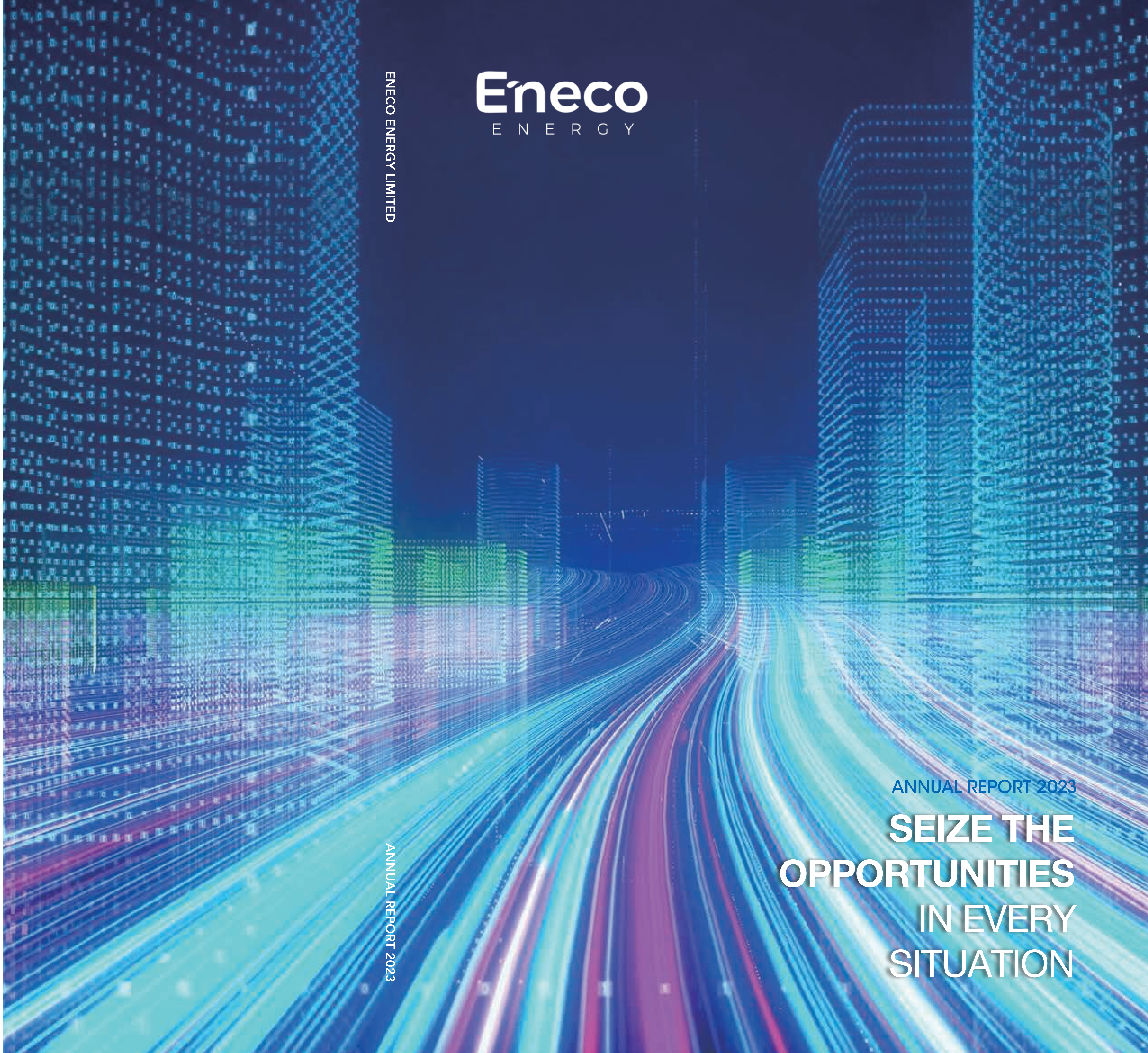
Eneco Energy Limited

300 Tampines Avenue 5
#05-02
Singapore 529653
Tel: 6223 8022
Fax: 6223 3022
Website: www.enecoenergy.com

Company Reg No. 200301668R



ENECO ENERGY LIMITED

ANNUAL REPORT 2023

Eneco
ENERGY

ANNUAL REPORT 2023

SEIZE THE OPPORTUNITIES IN EVERY SITUATION

CORPORATE INFORMATION

REGISTERED OFFICE
300 Tampines Avenue 5
#05-02
Singapore 529653
Website: www.enecoenergy.com

BOARD OF DIRECTORS
Low Chai Chong
Chairman, Independent Director

Colin Peter Moran
Executive Director

Ngo Yit Sung (appointed on 10 July 2023)
Executive Director

Teo Cheow Beng
Independent Director

Patrick Tan Tse Chia
Independent Director

Koji Yoshihara
Non-Independent Non-Executive Director

AUDIT COMMITTEE
Low Chai Chong (Chairman)
Patrick Tan Tse Chia
Teo Cheow Beng

NOMINATING COMMITTEE
Patrick Tan Tse Chia (Chairman)
Low Chai Chong
Teo Cheow Beng

REMUNERATION COMMITTEE
Teo Cheow Beng (Chairman)
Low Chai Chong
Patrick Tan Tse Chia

COMPANY SECRETARY
Tong Shan, Helen (appointed on 20 June 2023)

AUDITORS
Foo Kon Tan LLP
Partner-In-Charge
Kong Chih Hsiang, Raymond
(with effect from financial year ended
31 December 2019)

SHARE & WARRANT REGISTRAR
Tricor Barbinder Share Registration Services
(a division of Tricor Singapore Pte Ltd)
9 Raffles Place, #26-01 Republic Plaza Tower 1
Singapore 048619

PRINCIPAL BANKERS
DBS Bank Limited
Oversea-Chinese Banking Corporation Limited
RHB Bank Berhad
Standard Chartered Bank (Singapore) Limited

Eneco Energy Limited ("**Eneco Energy**" or the "**Group**") is listed on the Singapore Exchange (SGX) and is the holding company of RichLand Logistics Services in Singapore. The Group has been in the logistics services sector since 1992 under the brand of RichLand Logistics. Eneco Energy is actively exploring to grow its logistics business and strengthen its market position while looking into business diversification for new markets.

RichLand Logistics is a leading logistics solutions provider, providing premier end-to-end logistics services customised to the clients' requirements. It has in-depth experience and strong market presence in Singapore and provides supply chain services including inbound and outbound transportation activities, distribution management, seaport and airport cargo handling services.

With our in-house tailor-made apps, RichLand Logistics is driving change and challenging the way the industry functions. RichLand Logistics now employs around 350 staff, fulfilling more than 30,000 deliveries each month. RichLand Logistics is equipped with a modern transport fleet of more than 150 trucks, trailers and we manage around 250,000 sq ft of warehousing capacity.

OVERVIEW

MESSAGE FROM ***CHAIRMAN & GROUP CEO***

FOCUSING ON OPPORTUNITIES

DEAR SHAREHOLDERS

On behalf of the Board of Directors of Eneco Energy Limited (the "Company" and together with its subsidiaries, the "Group"), we are pleased to present the Group's annual report for the year ended 31 December 2023 ("FY2023").

In FY2023, amid rising inflationary pressure, we expensed immense efforts to expand the available business resources within the Group. Despite achieving optimal occupancy for all our warehousing facilities, we have continued to look for investments that can bring synergy into adding that extra warehousing space to house our esteemed reputable clientele. We have also looked into ways to adopt new technologies in our business, in order to enhance our operational efficiency and improve our service to our customers.

We outline below the various milestones achieved during the year, Group's financial highlights and provide a brief outlook for 2024.

MILESTONES ACHIEVED IN 2023

We have achieved several significant corporate targets and milestones during the year. These milestones were significant as they allowed the Group to streamline its operations, focus on opportunities that will provide higher returns for the Group as well as strengthen our presence in Singapore as a leading logistics solutions provider.

COMPLETION ON THE DISPOSAL OF LOGISTICS BUSINESS IN INDONESIA

On 31 December 2022, the Group entered into a conditional shares sale and purchase agreement to dispose its logistics business in Indonesia. The disposal would allow the Group to exit the logistics business in Indonesia to focus on new investments that can generate better returns for the Group. The disposal was completed on 14 February 2023.

RICHLAND LOGISTICS SERVICES PTE LTD SIGNED NEW DOMESTIC TRANSPORTATION CONTRACT WITH ASIA PACIFIC BREWERIES (SINGAPORE) PTE LTD

On 4 July 2023, RichLand Logistics Services Pte Ltd successfully established a solid strategic partnership with Asia Pacific Breweries (Singapore) Pte Ltd on the provision of domestic bulk transportation of Singapore's popular beverage brands, Heineken and Tiger.

This new strategic partnership highlights our commitment to seek continual growth amidst a challenging operating landscape facing the logistics industry and reinforces our position as a leading Third-Party Logistics player in Singapore.

MESSAGE FROM *CHAIRMAN & GROUP CEO*

FINANCIAL HIGHLIGHTS

In FY2023, the Group reported revenue of S$30.6 million, which was S$1.4 million lower than S$32.0 million in FY2022. This decline was primarily due to reduced business volumes in terminal services and lower income from transportation and warehousing. However, the impact of this decline was partly offset by strong performances from supply chain services and new contracts.

We have also recorded lower other income during the year, mainly due to lower government grants received, lower port rebates and lower gains from the disposal of plant and equipment and intangible assets. This decrease was partly offset by higher interest income derived from fixed deposit placements.

Profit from continuing operations after taxation, which consist of the logistics business and corporate operations in Singapore, amounted to S$83,000. The lower profit was due to lower revenue achieved for the year and higher services related costs brought about by higher subcontractors' expenses, terminal charges, rental, repair and maintenance expenses. The lower profit was despite savings in salaries and employee benefits from headcount reduction that resulted from better deployment of manpower.

Profit from discontinued operations related to gains from the completion of disposal of the logistics business in Indonesia in FY2023, net of reversal of group's translation reserves no longer required. The gains on discontinued business in FY2022 relates to the aggregate gains from the logistics business and oil & gas business in Indonesia.

Current assets and current liabilities amounted to S$23.2 million and S$7.2 million respectively, resulting in a net current assets position for the Group of S$16 million. This is an improvement of S$1.7 million over that of FY2022.

Non-current assets amounted to S$8.3 million, an increase of S$0.7 million over FY2022 due to the purchase of new plant and equipment and right-of-use assets during the year.

Non-current liabilities increased to S$4.2 million from S$1.7 million in FY2022, mainly due to an increase in lease liabilities for the addition of new right-of-use assets during the year.

For FY2023, the Group reported net cash inflow from operating activities of S$4.7 million compared to S$5.7 million in FY2022. Net cash inflow from investing activities amounted to S$2.3 million compared to a net cash outflow of S$12.6 million in FY2022. Net cash outflow from financing activities amounted to S$5.8 million as compared to an inflow S$8.6 million in FY2022.

The Group reported net cash and bank balances of S$14.9 million as at 31 December 2023 as compared to S$16.2 million as at 31 December 2022.

OUTLOOK FOR 2024

Singapore's economy in 2024 is expected to be comparable to that of 2023. The manufacturing and trade-related sectors are expected to see a gradual pickup in growth in tandem with the turnaround in global electronics demand. Singapore's external demand outlook for 2024 is also expected to remain mostly unchanged.

Growth is expected to moderate in the first half of the year, mainly due to continued tight financial conditions and gradual recovery is expected only in the second half, in line with an expected easing of monetary policy as inflationary pressures recede.

Nevertheless, global economic headwinds remain with the ongoing conflict in Gaza and Ukraine. Further escalations in these wars and geopolitical tensions among major global powers can worsen supply disruptions, dampen consumer and business confidence, as well as weigh on global trade.

The overall economic conditions for Singapore will have a direct impact on the Group's financial performance in 2024. With Singapore's external demand outlook expected to remain mostly unchanged, improved financial performance can only be achieved through competitive pricing, better utilisation of existing resources and stringent costs measures.

The Group is optimistic that with good financial discipline and contract management, we would be able to build a healthy order book comprising contract renewals and extensions with existing customers and onboarding of new customers. The Group will also continue to seek new business collaborations to expand its core logistics business and explore new business opportunities.

MESSAGE FROM CHAIRMAN & GROUP CEO

Adopting technology would not lead to an increase in efficiency without the right talent in place to manage the systems. We will continue to upskill our employees so that they are equipped to move forward as a business.

We aim to achieve a stronger asset position through efficient management of our available resources. This will strengthen our profitability and place the Group in a stronger financial position to undertake any future growth and expansions.

ACCOLADES RECEIVED

During the year, the unrelenting efforts put in by our management and staff have not gone unnoticed. We have been recognised by our valued customers for the expertise and professionalism we have brought into their businesses. Some of these awards include:

Silver Accreditation Medal from EcoVadis

This accreditation showcases our dedication to sustainable practices and reinforces our reputation as a responsible and forward-thinking company. It highlights the strides we have made in implementing sustainable initiatives throughout our operations, supply chain, and broader business practices.

Outstanding Service Provider Award from Avnet Asia Pte Ltd

RichLand Logistics Services Pte Ltd is honoured to receive this award within just 1.5 years since we started our collaboration with Avnet Asia Pte Ltd in March 2022. This award served as a major booster and reaffirmed that we must continue tapping on digitization to seek improvements in striving for excellence and pushing the boundaries of what is achievable.

Excellent Collaboration Award from Huawei International Pte Ltd

This award is a testament to our continued dedication and commitment to Delivering on our Promises to all our clients.

These accolades are only possible though the collective efforts and contributions of our entire organization and staffs. We should all take pride in these achievements and continue our good efforts towards servicing each and every of our customers.

ACKNOWLEDGEMENTS

We would like to extend a warm welcome to Mr. Ngo Yit Sung, who joins the Board as an Executive Director during the year. With his extensive experience in corporate strategy, capital raising, business development, and investor relations, we look forward to his contributions to the Group in the coming years.

On behalf of the Board, we would like to thank all our staff for their commitment and hard work throughout the years. They have consistently met and surpassed the service standards expected by our customers. We would also like to thank our valued customers for entrusting us with their business and partnering us in their journey forward.

Last but not least, we are grateful to our shareholders, business and banking partners for their unwavering support as we enamour the Group to forge ahead with renewed vigour.

We will continue to tap on all resources available to explore new areas of cooperation with our customers and seek business opportunities that can bring synergy to the core logistics business. Driving revenue growth and profitability will remain as the Group’s top priorities.

BOARD OF *DIRECTORS*

MR. LOW CHAI CHONG

Chairman, Independent Director

Mr. Low Chai Chong was appointed as Lead Independent Director of the Company on 14 December 2018 and as Chairman on 18th March 2019. Mr. Low is also Chairman of the Audit Committee and member of the Remuneration and Nominating Committees. He is an Advocate & Solicitor of the Supreme Court of Singapore, and was called to the Singapore Bar in 1986. He is a Senior Partner at Dentons Rodyk & Davidson LLP. He has many years of legal experience, representing MNCs, financial institutions and listed companies in a wide array of commercial and corporate matters regionally, including dispute resolution.

Mr. Low graduated from National University of Singapore with a Bachelor of Laws (Honours) degree. He is also a director of Capital World Limited and TOTM Technologies Limited.

MR. COLIN PETER MORAN

Executive Director

Mr. Colin Peter Moran was the Chief Executive Officer and Executive Director of Eneco Energy Ltd from 2019 through to June 2021, at which point, he stepped down to the Executive Director role to enable himself to better balance his family and work life as his family had relocated to Sydney Australia prior to Covid-19. As CEO of Eneco Energy he was instrumental in negotiating and settling the groups major debts within its oil and gas business units thus helping to ensure the groups survival and its pivot back to the core logistics business.

Mr. Moran had previously been with the groups RichLand Logistics business from 2010 to 2019 where he was responsible as CEO for the running of its logistics business units in Singapore and Indonesia. During his tenure as CEO of RichLand Logistics he was the key driver in conceptualising and transitioning the logistics business into a true technology driven 3PL service provider and one which delivers solid profitability to the group.

Mr. Moran brings over 30 years of experience, expertise and leadership to the organisation after having worked for one of the world’s largest logistics organisations, TNT/CEVA for 20 years. In his capacity now, his key role is to help support, drive and mentor the senior management into the next phase of the groups growth. Eneco’s logistics business RichLand Logistics is now the core foundation upon which the groups growth will be built. He has in-depth experience in the contract logistics, express courier and freight forwarding industries specific to the Asia Pacific region after having spent over 25 years in South East Asia.

Mr. Moran holds a diploma in Business Studies and has attended numerous vocational studies with Warwick University, INSEAD and the AGSM (Australian Graduate School of Management).

MR. NGO YIT SUNG

Executive Director

Mr. Ngo Yit Sung was appointed as Executive Director of the Company on 10 July 2023. He is responsible for the Group’s strategic direction, establishing policies for management and governance, and overseeing the operations of the Group.

Mr. Ngo has over 15 years of extensive experience in corporate strategy, capital raising, business development, and investor relations. Prior to his appointment, he was the Executive Director of TOTM Technologies Limited, where he successfully led the implementation of key corporate strategies, including mergers and acquisitions, investments, and equity fundraising. Prior to that, he served as a Director at Sino-Lion Communications Pte Ltd. In this capacity, he provided strategic consultancy to listed companies across the Asia Pacific region, spanning diverse industries such as technology, real estate, REITs, healthcare, consumer goods, industrials, and construction.

Mr. Ngo graduated with a Bachelor of Engineering (First Class Honours) in Electrical (Mechatronics) from Universiti Teknologi Malaysia, and a Ph.D. degree in Electrical and Computer Engineering from the National University of Singapore (NUS).

BOARD OF DIRECTORS

MR. TEO CHEOW BENG
Independent Director

Mr. Teo Cheow Beng was appointed as an Independent Director of the Company on 14 December 2018 and is Chairman of the Remuneration Committee and member of the Audit and Nominating Committees.

Prior to being appointed as an Independent Director, Mr. Teo served with the Singapore Police Force over a span of 39 years, and retired with the rank of Superintendent of Police. During his career with the Police Force, Mr. Teo held several key positions in the investigation fraternity, including Head Investigation in Jurong Police Division, Head of Secret Society Branch, Head of Serious Sexual Crime Branch and Head of Intellectual Property Rights Branch in the Criminal Investigation Department (CID).

During his career with SPF, Mr. Teo received numerous commendations and awards, including, The Efficiency Medal (National Day Award), The Long Service Award (National Day Award), the Home Affairs Minister's Award for Home Team Achievement (MHA), the SPF Good Service Medal, the SPF Long Service and Good Conduct (35 years) Medal, and a number of MHA Operational Excellence Awards and Commissioner of Police's High Commendations, Commendations and Testimonials.

Mr. Teo holds a Graduate Diploma in Business & Management from The Society of Business Practitioners, Cheshire, England, and a Bachelor of Science in Business Administration from the Bulacan State University, Philippines.

Mr. Tan Tse Chia, Patrick joined the Board as an Independent Director of the Company on 14 December 2018. He is the founder and Chief Executive Officer of Fortis Law Corporation and the Head of the Private Client Practice Group. His areas of practice include general litigation and arbitration, trust and wealth management, legacy and succession planning, inheritance disagreement, premium real estate, family law and private client matters.

Patrick is an Advocate & Solicitor, Notary Public, Commissioner for Oaths, a Fellow of the Singapore Institute of Arbitrators, as well as a Senior Mediator and an accredited Associate Mediator, appointed by the Law Society of Singapore and the Singapore Mediation Centre respectively. He is also a registered Trust and Estate Practitioner (TEP), the highest level of membership with STEP, and a registered Foreign Legal Counsel of the People's Republic of China.

Patrick obtained his LL.B. (Hons) at the Nottingham University, where he received top honours, clinching several academic awards in land law, company law and partnership law. He also obtained the postgraduate Diploma in Singapore Law (Merit) from the National University of Singapore.

MR. PATRICK TAN TSE CHIA
Independent Director

MR. KOJI YOSHIHARA
Non-Independent
Non-Executive Director

Mr. Koji Yoshihara was appointed as Non-Independent Non-Executive Director of the Company on 14 December 2018.

Mr. Yoshihara started his career in the export division of a Japanese automotive maker. He subsequently moved to investment banking and was in the industry for 26 years. He was mainly involved in international capital markets and specialise in both ECM and DCM transactions. He also participated in a number of cross-border transactions between Japan and overseas countries. During his term with the Japanese investment bank, he was involved in corporate planning and management of its overseas subsidiaries in Singapore, United States and Philippines. He has also worked for a Japanese environmental-related company, where he was in charge of planning and expansion strategy of their Asian businesses including mergers and acquisitions in the region.

SENIOR *MANAGEMENT*

MR. GWEE CHEE KIANG, LAWRENCE
Group Chief Executive Officer

Mr. Gwee Chee Kiang, Lawrence was appointed as Group Chief Executive Officer of Eneco Energy Limited Group of companies on 8 September 2021. He will be leading the development of the Group business strategy, vision and mission.

Prior to the appointment, Lawrence held several senior leadership roles as Chief Financial Officer, Director in Human Resource and Information Technology. He has over 20 years of experience in transforming business operations and delivering profitability breakthroughs across diverse business verticals.

Lawrence brings with him broad senior leadership experience in overseeing full spectrum regional business operations, strategic planning, profit and loss management along with performance transformation where he had successfully rolled out merger and acquisition strategies and greenfield projects to deliver robust revenue growth across Australia, China, India, and South East Asia. He is instrumental in driving sustainable business growth within competitive market landscape.

Besides having experience working in company listed in the New York Stock Exchange (NYSE), Lawrence has a history of working in diverse industries globally including logistics, retail, construction, manufacturing and shipping.

Lawrence is a Senior Accredited Director with the Singapore Institute of Directors [SID-SRAD], Fellow Chartered Accountant with the Institute of Singapore Chartered Accountants [FCA (Singapore)] and Fellow Chartered Certified Accountant with The Association of Chartered Certified Accountants [FCCA]. He holds Masters from ACCA and has also completed the Enterprise Risk Management [ERM] courses with the Nanyang Technological University of Singapore [NTU].

MR. CHEW CHEE YUEN, FRANCIS
Group Chief Financial Officer

Mr. Chew Chee Yuen, Francis was appointed as Group Chief Financial Officer of Eneco Energy Limited Group of companies on 24 January 2022.

Francis oversees the Group's overall financial, accounting and tax matters. He is also responsible for financial and management reporting of the Group and compliance with relevant regulatory requirements.

He has extensive management experience in the areas of audit, accounting, compliance and reporting. He has also travelled extensively in the Asia Pacific region managing both public and private companies.

Francis holds a Bachelor of Accountancy (Honours) from the Nanyang Technological University and is a non-practising member of the Institute of Singapore Chartered Accountants.

CORPORATE *MILESTONES*

14 Feb 2023
Completion on the disposal of PT RichLand Indonesia.

FEB

25 May 2023
RichLand Logistics Services Pte Ltd received a Silver Accreditation Medal from EcoVadis.

MAY

4 Jul 2023
RichLand Logistics Services Pte Ltd signed new Domestic Transportation Contract With Asia Pacific Breweries (Singapore) Pte Ltd.

JUL

14 Aug 2023
Grant of performance-related Shares and Cash Bonus Awards to employees.

AUG

28 Sep 2023
RichLand Logistics Services Pte Ltd received an Outstanding Service Provider Award from Avnet Asia Pte Ltd.

SEPT

18 Oct 2023
RichLand Logistics Services Pte Ltd received an Excellent Collaboration Award from Huawei International Pte Ltd.

OCT

HAPPENINGS

STAFF APPRECIATION NIGHT AT HOTEL INTERCONTINENTAL SINGAPORE

After a 3 years hiatus, we are thankful to finally host our Staff Appreciation Night to recognize and celebrate the achievements and dedication of our incredible team.

It was truly an unforgettable evening filled with laughter, joy, and heartfelt moments, providing an opportunity for all of us to come together, unwind, and build stronger connections outside the usual work environment.

The night was also marked by an array of engaging activities, entertaining performances and exciting lucky draws, creating a truly festive and celebratory atmosphere.

RICHBOWL 2023

Our annual RichBowl event remains highly anticipated by all our employees, and this year is no exception. Everyone enjoyed the event tremendously, regardless of how good a bowler you are!

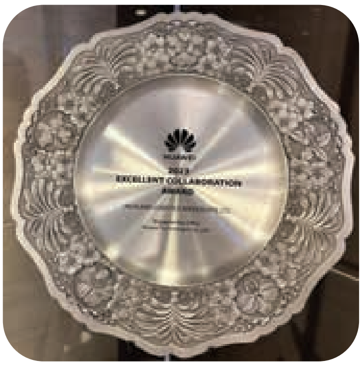
CHINESE NEW YEAR CELEBRATIONS

Chinese New Year has always been a festival all staff look forward to. This is a time when we extend our warmest wishes to all our employees and that prosperity and good health would be bestowed on all our employees.

