr. Majid Alexander Jourabchi resigned as Non-Independent Non-Executive Director on 26 April 2020.

For FY2020, there was only one (1) key management personnel in the Company. The key management personnel received remuneration of less than S$250,000.

The above remuneration has been pro-rated according to their date of appointment or date of cessation (where applicable).

Given the competitive business environment and possible negative impact on the Group's business interest, the Board, on review, decided not to disclose the exact remuneration of each Director and key management personnel in Annual Report and is of the view that the disclosure based on the above remuneration band is appropriate.

The RC, in consultation of the CEO, has recommended to the Board that the payment of Directors' fees of up to S$270,000 for the financial year ending 31 December 2021, to be paid quarterly in arrears, to be tabled at the AGM for approval by the shareholders.

The Company has in place an Alpha DX Group Performance Share Plan (the "**Performance Share Plan**"). The Performance Share Plan was being renamed to align with the special resolution relating to the change of Company's name passed by its shareholders on the extraordinary general meeting held on 5 March 2021. Under the terms of the Performance Share Plan, the Company is entitled to grant to eligible Group's employees and Directors ("**Participants**"), awards representing the right of a Participant to receive fully paid ordinary shares of the Company ("**Shares**") free of charge, upon the relevant Participant achieving prescribed performance targets upon expiry of the prescribed performance period ("**Awards**"). Awards may only be vested and consequently any Shares comprised in such Awards shall only be delivered upon the achievement of prescribed performance targets. No Awards were granted in FY2020. Details of the Performance Share Plan can be found in the "Directors' Statement" as set out in this Annual Report.

There were no termination, retirement and post-employment benefits granted to Directors, the CEO and key management personnel other than the payment in lieu of notice in the event of termination in their respective employment contracts in FY2020.

The RC is the committee administering the Alpha DX Group Employee Share Option Scheme ("**Scheme**"). The Scheme was being renamed to align with the special resolution relating to the change of company's name as highlighted above. The Scheme recognises the fact that the services of the Group's employees, including the Group's Executive and Non-Executive Directors are important to the success and continued well-being of the Group. By implementing the Scheme, the Company hopes to inculcate in all participants a stronger and more lasting sense of identification with the Group. Details on the Scheme can be found in the "Directors' Statement" as out in this Annual Report.

There were no employees who were immediate family members of a Director, the CEO or a substantial shareholder of the Company whose remuneration exceeded S$100,000 in the Group's employment in FY2020.

(C) ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: ***The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.***

The Board is responsible for the effective design, implementation and monitoring of the Company's risk management strategy and internal controls.

The Board approves the key risk management policies and ensures a sound system of risk management and internal controls are maintained and monitors performance against them. In addition to determining the approach to risk governance, the Board sets and instils the right risk focused culture throughout the Company for effective risk governance.

The AC oversees risk governance which includes the following roles and responsibilities:

- proposes the risk governance approach and risk policies for the Group to the Board;
- reviews the risk management methodology adopted by the Group;
- reviews the strategic, financial, operational, regulatory, compliance, information technology and other emerging risks relevant to the Group identified by Management; and
- reviews Management's assessment of risks and Management's action plans to mitigate such risks.

Based on the risk management framework and internal controls established and maintained by the Group, assurance received from the CEO and FC, work performed by the internal and external auditors, and reviews performed by Management, various Board Committees and the Board, the Board (with the concurrence of the AC) are of the opinion that the Group's risk management and internal control systems addressing financial, operational, compliance and information technology risks, were adequate and effective for FY2020.

In respect of FY2020, the Board has obtained such assurance from the CEO and the FC:-

(i) the financial records have been properly maintained and the financial statements give true and fair view of the Company's operations and finances; and
(ii) the Company's risk management and internal control systems are adequate and effective.

The Board notes that the system of internal controls and risk management established by the Company provides reasonable, but not absolute, assurance that the Company will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

CORPORATE GOVERNANCE REPORT

Audit Committee
Principle 10: The Board has an AC which discharges its duties objectively.

The AC comprises of three (3) members, the majority of whom, including the AC Chairman, are independent. All members of the AC are Non-Executive Directors.

The names of the members of the AC are as follows:

Mr. Chang Chi Hsung	Chairman
Mr. Max Ng Chee Weng	Member
Mr. Fabian Sven Bahadur Scheler	Member

The Chairman of the AC, Mr. Chang Chi Hsung, is a Chartered Accountant and he has acquired the relevant accounting, auditing and risk management experience. The other members of the AC have many years of experience in the legal professional and in business and financial management. The Board is of the view that the Chairman and members of the AC have recent and relevant accounting or related financial and/or management expertise or experience to discharge the AC's functions.

The AC has written terms of reference clearly defining its membership, administration and duties, which include:

(i) review with the external auditors and the internal auditors their audit plan, their evaluation of the system of internal accounting controls, their audit report, their management letter and the Management's response;

(ii) review the internal controls and procedures and ensure co-ordination between the external auditors and the Management, and review the co-operation and assistance given by the Management to the external auditors, and discuss issues and concerns, if any, arising from the interim and final audits and any matters which the auditors may wish to discuss (in the absence of the Management where necessary);

(iii) ensure that the internal audit function is adequate and has appropriate standing within the Company, and review the scope and results of the internal audit procedures, including the effectiveness of the internal audit function;

(iv) review the significant financial reporting issues and judgement and ensure the integrity of the financial statements (including but not limited to the annual and/or periodic, consolidated financial statements, external auditors' report, the profit and loss statements, the balance sheets and such other information required by the Catalist Rules) of the Group before submission to the Board for approval, focusing in particular, on significant financial reporting issues, significant adjustments, changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with accounting standards as well as compliance with any stock exchange and statutory/regulatory requirements;

(v) review and report to the Board at least annually the adequacy and effectiveness of the Group's material internal controls and risk management systems with the FC and the internal auditors and external auditors, including financial, operation, compliance and information technology controls via reviews carried out by the internal auditors;

(vi) review the assurance from the CEO and FC on the financial records and financial statements;

(vii) commission and review and discuss with the external auditors and internal auditors, if necessary, any suspected fraud or irregularity, or suspected failure of internal controls, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results and/or financial position, and the Management's response;

(viii) review the scope and results of the audit and its cost effectiveness and the independence and objectivity of the external auditors, and where the external auditors also supply a substantial volume of non-audit services to the Company, keep the nature and extent of such services under review, seeking to balance the maintenance of objectivity and cost effectiveness;

(ix) review the independence of the external auditors annually, and recommend to the Board the appointment, reappointment or removal of the external auditors and approve the remuneration and terms of engagement of the external auditors;

(x) review the adequacy and supervision of the finance and accounting team on an annual basis;

(xi) review all interested person transactions, if any;

(xii) review and monitor the activities of the Company on a continuing basis for any potential conflicts of interests and to set out a framework to resolve or mitigate any potential conflicts of interest;

CORPORATE GOVERNANCE REPORT

(xiii) approve internal control procedures and arrangements for all interested person transactions;

(xiv) review the procedures by which employees of the Company may, in confidence, report to the Chairman of the AC, possible improprieties in matters of financial reporting or other matters and ensure that there are arrangements in place for independent investigation and follow-up actions in relation thereto;

(xv) review and rectify transactions falling within the scope of the Catalist Rules, in particular, matters pertaining to Interested Person Transactions and Significant Transactions as laid down in Chapters 9 and 10 respectively;

(xvi) conduct periodic review of foreign exchange transactions and hedging policies (if any) undertaken by the Group;

(xvii) undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the AC;

(xviii) review at least annually the Group's key financial risk areas, with a view to provide an independent oversight of the Group's financial reporting, the outcome of such review to be disclosed in the annual reports of the Company or, where the findings are material, to announce such material findings via SGXNET; and

(xix) undertake generally such other functions and duties as may be required by law or the Catalist Rules, and by such amendments made thereto from time to time.

The AC also has explicit authority to investigate any matters within its terms of reference, full access to and obtained the co-operation of the Management and has full discretion to invite any Director or executive officer to attend its meetings.

Each member of the AC abstains from voting on any resolution in respect of matters in which he has an interest in.

The AC had reviewed the Company's various announcements and all related disclosures, including the audited financial statements and unaudited half year and full year results announcements for FY2020, before submission to the Board for approval. The AC had also reviewed the audit plan and AC report presented by the external auditors. The AC also received from the external auditors regular updates on changes and amendments to accounting standards to enable the AC's members to keep abreast of such changes, and issues which have a direct impact on financial statements.

None of the AC members are former partners or directors of the Group's auditing firm within the last two (2) years and none of the AC members hold any financial interest in the external audit firm.

The Group has complied with Rules 712 and 715 of the Catalist Rules in relation to the appointment of Nexia TS Public Accounting Corporation as the external auditors of the Company and its significant subsidiaries.

The AC reviews the independence of the external auditors annually. The AC has reviewed the non-audit services provided by the external auditors in FY2020 and is satisfied that the nature and extent of such services would not affect the independence of the external auditors. Details of the amount of audit and non-audit fees paid to the external auditors in FY2020 can be found on page 89 of this Annual Report. The AC has recommended the Board that Nexia TS Public Accounting Corporation be nominated for re-appointment as the Company's external auditors at the forthcoming AGM.

Whistle-Blowing Policy

The Company has put in place a whistle-blowing policy which has been communicated to all employees. The Company will be taking steps to make available the whistle blowing policy to the public via the Company's new website at https://alpha-dx.com.sg/privacy-policy.php by 30 April 2021. For the time being, the public may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters by submitting to the AC a whistle-blowing report to whistleblow@alpha-dx.com.sg. The policy will provide well-defined and accessible channels in the Group through which employees may raise concerns about improper conduct within the Group directly to the AC Chairman or one of the Independent Non-Executive Directors, as appropriate. The AC oversees the administration of the policy and will ensure that arrangements are in place for the independent and timely investigation of such matters for appropriate follow-up action. No whistle blowing reports have been received during FY2020.

CORPORATE GOVERNANCE REPORT

Internal Audit

The Group outsources its internal audit function to Yang Lee & Associates ("**IA**"). Internal control weaknesses identified during the internal audit reviews and the implementation status of the recommended corrective actions are reported to the AC directly.

The AC approves the hiring, removal, evaluation and compensation of the corporation to which the internal audit function is outsourced. The IA has unfettered access to all the Company's documents, records, properties and personnel, including access to the AC.

The AC has reviewed and confirmed that Yang Lee & Associates is a suitable professional service firm to meet the Company's internal audit obligations, having regard to the adequacy of resources and experience of the firm and the assigned engagement director, number and experience of supervisory and professional staff assigned to internal audits.

The AC reviews the adequacy of the internal audit function annually to ensure that the internal audits are performed effectively. The AC confirms that the internal audit function is independent, effective and adequately resourced.

The IA is guided by the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors.

The AC reviews and approves the internal audit scope and plan to ensure that there is sufficient coverage of the Group's activities. It also oversees the implementation of the internal audit plan and ensures that Management provides the necessary co-operation to enable the IA to perform its function.

The IA completed one internal audit review in FY2020 in accordance with the internal audit plan approved by the AC. The findings and recommendations of the IA, Management's responses, and Management's implementation of the recommendations have been reviewed and approved by the AC.

The AC also met with the external auditors and the internal auditors, without the presence of the Management once in FY2020.

(D) SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meeting

Principle 11: ***The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company give shareholders a balanced and understandable assessment of its performance, position and prospects.***

All shareholders are treated fairly and equitably to facilitate their ownership rights. The Board is mindful of its obligations to provide timely disclosure of material information to shareholders of the Group. Pertinent information will be disclosed to shareholders on a timely, accurate and comprehensive manner. The Company does not practice selective disclosure. Price sensitive information is first publicly released on SGXNET where required under the Catalist Rules before the Company meets with any group(s) of investors or analysts. The Company provides disclosure through the following channels:

(i) annual reports issued to all shareholders. Both shareholders and non-shareholders may access the SGX website for the Company's annual reports;

(ii) half-year and full-year announcements of its financial statements on the SGXNET;

(iii) other announcements on major developments and material information on the SGXNET;

(iv) press releases on major developments regarding the Group on the SGXNET; and

(v) the Company's website at https://alpha-dx.com.sg through which shareholders can access information on the Group.

The Company is committed to provide regular and proactive communication with its shareholders in line with continuous disclosure obligations of the Company under the Catalist Rules. The Board also encourages shareholders' participation at general meetings of the Company.

CORPORATE GOVERNANCE REPORT

General meetings of the Company are the main forum for communication with shareholders. Annual reports and/or circulars including notices of the meetings are sent to all shareholders. They are also informed of the rules, including voting procedures that govern the general meetings.

Separate resolutions are proposed for each substantially separate issues that is to be tabled at the general meeting. In the event that there are resolutions which are interlinked, the Board will explain the reasons and material implications.

The Company requires all Directors to be present at all general meetings, unless of exigencies. The members of the Board Committees, including the respective Chairman of the Board Committees, will be present at general meetings to answer questions relating to the work of these committees. The Management and the external auditors will also be present to assist the Directors in addressing any relevant queries by shareholders. The Board welcomes the views of shareholders on matters affecting the Company, whether at general meetings or on an ad-hoc basis. The Board avail themselves after general meetings to solicit and understand the view of the shareholders.

The Company's Constitution allows a member of the Company to appoint not more than two (2) proxies to attend and vote at its general meetings. Currently, the Company's Constitution does not allow a shareholder to vote in absentia as the authentication of shareholder identity information and other related security issues still remain a concern.

With the introduction of the multiple proxies regime under the Singapore Companies (Amendment) Act 2014, investors who hold the Company's shares through a nominee company or custodian bank may attend and vote at each general meeting.

An independent polling agent is appointed by the Company for general meetings who will explain the rules, including the voting procedures at the general meetings of the Company. All the resolutions are put to vote by poll and the voting results of all votes cast for, or against, each resolution and the respective percentages are announced at the general meeting and via SGXNET after the general meeting. As the number of shareholders who attend the general meetings are not large, it is not cost effective to have voting by electronic polling.

The Company convened its shareholders meetings virtually in 2020 while adhering to the carious advisories and guidance issued by the authorities on holding meeting amid the COVID-19 outbreak.

As permitted under the COVID-19 (Temporary Measures)(Alternative Arrangements for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, the Company will convene its annual general meeting held in 2021 ("2021 AGM") by electronic means. Alternative arrangements relating to attendance at the 2021 AGM via electronic means include arrangements by which the meeting can be electronically accessed via live audio-video webcast or live audio-only stream, submission of questions to the Chairman of the meeting in advance of the meeting, addressing of substantial and relevant questions at, or prior to, the meeting and voting by appointing the Chairman of the meeting as proxy at the meeting, will be put in place for the 2021 AGM.

The Company Secretary prepares minutes of general meetings that include substantial and relevant comments or queries from shareholders relating to the agenda of the meeting, and responses from the Board and Management, and the minutes of general meetings are available to shareholders upon their request. The Company had published the minutes of the extraordinary general meetings held on 9 October 2020 and 5 March 2021 and AGM held on 23 October 2020 on the SGXNET. The minutes of the AGM for the financial year ended 31 December 2020 would be published on SGXNET and/or its corporate website within one month after the AGM.

Dividend Policy

The Company does not have a fixed dividend policy. The form, frequency and amount of future dividends on the shares will depend on the Company's earnings, general financial condition, results of operations, capital requirements, cash flow, general business conditions, development plans and other factors as the Directors may deem appropriate.

The Board has not declared or recommended dividend for FY2020, as the Company was not profitable for FY2020 and the Management is of the view that it can better utilise the cash for the Group's diversification into the education business segment.

CORPORATE GOVERNANCE REPORT

Engagement with Shareholders

Principle 12: ***The company communicates regularly with its shareholders and facilities the participation of shareholders during general meeting and other dialogues to allow shareholders to communicate their view on various matters affecting the company.***

The Company's primary avenue to solicit and understand the views of shareholders is via general meetings.

The Company strives for timeliness and consistency in its disclosures to shareholders. It is the Company's policy to keep all shareholders informed of developments or changes that will have a material impact on the Company's share price, through announcements via SGXNET. Such announcements are communicated on an immediate basis, or as soon as possible where immediate disclosure is not participated. Shareholders are provided with an update on the Group's performance position and prospects through the Company's annual report.

The Company's half-year and full-year results announcements, are issued via SGXNET. Shareholders have access to information on the Group via the Company's website. The Company discloses all material information on a timely basis to all shareholders. Where there is inadvertent disclosure made to a selected group, the Company will endeavour to make same disclosure publicly promptly.

The Company does not have a formal investor relations policy but considers advice from its corporate lawyers and professionals on appropriate disclosure requirements before announcing material information to shareholders. Pertinent information is regularly disseminated to the shareholders through SGXNET and the Company's website. The Company will consider the appointment of a professional investor relations officer to manage the function should the need arises. In the absence of a dedicated investor relations team and investor relations policy, Ms Hing Lai Kuen, the Company's Financial Controller, is responsible for the Company's communication with shareholders. Shareholders and/or investors who have questions may reach out to Ms Hing at IR@alpha-dx.com.sg.

(E) MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders

Principle 13: ***The Board adopts an inclusive approach by considering and balancing the needs and interests of materials stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.***

The Company has identified stakeholders as those who are impacted by the Group's business and operations as well as those who have a material impact on the Group's business and operations. Such stakeholders include employees, community, government and regulators and shareholders and investors. The Company engages its stakeholders through various channels to ensure that the business interests of the Group are balanced against the needs and interests of its stakeholders.

The Company's approach to shareholder engagement, materiality assessment and disclosures of its strategy and key areas of focus in relation to the management of stakeholder relationships can be found in the Company's Sustainability Report 2020 which will be published separately from the 2020 Annual Report by end of May 2021.

Dealings in Securities

In line with Rule 1204(19) of the Catalist Rules, the Group has adopted and implemented an internal policy in relation to the dealing in securities of the Company.

The Company, its Directors, and officers are prohibited from dealing in the Company's shares during the period commencing one (1) month prior to the announcement of the Company's half-year and full-year financial results and ending on the date of the announcement of the relevant results.

The Group has also reminded its Directors and officers that it is an offence under the Securities and Futures Act, Chapter 289, for a listed issuer and its officers to deal in the listed issuer's securities as well as securities of other listed issuers when the officers are in possession of unpublished material price-sensitive information in relation to those securities.

The Company, its Directors and officers are also required to observe insider trading laws at all times even when dealing in securities within permitted trading periods and not to deal in the Company's securities on short-term considerations.

Non-Sponsor Fees

The total amount of non-sponsor fees paid/payable to the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. ("PPCF") for FY2020 was S$362,800.

CORPORATE GOVERNANCE REPORT

Material Contracts

The Company had entered into a convertible loan agreement on 17 September 2020 with DiDi Investments, Inc. (the "**Investor**") for the convertible loan of up to a maximum aggregate principal amount of S$24 million at an interest rate of 6% per annum. The outstanding principal amount under the convertible loan is convertible into new shares at the conversion price of S$0.0035 per conversion share. Accordingly, up to 6,857,142,857 conversion shares may be issued by the Company under the convertible loan agreement. Mr. Yoshiyasu Naruse has been appointed as a director of the Company w.e.f. 21 January 2021 to satisfy the condition to disbursement under the convertible loan agreement. Mr. Yoshiyasu Naruse is deemed to have interest in the shares of the Company via his shareholding in the Investor.

Save as disclosed above, there were no material contracts (including loans) entered into by the Group involving the interests of the Directors or controlling shareholders which are either still subsisting as at the end of FY2020 or if not then subsisting, entered into since the end of the previous financial year.

Sustainability Management

The Group's Sustainability Report for FY2020 will be prepared in accordance with the GRI standards and in line with the Singapore Exchange requirements on sustainability reporting. The report will highlight the key economic, environmental, social and governance (ESG) factors such as workplace healthy and safety, the environment and our community. More details and information will be available in the full report that will be published by end of May 2021.

Use of proceeds

As at the date of the annual report, the status of the utilisation of the Net Proceeds raised from the convertible loan which was disbursed on 21 January 2021 from DiDi Investments, Inc. is set out in the table below:

Use of Proceeds	**Amount allocated**	**Amount utilised**	**Balance**
	S$	**S$**	**S$**
Payment of consideration to the Kydon Holdings Pte Ltd in relation to the Proposed Acquisition	10,000,000	(8,000,000)	2,000,000
Repayment of an earlier S$1,000,000 short term loan from DiDi Investments, Inc.	1,000,000	(1,000,000)	-
Payment of professional fees and expenses incurred by the Company in relation to the convertible loan, the Proposed Acquisition and other associated costs	1,600,000	(454,355)	1,145,645
Payment of restructured debts of the Company (i.e. Alpha DX Group Limited) which remain payable in cash	2,000,000	(1,193,546)	806,454
Retained in the Company for general working capital purposes and for future investments and acquisition opportunities	7,400,000	(596,244)(1)	6,803,756
Total	22,000,000	(11,244,145)	10,755,856

Note: (1) General working capital utilised consisted of payments of administrative and corporate related expenses which consists of payment of staff costs and director fees of S$222,047, operating costs of S$132,550, professional fees of S$146,398 and interest on loan of S$95,249.

Interested Person Transactions ("IPT")

The Group has established procedures to ensure that all transactions entered into with interested persons are properly documented and reported on a timely manner to the AC at least on a half yearly basis and that the transactions are conducted on an arm's length basis and are not prejudicial to the interest of the Company and its minority shareholders, in accordance with the internal controls set up by the Company on dealing with interested person transactions. In the event that a member of the AC is involved in any interested person transaction, he will abstain from reviewing that particular transaction.

The Company does not have a general mandate from its shareholders for recurring interested person transactions.

There were no interested person transactions with value equal to or above S$100,000 transacted in FY2020.

FINANCIAL CONTENTS

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 31 December 2020 and the statement of financial position of the Company as at 31 December 2020.

In our opinion:

(a) the financial statements set out on pages 38 to 104 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2020 and the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards (International); and

(b) at the date of this statement, having regards to the matters set out in Note 2 to the financial statements, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Directors

The directors of the Company in office at the date of this statement are as follows:

Tan Ser Ko	
Fabian Sven Bahadur Scheler	
Max Ng Chee Weng	
Daiji Yamada	(Appointed on 14 May 2020)
Yoshiyasu Naruse	(Appointed on 21 January 2021)
Chang Chi Hsung	(Appointed on 22 March 2021)
Michiko Koyano	(Appointed on 22 March 2021)

Directors' interests

According to the register kept by the Company for the purposes of Section 164 of the Singapore Companies Act, Chapter 50 (the "Act"), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and infant children) in shares, debentures, warrants and share options in the Company and in related corporations (other than wholly-owned subsidiary corporations) are as follows:

	Holdings at beginning of the financial year	Holdings at end of the financial year
Options granted by the Company		
Ravinder Singh Grewal s/o Sarbjit Singh (Resigned on 23 October 2020)	480,000	480,000
Tan Ser Ko	480,000	480,000

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the financial year or at the end of the financial year.

There were no changes in any of the above-mentioned interests in the Company between the end of the financial year and 21 January 2021.

Except as disclosed under the "Share Options" section of this statement, neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' STATEMENT

Share options

Alpha DX Group Employee Share Option Scheme

The Alpha DX Group Employee Share Option Scheme (the "Scheme") was approved and adopted by its members at an Extraordinary General meeting held on 29 July 2016. The Scheme is administered by the Company's Remuneration Committee, comprising three directors, Max Ng Chee Weng, Chang Chi Hsung and Tan Ser Ko.

Other information regarding the Scheme is set out below:

Option granted on 2 March 2017 ("Grant Date 1")

In 2017, the Company granted a total of 4,800,000 options pursuant to the Scheme, details as follows:

- The exercise price of each option is fixed at S$0.067.
- The share option shall be exercised, in whole or in part, after the first anniversary of Grant Date 1.
- All options are settled by physical delivery of shares.
- The options granted expire after 10 years where a participant is an Executive Director or Non-Executive Director or upon cessation of the employment of employees.
- The options include 2,400,000 share options granted to the former Executive Director, Dean Lloyd Gallegos and 480,000 share options granted to each of the director, Tan Ser Ko, and to former directors, Lee Sek Leong Christopher, Yong Boon Chuan Leslie, Lim Yeok Hua and Ravinder Singh Grewal s/o Sarbjit Singh.

Option granted on 5 May 2017 ("Grant Date 2")

In 2017, the Company granted a total of 480,000 options pursuant to the Scheme, details as follows:

- The exercise price of each option is fixed at S$0.078.
- The share option shall be exercised, in whole or in part, after the first anniversary of Grant Date 2.
- All options are settled by physical delivery of shares.
- The options granted expire after 10 years where a participant is an Executive Director or Non-Executive Director or upon cessation of the employment of employees.
- The options include 480,000 share options granted to the former director, Ang Yew Jin Eugene.

Option granted on 1 March 2019 ("Grant Date 3")

In 2019, the Company granted a total of 10,500,000 options pursuant to the Scheme, details as follows:

- The exercise price of each option is fixed at S$0.070.
- The share option shall be exercised, in whole or in part, after the first anniversary of Grant Date 3.
- All options are settled by physical delivery of shares.
- The options granted expire after 10 years where a participant is an Executive Director or Non-Executive Director or upon cessation of the employment of employees.
- The options include 2,000,000 share options granted to the former director, Majid Alexander Jourabchi and have lapsed in 2019, as the share options are granted to Majid Alexander Jourachi in the capacity of an employee and not Director.
- With effect from 26 April 2020, Majid Alexander Jourabchi resigned as a Non-Independent Non-Executive Director of the Company.

There were no other share options granted to Participants who are controlling shareholders of the Company and their associates.

There were no other share options granted to Participants who receive 5% or more of the total Awards available under the share options.

Save as disclosed above, there were no other share options granted to Directors and employees of the parent company and its subsidiary corporations.

DIRECTORS' STATEMENT

Performance shares

The Company's employee share award scheme ("Share Plan") was approved and adopted by its members at an Extraordinary General Meeting held on 22 July 2011. The Share Plan is administered by the Company's Remuneration Committee, comprising three directors, Max Ng Chee Weng, Chang Chi Hsung and Tan Ser Ko.

The Company will grant share awards of the Company ("Awards") to eligible Group employees and directors ("Participants"). Awards represent the right of a Participant to receive fully paid ordinary shares of the Company ("Shares") free of charge, upon the Participant achieving prescribed performance targets. Awards may only be vested and consequently, any Shares comprised in such Awards shall only be delivered upon the Remuneration Committees' satisfaction that the prescribed performance targets have been achieved.

There were no Awards granted to Participants who are controlling shareholders of the Company and their associates.

There were no Awards granted to Participants who receive 5% or more of the total Awards available under the Share Plan.

There were no Awards granted to Directors and employees of the parent company and its subsidiary corporations.

Audit Committee

The members of the Audit Committee at the date of this statement are:

Chang Chi Hsung	(Chairman and independent director)
Max Ng Chee Weng	(Independent director)
Fabian Sven Bahadur Scheler	(Non-independent non-executive director)

The Audit Committee carries out its functions in accordance with Section 201B of the Act, Rules of Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST") and the Code of Corporate Governance, including the following:

(i) reviews the audit plans of the internal and the independent auditor and results of the internal auditors examination and evaluation of the Company's system of internal accounting controls;

(ii) reviews the Group's financial and operation results and accounting policies;

(iii) reviews the statement of financial position of the Company and the consolidated financial statements of the Group before their submission to the Directors of the Company and the independent auditor's report on those financial statements;

(iv) reviews the half-yearly and annual announcements on the financial results of the Group and financial position of the Company and of the Group;

(v) ensures the co-operation and assistance given by the management to the independent auditor;

(vi) makes recommendations to the Board of Directors on the appointment of independent auditor and internal auditors; and

(vii) reviews the Interested Person Transactions as defined in Chapter 9 of the Rules of Catalist of the SGX-ST as required by SGX-ST and ensures that the transactions were on normal commercial terms and not prejudicial to the interests of the members of the Company.

The Audit Committee has full access to and co-operation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any Director and executive officer to attend its meetings. The independent auditor has unrestricted access to the Audit Committee.

DIRECTORS' STATEMENT

Audit Committee (Cont'd)

The Audit Committee confirmed that it has undertaken a review of all non-audit services provided by the independent auditor to the Group and is satisfied that the nature and extent of such services would not affect the independence of the independent auditor. The Audit Committee is satisfied with the independence and objectivity of the independent auditor and has recommended to the Board of Directors that Nexia TS Public Accounting Corporation, be nominated for re-appointment as the Company's independent auditor at the forthcoming Annual General Meeting of the Company.

In appointing the independent auditor of the Company and its subsidiary corporations, the Company has complied with Rules 712 and 715 of the Rules of Catalist of the SGX-ST.

Independent auditor

The independent auditor, Nexia TS Public Accounting Corporation, has indicated its willingness to accept re-appointment.

On behalf of the Board of Directors

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Daiji Yamada
Director

____

Tan Ser Ko
Director

14 April 2021

INDEPENDENT AUDITOR'S REPORT

to the Members of Alpha DX Group Limited (Formerly known as Alpha Energy Holdings Limited)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Alpha DX Group Limited (the "Company") and its subsidiary corporations (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2020, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 38 to 104.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2020 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 2 in the consolidated financial statements, which indicates that the Group has incurred total loss of US$10.63 million (2019: US$190.80 million) and net operating cash outflows of US$3.05 million (2019: US$3.16 million) for the financial year ended 31 December 2020 and it is in a net current liabilities position of US$96.40 million (2019: US$165.42 million) as at 31 December 2020. In addition, the Group might incur further liabilities in relation to the contingent liabilities disclosed in Note 28 which related mainly to the Mustang Project.

The Group had ceased its oil exploration and production since 28 November 2019. All leases held by the Group through its subsidiary corporations, had been sold in the public auctions on 23 September 2020 and 20 January 2021. Accordingly, management has been working on the disposal of JK North Slope LLC and its subsidiary corporations, namely, Brooks Range Petroleum Corporation, Caracol Petroleum LLC, and TP North Slope Development LLC. In addition, the Company intends to dispose JK North Slope Group Inc Srl and has dissolved its subsidiary corporation, Mustang Road LLC as at the date of issuance of these financial statements. The entire results of the exploration and evaluation business segment are disclosed in accordance with SFRS(I) 5 Non-Current Assets Held for Sale and Discontinued Operations (Note 13(b)). In addition, the Company's shares remain suspended from trading under Rule 1303(3)(c) of the Catalist Rules as at the date of this report although the Company is working towards to satisfy the resumption of trading conditions as stated in its announcement dated 28 December 2020.

These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Notwithstanding the above mentioned, the Board of the Directors of the Company believes that the use of going concern assumption in the preparation of the consolidated financial statements of the Group for the financial year ended 31 December 2020 is appropriate after considering the following:

i. The Company is not expected to be liable for any liabilities and contingent liabilities related to the Mustang Project which is held through its subsidiary corporation, JK North Slope LLC, accordingly no repayment of the liabilities as at 31 December 2020 amounted to US$109.75 million (Note 13(b)(iv)) and no further liabilities from contingent liabilities related to the Mustang Project (Note 28) are expected;

ii. The Company's subsidiary corporation, JK North Slope Group Inc Srl has on 9 March 2021, entered into a sale and purchase agreement ("SPA") for the disposal of JK North Slope LLC and its subsidiary corporations comprising Caracol Petroleum LLC, TP North Slope Development LLC and Brooks Range Petroleum Corporation (collectively, the "Disposal Group") with an aggregate net liabilities of US$92.37 million as at 31 December 2020 for consideration of US$1.00 (the "Proposed Disposal") subject to the consent from a lender which the Company is in the midst of obtaining;

INDEPENDENT AUDITOR'S REPORT

to the Members of Alpha DX Group Limited (Formerly known as Alpha Energy Holdings Limited)

Report on the Audit of the Financial Statements (Cont'd)

Material uncertainty related to going concern (Cont'd)

iii. The Company has successfully diversified into education service business through the completion of acquisition of 100% of existing shares in Zionext Pte. Ltd. (formerly known as Kydon Learning Systems Institute Pte. Ltd.) ("Zionext") on 22 January 2021. With the acquisition of Zionext, the Group is expected to generate a cash inflow from operating activities of S$2.64 million from Zionext and its subsidiary corporations for the next 18 months ending 30 June 2022;

iv. The Company has received the capital investment in the form of a convertible bond of S$22.00 million (equivalent to US$16.64 million) and is expected to receive subsequent disbursement of S$2.00 million (equivalent to US$1.51 million) pursuant to the convertible loan agreement entered between the Company and DiDi Investments, Inc. on 17 September 2020; and

v. The Company has on 24 December 2020, through its Sponsor, received a notification that the Singapore Exchange Securities Trading Limited has no objection to the Company's application for resumption of trading of its securities ("No Objection Letter") subject to the fulfilment of the certain conditions and the Company is in the midst of fulfilling the resumption of trading conditions which management expects to be fulfilled within the next 6 months from the No Objection Letter.

Accordingly, the accompanying financial statements did not include any adjustments relating to the realisation and classification of asset and liability amounts that may be necessary if the Group and the Company were unable to continue as going concerns. In the event that the Group is unable to continue as a going concern, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the amounts at which they are currently recorded in the statement of financial position. In addition, the Group may have to provide for further liabilities that might arise and to reclassify non-current assets as current assets. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the Board of Directors, Corporate Governance Report and Directors' Statement (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the other sections of the annual report ("the Other Sections"), which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

INDEPENDENT AUDITOR'S REPORT

to the Members of Alpha DX Group Limited (Formerly known as Alpha Energy Holdings Limited)

Report on the Audit of the Financial Statements (Cont'd)

Responsibility of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Companies Act, Chapter 50 ("the Act") and Singapore Financial Reporting Standards International ("SFRS(I)"), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT

to the Members of Alpha DX Group Limited (Formerly known as Alpha Energy Holdings Limited)

Report on the Audit of the Financial Statements (Cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditor, have been properly kept in accordance with the provisions of the Act.

The engagement director on the audit resulting in this independent auditor's report is Ms. Meriana Ang Mei Ling.

Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants

Singapore

14 April 2021

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2020

	Note	Group 2020 US$	Group 2019 US$	Company 2020 US$	Company 2019 US$
Non-current assets					
Exploration and evaluation assets	5	-	74,005,851	-	-
Plant and equipment	6	2,391	26,795	2,391	-
Investments in subsidiary corporations	7	-	-	-	-
Investment in associate	9	-	-	-	-
Other investments	10	-	-	-	-
Other receivables	11	-	29,166,918	-	-
		2,391	103,199,564	2,391	-
Current assets					
Other investments	10	-	1,809	-	1,809
Trade and other receivables	11	67,112	2,660,799	67,112	1,419,252
Cash and cash equivalents	12	171,577	2,333,220	171,577	27,675
		238,689	4,995,828	238,689	1,448,736
Non-current assets held for sale	13(a)	-	4,950,000	-	-
Assets of disposal group classified as held for sale	13(b)	17,383,449	-	-	-
		17,622,138	9,945,828	238,689	1,448,736
Total assets		17,624,529	113,145,392	241,080	1,448,736
Equity					
Share capital	15	115,103,998	115,103,998	115,103,998	115,103,998
Perpetual securities	16	1,913,045	1,913,045	1,913,045	1,913,045
Reserves	17	(4,926,190)	(4,742,030)	1,936,342	1,936,342
Accumulated losses		(207,883,671)	(197,325,557)	(122,943,059)	(120,604,647)
Attributable to equity holders of the Company		(95,792,818)	(85,050,544)	(3,989,674)	(1,651,262)
Non-controlling interests		(603,373)	(475,562)	-	-
Total equity		(96,396,191)	(85,526,106)	(3,989,674)	(1,651,262)
Non-current liabilities					
Provision for restoration costs	19	-	2,480,000	-	-
Trade and other payables	20	-	840,231	-	-
Borrowings	18	-	19,984,849	-	-
		-	23,305,080	-	-
Current liabilities					
Trade and other payables	20	3,498,759	82,758,588	3,463,842	3,099,998
Borrowings	18	766,912	92,607,830	766,912	-
		4,265,671	175,366,418	4,230,754	3,099,998
Liabilities directly associated with disposal group classified as held for sale	13(b)	109,755,049	-	-	-
		114,020,720	175,366,418	4,230,754	3,099,998
Total liabilities		114,020,720	198,671,498	4,230,754	3,099,998
Total equity and liabilities		17,624,529	113,145,392	241,080	1,448,736

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the financial year ended 31 December 2020

	Note	2020 US$	2019 US$ (Restated)
Continuing operations			
Revenue		-	-
Cost of sales		-	-
Gross results		-	-
Other income	22	29,886	2,558,674
General and administrative expenses		(2,064,561)	(1,937,518)
Other expenses		(104,954)	(144,530)
Results from operating activities		(2,139,629)	476,626
Finance income		33,913	263,338
Finance cost		(175,552)	(1,057,268)
Net finance cost	23	(141,639)	(793,930)
Loss before income tax	24	(2,281,268)	(317,304)
Income tax expense	25	-	-
Loss from continuing operations		(2,281,268)	(317,304)
Discontinued operations			
Loss from discontinued operations (net of tax)	13(b)(i)	(8,343,741)	(190,478,947)
Total loss for the financial year		(10,625,009)	(190,796,251)
Total loss attributable to:			
- Equity holders of the Company		(10,497,198)	(190,239,061)
- Non-controlling interests		(127,811)	(557,190)
		(10,625,009)	(190,796,251)
Total loss attributable to equity holders of the Company relates to:			
- Loss from continuing operations		(2,281,268)	(317,304)
- Loss from discontinued operations		(8,215,930)	(189,921,757)
		(10,497,198)	(190,239,061)
Loss per share (“EPS”) for loss from continuing and discontinued operations attributable to equity holders of the Company (cent per share)			
Basic EPS			
- From continuing operations	26	(4.05)*	(0.82)*
- From discontinued operations	26	(14.57)*	(491.56)*
Diluted EPS			
- From continuing operations	26	(4.05)*	(0.82)*
- From discontinued operations	26	(14.57)*	(491.56)*

**With the completion of the share consolidation on 26 March 2021 as disclosed in Note 32(e), loss per share for the financial years ended 31 December 2020 and 2019 were adjusted in accordance with the requirement of SFRS(I)1-33 Earnings per share to reflect the change in number of ordinary shares as a result of share consolidation.*

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2020

	Note	2020 US$	2019 US$
Total loss for the financial year		(10,625,009)	(190,796,251)
Other comprehensive loss			
Item that may be reclassified subsequently to profit or loss:			
Currency translation arising from consolidation of financial statements of foreign operations	17(b)(iii)	(15,239)	(4,723)
Item that will not be reclassified to profit or loss:			
Equity investments at FVOCI – net change in fair value	17(b)(iv)	(168,921)	(6,666,609)
Other comprehensive loss for the financial year, net of tax		(184,160)	(6,671,332)
Total comprehensive loss for the financial year		(10,809,169)	(197,467,583)
Total comprehensive loss attributable to:			
- Equity holders of the Company		(10,681,358)	(196,910,393)
- Non-controlling interests		(127,811)	(557,190)
		(10,809,169)	(197,467,583)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2020

	Attributable to equity holders of the Company										
	Share capital US$	Treasury shares US$	Share option reserve US$	Foreign currency translation reserve US$	Fair value reserve US$	Perpetual securities US$	Other reserve US$	Accumulated losses US$	Total US$	Non-controlling interests US$	Total equity US$
Group											
At 1 January 2020	115,103,998	(18,544)	1,967,487	(11,763)	(6,666,609)	1,913,045	(12,601)	(197,325,557)	(85,050,544)	(475,562)	(85,526,106)
Total comprehensive loss for the financial year											
Total loss for the financial year	-	-	-	-	-	-	-	(10,497,198)	(10,497,198)	(127,811)	(10,625,009)
Other comprehensive loss											
Currency translation differences arising from consolidation of financial statements of foreign operations	-	-	-	(15,239)	-	-	-	-	(15,239)	-	(15,239)
Equity investments at FVOCI – net change in fair value	-	-	-	-	(168,921)	-	-	-	(168,921)	-	(168,921)
Total comprehensive loss for the financial year	-	-	-	(15,239)	(168,921)	-	-	(10,497,198)	(10,681,358)	(127,811)	(10,809,169)
Transactions with owners, recognised directly in equity											
Contributions by and distribution to owners											
Accrued perpetual securities distributions	-	-	-	-	-	-	-	(60,916)	(60,916)	-	(60,916)
Total transactions with owners	-	-	-	-	-	-	-	(60,916)	(60,916)	-	(60,916)
At 31 December 2020	115,103,998	(18,544)	1,967,487	(27,002)	(6,835,530)	1,913,045	(12,601)	(207,883,671)	(95,792,818)	(603,373)	(96,396,191)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2020

	Attributable to equity holders of the Company										
	Share capital US$	Treasury shares US$	Share option reserve US$	Foreign currency translation reserve US$	Fair value reserve US$	Perpetual securities US$	Other reserve US$	Accumulated losses US$	Total US$	Non-controlling interests US$	Total equity US$
Group											
At 1 January 2019	64,695,119	(39,369)	447,878	(7,040)	-	-	-	(7,036,398)	58,060,190	-	58,060,190
Total comprehensive loss for the financial year											
Total loss for the financial year	-	-	-	-	-	-	-	(190,239,061)	(190,239,061)	(557,190)	(190,796,251)
Other comprehensive loss											
Currency translation differences arising from consolidation of financial statements of foreign operations	-	-	-	(4,723)	-	-	-	-	(4,723)	-	(4,723)
Equity investments at FVOCI – net change in fair value	-	-	-	-	(6,666,609)	-	-	-	(6,666,609)	-	(6,666,609)
Total comprehensive loss for the financial year	-	-	-	(4,723)	(6,666,609)	-	-	(190,239,061)	(196,910,393)	(557,190)	(197,467,583)
Transactions with owners, recognised directly in equity											
Contributions by and distribution to owners											
Sale of treasury shares	-	20,825	-	-	-	-	(12,601)	-	8,224	-	8,224
Exercise of share options	3,298	-	-	-	-	-	-	-	3,298	-	3,298
Reversal of fair value of expired share options issued as purchase consideration	-	-	(2,557,007)	-	-	-	-	-	(2,557,007)	-	(2,557,007)
Accrued perpetual securities distributions	-	-	-	-	-	-	-	(50,098)	(50,098)	-	(50,098)
Issuance of ordinary shares pursuant to rights issue	15,318,411	-	-	-	-	-	-	-	15,318,411	-	15,318,411
Issuance of share to offset loan from non-related parties	531,250	-	-	-	-	-	-	-	531,250	-	531,250
Equity issued as purchase considerations for acquisition of subsidiary corporations	34,555,920	-	4,076,616	-	-	1,913,045	-	-	40,545,581	-	40,545,581
Total transactions with owners	50,408,879	20,825	1,519,609	-	-	1,913,045	(12,601)	(50,098)	53,799,659	-	53,799,659
Acquisition of subsidiary corporations with non-controlling interests	-	-	-	-	-	-	-	-	-	81,628	81,628
At 31 December 2019	115,103,998	(18,544)	1,967,487	(11,763)	(6,666,609)	1,913,045	(12,601)	(197,325,557)	(85,050,544)	(475,562)	(85,526,106)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2020

	Note	2020 US$	2019 US$
Cash flows from operating activities			
Total loss for the financial year		(10,625,009)	(190,796,251)
Adjustments for:			
– Amortisation of exploration and evaluation assets	5	-	75,777
– Bad debt written off		3,333,328	-
– Change in fair value of equity investment – at FVPL	24	1,809	-
– Depreciation of plant and equipment	6	22,022	547
– Finance income		(33,915)	(279,345)
– Finance cost		11,779,631	18,887,112
– Gain on bargain purchase		-	(5,985,470)
– Gain on disposal of subsidiary corporations	12	(822,411)	-
– Waiver of debts		(4,336,998)	-
– Gain on remeasurement of previously held in interest in the associate arising from step acquisition of a subsidiary corporation		-	(2,122,333)
– Impairment loss on non-financial assets		-	179,597,902
– Income tax expense	25	-	13,000
– Reversal of fair value of expired share options issued as purchase consideration		-	(2,557,007)
– Reversal of impairment loss on exploration and evaluation assets	5	(5,232,239)	-
– Reversal of provision for restoration costs		(2,480,000)	-
– Unrealised currency translation losses		42,661	10,110
Operating cash flows before changes in working capital		(8,351,121)	(3,155,958)
Changes in working capital, net of effects from acquisition and disposal of subsidiary corporations:			
– Trade and other receivables		145,062	1,175,260
– Trade and other payables		5,157,548	(1,179,231)
Net cash used in operating activities		(3,048,511)	(3,159,929)
Cash flows from investing activities			
Acquisition of subsidiary corporations, net of cash acquired	31(b)	-	1,239,095
Exploration and evaluation expenditures		-	(9,405,257)
Additions to construction-in-progress classified as assets held for sale	13(a)	-	(1,500,400)
Investment of equity investment – at FVOCI	10	(168,921)	(196,296)
Proceeds from disposal of IT business		516,236	383,704
Purchase of plant and equipment	6	(2,618)	-
Net cash provided by/(used in) investing activities		344,697	(9,479,154)
Cash flows from financing activities			
Interest paid	18	(527,371)	(2,313,007)
Interest received		2	16,007
Proceeds from exercise of share options	15(a)	-	3,298
Proceeds from sale of treasury shares	15(e)	-	7,823
Proceeds from issuance of share capital	15(d)	-	9,241,313
Proceeds from loans from a non-related party	18	1,643,000	879,250
Proceeds from borrowings	18	1,648,504	10,899,524
Repayment of loans from a non-related party	18	-	(725,000)
Repayment of borrowings	18	(68,259)	(5,197,426)
Net cash provided by financing activities		2,695,876	12,811,782
Net change in cash and cash equivalents		(7,938)	172,699
Cash and cash equivalents at beginning of financial year		194,754	26,778
Effects of exchange rate changes on cash and cash equivalents		(15,239)	(4,723)
Cash and cash equivalents at end of financial year	12	171,577	194,754

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 14 April 2021.

1. Domicile and activities

With effect from 5 March 2021, the name of the Company was changed from Alpha Energy Holdings Limited to Alpha DX Group Limited. The Company is incorporated in Singapore. The address of the Company's registered office is 229 Mountbatten Road, #01-11 Mountbatten Square, Singapore 398007. The Company is listed on Catalist, the sponsor-supervised listing platform, of the Singapore Exchange Securities Trading Limited ("SGX-ST").

The financial statements of the Group as at and for the financial year ended 31 December 2020 comprise the Company and its subsidiary corporations (together referred to as the "Group" and individually as "Group entities").

The principal activity of the Company is that of an investment holding.

The principal activities of the subsidiary corporations are set out in Note 7 to the financial statements.

Impact of coronavirus ("COVID-19")

The COVID-19 pandemic has affected almost all countries of the world, and resulted in border closures, production stoppages, workplace closure, movement controls and other measures imposed by the various government. The Group's significant operation are in Singapore and United States of America, all of which have been affected by the spread of COVID-19 in 2020. The COVID-19 pandemic has affected the global oil demand, and the drop in oil prices has led the Group ceased its oil exploration and production in the Mustang Field, resulted in a negative impact on the Group's financial performance in 2020. Nevertheless, the Group has assessed that the going concern basis of preparation of the financial statement for the financial year ended 31 December 2020 remains appropriate subject to the assumptions set out in Note 2 below.

As the global COVID-19 situation remains very fluid as at the date of issuance of these financial statements, the Group cannot reasonably ascertain the full extent of the probable impact of the COVID-19 disruptions on its operating and financial performance for the financial year ending 31 December 2021.

2. Going concern

The financial statements have been prepared on a going concern basis notwithstanding that the Group has incurred total loss of US$10.63 million (2019: US$190.80 million) and net cash used in operating activities of US$3.05 million (2019: US$3.16 million) for the financial year ended 31 December 2020 and it is in a net current liabilities position of US$96.40 million (2019: US$165.42 million) as at 31 December 2020. In addition, the Group might incur further liabilities in relation to the contingent liabilities disclosed in Note 28 which related mainly to the Mustang Project.