ACCOLADES FROM OUR CUSTOMERS

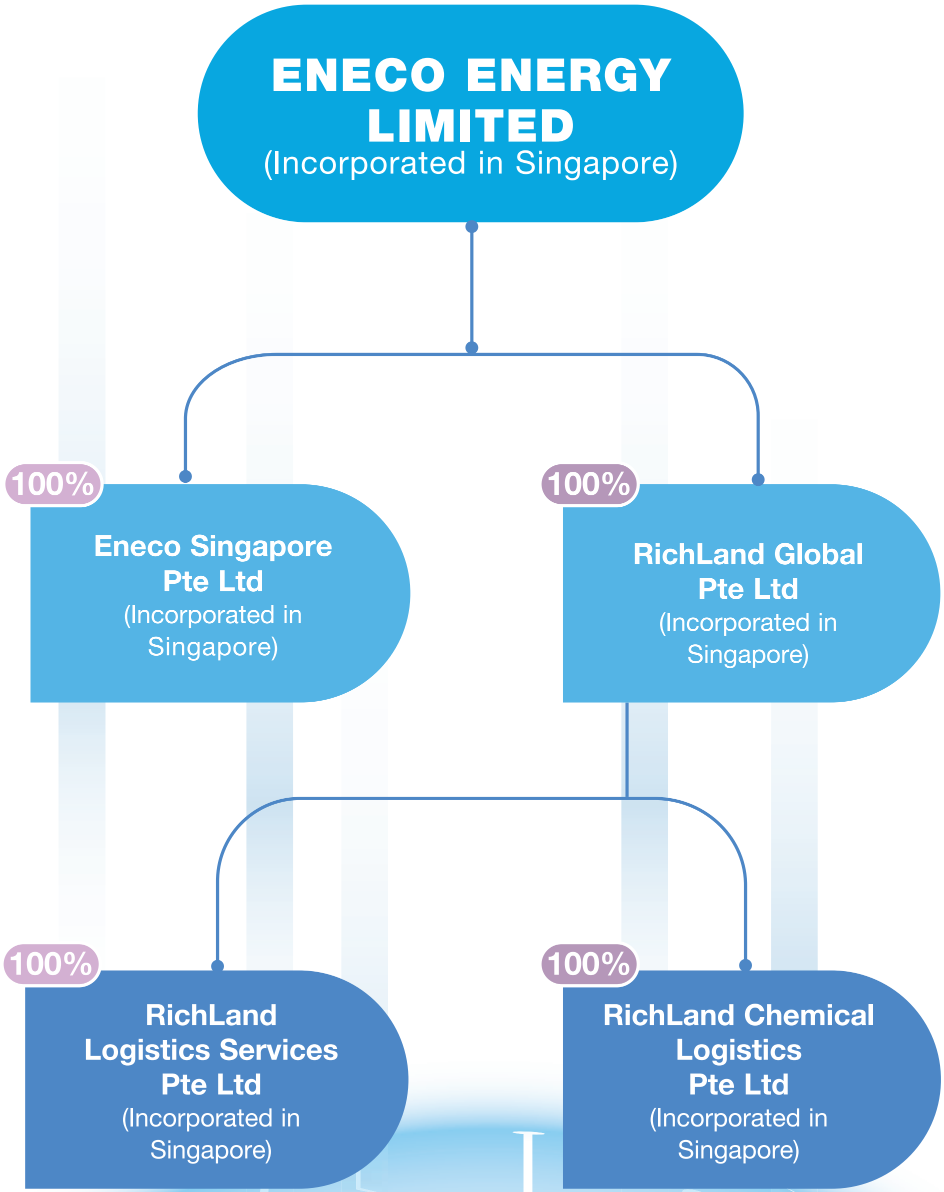
Silver Accreditation Medal from 2023 Ecovadis Sustainability Rating

Outstanding Service Provider award from Avnet Asia Pte Ltd



Excellent Collaboration Award from Huawei International Pte Ltd

ENECO ENERGY LIMITED
GROUP STRUCTURE



OVERVIEW

Eneco Energy Limited's ("Eneco Energy" or the "Group") revenue for FY2023 amounted to S$30.6 million, S$1.4 million lower than the S$32.0 million recorded for FY2022.

The revenue was contributed entirely by the Group's logistic business in Singapore since the completion of disposal of the Group's logistics business in Indonesia on 14 February 2023.

The Group's liquidity had remained strong with net current assets amounting to S$16 million, a S$1.7 million improvement over FY2022.

LOGISTICS SEGMENT

Revenue

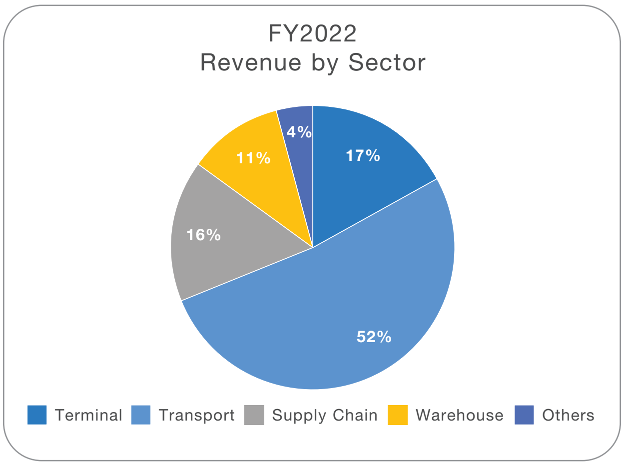
The Singapore logistics segment reported a revenue of S$30.6 million in FY2023, a decrease of S$1.4 million from the S$32.0 million recorded in FY2022. A breakdown of the revenue is as follows:

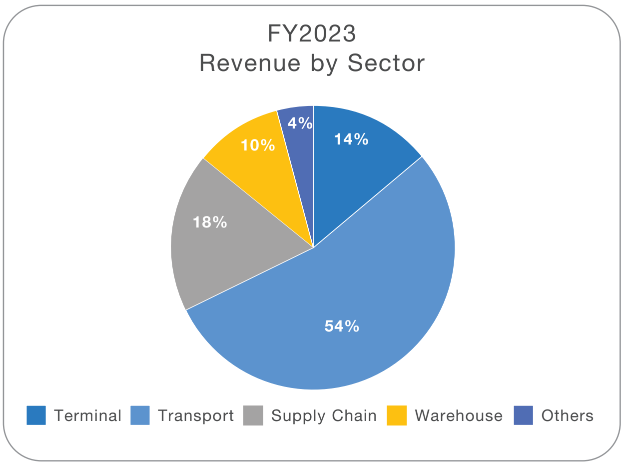
Transportation services remained as the largest revenue contributor for the Group, accounting for 54% of the total revenue earned during the year, which was consistent as that achieved in FY2022. Demand from customers had remained relatively constant, recording an annual revenue of S$16.8 million compared to S$17.1 million in FY2022. Despite the decrease in transportation revenue, higher repair and maintenance expenses, subcontractors' expenses and new lease expenses for transportation equipment, gross profits from this sector managed to remain consistent with FY2022 due to lower diesel and manpower costs.

Revenue from supply chain services had increased slightly from S$5.4 million in FY2022 to S$5.6 million in FY2023. The improvement was due to additional income from extra storage volume and warehousing support activities. Gross profit and gross profit margin had also improved over FY2022 due to savings in manpower costs.

Terminal services continues to play a big part in the logistics business, accounting for 14% of revenue generated. This is a decrease from 17% achieved in FY2022. Actual revenue contributed amounted to S$4.5 million, S$0.9 million lower than the S$5.4 million achieved in FY2022. With the recovery of the global market post covid, end customers had started to use other modes of transportation and relying less on air transportation.

Revenue from warehousing activities contributed 10% to the Group's revenue, a slight decrease from the 11% contributed in FY2022. Revenue amounted to S$3.2 million in FY2023, a decrease from S$3.7 million achieved in FY2022.





OPERATIONS *REVIEW*

Profits before tax and finance charges recorded for the Singapore logistics segment amounted to S$3.1 million in FY2023, consistent with that achieved in FY2022.

OTHER INCOME

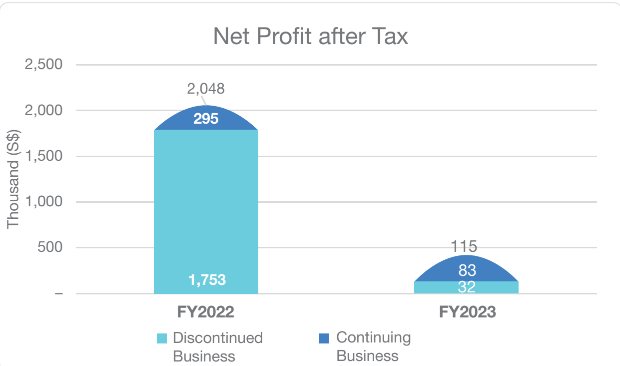
Other income has decreased by S$0.20 million to S$1.46 million from the S$1.66 million recorded for FY2022. The decrease was due to lower government grants received, lower port rebates and lower gains from the disposal of plant and equipment and intangible assets. This decrease was partly offset by higher interest income derived from fixed deposit placements.

FINANCE COSTS

Finance costs for FY2023 amounted to S$0.25 million, S$0.10 million lower than the S$0.35 million in FY2022. The lower finance costs was due to lower average amount of term loans and lease liabilities outstanding during the year.

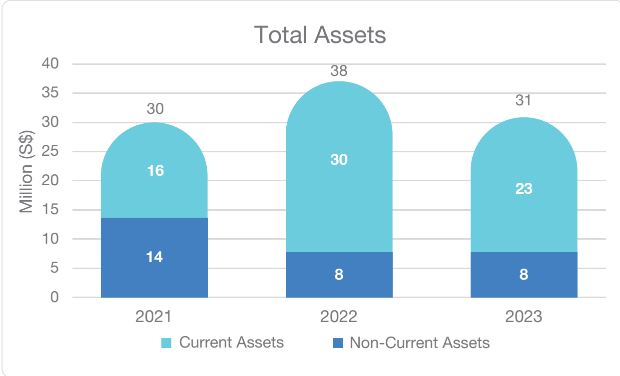
DISCONTINUED OPERATIONS

Profit from discontinued operations relate to gains from the completion of disposal of the logistics business in Indonesia during the current year, net of reversal of group's translation reserves no longer required. The gains on discontinued business in FY2022 relates to the aggregate gains from the logistics business and oil & gas business in Indonesia.



BALANCE SHEET

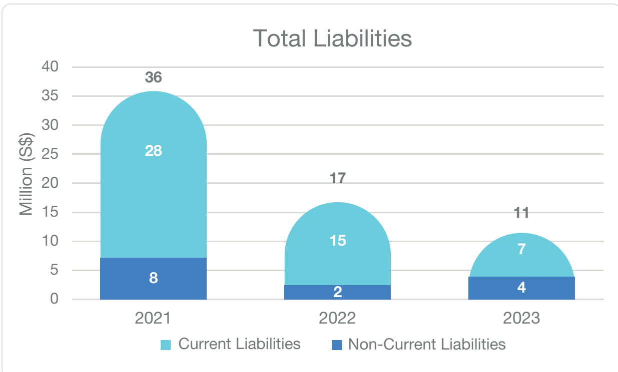
Assets



Current assets decreased by S$6.4 million largely due to the disposal of the Group's assets classified as held-for-sale during the period, amounting to S$5.03 million, which relates to the Group's logistics business in Indonesia. Further decrease was due to the decrease in cash and bank balances by S$1.35 million which was used in financing activities of the Group. Trade receivables had decreased by S$0.42 million, in line with the lower turnover achieved. The decreases were partly offset by increases in prepaid operating expenses at year end.

Non-current assets increased by S$0.70 million to S$8.26 million due to the purchase of new plant and equipment during the year. Right-of-use assets also increased by S$0.40 million due to new leases entered into for vehicle and equipment and office space during the year. This increase is partly offset by normal depreciation and amortisation charged during the year.

Liabilities



Current liabilities decreased by S$8.15 million due mainly to the disposal of Group's liabilities directly associated with assets held-for-sale during the period, amounting to S$5.03 million. Further decrease was caused by reduction in lease liabilities of S$2.14 million and loans and borrowings of S$0.56 million due to repayments during the year.

Non-current liabilities increased by S$2.47 million to S$4.20 million due mainly to an increase in lease liabilities for the addition new right-of-use assets during the year. The increase was partly offset by the reclassification of loans and borrowings amounting to S$0.19 million to current liabilities.

Shareholders' Equity

The Group's shareholders' equity had remained consistent at S$20.1 million in FY2023.

Net assets value per share as at 31 December 2023 was 0.87 Singapore cents, consistent with that as at 31 December 2022.

CASHFLOWS

For the 12-months ended 31 December 2023, the Group reported net cash inflow from operating activities of S$4.69 million compared to S$5.72 million in the last financial year. The decrease was due to lower profits for the year, higher payments of trade payables, higher other receivables and prepaid expenses as well as lesser government grants received. These decreases were partly offset by higher collections of trade receivables and higher interest income received during the year.

The Group reported net cash inflow from investing activities of S$2.28 million compared to a net cash outflow of S$12.62 million in the last financial year. This was due to the withdrawal of fixed deposits amounting to S$2.5 million and lower purchases of plant & equipment and intangible assets. These were partially offset by lesser proceeds from the disposal of plant and equipment. The net cash outflows in FY2022 was due mainly to the placement of placement proceeds into fixed deposit accounts with financial institutions.

The Group reported net cash outflow from financing activities of S$5.82 million as compared to an inflow S$8.63 million in the last financial year. The outflows for FY2023 were due mainly to principal repayments of lease liabilities, term loans and their associated interests. The net inflow in FY2022 was attributed to proceeds from a share cum warrants placement exercise conducted in that year.

The Group reported net cash and bank balances of S$14.9 million as at 31 December 2023 as compared to S$16.2 million as at 31 December 2022.

OPERATIONS
REVIEW

OUTLOOK AND PLANS

The global economy is expected to face challenges of moderate growth and elevated inflation in the next 12 months. The Group expects inflation to ease in 2024 but will continue to face challenges of competition and higher business cost. The Group is prudent and mindful of the inflationary pressure on its business operations.

The warehousing and logistics business in Singapore will continue to be the key drivers of the Group's growth. The logistics business will continue to focus on several key areas, they are: (i) secure new contracts with healthy gross profit margins; (ii) maintain stringent cost controls; (iii) increase the scope of services available to our customers and (iv) be prepared to adapt to the changing business needs of our customers.

On the corporate front, the Group's immediate objective is to increase the market capitalization of the Group so that it can be removed from the SGX-ST Watch-List by the end of the year. This is to be achieved by increasing profitability of our current operations and by generating alternative revenue and profit streams through participation in new investments. Achieving these objectives would be of tantamount importance in ensuring a profitable and sustainable business moving forward.

REPORTS AND FINANCIAL CONTENTS

CORPORATE
GOVERNANCE REPORT

The Board of Directors (the "**Board**") and Management of Eneco Energy Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**"), are committed to put in place corporate governance practices to provide the structure through which the objectives of protecting the shareholders' interests and enhancing long term shareholders' value are met. This commitment and continuous support of the revised Code of Corporate Governance 2018 (last amended on 11 January 2023) and the accompanying Practice Guidance issued on 14 December 2023 (the "**Code**") can be seen from the efforts put in by the Board and Management to promote and maintain values which emphasize transparency, accountability, integrity and proper conduct at all times in the business operations and dealings of the Company so as to create value for its stakeholders and safeguard the Company's assets.

This report describes the practices that the Company has undertaken with respect to each of the principles and provisions and the extent of its compliance with the Code and where appropriate. We have also provided explanations for any deviations from the Code that should be read together with the different principles under the Code.

In the opinion of the Board, the Company has generally complied with all the provisions as set out in the Code for the financial year ended 31 December 2023 ("**FY2023**").

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.

The Board provides entrepreneurial leadership and assumes responsibility for stewardship of the Group in terms of its strategic objectives. It is primarily responsible for the protection and enhancement of long-term value and returns for shareholders. It supervises the management of the business and affairs of the Group, provides corporate direction, monitors managerial performance, and reviews the financial results of the Group.

All Directors objectively discharged their duties and responsibilities at all times as fiduciaries in the interests of the Company.

The role of the Board, apart from its statutory responsibilities, includes:

- Providing entrepreneurial leadership and setting the overall strategy and direction of the Group, taking into account the environmental and social factors as part of its strategic formulation;

- Reviewing and overseeing the management of the Group's business affairs, financial controls, performances and ensuring that the necessary financial and human resources are in place for the Company to meet its objectives;

- Approving the Group's strategic plans, key business initiatives, acquisition and disposal of assets, significant investments and funding decisions, and major corporate policies;

- Establishing a framework of prudent and effective controls and overseeing the processes of risk management, financial reporting and compliance, evaluating the adequacy of internal controls, and safeguarding the shareholders' interests and the Group's assets;

- Approving the release of the Group's half and full-year financial results, related party transactions of material nature and submission of the relevant checklists to the Singapore Exchange Securities Trading Limited ("**SGX-ST**");

- Identifying key stakeholder groups and recognising that their perceptions affect the Company's reputation;

- Appointing Directors and key management staff, including the review of their performances and remuneration packages;

- Assuming the responsibilities for corporate governance, such as reviewing and endorsing corporate policies in keeping with good business practice; and

- Setting the Company's values and standards (including ethical standards) and ensuring that obligations to shareholders and other stakeholders are understood and met.

Director Orientation and Training

Rule 210(5) of the Listing Manual of the SGX-ST ("**Listing Rule**") requires any director who has no prior experience as a director of a listed company to undergo training in the roles and responsibilities of a listed company director. In FY2023, there was an appointment of a new Director to the Board.

The Company conducts briefing and orientation programs for new directors to familiarise themselves with the Company's structure and organisation, businesses and governance policies. The aim of the orientation program is to give directors a better understanding of the Company's businesses which allows them to assimilate into their new roles. Any Director who has no prior experience as a Director of a listed company will have to undergo intensive training and briefing on the roles and responsibilities of a Director of a listed company. Where appropriate, first-time Directors will attend training in areas such as accounting, legal and industry-specific knowledge. All Director(s) appointed to the Board will be provided with a formal letter of appointment indicating their roles, obligations, among other matters, duties and responsibilities as members of the Board.

New Directors are also informed about matters such as the Code of Dealing in the Company's securities. The Company also provides opportunities for new Directors to receive briefing on Board processes and best practices, as well as current financial reporting standards, legislations, regulations and guidelines from the SGX-ST and other relevant authorities that may affect the Company and/or the Directors in discharging their duties effectively.

Directors are encouraged to make enquiries on any aspects of the Company's operations or business issues from Management. The Chairman or the Group Chief Executive Officer ("**Group CEO**") or the Company Secretary will make the necessary arrangements for the briefings, informal discussions or explanations as and when required.

All the Directors (existing and new) also have the opportunity to regularly visit the Group's operational facilities and meet with Management to gain a better understanding of the business operations.

The Board as a whole is updated regularly on risk management, corporate governance, and key changes to the relevant regulatory requirements and financial standards by the secretary, auditors or external consultants, so as to enable them to properly discharge their duties as the Board or Board Committee members. In addition, the Directors are encouraged to attend appropriate or relevant courses, conference and seminars conducted by professional organisations, which may be funded by the Company. In FY2023, all Board Members had completed their training on sustainability matters as prescribed by SGX-ST pursuant to Rule 720(7) of the Listing Rule.

New releases issued by the SGX-ST and Accounting and Corporate Regulatory Authority ("**ACRA**") which are relevant to the Directors are also circulated to the Board and discussed at the quarterly Board meetings. The External Auditors would update the AC and the Board on the new financial reporting standards annually.

Matters Requiring Board Approval

The Company has established the delegation of authority matrix which sets out the material thresholds for approval. Aside from carrying out its normal duties, the Board's approval is required for decision involving areas such as strategic business plans, key operational initiatives, material transactions, and various fundraising activities, share issuances, interim dividend, material acquisitions and any investments and divestments or expenditure exceeding the set material limit.

While matters relating in particular to the Company's objectives, strategies, annual budget, and policies require the Board's direction and approval, the Management is responsible for the day-to-day operation and administration of the Company in accordance with the objectives, strategies and policies set by the Board.

Board Processes

To ensure that specific issues are subject to due considerations and review before the Board makes its decisions, the Board has established three (3) Board Committees, namely the Audit Committee ("**AC**"), Nominating Committee ("**NC**"), and Remuneration Committee ("**RC**"), responsible for making recommendations to the Board. Each Board Committee is chaired by a Non-Executive and Independent Director. These Board Committees operate within clearly defined terms of reference and play an important role in ensuring good corporate governance in the Company and within the Group. The terms of reference are reviewed by the Board Committees on a regular basis to ensure their continued relevance and to enhance the effectiveness of these Board Committees.

The Board meets regularly throughout the year. The schedule of all the Board and Board Committees meetings for the calendar year is usually given to all the Directors well in advance. The Board is free to seek clarification and information from the Management on all matters within their purview. In FY2023, the Board held a total of six (6) meetings. Besides the scheduled meetings, the Board meets on a regular basis as and when necessary, to address any specific significant matters that may arise. Additional or ad-hoc meetings are conducted when required. The minutes of all Board and Board Committees' meetings, which provide a fair and accurate record of the discussion and key deliberation and decisions taken during the meetings, are circulated to all the members of the Board and Board Committees.

The Company's Constitution (the "**Constitution**") provides for meetings of the Directors to be held by means of telephone conference or other methods of simultaneous communication by electronic or telegraphic means when necessary. The Board also approves transactions through circular resolutions, which are circulated to the Board together with all the relevant information relating to the proposed transactions.

The agenda for each meeting is prepared in consultation with the Chairman and the Chairman of the respective Board Committees, and where necessary, the Executive Directors ("**ED**") and the Group CEO. The agenda and documents are circulated in advance of the scheduled meetings.

The frequency of meetings and the attendance of each Director at every Board and Board Committee meetings for FY2023 are disclosed in the table below:

Attendance Report of Directors

	Board		AC		RC		NC		General Meetings	
	No. of meetings		No. of meetings		No. of meetings		No. of meetings		No. of meetings	
Names of Directors	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Mr. Low Chai Chong	6	6	4	4	1	1	1	1	1	1
Mr. Patrick Tan Tse Chia	6	6	4	4	1	1	1	1	1	1
Mr. Teo Cheow Beng	6	6	4	4	1	1	1	1	1	1
Mr. Colin Peter Moran	6	6	–	–	–	–	–	–	1	1
Mr. Koji Yoshihara	6	6	–	–	–	–	–	–	1	1
Mr. Ngo Yit Sung[1]	4	4	–	–	–	–	–	–	–	–

In FY2023, there were no alternate directors appointed to the Board. The Board would generally avoid approving the appointment of alternate directors unless in exceptional cases, such as when a Director has a medical emergency.

1 Appointed on 10 July 2023

The Board committees are as follows:

Names of Directors	AC	RC	NC
Mr. Low Chai Chong	Chairman	Member	Member
Mr. Teo Cheow Beng	Member	Chairman	Member
Mr. Patrick Tan Tse Chia	Member	Member	Chairman

The profiles of the Directors are set out on pages 6 and 7 of the Annual Report.

In order to ensure that the Board is able to fulfil its responsibilities, the Management is required to provide adequate and timely information to the Board on any affairs and issues that require the Board's decision, as well as ongoing reports relating to the operational and financial performance of the Company and the Group to enable the Board to make informed decisions. For matters that require the Board's decision, relevant members of Management are invited to attend and present at a specific allocated time during the Board and Board Committee meetings. Periodic financial reports and operational updates, budgets, forecasts, material variance reports, disclosure documents, board papers and any other related materials are also provided to the Board, and where appropriate, prior to the Board meetings to enable the Board to be properly informed and have sufficient time to review and consider the matters to be discussed and/or approved. The Board is also informed of any significant developments or events relating to the Group. In addition, the Board is entitled to request from Management such additional information as needed to make informed decisions. Management ensures that any additional information requested for is provided to the Board in a timely manner.

As and when there are urgent and important matters that require the Directors' attention, information is furnished to the Directors as soon as practicable through emails, and where necessary, a special Board or Board committee meeting will be convened at short notice.

The Management makes presentations to the Board on a quarterly basis on the financial performance of the Group. Annual budgets are presented to the Board for approval and adoption, and subsequently in the quarterly Board meetings, the variances between projections and actual results are tabled for the Board's review. If needed, the AC or the Board may request for re-forecasts or revised budgets to be presented.

All of the Directors have access to Management, the Company Secretary(ies) and their assistant, the Group's internal and external auditors, as well as external advisers (where necessary) should they have any queries on the affairs of the Group. The contact persons and contact details of these parties are regularly updated and circulated to the Directors. The costs of such professional advice will be borne by the Company.

The Board has separate and independent access to the key management personnel at all times. Further, there is no restriction of access to the key management personnel at all times. Where necessary, the Company will, upon the request of Board (whether as a group or individually) require specialised knowledge or expert opinion, provide them with independent professional advice to enable them to discharge their duties effectively.