The Group had ceased its oil exploration and production since 28 November 2019. All leases held by the Group through its subsidiary corporations, had been sold in the public auctions held on 23 September 2020 and 20 January 2021. Accordingly, management has been working on the disposal of JK North Slope LLC and its subsidiary corporations, namely, Brooks Range Petroleum Corporation, Caracol Petroleum LLC, and TP North Slope Development LLC. In addition, the Company intends to dispose JK North Slope Group Inc Srl and has dissolved its subsidiary corporation, Mustang Road LLC as at the date of issuance of these financial statements. The entire results of the exploration and evaluation business segment are disclosed in accordance with SFRS(I) 5 *Non-Current Assets Held for Sale and Discontinued Operations* (Note 13(b)).

These events or conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

2. Going concern (Cont'd)

The Board of Directors of the Company, having considered the following factors, are of the view that the going concern basis of the Group remains appropriate:

- The Company is not expected to be liable for any liabilities and contingent liabilities related to the Mustang Project which is held through its subsidiary corporation, JK North Slope LLC, accordingly no repayment of the liabilities as at 31 December 2020 amounted to US$109.75 million (Note 13(b)(iv)) and no further liabilities from contingent liabilities related to the Mustang Project (Note 28) are expected;

- The Company's subsidiary corporation, JK North Slope Group Inc Srl has on 9 March 2021, entered into a sale and purchase agreement ("SPA") for the disposal of JK North Slope LLC and its subsidiary corporations comprising Caracol Petroleum LLC, TP North Slope Development LLC and Brooks Range Petroleum Corporation (collectively, the "Disposal Group") with an aggregate net liabilities of US$92.37 million as at 31 December 2020 for consideration of US$1.00 (the "Proposed Disposal") subject to the consent from a lender which the Company is in the midst of obtaining;

- The Company has successfully diversified into education service business through the completion of acquisition of 100% of existing shares in Zionext Pte. Ltd. (formerly known as Kydon Learning Systems Institute Pte. Ltd.) ("Zionext") on 22 January 2021. With the acquisition of Zionext, the Group is expected to generate a cash inflow from operating activities of S$2.64 million from Zionext and its subsidiary corporations for the next 18 months ending 30 June 2022;

- The Company has received the capital investment in the form of a convertible bond of S$22.00 million (equivalent to US$16.64 million) and is expected to receive subsequent disbursement of S$2.00 million (equivalent to US$1.51 million) pursuant to the convertible loan agreement entered between the Company and DiDi Investments, Inc. on 17 September 2020; and

- The Company has on 24 December 2020, through its Sponsor, received a notification that the Singapore Exchange Securities Trading Limited has no objection to the Company's application for resumption of trading of its securities ("No Objection Letter") subject to the fulfilment of the certain conditions and the Company is in the midst of fulfilling the resumption of trading conditions which management expects to be fulfilled within the next 6 months from the No Objection Letter.

As described in the preceding paragraphs, management is confident that the Group and the Company have adequate resources to continue in operational existence for at least the next 12 months from the end of financial year, and the use of the going concern assumption in the preparation of the financial statements is appropriate.

Accordingly, the accompanying financial statements did not include any adjustments relating to the realisation and classification of asset and liability amounts that may be necessary if the Group and the Company were unable to continue as going concern. Should the going concern assumption be inappropriate, adjustments may have to be made to:

(i) Reflect the situation that assets may need to be realised other than their carrying amounts; and
(ii) Provide for further liabilities that might arise

No adjustments have been made in the accompanying financial statements in respect of these.

3. Basis of preparation

3.1 Statement of compliance

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)s").

3.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise disclosed in the accounting policies set out in Note 4.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

3. Basis of preparation (Cont'd)

3.3 Functional and presentation currency

These financial statements are presented in the United States dollar (US$), which is the Company's functional currency.

3.4 Use of estimates and judgements

The preparation of financial statements in conformity with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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 assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are discussed as follows:

Valuation of other investments

At the end of each financial year, an assessment is made to determine the fair value of other investments, namely the equity investments at fair value through other comprehensive income ("FVOCI") and fair value through profit or loss ("FVPL"). As these investments are unquoted, judgement is required in determining the appropriate valuation methodology and key assumptions to be used. Changes in methodology and key assumptions used may affect the fair value of the equity investments. The carrying amounts of equity investments at FVOCI and FVPL as at the end of financial year is disclosed in Note 10.

Impairment of exploration and evaluation assets

Hydrocarbon reserves are estimates of the amount of oil which can be economically and legally extracted by the Group in approved fields. For the purpose of estimating reserves, several factors are considered, among others, such as: geological, technical and economic, production techniques, recovery rates, production costs, transportation costs, demand and prices for commodities and exchange rates. Estimating the quantity and grade of reserves requires determining the size, shape and depth of the reservoirs or fields to be determined by analysing geological data and drilling samples. This process may require interpreting complex and difficult geological judgements. Because the economic assumptions change from period to period and the Group continues generating additional geological data during the course of operations, estimates of reserves may change from period to period. Changes in reported reserves may affect the recovery of the carrying amount of oil properties due to changes in estimated future cash flows and hence, impairment may be recorded in profit or loss. The carrying amount of exploration and evaluation assets and the amount of impairment loss recognised are disclosed in Note 5.

Classification of tax credit receivables

The classification of tax credit receivables due from the State of Alaska as current or non-current assets is dependent on the expected timing of receipts. The timing of receipts, in turn, depends on the budget and hence, disbursements approved by the Alaskan government. If the approved disbursements are less than the outstanding tax credits in the fiscal year, the State of Alaska postpones payment of outstanding tax credits to the following fiscal year. At the reporting date, as there are uncertainties over the quantum of the State budget that will be approved for disbursement, management is required to exercise judgement in determining whether the outstanding tax credits are expected to be received within the 12 months after the reporting date. The carrying amount of tax credit receivables is disclosed in Note 11.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

3. Basis of preparation (Cont'd)

3.4 Use of estimates and judgements (Cont'd)

Deferred consideration relating to the acquisition of working interest in the Badami Unit

Estimates are made based on forecasted crude oil prices for 2021 in determining the amount of deferred consideration payable over the same period. Changes in State of Alaska's average published price of Alaska North Slope crude oil and forecasted crude oil prices will have impact on the deferred consideration recorded as at the end of each financial year. Based on management's assessment, no additional deferred consideration needs to be recognised for the current financial year. The carrying amount of the deferred consideration payable is disclosed in Note 20.

4. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and have been applied consistently by Group entities.

4.1 Basis of consolidations

(i) Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group.

The Group measures goodwill at the date of acquisition as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests ("NCI") in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the date of acquisition and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the date of acquisition. The measurement basis taken is elected on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by SFRS(I)s.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

4. Significant accounting policies (Cont'd)

4.1 Basis of consolidations (Cont'd)

(i) Business combinations (Cont'd)

Costs related to the acquisition, other than those associated with the issue of debt or equity investments, that the Group incurs in connection with a business combination are expensed as incurred.

Changes in the Group's interest in a subsidiary corporation that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners and therefore no adjustments are made to goodwill and no gain or loss is recognised in profit or loss. Adjustments to NCI arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

(ii) Subsidiary corporations

Subsidiary corporations are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary corporations are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the NCI in a subsidiary corporation are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

(iii) Loss of control

When the Group losses control over a subsidiary corporation, it derecognises the assets and liabilities of the subsidiary corporation, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary corporation is measured at fair value when control is lost.

(iv) Associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity.

Investments in associates is accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date the significant influence ceases.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operation or has made payments on behalf of the investee.

(v) Joint operations

A joint operation is an arrangement in which the Group has joint control whereby the Group has rights to the assets, and obligations for the liabilities, relating to an arrangement. The Group accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

4. Significant accounting policies (Cont'd)

4.1 Basis of consolidations (Cont'd)

(vi) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(vii) Accounting for subsidiary corporations and associates in the separate financial statements

Investments in subsidiary corporations and associate are stated in the Company's statement of financial position at cost less accumulated impairment losses.

4.2 Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the financial year, adjusted for effective interest and payments during the financial year, and the amortised cost in foreign currency translated at the exchange rate at the end of the financial year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognised in profit or loss. However, foreign currency differences arising from the translation of the following items are recognised in other comprehensive income ("OCI"):

(i) an investment in equity securities designated as at FVOCI;

(ii) a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and

(iii) qualifying cash flow hedges to the extent that the hedge is effective.

(ii) Foreign operations

The assets and liabilities of foreign operations are translated to United States dollars at exchange rates at the end of the reporting date. The income and expenses of foreign operations are translated to United States dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI. However, if the foreign operation is a non-wholly-owned subsidiary corporation, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary corporation that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

4. Significant accounting policies (Cont'd)

4.2 Foreign currency (Cont'd)

(ii) Foreign operations (Cont'd)

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation. These are recognised in OCI and are presented in the translation reserve in equity.

(iii) Net investment in foreign operation

Exchange differences arising from monetary items that in substance form part of the Company's net investment in a foreign operation are recognised in the Company's profit or loss. Such exchange differences are reclassified to other comprehensive income in the consolidated financial statements. When the foreign operation is disposed of, the cumulative amount in equity is transferred to profit or loss as an adjustment to the profit or loss arising on disposal.

4.3 Exploration and evaluation assets

Exploration and evaluation activities involve the search for oil and gas resources, the determination of technical feasibility and the assessment of the commercial viability of an identified resource. Costs incurred before the Group has obtained the legal rights to explore an area are recognised in profit or loss.

Exploration and evaluation costs are capitalised in respect of each area of interest for which the rights to tenure are current and where:

(i) the exploration and evaluation costs are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or

(ii) exploration and evaluation activities in the area of interest have reached a stage which permits a reasonable assessment of the existence, or otherwise, of economically recoverable reserves, and active and significant operations in, or in relation to, the areas of interest are continuing.

Exploration and evaluation assets comprise, among others, costs that are directly attributable to researching and analysing existing exploration data, gathering exploration data through topographical, geochemical and geophysical studies, exploratory drilling, trenching and sampling, determining and examining the volume and grade of the resource, examining and testing extraction and treatment methods, surveying transportation and infrastructure requirements, compiling pre-feasibility and feasibility studies and/or gaining access to areas of interest including occupancy and relocation compensation and other directly attributable costs of exploration and appraisal including technical and administrative costs.

General and administrative costs are allocated to, and included in, the cost of exploration and evaluation asset only to the extent that those costs can be related directly to operational activities in the area of interest to which the exploration and evaluation asset relates. In all other cases, these costs are expensed as incurred.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward cost in relation to that area of interest.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

4. Significant accounting policies (Cont'd)

4.3 Exploration and evaluation assets (Cont'd)

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the cost of that stage. Site restoration costs include the dismantling and removal of drilling facilities, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the concession permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis. Any changes to the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within 1 year of abandoning the concession site.

4.4 Plant and equipment

(i) Recognition and measurement

Items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

The gain or loss on disposal of an item of plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of plant and equipment and is recognised in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Depreciation is recognised from the date that plant and equipment are completed and ready for use.

The estimated useful lives for the current and comparative periods are as follows:

Office equipment	5 - 10 years
Production facility	28 years (estimated life of the Mustang Project)
Road and production pad	28 years (estimated life of the Mustang Project)

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

4. Significant accounting policies (Cont'd)

4.5 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at amortised cost; fair value through other comprehensive income ("FVOCI"); or fair value through profit or loss ("FVPL").

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity investments at FVOCI

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis.

Financial assets at FVPL

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

4. Significant accounting policies (Cont'd)

4.5 Financial instruments (Cont'd)

(ii) Classification and subsequent measurement (Cont'd)

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Group's management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVPL.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

4. Significant accounting policies (Cont'd)

4.5 Financial instruments (Cont'd)

(ii) Classification and subsequent measurement (Cont'd)

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at FVPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVPL. A financial liability is classified as at FVPL if it is classified as held for trading or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. These financial liabilities comprised loans and borrowings and trade and other payables (excluding deferred income).

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

4. Significant accounting policies (Cont'd)

4.5 Financial instruments (Cont'd)

(iii) Derecognition (Cont'd)

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits. For the purpose of the statement of cash flows, restricted cash are excluded from cash and cash equivalents.

(vi) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Perpetual securities

The perpetual securities do not have a maturity date and the Company is able to elect to defer making a distribution subject to the terms and conditions of the securities issued. Accordingly, the Company is not considered to have a contractual obligation to make principal repayments or distributions in respect of its perpetual securities issued and the perpetual capital securities are presented within equity. Distributions are treated as dividends which will be directly debited from equity. Incremental costs directly attributable to the issue of the perpetual securities are deducted against the proceeds from the issue.

Repurchase, disposal and reissues of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid which includes directly attributable costs, net of any tax effects, is recognised as a deduction of equity. Repurchased shares are classified and presented as treasury shares. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity and the resulting surplus or deficit is presented in non-distributable capital reserve.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

4. Significant accounting policies (Cont'd)

4.6 Impairment

(i) Non-derivative financial assets

The Group recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost.

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or

- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or

- the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

4. Significant accounting policies (Cont'd)

4.6 Impairment (Cont'd)

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

4. Significant accounting policies (Cont'd)

4.6 Impairment (Cont'd)

(iii) Non-financial assets (Cont'd)

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Goodwill that forms part of the carrying amount of an investment in an associate is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

4.7 Employee benefits

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligations to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

(ii) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(iii) Share-based payment transactions

The grant date fair value of equity-settled share-based payment awards granted to employee is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

4. Significant accounting policies (Cont'd)

4.8 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

4.9 Revenue recognition

Dividend income

Dividend income is recognised in profit or loss when the shareholders' right to receive payment is established.

Sale of crude oil

Revenue from sale of crude oil is recognised at the point in time when risks and rewards of ownership are transferred to the customer, which would generally be the date of delivery. At this date, the amount of revenue to be recognised will be estimated based on the forward market price of the crude oil being sold. The provisionally priced contracts are marked to market at each reporting date with any adjustments being recognised within revenue.

4.10 Goodwill

Goodwill that arises upon the acquisition of subsidiary corporations is included in intangible assets. For the measurement of goodwill at initial recognition, see note 4.1(i).

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses. In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the associates.

4.11 Non-current assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, that are highly probable to be recovered primarily through sale rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets, or components of a disposal group, are remeasured in accordance with the Group's accounting policies. Thereafter, the assets, or disposal group, classified as held for sale are generally measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment loss on disposal group is first allocated to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to financial assets, deferred tax assets, and employee benefit assets, which continue to be measured in accordance with the Group's accounting policies. Impairment loss on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in profit or loss.

Intangible assets and property, plant and equipment once classified as held for sale are not amortised or depreciated.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

4. Significant accounting policies (Cont'd)

4.12 Leases

At inception of a contract, the Group assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable less payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination options or if there is a revised in-substance fixed lease payment.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

4. Significant accounting policies (Cont'd)

4.12 Leases (Cont'd)

As a lessee (Cont'd)

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in "right-of-use assets" and lease liabilities in "financial liabilities" in the statement of financial position.

Short term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

4.13 Finance income and finance costs

Finance income comprises interest income on amounts due from director and unwinding of discount arising from amounts due from a director. Finance costs comprise interest expenses on borrowings that are recognised in profit or loss.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

4.14 Income tax expense

Income tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable or receivable in respect of previous periods. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty to income taxes, if any.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

4. Significant accounting policies (Cont'd)

4.14 Income tax expense (Cont'd)

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable profit or loss; and
- Temporary differences related to investments in subsidiary corporations, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiary corporations in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of the existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

4.15 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise share options granted.

4.16 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Board of Directors (the chief operating decision maker) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

4. Significant accounting policies (Cont'd)

4.16 Segment reporting (Cont'd)

Segment results that are reported to the Group's Board of Directors include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses and tax liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire plant and equipment and exploration and evaluation assets.

4.17 New standards and interpretation not yet adopted

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 January 2020 and earlier application is permitted; however, the Group has not early adopted the new or amended standards and interpretations in preparing these financial statements.

These following amendments to SFRS(I)s are not expected to have a significant impact on the Group's consolidated financial statements and the Company's statement of financial position.

- *SFRS(I) 17 Insurance Contracts*
- *Classification of liabilities as Current or Non-current (Amendments to SFRS(I) 1-1)*
- *Covid-19-Related Rent Concessions (Amendment to SFRS(I) 16)*
- *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to SFRS(I) 10 and SFRS(I) 1-28)*

5. Exploration and evaluation assets

	Group	
	2020 US$	2019 US$
Cost		
At the beginning of the financial year	196,831,810	69,316,223
Acquisition of subsidiary corporations (Note 31(c))	-	86,644,494
Additions	-	40,871,093
Disposals	(196,831,810)	-
At the end of the financial year	-	196,831,810
Accumulated amortisation		
At the beginning of the financial year	75,777	-
Amortisation for the financial year	-	75,777
Disposals	(75,777)	-
At the end of the financial year	-	75,777
Accumulated impairment		
At the beginning of the financial year	122,750,182	-
Impairment loss	-	122,750,182
Reversal of impairment loss	(5,232,239)	-
Disposals	(117,517,943)	-
At the end of the financial year	-	122,750,182
Net book value	-	74,005,851

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

5. Exploration and evaluation assets (Cont'd)

Exploration and evaluation assets represent costs incurred with respect to the exploration and evaluation of hydrocarbons in Alaska. These assets are held through the Group's working interest as disclosed in Note 8 in oil and gas exploration segment (Note 30). Amortisation was recorded upon commencement of production in November 2019.

In 2020, there are no drilling activities for exploration, mining development and production activities. Therefore, no costs are capitalised to the exploration and evaluation assets. On 1 November 2020, the Group has assigned all of its working interest ownership as disclosed in Note 8, and other exploration and evaluation assets in a public auction held on 23 September 2020 to satisfy the indebtedness owed to creditor, Alaska Industrial Development and Export Authority.

In 2019, included in exploration and evaluation assets were the following:
- US$9,111,591 that represents borrowing costs capitalised during the financial year using a capitalisation rate of 8.69%.
- US$1,932,803 that represents the provision for restoration cost capitalised during the financial year (Note 19).
- US$852,402 that was settled through tax credit approved during the financial year.
- US$21,273,844 that were unpaid as at 31 December 2020 and included in the trade payables.

Impairment

The Group performed impairment assessment on the exploration and evaluation assets in Alaska at the end of the financial year by comparing the carrying amount of the exploration and evaluation assets against the fair value less cost of disposal. The fair value less cost of disposal was determined based on the principal sum of all indebtedness owed to creditor, Alaska Industrial Development and Export Authority, amounting to US$79,238,090 as at 23 September 2020 (2019: US$74,005,851) (Note 18), the date when the exploration and evaluation assets that are pledged to the loan are sold in the public auction to satisfy the obligation secured. The exploration and evaluation assets are sold to the highest bidder, for US$79,232,726, with trivial difference from the indebtedness owed to the creditor. Accordingly, the Group has reversed US$5,232,239 of a previous impairment loss in 2019, which has been included in "Other income" in loss from discontinued operations (Note 13(b)(i)).

6. Plant and equipment

	Office equipment	
	2020	**2019**
	US$	**US$**
<u>Group</u>		
Cost		
Beginning of financial year	29,258	2,463
Acquisition of subsidiary corporations (Note 31(c))	-	26,795
Additions	2,618	-
Reclassified to disposal group (Note 13(b)(iii))	(26,795)	-
End of financial year	5,081	29,258
Accumulated depreciation		
Beginning of financial year	2,463	1,916
Depreciation charge for the financial year		
– Continuing operations (Note 24)	227	547
– Discontinued operations	21,795	-
	22,022	547
Reclassified to disposal group (Note 13 (b)(iii))	(21,795)	-
End of financial year	2,690	2,463
Carrying amounts		
End of financial year	2,391	26,795

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

6. Plant and equipment (Cont'd)

	Office equipment	
	2020	2019
	US$	US$
Company		
Cost		
Beginning of financial year	2,463	2,463
Additions	2,618	-
End of Financial year	5,081	2,463
Accumulated depreciation		
Beginning of financial year	2,463	1,916
Depreciation charge for the financial year	227	547
End of financial year	2,690	2,463
Carrying amounts		
End of financial year	2,391	-

7. Investments in subsidiary corporations

	Company	
	2020	2019
	US$	US$
Unquoted equity shares, at cost		
Beginning of the financial year	40,545,583	1
Addition	-	40,545,582
Disposal	(8,173,966)	-
Reclassified to disposal group (Note 13(b))	(32,371,616)	-
End of the financial year	1	40,545,583
Impairment loss		
Beginning of financial year	40,545,583	-
Impairment loss	-	40,545,583
Disposal	(8,173,966)	-
Reclassified to disposal group (Note 13(b))	(32,371,616)	-
End of financial year	1	40,545,583
End of financial year	-	-

In 2019, management assessed for impairment whenever there is any objective evidence or indication that investments in subsidiary corporations may be impaired. An allowance for impairment loss was made in respect of the Company's investment in the subsidiary corporations to reduce the carrying amount of the investments to the recoverable amounts which were determined based on value-in-use of nil, after taking into consideration the financial performance and position of the subsidiary corporations.

The Company classified its 100%-owned subsidiary corporation, JK North Slope LLC ("JKNS") and its subsidiary corporations, namely, Brooks Range Petroleum Corporation, Caracol Petroleum LLC, and TP North Slope Development LLC as disposal group held for sale as at 31 December 2020 following management's decision to dispose JKNS. The Company also intends to dispose JK North Slope Group Inc Srl and has dissolved its subsidiary corporation, Mustang Road LLC. The entire results of the exploration and evaluation business segment are disclosed in accordance with SFRS(I) 5 *Non-Current Assets Held for Sale and Discontinued Operations* (Note 13(b)).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

7. Investments in subsidiary corporations (Cont'd)

The details of the subsidiary corporations are as follows:

Name of subsidiary corporations	Principal activities	Principal place of business/Country of incorporation	Effective equity interest 2020 %	2019 %
Held by the Company				
JK E&P Group Pte Ltd(2)	Investment holding	Singapore	100	100
Conquest Energy Pte Ltd(2)	Investment holding	Singapore	100	100
Held by JK E&P Group Pte Ltd				
JK North Slope Group Inc Srl(1)(3)	Investment holding	Romania	100	100
Held by JK North Slope Group Inc Srl				
JK North Slope LLC(3)	Investment holding	United States of America	100	100
Held by JK North Slope LLC				
Caracol Petroleum LLC(4)	Oil and gas exploration through working interests	United States of America	100	100
Held by Caracol Petroleum LLC				
Brooks Range Petroleum Corporation(4)	Operator of Mustang Project	United States of America	97.5	97.5
Mustang Operations Center 1, LLC(4)(5)	Disposed	United States of America	-	100
Mustang Road, LLC(3)	Operator of the access road into Mustang Field and the Gravel Pad where the processing facility will be located.	United States of America	100	100
TP North Slope Development, LLC(4)	Oil and gas exploration through working interests	United States of America	100	100

(1) 1% held by Conquest Energy Pte Ltd

(2) Audited by Nexia TS Public Accounting Corporation

(3) Not required to be audited in accordance with the law of the country of incorporation. These subsidiary corporations are not significant as defined under Listing Rule 718 of the Singapore Exchange Listing Manual. For this purpose, a subsidiary corporation is considered significant as defined under the Singapore Exchange Limited Listing Manual if its net tangible assets represent 20% or more of the Group's consolidated net tangible assets, or if its pre-tax profits account for 20% or more of the Group's consolidated pre-tax profits

(4) Not required to be audited in accordance with the law of the country of incorporation. Audited by Nexia TS Public Accounting Corporation, Singapore for the Group's consolidation purposes

(5) Disposed of 100% of membership interest on 1 November 2020 (Note 13)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

8. Working interest

Following the completion of the public auction on 23 September 2020, the Department of Natural Resources of the State of Alaska has approved on the assignment of 100% of the membership interest in Mustang Operations Center 1, LLC ("MOC 1") to the highest bidder, and therefore, the Group has lost 20% of the working interest ownership in the Mustang Field, located at Alaska, United States of America, with effect from 1 November 2020 (the "effective date"). On the same effective date, the authority has also approved on the assignment of the remaining working interest ownership held by the Group to the highest bidder (2019: 90.1%). The details of the working interest are as follows:

Entities held by the Group	Ownership interest	
	2020	2019
	%	%
Caracol Petroleum, LLC [1]	-	36.2
TP North Slope Development, LLC [1]	-	22.5
Brooks Range Petroleum Corporation [1]	-	10.4
Mustang Operations Center 1, LLC	-	20.0
Mustang Road, LLC	-	1.0
	-	90.1

[1] As at 31 December 2020 and 2019, the Group through the three entities has an effective interest of 100% in capital expenditure.