The Board has taken adequate steps to ensure compliance with legislative and regulatory requirements, including requirements under the Listing Rules. The Company Secretary(ies) provide the Board with regular updates on the requirements of the Companies Act and all the rules and regulations of the SGX-ST and advises the Board on all governance matters. Under the direction of the Chairman, the Company Secretary(ies) or their representatives ensure timely and good information flows within the Board and its Board Committees and between Management and Non-Executive Directors. The Company Secretary(ies) or their representatives attend all Board and Board Committee meetings, assist the Chairman of the Board and Board Committees in ensuring that the relevant procedures are followed and reviewed such that the Board and Board Committees function effectively, and advise the Board on all governance matters. The decision to appoint or remove the Company Secretary(ies) is a decision made by the Board as a whole.

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 31 December 2023, the Board comprised the following directors:

NON-EXECUTIVE AND NON-INDEPENDENT DIRECTOR
Mr. Koji Yoshihara

EXECUTIVE DIRECTORS
Mr. Colin Peter Moran
Mr. Ngo Yit Sung (appointed on 10 July 2023)

INDEPENDENT NON-EXECUTIVE DIRECTORS
Mr. Low Chai Chong (Chairman)
Mr. Patrick Tan Tse Chia
Mr. Teo Cheow Beng

The Board has adopted the criteria of an Independent Director as set out in the Listing Rules of SGX-ST in its review and is of the view that all Independent Directors have satisfied the criteria of independence. There is a strong and independent judgement in the conduct of the Group's affairs and thus enabling Management to benefit from a diverse and objective external perspective on issues raised before the Board. Matters requiring the Board's approval are discussed and deliberated with participation from each member of the Board. The decisions are based on collective decisions without any individual or small group of individuals influencing or dominating the decision-making process.

The NC reviews annually, and as and when circumstances require, if a Director is independent. Each Independent Director is required to complete a Director's independence checklist annually to confirm their independence based on the guidelines set out in the Code.

Annually, the Independent Director is required to confirm the following:

- That they are not an executive Director of the Company or any of its related corporation and have not been employed by the Company or any of its related corporation for the current or any of the past three financial years;

- That they do not have an immediate family member (spouse/parent/brother/sister, son or adopted son or step-son or daughter or adopted daughter or step-daughter) who is, or has been in any of the past three financial years, employed by the Company or any of its related corporations and whose remuneration is determined by the Company's Remuneration Committee;

- That they have not been a Director for an aggregate period of more than 9 years (whether before or after listing);

- That they (including their immediate family member) have not accepted any significant compensation from the Company or any of its related corporations for the provisions of services, for the current or immediate past financial year, other than compensation for Board service;

- That they (including their immediate family member) are not a 5% shareholder of/a Partner in (with 5% or more stake)/an Executive Officer of/a Director of any organisation to which the Company or any of its subsidiaries made/from which the Company or any of its subsidiaries received, significant payments or material services (which may include auditing, banking consulting, and legal services) in the current or immediate past financial year. As a guide, payments aggregated over any financial year in excess of S$200,000 would generally be deemed significant;

- That they do not have a relationship with the Company, its related corporations or its officers that could interfere or be reasonably perceived to interfere, with their exercise of independent business judgement with a view to the best interests of the Company and in carrying out their functions as an Independent Director and as a member of any Board committee(s);

- That they are not a 5% shareholder of the Company;

- That they are not directly associated with a 5% shareholder of the Company in the current or immediate past financial year;

- That they have not served on the Board beyond nine years from the date of their first appointment.

In view of the foregoing, the Independent Directors would be considered as independent of the Company's Management as contemplated by the Code and the Mainboard Listing Rules of SGX-ST.

The confirmation will be signed and submitted to the Secretary(ies), where they will be tabled at the NC meeting for the NC's review. At the NC meeting, the NC will determine if an Independent Director is indeed independent based on the confirmations received, and if each Independent Director can still exercise independent judgement.

Taking into consideration the confirmation of independence by each Independent Director, as well as relevant factors set out under Principle 4 in this report, the NC, with the concurrence of the Board, considered Messrs Low Chai Chong, Patrick Tan Tse Chia, and Teo Cheow Beng independent for FY2023. Each member of the NC has abstained from participating in the discussion and voting on any resolution related to their own independence and nomination as Director.

The size and composition of the Board are reviewed from time to time by the NC with a view to determine the impact of its number upon effectiveness. The NC decides on what it considers an appropriate size, taking into account the scope and nature of the Company's operations, the requirements of the business and the need to avoid undue disruptions from changes to the composition of the Board and Board Committees.

The Company has in place a Board Diversity Policy which sets out the approach to diversity of the Board. The composition of the Board is reviewed annually by the NC in accordance with the policy to ensure that there is an appropriate mix of expertise and experience on the Board to enable the Company to benefit from a more diverse perspective and input from the Board. Together, the Directors as a group provide core competencies in business, investment, legal, audit, accounting, management experience, and industry knowledge.

The Company currently has a diversified board comprising of members with varied business perspectives, skills, knowledge, age, cultural and educational background, ethnicity, and length of service. The NC is committed to achieve gender diversity by having at least one female Director in its Board's composition and is actively sourcing for suitable candidates to join the Board. This is done through various channels, including approaching suitable candidates that have been recommended or referred to the Board by reliable sources and assessing suitable candidates referred by Board members. The NC targets to achieve the Board's gender diversity goals in the next 2 years. However, the Board is cognisant that in addition to gender, suitable candidates should also be assessed based on their experience, skills, knowledge and insight prior to their appointment to the Board.

The Board believes that diversity enhances decision-making capability of the Board, and a diverse board is more effective in dealing with organisational changes and less likely to suffer from group thinking. Board diversity is an essential element contributing to the sustainable development of the Company's business, regardless of geographical location or nature of investments. Upholding merit and competence as its core value remain the Board's priority, together with promoting the interests of all the Company's stakeholders, particularly the long-term interests of our shareholders, fairly and effectively.

Independent Directors of the Board exercise no management functions but have equal responsibility for the performance of the Group. The role of the Independent Directors is particularly important in ensuring that the strategies proposed by the Management are constructively challenged, taking into account the long-term interests, not only of the shareholders, but also of employees, customers, suppliers and the many communities in which the Group conducts business. The Independent Directors participate actively during Board meetings. The Company has benefited from Management's access to its Directors for guidance and exchange of views both within and outside of the meetings of the Board and Board Committees. The Independent Directors communicate amongst themselves and with the Company's Auditors and Senior Management. When necessary, the Company coordinates informal meetings for Independent Directors to meet without the presence of the Executive Director(s) and/or Management to discuss and facilitate a more effective check on the Management.

CHAIRMAN AND GROUP 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 has a separate Chairman and Group CEO to ensure an appropriate balance of power, increased accountability and greater capacity for the Board in terms of independent decision making. The division of responsibilities between the role of Chairman and the role of the Group CEO are set out and endorsed by the Board.

The Chairman of the Board is Mr. Low Chai Chong. As the Chairman, Mr. Low represents the collective leadership of the Board and is responsible for amongst others, the proper carrying out of the business of the Board including:–

- The exercise of control over quantity, quality, and timeliness of the flow of information between the Board, Management and shareholders of the Company;
- With the assistance of the Company Secretary(ies), approving the meeting agenda of the Board and ensures adequate time is available for discussion of all agenda items;
- Ensuring that Board meetings are held when necessary;
- Ensuring that Management provides the Board members with complete, adequate and timely information; and
- Encouraging constructive relationships, mutual respect and trust between the Board and Management, and between the Executive Director(s) and Independent Directors ensuring the Company strives to achieve and maintain a high standard of corporate governance practices by establishing a shared acceptance of core business and management values among Board members.

The role of Group CEO is assumed by Mr. Gwee Chee Kiang, Lawrence. The Group CEO is responsible for the day-to-day operations of the Group. He plays an instrumental role in charting the direction and strategic development of the Group, formulating business strategies, the development of the Group, the overall financial performance and the direct implementation of the policies for all aspects of the Company and the Group's operations as set out by the Board. He is to ensure that each member of the Board and Management works well together with integrity and competency. The Group CEO is required to attend the quarterly AC and Board meetings on the invitation of the AC and the Board and to update the AC and the Board on the strategic and operational business aspects of the Group.

The Group CEO is the most senior executive in the Company and bears executive responsibility for the Company's business, while the Chairman bears responsibility for the workings of the Board.

The Chairman and Group CEO's performance and appointment to the Board are reviewed periodically by the NC and their remuneration packages are reviewed periodically by the RC. The Board believes that there are adequate safeguards in place to ensure an appropriate balance of power and authority within the spirit of good corporate governance.

BOARD MEMBERSHIP

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

The Board established the NC, which currently consists of three (3) Directors, the majority of whom are independent. The Chairman of the NC is Mr. Patrick Tan Tse Chia, an Independent Director who has no relationship with the Company, its related corporations, its 5% shareholders or its Management and is not directly associated with 5% shareholders, whom could impair his fair judgement.

The composition of the NC is as follows:

Mr. Patrick Tan Tse Chia	–	Chairman of the NC, Independent Director
Mr. Low Chai Chong	–	Independent Director
Mr. Teo Cheow Beng	–	Independent Director

The NC is regulated by its terms of reference and its key functions include, *inter alia*:

- Reviewing the Board structure, size and composition having regard to the scope and nature of the operations and the core competencies of the Directors as a group;

- Reviewing, assessing and recommending nominees or candidates for appointment and re-appointment (including alternate directors, if any) or election to the Board and various Board Committees;

- Assessing the effectiveness of the Board and Board Committees as a whole;

- Assessing the contribution and performance of each individual Director to the effectiveness of the Board, in particular when a Director has multiple board representations and having regard to the director's competencies, commitment, contribution and performance;

- Establishing and reviewing the criteria on the determination of the maximum number of directorships of listed companies any Director may hold;

- Reviewing the independence of the Directors on an annual basis determining whether an Independent Director who has served on the Board for a period exceeding nine (9) years from the date of his first appointment, or as and when circumstances require;

- Reviewing the performance of the Directors and recommending on the re-election and re-appointments of the Directors at the Annual General Meetings ("**AGM**");

- Deciding whether a Director is able to and has been adequately carrying out his or her duties as a Director of the Company, notwithstanding that the Director has multiple board representations, based on internal guidelines, such as attendance, intensity of participation and responsiveness;

- Reviewing the training and development programmes for the Board and its directors; and

- Reviewing and monitoring the implementation of the Board Diversity Policy.

The NC and the Board will review the requirement to plan for succession, in particular for the appointment and/or replacement of the Chairman, the Group CEO and other key management personnel and the progressive renewal of the Board as and when it deems fit.

Pursuant to the Constitution of the Company, each Director of the Company shall retire from office at least once every three years. Directors who retire are eligible to stand for re-election.

All Directors, including the ED, submit themselves for re-nomination and re-election at regular intervals of at least once every three years. Regulation 111 of the Constitution requires one-third of the Board to retire and submit themselves for re-election by shareholders at each AGM. In addition, Regulation 122 of the Constitution provides that every new Director must retire and submit themselves for re-election at the next AGM of the Company following their appointment during the year. Each member of the NC shall abstain from voting on any resolutions and making recommendations and/or participating in any deliberations of the NC in respect of his/her re-nomination as a Director.

The dates of initial appointment and last re-election of each Director are set out below:

Names of Directors	Position held on the Board	Date of First Appointment to the Board	Date of Last Re-election as Director
Mr. Low Chai Chong	Chairman, Independent Director	14 December 2018	28 April 2023
Mr. Patrick Tan Tse Chia	Independent Director	14 December 2018	28 April 2023
Mr. Teo Cheow Beng	Independent Director	14 December 2018	28 April 2022
Mr. Koji Yoshihara	Non-Independent Non-Executive Director	14 December 2018	28 April 2021
Mr. Colin Peter Moran	Executive Director	28 June 2019	28 April 2022
Mr. Ngo Yit Sung	Executive Director	10 July 2023	–

The Company has in place policies and procedures for the appointment of new Directors, including the description on the search and nomination procedures which includes identification of potential candidates, evaluation of candidates' skills, knowledge and experience and assessment of the candidate's suitability. All potential candidates, through the recommendation of the Directors, professional firms and associates, and if need be, through external consultants, will have their profile submitted to the NC for screening and selection. The NC will meet with the shortlisted candidates to assess their suitability, before making its recommendations to the Board for the Board's approval. In considering new appointment and re-appointment of Directors, the NC will consider important issues including the Board Diversity Policy in relation to the overall composition of the Board, the need to have progressive Board renewal, the individual Director's competencies, commitment, contribution and performance (for example, attendance, preparedness, participation and candour) to the Board.

The NC has also adopted internal guidelines addressing the commitments that are faced when Directors serve on multiple boards. For the current financial year, the Board is satisfied that each Director has allocated sufficient time and resources to the affairs of the Company.

Despite some of the Directors having multiple Board representations and other principal commitments, the NC had reviewed the directorships of the Directors and is satisfied that the Directors are able to and have adequately carried out their duties as Directors of the Company after taking into the consideration the number of listed companies Board representations and other principal commitments. Currently, the Board does not determine the maximum number of listed Board representations which any Director may hold. The Board believes that each individual Director is best placed to determine and ensure that he is able to devote sufficient time and attention to discharge his duties and responsibilities as a Director of the Company, bearing in mind his other commitments. The NC and the Board will review the requirement to determine the maximum number of listed Board representations as and when it deems fit. The Board did not appoint any alternate directors.

Particulars of interests of Directors who held office at the end of the financial year in shares, share options and warrants in the Company and in related corporations (other than wholly-owned subsidiaries) are set out in the Directors' Statement.

The Board has accepted the NC's recommendation on the re-election of Messrs Colin Peter Moran and Koji Yoshihara, who are retiring pursuant to Regulation 111 of the Company's Constitution and Mr. Ngo Yit Sung, who is retiring pursuant to Regulation 122 of the Company's Constitution at the forthcoming AGM. Each Director had abstained from participating in the discussion and voting on any resolution related to their independence, nomination and re-appointment.

The key information regarding Directors such as academic and professional qualifications, Board Committees served, directorships or chairmanships both present and past held over the preceding three years in other listed companies and other major appointments, and whether the appointment is executive or non-executive, are set out on pages 113 to 119 of the Annual Report.

BOARD PERFORMANCE

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

In line with the principles of good corporate governance, the Board has implemented a formal process to evaluate the effectiveness of the Board as a whole, its Board Committees and individual directors through a confidential questionnaire which is completed by each Director individually. The performance criteria includes, but is not limited to, financial targets, the contribution by Directors, their expertise, their sense of independence, their industry knowledge, Board size and composition, information management, Board operation, Company's performance measurement, Board Committee effectiveness, succession planning, risk management and internal control system and overall Board dynamics. This encourages constructive feedback from the Board and leads to an enhancement of its performance over time.

The assessment of individual Directors is done through self-assessment as well as peer-assessment on areas such as the contribution of each individual Director to the effectiveness of the Board, whether each Director continues to contribute effectively and demonstrate commitment to the role, in each case through a confidential questionnaire completed by each Director individually.

A summary of the completed assessment questionnaires is compiled by the Company Secretary and is submitted to the NC for their review and then presented to the Board. The Board will act on the results of the performance evaluation, and, in consultation with the NC, proposes the re-election of Directors, diversity targets and where appropriate, new members to be appointed to the Board or seek the resignation of Directors who are not able to commit their time and contribute effectively to the Board.

The Board has met to discuss the evaluation of the Board and its Board Committees and the individual directors in February 2024 and following the review, the Board agreed that the extent of the Directors' attendance, participation and contributions to the Board up in FY2023 were satisfactory.

In general, the selected performance criteria will not change from year to year unless they are deemed necessary and the Board is able to justify the changes. In consultation with the NC, the Chairman will act on the results of the Board performance and propose, where appropriate, new members to be appointed to the Board or propose changes to the Board.

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 Group's remuneration policy is to provide remuneration packages at market rates which reward successful performance and attract, retain and motivate Directors and Key Management Personnel.

The RC comprises three (3) Directors, all of whom are non-executive and the majority of whom, including the chairman of the RC, are independent. In discharging their duties, the RC members have access to advice from the internal human resources personnel, and if required, advice from external consultants.

The composition of the RC is as follows:

Mr. Teo Cheow Beng	–	Chairman of the RC, Independent Director
Mr. Patrick Tan Tse Chia	–	Independent Director
Mr. Low Chai Chong	–	Independent Director

The RC recommends to the Board a framework for the remuneration for the Board and Key Management Personnel and to determine specific remuneration packages for each Executive Director, which is based on transparency and accountability.

The RC is regulated by its terms of reference and its key functions include, *inter alia*:

- Reviewing and recommending to the Board a framework of remuneration and specific remuneration packages for all Directors and Key Management Personnel of the Company;

- Reviewing the service agreements of the Executive Director(s) and Key Management Personnel of the Company;

- Reviewing and enhancing the compensation structure with incentive performance base for key executives;

- Carrying out its duties in the manner that it deems expedient, subject always to any regulations or restrictions that may be imposed upon the RC by the Board from time to time; and

- Overseeing the general compensation of employees of the Group with a goal to motivate, recruit and retain employees and Directors through competitive compensation and progressive policies.

The RC held one (1) meeting during the financial year. The RC recommends, in consultation with the Chairman of the Board, a framework of remuneration policies for Key Management Personnel and Directors serving on the Board and Board Committees, and determines specifically the remuneration package for each Executive Director(s) of the Company. The review covers all aspects of remuneration including but not limited to Directors' fees, salaries, allowances, bonuses, share options, performance shares and benefits-in-kind. In addition, the RC also reviews the remuneration of Key Management Personnel. The RC ensures that the remuneration packages for the Executive Director(s) and Key Management Personnel are fair and not overly generous. The RC's recommendations are submitted to the entire Board for endorsement. Each member of the RC shall abstain from voting on any resolutions and making any recommendations and/or participating in any deliberations of the RC in respect of his remuneration package.

The RC will review the Company's obligations arising in the event of termination of the Executive Director's and Key Management Personnel's contracts of service and ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous. The RC aims to be fair and avoid rewarding poor performance.

The RC did not engage any external Human Resource Consultant in FY2023 to assist with the remuneration review for the Executive Directors and Key Management Personnel.

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 objectives of the company.

In setting remuneration packages, the Company takes into consideration the remuneration packages and employment conditions within the industry as well as the Group's relative performance and the performance of its individual directors. The level and structure of remuneration is aligned with the long-term interest and risk policies of the Company.

The RC administers all the performance related elements of remuneration for Executive Director(s) and Key Management Personnel ("KMP") and sets key performance indicators ("KPIs") for each KMP. A portion of the compensation package is subject to the meeting the set KPIs. The RC seeks to achieve a level and mix of remuneration that is able to attract, retain and motivate the KMPs to manage the Group for the long term, and to ensure that a significant and appropriate proportion of the remuneration is structured so as to link rewards to corporate and individual performance. This is to align the interests of the KMPs with those of shareholders and other stakeholders and to promote and ensure the long-term success of the Company.

The Non-Executive Directors are paid directors' fees, which take into account factors including but not limited to the effort, time spent and the scope of responsibilities of the Directors. Directors' fees are recommended by the Board for approval at the Company's AGM. The Independent Non-Executive Directors should not be over- compensated to the extent that their independence may be compromised and no Director is involved in deciding his own remuneration.

The Executive Director(s) do not receive directors' fees. The remuneration packages of the Executive Director(s) and the KMPs comprise primarily a basic salary and a variable component, which is inclusive of bonuses, based on the performance of the Group as a whole, the individual Director performance and other benefits. This performance- related remuneration aligns the interests of the Executive Director(s) and KMPs with that of the shareholders and promotes the long-term success of the Company.

The Company has adopted a Share Trading Policy which outlined the guidance and requirements to govern the trading of the Company's shares held by the Directors and KMPs of the Company.

The Company has in place the Eneco Group Share Option Scheme 2017 (the "**EGSOS 2017**"). The RC is of the view that Non-Executive Directors should hold some share-related interests in the Company to better align their interests with those of shareholders. Accordingly, the Company on 15 September 2022 made a grant of options in respect of ordinary shares in the capital of the Company (the "**Option**") pursuant to EGSOS 2017 to each of its five (5) Directors and four (4) of the executive employees of the Group (excluding Executive Directors). All Options will be exercisable after the 1st anniversary of the date of grant, provided always that the Options granted to the executive employees, Executive Directors, and Non-Executive Directors (including Independent Directors) shall be exercised before the 5th anniversary of the relevant date of grant. The RC and the Board was mindful of the quantum of Options granted to ensure the independence of the Independent Non-Executive Directors would not be compromised.

The service contracts entered into with the Executive Director(s) and KMPs are subject to review by the RC. The service contracts include a fixed term of appointment with termination by either party giving to the other not less than three (3) to six (6) months prior written notice. The RC may choose at any time to seek independent expert advice on the remuneration of Executive Director(s), Independent Directors and Key Management Personnel if it deems necessary.

The RC will review on a case-by-case basis to reclaim incentive components of remuneration paid in prior years from the Executive Director(s) and Key Management Personnel, especially in cases where incidents occur in exceptional circumstances such as misstatement of financial statements, or of misconduct resulting in financial loss to the Company.

DISCLOSURE ON REMUNERATION

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

A breakdown showing the level and mix of each individual Director's remuneration for the financial year ended 31 December 2023 is set out below:

	Salary %	Bonus %	Benefits in Kind %	Share Options %	Share Awards %	Director's Fees %	Total %	Total S$
Executive Directors								
Colin Peter Moran	68.6	5.7	–	25.7	–	–	100	S$250,000 and below
Ngo Yit Sung	88.5	7.4	4.1	–	–	–	100	S$250,000 and below
Non-Executive Directors								
Low Chai Chong	–	–	28.2	22.1	–	49.7	100	S$250,000 and below
Patrick Tan Tse Chia	–	–	–	32.3	–	67.7	100	S$250,000 and below
Teo Cheow Beng	–	–	–	32.3	–	67.7	100	S$250,000 and below
Koji Yoshihara	–	–	–	46.0	–	54.0	100	S$250,000 and below
Group Chief Executive Officer								
Gwee Chee Kiang, Lawrence	74.4	12.4	4.0	6.2	3.0	–	100	S$250,001 to S$500,000

For FY2024, subject to approval from the shareholders at the forthcoming AGM, the fee structure for the Non-Executive Directors would be as follows:

Names	Basic Retainer Fee (S$)	Board Chairman (S$)	AC Chairman (S$)	RC Chairman (S$)	NC Chairman (S$)	Total (S$)
Low Chai Chong	66,000	20,000	15,000	–	–	101,000
Patrick Tan Tse Chia	39,600	–	–	–	7,500	47,100
Teo Cheow Beng	39,600	–	–	7,500	–	47,100
Koji Yoshihara	26,400	–	–	–	–	26,400

The remuneration of the top five KMPs for FY2023 (excluding the Directors and the Group CEO) is disclosed in the table below:

Top 5 Key Management Personnel ("KMP") of the Group

In FY2023, there are only five (5) KMPs in the Group and the gross remuneration received by these 5 KMPs is as follows:–

Range	No of Executives
S$250,001 to S$500,000	2
S$250,000 and below	3

The aggregate total remuneration paid to the five (5) KMPs (who are not Directors or the Group CEO) for FY2023 is approximately S$1,096,000.

The Board is cognisant of the requirements under Provision 8.1 and 8.2 of the 2018 Corporate Governance Code for listed issuers to make certain remuneration disclosures which had not been disclosed in the annual report, namely the breakdown of the remuneration of (i) each individual director and Group CEO; and (ii) at least the top five key management personnel (who are not directors or the Group CEO) in bands no wider than S$250,000. After careful consideration, the Board had decided (i) to disclose the remuneration of each individual director and Group CEO in remuneration bands of S$250,000 and by a percentage breakdown in terms of categories and components, instead of disclosing exact remuneration; and (ii) not to disclose the foregoing as it is of the opinion that it is in the best interests of the Group not to disclose the breakdown of the remuneration of the top five key management personnel. This is a variation from Provision 8.1 of the Code, however, in view of the confidentiality of remuneration matters over poaching concern, the Board believes that such disclosure may be prejudicial to the Group's business interests given the competitive environment it is operating in as well as the additional pressures the publication of such information may bring to the labour market.

The Board is of the view that the information as disclosed in this Corporate Governance Report regarding the Company's remuneration policies is sufficient to enable shareholders to understand the link between remuneration paid to each directors, Group CEO and top five KMPs with their performance. The Company is accordingly of the view that this practice is consistent with Principle 8 of the Code as a whole and that non-disclosure of the breakdown of the remuneration does not compromise the ability of the Company to meet with the requirement of having good corporate governance, especially considering that the RC also reviews the remuneration package of directors, Group CEO and KMPs to ensure that they are fairly remunerated.

Save for as disclosed above, there were no termination, retirement or post-employment benefits granted to Directors and Key Management Personnel other than the standard contractual notice period termination payment in lieu of service for FY2023.

Remuneration of Employees Related to Director and Substantial Shareholders

There are no employees of the Company and its subsidiaries who are immediate family members of a Director or Group CEO during FY2023 whose remuneration exceeded S$100,000 during FY2023. There are also no employees who are substantial shareholders of the Company, or are immediate family members of a Director, the Group CEO or a substantial shareholder of the Company.

ACCOUNTABILITY AND AUDIT

The Board understands its accountability to the shareholders on the Group's position, performance and progress. The objectives of the presentation of the annual audited financial statements, full-year and half-yearly results to its shareholders are to provide the shareholders with a balanced and understandable analysis and explanation of the Group's financial performance, position and prospects.