9. Investment in associate

	Group and Company	
	2020	2019
	US$	US$
Beginning of the financial year	-	-
Fair value of previously held interest in the associate (Note 31(a))	-	(2,122,333)
Gain on remeasurement of previously held interest in the associate arising from step acquisition of a subsidiary corporation	-	2,122,333
End of the financial year	-	-

On 5 April 2019, the Group through its wholly-owned subsidiary corporation, TP North Slope Development, LLC acquired an additional 32.5% equity interest in its associate, Brooks Range Petroleum Corporation ("BRPC"), which resulted in the Group obtaining control over Brooks Range Petroleum Corporation, as 65% super-majority is required for all resolutions to be passed.

At the same time, the Group has also recognised the additional 15% of equity interest that was retained in the treasury shares of BRPC. The management's intention was to find a potential buyer for 15% equity interest but to no avail since the date of transferred from the vendor in 2017.

As a result, the Group's shareholding interest increased from 50% to 97.5% and accordingly accounted for it as subsidiary corporation (Note 31).

As Brooks Range Petroleum Corporation is accounted for as the Group's subsidiary corporation, no summarised financial information is presented for the financial year ended 31 December 2019.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

10. Other investments

	Group		Company	
	2020 US$	2019 US$	2020 US$	2019 US$
Non-current investments				
Equity investments – at FVOCI				
(a) Investment in Mustang Road, LLC				
At the beginning of the financial year	-	2,762,913	-	-
Gain on remeasurement of previously held interest in equity investment – at FVOCI (Note 17(b)(iv))	-	51,940	-	-
Fair value of equity investments – at FVOCI after remeasurement (Note 31(a))	-	2,814,853	-	-
Acquisition of subsidiary corporations (Note 31(c))	-	2,546,772	-	-
Reclassification from investment in equity investments – at FVOCI to subsidiary corporations	-	(5,361,625)	-	-
At end of the financial year	-	-	-	-
(b) Investment in Badami unit				
At the beginning of the financial year	-	4,472,199	-	-
Additions	168,921	196,296	-	-
Acquisition of subsidiary corporations (Note 31(c))	-	2,050,054	-	-
Fair value loss (Note 17(b)(iv))	(168,921)	(6,718,549)	-	-
At the end of the financial year	-	-	-	-
Total	-	-	-	-
Current investments				
Equity investments – at FVPL				
At the beginning of the financial year	1,809	1,809	1,809	1,809
Fair value loss (Note 24)	(1,809)	-	(1,809)	-
At the end of the financial year	-	1,809	-	1,809

In 2019, the Group through its newly acquired subsidiary corporation, TP North Slope Development, LLC ("TPNSD"), acquired additional 3.7% working interest in the Badami Unit. As a result, the Group has 7.5% working interest in Badami Unit. The Group's working interest in Badami Unit is pledged as collateral for the Group's borrowing 1 (Note 18).

Fair value loss of US$168,921 (2019: US$6,718,549) has been recognised during the financial year as the Group has received notices of default to sell the working interest in Badami Unit that is pledged to the loans, to satisfy the obligation secured subsequent to the end of the financial year and no amount is expected to be received.

The cost of investment includes present value of deferred consideration of US$5,446,525 (2019: US$5,446,525) which is estimated based on forecasted crude oil prices for 2021 and payable over the same period, and has been recorded as "trade and other payables" in the liabilities directly associated with disposal group classified as held for sale as at 31 December 2020 (Note 13(b)(iv)) and trade and other payables as at 31 December 2019 (Note 20).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

10. Other investments (Cont'd)

During the financial year, the Group recognised the net profit distribution from the investment in Badami Unit of US$51,474 (2019: US$1,053,596) as "other income" in the loss from discontinued operation (Note 13(b)(i)).

No strategic investments were disposed of during 2020 and 2019, and there were no transfers of any cumulative gain or loss within equity relating to these investments.

Market risks and fair value measurement

Fair value hierarchy

The table below analyses fair value measurements for financial assets and financial liabilities, by the levels in the fair value hierarchy based on the inputs to valuation techniques. The different levels have been defined as follows:

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 : Unobservable inputs for the asset or liability.

Financial assets carried at fair value

Group	Level 1 US$	Level 2 US$	Level 3 US$	Total US$
31 December 2020				
FVPL – equity instruments	-	-	-	-
31 December 2019				
FVPL – equity instruments	1,809	-	-	1,809

Company	Level 1 US$	Level 2 US$	Level 3 US$	Total US$
31 December 2020				
FVPL – equity instruments	-	-	-	-
31 December 2019				
FVPL – equity instruments	1,809	-	-	1,809

The above excludes the financial assets and financial liabilities whose carrying amounts measured on the amortised cost basis approximate their fair values due to their short-term nature and where the effect of discounting is immaterial.

In 2020 and 2019, the Group has recognised full fair value loss of the equity investment in the Badami Unit classified as Level 3.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

11. Trade and other receivables

	Group		Company	
	2020 US$	2019 US$	2020 US$	2019 US$
Non-current				
Tax credit receivables	-	29,166,918	-	-
Current				
Trade receivables	-	468,843	-	-
Non-trade amounts due from subsidiary corporations	-	-	72,237,562	72,132,596
Less: Loss allowance (Note 29)	-	-	(72,237,562)	(72,132,596)
	-	-	-	-
Other receivables	67,112	768,758	67,112	56,054
Prepayments	-	60,000	-	-
Amount due from a former director	-	1,363,198	-	1,363,198
	67,112	2,660,799	67,112	1,419,252
Total	67,112	31,827,717	67,112	1,419,252

Tax credit receivables relate to tax credits filed with the State of Alaska for qualified capital expenditures on the Mustang Project. These tax credits have been approved by the Alaskan government. However, the receipt of these tax credits is dependent on the budget approved annually by the Alaskan government. As of the date of this report, the Group has not received any tax credit (2019: has not received any tax credit) based on the budget in 2021. The Group has pledged all the tax credits recoverable as collateral for a loan extended by a bank (Note 18). The tax credits receivables of US$15,227,043 are being reclassified to assets held for sale (Note 13(b)(iii)) and US$13,939,875 related to the disposal of MOC 1 are being derecognised (Note 12) following the approval by the Department of Natural Resources of the State of Alaska on the assignment of 100% of the membership interest in MOC 1 with effect from 1 November 2020.

The amount due from a former director relates to consideration receivable for sale of the Group's IT business in the previous financial years and bears interest of 5.0% per annum. The amount is secured by 15,000,000 shares owned by the director in the Company. Pursuant to the supplemental agreements entered with the former director, the amount due from the former directors are assigned to fully repay the loan from external party of US$830,350 on 31 March 2020 (Note 18). The Group has recognised interest income of US$33,913 (2019: US$263,338) (Note 23).

The non-trade amounts due from subsidiary corporations are unsecured, interest-free and repayable on demand.

Credit and market risks, and impairment losses

The Group's and the Company's exposures to credit and currency risks and loss allowances, are disclosed in Note 29.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

12. Cash and cash equivalents

	Group		Company	
	2020 US$	2019 US$	2020 US$	2019 US$
Cash and cash equivalents in the statements of financial position	171,577	2,333,220	171,577	27,675
Less: Restricted cash	-	(2,138,466)	-	-
Cash and cash equivalents as per consolidated statement of cash flows	171,577	194,754	171,577	27,675

Restricted cash represents cash in a specific bank, whose access is under the control of Alaska State Government for future dismantle, removal and remediation costs in respect to the Mustang Project. The restricted cash of US$2,138,466 and bank balances of US$12,940 held by the disposal group are reclassified as assets of disposal group classified as held for sale in Note 13(b)(iii).

Acquisition and disposal of subsidiary corporations

Please refer to Note 31 for the effects of acquisitions of subsidiary corporations on the cash flows of the Group.

On 1 November 2020 (the "disposal date"), the Group disposed of 100%-owned subsidiary corporation, MOC 1 (Note 8). The effect of the disposal on the cash flows of the Group were:

	Group At the disposal date US$
Other receivables (Note 11)	13,939,875
Non-current assets held for sale (Note 13(a))	2,450,000
Total assets	16,389,875
Borrowings (Note 18(c))	17,212,286
Total liabilities	17,212,286
Net liabilities derecognised and disposed of	(822,411)
Effect of disposal on cash flow	
Net liabilities disposed of (as above)	(822,411)
Gain on disposal	822,411
Consideration on disposal	-
Less: Cash and bank balances in the subsidiary corporation disposed of	-
Effect of disposal of cash flow	-

The gain on disposal has been included in "Other income" in loss from discontinued operations (Note 13(b)(i)).

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

13. Non-current assets (and disposal groups) held for sale and discontinued operations

(a) Non-current assets held for sale

In 2019, the non-current assets held for sale related to the construction of the permanent processing facility, arising from the acquisition of Mustang Operations Center, LLC ("MOC 1") with carrying amount of US$52,200,705 (Note 31(c)). Since the date of acquisition till reclassification as assets held for sale, the Group has incurred additional cost of US$1,500,400. As a result, the carrying amount as at reclassification date amounted to US$53,701,105.

In 2020, the Group has completed the disposal of parts of the construction in progress for consideration of US$2,500,000 in accordance to a sale and purchase agreement entered on 5 December 2019. The proceeds received from the sale, after deducting the storage fees, amounted to US$2,163,411 was used to repay *borrowing 1* directly (Note 18). In addition, the remaining parts of the construction in progress with fair value of US$2,450,000 determined based on an independent valuer report in management's impairment assessment in 2019, were derecognised due to the disposal of subsidiary corporation, MOC 1 (Note 12).

	Group	
	2020	**2019**
	US$	**US$**
Beginning of the financial year	4,950,000	-
Reclassified from construction in progress	-	53,701,105
Impairment losses	-	(48,751,105)
Disposals	(4,950,000)	-
End of the financial year	-	4,950,000

(b) Discontinued operations and disposal group classified as held for sale

Following the completion of the public auction on 23 September 2020, the Department of Natural Resources of the State of Alaska has approved on the assignment of 100% of the membership interest in MOC 1 to the highest bidder, with effect from 1 November 2020. Accordingly, the related assets and liabilities, including the goodwill arising from consolidation (Note 14), were derecognised and the entire result from MOC 1 was presented separately on the Consolidated Statement of Profit or Loss as "Discontinued operations" for the financial years ended 31 December 2020 and 2019.

On 9 March 2021, the Company's 100%-owned subsidiary corporation, JK North Slope Group Inc Srl ("JKNG") entered into a sale and purchase agreement ("SPA") for the disposal of the entire issued and paid up ordinary shares in the capital of JK North Slope LLC, and its subsidiary corporations, comprising Caracol Petroleum LLC, TP North Slope Development LLC and Brooks Range Petroleum Corporation for an aggregate consideration of US$1.00. As at 31 December 2020, following the Group's decision to sell the aforesaid subsidiary corporations, and thereafter dispose JK North Slope Group Inc Srl and dissolved Mustang Road LLC (together known as the "disposal group"), and in compliance with SFRS(I) 5 *Non-current Asset Held for Sale and Discontinued Operations,* the assets and liabilities of the disposal group were classified as "Assets of disposal group classified as held for sale" and "Liabilities directly associated with disposal group classified as held for sale" respectively on the Statement of Financial Position. Its financial results have been reclassified and presented separately as "Discontinued operations" for the current financial year, and the prior financial year's results had been restated in the Consolidated Statement of Profit or Loss.

As a result, the Company has also classified its 100%-owned subsidiary corporation, JKNG and its subsidiary corporation with carrying amount of nil as at 31 December 2020 as disposal group held for sale (Note 7).

MOC 1 and the disposal group were previously presented under the "Exploration and production" reportable segment of the Group (Note 30).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

13. Non-current assets (and disposal groups) held for sale and discontinued operations (Cont'd)

(b) Discontinued operations and disposal group classified as held for sale (Cont'd)

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

	Group	
	2020 US$	2019 US$
Revenue	-	415,021
Expenses	(9,730,917)	(182,228,532)
Other income	12,991,253	7,039,067
Gain on remeasurement arising from step acquisition of a subsidiary corporation	-	2,122,333
Net finance costs	(11,604,077)	(17,813,836)
Loss before tax from discontinued operations	(8,343,741)	(190,465,947)
Income tax expense	-	(13,000)
Net loss for the financial year from discontinued operations	(8,343,741)	(190,478,947)

(ii) The impact of the discontinued operations on the cash flows of the Group was as follows:

	Group	
	2020 US$	2019 US$
Operating cash outflows	(2,496,091)	(524,045)
Investing cash (outflows)/ inflows	(168,921)	9,095,450
Financing cash inflows	2,505,474	10,540,531
Total cash (outflows)/ inflows	(159,538)	19,111,936

	Group As at 31 December 2020 US$
(iii) Details of the assets of disposal group classified as held for sale were as follows:	
Plant and equipment (Note 6)	5,000
Trade and other receivables (Note 11)	15,227,043
Cash and cash equivalents (Note 12)	2,151,406
	17,383,449
(iv) Details of the liabilities of disposal group classified as held for sale were as follows:	
Trade and other payables (Note 20)	86,032,881
Borrowings (Note 18)	23,722,168
	109,755,049

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

13. Non-current assets (and disposal groups) held for sale and discontinued operations (Cont'd)

(b) Discontinued operations and disposal group classified as held for sale (Cont'd)

(iv) In addition to the trade and other payables, which was presented as liabilities of disposal group classified as held for sale in Note 20, the above trade and other payables consists of the following:

- In 2020, the Group's subsidiary corporation, Brooks Range Petroleum Corporation obtained an interest-free loan from non-related party of US$2,071,502, out of the lender's goodwill to maintain, protect, and preserve the assets of Mustang Project.

- As of the date of this report, the Group incurred the foreclosure and/or asset preservation cost of US$1,014,223 payable to Alaska Industrial Development and Export Authority ("AIDEA"), in addition to the borrowing 1 disclosed in Note 18. The cost recognised is still not complete, and AIDEA is not able to provide reliable estimates of the total cost incurred as disclosed in contingent liabilities (Note 28).

14. Goodwill

	Group	
	2020 US$	2019 US$
Cost		
Beginning of the financial year	8,096,615	-
Acquisition of subsidiary corporations (Note 31(e))	-	8,096,615
Disposal	(8,096,615)	-
End of the financial year	-	8,096,615
Accumulated impairment losses		
Beginning of the financial year	8,096,615	-
Impairment loss	-	8,096,615
Disposal	(8,096,615)	-
End of the financial year	-	8,096,615
Net book value	-	-

Impairment tests for goodwill

Goodwill is allocated to the Group's CGUs, identified to be the entity, Mustang Operations Center 1, LLC ("MOC1").

In 2019, the Group performed impairment test of goodwill at the end of the financial year by comparing the carrying value of the CGU against the fair value less cost of disposal. The carrying value of the CGU has been determined by taking the net asset value of cash generating assets and the goodwill attributable to the CGU. The fair value was determined based on the valuation of the construction in progress, that was subsequently impaired and reclassified to held for sale (Note 13(a)). The held for sale assets are the MOC1's sole asset which had been written-down to their fair value less cost of disposal. Accordingly, management has fully impaired the goodwill of US$8,096,615.

In 2020, the goodwill is derecognised following the disposal of MOC 1 (Note 13(b)).

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

15. Share capital

	Group and Company	
	No. of shares [(1)]	Amount US$
2020		
At the beginning and end of the financial year	2,255,387,331	115,103,998
2019		
At the beginning of the financial year	400,939,065	64,695,119
Exercise of share options (a)	50,000	3,298
Issuance of shares for business combination (b)	345,288,379	34,555,920
Issuance of shares to offset loan (c)	5,308,333	531,250
Issuance of ordinary shares pursuant to rights issue (d)	1,503,591,554	15,318,411
Sale of treasury shares (e)	210,000	-
At the end of the financial year	2,255,387,331	115,103,998

(1) Exclude treasury shares (Note 17)

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. All rights attached to the Company's shares held by the Group are suspended until those shares are reissued. All shares rank equally with regard to the Company's residual assets. All issued shares are fully paid with no par value.

Issue of ordinary shares

(a) On 3 January 2019, the Company issued 50,000 new ordinary shares pursuant to the option agreement entered on 4 April 2014, at the exercise price of S$0.09 per share for total cash proceeds of US$3,298 (equivalent to S$5,000).

(b) (i) On 5 April 2019, the Company issued 295,716,379 new ordinary shares at the fair value of US$0.1001 per share for the acquisition of TP North Slope Development, LLC for an aggregate value of US$29,594,832 (Note 31(a)).

(ii) On 5 April 2019, the Company issued 49,572,000 new ordinary shares at fair value of US$0.1001 per share for the acquisition of 3.67% of the membership interest in Mustang Operations Center 1, LLC for an aggregate value of US$4,961,088 (Note 31(a)).

(c) On 5 April 2019, the Company issued 5,308,333 new ordinary shares pursuant to deed of pledge agreement entered on 24 September 2018, at fair value of US$0.1001, amounted to US$531,250 (Note 18).

(d) On 12 September 2019, the Company allotted and issued 1,503,591,554 new ordinary shares at US$0.01008 (equivalent to S$0.014 per share), amounting to US$15,318,411 (equivalent to S$21,050,282), pursuant to the rights issue exercise. The proceeds from issuance of 602,049,424 new ordinary shares were paid directly to offset the short-term loan, amounted to US$6,077,098 (equivalent to S$8,428,919) (Note 18).

(e) On 21 June 2019, the Company sold 210,000 treasury shares at a consideration of US$8,224 (equivalent to S$11,340). The cost of the treasury share sold amounted to US$20,825 (equivalent to S$21,043) (Note 17(b)(i)). Accordingly, a loss on the sales of treasury share of US$12,601 was recognised in other reserve (Note 17(a)).

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

15. Share capital (Cont'd)

Outstanding share options

As at 31 December 2020, details of the options granted on unissued ordinary shares of the Company are as follows:

Date of grant of options	Exercise price per share S$	Options outstanding as at 1 January 2020 '000	Options exercised '000	Options forfeited '000	Options granted '000	Options outstanding as at 31 December 2020 '000	Exercise period
2 March 2017	0.067	4,800	-	-	-	4,800	2 March 2018 to 2 March 2027
5 May 2017	0.078	480	-	-	-	480	5 May 2018 to 5 May 2027
1 March 2019	0.07	8,000	-	(8,000)	-	-	1 March 2020 to 1 March 2029
24 May 2019	0.20	40,652	-	-	-	40,652	24 May 2019 to 23 May 2024
		53,932	-	(8,000)	-	45,932	

The options granted by the Company do not entitle the holders of the share options, by virtue of such holding, to any rights to participate in any share issue in any other company.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

15. Share capital (Cont'd)

As at 31 December 2019, details of the options granted on unissued ordinary shares of the Company are as follows:

Date of grant of options	Exercise price per share S$	Options outstanding as at 1 January 2019 '000	Options exercised '000	Options forfeited '000	Options granted '000	Options outstanding as at 31 December 2019 '000	Exercise period
22 May 2014	0.09	261,000	(50)	(260,950)	-	-	22 May 2014 to 21 May 2019
2 March 2017	0.067	4,800	-	-	-	4,800	2 March 2018 to 2 March 2027
5 May 2017	0.078	480	-	-	-	480	5 May 2018 to 5 May 2027
1 March 2019	0.07	-	-	(2,500)	10,500	8,000	1 March 2020 to 1 March 2029
5 April 2019	0.09	-	-	(65,000)	65,000	-	5 April 2019 to 21 May 2019
24 May 2019	0.20	-	-	-	40,652	40,652	24 May 2019 to 23 May 2024
		266,280	(50)	(328,450)	116,152	53,932	

Capital management

The Group and the Company manage their capital to ensure that the Group and the Company are able to continue as going concern and maintain an optimal capital structure so as to maximise shareholders' value. The Group and the Company are not subject to any externally imposed capital requirements for the financial years ended 31 December 2020 and 31 December 2019.

The Group and the Company constantly review the capital structure to ensure that the Group and the Company are able to service any debt obligations (include principal repayment and interests) based on their operating cash flows. The Group's and the Company's overall strategy remains unchanged during the financial year.

The Group and the Company monitor capital based on a gearing ratio, which is net debt divided by equity plus net debt. The Group and the Company include within net debt, trade and other payables, bank borrowings less cash and cash equivalents (less restricted cash). Equity consists of share capital plus reserves.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

15. Share capital (Cont'd)

Capital management (Cont'd)

The Group's net debt to adjusted equity ratio at the reporting date was as follows:

	Group		Company	
	2020 US$	2019 US$	2020 US$	2019 US$
Trade and other payables[1]	89,531,640	83,598,819	3,463,842	3,099,998
Borrowings[1]	24,489,080	112,592,679	766,912	-
Less:				
Cash and cash equivalents[2]	(184,517)	(194,754)	(171,577)	(27,675)
Net debt	113,836,203	195,996,744	4,059,177	3,072,323
Total equity	(96,396,191)	(85,526,106)	(3,989,674)	(1,651,262)
Total capital	17,440,012	110,470,638	69,503	1,421,061
Gearing ratio (%)	*	*	*	*

1 *Trade and other payables and borrowings include the liabilities directly associated with disposal group classified as held for sale (Note 13(b)(iv))*
2 *Cash and cash equivalents include the assets of disposal group classified as held for sale (Note 13(b)(iii)) and exclude restricted cash of US$2,138,466*
* *Not meaningful*

16. Perpetual securities

On 5 April 2019, the Company completed the placement of US$4,500,000 (equivalent to $6,196,500) 1.35% convertible perpetual capital securities (the "Capital Securities"), as part of the purchase consideration for the acquisition of Mustang Operations Center 1, LLC (Note 31(a)). The fair value of the perpetual securities as determined by the independent valuer for the purpose of the purchase price allocation amounted to US$1,913,045 (Note 31(a)).

The securities are perpetual, subordinated and the distribution interest of 1.35% per annum may be deferred at the sole discretion of the Company. The perpetual securities do not have a maturity date and the Company is able to elect to defer or not make a distribution subject to terms and conditions of the securities. These perpetual securities are classified as equity instruments and recorded in equity in the consolidated statement of financial position. The Company has no contractual obligations to repay the principal or to pay any distributions which means the instruments do not meet the definition as a financial liability under SFRS(I) 1-32 Financial Instruments: Presentation.

The Capital Securities will, at the option of the holders of the Capital Securities, be converted into fully paid shares of the Company at a conversion price of S$0.0212 per share. For the financial year ended 31 December 2020, no new ordinary shares in the capital of the Company had been allotted and issued by the Company pursuant to the conversion of convertible perpetual capital securities.

As at 31 December 2020, the Group has accrued total perpetual securities distribution of US$111,014 (2019: US$50,098).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

17. Reserves

(a) Composition

	Group 2020 US$	Group 2019 US$	Company 2020 US$	Company 2019 US$
Treasury shares	(18,544)	(18,544)	(18,544)	(18,544)
Share options reserve	1,967,487	1,967,487	1,967,487	1,967,487
Foreign currency translation reserve	(27,002)	(11,763)	-	-
Fair value reserve	(6,835,530)	(6,666,609)	-	-
Other reserve	(12,601)	(12,601)	(12,601)	(12,601)
	(4,926,190)	(4,742,030)	1,936,342	1,936,342

All the above reserves are non-distributable.