In line with the SGX-ST Listing Rules, the Board provides a negative assurance statement to the shareholders in respect of the interim financial statements. For the financial year under review, the Group CEO and the Group CFO has provided assurance to the Board on the integrity of the Group's financial statements.

The Board is updated with significant events that have occurred or material to the Group during the financial year. The Management provides the Board with a continual flow of relevant information on a timely basis as well as quarterly management accounts of the Group such that it may effectively discharge its duties. The Management understands its role to provide all members of the Board with appropriate management reports in a balanced and understandable assessment of the Group's performance, position and prospects. Particularly, prior to the release of half-yearly and full year results to the public, Management will present the Group's financial performance together with explanatory details of its operations to the AC, which will review and recommend the same to the Board for approval and authorisation for the release of the results.

The Directors and key Executive Officer(s) have provided undertakings of compliance with the requirements of the SGX in accordance with Rule 720(1).

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 overall internal control framework. The system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss. The internal controls in place will address the financial, operational and compliance risks and information technology controls. The Group has in place a Risk Management Committee ("**RMC**") comprising the Senior Management to assist the Board in its oversight of risk governance and risk management in the Group.

An Enterprise Risk Management ("**ERM**") programme has been implemented to identify, prioritise, assess, manage and monitor key risks. The risk management process in place addresses, *inter alia*, financial, operational (including information technology), and compliance risks faced by the Group. Key risks identified are deliberated by Senior Management, and reported to the RMC on a quarterly basis. The RMC reviews the adequacy and effectiveness of the ERM programme against identified significant risks vis-à-vis changes in the Group's operating environment. Action plans to manage the risks are continually being monitored and refined by the Management and the Board.

Complementing the ERM programme is a Group-wide system of internal controls, which includes the Code of Conduct, documented policies and procedures, proper segregation of duties, and approval procedures and authorities.

To assist the Board, the Board has established a Risk Management Committee. Its responsibilities include reviewing and recommending to the Board the type and level of risk. On quarterly basis, the Risk Management Committee will present Risk Management Report to the AC to discuss and highlight the risks, key risk indicator and risk treatment plan to the AC and Board.

To ensure that internal controls and risk management processes are adequate and effective, the AC is also assisted by various independent professional service providers. The assistance of the internal and external auditors enabled the AC to carry out assessments of the effectiveness of key internal controls during the year. Any material non-compliance or weaknesses in internal controls or recommendations from the internal and external auditors to further improve the internal controls were reported to the AC. The AC will also follow up on actions taken by the Management on the recommendations made by the internal and external auditors.

The Directors have received assurances from the Group CEO, Group CFO, and Management of the subsidiaries in the form of representation letters that: (a) the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and (b) the risk management and internal control systems are operating effectively to address financial, operational, compliance (including sanctions-related risks) and information technology risks which the Group considers relevant and material to its operations.

Based on the internal controls and risk management processes established and maintained by the Group, the work performed by the Internal and External Auditors, and the reviews performed by the Management, the Board, with the concurrence of the AC, is of the opinion that the Group's system of internal controls and risk management procedures are adequate and effective as at 31 December 2023, in addressing the financial, operational, compliance (including sanctions-related risks), and information technology risks of the Group. The Board acknowledges that the internal controls and risk management systems in place provide reasonable, but not absolute, assurance that the Group will not be affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. In this regard, the Board also notes that no system can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, fraud or other irregularities.

AUDIT COMMITTEE

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

The AC currently comprises the following three Directors, all of whom are non-executive and the majority of them, including the chairman of the AC, are independent:

Mr. Low Chai Chong	–	Chairman of the AC, Independent Director
Mr. Patrick Tan Tse Chia	–	Independent Director
Mr. Teo Cheow Beng	–	Independent Director

The Board is of the view that the members of the AC are appropriately qualified in that they have sufficient accounting or related financial management expertise and experiences to discharge the AC's function.

The AC comprises members who have sufficient and recent experience in finance, legal and business fields. The members of the AC are kept updated on changes to accounting standards and issues which have a direct impact on the financial statements through seminars, courses and briefings by the external professionals.

The role of the AC is to assist the Board with discharging its responsibility to safeguard the Group's assets, maintain adequate accounting records and develop and maintain effective systems of internal control.

The terms of reference of the AC is in accordance with the guidelines recommended in the guidebook by the Audit Committee Guidance Committee released in August 2014 and the Code.

The principal responsibilities of the AC are set out in the terms of reference and its key functions include:

- Reviewing with the Group's External Auditors, their audit plan, evaluation of the internal accounting controls, scope and results of the external audit report, any matters which the External Auditors wish to discuss and their independence and objectivity of the External Auditors;

- Reviewing the Group's significant financial reporting issues and judgements to ensure the integrity and all financial announcements relating to the Group's financial performance for submission to the Board for approval;

- Reviewing with the Internal Auditors ("**IA**") the scope and results of internal audit procedures, as well as the effectiveness and independence of the internal audit function and their evaluation of the Company's internal controls, including financial, operational, compliance, and information technology controls;

- Coordinating with the Risk Management Committee on the oversight of financial reporting matters, risk management and internal control systems and assist the Board to oversee the design, implementation and monitoring of risk management and internal control systems;

- Reviewing and reporting to the Board, at least annually, on the adequacy and effectiveness of the Group's internal controls and risk management systems addressing key financial, operational, compliance and information technology controls, ensuring that such review of the effectiveness of the internal controls and risk management systems is conducted;

- Reviewing interested person transactions in accordance with the requirements of the SGX-ST Listing Manual;

- Evaluating the scope and results of the audit and its cost effectiveness and the objectivity and independence of the External Auditors annually;

- Reviewing the Company's procedures for detecting fraud and whistle-blowing policy endorsed by the AC and ensure that arrangements are in place by which the Group's personnel may, in confidence, raise concerns about possible improprieties in matters of financial reporting, financial control, or any other matters;

- Consider and make recommendations to the Board on the proposals to the shareholders on the appointment or re-appointment of the External Auditors, approving the remuneration and terms of engagement of the External Auditors, and matters relating to resignation or dismissal of the Auditors;

- Reviewing, monitoring and making recommendations to the Board on the Group's risk of being subject to, or violating, any sanctions-related law or regulation, and ensuring timely and accurate disclosures to SGX and other relevant authorities. If required, to assess whether there is a need for the Group to obtain independent legal advice or appoint a compliance adviser in relation to the sanctions-related risks applicable to the Group, and the continuous monitoring of the validity of the information provided to shareholders and SGX; and

- Reviewing the assurances received from the Group CEO and Group CFO on the financial records and financial statements.

The AC has the explicit authority to investigate any matter within its terms of reference and will have full access to and co-operation by the Group's management. It has the discretion to invite any Director or member of the Group's management to its meetings. The AC has been given reasonable resources to enable it to discharge its functions properly. The AC has, within its terms of reference, the authority to obtain independent professional advice and reasonable resources at the Company's expense to enable it to discharge its functions properly.

Where, by virtue of any vacancy in the membership of the AC for any reason, the number of members is reduced to less than three (3), the Board shall, within three (3) months thereafter, appoint such number of new members to the AC. The AC meets at least four (4) times a year and as and when necessary.

Apart from the duties listed above, the AC shall commission and review the findings of internal investigations into matters when there is any suspected fraud or irregularity, or failure of internal controls or infringement of any Singapore law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position.

Each member of the AC shall abstain from voting on any resolutions and making any recommendations and/or participating in any deliberations of the AC in respect of matters in which they are interested.

Annually, the AC meets with the Internal and External Auditors separately without the presence of the Management to review any matter that might be raised. For the financial year under review, the AC had reviewed the non-audit services provided by the External Auditors, which comprise tax advisory services and due diligence works on potential investments. The AC was satisfied to the extent that such services would not prejudice the independence and objectivity of the External Auditors. The fees that were charged to the Group by the External Auditors for audit and non-audit services were approximately S$118,000 and S$86,400 respectively for the financial year ended 31 December 2023.

In October 2015, the Accounting and Corporate Regulatory Authority ("ACRA") introduced Audit Quality Indicators ("**AQIs**") Disclosure Framework (the "Framework") with an aim to equip ACs with information that allows AC to exercise their professional judgements on elements that contribute to or are indicative of audit quality. The Framework can be used to enhance discussions between ACs and audit firms on audit quality matters during the selection or reappointment of auditors. Accordingly, the AC had evaluated the performance of the External Auditors based on the AQIs, such as performance, adequacy of resources and experience of their audit engagement Partner and auditing team assigned to the Group's audit, taking into account the size and complexity of the Group.

With the introduction of the new and revised Auditor Reporting Standards applicable to the audit of financial statements for periods ending on or after 15 December 2016, the External Auditors are required to include the Key Audit Matters ("**KAM**") in the Company's Annual Report. KAM typically include significant risk areas of the financial statements most susceptible to misstatements, involving key judgements and estimates, as well as major transactions that require extensive auditing efforts.

The AC has considered and discussed, together with the External Auditors and the Management, on the approach and methodology applied by the External Auditors in relation to the assessment of judgements and estimates on the significant matters reported in the KAM. The AC has reviewed Management's assessment of the impairment loss on trade receivables and discussed with the auditors their review of its reasonableness. The AC concurred that Management's assessment of the impairment loss on trade receivables is reasonable.

Changes to accounting standards and accounting issues which have a direct impact on the financial statements were reported to the AC, and highlighted by the External Auditors in their meetings with the AC. No former Partner or Director of the Company's existing auditing firm has acted as a member of the AC.

The AC has undertaken a review of the services, scope, independence and objectivity of the external auditors, Messrs Foo Kon Tan LLP. The External Auditors of the Company has confirmed that they are a Public and Chartered Accounting Firm registered with ACRA and provided a confirmation of their independence to the AC. Having assessed the External Auditors based on factors, such as performance and quality of their audit partners and auditing team, their overall qualification and their independence status, the AC is satisfied that Rule 712(2)(a) of the Listing Manual of the SGX-ST has been complied with. In this regard, the AC recommends to the Board the nomination of Messrs Foo Kon Tan LLP for re-appointment as the External Auditors at the forthcoming AGM.

The AC and Board of Directors of the Company confirmed that in appointing the auditing firms for the Company, subsidiaries and significant associated companies, the Group has complied with SGX-ST Listing Rules 712 and 715 respectively.

Whistle-Blowing Policy and Anti-Bribery & Corruption Policy

The AC has in consultation with the Board initiated the implementation of Whistle-Blowing Policy ("WB Policy") and Anti-Bribery & Corruption Policy ("ABC Policy") for all employees including overseas subsidiaries and associates of the Group. The WB policy aims to provide an avenue for employees to raise concerns and provide reassurance that they will be protected from reprisals or victimisation for raising any concerns about incidents of fraud and whistle-blowing in good faith. While the ABC Policy commits the Group to conducting business ethically and with the utmost integrity in all its operations throughout the world.

In November 2021, the Company had established an Ethics Committee ("EC") comprising of the Board of Directors (including all members of the AC) and the Group CEO to assist the AC in the prevention of fraud, malpractice, wrongdoings and other irregularities in the Group under the WB Policy and ABC Policy.

Pursuant to Rule 1207(18B) of the Listing Rules, to ensure the Group has an independent function to investigate whistleblowing reports made in good faith, the AC will be responsible for oversight and on the maintenance, regular review and updating of the whistleblowing policy and will recommend revisions, amendments and alterations to the policy. The election of the members of EC is determined by the AC with full authority to appoint and remove the EC members at its discretion to ensure the independence of the EC in handling certain whistle blowing incidents or reports that may give rise to conflict of interest.

On case-by-case basis, an independent investigator will be appointed by the AC to investigate relevant reports to further enhance impartiality and transparency in handling any reports received. The investigator as authorised by the AC will have free and unrestricted access to all companies' records and premises and the authority to examine, copy and/or remove all or any portion of the contents of files, desks, cabinets and other storage facilities on the premises without prior knowledge or consent of any individual who might use or have custody of any such items or facilities when it is within the scope of their investigation.

Any alleged wrongful acts under the WB Policy and ABC Policy can be reported to the EC via the following channels:–

1. **By Post**

   In a sealed enveloped marked "Private and Strictly Confidential" to:

   Ethics Committee
   300 Tampines Avenue 5,
   #05-02,
   Singapore 529653

2. By Email

To: ethics.committee@enecoenergy.com.

The Ethics Committee email is automatically distributed to every member of the EC. If the whistle-blower deemed inappropriate to address the report via email (possible wrongful act by EC Members), anonymous mail by post is encouraged. To maintain the independence of the whistleblowing reporting framework, complaints submitted to EC are presented to the AC for review and monitoring at the quarterly AC meetings.

The report may be anonymous and/or kept strictly confidential to protect the identity of the whistle-blower unless it is required to be disclosed by law. The Group also commits to ensure protection of the whistle-blower against detrimental or unfair treatment with a Non-Retaliation Policy. Any suspected observed retaliation can be reported immediately to the EC.

The Board, acting upon the recommendations of the AC, has the responsibility for ensuring the maintenance, regular review and updating of the policy. Revisions, amendments and alterations to this policy can only be implemented upon approval by the Board, with the recommendations of the AC and the changes will be communicated to all employees.

The Board noted that no incidents in relation to the fraud and whistle-blowing matters have been raised during the year by any staff to indicate possible improprieties in matters of financial reporting, financial control, or any other matters.

Internal Audit

The Company has appointed Wensen Consulting Asia (S) Pte. Ltd. ("Wensen"), a firm specialising in the provision of audit and assurance, corporate services, transaction support and risk advisory services as its IA, to conduct the internal audits for FY2023.

Wensen is headed by the Managing Director Mr. Edward Yap, who is a member of Malaysian Institute of Accountants (MIA), member of Institute of Singapore Chartered Accountants (ISCA), Fellow Member of the Association of Certified Chartered Accountants (FCCA) and Chartered Member of the Institute of Internal Auditors Malaysia (CMIIA). The engagement team comprises of a Director who has more than 12 years of experience in risk management and risk-based internal auditing, a Lead Consultant and other supporting consultants who possesses relevant experience and qualification in the field of accounting and finance.

The IA are effective, adequately resourced, and independent of the activities it audits with competent professionals. The IA reported directly to the Chairman of the AC. In discharging its responsibilities, the IA have full access to the Company's documents, records and personnel.

The AC reviewed and approved the annual internal audit plans, ensured that the internal functions were adequately resourced with competence and had appropriate standing within the Group and cooperation of the Management to carry out its duties effectively. The IA assist the AC in reviewing the adequacy and effectiveness of key internal controls in accordance with the internal audit plan at least annually and all key findings, recommendations and corrective action plans are reported and presented to the AC and senior management. Information on outstanding issues and follow up on the recommendations are included in the quarterly reports to the AC, the Chairman of the Board and senior management.

In carrying out its duties, the IA have adopted the Standards for Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

The AC also met with the Internal and External Auditors at least once a year, without Management's presence, to discuss the reasonableness of the financial reporting process, the system of internal controls and the significant comments and recommendations by the IA. The last private session with the IA and EA was held in February 2024.

The AC reviews the independence, adequacy and effectiveness of the internal audit function on a quarterly basis when the AC receives the internal audit report at the quarterly AC meetings.

For FY2023, the AC is satisfied that the internal audit function was independent, effective and adequately resourced, with appropriate standing within the Group.

SHAREHOLDER RIGHTS AND ENGAGEMENT WITH SHAREHOLDERS/STAKEHOLDERS SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

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 gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

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

In line with the continuous obligations of the Company under SGX-ST Listing Manual and the Companies Act, high standard of transparent corporate disclosure, the Board firmly believes that all shareholders should be equally and on a timely basis be informed of all major developments that would be likely to materially impact the Group. All material and price-sensitive information of the Company are released through SGXNet and the Company recognises that regular, effective, timely and fair communication with shareholders is essential to enable its shareholders to make informed decisions about the Company.

All shareholders of the Company will be able to access the Annual Report, the notice of AGM, and the relevant circular together with the notice of Extraordinary General Meeting ("**EGM**") published on the company website and via SGXNet within the mandatory period. Accompanying the notice of AGM and EGM, a copy of the proxy form is also made available for the shareholders so that the shareholders may appoint maximum up to two (2) proxies to attend, vote and question the Board and Management, for and on behalf of the shareholders who are not able to attend the general meetings personally.

In view of the above, all the shareholders are given an opportunity to participate effectively and vote at the general meetings.

The Company adopts the practice of providing adequate and timely disclosure of material information to its shareholders. Where there is inadvertent disclosure made to a selected group, the Company will make the same disclosure publicly as soon as practicable.

The Company treats all its shareholders fairly and equitably and keeps all its shareholders and other stakeholder informed of its corporate activities, including changes in the Company and its business which would be likely to materially affect the price or value of its shares, on a timely basis.

Communication is made through:–

- Annual reports that are prepared and published. The Board ensures that the annual report includes all relevant information about the Company and the Group, including future developments and other disclosures required by the Singapore Companies Act and Singapore Financial Reporting Standards;

- Half-yearly announcements containing a summary of the financial information and affairs of the Group for that period;

- Notices and explanatory memoranda for AGM and EGM;

- Press and news releases on major developments of the Company and the Group;

- Disclosure of all major announcements to the SGX-ST; and

- The Company's website at http://enecoenergy.com at which shareholders can access financial information, corporate announcements, press releases, annual reports and a profile of the Group.

The Company has published its investor relation email and contact details on the Company's website for investor relation matters and to assist with the effective communication between the Company and shareholders. The Company currently does not have an investor relations policy.

The Company does not practice selective disclosure and price sensitive information is first publicly released through SGXNet prior to the Company meeting with any investors or analysts. All shareholders of the Company will receive the Annual Report with notice of AGM and/or the relevant circular with notice of EGM.

Our shareholders are encouraged to attend the AGM to ensure a high level of accountability and to be updated on the Company's strategies and goals. Notice of the AGM is dispatched to shareholders, together with explanatory notes or a circular on items of special businesses (if necessary), at least fourteen (14) clear calendar days before the meeting for ordinary resolutions and/or twenty-one (21) clear calendar days before the meeting for special resolutions. The Board welcomes questions from shareholders who wish to raise issues concerning the Company, either informally or formally, before or during the AGM. Voting procedures and rules that govern general meetings of shareholders are clearly disclosed to the shareholders in the AGM.

The Chairman, Board members, senior Management and the Company Secretary are present at general meetings to respond to questions from shareholders. The External Auditors are also present to assist the Board in addressing any relevant queries by the shareholders.

The Company's Constitution allows corporations and members of the Company to appoint one (1) or two (2) proxies to attend and vote at general meetings. A Relevant Intermediary[1] may appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him/her (which number and class of shares shall be specified). An investor who holds shares under the Central Provident Fund Investment Scheme ("**CPF Investor**") and/or the Supplementary Retirement Scheme ("**SRS Investor**") (as may be applicable) may attend and cast his/her vote(s) at the general meeting in person. CPF and SRS Investors who are unable to attend the general meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the general meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the general meeting.

Every matter requiring shareholders' approval is proposed as a separate resolution at the general meeting to address each distinct issue and all the resolutions are put to vote by poll. To promote greater transparency and effective participation, the Company has implemented the system of voting of all its resolutions by poll at all its general meetings since the general meetings for the financial year ended 31 December 2015. Independent scrutineer will be appointed to assist in the counting and validation of votes during the AGM. Results of each resolution put to vote at the AGM and EGM will be announced with the detailed voting results, including the total number and/or percentage of votes cast for or against each resolution tabled in the AGM and EGM, immediately at the AGM and EGM and via SGXNet.

Each item of special business included in the notice of the meeting is accompanied, where appropriate, by an explanation for the proposed resolution.

The Company Secretary and/or her representatives prepares minutes of general meetings incorporating the substantial and relevant comments or queries from shareholders that is relevant to the agenda of the meeting and responses from the Board and Management. The minutes would be made available via the Company's website as well as on SGXNet.

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1 A Relevant Intermediary is:

a) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or

b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or

c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

In FY2023, the AGM was held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "Order"). The Notice of AGM and proxy form were published on SGXNet and the Company's website before the AGM, and shareholders were invited to submit their queries to be answered before the AGM. The response to the queries raised were published on SGXNet on the day before the AGM were held.

DIVIDEND POLICY

The Company is committed to enhancing value for its shareholders and strives to achieve an efficient capital structure that balances the returns to shareholders with the Company's capital need for investment and growth. The Board will review the adoption of a dividend policy for the Company when its financial position improves. The frequency, form and amount of dividend to be declared and paid are dependent on the Group's profit, cash flow, capital requirements for investment and growth, general business conditions and other considerations as the Board deems appropriate.

In view of the financial status of the Company, no dividend has been declared nor recommended for FY2023.

MATERIAL CONTRACTS

Save as disclosed in the Directors' Statement and notes to the financial statements, there are no other material contracts of the Company or its subsidiaries involving the interest of any Director or controlling shareholders subsisting as at FY2023 or have been entered into since the end of the previous financial year.

INTERESTED PERSON TRANSACTIONS

The Board is mindful of its obligations to comply with Chapter 9 of the SGX-ST Listing Manual in respect of interested person transactions ("**IPTs**"). The AC reviews the IPTs as and when they arise and on a quarterly basis to ensure that the relevant disclosure on the transactions is complied with and that all IPTs are conducted at arm's length and on normal commercial terms. In addition, where there is a potential conflict of interest, the Board ensures that the Director involved does not participate in discussions and refrains from exercising any influence over other matters of the Board.

There were no interested party transactions equal to or exceeding $100,000 in aggregate between the Company and any of its interested persons (namely, Directors, executive officers or controlling shareholders of the Group or the associates of such Directors, executive officers or controlling shareholders) subsisting for FY2023 that would require separate disclosure or approval from shareholders.

DEALINGS IN SECURITIES

The Company has adopted its own internal Code of Conduct to provide guidance to all officers and employees of the Company and its subsidiaries with regard to dealings in the Company's securities in compliance with Rule 1207(19) of the Listing Manual of the SGX-ST. In compliance with the SGX-ST Listing Manual, the Company and the Group's officers and employees are prohibited from dealing in the Company's securities while in possession of unpublished price-sensitive information of the Group, as well as during the periods commencing one (1) month before the announcement of the Company's half-yearly results and one (1) month before the announcement of the Company's full year results and ending on the date of the announcement of the relevant results.

Directors and executives are also expected to observe insider-trading laws at all times even when dealing with securities within the permitted trading period. They are also encouraged not to deal in the Company's securities on short-term considerations.

SUSTAINABILITY REPORT

The Company will publish its Sustainability Report in respect of FY2023 before 28 April 2024 and will be publicly accessible through the Company's website as well as on SGXNet. The Sustainability Report should be read in conjunction with this Annual Report.

USE OF PROCEEDS ARISING FROM PRIVATE PLACEMENT

The Company undertook a shares cum warrants placement exercise on 1 September 2022. 1,660,000,000 ordinary shares with detachable and transferrable warrants were successfully allotted with total proceeds amounting to S$16.6 million. The status on the use of proceeds raised from the placement exercise as at 31 December 2023 is as follows:

	As at 31-Dec-23 S$
Placement proceeds	16,600,000
Proceeds from warrant conversion	18,000
Placement commission	(830,000)
Placement expenses	(100,439)
Net placement proceeds	15,687,561
Repayment of loans	(1,810,507)
Investment activities	(379,523)
Working capital*	(3,312,923)
Balance from placement proceeds	10,184,608

* working capital includes the following:

Professional fees	(895,356)
Trade creditor payments	(17,515)
Staff expenses	(1,758,476)
Tax	(28,280)
Directors' fees	(302,215)
Other overheads	(311,081)
	(3,312,923)

The proceeds have been utilised in accordance with the stated use.

DIRECTORS' *STATEMENT*

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

The directors submit this statement to the members of the Company together with the audited consolidated financial statements of the Group and statement of financial position of the Company for the financial year ended 31 December 2023.

Opinion of the directors

In the opinion of the directors,

(a) the accompanying financial statements of the Group and the Company 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 2023 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 1967 (the "Act") and Singapore Financial Reporting Standards (International); and

(b) at the date of this statement, 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.

Names of directors

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

Low Chai Chong	–	Independent Non-Executive Chairman
Colin Peter Moran	–	Executive Director
Ngo Yit Sung	–	Executive Director (Appointed on 10 July 2023)
Patrick Tan Tse Chia	–	Independent Director
Teo Cheow Beng	–	Independent Director
Koji Yoshihara	–	Non-Independent Non-Executive Director

Mr. Colin Peter Moran and Mr. Koji Yoshihara, who are retiring pursuant to Regulation 111 of the Company's Constitution and Mr. Ngo Yit Sung, who is retiring pursuant to Regulation 122 of the Company's Constitution, and being eligible for, offer themselves for re-election at the forthcoming annual general meeting ("AGM").

Arrangements to enable directors to acquire shares or debentures

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, other than as disclosed in this statement.