(b) Movement

	Group 2020 US$	Group 2019 US$	Company 2020 US$	Company 2019 US$
(i) Treasury shares				
Beginning of the financial year	(18,544)	(39,369)	(18,544)	(39,369)
Sale of treasury shares [1]	-	20,825	-	20,825
End of the financial year	(18,544)	(18,544)	(18,544)	(18,544)

(1) On 21 June 2019, the Company sold 210,000 treasury shares for a consideration of US$8,224 (equivalent to S$11,340) of which an amount of US$401 remained outstanding and was included in other receivables. The cost of the treasury shares sold amounts to US$20,825 (equivalent to S$21,043). The number of treasury share as at 31 December 2019 amount to 187,000.

	Group 2020 US$	Group 2019 US$	Company 2020 US$	Company 2019 US$
(ii) Share options reserves				
Beginning of the financial year	1,967,487	447,878	1,967,487	447,878
Issuance of options as purchase consideration for acquisition of new subsidiary corporations (Note 31(a))	-	4,076,616	-	4,076,616
Reversal of fair value of expired share options issued as purchase consideration	-	(2,557,007)	-	(2,557,007)
End of the financial year	1,967,487	1,967,487	1,967,487	1,967,487
(iii) Foreign currency translation reserves				
Beginning of the financial year	(11,763)	(7,040)	-	-
Net currency translation differences of financial statements of foreign operations	(15,239)	(4,723)	-	-
End of the financial year	(27,002)	(11,763)	-	-

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

17. Reserves (Cont'd)

(b) Movement (Cont'd)

	Group		Company	
	2020	2019	2020	2019
	US$	US$	US$	US$
(iv) Fair value reserves				
Beginning of the financial year	(6,666,609)	-	-	-
Gain on remeasurement of previously held interest in equity investment – at FVOCI (Note 10(a))	-	51,940	-	-
Equity investment – FVOCI - Fair value loss (Note 10 (b))	(168,921)	(6,718,549)	-	-
End of the financial year	(6,835,530)	(6,666,609)	-	-

18. Borrowings

	Group		Company	
	2020	2019	2020	2019
	US$	US$	US$	US$
Non-current				
Secured bank loan	-	13,114,479	-	-
Borrowing 2	-	6,870,370	-	-
	-	19,984,849	-	-
Current				
Secured bank loan	-	1,800,000	-	-
Borrowing 1	-	74,005,851	-	-
Borrowing 3	-	16,801,979	-	-
Borrowing 4	766,912	-	766,912	-
	766,912	92,607,830	766,912	-
Total	766,912	112,592,679	766,912	-

Secured bank loan

The bank loan is secured by corporate guarantees from the Company and tax credits recoverable from the State of Alaska of US$15,227,043 (2019: US$29,166,918) (Note 11).

The bank loan matured in 2017. Subsequently, on 24 May 2019, the Group entered into a second facility amendment agreement to extend the schedule of the first payment commencing from 15 June 2020, in quarterly instalments of US$600,000, on the condition that the loan continues to be paid using the tax credits.

The Group is in default under the terms of the credit agreement. On 7 September 2020, the Group entered into forbearance and release agreement, for which the bank agreed to postpone filing a lawsuit for default or taking any other enforcement action under the loan agreement for the period commencing on 31 August 2020 and terminating on the earlier of the payment in full of the tax credits certificates or the transfer in full of the membership interest owned by the Group's subsidiary corporations.

As at 31 December 2020, the bank loan of US$16,192,242 is reclassified to liabilities directly associated with disposal group classified as held for sale (Note 13(b)(iv)).

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

18. Borrowings (Cont'd)

Borrowings

(a) Borrowing 1

Borrowing 1 related to the loan payable to Alaska Industrial Development and Export Authority ("AIDEA") for the acquisition of MOC 1 and MRLLC (Note 31(a)). In 2020, the Group has borrowed USS$930,732 from AIDEA for the purpose of maintain, protect, and preserve the assets of Mustang Project.

The borrowing is secured by the rights, title, and interest of the Group in the Badami Working Interest (Note 10), SMU leases and other leases (Note 5), MOC 1 State of Alaska tax credits, amounting to US$15,008,223 (2019: US$15,008,223) and all other assets owned by the Group (Note 5).

On 23 September 2020, a public auction was held, in which the abovementioned assets pledge under the deed of trust except for the leases relating to the Badami oil field, were sold to the highest bidder with the bid of US$79,232,726, and the Department of Natural Resources of the State of Alaska has approved on the assignment of the working interest ownership in the SMU leases and other leases with effect from 1 November 2020. The entire principal sum of all indebtedness owed to AIDEA was satisfied with the consideration of sum paid by the bidder and derecognised accordingly.

(b) Borrowing 2

Borrowing 2 is payable to a vendor for Brooks Range Petroleum Corporation ("BRPC")'s acquisition of 13.5% of its working interest in Mustang Field. In 2020, there are indication that the loan is in default under the term of the credit agreement. The loan is due and payable, when BRPC and its related corporation, TP North Slope Development LLC ("TPNSD") fail to maintain at least 10% of the working interest in the SMU leases collectively. The repayment could be from the sales proceeds of the sold working interest or the buyer shall assume payments. However, the sales proceed of the sold working interest was used to satisfy the indebtedness owed to AIDEA in (a). Neither did the buyer assume the obligation. As of the date of this report, the Group has not received default notice from the vendor.

As at 31 December 2020, the borrowings of US$7,529,926 is reclassified to liabilities directly associated with disposal group classified as held for sale (Note 13(b)(iv)).

(c) Borrowing 3

Borrowing 3 related to a loan from the State of Alaska Department of Revenue. The borrowings of US$17,212,286 were derecognised due to the disposal of MOC 1 (Note 12).

(d) Borrowing 4

Borrowing 4 relates to a loan of S$1 million from DiDi Investments, Inc. at an interest rate of 6% per annum to fund corporate expenses of the Company. The loan is fully repaid on 22 January 2021.

Market and liquidity risks

Information about the Group's and the Company's exposure to interest rate and liquidity risk are disclosed in Note 29.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

18. Borrowings (Cont'd)

Terms and debt repayment schedule

Terms and conditions of outstanding borrowings are as follows:

	Effective interest rate %	Year of maturity
Group		
2020		
Secured floating rate bank loan	7.68	-
2019		
Secured floating rate bank loan	9.13	2017

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Loans from non-related parties [1] (Note 20) 2020 US$	Secured bank loan 2020 US$	Borrowings [1] 2020 US$	Total 2020 US$
Balance as at 1 January 2020	2,536,387	14,914,479	97,678,200	115,129,066
Proceed from loans from non-related parties	1,643,000	-	-	1,643,000
Proceeds from borrowings	-	-	1,648,504	1,648,504
Interest paid	(516,236)	-	(11,135)	(527,371)
Repayment of borrowings	-	-	(68,259)	(68,259)
Total changes from financing cash flows	3,663,151	14,914,479	99,247,310	117,824,940
Other changes				
Interest expense	281,916	1,277,763	7,624,603	9,184,282
Net off against trade payables	503,502	-	-	503,502
Repayment of loan from non-related parties via assignment of amount due from a former director (Note 11)	(830,350)	-	-	(830,350)
Derecognition of borrowings due to disposal of subsidiary corporation (Note 12)	-	-	(17,212,286)	(17,212,286)
Repayment of borrowings from the sold exploration and evaluation assets in public auction (Note 5)	-	-	(79,238,090)	(79,238,090)
Repayment of borrowings from the disposal of parts of construction in progress classified as held for sale (Note 13(a))	-	-	(2,163,411)	(2,163,411)
	(44,932)	1,277,763	(90,989,184)	(89,756,353)
Effect of changes in foreign exchange	(46,576)	-	38,712	(7,864)
Balance as at 31 December 2020	3,571,643	16,192,242	8,296,838	28,060,723

[1] *Loans from non-related parties and borrowings include the liabilities directly associated with disposal group classified as held for sale (Note 13(b)(iv))*

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

18. Borrowings (Cont'd)

Reconciliation of movements of liabilities to cash flows arising from financing activities (Cont'd)

	Loans from non-related parties (Note 20) 2019 US$	Secured bank loan 2019 US$	Borrowings 2019 US$	Total 2019 US$
Balance as at 1 January 2019	1,075,000	8,596,745	-	9,671,745
Proceed from loans from non-related parties	879,250	-	-	879,250
Proceeds from borrowings	-	-	10,899,524	10,899,524
Interest paid	(524,449)	-	(1,788,558)	(2,313,007)
Repayment of borrowings	-	-	(5,197,426)	(5,197,426)
Repayment of loans from non-related parties	(725,000)	-	-	(725,000)
Total changes from financing cash flows	704,801	8,596,745	3,913,540	13,215,086
Other changes				
Acquisition of subsidiary corporations (Note 31(a) and 31(c))	-	7,510,618	82,903,771	90,414,389
Interest expense	1,069,570	175,878	4,532,524	5,777,972
Unwinding of discount	-	-	4,497,495	4,497,495
Accrued interest payable (capitalised in exploration and evaluation assets)	-	1,203,623	7,907,968	9,111,591
Net off against trade payables (Note 20)	1,282,800	-	-	1,282,800
Repayment of borrowings using tax credits	-	(2,572,385)	-	(2,572,385)
Repayment of loans from non-related parties via issuance of shares (Note 15(c))	(531,250)	-	-	(531,250)
Repayment of borrowings via assignment of proceed from issuance of rights issue (Note 15(d))	-	-	(6,077,098)	(6,077,098)
	1,821,120	6,317,734	93,764,660	101,903,514
Effect of changes in foreign exchange	10,466	-	-	10,466
Balance as at 31 December 2019	2,536,387	14,914,479	97,678,200	115,129,066

19. Provision for restoration costs

	Group 2020 US$	2019 US$
At beginning of the financial year	2,480,000	547,197
Provision capitalised in exploration and evaluation assets	-	1,932,803
Provision reversed during the financial year	(2,480,000)	-
At the end the financial year	-	2,480,000

The provision for restoration costs is expected to be utilised in order to restore sites to their original condition. In 2019, the provision has been estimated based on expected plugging and abandonment activities and their respective costs and calculated using a discount rate of 2.39% which is the risk-free rate in Alaska, United States of America. The plugging and abandonment activities are expected to be completed by 2046 (2019: 2046). The effect of discounting has not been recognised in view of the insignificant impact. The provision was reversed during the financial year following the approval by the Department of Natural Resources of the State of Alaska on the assignment of working interest ownership to the highest bidder (Note 8).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

20. Trade and other payables

	Group		Company	
	2020 US$	2019 US$	2020 US$	2019 US$
Non-current				
Other payables – Non-related parties	-	840,231	-	-
Current				
Trade payables – Non-related parties	-	25,754,766	-	-
Other payables – Non-related parties	2,460,861	53,566,106	2,437,289	1,319,902
Other payables – related parties	47,275	-	47,275	-
Other payables – subsidiary corporation	-	-	239	-
Loans from non-related parties (including interest)	-	2,536,387	-	1,241,286
Accrued operating expenses	990,623	901,329	979,039	538,810
	3,498,759	82,758,588	3,463,842	3,099,998
Total	3,498,759	83,598,819	3,463,842	3,099,998

The trade payables relate to outstanding payables due to a non-related vendor for expenses incurred in the oil exploration and production activities in the Mustang Field, amounting to US$26,122,624 as at 31 December 2020 are reclassified to liabilities of disposal group classified as held for sale (Note 13(b)(iv)).

Other payables as at 31 December 2020 largely relate to the following:

- deferred consideration payable for the acquisition of the Mustang Project, amounting to US$25,000,000 (2019: US$25,000,000). The deferred consideration payable was due on 31 December 2015 and subsequently extended to 31 May 2016 and bear an interest of 8.5% per annum. In 2020, interest payable amounting to US$2,130,822 (2019: 8,511,644) is recognised. The payables are reclassified to liabilities of disposal group classified as held for sale in 2020 (Note 13(b)(iv)).

- deferred consideration relating to the acquisition of working interest in the Badami Unit amounting to US$5,446,525 (2019: US$5,446,525) and is estimated based on forecasted crude oil prices for 2021 and payable over the same period (Note 10). The payables are reclassified to liabilities of disposal group classified as held for sale in 2020 (Note 13(b)(iv)).

Loans from non-related parties as at 31 December 2020 largely relate to the following:

- In 2019, the Group entered into loan agreement of US$890,736, that bears interest at a rate of 3% per month for the first six months and 5% per month for the following six months and matures on 31 January 2020. The Company assigned the rights, title, interest and benefits of the amount due from a former director to settle the outstanding short-term loan on 30 March 2020.

- In 2019, the Group obtained advances from non-related parties of US$390,000 and US$892,800 that are paid to the trade creditor directly. These advances bear interest of 5% per annum and mature on 31 July 2020 and 31 December 2020 respectively (Note 18).

  In 2020, the Group has borrowed additional advances of US$75,000 under the same loan agreement for working capital purpose. The Group is in default for the advances of US$465,000, which was due and payable on 31 July 2020.

  The advances from non-related parties are reclassified to liabilities of disposal group classified as held for sale in 2020 (Note 13(b)(iv)).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

20. Trade and other payables (Cont'd)

Transactions with subsidiary corporations, related parties and other non-related parties were made on normal commercial terms and conditions.

Currency, interest rate and liquidity risks

The Group's and the Company's exposures to currency risk, interest rate risk and liquidity risk related to trade and other payables are disclosed in Note 29.

21. Share based payments

At 31 December 2020, the Group has the following share-based payment arrangements:

Performance Share Plan

The Performance Share Plan ("Share Plan") of the Company was approved and adopted by the shareholders at an Extraordinary General Meeting of the Company held on 22 July 2011. The Share Plan is administered by the Company's Remuneration Committee. All directors and employees of the Group shall be eligible to participate in the Share Plan.

The Group will grant shares of the Company ("Awards") to eligible employees and directors ("Participants"). Awards represent the right of a Participant to receive fully paid ordinary shares of the Company ("Shares") free of charge, upon the Participant achieving prescribed performance targets. Awards may only be vested and consequently, any Shares comprised in such Awards shall only be delivered upon the Remuneration Committee's satisfaction that the prescribed performance targets have been achieved.

TPNSD Options

On 5 April 2019, the Company issues 65,000,000 freely transferable share options ("TPNSD Options") as part of the purchase consideration of the acquisition in TP North Slope Development, LLC to the vendors. The fair value of the TPNSD Options as determined by the independent valuer was US$0.0365 each, totalling to US$2,371,973 (Note 32(a)). Each TPNSD Options carries the right to subscribe for one new ordinary share in the capital of the Company at exercise price of S$0.09. The TPNSD Options expire on 21 May 2019.

No TPSND Options were exercised till the date of expiry.

AIDEA Options

On 24 May 2019, the Company issues 40,651,900 non-transferable options ("AIDEA Options") as part of the purchase consideration of the acquisition in Mustang Operations Center 1, LLC and Mustang Road, LLC from AIDEA. The fair value of the AIDEA Options as determined by the independent valuer was US$0.0419 each, totalling to US$1,704,643 (Note 32(a)). Each AIDEA Options carries the right to subscribe one new ordinary share in the capital of the Company at exercise price of S$0.20. They expire 5 years from the date of issue.

No AIDEA options were exercised for the financial year ended 31 December 2020.

Alpha DX Group Employee Share Option Scheme

The Alpha DX Group Employee Share Option Scheme (the "Scheme") was approved and adopted by its members at an Extraordinary General meeting held on 29 July 2016. The Scheme is administered by the Company's Remuneration Committee. All Directors and Employees of the Group shall be eligible to participate in the Scheme.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

21. Share based payments (Cont'd)

Other information regarding the Scheme is set out below:

Option granted on 2 March 2017 ("Grant Date 1")

- The exercise price of each option is fixed at S$0.067.
- The share option shall be exercised, in whole or in part, after the first anniversary of Grant Date 1.
- All options are settled by physical delivery of shares.
- The options granted expire after 10 years where a participant is an Executive Director or Non-Executive Director or upon cessation of the employment of employees.
- The options include 2,400,000 share options granted to the former Executive Director, Dean Lloyd Gallegos and 480,000 share options granted to each of the director, Tan Ser Ko, and to former directors, Ravinder Singh Grewal s/o Sarbjit Singh, Lee Sek Leong Christopher, Yong Boon Chuan Leslie and Lim Yeok Hua.
- With effect from 28 April 2017, Yong Boon Chuan Leslie resigned as a Non-Executive Director of the Company.
- With effect from 2 August 2017, Dean Lloyd Gallegos resigned as an Executive Director of the Company.
- With effect from 27 April 2018, Lim Yeok Hua resigned as a Non-Executive Director of the Company.
- With effect from 26 April 2019, Lee Sek Leong Christopher resigned as an independent Non-Executive Director of the Company.
- With effect from 23 October 2020, Ravinder Singh Grewal s/o Sarbjit Singh resigned as an Independent Non-Executive Director of the Company.

Option granted on 5 May 2017 ("Grant Date 2")

In 2017, the Company granted a total of 480,000 options pursuant to the Scheme, details as follows:

- The exercise price of each option is fixed at S$0.078.
- The share option shall be exercised, in whole or in part, after the first anniversary of Grant Date 2.
- All options are settled by physical delivery of shares.
- The options granted expire after 10 years where a participant is an Executive Director or Non-Executive Director or upon cessation of the employment of employees.
- With effective from 22 November 2019, Ang Yew Jin Eugene resigned as as Non-Executive Director.

Option granted on 1 March 2019 ("Grant Date 3")

In 2019, the Company granted a total of 10,500,000 options pursuant to the Scheme, details as follows:

- The exercise price of each option is fixed at S$0.070.
- The share option shall be exercised, in whole or in part, after the first anniversary of Grant Date 3.
- All options are settled by physical delivery of shares.
- The options granted expire after 10 years where a participant is an Executive Director or Non-Executive Director or upon cessation of the employment of employees.
- The options include 2,000,000 share options granted to the former director, Majid Alexander Jourabchi and has lapsed in 2019, as the share options are granted to Majid Alexander Jourachi in the capacity of an employee and not Director.
- With effect from 26 April 2020, Majid Alexander Jourabchi resigned as a Non-Independent Non-Executive Director of the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

21. Share based payments (Cont'd)

As at 31 December 2020, details of the options granted under the Scheme on unissued ordinary shares of the Company are as follows:

Date of grant of options	Exercise price per share	As at 1 January 2020 '000	Options exercise '000	Options forfeited '000	Options granted '000	As at 31 December 2020 '000	Option holders at 31 December 2020	Exercise period
2 March 2017	S$0.067	4,800	-	-	-	4,800	6	2 March 2018 to 2 March 2027
5 May 2017	S$0.078	480	-	-	-	480	1	5 May 2018 to 5 May 2027
1 March 2019	S$0.070	8,000	-	(8,000)	-	-	-	1 March 2020 to 1 March 2029
		13,280	-	(8,000)	-	5,280		

As at 31 December 2019, details of the options granted under the Scheme on unissued ordinary shares of the Company are as follows:

Date of grant of options	Exercise price per share	As at 1 January 2019 '000	Options exercise '000	Options forfeited '000	Options granted '000	As at 31 December 2019 '000	Option holders at 31 December 2019	Exercise period
2 March 2017	S$0.067	4,800	-	-	-	4,800	6	2 March 2018 to 2 March 2027
5 May 2017	S$0.078	480	-	-	-	480	1	5 May 2018 to 5 May 2027
1 March 2019	S$0.070	-	-	(2,500)	10,500	8,000	2	1 March 2020 to 1 March 2029
		5,280	-	(2,500)	10,500	13,280		

*Fair value of share-based payment and assumptions*

TPNSD Options and AIDEA Options granted

The fair values of the TPNSD Options and AIDEA Options granted were measured based on the Black-Scholes option-pricing model formula at the acquisition date, 31 March 2019, as SFRS(I) *3 Business Combination* requires the consideration transferred in business combination to be measured at fair value. Expected volatility is estimated by using the medium of volatilities of comparable companies.

	TPNSD Options	AIDEA Options
Fair value (S$)	0.049	0.057
Share price (S$)	0.139	0.141
Exercise price (S$)	0.09	0.20
Expected volatility	47.23%	55.28%
Expected dividends (Singapore cents)	-*	-*
Risk-free interest rate	1.91%	2.93%

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

21. Share based payments (Cont'd)

Employee Share options granted

The grant-date fair value of share options granted was measured based on the Black-Scholes option-pricing model formula as the fair value of services performed by employees and directors cannot be measured reliably. Expected volatility is estimated by considering historic average share price volatility. Option lives are based on the assumption that each tranche of share options will be exercised once the vesting period is over.

	2 March 2017	5 May 2017	1 March 2019
Fair value (S$)	0.066	0.076	0.076
Share price (S$)	0.070	0.080	0.109
Exercise price (S$)	0.067	0.078	0.070
Expected volatility	121%	124%	56.98%
Expected dividends (Singapore cents)	-*	-*	-*
Risk-free interest rate	1.90%	1.90%	2.12%

* Less than 0.01 Singapore cents

There is no market condition associated with the share option grants.

22. Other income

	Group	
	2020 US$	2019 US$ (Restated)
Reversal of fair value of expired share options issued as purchase consideration (Note 17(b)(ii))	-	2,557,007
Government grant	26,540	-
Others	3,346	1,667
	29,886	2,558,674

23. Net finance cost

	Group	
	2020 US$	2019 US$ (Restated)
Finance income		
Interest income from amount due from a former director (Note 11)	33,913	263,338
Finance cost		
Interest expense on:		
- Loans from non-related parties	-	(1,057,268)
- Borrowings	(173,440)	-
Other finance charges	(2,112)	-
	(175,552)	(1,057,268)
Net finance cost	(141,639)	(793,930)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

24. Loss before income tax

The following items have been included in arriving at loss before income tax of continuing operations:

	Group	
	2020 US$	2019 US$ (Restated)
Depreciation of plant and equipment (Note 6)	227	547
Fair value loss of equity investment – at FVPL (Note 10)	1,809	-
Foreign exchange loss, net	102,737	17
Audit fees paid/payable to:		
- Auditors of the Company	96,816	101,143
- Other auditors	7,564	26,857
Non-audit fees paid/payable to:		
- Auditors of the Company	77,150	-
- Other auditors	16,593	170,940

	Group	
	2020 US$	2019 US$ (Restated)
Employee benefits expense:		
Salaries and wages	225,861	28,000
Contributions to defined contribution plans	26,396	7,985
	252,257	35,985

The employee benefits expense is recognised in general and administrative expenses in the consolidated statement of profit or loss.

25. Income tax expense

	Group	
	2020 US$	2019 US$ (Restated)
Deferred tax expense		
Origination and reversal of temporary differences		
- Discontinued operations	-	13,000
Reconciliation of effective tax rate		
Loss before income tax		
- Continuing operations	(2,281,268)	(317,304)
- Discontinued operations (Note 13(b)(i))	(8,343,741)	(190,465,947)
	(10,625,009)	(190,783,251)
Tax calculated using Singapore tax rate of 17% (2019: 17%)	(1,806,252)	(32,433,153)
Different tax rate in other country	(333,750)	(7,619,158)
Expenses not deductible for tax purposes	2,590,644	33,018,615
Income not subject to income tax	(2,213,025)	(1,992,129)
Unutilised tax losses not carried forward	1,762,383	9,025,825
Change in unrecognised temporary differences	-	13,000
Tax charge	-	13,000

As at 31 December 2020, the disposal group has unutilised tax losses of $225,928,301 (2019: $215,561,344) that have not been recognised and are available for set-off against future taxable income subject to the tax provisions and agreement by the relevant tax authorities of the various jurisdictions.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

26. Loss per share

Basic loss per share

The calculation of basic loss per share for the financial year ended 31 December 2020 was based on the loss attributable to ordinary shareholders of the Company of US$10,497,198 (2019: US$190,239,061) and a weighted average number of ordinary shares outstanding (excluding treasury shares) of 56,384,683 (2019: 38,636,531), calculated as follows:

	Group	
	2020 US$	2019 US$ (Restated)
Total loss attributable to ordinary shareholders		
- Continuing operations	(2,281,268)	(317,304)
- Discontinued operations	(8,215,930)	(189,921,757)
	(10,497,198)	(190,239,061)

	Group	
	2020	2019
Weighted average number of ordinary shares		
Issued ordinary shares at 1 January	2,255,387,331	400,939,065
Effect of share issued	-	1,545,461,241
Share consolidation*	(2,199,002,648)	(1,907,763,775)
Weighted-average number of ordinary shares during the financial year	56,384,683	38,636,531

**With the completion of the share consolidation on 26 March 2021 as disclosed in Note 32(e), loss per for the financial years ended 31 December 2020 and 2019 were adjusted in accordance with the requirement of SFRS(I)1-33 Earnings per share to reflect the change in number of ordinary shares as a result of share consolidation.*

Diluted loss per share

As the Group incurred loss for the financial years ended on 31 December 2020 and 2019, share options were not included in the computation of diluted loss per share because these potential ordinary shares were anti-dilutive.