Directors' interest in shares or debentures

According to the Register of Directors' Shareholdings kept by the Company under Section 164 of the Act, none of the directors who held office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations except as follows:

The Company – Ordinary shares	Direct interest			Deemed interest		
Names of Directors	As at 1.1.2023	As at 31.12.2023	As at 21.1.2024	As at 1.1.2023	As at 31.12.2023	As at 21.1.2024
Low Chai Chong						
– Ordinary shares	–	–	–	6,134,100	6,134,100	6,134,100
– Options to subscribe for ordinary shares between 15/9/2023 to 14/9/2027*	12,000,000	12,000,000	12,000,000	–	–	–
Colin Peter Moran						
– Ordinary shares	1,031,906	5,031,906	5,031,906	–	–	–
– Options to subscribe for ordinary shares between 15/9/2023 to 14/9/2027*	12,000,000	12,000,000	12,000,000	–	–	–
Patrick Tan Tse Chia						
– Options to subscribe for ordinary shares between 15/9/2023 to 14/9/2027*	6,000,000	6,000,000	6,000,000	–	–	–
Teo Cheow Beng						
– Options to subscribe for ordinary shares between 15/9/2023 to 14/9/2027*	6,000,000	6,000,000	6,000,000	–	–	–
Koji Yoshihara						
– Options to subscribe for ordinary shares between 15/9/2023 to 14/9/2027*	6,000,000	6,000,000	6,000,000	–	–	–
Ngo Yit Sung (Appointed on 10 July 2023)	–	–	–	–	–	–

* Options can be exercised 1 year after 15 September 2022, the date of grant.

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

Share Scheme

The Remuneration Committee ("RC") is responsible for administering the Eneco Group Share Option Scheme 2017 ("EGSOS 2017") and the Eneco Group Performance Share Plan 2017 ("EGPSP 2017").

The RC comprises three Directors, Mr Teo Cheow Beng (Chairman), Mr Low Chai Chong and Mr Patrick Tan Tse Chia.

Both EGSOS 2017 and EGPSP 2017 will provide employees of the Group with an opportunity to participate in the equity of the Company and to attract, retain and motivate them towards better performance through increased dedication and loyalty.

Share Scheme (Continued)

The EGSOS 2017 and EGPSP 2017 are designed to complement each other in the Company's efforts to reward, retain and motivate employees to achieve better performance. The aim of implementing more than one incentive plan is to grant the Company the flexibility in tailoring reward and incentive packages suitable for each group of the Participants by providing an additional tool to motivate, reward and retain employees so that the Company can offer compensation packages that are competitive.

Each of the EGSOS 2017 and EGPSP 2017 shall continue in force at the discretion of the RC subject to a maximum period of 10 years commencing on the date it is adopted by the Company in general meeting, provided always that it may continue beyond the above stipulated period with the approval of Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

Share options

On 15 September 2022, the Company made an offer to grant 53,900,000 shares options at the exercise price of S$0.013 per share to the eligible participants under the EGSOS 2017. The share options are to be vested on 15 September 2023. They are valid for five years and are exercisable after the first anniversary from the date of grant of the share options. The share options granted will expire on 14 September 2027.

At the end of the financial year, details of the options granted under the EGSOS 2017, are as follows:

Date of grant of options	Adjusted exercise price of the options	Options outstanding at 1.1.2023	Options granted	Options lapsed and cancelled	Adjustment during the year	Options expired	Options outstanding at 31.12.2023
15.9.2022	S$0.013	53,900,000	–	–	–	–	53,900,000

Details of the options to subscribe for ordinary shares of the Company granted to the Directors of the Company pursuant to the EGSOS 2017 are as follows:

Names of Directors	Options granted during the year	Aggregate options granted since commencement of scheme to 31.12.2023	Aggregate options expired since commencement of scheme to 31.12.2023	Aggregate options exercised	Aggregate option lapsed and cancelled	Aggregate options outstanding as at 31.12.2023
Low Chai Chong	–	12,000,000	–	–	–	12,000,000
Colin Peter Moran	–	12,000,000	–	–	–	12,000,000
Patrick Tan Tse Chia	–	6,000,000	–	–	–	6,000,000
Teo Cheow Beng	–	6,000,000	–	–	–	6,000,000
Koji Yoshihara	–	6,000,000	–	–	–	6,000,000

Since the commencement of the EGSOS 2017 and EGPSP 2017 till the later of the expiry date or end of the financial year:

– No options have been granted to Directors and employees of the Group to subscribe for shares in the Company's subsidiaries; and

– No options that entitle the holder to participate, by virtue of the options, in any share issue of any other corporation have been granted.

Audit Committee

The Audit Committee ("AC") carried out its functions in accordance with Section 201B (5) of the Act, including the following:

- Reviewed the audit plans of the internal and external auditors of the Group and Company and reviewed the internal auditor's evaluation of the adequacy of the Company's system of internal accounting controls and the assistance given by the Group and the Company's management to the external and internal auditors;
- Reviewed the quarterly and annual financial statements and the auditor's report on the annual financial statements of the Group and the Company before their submission to the Board of Directors;
- Reviewed the effectiveness of the Group and the Company's material internal controls, including financial, operational, compliance and information technology controls and risk management via reviews carried out by the internal auditor;
- Met with the external and internal auditors, other Board Committees and Management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC;
- Reviewed legal and regulatory matters which may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;
- Reviewed the cost effectiveness and the independence and objectivity of the external auditor;
- Reviewed the nature and extent of non-audit services provided by the external auditor;
- Recommended to the Board of Directors the external auditor to be nominated, approved the compensation of the external auditor and reviewed the scope and results of the audit;
- Reported actions and minutes of the AC to the Board of Directors with such recommendations as the AC considered appropriate; and
- Reviewed interested person transactions in accordance with the requirements of the Singapore Exchange Securities Trading Limited's Listing Manual.

The AC convened four meetings during the financial year with full attendance from Mr Low Chai Chong, Mr Teo Cheow Beng, and Mr Patrick Tan Tse Chia. The AC has also met with the internal and external auditors, without the presence of the Company's Management, at least once a year.

The AC, having reviewed all non-audit services provided by the external auditor to the Group, is satisfied that the nature and extent of such services would not affect the independence of the external auditor.

The AC has recommended to the Board of Directors that the independent auditor, Messrs Foo Kon Tan LLP, be nominated for re-appointment as external auditor at the forthcoming AGM of the Company.

Further details regarding the AC are disclosed in the Corporate Governance Report of the Annual Report of the Company.

Independent auditor

The independent auditor, Foo Kon Tan LLP, Public Accountants and Chartered Accountants, has expressed its willingness to accept re-appointment.

On behalf of the Directors

....

LOW CHAI CHONG
Independent Non-Executive Chairman

....

NGO YIT SUNG
Executive Director

Dated: 5 April 2024

INDEPENDENT
AUDITOR'S REPORT

TO THE MEMBERS OF ENECO ENERGY LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Eneco Energy Limited (the "Company") and its subsidiaries (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 2023, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

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 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") 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 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSA"). 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<u>Recoverability of trade receivables</u>

As at 31 December 2023, the Group's trade receivables amounted to S$7.1 million representing 23% of the Group's total assets. The recoverability of trade receivables is a key element of the Group's working capital management, which is managed on an ongoing basis by management. Management determines impairment of trade receivables by making debtor-specific assessment for credit-impaired debtors. For the remaining group of debtors, management provides lifetime expected credit losses using a provision matrix. The provision rates are determined based on the Group's historical default rates analysed based on days past due by grouping customers based on the customer profiles, adjusted for current and forward-looking information. No impairment loss was recognised in the current financial year.

Key Audit Matters (Continued)

Recoverability of trade receivables (Continued)

This area is a key audit matter due to the amounts involved, as well as the inherent subjectivity that was involved in making judgement by the management in relation to assumptions used in the ECL model such as forward-looking macroeconomic factors.

Our response and work performed:

As part of our audit, we assessed the Group's processes and key controls relating to the monitoring of trade receivables including the process in determining whether a debtor is credit-impaired and the Group's processes in collating the key data sources and assumptions for data used in the ECL model. We reviewed the key data sources and assumptions for data used in the determination of default rate and the correlation between the default rate and the current and forward-looking adjustment factor. We considered the age of the debts as well as the trend of collections to identify the collection risks. We obtained trade receivable confirmations and reviewed for collectability by way of obtaining evidence of receipts from the debtors on a sampling basis subsequent to the balance sheet date. We also reviewed the adequacy of the disclosures in the financial statements about the extent of estimation and judgement involved in determining allowance for doubtful debts.

Disclosure of the pertinent information has also been set out in Notes 8 and 31 to the financial statements respectively.

Information other than the Financial Statements and Auditor's Report thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

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.

Responsibilities 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 Act and SFRS(I)s, 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.

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

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 control 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, actions taken to eliminate threats or safeguards applied.

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 period 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 auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Kong Chih Hsiang Raymond.

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore, 5 April 2024

STATEMENTS OF
FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Note	The Group 2023	The Group 2022	The Company 2023	The Company 2022
		S$'000	S$'000	S$'000	S$'000
ASSETS					
Non-Current Assets					
Plant and equipment	3	**1,911**	1,752	**10**	11
Right-of-use assets	4	**6,102**	5,703	**494**	52
Intangible assets	5	**247**	105	**4**	–
Investments in subsidiaries	6	**–**	–	**9,228**	9,228
		8,260	7,560	**9,736**	9,291
Current Assets					
Other receivables	7	**470**	513	**2,177**	6,082
Trade receivables	8	**7,146**	7,568	**–**	–
Prepaid operating expenses		**743**	292	**130**	77
Cash and bank balances	9	**14,865**	16,216	**8,606**	7,210
		23,224	24,589	**10,913**	13,369
Assets of disposal group classified as held-for-sale	10	**–**	5,027	**–**	–
		23,224	29,616	**10,913**	13,369
Total assets		**31,484**	37,176	**20,649**	22,660
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	11	**158,862**	158,811	**158,862**	158,811
Treasury shares	12	**(935)**	(935)	**(935)**	(935)
Other reserves	13	**7,982**	9,030	**8,157**	7,956
Accumulated losses		**(145,795)**	(146,785)	**(154,116)**	(151,446)
Total equity		**20,114**	20,121	**11,968**	14,386
Non-Current Liabilities					
Lease liabilities	14	**3,673**	1,063	**251**	6
Provisions	15	**278**	278	**18**	18
Loans and borrowings	16	**–**	189	**4,666**	5,042
Deferred tax liabilities	17	**253**	208	**–**	–
		4,204	1,738	**4,935**	5,066
Current Liabilities					
Other payables	18	**2,438**	2,985	**3,648**	3,176
Lease liabilities	14	**1,783**	3,920	**43**	4
Provisions	15	**127**	132	**–**	–
Loans and borrowings	16	**189**	745	**–**	–
Trade payables	19	**2,184**	1,974	**–**	–
Income tax payable		**445**	534	**55**	28
		7,166	10,290	**3,746**	3,208
Liabilities directly associated with disposal group classified as held-for-sale	10	**–**	5,027	**–**	–
		7,166	15,317	**3,746**	3,208
Total liabilities		**11,370**	17,055	**8,681**	8,274
Total equity and liabilities		**31,484**	37,176	**20,649**	22,660

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF *COMPREHENSIVE INCOME*

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	2023	2022
		S$'000	S$'000
Continuing operations			
Revenue	20	**30,563**	32,019
Other income	21	**1,458**	1,664
Costs and operating expenses			
Service costs and related expenses		**(9,817)**	(9,619)
Salaries and employee benefits	22	**(14,683)**	(16,196)
Depreciation and amortisation expenses	24	**(4,902)**	(4,975)
Impairment loss recognised on other receivables	24	**–**	(3)
Finance costs	23	**(246)**	(353)
Other operating expenses		**(1,890)**	(1,725)
Profit before taxation	24	**483**	812
Taxation	25	**(400)**	(517)
Profit from continuing operations		**83**	295
Profit from discontinued operations	26	**32**	1,753
Profit for the year		**115**	2,048
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation differences on disposal group (foreign operations) classified as held-for-sale	26	**(3)**	48
Items that will not be reclassified subsequently to profit or loss			
Foreign currency translation differences arising from foreign operations attributable to non-controlling interest	26	**–**	(341)
Re-measurement of defined benefit obligation on disposal group (foreign operations) classified as held-for-sale	26	**19**	33
Other comprehensive income/(loss) for the year, at nil tax		**16**	(260)
Total comprehensive income for the year		**131**	1,788
Profit attributable to:			
Owners of the Company:			
Profit from continuing operations, net of tax		**83**	295
Profit from discontinued operations, net of tax		**32**	1,795
		115	2,090
Non-controlling interests			
Loss from discontinued operations, net of tax		**–**	(42)
		115	2,048
Total comprehensive income/(loss) attributable to:			
Owners of the Company		**131**	2,171
Non-controlling interests		**–**	(383)
		131	1,788
Earnings per share – basic (cents per share)			
From continuing operations	27	**0.00**	0.02
From discontinued operations	27	**0.00**	0.15
From continuing and discontinued operations	27	**0.00**	0.17
Earnings per share – diluted (cents per share)			
From continuing operations	27	**0.00**	0.02
From discontinued operations	27	**0.00**	0.10
From continuing and discontinued operations	27	**0.00**	0.12

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENTS OF
CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

					Attributable to owners of the Company								
The Group	Share capital	Treasury shares	Accumulated losses	Other reserves	Share based payment reserve	Warrants reserve	Foreign currency translation reserve	Capital reserve	Gain on reissuance of treasury shares	Others	Attributable to owners of the Company	Non-controlling interests	Total equity
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
At 1 January 2023	**158,811**	**(935)**	**(146,785)**	**9,030**	**84**	**5,242**	**123**	**348**	**2,630**	**603**	**20,121**	**–**	**20,121**
Profit for the year	–	–	115	–	–	–	–	–	–	–	115	–	115
Other comprehensive income													
Re-measurement of defined benefit obligations	–	–	–	19	–	–	–	–	–	19	19	–	19
Foreign currency translation	–	–	–	(3)	–	–	(3)	–	–	–	(3)	–	(3)
Total comprehensive income/(loss) for the year, at nil tax	–	–	115	16	–	–	(3)	–	–	19	131	–	131
Contributions by and distributions to owners													
Issuance of shares pursuant to EGPSP (Note 11)	51	–	–	–	–	–	–	–	–	–	51	–	51
Share based payment to employee	–	–	–	201	201	–	–	–	–	–	201	–	201
Disposal of subsidiaries (Note 6(i))	–	–	875	(1,265)	–	–	(295)	(348)	–	(622)	(390)	–	(390)
Total contributions by and distributions to owners	51	–	875	(1,064)	201	–	(295)	(348)	–	(622)	(138)	–	(138)
At 31 December 2023	**158,862**	**(935)**	**(145,795)**	**7,982**	**285**	**5,242**	**(175)**	**–**	**2,630**	**–**	**20,114**	**–**	**20,114**

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENTS OF ***CHANGES IN EQUITY***

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

The Group	Share capital	Treasury shares	Accumulated losses	Other reserves	Share based payment reserve	Warrants reserve	Foreign currency translation reserve	Capital reserve	Gain on reissuance of treasury shares	Others	Attributable to owners of the Company	Non-controlling interests	Total equity
					Attributable to owners of the Company								
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
At 1 January 2022	148,367	(935)	(149,213)	3,695	–	–	(191)	348	2,630	908	1,914	(7,283)	(5,369)
Profit/(loss) for the year	–	–	2,090	–	–	–	–	–	–	–	2,090	(42)	2,048
Other comprehensive income													
Re-measurement of defined benefit obligations	–	–	–	33	–	–	–	–	–	33	33	–	33
Foreign currency translation	–	–	–	48	–	–	48	–	–	–	48	(341)	(293)
Total comprehensive income/(loss) for the year, at nil tax	–	–	2,090	81	–	–	48	–	–	33	2,171	(383)	1,788
Contributions by and distributions to owners													
Issuance of new shares (Note 11)	11,040	–	–	5,560	–	5,560	–	–	–	–	16,600	–	16,600
Exercise of warrants (Note 11)	24	–	–	(6)	–	(6)	–	–	–	–	18	–	18
Share based payment to employee	–	–	–	84	84	–	–	–	–	–	84	–	84
Disposal of subsidiaries (Note 6(i))	–	–	338	(72)	–	–	266	–	–	(338)	266	7,666	7,932
Share issuance expenses (Note 11)	(620)	–	–	(312)	–	(312)	–	–	–	–	(932)	–	(932)
Total contributions by and distributions to owners	10,444	–	338	5,254	84	5,242	266	–	–	(338)	16,036	7,666	23,702
At 31 December 2022	158,811	(935)	(146,785)	9,030	84	5,242	123	348	2,630	603	20,121	–	20,121

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF *CASH FLOWS*

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	2023	2022
		S$'000	**S$'000**
Cash Flows from Operating Activities			
Profit before tax from continuing operations		**483**	812
Profit before tax from discontinued operations		**56**	1,963
Profit before tax from continuing and discontinued operations		**539**	2,775
Adjustments for:			
Amortisation of intangible assets	5	**55**	61
Bad debts written-off on receivables	26	**6**	59
Depreciation of plant and equipment	3	**776**	790
Depreciation of right-of-use assets	4	**4,071**	4,786
Gain on disposal of intangible assets and plant and equipment	21, 26	**(82)**	(353)
Gain on disposal of subsidiaries	6	**(390)**	(2,959)
Grant income	21	**(6)**	(282)
Finance costs	23	**252**	512
Interest income	21, 26	**(387)**	(81)
Share based payment (equity-settled)	22	**252**	84
Impairment loss recognised, net:			
– trade and other receivables	24, 26	**–**	62
– plant and equipment	3, 26	**–**	84
– right-of-use assets	4, 26	**–**	225
Loss on remeasurement as disposal group held-for-sale:			
– plant and equipment	3, 26	**–**	78
– right-of-use assets	4, 26	**–**	463
Provisions made	15	**22**	34
Operating profit before working capital changes		**5,108**	6,338
Change in trade receivables		**422**	(1,220)
Change in other receivables		**37**	1,673
Change in prepaid operating expenses		**(451)**	93
Change in trade payables		**210**	1,291
Change in other payables and provisions		**(558)**	(2,298)
Cash generated from operations		**4,768**	5,877
Benefits paid		**–**	(7)
Grants received		**6**	282
Interest income received		**387**	45
Income tax paid		**(468)**	(479)
Net cash generated from operating activities		**4,693**	5,718
Cash Flows from Investing Activities			
Withdrawal/(placement) of fixed deposits		**2,500**	(12,000)
Proceeds from disposal of plant and equipment		**312**	376
Proceeds from disposal of subsidiaries, net of cash disposed of	6	**–**	(78)
Purchase of plant and equipment	3	**(337)**	(805)
Purchase of intangible assets	5	**(197)**	(116)
Net cash generated from/(used in) investing activities		**2,278**	(12,623)

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF *CASH FLOWS*

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	2023	2022
		S$'000	**S$'000**
Cash Flows from Financing Activities			
Placement proceeds received	11	**–**	16,600
Proceeds from exercise of warrants	11	**–**	18
Share and warrant issuance expenses	11	**–**	(932)
Drawdown of term loan	Note A	**–**	1,480
Payment of term loan	Note A	**(745)**	(2,057)
Repayment of finance costs	Note A	**(252)**	(512)
Repayment of principal elements of lease liabilities	Note A	**(4,825)**	(5,967)
Net cash (used in)/generated from financing activities		**(5,822)**	8,630
Net increase in cash and bank balances		**1,149**	1,725
Cash and bank balances at beginning of year		**4,216**	2,822
Cash and bank balances classified as assets of disposal group held-for-sale	10	**–**	(326)
Exchange difference on translation of cash and cash equivalents at beginning of year		**–**	(5)
Cash and cash equivalents at end of year	9	**5,365**	4,216

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Note A:

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Other payables	Lease liabilities	Loans and borrowings	Total
	S$'000	**S$'000**	**S$'000**	**S$'000**
	(Note 18)	**(Note 14)**	**(Note 16)**	
At 1 January 2022	–	11,095	1,511	12,606
Cash flows:				
– Drawdown of term loan	–	–	1,480	1,480
– Payment of term loan	–	–	(2,057)	(2,057)
– Repayment of principal elements of lease liabilities	–	(5,967)	–	(5,967)
– Repayment of finance costs	(31)	(442)	(39)	(512)
	(31)	(6,409)	(616)	(7,056)
Non-Cash flows:				
– Early termination of leases	–	(576)	–	(576)
– New leases (Note 4)	–	1,238	–	1,238
– Finance costs (Note 23)	31	442	39	512
– Reclassification to liabilities of disposal group held-for-sale (Note 10)	–	(613)	–	(613)
– Foreign exchange translation adjustments	–	(194)	–	(194)
	31	297	39	367
At 31 December 2022	–	4,983	934	5,917
Cash flows:				
– Payment of term loan	**–**	**–**	**(745)**	**(745)**
– Repayment of principal elements of lease liabilities	**–**	**(4,825)**	**–**	**(4,825)**
– Repayment of finance costs	**–**	**(236)**	**(16)**	**(252)**
	–	**(5,061)**	**(761)**	**(5,822)**
Non-Cash flows:				
– Early termination of leases	**–**	**(58)**	**–**	**(58)**
– New leases (Note 4)	**–**	**5,356**	**–**	**5,356**
– Finance costs (Note 23)	**–**	**236**	**16**	**252**
	–	**5,534**	**16**	**5,550**
At 31 December 2023	–	**5,456**	**189**	**5,645**

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

1 GENERAL INFORMATION

The financial statements of Eneco Energy Limited (the "Company") and of the Group for the financial year ended 31 December 2023 were authorised for issue in accordance with a resolution of the directors on the date of the Directors' Statement.

The Company is incorporated as a limited liability company and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST).

The registered office and principal place of business of the Company is at 300 Tampines Avenue 5, #05-02, Singapore 529653.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are disclosed in Note 6 to the financial statements.

2.1 BASIS OF PREPARATION

The financial statements are prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") including related Interpretations to SFRS(I) ("SFRS(I) INT") promulgated by the Accounting Standards Council. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar which is the Company's functional currency. All financial information presented in Singapore Dollar are rounded to the nearest thousand ("S$'000") except when otherwise stated. The accounting policies have been applied consistently to all years presented in these financial statements.

Significant accounting estimates and judgement

The preparation of the financial statements in conformity with SFRS(I) requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial period. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those 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.

The critical accounting estimates and assumptions used in applying accounting policies and areas involving a high degree of judgement are described below.

(a) Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements which have the most significant effect on the amounts recognised in the consolidated financial statements:

(i) Determination of the lease term of right-of-use assets (Note 4)

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

2.1 BASIS OF PREPARATION (CONTINUED)

Significant accounting estimates and judgement (Continued)

(a) Judgements made in applying accounting policies (Continued)

(i) Determination of the lease term of right-of-use assets (Note 4) (Continued)

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

(a) If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate);

(b) If the leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not to terminate);

(c) Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

(ii) Income tax (Note 25)

The Group has exposures to income taxes in Singapore. Significant judgment is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amounts of the Group's income tax payable as at 31 December 2023 are S$0.4 million (2022 – S$0.5 million).

(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period are discussed below. The Group based on its assumptions and estimates on parameters available when the financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(i) Depreciation of plant and equipment and right-of-use assets

The cost of plant and equipment and right-of-use assets are depreciated either on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these plant and equipment, and right-of-use assets, to be ranging from 3 years to 10 years, and 2 years to 10 years, respectively.

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

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

2.1 BASIS OF PREPARATION (CONTINUED)

Significant accounting estimates and judgement (Continued)

(b) *Key sources of estimation uncertainty* (Continued)

(ii) Estimation of the incremental borrowing rate ("IBR")

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

Therefore, management estimates the IBR relevant to each lease asset by using observable inputs (such as market interest rate and asset yield) when available, and then making certain lessee specific adjustments. The carrying amounts of the Group's right-of-use assets and lease liabilities are disclosed in Notes 4 and 14, respectively. A 1% change in the discount rate from management's estimates will not have a significant impact on Group's profit before tax from continuing operations for the year.

(iii) Provision of expected credit losses of trade and other receivables (Notes 7 and 8)

As at 31 December 2023, the Group's net trade receivables amounted to S$7.1 million (2022 – S$7.6 million). Management uses a provision matrix to calculate expected credit losses (ECLs) for trade receivables. Loss rates are calculated using a "roll rate" method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated based on the historical observed default rates. Management will calibrate the matrix to adjust for historical credit loss experience with forward-looking information. At each reporting date, the historical default rates are updated and changes in the forward-looking estimates are analysed.

The Group's and the Company's credit risk exposure on other receivables are based on qualitative and quantitative factors that are indicative of risk of default (including but not limited to external ratings, audited financial statements, management accounts, cashflow projections and available press information). Impairment on these balances have been measured on a 12-month ECL basis.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast of economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade and other receivables is disclosed in Notes 7, 8 and 31.

2.2 STANDARDS ISSUED AND EFFECTIVE THAT ARE APPLICABLE TO THE GROUP

The Group has applied the following SFRS(I), amendments to and interpretations of SFRS(I) for the first time for the annual period beginning on 1 January 2023:

- SFRS(I) 17 : *Insurance Contracts*
- Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2 : *Disclosure of Accounting Policies*
- Amendment to SFRS(I) 1-8 : *Definition of Accounting Estimates*
- Amendment to SFRS(I) 1-12 : *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- Amendment to SFRS(I) 1-12 : *International Tax Reform – Pillar Two Model Rules*

The adoption of these new and revised SFRS(I) pronouncements does not result in significant changes to the Group's and the Company's accounting policies and has no material effect on the amounts or the disclosures reported for the current or prior reporting periods, except as discussed below:

Amendments to SFRS(I) 1-12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

The Group has adopted the amendments from 1 January 2023. The amendments are applied to transactions that occurred on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, deferred tax asset and deferred tax liability shall be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

The Group previously accounted for deferred tax on leases by recognising the deferred tax asset or liability on a net basis. As at 31 December 2022, the group reported deferred tax liabilities (net) of S$208,000.

On adoption of the amendments, the Group has re-grossed and recognised a deferred tax liability of S$733,000 (2022 – S$555,000); in relation to its right-of-use assets, and a deferred tax asset of S$826,000 (2022 – S$650,000), in relation to its lease liabilities, separately, disclosed in Note 17.

However, there was no impact on the statement of financial position because the balances qualify for offset under paragraph 74 of SFRS(I) 1-12. There was also no impact on the opening retained earnings as at 1 January 2022 and 2023 as a result of the change.

2.3 STANDARDS ISSUED BUT NOT YET EFFECTIVE

At the date of authorisation of these financial statements, the Group and the Company have not adopted the new and revised SFRS(I), SFRS(I) INT and amendments to SFRS(I) that have been issued but are not yet effective. Management anticipates that the adoption of these new and revised SFRS(I) pronouncements in future periods will not have a material impact on the Group's and the Company's financial statements in the period of their initial application.

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 1-1	*Classification of Liabilities as Current or Non-current*	1 January 2024
Amendments to SFRS(I) 1-1	*Non-current Liabilities with Covenants*	1 January 2024
Amendments to SFRS(I) 16	*Lease Liability in a Sale and Leaseback*	1 January 2024
Amendments to SFRS(I) 1-7 and SFRS(I) 7	*Supplier Finance Arrangements*	1 January 2024
Amendments to SFRS(I) 1-21	*Lack of Exchangeability*	1 January 2025
Amendments to SFRS(I) 10 and SFRS(I) 1-28 and SFRS(I) 1-28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Yet to be determined

2.4 MATERIAL ACCOUNTING POLICY INFORMATION

Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intragroup transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases. Losses and other comprehensive income are attributable to the non-controlling interest even if that results in a deficit balance.

Subsidiary

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Thus, the Group controls an investee if, and only if, the Group has all of the following:

(i) power over the investee;

(ii) exposure, or rights, to variable returns from its involvement with the investee; and

(iii) the ability to use its power over the investee to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

(i) the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;

(ii) potential voting rights held by the Group, other vote holders or other parties;

(iii) rights arising from other contractual arrangements; and

(iv) any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Transactions with Non-Controlling Interest

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company.

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Consolidation (Continued)

Change in ownership interest without loss of control

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

Loss of control

When the Group loses control of a subsidiary, a gain or loss is recognised in the statement of comprehensive income and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable SFRS(I)).

The fair value of any investment retained in the former subsidiary at the date when the control is lost is regarded as the fair value on the initial recognition for subsequent accounting under SFRS(I) 9, where applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

Plant and equipment and depreciation

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation on other items of plant and equipment is calculated using the straight-line method to allocate their depreciable amount over their estimated useful lives as follows:

Office equipment	:	3 to 4 years
Furniture and fittings	:	5 to 10 years
Renovation	:	3 to 5 years
Office containers	:	3 years
Tools and equipment	:	3 years
Transport equipment	:	5 to 10 years

The cost of plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits in excess of the standard of performance of the asset before that expenditure was made will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

For acquisitions and disposals during the financial year, depreciation is provided from the month of acquisition and to the month before disposal, respectively. Fully depreciated plant and equipment are retained in the books of accounts until they are no longer in use.

The gain or loss arising on disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in the statement of comprehensive income.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date as a change in estimates.

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Leases

(i) The Group as a lessee

The Group assesses whether a contract is or contains a lease at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of twelve months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

(a) 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 by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee.

The incremental borrowing rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

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

- fixed lease payments (including in-substance fixed payments), less any lease incentive;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in the statement of comprehensive income in the periods that trigger those lease payments.

For all contracts that contain both lease and non-lease components, the Group has elected not to separate lease and non-lease components and account these as one single lease component.

The lease liabilities are presented as a separate line item in the statement of financial position. The lease liability is subsequently measured at amortised cost, by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Leases (Continued)

(i) The Group as a lessee (Continued)

(a) Lease liability (Continued)

The Group remeasures the lease liability (with a corresponding adjustment to the related right-of-use asset or to statement of comprehensive income if the carrying amount of the right-of-use asset has already been reduced to nil) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;

- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payment change is due to a change in the floating interest rate, in which case a revised discount rate is used); or

- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

(b) Right-of-use asset

The right-of-use asset comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

When the Group incurs an obligation for costs to dismantle and remove a leased asset, the Group is required to restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Depreciation on right-of-use assets is calculated using the straight-line method to allocate their depreciable amounts over the shorter period of lease term and useful life of the underlying asset, as follows:

Leasehold buildings	:	3 to 4 years
Transport equipment	:	5 to 10 years
Other equipment	:	2 to 3 years

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line item in the statement of financial position. The Group applies SFRS(I) 1-36 to determine whether the right-of-use asset is impaired and accounts for any identified impairment loss.

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Leases (Continued)

(ii) The Group as a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

At inception 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 their relative stand-alone prices. If an arrangement contains lease and non-lease components, then the Group applies SFRS(I) 15 to allocate the consideration in the contract. The Group applies the derecognition and impairment requirements in SFRS(I) 9 to the net investment in the lease. The Group regularly reviews the estimated unguaranteed residual values used in calculating the gross investment in the lease.

Intangible assets

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the statement of comprehensive income in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of comprehensive income when the asset is de-recognised. Intangible assets relate to software which was acquired separately and is amortised on a straight-line basis over their useful life of 3 to 4 years.

Investments in subsidiaries

In the Company's separate financial statements, investments in subsidiaries are stated at cost less allowance for any impairment losses on an individual subsidiary basis.

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Non-current assets held-for-sale and discontinued operation

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 the components of the 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 cost to sell. Any impairment loss on a disposal group is first allocated to goodwill, and then to the remaining assets on a pro-rata basis. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in statement of comprehensive income. Gains are not recognised in excess of any cumulative impairment loss.

A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held-for-sale and:

(a) represents a separate major line of business or geographical area of operations;

(b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or

(c) is a subsidiary acquired exclusively with a view to resale.

Impairment of non-financial assets

As at each reporting date, the Group and the Company review the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group and the Company estimate the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value-in-use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of comprehensive income, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial instruments

Financial instruments carried on the statement of financial position include financial assets and financial liabilities. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item. These are recognised on the Group's and the Company's statement of financial position when the Group and the Company become a party to the contractual provisions of the instrument.

Disclosures of the Group's and the Company's financial risk management objectives and policies are provided in Note 31.

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

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL").

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the Group and the Company initially measure a financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs.

Trade receivables are measured at the amount of consideration to which the Group and the Company expect to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party if the trade receivables do not contain a significant financing component at initial recognition.

In order for a financial asset to be classified and measured at amortised cost or FVOCI, it needs to give rise to cash flows that are "solely payments of principal and interest" ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's and the Company's business model for managing financial assets refer to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

– Financial assets at amortised cost (debt instruments);

– Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments);

– Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); or

– Financial assets at FVTPL

The Group and the Company do not hold any financial assets at FVOCI or financial assets at FVTPL.

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial assets (Continued)

Subsequent measurement (Continued)

Subsequent measurement of debt instruments depends on the Group's and the Company's business model with the objective to hold financial assets in order to collect contractual cash flows and the contractual cash terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal and interest on the principal amount outstanding the asset.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in the statement of comprehensive income when the assets are derecognised or impaired, and through the amortisation process.

The Group's and the Company's financial assets at amortised cost comprise trade and other receivables and cash and bank balances (including fixed deposits).

Impairment of financial assets

The Group and the Company assess on a forward-looking basis the expected credit losses ("ECLs") associated with its debt instrument assets carried at amortised cost and FVOCI. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (12-month ECLs).

For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (lifetime ECLs).

For trade receivables, the Group and the Company measure the loss allowance at an amount equal to lifetime ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at the end of each reporting period. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group and the Company consider a financial asset to be in default when internal or external information indicates that the Group and the Company are unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group and the Company.

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial assets (Continued)

Credit-impaired financial assets

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 or being more than 90 days past due;
- 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.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

Treasury shares

The Group's own equity instruments, which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in the statement of comprehensive income on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received, if reissued, is recognised directly in equity. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them.

Dividends

Final dividends proposed by the directors are not accounted for in shareholders' equity as an appropriation of retained profit, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's Constitution grants the directors the authority to declare interim dividends. Consequently, interim dividends are recognised directly as a liability when they are proposed and declared.

Cash and bank balances

Cash and bank balances comprise cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value and from part of the short-term cash management policy.

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities. Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities. Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

Financial guarantees

Financial guarantees are financial instruments issued by the Company that require the issuer to make specified payments to reimburse the holder for the loss it incurs because a specified debtor fails to meet payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at the higher of the loss allowance determined in accordance with SFRS(I) 9 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15.

ECLs are probability-weighted estimate of credit losses. ECLs are measured for financial guarantees issued as the expected payments to reimburse the holder less any amounts that the Company expects to recover.

Provisions

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Present obligations arising from onerous contracts are recognised as provisions.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision for cargo and motor vehicle claims

Provision for cargo and motor vehicle claims is recognised for all claims lodged by the customers or external parties which relate to services rendered by the Group or motor accident claims up to the end of the reporting period. The amount of provision made is based on the nature of the claims, the extent of the damages and the record of settlements in previous years.

Provision for reinstatement cost

Provision for reinstatement cost arises from the leases of office and building. The provision for reinstatement cost is provided based on actual quotations by third parties.

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

  (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

  (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent liabilities and assets are not recognised on the statement of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

Employee benefits

The Group participates in national pension schemes as defined by the laws of the countries in which it operates.

Defined contribution plan

The Company and its subsidiaries operating in Singapore contribute to the Central Provident Fund, a defined contribution plan regulated and managed by the Government of Singapore, which applies to the majority of the employees. The contributions to the national pension scheme are charged to the profit or loss in the period to which the contributions relate.

Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they are accrued to the employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

Employee share options

Eligible employees of the Group receive remuneration in the form of share options as consideration for services rendered. The cost of these equity-settled share-based payment transactions with employees is measured by reference to the fair value of the options at the date on which the options are granted which takes into account market conditions and non-vesting conditions.

This cost is recognised in the statement of comprehensive income, with a corresponding increase in the share-based payment reserve, over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of options that will ultimately vest. The charge or credit to the statement of comprehensive income for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in "share based payment expenses".

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Employee benefits (Continued)

Employee share options (Continued)

No expense is recognised for options that do not ultimately vest, except for options where vesting is conditional upon a market or non-vesting condition, which are treated as vested irrespective of whether or not the market condition or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. In the case where the option does not vest as the result of a failure to meet a non-vesting condition that is within the control of the Group or the employee, it is accounted for as a cancellation. In such case, the amount of the compensation cost that otherwise would be recognised over the remainder of the vesting period is recognised immediately in the statement of comprehensive income upon cancellation. The employee share option reserve is transferred to retained earnings upon expiry of the share options.

The fair value of the employee share option is determined on conditional grant date using the Black Scholes pricing model which takes into account the market conditions and non-vesting conditions.

Employee share award plan

Pursuant to the Eneco Group Performance Share Plan ("EGPSP"), the Company's shares are granted to eligible employees and Directors of the Group.

The performance shares cost is charged at the share price of grant date and recognised in the statement of comprehensive income over the vesting periods from the grant date.

When the options are exercised or share awards are vested, the share-based payment reserve is transferred to share capital if new shares are issued, or to treasury shares if the options or awards vested are satisfied by the reissuance of treasury shares.

The fair value of share awards granted under the EGPSP is based on the share price at the date of grant.

Related parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Company and the Group if that person:

    (i) has control or joint control over the Company;

    (ii) has significant influence over the Company; or

    (iii) is a member of the key management personnel of the Company or the Group or of a parent of the Company.

(b) An entity is related to the Company and the Group if any of the following conditions applies:

    (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);

    (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);

    (iii) both entities are joint ventures of the same third party;

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Related parties (Continued)

A related party is defined as follows: (Continued)

(b) An entity is related to the Company and the Group if any of the following conditions applies: (Continued)

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax is recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised either on other comprehensive income or directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the goods or services. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Rendering of logistics services

Logistics services refer to the provision of warehousing services, transportation services and inventory management services.

Warehousing services refer to the provision of storage of the customer's products, revenue is recognised over time as services are being transferred to the customers based on the time elapsed.

Transportation services include local delivery of goods. Revenue is recognised upon completion of the service which is expected to approximate revenue to be recognised over time, based on the time elapsed, due to the short-term service period. Services are billed upon completion on a monthly basis.

Inventory management services include rendering of import clearance, documentation and trucking services for inbound shipment and other related services over a specified time period. Revenue is recognised when services are completed. Management expects this to approximate the amount of revenue to be recognised over time, based on the time elapsed. Services are billed on a monthly basis.

Interest income

Interest income is recognised using the effective interest method.

Government grant

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received, and the Group will comply with all the attached conditions.

Government grants received are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Functional currencies

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The functional currency of the Company is Singapore Dollar.

The consolidated financial statements of the Group and the statement of financial position of the Company are presented in Singapore Dollar. The choice of presentation currency is to better reflect the currency that mainly determines economic effects of transactions, events and conditions of the Group.

2.4 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Conversion of foreign currencies

Foreign currency transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the date of the transactions. Currency translation differences from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the end of reporting period are recognised in profit of loss, unless they arise from borrowings in foreign currencies and net investment in foreign operations. Those currency translation differences are recognised in the currency translation reserve in the consolidated financial statements and transferred to profit or loss as part of the gain or loss on disposal of the foreign operation.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of the transactions.

Group entities

The results and financial position of all the Group entities *(none of which has the currency of a hyperinflationary economy)* and the Company that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities (including comparatives) are translated at the closing exchange rates at the end of reporting period;

(ii) Income and expenses for each statement presenting profit or loss and other comprehensive income (i.e. including comparatives) shall be translated at exchange rates at the dates of transactions; and

(iii) All resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve.

Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker has been identified as the Group Chief Executive Officer who makes strategic resource allocation decisions.

Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share 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 earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted-average number of ordinary shares, adjusted for own shares held, for the effects of all dilutive potential ordinary shares which comprise warrants and share options in issuance.

3 PLANT AND EQUIPMENT

The Group	Office equipment	Furniture and fittings	Renovation	Office containers	Tools and equipment	Transport equipment	Plant and equipment total	Oil and gas properties	Total
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Cost									
At 1 January 2022	2,883	832	1,856	56	236	9,067	14,930	38,027	52,957
Additions	133	160	16	12	13	471	805	–	805
Reclassification from "right-of-use assets" upon full repayment of lease liabilities (Note 4)	–	–	–	–	–	978	978	–	978
Reclassification to assets of disposal group held-for-sale (Note 10)	(104)	(28)	(285)	(28)	(99)	(2,352)	(2,896)	–	(2,896)
Disposals/written-off	(705)	–	–	(2)	(1)	(1,514)	(2,222)	(38,027)	(40,249)
Net exchange differences	–	(2)	(30)	–	(25)	(255)	(312)	–	(312)
At 31 December 2022	2,207	962	1,557	38	124	6,395	11,283	–	11,283
Additions	**188**	**6**	**–**	**–**	**88**	**55**	**337**	**–**	**337**
Reclassification from "right-of-use assets" upon full repayment of lease liabilities (Note 4)	**–**	**–**	**–**	**–**	**–**	**1,985**	**1,985**	**–**	**1,985**
Disposals/written-off	**(1,528)**	**(148)**	**(641)**	**(7)**	**(51)**	**(936)**	**(3,311)**	**–**	**(3,311)**
At 31 December 2023	**867**	**820**	**916**	**31**	**161**	**7,499**	**10,294**	**–**	**10,294**
Accumulated depreciation and impairment loss									
At 1 January 2022	2,731	763	1,459	47	199	7,996	13,195	38,027	51,222
Depreciation for the year	89	145	195	6	9	346	790	–	790
Impairment loss recognised (Note 26)	–	–	–	–	–	84	84	–	84
Loss on remeasurement recognised on reclassification to assets of disposal group held-for-sale (Note 26)	–	–	–	–	–	78	78	–	78
Reclassification from "right-of-use assets" upon full repayment of lease liabilities (Note 4)	–	–	–	–	–	556	556	–	556
Reclassification to assets of disposal group held-for-sale (Note 10)	(101)	(27)	(188)	(28)	(98)	(2,242)	(2,684)	–	(2,684)
Disposals/written-off	(705)	–	–	(2)	(1)	(1,491)	(2,199)	(38,027)	(40,226)
Net exchange differences	–	(4)	(20)	–	(24)	(241)	(289)	–	(289)
At 31 December 2022	2,014	877	1,446	23	85	5,086	9,531	–	9,531
Depreciation for the year	**125**	**98**	**73**	**5**	**20**	**455**	**776**	**–**	**776**
Reclassification from "right-of-use assets" upon full repayment of lease liabilities (Note 4)	**–**	**–**	**–**	**–**	**–**	**1,157**	**1,157**	**–**	**1,157**
Disposals/written-off	**(1,531)**	**(172)**	**(613)**	**(4)**	**(53)**	**(708)**	**(3,081)**	**–**	**(3,081)**
At 31 December 2023	**608**	**803**	**906**	**24**	**52**	**5,990**	**8,383**	**–**	**8,383**
Carrying amount									
As at 31 December 2023	**259**	**17**	**10**	**7**	**109**	**1,509**	**1,911**	**–**	**1,911**
As at 31 December 2022	193	85	111	15	39	1,309	1,752	–	1,752

3 PLANT AND EQUIPMENT (CONTINUED)

The Company	Renovations	Office equipment	Transport equipment	Total
	S$'000	S$'000	S$'000	S$'000
Cost				
At 1 January 2022	18	78	–	96
Additions	–	7	–	7
Disposals	–	(2)	–	(2)
At 31 December 2022	18	83	–	101
Additions	**–**	**6**	**–**	**6**
Reclassification from "right-of-use assets" upon full repayment of lease liabilities (Note 4)	**–**	**–**	**210**	**210**
Disposal	**–**	**–**	**(210)**	**(210)**
At 31 December 2023	**18**	**89**	**–**	**107**
Accumulated depreciation				
At 1 January 2022	14	69	–	83
Depreciation for the year	4	5	–	9
Disposals	–	(2)	–	(2)
At 31 December 2022	18	72	–	90
Depreciation for the year	**–**	**7**	**–**	**7**
Reclassification from "right-of-use assets" upon full repayment of lease liabilities (Note 4)	**–**	**–**	**168**	**168**
Disposal	**–**	**–**	**(168)**	**(168)**
At 31 December 2023	**18**	**79**	**–**	**97**
Carrying amount				
At 31 December 2023	**–**	**10**	**–**	**10**
At 31 December 2022	–	11	–	11

During the previous financial year ended 31 December 2022, the oil and gas properties with cost and carrying amount of S$38 million and Nil, respectively, were disposed of pursuant to the disposal of the Group's Oil and Gas segment to Indonusa Oil Ltd.

Depreciation included in the consolidated statement of comprehensive income as follow:

The Group	2023	2022
	S$'000	S$'000
Continuing operations (Note 24)	**776**	708
Discontinued operations (Note 26)	**–**	82
	776	790

4 RIGHT-OF-USE ASSETS

The Group	Leasehold buildings	Transport equipment	Office equipment	Tools and equipment	Total
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Cost					
At 1 January 2022	13,415	10,677	56	41	24,189
New leases	638	584	16	–	1,238
Early termination/end of lease	(1,249)	(381)	–	–	(1,630)
Reclassification to "plant and equipment" upon full repayment of lease liabilities (Note 3)	–	(978)	–	–	(978)
Reclassification to assets of disposal group held-for-sale (Note 10)	(480)	(3,644)	–	–	(4,124)
Net exchange differences	(47)	(389)	–	–	(436)
At 31 December 2022	12,277	5,869	72	41	18,259
New leases	**1,393**	**3,963**	**–**	**–**	**5,356**
Early termination/end of lease	**(1,927)**	**(1,196)**	**–**	**–**	**(3,123)**
Reclassification to "plant and equipment" upon full repayment of lease liabilities (Note 3)	**–**	**(1,985)**	**–**	**–**	**(1,985)**
At 31 December 2023	**11,743**	**6,651**	**72**	**41**	**18,507**
Accumulated depreciation					
At 1 January 2022	7,908	3,919	19	3	11,849
Depreciation for the year	2,968	1,788	20	10	4,786
Impairment loss recognised (Note 26)	–	225	–	–	225
Loss on remeasurement recognised on reclassification to assets of disposal group held-for-sale (Note 26)	–	463	–	–	463
Early termination/end of lease	(690)	(364)	–	–	(1,054)
Reclassification to "plant and equipment" upon full repayment of lease liabilities (Note 3)	–	(556)	–	–	(556)
Reclassification to assets of disposal group held-for-sale (Note 10)	(345)	(2,534)	–	–	(2,879)
Net exchange differences	(35)	(243)	–	–	(278)
At 31 December 2022	9,806	2,698	39	13	12,556
Depreciation for the year	**2,781**	**1,260**	**20**	**10**	**4,071**
Early termination/end of lease	**(1,927)**	**(1,138)**	**–**	**–**	**(3,065)**
Reclassification to "plant and equipment" upon full repayment of lease liabilities (Note 3)	**–**	**(1,157)**	**–**	**–**	**(1,157)**
At 31 December 2023	**10,660**	**1,663**	**59**	**23**	**12,405**
Carrying amount					
At 31 December 2023	**1,083**	**4,988**	**13**	**18**	**6,102**
At 31 December 2022	2,471	3,171	33	28	5,703

4 RIGHT-OF-USE ASSETS (CONTINUED)

The Company	Office equipment	Transport equipment	Total
	S$'000	S$'000	S$'000
Cost			
At 1 January 2022	–	210	210
New leases	8	–	8
At 31 December 2022	8	210	218
New leases	**–**	**538**	**538**
Reclassification to "plant and equipment" upon full repayment of lease liabilities (Note 3)	**–**	**(210)**	**(210)**
At 31 December 2023	**8**	**538**	**546**
Accumulated depreciation			
At 1 January 2022	–	122	122
Depreciation for the year	2	42	44
At 31 December 2022	2	164	166
Depreciation for the year	**1**	**53**	**54**
Reclassification to "plant and equipment" upon full repayment of lease liabilities (Note 3)	**–**	**(168)**	**(168)**
At 31 December 2023	**3**	**49**	**52**
Carrying amount			
At 31 December 2023	**5**	**489**	**494**
At 31 December 2022	6	46	52

As at 31 December 2023, the Group's and the Company's transport equipment amounting to S$1.76 million and S$0.49 million (2022 – S$2.38 million and S$0.05 million) respectively, were pledged as collaterals for lease liabilities as disclosed under Note 14.

As at 31 December 2023, leasehold buildings in the Group's right-of-use assets comprise the Group's 100% interests in 6 (2022 – 6) leases of warehouse and office premises in Singapore, with gross floor areas between 3,500 square feet to 150,000 square feet with remaining tenure up to 27 months (2022 – up to 24 months).