Hence, the diluted loss per share for the financial years ended 31 December 2020 and 2019 were the same as the basic loss per share for the same periods.

27. Significant related party transactions

For the purpose of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

In addition to the related party information disclosed elsewhere in the financial statements, the following are significant related party transactions at terms and rates agreed between the Group and its related parties during the financial year:

	Group	
	2020 US$	2019 US$
Management fees paid/payable to a related corporation	10,800	10,800

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

27. Significant related party transactions (Cont'd)

Compensation of key management personnel

The remuneration of directors of the Company and other members of the key management personnel during the financial year were as follows:

	Group	
	2020 US$	2019 US$
Short term employee benefits	263,546	138,032
Post-employment benefits (including Central Provident Fund)	10,150	588
	273,696	138,620

28. Contingent liabilities

(a) Contingent payment to sellers of Mustang Project

In accordance with the sale and purchase agreements dated 1 July 2014 and 31 July 2014 signed between the Company's subsidiary corporations, Brooks Range Petroleum Corporation, Caracol Petroleum LLC, TP North Slope Development LLC, and AVCG, LLC and Nabors Drilling Technologies USA, Inc. (the "sellers of Mustang Project"), the Group is required to pay a sum of US$20,000,000 (2019: US$20,000,000) to the sellers of the Mustang Project on the three hundred sixty-fifth day after the date on which the cumulative volume of hydrocarbons produced and sold from the Mustang Field equals two hundred thousand barrels of oil. As of reporting date, the Group has yet to produce and sell the aforesaid volume of hydrocarbons and as such, no accruals related to the payments have been made as at 31 December 2020. As of the date of this report, the Group, together with the other working interest owners are in negotiation with the sellers of Mustang Project to adjust the terms and conditions of the purchase agreement to reduce the total purchase consideration and payment terms notwithstanding that the public auction has been completed.

(b) Claims filed by the sellers of Mustang Project

On 27 December 2018, the Company's subsidiary corporations, Brooks Range Petroleum Corporation, Caracol Petroleum LLC, TP North Slope Development LLC received claims from the sellers of the Mustang Project. The claims have been filed to recover damages for alleged breach of the sales and purchase agreements in relation to the contingent payment disclosed in trade and other payables in Note 13(b)(iv).

Subsequently, on 14 November 2020, the Company's subsidiary corporations, Brooks Range Petroleum Corporation, Caracol Petroleum LLC, TP North Slope Development LLC received the claim from AVCG, LLC, one of the sellers of Mustang Project. The claim have been filed to recover damages for alleged breach of the sales and purchase agreement, and other agreements entered in relation to the acquisition of the Mustang Project by the Group as described above, as well as to subordinate the real property interest of Alaska Industrial Development and Export Authority in certain leases held by the Group, which was sold in the public auction on 23 September 2020 as disclosed in Note 8.

Based on the independent legal opinions, and its evaluation, the litigations are still ongoing, and it is unable to state an outcome in the above matters unfavourable to the Group is either probable or remote as those terms are defined in the referenced statement of policy or to estimate the amount or range of potential loss. As of the date of issuance of these financial statements, management considers that both the timing and the outcome of these matters are inherently uncertain, and that the amount of the present obligation as the result of the obligating event of the Group, cannot be reliably estimated. Accordingly, these claims give rise to contingent liabilities for the Group and no provision has been made in this regard in these financial statements. As disclosed in Note 2, the Company is not expected to be liable for any liabilities as the litigation were made against the subsidiary corporations to be disposed-off, therefore the Group is not expected to incur further liabilities from the contingent liabilities.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

28. Contingent liabilities (Cont'd)

(c) Notice issued by the Department of Environmental Conservation (Cont'd)

On 31 January 2021, the State of Alaska, Department of Environmental Conservation issued a notice of violation to the Group's subsidiary corporation, Brooks Range Petroleum Corporation, for the failure to maintain proof of financial responsibility for an operating exploration facility, failure to retain sufficient spill response personnel and equipment and failure to maintain an approved oil discharge prevention and contingency plan. The violation could result in civil action and/or criminal action taken against the Brooks Range Petroleum Corporation, which penalties for the violation of the State statutes and regulation would be imposed at a maximum of US$500,000 or an amount which is three times the pecuniary damage or loss caused by the defendant.

The Group has yet to engage external legal advisors to assist it in respect of this matter. As of the date of the issuance of these financial statements, management considers that both the timing and the outcome of this matter are inherently uncertain, and that the amount of the present obligation as the result of the obligating event of the Group, cannot be reliably estimated. Accordingly, these violations give rise to contingent liabilities for the Group and no provision has been made in this regard in these financial statements. As disclosed in Note 2, the Company is not expected to be liable for any liabilities as the notice of violation were made against the subsidiary corporation to be disposed-off, therefore the Group is not expected to incur further liabilities from the contingent liabilities.

(d) Potential additional foreclosure related costs

The Group is held liable for all the expenses and costs incurred in relation to the default in payment of *borrowing 1* disclosed in Note 18(a), under the terms in the loan agreement. The Group has recognised the estimated costs incurred by and payables to the lender, Alaska Industrial Development and Export Authority ("AIDEA"), disclosed in Note 13(b)(iv). However, as AIDEA has advised that there are further costs to be incurred for the foreclosure and it is not able to provide reliable estimates of the additional costs to be incurred, this gives rise to contingent liabilities for the Group. As disclosed in Note 2, the Company is not expected to be liable for any liabilities as the related costs were made against the subsidiary corporations to be disposed-off, therefore the Group is not expected to incur further liabilities from the contingent liabilities.

(e) Corporate guarantee to the subsidiary corporation

On 6 May 2015, the Company had provided corporate guarantee to its US subsidiary corporation, Caracol Petroleum LLC ("Caracol"), in consideration for the bank's provision of a loan to the subsidiary corporation. Under the Forbearance and Release Agreement, the lender had agreed to release of the Company's corporate guarantee upon the earlier of the payment of the tax credits receivable from the State of Alaska or transfer in full of the membership interest owned by the subsidiary corporation to a transferee acceptable to the lender. Following the management's decision to dispose Caracol and the entry of the agreement for the disposal, the Company is in the midst of obtaining consent from the lender to release the corporate guarantee. Accordingly, this give rise to contingent liabilities for the Company and no provision has been made in this regard in these financial statements.

29. Financial risk management

Overview

The Group has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Risk management framework

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

29. Financial risk management (Cont'd)

Risk management framework (Cont'd)

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

The Group's principal financial instruments comprise cash and cash equivalents and bank borrowings. The main purpose of these financial instruments is to finance the Group's operations. The other financial instruments such as trade and other payables are directly from its operations.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's other receivables.

The Group's and the Company's maximum exposure to credit risk are carrying amounts of other receivables and cash and cash equivalents.

The carrying amount of financial assets represents the maximum credit exposure.

Tax credit receivables

Tax credit receivables of US$15,227,043 as at 31 December 2020 (2019: US$29,166,918) are due from the State of Alaska that has a credit rating of AA3 from Moody's, which is evidence of low credit risk. Impairment on the balance has been measured on the lifetime expected loss basis. The amount of the allowance on the tax credit receivables is insignificant.

Amount due from a former director

In March 2020, the Company assigned the rights, title, interest and benefit of the amount due from a former director to another party. As at 31 December 2019, the Company considered that the amount due from former director of US$1,363,198 has a low credit risk based on the loss pattern of the director. As such, impairment on the balance has been measured on the 12-month expected loss basis, which reflects the low credit risk of the exposure. The amount of the allowance on amount due from a former director is insignificant.

Non-trade amounts due from subsidiary corporations

The Company held non-trade receivables from its subsidiary corporations of US$72,237,562 (2019: US$72,132,596) (Note 11). These balances are amounts lent to subsidiary corporations to satisfy its working capital requirements. Impairment on these balances has been measured on the 12-month expected loss basis. As at 31 December 2020, the Company has provided full impairment for non-trade receivables from its subsidiary corporations of US$72,237,562 (2019: 72,132,596) (Note 11).

Cash and cash equivalents

The Group held cash and cash equivalents of US$2,322,983 at 31 December 2020 (2019: US$2,333,220) (Note 12 and Note 13(b)(iii)). Cash and cash equivalents are held in banks and financial institutions counterparties, which are regulated.

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents was negligible.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its critical liabilities when due, under both normal and stressed conditions or renegotiate payment terms of the liabilities, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's basic operations and to mitigate the effects of fluctuations in cash flows.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

29. Financial risk management (Cont'd)

Liquidity risk (Cont'd)

The following are the remaining contractual maturities of financial liabilities. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting arrangements:

		Cash flows			
	Carrying amount	Contractual cash flows	Within 1 year	Within 1 to 5 years	More than 5 years
Group	US$	US$	US$	US$	US$
31 December 2020					
Non-derivative financial liabilities					
Borrowings[1]	24,489,080	(26,601,074)	(26,601,074)	-	-
Trade and other payables[1]	89,531,640	(91,724,530)	(91,724,530)	-	-
	114,020,720	(118,325,604)	(118,325,604)	-	-

[1] *Trade and other payables and borrowings include the liabilities directly associated with disposal group classified as held for sale (Note 13(b)(iv))*

		Cash flows			
	Carrying amount	Contractual cash flows	Within 1 year	Within 1 to 5 years	More than 5 years
Group	US$	US$	US$	US$	US$
31 December 2019					
Non-derivative financial liabilities					
Borrowings	112,592,679	(117,643,319)	(91,362,355)	(18,894,879)	(7,386,085)
Trade and other payables	83,598,819	(84,550,927)	(83,234,599)	(1,316,328)	-
	196,191,498	(202,194,246)	(174,596,954)	(20,211,207)	(7,386,085)

		Cash flows	
	Carrying amount	Contractual cash flows	Within 1 year
Company	US$	US$	US$
31 December 2020			
Non-derivative financial liabilities			
Borrowings	766,912	(769,523)	(769,523)
Trade and other payables	3,463,842	(3,463,842)	(3,463,842)
	4,230,754	(4,233,365)	(4,233,365)
31 December 2019			
Non-derivative financial liabilities			
Trade and other payables	3,099,998	(3,251,884)	(3,251,884)

Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

29. Financial risk management (Cont'd)

Price risk

The Group is exposed to price risk arising from uncertainties on future prices of its equity investments classified as equity investment – FVPL. The Group monitors price risk on an ongoing basis to minimise its exposure. The Group and Company's exposure to price risk is immaterial.

Interest rate risk

The Group's exposure to changes in interest rate relates primarily to interest-earning financial assets and interest-bearing financial liabilities. Interest rate risk is managed by the Group on an on-going basis with the primary objective of limiting the extent to which net interest expense could be affected by an adverse movement in interest rates.

The Group's results are affected by changes in interest rates due to the impact of such changes on interest expenses from bank borrowings which are at floating interest rates. The other borrowings of the Group are based on fixed interest rates. It is the Group's policy to obtain quotes from banks to ensure that the most favourable rates are made available to the Group.

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate financial assets and liabilities at FVPL. Therefore, in respect of the fixed-rate instruments, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

The sensitivity analysis below has been determined based on the exposure to interest rate risks for financial liabilities at the end of the reporting period. A change of 100 basis point ("bp") in interest rate at the reporting date would increase/(decrease) the carrying amount of total liabilities shown below. This analysis assumes that all other variables, in particular, foreign currency rates, remain constant.

	Group			
	2020		2019	
	100 bp increase US$	100 bp decrease US$	100 bp increase US$	100 bp decrease US$
Secured bank loan	161,922	(161,922)	149,145	(149,145)

Foreign currency risks

Foreign currency risks arise from transactions denominated in currency other than the functional currency of the entities within the Group. The currency that gives rise to this risk is primarily Singapore dollar (S$).

The Group monitors its foreign currency exchange risk closely and maintains funds in various currencies to minimise currency exposure due to timing differences between sales and purchases. Currency transaction risk arises when commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

It is not the Group's policy to take speculative positions in foreign currencies.

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For the financial year ended 31 December 2020

29. Financial risk management (Cont'd)

Foreign currency risks (Cont'd)

The currency that gives rise to this risk is primarily Singapore dollar (2019: Singapore dollar). The Group's net exposure to foreign currency is as follows:

	Singapore dollar US$
Group	
31 December 2020	
Trade and other receivables	67,112
Cash and cash equivalents	171,408
Borrowings	(766,912)
Trade and other payables	(3,173,466)
Net exposure	(3,701,858)
31 December 2019	
Equity investment – FVPL	1,809
Trade and other receivables	1,413,919
Cash and cash equivalents	35,217
Trade and other payables	(2,963,759)
Net exposure	(1,512,804)

	Singapore dollar US$
Company	
31 December 2020	
Trade and other receivables	67,112
Cash and cash equivalents	171,408
Borrowings	(766,912)
Trade and other payables	(3,138,549)
Net exposure	(3,666,941)
31 December 2019	
Equity investment – FVPL	1,809
Trade and other receivables	1,413,919
Cash and cash equivalents	27,675
Trade and other payables	(2,941,682)
Net exposure	(1,498,279)

Sensitivity analysis

A 1.8% (2019: 1.3%) strengthening of US$ against the following currency at the reporting date would increase/ decrease loss by the pre-tax and equity amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	2020		2019	
	Loss before tax US$	Equity US$	Loss before tax US$	Equity US$
Group				
S$	68,970	-	16,192	-
Company				
S$	68,320	-	16,037	-

A 1.8% (2019: 1.3%) weakening of US$ against the above currency would have had an equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

29. Financial risk management (Cont'd)

Fair values versus carrying amounts

The carrying amounts of the Group's and the Company's financial instruments, except those discussed below are not materially different from their fair values as at 31 December 2020 and 31 December 2019 due to their short-term nature and where the effect of discounting is immaterial.

Financial instruments by category

	Note	Carrying amount			
		FVPL – equity instruments US$	Financial assets at amortised cost US$	Other financial liabilities US$	Total US$
Group					
31 December 2020					
Financial assets measured at fair value					
Other investments	10	-	-	-	-
Financial assets not measured at fair value					
Other receivables	11, 13(b)(iii)	-	15,294,155	-	15,294,155
Cash and cash equivalents	12, 13(b)(iii)	-	2,322,983	-	2,322,983
		-	17,617,138	-	17,617,138
Financial liabilities not measured at fair value					
Borrowings	18,13(b)(iv)	-	-	(24,489,080)	(24,489,080)
Trade and other payables	20,13(b)(iv)	-	-	(89,531,640)	(89,531,640)
		-	-	(114,020,720)	(114,020,720)

	Note	Carrying amount			
		FVPL – equity instruments US$	Financial assets at amortised cost US$	Other financial liabilities US$	Total US$
Group					
31 December 2019					
Financial assets measured at fair value					
Other investments	10	1,809	-	-	1,809
Financial assets not measured at fair value					
Other receivables[1]	11	-	31,767,717	-	31,767,717
Cash and cash equivalents	12	-	2,333,220	-	2,333,220
		1,809	34,100,937	-	34,103,746
Financial liabilities not measured at fair value					
Borrowings	18	-	-	(112,592,679)	(112,592,679)
Trade and other payables	20	-	-	(83,598,819)	(83,598,819)
		-	-	(196,191,498)	(196,191,498)

[1] *Excludes prepayments*

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

29. Financial risk management (Cont'd)

Financial instruments by category (Cont'd)

	Note	FVPL – equity instruments US$	Financial assets at amortised cost US$	Other financial liabilities US$	Total US$
		Carrying amount			
Company					
31 December 2020					
Financial assets measured at fair value					
Other investments	10	-	-	-	-
Financial assets not measured at fair value					
Other receivables	11	-	67,112	-	67,112
Cash and cash equivalents	12	-	171,577	-	171,577
		-	238,689	-	238,689
Financial liabilities not measured at fair value					
Borrowings	18	-	-	(766,912)	(766,912)
Trade and other payables	20	-	-	(3,463,842)	(3,463,842)
		-	-	(4,230,754)	(4,230,754)

	Note	FVPL – equity instruments US$	Financial assets at amortised cost US$	Other financial liabilities US$	Total US$
		Carrying amount			
Company					
31 December 2019					
Financial assets measured at fair value					
Other investments	10	1,809	-	-	1,809
Financial assets not measured at fair value					
Other receivables[1]	11	-	1,419,252	-	1,419,252
Cash and cash equivalents	12	-	27,675	-	27,675
		1,809	1,446,927	-	1,448,736
Financial liabilities not measured at fair value					
Trade and other payables	20	-	-	(3,099,998)	(3,099,998)
		-	-	(3,099,998)	(3,099,998)

[1] *Excludes prepayments*

30. Operating segment

For the financial years ended 31 December 2020 and 2019, the Group has only one reportable segment, the exploration and production operating segment, which is also the Group's strategic business unit. During the financial year, the entire result from this segment was presented separately on the Statement of Profit or Loss as "Discontinued Operations" (Note 13(b)(i)).

The Group's Board of Directors (the chief operating decision maker) reviews internal management reports of the business unit at least quarterly.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

30. Operating segment (Cont'd)

Management monitors the operating results of the segment for the purposes of making decisions about resources to be allocated and of assessing performance. Performance is evaluated based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's Board of Directors, as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise corporate assets, liabilities and expenses.

	Discontinued operations	
	Exploration and production	
	2020 US$	2019 US$ (Restated)
External revenue	-	415,021
Reportable segment gross loss	-	(95,258)
Other income	12,991,253	7,039,067
Gain on remeasurement of previously held in interest in the associate arising from step acquisition of a subsidiary corporation	-	2,122,333
Expenses	(9,730,917)	(181,718,253)
Finance income	2	16,007
Finance cost	(11,604,079)	(17,829,843)
Loss before income tax	(8,343,741)	(190,465,947)
Income tax expense	-	(13,000)
Net loss for the financial year	(8,343,741)	(190,478,947)

	31 December 2020			31 December 2019		
	Discontinued operations	Continuing operations		Discontinued operations	Continuing operations	
	Exploration and production US$	Unallocated US$	Total US$	Exploration and production US$	Unallocated US$	Total US$
Reportable total segment assets	17,383,449	241,080	17,624,529	111,745,169	1,400,223	113,145,392
Reportable total segment liabilities	109,755,049	4,265,671	114,020,720	198,671,498	-	198,671,498
Other material non-cash items:						
- Bad debt written off	3,332,920	408	3,333,328	-	-	-
- Gain on forgiveness of debt	(4,336,998)	-	(4,336,998)	-	-	-
- Depreciation and amortisation	21,795	227	22,022	75,777	547	76,324
- (Reversal) of impairment loss / Impairment of exploration and evaluation assets	(5,232,239)	-	(5,232,239)	122,750,182	-	122,750,182
- Impairment of construction in progress classified as held for sale	-	-	-	48,751,105	-	48,751,105
- Impairment of goodwill	-	-	-	8,096,615	-	8,096,615

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For the financial year ended 31 December 2020

30. Operating segment (Cont'd)

Geographical segments

The businesses of the Group are operated in two principal geographical areas, namely Singapore and the United States of America ("USA"). In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of the customers. Segment assets are based on the geographical location where the assets are recognised.

	Singapore US$	USA US$	Total US$
31 December 2020			
Revenue	-	-	-
Non-current assets [(1)]	2,391	-	2,391
31 December 2019			
Revenue	-	415,021	415,021
Non-current assets [(1)]	-	103,199,564	103,199,564

(1) Non-current assets presented consist of plant and equipment, investment in associate, exploration and evaluation assets and other receivables.

Major customers

In 2019, the Group had 1 customer in the exploration and production segment that contribute 100% of the Group's total revenue. The Group does not have any customers during the financial year ended 31 December 2020.

31. Business combination

On 5 April 2019, the Group acquired 100% equity interest in TP North Slope Development, LLC ("TPNSD") from non-related vendors for fair value of consideration of US$31,966,805. The purchase consideration shall be paid in two tranches comprising of share consideration and option. Upon completion of the acquisition, TPNSD is held by the Group's wholly-owned subsidiary corporation, Caracol Petroleum, LLC.

As a result of the acquisition, the Group through its wholly-owned subsidiary corporation, TPNSD, acquired additional 32.5% equity interest in its associate, Brooks Range Petroleum Corporation ("BRPC"). The acquisition resulted in the Group obtaining control with 97.5% shareholding interests in BRPC, which was consolidated with effect from the date of the additional acquisition. The Group has elected to measure the non-controlling interests at the non-controlling interest's proportionate share of BRPC's net identifiable assets.

In addition, through the acquisition of TPNSD and BRPC, the Group acquired additional 47.50% equity interest in its equity investment, at FVOCI, Mustang Road, LLC ("MRLLC"). As a result, the Group holds 100% equity interests in MRLLC. Although the Group holds 100% equity interest in MRLLC, the Group only has 49% of the voting rights, and therefore, the Group has not obtained control of MRLLC. Subsequently, the Group acquired 100% of preference shares in MRLLC, attached with 51% of the voting rights for fair value of consideration of US$10,385,480. The purchase consideration shall be paid in three tranches comprise of cash consideration in the form of borrowings, share consideration and option. Upon the completion of the acquisition, MRLLC became a wholly-owned subsidiary corporation of the Group.

In addition, the Group acquired 100% membership interest in Mustang Operations Center 1, LLC ("MOC1") from vendors for fair value consideration of US$59,027,854. The purchase consideration shall be paid in three tranches comprising of cash consideration in the form of borrowings, share consideration, options and perpetual securities.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

31. Business combination (Cont'd)

Details of the consideration paid, the assets acquired and the liabilities assumed and the effects on the cash flows of the Group at the acquisition date were as follows:

(a) Purchase consideration

	BRPC US$	TPNSD US$	MOC1 US$	MRLLC US$
Fair value of previously held interest in associate (Note 9)	2,122,333	-	-	-
Fair value of previously held interest in equity investment - FVOCI (Note 10)	-	-	-	2,814,853
Fair value of interest held by acquisition of TPNSD (Note 31(c))	1,061,166	-	-	1,742,528
Fair value of interest held by acquisition of BRPC (Note 31(c))	-	-	-	804,244
Fair value consideration shares[1] (Note 15(b))	-	29,594,832	4,961,088	-
Financial liabilities (Note 18)	-	-	50,853,888	9,980,670
Total options [2],[3] (Note 21)	-	2,371,973	1,299,833	404,810
Perpetual securities (Note 16)	-	-	1,913,045	-
Consideration transferred for the business	3,183,499	31,966,805	59,027,854	15,747,104

Note:
(1) 295,716,379 shares and 49,572,000 shares were issued as consideration for acquisition of TPNSD and MOC1 respectively. Fair value of share consideration are determined by the independent valuer of US$0.1001 at the completion date.
(2) 65,000,000 of TPNSD Options were issued as consideration for acquisition of TPNSD. Fair value of TPSND options are determined by the independent valuer of US$0,0365 at the completion date.
(3) 40,651,900 of AIDEA Options were issued as consideration for acquisition of MOC1 and MRLLC. Fair value of AIDEA options are determined by the independent valuer of US$0.0419 at the completion date.

(b) Effect on cash flows of the Group

	BRPC US$	TPNSD US$	MOC1 US$	MRLLC US$
Cash paid (as above)	-	-	-	-
Less: Cash and cash equivalents in subsidiary corporations acquired	(1,195,058)	-	(44,037)	-
Cash inflow on acquisition	(1,195,058)	-	(44,037)	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

31. Business combination (Cont'd)

(c) *Identifiable assets acquired and liabilities assumed*

	BRPC US$	TPNSD US$	MOC1 US$	MRLLC US$
Cash and cash equivalents	1,195,058	-	44,037	-
Exploration and evaluation assets (Note 5)	23,469,094	47,313,776	-	15,861,624
Construction-in-progress (Note 13(a))	-	-	52,200,705	-
Property, plant and equipment (Note 6)	26,795	-	-	-
Equity investments – At FVOCI				
- Investment in MRLLC (Note 10) (Note 32(a))	804,244	1,742,528	-	-
- Investment in Badami unit (Note 10)	-	2,050,054	-	-
Investment in BRPC (Note 31(a))	-	1,061,166	-	-
Other receivables, non-current	1,228,264	5,351,775	13,939,875	-
Trade and other receivables, current	7,606,959	121,141	30,979	-
Deferred tax assets	-	13,000	-	-
Total assets	34,330,414	57,653,440	66,215,596	15,861,624
Other payables, non-current	-	1,207,916	-	-
Trade and other payables, current	22,162,309	13,129,759	85,514	-
Financial liabilities, non-current (Note 18)	6,870,370	-	15,198,843	-
Financial liabilities, current (Note 18)	2,032,608	5,478,010	-	-
Total liabilities	31,065,287	19,815,685	15,284,357	-
Total identifiable net assets	**3,265,127**	**37,837,755**	**50,931,239**	**15,861,624**
Less: Non-controlling interest measured at the non-controlling interest's proportionate share of net identifiable assets	(81,628)	-	-	-
Less: Bargain purchase	-	(5,870,950)	-	(114,520)
Add: Goodwill (Note 14)	-	-	8,096,615	-
Consideration transferred for the business	3,183,499	31,966,805	59,027,854	15,747,104

(d) *Acquisition-related costs*

The acquisition-related costs amounted to US$301,076 has been recognised and included in general and administrative expenses.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2020

31. Business combination (Cont'd)

(e) *Goodwill*

Goodwill of US$8,096,615 arising from the acquisition is attributable to the synergies expected to arise from the future economic benefit from operating the exploration and production business in State of Alaska.

(f) *Revenue and profit contribution*

The acquired business contributed revenue of US$415,021 and net loss of US$190,392,764 to the Group from the period from 1 April 2019 to 31 December 2019. Had the acquired business been consolidated from 1 January 2019, the Group's consolidated revenue and total losses for the financial year ended 31 December 2019 would have been increased by nil and US$759,590, respectively.

32. Subsequent events

(a) The Company has, on 17 September 2020 entered into a Convertible Loan Agreement with DiDi Investments Inc. (the "Investor") for the amount of S$24,000,000 (the "Convertible Loan"). The Convertible Loan is converted at the option of the Investor at conversion price of S$0.0035, which equivalent to 6,857,142,857 Conversion Shares. At the same time, the Company entered into an options agreement (the "Options Agreement") with the Investor pursuant to which the Company has agreed to grant, and the Investor has agreed to acquire, 3,428,571,428 non-transferrable Options for an aggregate nominal consideration of S$1.00, with each Option carrying the right to subscribe for one (1) new Share (each, an "Option Share" and collectively, the "Option Shares") at the exercise price of S$0.005 per Option, on terms and conditions of the Options Agreement.

On 21 January 2021, S$22,000,000 has been disbursed under the Convertible Loan to the Company. As an earlier loan of S$1,000,000 from the Investor had been set off at the point of disbursement, net proceeds received by the Company under the first disbursement was S$21,000,000.

Till date of the issuance of these financial statements, no Conversion Shares in relation to the convertible loan is issued, and no options are granted as it is subject to the approval of resumption trading of the Company's shares on the Catalist of the SGX-ST.

(b) The Group has, on 22 May 2020, received notices of default and sales (the "Notices") from the Trustee Services of Alaska, Inc, at direction of Alaska Industrial Development and Export Authority ("AIDEA"), notifying the Group that AIDEA has elected to sell the assets subject to Notices to satisfy the Group's indebtedness under AIDEA loan agreement to the highest bidder at a public auction. The assets include the leases in the Badami oil field, which public auction has been delayed. On 20 January 2021, the public auction was held, and Savant Alaska, LLC was the highest bidder with the bid of US$10,001. With the conclusion of the auction, Savant Alaska, LLC shall resume the control and title of the leases in Badami oil field, subjected to approval from the Departmental of Natural Resources of the State of Alaska. The sales proceeds will be applied to settle expenses incurred by AIDEA with respect to the public auction.

(c) On 22 January 2021, the Company has completed the acquisition of all the issued and fully-paid shares in the capital of Zionext Pte. Ltd. (formerly known as Kydon Learning Systems Institute Pte. Ltd.) for purchase consideration of S$10,000,000. Cash consideration of S$8,000,000 has been fulfilled and the Company has obtained letter of waiver dated 22 January 2021, to defer the issuance of consideration shares worth S$2,000,000 on or around the date of resumption of trading of the Company's securities on the Catalist of the SGX-ST. Accordingly, Zionext Pte. Ltd. and its subsidiary corporations being Kydon Learning Systems Sdn. Bhd. , MQ Spectrum Pte. Ltd. and MQ Spectrum (India) Pvt Ltd ("KLSI Group"), are now a wholly owned subsidiary corporations of the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

32. Subsequent events (Cont'd)

(c) According to the sales and purchase agreement entered on 14 July 2020 and 17 September 2020, the balance purchase consideration of S$2 million shall be paid out by the Company on or after 31 December 2020 and the earlier of: (i) the end of the month in which the Completion confirms the achievement of the Promised Assets Increase [(1)]; or (ii) 31 August 2021 (the "Second Payment Date").

(1) "Promised Assets Increase" means the increase, collectively, in the total net asset value of the KLSI Group to more than S$5 million, ascertained based on management accounts of the KLSI Group as at the date of achievement of such increase. For the avoidance of doubt, the Vendor shall not be obliged to achieve the Promised Assets Increase, and whilst the "total net asset value" of the KLSI Group shall include capital injection from any person, including the Company, the Company shall not be obliged to inject equity into the KLSI Group to achieve the Promised Assets Increase.

(d) The Company has, on 9 March 2021, entered into a sale and purchase agreement (the "SPA") with JK North Slope Group Inc Srl, as seller, and Clover Infinity Pte Ltd, as purchaser, for the disposal of the entire issued and paid-up ordinary shares in the capital of JK North Slope LLC, including its subsidiary corporations, Brooks Range Petroleum Corporation, Caracol Petroleum LLC, and TP North Slope Development LLC, with aggregate net liabilities of US$92.37 million for consideration of US$1.00 subject to the consent from a lender which the Company is in the midst of obtaining.

The Company intends to dispose JK North Slope Group Inc Srl and has dissolved its subsidiary corporation, Mustang Road LLC as at the date of issuance of these financial statements.

(e) The Company has, on 26 March 2021, completed the share consolidation of every forty (40) existing issued shares in the capital of the Company held by shareholders of the Company into one (1) shares in the capital of the Company. As the share consolidation event occur after the reporting period but before the date of issuance of these financial statements, the per share calculation for 2020 and 2019 disclosed in Note 26 are presented based on the new number of shares as a result of share consolidation, in accordance to SFRS(I)1-33 *Earnings per share.*

STATISTICS OF SHAREHOLDINGS

As at 1 April 2021

GENERAL INFORMATION ON SHARE CAPITAL

Issued and paid-up capital	: USD115,103,998
Total no. of issued shares (including treasury shares)	: 56,389,163
Total no. of issued shares (excluding treasury shares)	: 56,384,488
Number of treasury shares	: 4,675 (0.008%)
Class of share	: Ordinary share
Voting rights (excluding treasury shares)	: One vote per share
Number of subsidiary holdings held	: Nil

DISTRIBUTION OF SHAREHOLDINGS

Range of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	267	27.73	7,598	0.01
100 - 1,000	116	12.04	56,162	0.10
1,001 - 10,000	406	42.16	1,690,958	3.00
10,001 - 1,000,000	166	17.24	15,564,762	27.61
1,000,001 and above	8	0.83	39,065,008	69.28
	963	100.00	**56,384,488**	100.00

TOP 20 SHAREHOLDERS

No.	Name of Shareholders	No. of Shares	%
1	Augustus Trustees Limited (as Trustee of Augustus Trust)	7,136,338	12.66
2	LTB LLC	7,136,338	12.66
3	Citibank Nominees Singapore Pte Ltd	6,977,559	12.37
4	BPSS Nominees Singapore (Pte.) Ltd.	6,745,264	11.96
5	JK Technology Pte Ltd	4,021,315	7.13
6	Patrick Tan Choon Hock	2,726,162	4.83
7	Ezion Holdings Limited	2,650,000	4.70
8	Maybank Kim Eng Securities Pte. Ltd	1,672,032	2.97
9	SF Ventures Pte Ltd	975,000	1.73
10	OCBC Securities Private Ltd	961,907	1.71
11	Serene Lee Siew Kin	923,750	1.64
12	DBS Nominees Pte Ltd	872,201	1.55
13	Sim Eng Kiang	868,970	1.54
14	ATB LLC	767,343	1.36
15	Kenneth Gerard Pereira	625,750	1.11
16	Maybank Nominees (Singapore)Pte Ltd	506,873	0.90
17	Christopher Tang Kok Kai	433,450	0.77
18	Pinnacle Investment Holdings LLC	429,792	0.76
19	Raffles Nominees (Pte) Limited	328,259	0.58
20	Er Choon Huat	300,000	0.53
Total:		**47,058,303**	**83.46**

STATISTICS OF SHAREHOLDINGS

As at 1 April 2021

SUBSTANTIAL SHAREHOLDERS

As per Register of Substantial Shareholders:

	Direct Interest	%	Deemed Interest	%
Augustus Trustees Limited (as Trustee of Augustus Trust)	7,136,338	12.66	-	-
LTB LLC	7,136,338	12.66	-	-
Lorne Thyssen Bornemisza	-	-	7,136,338 (1)	12.66
Neo Holding SA	6,530,368	11.58	-	-
Tim Brockmann	-	-	6,530,368 (2)	11.58
CIMB Islamic Trustee Berhad for Affin Hwang Multi-Asset Fund	5,684,915	10.08	-	-
Nikko Asset Management International Limited	-	-	5,684,915 (3)	10.08
Nikko Asset Management Co., Ltd.	-	-	5,684,915 (4)	10.08
Sumitomo Mitsui Trust Holdings, Inc.	-	-	5,684,915 (5)	10.08
JK Technology Pte. Ltd.	4,021,315	7.13	-	-
JK Tech Holdings Pte. Ltd.	-	-	4,021,315 (6)	7.13
JK Premier Holdings Pte. Ltd.	-	-	4,021,315 (7)	7.13
Ang Yew Jin Eugene	-	-	4,021,315 (8)	7.13
Ezion Holdings Limited	2,650,000	4.70	1,239,300(9)	2.20
Patrick Tan Choon Hock	2,726,162	4.83	923,750(10)	1.64

Notes:

(1) Mr. Lorne Thyssen Bornemisza, the beneficial owner of LTB, LLC, is deemed interested in the shares held by LTB, LLC.

(2) Mr. Tim Brockmann, the ultimate beneficial owner of Neo Holding SA, is deemed interested in the shares held by Neo Holding SA.

(3) Nikko Asset Management International Limited (“NAMIL”) holds more than 20% of the shareholdings of Affin Hwang Asset Management Berhad (“AHAM”). AHAM is the fund manager of the Affin Hwang Multi-Asset Fund, which is set up as a unit trust. CIMB Islamic Trustee Berhad is the trustee of the Affin Hwang Multi-Asset Fund. NAMIL is deemed to have an interest in the shares of held by the trustee of the Affin Hwang Multi-Asset Fund, which is managed by AHAM.

(4) Nikko Asset Management Co., Ltd. ("NAM") has a controlling interest in NAMIL. NAMIL holds more than 20% of the shareholdings of AHAM. AHAM is the fund manager of the Affin Hwang Multi-Asset Fund, which is set up as a unit trust. CIMB Islamic Trustee Berhad is the trustee of the Affin Hwang Multi-Asset Fund. NAM is deemed to have an interest in the Shares held by the trustee of the Affin Hwang Multi-Asset Fund, which is managed by AHAM.

(5) Sumitomo Mitsui Trust Holdings, Inc. ("SMTH") has a controlling interest in NAM. NAM has a controlling interest in NAMIL. NAMIL holds more than 20% of the shareholdings of AHAM. AHAM is the fund manager of the Affin Hwang Multi-Asset Fund, which is set up as a unit trust, CIMB Islamic Trustee Berhad,is the trustee of the Affin Hwang Multi-Asset Fund. SMTH is deemed to have an interest in the Shares held by the trustee of the Affin Hwang Multi-Asset Fund, which is managed by AHAM.

(6) JK Tech Holdings Pte. Ltd. (“JKTH”) is deemed to have interest in the Shares held by JK Technology Pte Ltd. (“JKT”), a wholly-owned subsidiary of JKTH, which in turn wholly-owned by JK Premier Holdings Pte. Ltd. (“JKPH”), which in turn wholly-owned by Mr. Ang Yew Jin Eugene.

(7) JKPH is deemed to have interest in the Shares held by JKT, a wholly-owned subsidiary of JKTH, which in turn wholly-owned by JKPH; which in turn wholly-owned by Mr. Ang Yew Jin Eugene.

(8) Mr. Ang Yew Jin Eugene is deemed to have interest in the Shares held by JKT, a wholly-owned subsidiary of JKTH, which in turn wholly-owned by JKPH; which in turn wholly-owned by Mr. Ang Yew Jin Eugene.

(9) Ezion Holdings Limited is deemed to have interested in the Shares held by CES Oil Services Pte. Ltd. as CES Oil Services Pte. Ltd. is a wholly owned subsidiary of Charisma Energy Services Limited, which is in turn an associate of Ezion Holdings Limited.

(10) Mr. Patrick Tan Choon Hock is deemed interested in the Shares held by his wife Ms Serene Lee Siew Kin.

PERCENTAGE OF SHAREHOLDING HELD IN PUBLIC’S HANDS

Based on information made available to the Company as at 1 April 2021, approximately 32.52% of the Company’s shares were held in the hands of the public. Accordingly, Rule 723 of the Catalist Rules has been complied with.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr. Tan Ser Ko, Mr. Max Ng Chee Weng, Mr. Yoshiyasu Naruse, Ms. Michiko Koyano and Mr. Chang Chi Hsung are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 30 April 2021 (“**AGM**”) (the “**Retiring Directors**”).

Pursuant to Rule 720(5) of the Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”) issued by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), the information relating to the Retiring Directors as set out in Appendix 7F to the Catalist Rules of the SGX-ST is set out below:

	Mr. Tan Ser Ko (“Mr. Tan”)	**Mr. Max Ng Chee Weng (“Mr. Max Ng”)**	**Mr. Yoshiyasu Naruse (“Mr. Naruse”)**	**Ms. Michiko Koyano (“Ms. Koyano”)**	**Mr. Chang Chi Hsung (“Mr. Chang”)**
Date of appointment	6 June 2014	25 July 2019	21 January 2021	22 March 2021	22 March 2021
Date of last re-appointment	26 April 2019	23 October 2020	N/A	N/A	N/A
Age	54	50	55	57	42
Country of principal residence	Singapore	Singapore	Japan	Japan	Singapore
The Board’s comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the NC and assessed the qualifications, experience and suitability of Mr. Tan for re-appointment as Non-Executive Director, and a member of the Remuneration Committee (“**RC**”) and Nominating Committee (“**NC**”) of the Company. The Board have reviewed and concluded that Mr. Tan possess the requisite experience, knowledge and capabilities to assume the duties and responsibilities as a Non-Independent Non-Executive Director of the Company.	The Board of Directors of the Company has considered, among others, the recommendation of the NC and assessed the qualifications and experience and suitability of Mr. Max Ng for re-appointment as Independent Non-Executive Director, Chairman of the RC and a member of the Audit Committee (“**AC**”) and NC of the Company. The Board have reviewed and concluded that Mr. Max Ng possess the requisite experience, knowledge and capabilities to assume the duties and responsibilities as an Independent Non-Executive Director of the Company.	The Board of Directors of the Company has considered, among others, the recommendation of the NC and assessed the qualifications and experience and suitability of Mr. Naruse for re-appointment as Non-Independent Non-Executive Director of the Company. The Board have reviewed and concluded that Mr. Naruse possess the requisite experience, knowledge and capabilities to assume the duties and responsibilities as a Non-Independent Non-Executive Director of the Company.	The Board of Directors of the Company has considered, among others, the recommendation of the NC and assessed the qualifications and experience and suitability of Ms. Koyano for re-appointment as Independent Non-Executive Director and Chairman of NC of the Company. The Board have reviewed and concluded that Ms. Koyano possess the requisite experience, knowledge and capabilities to assume the duties and responsibilities as an Independent Non-Executive Director of the Company.	The Board of Directors of the Company has considered, among others, the recommendation of the NC and assessed the qualifications and experience and suitability of Mr. Chang for re-appointment as Independent Non-Executive Director, Chairman of AC and a member of RC of the Company. The Board have reviewed and concluded that Mr. Chang possess the requisite experience, knowledge and capabilities to assume the duties and responsibilities as an Independent Non-Executive Director of the Company.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr. Tan Ser Ko (“Mr. Tan”)	Mr. Max Ng Chee Weng (“Mr. Max Ng”)	Mr. Yoshiyasu Naruse (“Mr. Naruse”)	Ms. Michiko Koyano (“Ms. Koyano”)	Mr. Chang Chi Hsung (“Mr. Chang”)
Whether the appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive	Non-Executive	Non-Executive	Non-Executive
Job title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive Director, and a member of the RC and NC	Independent Non-Executive Director, Chairman of the RC and a member of the AC and NC	Non-Independent Non-Executive Director	Independent Non-Executive Director and Chairman of NC	Independent Non-Executive Director, Chairman of AC and a member of RC
Professional qualification	Bachelor of Engineering Degree, National University of Singapore	Mr. Max Ng is an Associate Mediator, a Fellow with the Singapore Institute of Arbitrators and the Asian Institute of Alternative Dispute Resolution, an associate with the Chartered Institute of Arbitrators and sits on the panel of arbitrators of the Asian International Arbitration Centre. He is also a Commissioner for Oaths and a Notary Public, and a member of the Board Diversity committee of the Singapore Institute of Directors.	Bachelor of Commerce Degree, Keio University	Hitotsubashi School of Business, General Business	• Bachelor of Commerce, Accounting and Finance, University of New South Wales • Chartered Accountant, Institute of Singapore Chartered Accountants • Chartered Accountant, Malaysia Institute of Accountant • Fellow CPA, CPA Australia • Certified Public Accountant, Hong Kong Institute of Certified Public Accountants • Chartered Professional Accountant, ASEAN Chartered Professional Accountant

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr. Tan Ser Ko (“Mr. Tan”)	**Mr. Max Ng Chee Weng (“Mr. Max Ng”)**	**Mr. Yoshiyasu Naruse (“Mr. Naruse”)**	**Ms. Michiko Koyano (“Ms. Koyano”)**	**Mr. Chang Chi Hsung (“Mr. Chang”)**
Working experience and occupation(s) during the past 10 years	2014 to present Executive Director and Chief Executive Officer of Charisma Energy Services Limited 2013 to 2014 Director of Surface Mount Technology (Holdings) Limited 2012 to 2014 Executive Director of Charisma Energy Services Limited 2010 to 2012 Executive Director of Contel Corporation Limited 2009 to 2013 Director of M Development Limited	2006 to present Advocate & Solicitor of Gateway Law Corporation	2020 to present Director of DiDi Academy, Inc. 2019 to present Executive Director and Chief Executive Officer of DiDi Investments, Inc. 2016 to present Senior Vice President / Executive Director / Secretary General / Treasurer of C2C Global Education Japan (formerly known as Yamanashi Gakuin School Corporation) 2019 to 2020 Director of ERC Institute Pte Ltd 2005 to 2014 Director of Deutsche Bank	2005 to 2014 Director of Deutsche Bank	2009 to 2015 Associate Director of Mazars Singapore 2016 to present Managing Director of OA Group of Companies (OA Assurance PAC and OA International Holdings Pte Ltd and its subsidiaries, namely, OA Valuation Pte. Ltd., Singapore Corporate Service Pte. Ltd., OA Corporate Services Pte. Ltd., OA Tax Advisory Pte. Ltd. and OA Corporate Advisory (Hong Kong) Limited, collectively, the “OA Group of Companies”)
Shareholding interest in the listed issuer and its subsidiaries	Nil	Nil	Subject to the fulfilment of the resumption of trading conditions, Mr. Naruse may be deemed interested on up to 171,428,571 shares to be issued and allotted by the Company to DiDi Investments, Inc. arising from the convertible loan agreement dated 17 September 2020.	Nil	Nil

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr. Tan Ser Ko (“Mr. Tan”)	Mr. Max Ng Chee Weng (“Mr. Max Ng”)	Mr. Yoshiyasu Naruse (“Mr. Naruse”)	Ms. Michiko Koyano (“Ms. Koyano”)	Mr. Chang Chi Hsung (“Mr. Chang”)
Any relationship (including immediate family relationships with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries)	No	No	No	No	No
Conflict of interest (including any competing business)	No	No	Mr. Naruse is the Senior Vice President of C2C Global Education Japan, an organisation involved in education business in Japan. C2C Global Education Japan is a non-profit organisation in Japan with no private funding avenues. Hence, even though Mr. Naruse is involved in C2C Global Education Japan, there is no conflict of interests with the Group’s current education business.	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes	Yes	Yes

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr. Tan Ser Ko ("Mr. Tan")	Mr. Max Ng Chee Weng ("Mr. Max Ng")	Mr. Yoshiyasu Naruse ("Mr. Naruse")	Ms. Michiko Koyano ("Ms. Koyano")	Mr. Chang Chi Hsung ("Mr. Chang")
Other principal commitments	<u>Other Commitments</u> Charisma Energy Services Limited & Subsidiaries Centennial Capital Pte. Ltd. Grenzone Pte. Ltd. Henosis Investments Pte. Ltd. Strategic Equipment Inc Bhadla Solar Investments Pte. Ltd.	<u>Other Commitments</u> Achilles Sports Pte Ltd Advantage Property Services Pte. Ltd. Almond Innovations Pte. Ltd. Amaroo Blackdown Investments Pte. Ltd. Aryaka Networks Singapore Pte. Ltd. Aurora Global Investment Pte. Ltd. Challenger Technologies Limited Cronus Sports Pte. Ltd. Dawei LNG Terminal Holding Pte. Ltd. Dawei Power Holding Pte. Ltd. Dawei Residence Holding Pte. Ltd. Dawei Telecom Holding Private Limited DMPH Holdings Pte. Ltd. Euro Moto Sport Pte. Ltd. Eurobikes Trading Company Pte. Ltd. Finscore Pte. Ltd. Full Prospect (IP) Pte. Ltd. Gateway law Corporation Gateway Corporate Services Pte. Ltd. Hebe Fashions Pte. Ltd. Hillmorton Pte. Ltd. Inforserve Holdings Pte. Ltd. Kingkow (IP) Pte. Ltd. Kolon Sport China (IP) Pte. Ltd. La Plantation Management Pte. Ltd.	<u>Other Commitments</u> DiDi Investments, Inc. DiDi Academy, Inc. C2C Global Education Japan	<u>Other Commitments</u> Nil	<u>Other Commitments</u> OA International Holdings Pte Ltd OA Valuation Pte Ltd OA Assurance PAC OA Tax Advisory Pte Ltd RF International Holdings Private Limited Reclaims Global Limited RF Strategic Capital Pte Ltd Rich Capital Holdings Limited OA Corporate Advisory (Hong Kong) Limited – (Hong Kong) Rio Tinto Trading Co, Limited – (Hong Kong) Heroic Wish Limited – (BVI) Haina Intelligent Equipment International Holdings Limited – (Cayman)

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr. Tan Ser Ko (“Mr. Tan”)	Mr. Max Ng Chee Weng (“Mr. Max Ng”)	Mr. Yoshiyasu Naruse (“Mr. Naruse”)	Ms. Michiko Koyano (“Ms. Koyano”)	Mr. Chang Chi Hsung (“Mr. Chang”)
Other principal commitments *(Cont’d)*		Laumes International Resorts Pte. Ltd. LNG Plus International (Singapore) Pte. Ltd. Lukela Pte. Ltd. Marine Stewardship Council Masikap Holdings Pte. Ltd. McLarty Asia Pte. Ltd. Mitik Nature Pte. Ltd. MOBH Holding Pte. Ltd. Motive Force Sport Products (Singapore) Pte. Ltd. Myandawei Industrial Estate Holding Pte. Ltd Oatly APAC Pte. Ltd. Oatly Pte. Ltd. Oatly Singapore Operations & Supply Pte. Ltd. Oventure Pte. Ltd. Pay All Lifestyle Payment Network Pte. Ltd. Sintech CLC Pte. Ltd. SLTI Pte. Ltd. Thai International Industrial Estate Development Private Limited Thai Power Development Private Limited Thai Telecom Development Private Limited Wing (Cambodia) Pte. Ltd. Xcoal Energy & Resources Singapore Pte. Ltd. Xnergy & Resources Pte. Ltd.			