Depreciation included in the consolidated statement of comprehensive income as follows:

The Group	2023	2022
	S$'000	S$'000
Continuing operations (Note 24)	**4,071**	4,206
Discontinued operations (Note 26)	**–**	580
	4,071	4,786

4 RIGHT-OF-USE ASSETS (CONTINUED)

The statement of comprehensive income shows the following amounts relating to leases:

The Group	2023	2022
	S$'000	**S$'000**
Interest expense on lease liabilities (Note 23):		
Continuing operations	**230**	283
Discontinued operations	**6**	159
	236	442
Short-term leases of office equipment, warehouse and transport equipment:		
Continuing operations (Note 24)	**585**	348
Discontinued operations (Note 26)	**–**	311
	585	659

5 INTANGIBLE ASSETS

The Group	Goodwill	Computer software	Total
	S$'000	**S$'000**	**S$'000**
Cost			
At 1 January 2022	993	1,829	2,822
Additions	–	116	116
Reclassification to assets of disposal group held-for-sale (Note 10)	–	(366)	(366)
Write-off/disposals	(993)	(17)	(1,010)
At 31 December 2022	–	1,562	1,562
Additions	**–**	**197**	**197**
Write-off/disposals	**–**	**(1,018)**	**(1,018)**
At 31 December 2023	**–**	**741**	**741**
Accumulated amortisation and impairment losses			
At 1 January 2022	993	1,777	2,770
Amortisation for the year (Note 24)	–	61	61
Reclassification to assets of disposal group held-for-sale (Note 10)	–	(365)	(365)
Write-off/disposals	(993)	(16)	(1,009)
At 31 December 2022	–	1,457	1,457
Amortisation for the year (Note 24)	**–**	**55**	**55**
Write-off/disposals	**–**	**(1,018)**	**(1,018)**
At 31 December 2023	**–**	**494**	**494**
Carrying amount			
At 31 December 2023	**–**	**247**	**247**
At 31 December 2022	–	105	105

5 INTANGIBLE ASSETS (CONTINUED)

The Company	Total
	S$'000
Computer software	
Cost	
At 1 January 2022 and 31 December 2022	196
Additions	**4**
At 31 December 2023	**200**
Accumulated amortisation and impairment losses	
At 1 January 2022 and 31 December 2022	196
Amortisation for the year	**–***
At 31 December 2023	**196**
Carrying amount	
At 31 December 2023	**4**
At 31 December 2022	–

* Less than S$1,000

6 INVESTMENTS IN SUBSIDIARIES

The Company	2023	2022
	S$'000	S$'000
Unquoted shares, at cost	**9,728**	9,926
Provision for impairment:		
Balance at beginning of year	**(698)**	(94,279)
Impairment loss utilised (Note (i))	**198**	93,581
Balance at end of the year	**(500)**	(698)
	9,228	9,228

Note (i) – Disposal of subsidiary

FY2023

On 17 October 2023, the Company announced that its wholly-owned subsidiary, REL Oil & Gas Pte Ltd has been struck off from the register under Section 344A of the Companies Act 1967 on 10 October 2023. Accordingly, the impairment loss previously recognised has been utilised during the financial year.

On 14 February 2023, the Company announced the completion of the disposal of the wholly owned subsidiary – PT RichLand Indonesia ("PT RI") and its subsidiary – PT RichLand Logistics Indonesia ("PT RLI"), the Group's sole Indonesian logistics subsidiary (collectively, the "Disposal Group") to the Purchasers for US$1, pursuant to the Conditional Shares and Purchase Agreement entered on 31 December 2022.

6 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Note (i) – Disposal of subsidiary (Continued)

Details of the disposal are as follows:

The Group	2023
	S$'000
Plant and equipment and Right-of-use assets	**1,635**
Cash and bank balances	**520**
Trade and other receivables	**2,918**
Trade and other payables	**(5,168)**
Net liabilities disposed of	**(95)**
Non-controlling interest derecognised	**–**
Foreign currency translation reserve reclassified to profit or loss	**(295)**
Gain on disposal of subsidiaries (Note 26)	**(390)**
Net cash outflows on disposal	**–**

Following the disposal of the subsidiaries during the financial year, the re-measurement of defined benefit obligations classified as "others" under other reserves and the acquisition of additional interest in the disposed subsidiaries included in "capital reserve" were transferred to "accumulated losses".

FY2022

On 22 August 2022, the Company announced the completion of the sale of the 12 issued and fully paid-up ordinary shares of Ramba Energy Investments Limited ("REIL") to Indonusa Oil Ltd for US$1. Following the completion of the disposal of REIL, management utilised the provision for impairment previously made of S$93,581,000 against the loans extended.

Details of the disposal are as follows:

The Group	2022
	S$'000
Cash and bank balances	78
Trade and other receivables	187
Trade and other payables	(11,156)
Net liabilities disposed of	(10,891)
Non-controlling interest derecognised	7,666
Foreign currency translation reserve reclassified to profit or loss	266
Gain on disposal of subsidiaries (Note 26)	(2,959)
Net cash outflows on disposal	(78)

Additionally, the re-measurement of defined benefit obligations classified as "other reserves" of S$338,000 was transferred to "accumulated losses" on disposal.

6 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are set out below:

Name of subsidiaries	Place of incorporation/ principal place of business	Effective equity interest		Principal activities
		2023 %	2022 %	
Held by the Company				
REL Oil & Gas Pte Ltd[3][4]	Singapore	–	100	Investment holding
RichLand Global Pte Ltd[1]	Singapore	**100**	100	Investment holding
Eneco Singapore Pte Ltd[1]	Singapore	**100**	100	Dormant
Held through RichLand Global Pte Ltd				
RichLand Logistics Services Pte Ltd[1]	Singapore	**100**	100	Provision of transportation management and airport cargo terminal handling
RichLand Chemical Logistics Pte Ltd[1]	Singapore	**100**	100	Dormant
PT. RichLand Indonesia[2][4]	Indonesia	–	99	Investment holding
Held through PT. RichLand Indonesia				
PT. RichLand Logistics Indonesia[2][4]	Indonesia	–	^100	Provision of transportation and logistics services
Held through RichLand Logistics Services Pte Ltd				
PT. RichLand Indonesia[2][4]	Indonesia	–	1	Investment holding

^ As at 31 December 2022, 33% of the shares are being held by PT. Satria Suria Makmur Jaya while 18% are being held by Asterial Holdings Limited. Both companies had pledged their shares to RichLand Global Pte Ltd.

(1) Audited by Foo Kon Tan LLP, Singapore

(2) Classified as Disposal Group held-for-sale as at 31 December 2022 and disposed of on 14 February 2023 (Note 10). Following the disposal, the Group is no longer shareholders of the subsidiaries.

(3) Strike off on 10 October 2023

(4) Audited by Foo Kon Tan LLP for purpose of consolidation up to date of disposal.

In accordance with Rule 716 of SGX-ST Listing Rules, the Audit Committee and the Board of Directors of the Company confirmed that they have compiled with Listing Rules 712 and 715 with regard to the appointment of the auditing firm for the Company and the significant subsidiaries.

7 OTHER RECEIVABLES

	The Group		The Company	
	2023	2022	2023	2022
	S$'000	S$'000	S$'000	S$'000
Other receivables (Note A)	**–**	30	**–**	30
Amount due from subsidiaries (Note B)	**–**	–	**2,185**	6,133
Allowance for doubtful other receivables	**–**	(30)	**(77)**	(127)
Other receivable, net	**–**	–	**2,108**	6,036
Refundable deposits	**414**	433	**6**	–
Sundry receivables	**56**	79	**42**	38
Disbursements due from customers	**–**	1	**–**	–
Financial assets at amortised cost	**470**	513	**2,156**	6,074
Input GST receivable, net	**–**	–	**21**	8
Total other receivables	**470**	513	**2,177**	6,082

The Group's other receivables that are fully impaired at the end of the reporting period and the movement of the allowance accounts used to record the impairment are as follows:

The Group	2023	2022
	S$'000	S$'000
Other receivables – nominal amounts	**–**	30
Allowance for doubtful other receivables:		
Balance at beginning of year	**(30)**	(22,927)
Impairment loss recognised (Note 24)	**–**	(3)
Impairment loss utilised	**30**	22,900
Balance at end of year	**–**	(30)
Net balance	**–**	–

Note A: Other receivables that had been fully impaired

As at 31 December 2021, the Group's other receivables comprised (i) an amount due from a broker of S$3.9 million related to cash which had been placed as collateral with the broker to secure a bank guarantee to apply for the extension of the exploratory permit for the West Jambi concession; (ii) advances due from Eastwin Global Investment Limited, a former joint venture partner of Lemang PSC of S$6.2 million; (iii) amounts due from the non-controlling interests of PT Hexindo of S$9.3 million; and (iv) advances made to an ex-joint venture partner of Ramba Energy Jatirarangon Limited of S$3.5 million, respectively.

With the completion of the disposal of REIL on 22 August 2022 (Note 6(i)), the above balances were written-off and utilised against the allowance for doubtful other receivables.

Note B: Amounts due from subsidiaries

At the Company's level, amounts due from subsidiaries are non-trade in nature, unsecured, non-interest bearing and are repayable on demand. They are expected to be settled in cash or offset against intercompany balances.

In the current financial year, management recorded an impairment loss of S$3,000 (2022 – S$366,000) on advances extended to subsidiaries of the Group in the Company's statement of comprehensive income.

7 OTHER RECEIVABLES (CONTINUED)

Note B: Amounts due from subsidiaries (Continued)

The Company's other receivables that are fully impaired at the end of the reporting period and the movement of the allowance accounts used to record the impairment are as follows:

The Company	2023	2022
	S$'000	S$'000
Other receivables – nominal amounts	**2,185**	6,163
Allowance for doubtful other receivables:		
Balance at beginning of year	**(127)**	(6,047)
Impairment loss recognised	**(3)**	(366)
Impairment loss utilised	**53**	6,286
Balance at end of year	**(77)**	(127)
Net balance	**2,108**	6,036

All other receivables are denominated in the respective functional currencies of the entities in the Group.

8 TRADE RECEIVABLES

Trade receivables are non-interest bearing and are generally on 15 to 120 (2022 – 30 to 105) days' credit terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The Group	2023	2022
	S$'000	S$'000
Third party customers	**7,146**	7,568

Trade receivables that are past due but not impaired

The Group has trade receivables amounting to S$994,000 (2022 – S$1,116,000) that are past due at the end of the reporting period but not impaired. These receivables are unsecured and the analysis of their ageing at the end of the reporting period is as follows:

The Group	2023	2022
	S$'000	S$'000
Trade receivables past due but not impaired:		
Less than 30 days	**899**	1,038
30 to 60 days	**95**	78
	994	1,116

Trade receivables that are individually determined to be impaired at the end of the reporting period relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements. There are no trade receivables being impaired as at the end of the reporting period.

Trade receivables are denominated in the respective functional currencies of the entities in the Group.

9 CASH AND BANK BALANCES

	The Group		The Company	
	2023	2022	2023	2022
	S$'000	S$'000	S$'000	S$'000
Cash on hand and at bank	**5,365**	4,216	**1,106**	1,210
Fixed deposits	**9,500**	12,000	**7,500**	6,000
Cash and bank balances	**14,865**	16,216	**8,606**	7,210
Fixed deposits	**(9,500)**	(12,000)		
Cash and cash equivalents in the consolidated statement of cash flows	**5,365**	4,216		

Fixed deposits earn interest at 3.00% – 3.88% (2022 – 3.1% – 3.4%) per annum.

Cash and bank balances denominated in foreign currencies, other than in the respective functional currency of the entities within the Group, are as follows:

	The Group		The Company	
	2023	2022	2023	2022
	S$'000	S$'000	S$'000	S$'000
Singapore Dollar ("SGD")	**10**	10	**–**	–
United States Dollars ("USD")	**46**	554	**15**	494

10 ASSETS AND LIABILITIES OF DISPOSAL GROUP CLASSIFIED AS HELD-FOR-SALE

Note A – PT RichLand Indonesia and PT RichLand Logistics Indonesia

On 14 February 2023, the Company announced the completion of the disposal of the wholly owned subsidiary – PT RichLand Indonesia ("PT RI") and its subsidiary – PT RichLand Indonesia ("PT RLI"), the Group's sole Indonesian logistics subsidiary (collectively, the "Disposal Group") to the Purchasers for US$1, pursuant to the Conditional Shares and Purchase Agreement entered on 31 December 2022. The controlling shareholders of PT. Kalibri Logistik Indonesia ("KLI") includes the existing key management personnel of PT RI. Accordingly, KLI is a related party of the Group.

Accordingly, management has classified the assets and liabilities associated with the Disposal Group as a disposal group held-for-sale and measured the aggregate net carrying amounts of these assets and liabilities included in the Disposal Group against the sale consideration of the Disposal Group and recorded an impairment loss of S$78,000 and S$463,000 respectively against the carrying amounts of transport equipment included in "plant and equipment" and "right-of-use assets" in the consolidated statement of comprehensive income, based on the recoverable amount of the assets' fair value less cost of disposal. The fair value was estimated based on the available resale prices and has been categorised as a Level 3 fair value hierarchy.

10 ASSETS AND LIABILITIES OF DISPOSAL GROUP CLASSIFIED AS HELD-FOR-SALE (CONTINUED)

Note A – PT RichLand Indonesia and PT RichLand Logistics Indonesia (Continued)

Assets and liabilities of Disposal Group classified as "held-for-sale" as at 31 December 2022 are summarised as follows:

The Group	Note	2022
		S$'000
Assets		
Plant and equipment, net of accumulated depreciation and impairment loss	3	212
Right-of-use assets, net of accumulated depreciation	4	1,245
Intangible assets, net of accumulated amortisation and impairment loss	5	1
Fixed deposits (restricted)		270
Cash and bank balances		326
Trade and other receivables		2,973
Assets of disposal group classified as held-for-sale		5,027
Liabilities		
Trade and other payables		(3,806)
Lease liabilities		(613)
Defined benefit plans		(597)
Income tax payable		(11)
Liabilities directly associated with disposal group classified as held-for-sale		(5,027)

The other reserves relating to disposal group classified as held-for-sale are as follows:

The Group	2022
	S$'000
Other reserves:	
– Foreign currency translation reserve	298
– Capital reserve	348
– Others	603
	1,249

11 SHARE CAPITAL

The Company	No. of ordinary shares (With no par value) 2023	2022	Amount 2023	2022
	'000	'000	S$'000	S$'000
Issued and fully paid:				
At beginning of year	**2,310,675**	648,675	**158,811**	148,367
New shares issued:				
– Placement Shares	**–**	1,660,000	**–**	11,040
– Performance Shares	**3,992**	–	**51**	–
– Exercise of warrants	**–**	2,000	**–**	24
	3,992	1,662,000	**51**	11,064
Share issuance expenses	**–**	–	**–**	(620)
At end of year	**2,314,667**	2,310,675	**158,862**	158,811

The holders of ordinary shares (except treasury 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 shares rank equally with regard to the Company's residual assets.

11 SHARE CAPITAL (CONTINUED)

The Company has an employee share option plan under which options to subscribe for the Company's ordinary shares have been granted to employees of the Group (Note 22).

On 14 August 2023, 3,992,265 new ordinary shares were allotted and issued by the Company pursuant to the EGPSP 2017, to certain executive employees of the group. The shares were issued at a price S$0.013 per share, the market price of the Company's share on the date of grant.

On 2 September 2022, the Company announced the allotment and issuance of (a) 1,660,000,000 Placement Shares at the Placement Price of S$0.009 for each Placement Share; and (b) 1,660,000,000 non-listed Warrants at S$0.001 each and an exercise price of S$0.009 for each Warrant Share, to subscribers procured by the Placement Agent in accordance with the Placement Agreement entered on 25 March 2022, respectively. The Warrants are exercisable at a fixed conversion price of S$0.009 per share and is classified as "equity" as the warrants met the "fixed-for-fixed" criterion under SFRS(I) 1-32 Financial Instruments: Presentation. Placement proceeds of S$16.6 million was received, of which S$5.6 million was attributable to the non-listed Warrants issued, determined using the Black Scholes Model, and accounted for under "warrant reserve" (see Note 13(b)). Share and warrant issuance expenses of S$932,000 were allocated between share capital and warrant reserve of S$620,000 and S$312,000, respectively.

On 13 October 2022, 2 million new ordinary shares were allotted and issued pursuant to the exercise of 2 million warrants at the exercise price of S$0.009 each and S$18,000 was received; and S$6,000 was transferred from warrant reserve, respectively, and S$24,000 was credited to share capital.

12 TREASURY SHARES

The Company	No. of ordinary shares 2023	2022	Amount 2023	2022
	'000	'000	S$'000	S$'000
At beginning and at end of year	**1,807**	1,807	**(935)**	(935)

Treasury shares relate to ordinary shares of the Company that is held by the Company.

13 OTHER RESERVES

	Note	The Group 2023	2022	The Company 2023	2022
		S$'000	S$'000	S$'000	S$'000
Share based payment reserve	(a)	**285**	84	**285**	84
Warrant reserve	(b)	**5,242**	5,242	**5,242**	5,242
Foreign currency translation reserve	(c)	**(175)**	123	**–**	–
Capital reserve	(d)	**–**	348	**–**	–
Gain on reissuance of treasury shares	(e)	**2,630**	2,630	**2,630**	2,630
Others	(f)	**–**	603	**–**	–
		7,982	9,030	**8,157**	7,956

13 OTHER RESERVES (CONTINUED)

(a) Share based payment reserve

Share based payment reserve represents the equity settled share options and awards granted to employees and directors of the Group. The reserve is made up of the cumulative value of services received from employees and Directors, recorded over the vesting period commencing from the grant date of equity settled share options and awards. It is reduced by the expiry or exercise of the share options and upon share issue for the share awards. On 15 September 2022, the Company granted 53.9 million share options to certain directors and employees pursuant to the EGSOS 2017 (Note 22).

(b) Warrant reserve

Warrant reserve relates to the fair value ascribed to the non-listed warrants issued, net of issue expenses (Note 11). As and when the warrants are exercised, the related balance in the warrant reserve is transferred to the share capital account. At the expiry of the warrants, the balance in the warrant reserve is transferred to retained earnings. Each warrant carries the right to subscribe for one new ordinary share in the Company at an exercise price of S$0.009. The warrants will expire on 1 September 2025. As at 31 December 2023, there are 1,658,000,000 (2022 – 1,658,000,000) outstanding warrants.

(c) Foreign currency translation reserve

The foreign currency translation reserve records exchange differences arising from the translation of the financial statements of foreign operations and subsidiary whose functional currencies are different from that of the Group's presentation currency.

(d) Capital reserve

Capital reserve arose from the acquisition of the remaining interest in subsidiaries in prior years. The Group has accounted for the acquisition of the additional interest as a transaction with shareholders in their capacity as shareholders in accordance with SFRS(I) 1-1 – Presentation of Financial Statements.

(e) Gain on reissuance of treasury shares

This represents the gain or loss arising from purchase, sale, issue or cancellation of treasury shares. No dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding up) may be made in respect of this reserve.

(f) Others

This relates to the re-measurement of defined benefit obligations. The amount was transferred to "accumulated losses" on disposal of the Indonesian subsidiaries.

14 LEASE LIABILITIES

	The Group 2023	The Group 2022	The Company 2023	The Company 2022
	S$'000	**S$'000**	**S$'000**	**S$'000**
Undiscounted lease payments due:				
– Not later than one year	**1,965**	4,047	**57**	4
– Later than one year and not later than five years	**3,889**	1,107	**284**	6
	5,854	5,154	**341**	10
Less: Unearned interest costs	**(398)**	(171)	**(47)**	–*
	5,456	4,983	**294**	10
Presented as:				
– Non-current	**3,673**	1,063	**251**	6
– Current	**1,783**	3,920	**43**	4
	5,456	4,983	**294**	10

* Less than S$1,000

The Group's lease liabilities are secured by the lessors' title to the leased assets. Total cashflows for all leases in the current financial year amounted to S$5.6 million (2022 – S$6.8 million).

As at 31 December 2023, the Group's short-term commitments at the reporting date are not substantially dissimilar to those giving rise to the Group's short-term lease expense for the financial year.

Lease liabilities are denominated in the respective functional currencies of the entities in the Group.

15 PROVISIONS

	The Group 2023	The Group 2022	The Company 2023	The Company 2022
	S$'000	**S$'000**	**S$'000**	**S$'000**
Non-Current				
Provision for reinstatement costs	**278**	278	**18**	18
Current				
Provision for cargo and motor vehicles claims	**127**	132	**–**	–

Movements in provision for cargo and motor vehicles claims for the logistics business during the financial year are as follows:

The Group	2023	2022
	S$'000	**S$'000**
Balance at 1 January	**132**	168
Provision made during the year	**22**	34
Utilised during the year	**(27)**	(70)
Balance at 31 December	**127**	132

As at 31 December 2023, management is of the view that the expected timing of the settlement of these claims is not determinable.

16 LOANS AND BORROWINGS

	The Group		The Company	
	2023	2022	2023	2022
	S$'000	S$'000	S$'000	S$'000
Non-current	**–**	189	**4,666**	5,042
Current	**189**	745	**–**	–
Carrying amount/fair value	**189**	934	**4,666**	5,042

The Group

In February 2022, the Group obtained a term loan for its working capital requirements and are secured by a corporate guarantee from the Company. The loan is due in March 2024 and is interest-bearing at 2.75% (2022 – 2.75%) per annum.

The Group is subject to externally imposed capital requirements whose loan facilities are required to maintain its financial position in excess of specified financial thresholds at all times. The Group has complied with the loan covenants at the reporting date.

The Company

The Company has loans outstanding of S$4.7 million (2022 – S$5.0 million) from a wholly owned indirect subsidiary for payment to an unrelated third-party as full and final settlement pursuant to settlements agreement entered between the Company and the unrelated third-party in May 2020 and November 2021, respectively.

These amounts were subsequently recorded as an unsecured loan from the subsidiary, bearing interest at 4.5% above SIBOR or 1.5% above SORA per annum, with no fixed repayment terms and is not expected to be repaid within the next 12 months.

Loans and borrowings are denominated in respective functional currencies of the entities in the Group.

17 DEFERRED TAX LIABILITIES

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes relate to the same taxation authority.

The movement in deferred tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) are as follows:

The Group	Provisions	Lease liabilities	Total
	S$'000	S$'000	S$'000
Deferred tax assets			
At 1 January 2022	56	1,205	1,261
Charged to the statement of comprehensive income (Note 25)	(9)	(555)	(564)
At 31 December 2022	47	650	697
Charged to the statement of comprehensive income (Note 25)	**3**	**176**	**179**
At 31 December 2023	**50**	**826**	**876**

17 DEFERRED TAX LIABILITIES (CONTINUED)

The Group	Plant and equipment	Right-of-use Assets	Total
	S$'000	S$'000	S$'000
Deferred tax liabilities			
At 1 January 2022	(290)	(1,098)	(1,388)
Charged to the statement of comprehensive income (Note 25)	(60)	543	483
At 31 December 2022	(350)	(555)	(905)
Charged to the statement of comprehensive income (Note 25)	**(46)**	**(178)**	**(224)**
At 31 December 2023	**(396)**	**(733)**	**(1,129)**
Deferred tax liabilities – net			
At 31 December 2023			**(253)**
At 31 December 2022			(208)

18 OTHER PAYABLES

	The Group 2023	The Group 2022	The Company 2023	The Company 2022
	S$'000	S$'000	S$'000	S$'000
Current				
Amount due to subsidiaries (Note A)	**–**	–	**3,204**	2,673
Accrued salaries and employee benefits	**1,589**	1,995	**116**	135
Deposit received	**19**	129	**–**	–
Sundry payables and accrued operating expenses	**703**	681	**328**	368
Financial liabilities at amortised cost	**2,311**	2,805	**3,648**	3,176
GST payable, net	**127**	180	**–**	–
Total other payables	**2,438**	2,985	**3,648**	3,176
Comprises:				
Financial liabilities	**2,311**	2,805	**3,648**	3,176
Non-financial liabilities	**127**	180	**–**	–
	2,438	2,985	**3,648**	3,176

Note A: Amount due to subsidiaries

The amounts due to subsidiaries comprise advances made which are non-trade in nature, unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

Other payables denominated in foreign currencies, other than in the respective functional currency of the entities within the Group, are as follows:

	The Group 2023	The Group 2022	The Company 2023	The Company 2022
	S$'000	S$'000	S$'000	S$'000
Indonesia Rupiah ("IDR")	**–**	8	**–**	8

19 TRADE PAYABLES

The Group	2023	2022
	S$'000	**S$'000**
Third party suppliers	**1,584**	1,520
Accrued operating expenses	**600**	454
	2,184	1,974

Trade payables are non-interest bearing and are normally settled on 30 to 60 days' terms.

Trade payables are denominated in respective functional currencies of the entities in the Group.

20 REVENUE

The Group	2023	2022
	S$'000	**S$'000**
Logistics services, recognised over time	**30,563**	32,019

21 OTHER INCOME

The Group	2023	2022
	S$'000	**S$'000**
Other grant income	**6**	282
Port rebates	**72**	122
Interest income	**386**	72
Freight charges	**536**	561
Handling charges	**275**	229
Gain on disposal of plant and equipment and intangible assets	**82**	235
Others	**101**	163
	1,458	1,664

22 SALARIES AND EMPLOYEE BENEFITS

The Group	2023	2022
	S$'000	**S$'000**
Salaries and bonuses (including Directors' fees)	**12,110**	13,659
Central Provident Fund contributions	**1,069**	1,213
Share based payment (equity-settled)	**252**	84
Other benefits	**1,252**	1,240
	14,683	16,196

22 SALARIES AND EMPLOYEE BENEFITS (CONTINUED)

Share options

The following table illustrates the number (No.) and weighted average exercise prices (WAEP) of, and movements in, share options during the financial year:

	2023		2022	
	No.	WAEP	No.	WAEP
	'000	S$	'000	S$
Outstanding at 1 January	**53,900**	**0.013**	–	–
Issuance of options under EGSOS 2017	**–**	**–**	53,900	0.013
Outstanding at 31 December	**53,900**	**0.013**	53,900	0.013
Exercisable at 31 December	**53,900**	**0.013**	53,900	0.013

On 15 September 2022, the Company made an offer to grant 53,900,000 shares options at the exercise price of S$0.013 per share to the eligible participants under the EGSOS. The share options were vested on 15 September 2023. They are valid for five years from the grant date and are exercisable after the first anniversary from grant date of the share options. The share options granted will expire on 14 September 2027. The weighted average remaining contractual life of these options in as at 31 December 2023 was 3 years and 9 months.