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr. Tan Ser Ko (“Mr. Tan”)	**Mr. Max Ng Chee Weng (“Mr. Max Ng”)**	**Mr. Yoshiyasu Naruse (“Mr. Naruse”)**	**Ms. Michiko Koyano (“Ms. Koyano”)**	**Mr. Chang Chi Hsung (“Mr. Chang”)**
Past Directorships (for the last 5 years)	Past (for the last 5 years) Directorships Rising Sun Energy Pvt Ltd Rising Bhadla 1 Private Limited Rising Bhadla 2 Private Limited	Past (for the last 5 years) Directorships AquaAgro Projects Pte. Ltd. Adamas Pharmaceuticals Asia Pte. Ltd. BelleKimia Singapore Pte. Ltd. Bloom Aqua Pte. Ltd. Discoperi Pte. Ltd. Law In Order Pte. Ltd. Phyto Medichem Singapore Pte. Ltd. Quang Minh Vietnam-Singapore Pte. Ltd. Sea Aquaculture Pte. Ltd. Techjet Aviation Pte. Ltd. Tradeways Pte. Ltd. Ventura Pacific Corporation Pte. Ltd.	Past (for the last 5 years) Directorships ERC Institute Pte. Ltd.	Past (for the last 5 years) Directorships Nil	Past (for the last 5 years) Directorships RF Fund Management Private Limited Singapore Blockchain Commodities Trading Exchange Pte Ltd D&A Strategic Capital Pte. Ltd. OA Corporate Services Pte Ltd Jing Li Business Advisory Pte Ltd (struck-off) Haina Technology Group Limited 7W Digital Marketing Pte Ltd (struck-off) D&A Strategic Capital Sdn Bhd (struck-off) One Assurance LLP (Partnership) (struck-off)
Present Directorships	Present Directorships Please refer to “Other Commitments” of Mr. Tan above.	Present Directorships Please refer to “Other Commitments” of Mr. Max Ng above.	Present Directorships Please refer to “Other Commitments” of Mr. Naruse above.	Present Directorships Nil	Present Directorships Please refer to “Other Commitments” of Mr. Chang above.
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is “yes”, full details must be given.					
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr. Tan Ser Ko (“Mr. Tan”)	Mr. Max Ng Chee Weng (“Mr. Max Ng”)	Mr. Yoshiyasu Naruse (“Mr. Naruse”)	Ms. Michiko Koyano (“Ms. Koyano”)	Mr. Chang Chi Hsung (“Mr. Chang”)
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No	No	Yes Mr Chang is the Independent Non-Executive Director of Rich Capital Holdings Limited and he was appointed on 23 June 2020. The legal suit filed against the Rich Capital Holdings Limited (HS/S 104/2020) are referring to matters prior to his appointment and he is working with various parties including legal counsel to address the legal suit, please refer to announcement made on SGXNET for more information. Save for the above, there are no other matters that would be affirmative to this question.
(c) Whether there is any unsatisfied judgment against him?	No	No	No	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr. Tan Ser Ko (“Mr. Tan”)	Mr. Max Ng Chee Weng (“Mr. Max Ng”)	Mr. Yoshiyasu Naruse (“Mr. Naruse”)	Ms. Michiko Koyano (“Ms. Koyano”)	Mr. Chang Chi Hsung (“Mr. Chang”)
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr. Tan Ser Ko (“Mr. Tan”)	**Mr. Max Ng Chee Weng (“Mr. Max Ng”)**	**Mr. Yoshiyasu Naruse (“Mr. Naruse”)**	**Ms. Michiko Koyano (“Ms. Koyano”)**	**Mr. Chang Chi Hsung (“Mr. Chang”)**
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :-	No	No	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr. Tan Ser Ko (“Mr. Tan”)	Mr. Max Ng Chee Weng (“Mr. Max Ng”)	Mr. Yoshiyasu Naruse (“Mr. Naruse”)	Ms. Michiko Koyano (“Ms. Koyano”)	Mr. Chang Chi Hsung (“Mr. Chang”)
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,					Yes. Please refer to response in (b) above.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr. Tan Ser Ko ("Mr. Tan")	Mr. Max Ng Chee Weng ("Mr. Max Ng")	Mr. Yoshiyasu Naruse ("Mr. Naruse")	Ms. Michiko Koyano ("Ms. Koyano")	Mr. Chang Chi Hsung ("Mr. Chang")
in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?					
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No	No	No
Prior Experience as a Director of a Listed Company on the Exchange					
Any prior experience as a director of an issuer listed on the Exchange? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	Not applicable. This is a re-election of a director				

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr. Tan Ser Ko (“Mr. Tan”)	**Mr. Max Ng Chee Weng (“Mr. Max Ng”)**	**Mr. Yoshiyasu Naruse (“Mr. Naruse”)**	**Ms. Michiko Koyano (“Ms. Koyano”)**	**Mr. Chang Chi Hsung (“Mr. Chang”)**
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Not applicable. This is a re-election of a director				

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT that the Annual General Meeting ("AGM") of Alpha DX Group Limited (the "Company") will be held by way of electronic means on Friday, 30 April 2021 at 2.00 p.m. to transact the following business:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2020 together with the Auditors' Report thereon. **(Resolution 1)**

2. To re-elect Mr. Tan Ser Ko, a Director of the Company retiring pursuant to Article 104 of the Constitution of the Company. (See Explanatory Note (i)) **(Resolution 2)**

3. To re-elect Mr. Max Ng Chee Weng, a Director of the Company retiring pursuant to Article 104 of the Constitution of the Company. (See Explanatory Note (i)) **(Resolution 3)**

4. To re-elect Mr. Yoshiyasu Naruse, a Director of the Company retiring pursuant to Article 114 of the Constitution of the Company. (See Explanatory Note (ii)) **(Resolution 4)**

5. To re-elect Mr. Chang Chi Hsung, a Director of the Company retiring pursuant to Article 114 of the Constitution of the Company. (See Explanatory Note (iv)) **(Resolution 5)**

6. To re-elect Ms. Michiko Koyano, a Director of the Company retiring pursuant to Article 114 of the Constitution of the Company. (See Explanatory Note (v)) **(Resolution 6)**

7. To approve the payment of Directors' fees of up to S$270,000 for the financial year ending 31 December 2021, to be paid quarterly in arrears (FY2020: S$180,000) **(Resolution 7)**

8. To re-appoint Messrs Nexia TS Public Accounting Corporation as the Auditor of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 8)**

9. To transact any other ordinary business which may properly be transacted at an AGM.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

10. **Authority to issue shares in the capital of the Company**

That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore ("Companies Act") and Rule 806 of the Listing Manual Section B: Rules of the Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST") ("Catalist Rules"), authority be and hereby given to the Directors to:-

(a) (i) issue shares in the Company ("shares") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors while this Resolution was in force,

provided that:

(1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed one hundred per cent. (100%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed fifty per centum (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with subparagraph (2) below);

NOTICE OF ANNUAL GENERAL MEETING

(2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

(a) new shares arising from the conversion or exercise of the convertible securities;

(b) new shares arising from exercising share options or vesting of share awards provided that the share options or share awards (as the case may be) were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(c) any subsequent bonus issue, consolidation or subdivision of shares;

Adjustments in accordance with (a) and (b) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and

(4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.
(See Explanatory Note (vi))

(Resolution 9)

11. **Authority to allot and issue shares under the Alpha DX Group Performance Share Plan of the Company ("Performance Share Plan")**

That pursuant to Section 161 of the Companies Act, authority be and is hereby given to the Directors to:

(a) offer and grant awards ("Awards") in accordance with the provisions of the Performance Share Plan; and

(b) allot and issue from time to time such number of ordinary shares in the capital of the Company (the "Award Shares") as may be required to be allotted and issued pursuant to the vesting of the Awards under the Performance Share Plan,

provided always that the aggregate number of Award Shares to be allotted and issued pursuant to the Performance Share Plan, when added to the number of new ordinary shares issued and issuable in respect of all Awards granted thereunder, and all ordinary shares issued and issuable in respect of all options granted or awards granted under any other share incentive schemes or share plans adopted by the Company and for the time being in force shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company on the day preceding the relevant date of Award. (See Explanatory Note (vii))

(Resolution 10)

12. **Authority to issue shares under the Alpha DX Group Employee Share Option Scheme ("Scheme")**

That pursuant to Section 161 of the Companies Act, the Directors be hereby authorised and empowered to offer and grant options in accordance with the rules of the Scheme and to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options granted by the Company under the Scheme, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the Scheme, when added to the number of shares issued and issuable in respect of such Scheme and other shares issued and/or issuable under other share-based incentive schemes of the Company, shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier. (See Explanatory Note (viii))

(Resolution 11)

By Order of the Board

Tan Wee Sin
Secretary
Singapore, 15 April 2021

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

(i) Mr. Tan Ser Ko ("Mr. Tan") will, upon re-election as a Director of the Company, remain as Non-Independent Non-Executive Director and a member of the Remuneration Committee ("RC") and Nominating Committee ("NC") of the Company. Please refer to the sections entitled "Board of Directors" and "Corporate Governance Report" in the Annual Report for more information on Mr. Tan.

(ii) Mr. Max Ng Chee Weng ("Mr. Max Ng") will, upon re-election as a Director of the Company, remain as Independent Non-Executive Director, Chairman of the RC and a member of the Audit Committee ("AC") and NC of the Company. Please refer to the sections entitled "Board of Directors" and "Corporate Governance Report" in the Annual Report for more information on Mr. Max Ng.

(iii) Mr. Yoshiyasu Naruse ("Mr. Naruse") will, upon re-election as a Director of the Company, remain as Non-Independent Non-Executive Director of the Company. Please refer to the sections entitled "Board of Directors" and "Corporate Governance Report" in the Annual Report for more information on Mr. Naruse.

(iv) Mr. Chang Chi Hsung ("Mr. Chang") will, upon re-election as a Director of the Company, remain as Independent Non-Executive Director, Chairman of the AC and a member of the RC of the Company. Please refer to the sections entitled "Board of Directors" and "Corporate Governance Report" in the Annual Report for more information on Mr. Chang.

(v) Ms. Michiko Koyano ("Ms. Koyano") will, upon re-election as a Director of the Company, remain as Independent Non-Executive Director and Chairman of the NC of the Company. Please refer to the sections entitled "Board of Directors" and "Corporate Governance Report" in the Annual Report for more information on Ms. Koyano.

(vi) The Ordinary Resolution (9), if passed, will empower the Directors from the date of this AGM until the date of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, one hundred per centum (100%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to fifty per centum (50%) may be issued other than on a pro-rata basis to shareholders of the Company.

For determining the aggregate number of shares that may be issued, the percentage of issued shares in the capital of the Company will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new shares arising from (i) the conversion or exercise of the convertible securities, (ii) the exercise of share options or the vesting of share awards and (iii) any subsequent bonus issue, consolidation or subdivision of shares. Adjustments with regards to (i) and (ii) are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution.

(vii) The Ordinary Resolution (10), if passed, will empower the Directors to grant Awards under the Performance Share Plan and to allot and issue Award Shares pursuant to the vesting of Awards under the Performance Share Plan and such other share incentive schemes or share plans adopted by the Company for the time being in force, provided that the aggregate number of ordinary shares to be issued shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company on the day preceding the relevant date of Award.

(viii) The Ordinary Resolution (11), if passed, will empower the Directors, effective until the conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares in the Company pursuant to the exercise of options granted or to be granted under the Scheme up to a number not exceeding in aggregate, when added to the number of shares issued and issuable in respect of such Scheme and other shares issued and/or issuable under other share-based incentive schemes or share plans of the Company, fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time.

Notes:

Participation in the AGM via Webinar

1. As the AGM will be held by way of electronic means, Shareholders will NOT be able to attend the AGM in person. All Shareholders or their corporate representative (in the case of Shareholders which are legal entities) will be able to participate in the AGM proceeding by accessing a live webcast or live audio feed. To do so, Shareholders must pre-register at the pre-registration website at the http://alpha-dxAGM.zionext.com from 15 April 2021 till **2.00 p.m. on 26 April 2021** to enable the Company to verify their status as Shareholders.

2. Following the verification, authenticated Shareholders will receive an email by 2.00 p.m. 28 April 2021. The email will contain login credentials and instructions to access the live audio-visual webcast of the AGM proceedings. Shareholders who do not receive an email by 28 April 2021, but have registered by 2.00 p.m. on 26 April 2021, should contact the Company at **enquiries@alpha-dx.com.sg**.

3. Shareholders are reminded not to congregate to watch the 'live' webcast and/or listen to the AGM proceedings and ensure that safe distancing measures are practised and to adhere to all government advisories and the COVID-19 (Temporary Measures) (Control Order) Regulations 2020.

Voting by Proxy

1. Shareholders may only exercise their voting rights at the AGM via proxy voting.

2. Shareholders who wish to vote on the resolution at the AGM must appoint the Chairman of the AGM as their proxy to do so on their behalf. In the Proxy Form, a Shareholder should specifically direct the Chairman on how he is to vote for or vote against (or abstain from voting on) the resolution at the AGM.

3. The Chairman of the AGM, as proxy, need not be a Shareholder of the Company.

4. In appointing the Chairman of the AGM as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting in the Proxy From, failing which the appointment will be treated as invalid.

5. If the appointor is a corporate, the instrument of proxy must be executed under seal or the hand of its duly authorised officer or attorney.

6. The instrument appointing the Chairman of the AGM as proxy must be submitted to the Company in the following manner:

   (a) if submitted by post, be deposited at the registered office of the Company at **229 Mountbatten Road #01-11 Mountbatten Square Singapore 398007**; or

   (b) if submitted electronically, be submitted via email to sg.is.proxy@sg.tricorglobal.com;

NOTICE OF ANNUAL GENERAL MEETING

in either case not less than forty-eight (48) hours before the time appointed for holding the AGM (i.e. no later than **2.00 p.m. on 28 April 2021**).

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for Shareholders to submit the completed proxy forms by post, Shareholders are strongly encouraged to submit the completed proxy forms electronically via email.

7. The Company shall be entitled to reject the instrument appointing the Chairman of the AGM as proxy if it is incomplete, improperly complete, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the AGM as proxy (such as in the case the appointor submits more than one instrument of proxy).

8. A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited at least 72 hours before the time fixed for holding the AGM in order for the Depositor to be entitled to vote on any or all of the resolution at the AGM by appointing the Chairman of the AGM as his/her proxy to do so on his/her behalf. In view of Section 81SJ(4) of the Securities and Futures Act (Cap. 289), Singapore, a Depositor shall not be regarded as a shareholder of the Company entitled to attend the AGM and to speak and vote thereat unless his/her name appears in the Depository Register maintained by the CDP at least seventy-two (72) hours before the AGM. Any Shareholder who is holding his/her shares via the CDP but whose name is not registered with the CDP seventy-two (72) hours before the AGM will not be entitled to attend and vote at the AGM. Accordingly, even if such shareholder deposits his/her proxy form forty-eight (48) hours before the AGM, the Chairman of the AGM who is appointed as his/her proxy will not be entitled to vote on his/her behalf at the AGM.

9. SRS Investors who wish to appoint the Chairman of the AGM as proxy should approach their respective SRS Operators at least seven (7) working days before the AGM (i.e. by **2.00 p.m. on 21 April 2021**), to ensure that their votes are submitted.

Access to documents or information relating to the AGM

All documents and information relating to the business of the AGM (including the Annual Report and the Proxy Form) may be assessed on the Company's website at https://alpha-dx.com.sg and is also available on the SGXNet at the URL https://www.sgx.com/securities/company-announcements. Printed copies will NOT be sent to Shareholders.

Submitting questions in advance of the AGM

1. Shareholders will not be able to ask questions during the live audio-visual webcast of the AGM proceedings. Therefore, it is important for Shareholders to pre-register and submit their questions in advance of the AGM.

2. Shareholders can submit questions related to the ordinary resolution to be tabled for approval at the AGM to the Chairman of the AGM, in advance, via email to the Company at **enquiries@alpha-dx.com.sg** or in hard copy by sending personally or by post and lodging the same at the registered office of the Company. All questions must be submitted by **2.00 p.m. on 26 April 2021** and the Company will not be able to address questions received after the cut-off time and date. The Company will endeavour to address substantial and relevant questions (as may be determined by the Company in its sole discretion) received by **2:00 p.m. on 26 April 2021**, before Shareholders depositing the proxy forms appointing the Chairman of the AGM as a proxy for the AGM.

   In view of the current COVID-19 measures which may make it difficult for Shareholders to submit their questions by post, Shareholders are strongly encouraged to submit their questions electronically via email.

3. The Company will publish the minutes of the AGM, including substantial and relevant comments or queries from shareholders relating to the agenda of the AGM, and responses from the Company, on SGXNet and/or the Company's website within one month after the date of AGM.

Personal Data Privacy

By (a) submitting an instrument appointing the Chairman of the AGM as a proxy to vote at the AGM and/or any adjournment thereof, or (b) completing the Pre-registration in accordance with this Notice, or (c) submitting any question prior to the AGM in accordance with this Notice, a shareholder of the Company consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents or service providers) for the following purposes:

(i) the processing and administration by the Company (or its agents or service providers) of proxy forms appointing the Chairman of the AGM as a proxy for the AGM (including any adjournment thereof);
(ii) the processing of the Pre-registration for purposes of granting access to Shareholders (or their corporate representatives in the case of Shareholders which are legal entities) to the live webcast or live audio feed of the AGM proceedings and providing them with any technical assistance where necessary;
(iii) addressing relevant and substantial questions from Shareholders received before the AGM and if necessary, following up with the relevant Shareholders in relation to such questions;
(iv) the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof); and
(v) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines.

ALPHA DX GROUP LIMITED
(Company Registration No. 200310813H)
(Incorporated in the Republic of Singapore)

PROXY FORM
ANNUAL GENERAL MEETING
(Please see notes overleaf before completing this Form)

IMPORTANT:

1. Shareholder who wish to vote on any or all of the resolutions at the Annual General Meeting ("AGM") must appoint the Chairman of the AGM as their proxy to do so on their behalf.
2. For investors who have used their SRS monies to buy the Company's shares, this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. SRS investors who wish to appoint Chairman of the AGM as their proxy should contact their respective Agent Banks or SRS Operators at least seven (7) working days before the AGM to specify voting instructions and to ensure that their votes are submitted.

I/We*. ___________________________________ (Name) __________________ (NRIC/Passport/Co Reg No.*)

of ____ (Address)
being a shareholder/shareholders* of Alpha DX Group Limited (the "**Company**"), hereby appoint the Chairman of the AGM as my/our* proxy to vote for me/us* on my/our* behalf at the AGM of the Company to be held by way of electronic means on Friday, 30 April 2021 at 2.00 p.m. and at any adjournment thereof.

(Voting will be conducted by poll. If you wish the Chairman of the AGM as your proxy to cast all your votes "For" or "Against" the resolution, please tick (√) within the "For" or "Against" box provided in respect of the resolution. Alternatively, please indicate the number of votes "For" or "Against" in the "For" or "Against" box provided in respect of the resolution.

If you wish the Chairman of the AGM as your proxy to abstain from voting the resolution, please tick (√) within the "Abstain" box provided in respect of the resolution. Alternatively, please indicate the number of votes that the Chairman of the AGM as your proxy is directed to abstain from voting in the "Abstain" box provided in respect of the resolution.)

No.	Ordinary Resolutions	For	Against	Abstain
1.	Adoption of the Directors' Statement, Audited Financial Statements and Auditors' Report for the financial year ended 31 December 2020.			
2.	Re-election of Mr. Tan Ser Ko as a Director of the Company.			
3.	Re-election of Mr. Max Ng Chee Weng as a Director of the Company.			
4.	Re-election of Mr. Yoshiyasu Naruse as a Director of the Company.			
5.	Re-election of Mr. Chang Chi Hsung as a Director of the Company.			
6.	Re-election of Ms. Michiko Koyano as a Director of the Company.			
7.	Approval of payment of Directors' fees of up to S$270,000 for the financial year ending 31 December 2021, to be paid quarterly in arrears (FY2020: S$180,000).			
8.	Re-appointment of Messrs Nexia TS Public Accounting Corporation as Auditor of the Company and to authorise the Directors to fix their remuneration.			
9.	Authority to issue new shares in the capital of the Company.			
10.	Authority to allot and issue shares under the Alpha DX Group Performance Share Plan.			
11.	Authority to issue shares under the Alpha DX Group Employee Share Option Scheme.			

**Please delete accordingly.*

Dated this .... day of .... 2021.

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

....
Signature(s) of Member(s) or, Common Seal of Corporate Shareholder

NOTES:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing the Chairman of the AGM as proxy shall be deemed to relate to all the Shares held by you.

2. In light of the current COVID-19 measures in Singapore, shareholders will not be able to attend the AGM in person. A shareholder (whether individual or corporate) must appoint the Chairman of the AGM as his/her/its proxy to vote on his/her/its behalf at the AGM if such shareholder wishes to exercise his/her/its voting rights at the AGM. This proxy form has been made available on SGXNET (www.sgx.com). A printed copy of this proxy form will NOT be sent to shareholders.

3. Where a shareholder (whether individual or corporate) appoints the Chairman of the AGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

4. The instrument appointing the Chairman of the AGM as proxy must be deposited at the registered office of the Company at **229 Mountbatten Road #01-11 Mountbatten Square Singapore 398007** or sent by email to **sg.is.proxy@sg.tricorglobal.com** not less than forty-eight (48) hours before the time appointed for holding the AGM (i.e. no later than **2.00 p.m. on 28 April 2021**). **In view of the current COVID-19 measures which may make it difficult for shareholders to submit completed proxy forms by post, shareholders are strongly encouraged to submit completed proxy forms electronically via email.**

5. The instrument appointing the Chairman of AGM as proxy must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing the Chairman of the AGM as proxy is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing the Chairman of the AGM as proxy is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.

5. The Company shall be entitled to reject the instrument appointing the Chairman of the AGM as proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the AGM as proxy.

6. SRS Investors who wish to appoint the Chairman of the AGM as proxy should approach their respective SRS Operators at least seven (7) working days before the AGM (i.e. by i.e. by **2.00 p.m. on 21 April 2021**), to ensure that their votes are submitted.

7. In the case of shareholders of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing the Chairman of the AGM as proxy lodged if such shareholders are not shown to have shares entered against their names in the Depository Register 72 hours before the time appointed for holding the AGM as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing the Chairman of the AGM as a proxy to vote at the AGM and/or any adjournment thereof, the shareholder accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 15 April 2021.

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ALPHA DX

ALPHA DX GROUP LIMITED

ANNUAL REPORT 2020

229 Mountbatten Road,
#01-11 Mountbatten Square,
Singapore 398007