23 FINANCE COSTS

The Group	2023	2022
	S$'000	S$'000
Continuing operations:		
Interest expense on loans and borrowings	**16**	39
Interest expense on lease liabilities (Note 4)	**230**	283
Commitment fee on loan facility	**–**	31
	246	353
Discontinued operations:		
Interest expense on lease liabilities (Note 4, 26)	**6**	159
	6	159
	252	512

24 PROFIT BEFORE TAXATION

The following items have been included in the arriving at profit before taxation from continuing operations:

The Group	2023	2022
	S$'000	**S$'000**
Audit fees paid/payable to auditor of the Company	**118**	127
Non-audit fees paid/payable to the auditors of the Company	**86**	33
Depreciation and amortisation expenses:		
– Depreciation of plant and equipment (Note 3)	**776**	708
– Depreciation of right-of-use assets (Note 4)	**4,071**	4,206
– Amortisation of intangible assets (Note 5)	**55**	61
	4,902	4,975
Gain on disposal of plant and equipment and intangible assets (Note 21)	**(82)**	(235)
Impairment loss recognised on other receivables (Note 7)	**–**	3
Short-term leases of office equipment, warehouse and transport equipment (Note 4)	**585**	348
Professional fees	**519**	489
Upkeep of transport equipment	**2,541**	2,807

25 TAXATION

The Group	2023	2022
	S$'000	**S$'000**
Continuing operations		
Current taxation:		
– Current year	**399**	422
– (Over)/under-provision in respect of prior years	**(44)**	14
	355	436
Deferred taxation:		
– Reversal and origination of temporary differences (Note 17)	**45**	81
	400	517

25 **TAXATION** (CONTINUED)

The tax expense on the results of the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax on the accounting loss as a result of the following:

The Group	2023	2022
	S$'000	**S$'000**
Profit before tax:		
– Continuing operations	**483**	812
– Discontinued operations	**56**	1,963
	539	2,775
Tax at domestic rates applicable in the countries in which the Group operates	**94**	569
Adjustments for tax effects of:		
Tax effect on non-deductible expenses	**644**	293
Tax exempt profits/rebates	**(282)**	(149)
(Over)/under-provision of current taxation in respect of prior years	**(32)**	14
	424	727
Taxation:		
– Continuing operations	**400**	517
– Discontinued operations (Note 26)	**24**	210
	424	727

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction. The tax rates of the major jurisdictions that the Group operates in are as follows.

The Group	2023	2022
Singapore	**17%**	17%
Indonesia	**22%**	22%

Expenses not deductible for tax purposes include depreciation and amortisation of non-qualifying assets and overhead charges of investment holding companies.

As at the end of the reporting period, the Group has unutilised tax losses of approximately S$1.9 million (2022 – S$1.9 million) from a dormant Singapore-incorporated wholly owned subsidiary RichLand Chemical Logistics Pte Ltd that are available for offset against future taxable profits of the companies in which the losses arose for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these tax losses is subject to the agreement of the tax authority and compliance with certain provisions of the tax legislation of the countries in which the companies operate.

The unutilised tax losses have no expiry date.

As at 31 December 2022 and 2023, there are no unrecognised temporary differences relating to investments in subsidiaries as the Group has determined that the portion of the undistributed earnings of its subsidiaries that will be distributed in the foreseeable future to be insignificant.

26 PROFIT FROM DISCONTINUED OPERATIONS

The profit from discontinued operations relate to the PT RichLand Indonesia, PT RichLand Logistics Indonesia (Note 10(A)) (2022 – PT RichLand Indonesia, PT RichLand Logistics Indonesia and Ramba Energy Investments Limited (Note 6(i))), summarised below,

The Group	2023	2022
	S$'000	**S$'000**
Revenue	**747**	12,777
Other income	**–**	126
Interest income	**1**	9
Gain on disposal of plant and equipment	**–**	118
	748	13,030
Costs and operating expenses		
Service costs and related expenses	**(536)**	(9,395)
Salaries and employee benefits	**(147)**	(2,000)
Depreciation of plant and equipment (Note 3)	**–**	(82)
Depreciation of right-of-use assets (Note 4)	**–**	(580)
Audit fees paid/payable to other auditors	**(2)**	(22)
Other operating expenses	**(385)**	(509)
Impairment loss recognised on plant and equipment (Note 3)	**–**	(84)
Loss on remeasurement recognised on reclassification to assets of disposal group held-for-sale on plant and equipment (Note 3)	**–**	(78)
Impairment loss recognised on right-of-use assets (Note 4)	**–**	(225)
Loss on remeasurement recognised on reclassification to assets of disposal group held-for-sale on right-of-use assets (Note 4)	**–**	(463)
	–	(850)
Impairment loss recognised on trade and other receivables, net	**–**	(59)
Bad debts written-off on receivables	**(6)**	(59)
Finance costs (Note 23)	**(6)**	(159)
Short-term leases of transport equipment (Note 4)	**–**	(311)
Loss before tax of disposal group	**(334)**	(996)
Taxation (Note 25)	**(24)**	(210)
Loss after tax of disposal group	**(358)**	(1,206)
Gain on disposal of subsidiaries (Note 6(i))	**390**	2,959
Profit from discontinued operation after tax	**32**	1,753
Other comprehensive income/(loss)		
Foreign currency translation differences on disposal group (foreign operations) classified as held-for-sale	**(3)**	48
Foreign currency translation differences arising from foreign operations attributable to non-controlling interest	**–**	(341)
Re-measurement of defined benefit obligation on disposal group (foreign operations) classified as held-for-sale	**19**	33
Other comprehensive income/(loss) for the year, at nil tax	**16**	(260)

The impact of the discontinued operations on the cash flows of the Group are as follows:

The Group	2023	2022
	S$'000	**S$'000**
Net cash generated from operating activities	**308**	1,245
Net cash used in investing activities	**(92)**	(73)
Net cash used in financing activities	**(300)**	(1,167)
	(84)	5

27 BASIC AND DILUTED PROFIT PER SHARE

The following table reflects the profit and share data used in the computation of basic and diluted profit per share for the years ended 31 December:

	Continuing operations		Discontinued operations		Total	
	2023	2022	2023	2022	2023	2022
Profit for the year attributable to owners of the Company (S$'000)	**83**	295	**32**	1,795	**115**	2,090
Weighted average no. of ordinary shares issue for the period ('000)						
– Basic	**2,310,399**	1,202,156	**2,310,399**	1,202,156	**2,310,399**	1,202,156
Adjustments for conversion of warrants and share options	**1,711,900**	570,359	**1,711,900**	570,359	**1,711,900**	570,359
– Diluted	**4,022,299**	1,772,515	**4,022,299**	1,772,515	**4,022,299**	1,772,515
Profit per share (cents) – Basic	**0.00**	0.02	**0.00**	0.15	**0.00**	0.17
Profit per share (cents) – Diluted	**0.00**	0.02	**0.00**	0.10	**0.00**	0.12

Basic profit per share is calculated by dividing profit for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted profit per share is calculated after taking into account dilutive effects of the options & warrants.

There are 53,900,000 (2022 – 53,900,000) share options granted under the EGSOS and 1,658,000,000 (2022 – 1,658,000,000) warrants which have been included in the calculation of diluted earnings per share.

28 RELATED PARTY TRANSACTIONS

(a) Sales and purchase of goods and services

In addition to the related party information disclosed elsewhere in the financial statements, the following are transactions with related parties at mutually agreed amounts and terms:

The Group	2023	2022
	S$'000	**S$'000**
Legal, secretarial fees, share registrar and corporate communication services payable to a firm of which a Director is the partner of the firm	**109**	155

(b) Compensation of key management personnel

The Group	2023	2022
	S$'000	**S$'000**
Share based payments	**245**	84
Directors' fees	**222**	182
Short term employee benefit	**1,592**	1,634
Central Provident Fund contributions	**90**	55
	2,149	1,955

28 RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Compensation of key management personnel (Continued)

Key management personnel compensation

Key management personnel of the Group and Company is defined as persons having authority and responsibility for planning, directing and controlling the activities of the entity directly and indirectly, including directors and officers of the Group and Company.

29 SEGMENT INFORMATION

For management purposes, the Group is organized into business units based on their products and services, and has four reportable segments as follows:

I. The oil and gas segment (discontinued);

II. The logistics segment (Indonesia), comprising of transportation management (discontinued);

III. The logistics segment (Singapore), comprising of transportation management and air cargo terminal handling services; and

IV. The corporate segment relates to group level corporate services and treasury function.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

29 SEGMENT INFORMATION (CONTINUED)

	Note	Oil and gas (Discontinued) 2023	Oil and gas (Discontinued) 2022	Logistics (Discontinued) 2023	Logistics (Discontinued) 2022	Logistics 2023	Logistics 2022	Corporate 2023	Corporate 2022	Eliminations 2023	Eliminations 2022	Total 2023	Total 2022
		S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Revenue:													
Sales to external customers	20, 26	–	–	747	12,777	30,563	32,019	–	–	–	–	31,310	44,796
Other income	21, 26	–	2,959	391	253	1,007	1,444	451	220	–	–	1,849	4,876
Inter-segment sales	A	–	–	–	–	762	439	536	970	(1,298)	(1,409)	–	–
Total		–	2,959	1,138	13,030	32,332	33,902	987	1,190	(1,298)	(1,409)	33,159	49,672
Segment profit/(loss)		–	2,715	62	(593)	3,114	3,091	4,288	(7,678)	(6,673)	5,752	791	3,287
Finance costs	23	–	–	(6)	(159)	(231)	(321)	(587)	(415)	572	383	(252)	(512)
Profit/(loss) before tax		–	2,715	56	(752)	2,883	2,770	3,701	(8,093)	(6,101)	6,135	539	2,775
Taxation	25	–	–	(24)	(210)	(345)	(490)	(55)	(27)	–	–	(424)	(727)
Net profit/(loss) for the year		–	2,715	32	(962)	2,538	2,280	3,646	(8,120)	(6,101)	6,135	115	2,048
Interest income		–	–	1	9	467	383	491	72	(572)	(383)	387	81
Depreciation and amortisation expenses	B	–	–	–	(662)	(4,840)	(4,922)	(62)	(53)	–	–	(4,902)	(5,637)
Other non-cash income/(expenses)	C	–	2,959	390	(853)	(14)	235	(162)	(84)	–	–	214	2,257
Other segment information													
Segment assets	D	–	–	–	5,027	20,138	24,760	11,346	7,389	–	–	31,484	37,176
Segment liabilities	E	–	–	–	5,027	10,570	10,783	800	531	–	714	11,370	17,055
Additions to non-current assets		–	–	–	411	5,342	1,733	548	15	–	–	5,890	2,159

29 SEGMENT INFORMATION (CONTINUED)

Notes Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements

A Inter-segment sales are eliminated on consolidation.

B Depreciation and amortisation expenses comprised the following:

The Group	2023	2022
	S$'000	**S$'000**
Depreciation of plant and equipment (Note 3)	**776**	790
Depreciation of right-of-use assets (Note 4)	**4,071**	4,786
Amortisation of intangible assets (Note 5)	**55**	61
	4,902	5,637

C Other non-cash income/(expenses) comprised the following:

The Group	2023	2022
	S$'000	**S$'000**
Share-based payment	**(252)**	(84)
Bad debts written-off on non-trade receivables	**(6)**	(59)
Impairment loss recognised on:		
– plant and equipment and right-of-use assets	**–**	(309)
– trade and other receivables, net	**–**	(62)
Loss on remeasurement as disposal group held-for-sale on plant and equipment and right-of-use assets	**–**	(541)
Gain on disposal of subsidiaries	**390**	2,959
Gain on disposal of plant and equipment	**82**	353
	214	2,257

D Deferred tax assets are added to segment assets to arrive at total assets reported in the consolidated statement of financial position.

E Income tax payable are added to segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position.

Geographical information

Revenue and non-current assets information based on geographical location of customers and assets respectively are as follows:

	Geographical location		
	Singapore	Indonesia	Total
	S$'000	**S$'000**	**S$'000**
2023			
Revenue	**30,563**	**747**	**31,310**
Non-current assets	**8,260**	**–**	**8,260**
2022			
Revenue	32,019	12,777	44,796
Non-current assets	7,560	–	7,560

Information about major customers

Revenue from 2 major customers amounted to S$10,677,000 (2022 – 3 customers amounted to S$14,737,000) arising from revenue of the logistics segment.

30 CONTINGENCIES

Guarantees

The Group

The Group has provided the following guarantees at the end of the reporting period.

(i) Guarantee to landlord on the rental obligation taken by subsidiaries of S$729,000 (2022 – S$707,000); and

(ii) Guarantee to a vendor and customers for a performance bond of S$663,000 (2022 – S$663,000).

The Company

Intra-group financial transactions comprise corporate guarantees amounting to S$189,000 (2022 – S$934,000) granted by the Company to financial institutions in respect of banking facilities to secure banking facilities provided to certain subsidiaries. The financial guarantees will expire when the loans have been paid and discharged and/or when the banking facilities are no longer available to the subsidiaries. These financial guarantee contracts are accounted for under SFRS(I) 9. The principal risk to which the Company is exposed is credit risk in connection with the guarantee contracts it has issued. The credit risk represents the loss that would be recognised upon a default by the subsidiaries on behalf of which the guarantees were given. The impact of the fair value accounting of the intra-group financial guarantees extended is not significant.

31 FINANCIAL RISK MANAGEMENT

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance. The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks included credit risk, liquidity risk, interest rate risk and foreign currency risk.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner. There has been no significant change in the Group's exposure to these risks or the manner in which it manages and measures risks.

The Group does not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign exchange.

31.1 Credit risk

Credit risk refers to the risk that counterparties may default on their contractual obligations resulting in financial loss to the Group.

The Group's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and short-term deposits), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. For transactions that do not occur in the country of the relevant operating unit, the Group does not offer credit terms without the approval of the Finance Head and Operational Heads in the respective entities.

31 FINANCIAL RISK MANAGEMENT (CONTINUED)

31.1 Credit risk (Continued)

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments within 90 days when they fall due, which are derived based on the Group's historical information. To assess whether there is a significant increase in credit risk, the company compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition.

The Group considers available reasonable and supportive forward-looking information which includes the following indicators:

– Internal credit rating

– External credit rating

– Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations

– Actual or expected significant changes in the operating results of the borrower

– Significant increases in credit risk on other financial instruments of the same borrower

– Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements

– Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the group and changes in the operating results of the borrower.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Group determines that its financial assets are credit-impaired when:

– There is significant difficulty of the issuer or the borrower;

– A breach of contract, such as a default or past due event;

– It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or

– There is a disappearance of an active market for that financial asset because of financial difficulty.

Management categorises a loan or receivable for potential recognition of impairment loss when a debtor fails to make contractual payments more than 120 days past due. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans and receivables have been written off, the company continues to engage enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in the statement of comprehensive income.

31 FINANCIAL RISK MANAGEMENT (CONTINUED)

31.1 Credit risk (Continued)

The following are credit risk management practices, quantitative and qualitative information about amounts arising from ECL for each class of financial assets.

(i) Trade receivables

The Group provides for lifetime ECL for all trade receivables using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed based on days past due by grouping of customers based on geographical region.

As the Group's credit exposure is monitored on an ongoing basis, the Group has determined that the ECL on trade receivables is insignificant.

Exposure to credit risk

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the end of the reporting period is as follows:

The Group	2023		2022	
	S$'000	**%**	**S$'000**	**%**
By country:				
Singapore	**7,146**	**100**	7,568	100
	7,146	**100**	7,568	100

At the end of the reporting period, approximately 52% (2022 – 64%) of the Group trade receivables were due from 5 (2022 – 5) major customers who are located in Singapore, respectively.

(ii) Other receivables

The Group provides ECL on other receivables using the 3-stage ECL approach. In determining ECL for other receivables, the Group derives the difference between contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, including cash flows from the sale of collateral and considers events such as significant adverse changes in financial conditions of the debtors and determined that significant increase in credit risk occur when there are changes in the risk that the specific debtor will default on the payments. During the financial year, the Group wrote-off S$6,000 (2022 – S$59,000) of non-trade receivables which were more than 120 days past due as the Group does not expect to receive future cash flows.

31 FINANCIAL RISK MANAGEMENT (CONTINUED)

31.1 Credit risk (Continued)

(ii) Other receivables (Continued)

Financial assets that are neither past due nor credit-impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group. Cash and short-term deposits which are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

31.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group and the Company are not exposed to variability in changes in interest rates as the interest rates in respect of lease liabilities (Note 14) and the loans and borrowings (Note 16) were fixed at the contract date.

31.3 Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to movement in foreign exchange rates.

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of the Group entities, primarily USD. The Group does not enter into forward foreign currency contracts to hedge against its foreign currency risk resulting from sale and purchase transactions denominated in foreign currencies. The Group manages the risk by a policy to maintain its revenue based on the respective functional currencies of the Group entities.

At the end of the reporting period, 100% (2022 – 97%) of the Group's sales are denominated in the respective Group's entities' functional currencies.

Sensitivity analysis for foreign currency risk

A 5% (2022 – 5%) strengthening/weakening of USD against the respective functional currencies of the Group entities at the reporting date are not considered significant.

The Group does not hedge its currency exposure arising from investments in foreign subsidiaries as they are considered to be long term in nature.

31.4 Liquidity risk

Liquidity or funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group's long-term liquidity risk management policy is that to maintain sufficient liquid financial assets and stand-by credit facilities with banks. At the end of the reporting period, approximately 34.9% (2022 – 78.8%) of the Group's loans and borrowings (Note 16) and lease liabilities (Note 14) will mature in less than one year based on the carrying amount reflected in the financial statements.

31 FINANCIAL RISK MANAGEMENT (CONTINUED)

31.4 Liquidity risk (Continued)

Analysis of financial instruments by remaining contractual maturities (all at amortised cost)

The table below summarises the maturity profile of the Group's and the Company's financial assets used for managing liquidity risk and financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

The Group	Carrying amount	Contractual undiscounted cash flows Less than 1 year	1 to 5 years	Total
	S$'000	S$'000	S$'000	S$'000
31 December 2023				
Financial assets:				
Other receivables (Note 7)	**470**	**470**	**–**	**470**
Trade receivables (Note 8)	**7,146**	**7,146**	**–**	**7,146**
Cash and bank balances (Note 9)	**14,865**	**14,865**	**–**	**14,865**
Total undiscounted financial assets	**22,481**	**22,481**	**–**	**22,481**
Financial liabilities:				
Lease liabilities (Note 14)	**5,456**	**1,965**	**3,889**	**5,854**
Loans and borrowings (Note 16)	**189**	**190**	**–**	**190**
Other payables (Note 18)	**2,311**	**2,311**	**–**	**2,311**
Trade payables (Note 19)	**2,184**	**2,184**	**–**	**2,184**
Total undiscounted financial liabilities	**10,140**	**6,650**	**3,889**	**10,539**
Total net undiscounted financial assets/(liabilities)	**12,341**	**15,831**	**(3,889)**	**11,942**
31 December 2022				
Financial assets:				
Other receivables (Note 7)	513	513	–	513
Trade receivables (Note 8)	7,568	7,568	–	7,568
Cash and bank balances (Note 9)	16,216	16,216	–	16,216
Total undiscounted financial assets	24,297	24,297	–	24,297
Financial liabilities:				
Lease liabilities (Note 14)	4,983	4,047	1,107	5,154
Loans and borrowings (Note 16)	934	762	189	951
Other payables (Note 18)	2,805	2,805	–	2,805
Trade payables (Note 19)	1,974	1,974	–	1,974
Total undiscounted financial liabilities	10,696	9,588	1,296	10,884
Total net undiscounted financial assets/(liabilities)	13,601	14,709	(1,296)	13,413

31 FINANCIAL RISK MANAGEMENT (CONTINUED)

31.4 Liquidity risk (Continued)

Analysis of financial instruments by remaining contractual maturities (all at amortised cost) (Continued)

The Company	Carrying amount	Contractual undiscounted cash flows Less than 1 year	1 to 5 years	Total
	S$'000	S$'000	S$'000	S$'000
31 December 2023				
Financial assets:				
Other receivables (Note 7)	**2,156**	**2,156**	**–**	**2,156**
Cash and bank balances (Note 9)	**8,606**	**8,606**	**–**	**8,606**
Total undiscounted financial assets	**10,762**	**10,762**	**–**	**10,762**
Financial liabilities:				
Lease liabilities (Note 14)	**294**	**57**	**284**	**341**
Loans and borrowings (Note 16)	**4,666**	**–**	**5,063**	**5,063**
Other payables (Note 18)	**3,648**	**3,648**	**–**	**3,648**
Total undiscounted financial liabilities	**8,608**	**3,705**	**5,347**	**9,052**
Total net undiscounted financial assets/(liabilities)	**2,154**	**7,057**	**(5,347)**	**1,710**
31 December 2022				
Financial assets:				
Other receivables (Note 7)	6,074	6,074	–	6,074
Cash and bank balances (Note 9)	7,210	7,210	–	7,210
Total undiscounted financial assets	13,284	13,284	–	13,284
Financial liabilities:				
Lease liabilities (Note 14)	10	4	6	10
Loans and borrowings (Note 16)	5,042	–	5,508	5,508
Other payables (Note 18)	3,176	3,176	–	3,176
Total undiscounted financial liabilities	8,228	3,180	5,514	8,694
Total net undiscounted financial assets/(liabilities)	5,056	10,104	(5,514)	4,590

The table below shows the contractual expiry by maturity of the Group's and the Company's financial guarantee contracts. The maximum amounts of the financial guarantee contracts are allocated to the earliest period in which the guarantees could be called.

The Group	Less than 1 year	1 to 5 years	Total
	S$'000	S$'000	S$'000
31 December 2023			
Financial guarantees	**1,105**	**287**	**1,392**
31 December 2022			
Financial guarantees	1,187	183	1,370

31 FINANCIAL RISK MANAGEMENT (CONTINUED)

31.4 Liquidity risk (Continued)

Analysis of financial instruments by remaining contractual maturities (all at amortised cost) (Continued)

The Company	Less than 1 year	1 to 5 years	Total
	S$'000	S$'000	S$'000
31 December 2023			
Financial guarantees	**189**	**–**	**189**
31 December 2022			
Financial guarantees	745	189	934

31.5 Price risk

Price risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices, whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market. The Company and the Group do not hold any quoted or marketable financial instruments, and hence is not exposed to risk from any movement in market prices.

32 FAIR VALUES MEASUREMENT

Definition of fair value

SFRS(I)s define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value measurement of financial instruments

Fair value hierarchy

The carrying values of financial assets and liabilities with a maturity of less than one year approximate their fair values because of the short period to maturity.

The fair values of the non-current financial liabilities (loans and borrowings) are calculated based on discounted expected future principal and interest cash flows. The discount rates used are based on market rates for similar instruments at the end of the financial year. As at the end of the financial year, the fair values of these non-current financial liabilities approximate their carrying amounts.

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Company can access at the measurement date,
- Level 2 – Inputs order that quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. There was no transfer from Level 1 and Level 2 to Level 3 during the financial years ended 31 December 2023 and 2022.

33 CAPITAL MANAGEMENT

The Company's and the Group's objectives when managing capital are:

(a) To safeguard the Company's and the Group's ability to continue as a going concern, so that it continues to provide returns for shareholders and benefits for other stakeholders;

(b) To support the Company's and the Group's stability and growth; and

(c) To provide capital for the purpose of strengthening the Company's and the Group's risk management capability.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholders returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. The Group currently does not adopt any formal dividend policy.

There were no changes in the Group's and the Company's approach to capital management during the financial year. The Group and the Company are not subject to externally imposed capital requirements, other than those as disclosed in Note 16.

STATISTICS OF
SHAREHOLDINGS

AS AT 15 MARCH 2024

ANALYSIS OF SHAREHOLDINGS AS AT 15 MARCH 2024

Issued and fully paid-up shares (excluding treasury shares)	:	2,312,860,188
Class of shares	:	Ordinary shares
Voting rights	:	One vote per share
Number of Treasury Shares	:	1,807,215

DISTRIBUTION OF SHAREHOLDERS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	21	1.32	423	–
100 – 1,000	82	5.17	62,249	–
1,001 – 10,000	465	29.30	3,032,922	0.13
10,001 – 1,000,000	933	58.79	107,983,411	4.67
1,000,001 AND ABOVE	86	5.42	2,201,781,183	95.20
TOTAL	1,587	100.00	2,312,860,188	100.00

SUBSTANTIAL SHAREHOLDERS

	Direct Interest	%	Deemed Interest	%	Total Interest	%
Aditya Wisnuwardana Seky Soeryadjaya[(1)]	–	–	116,656,053	5.04	116,656,053	5.04

NOTES:

(1) Based on the Form 3 (Notification Form for Substantial Shareholder(s)/Unitholder(s) in respect of Interests in Securities) ("Form 3") received by the Company on 02 September 2022, Mr Aditya Wisnuwardana Seky Soeryadjaya has a deemed interest in the 3,505,201 shares registered in the name of JP Morgan Nominees Private Limited of which 172,200 shares are held on trust by Redmount Holdings Limited, 5,451,652 shares registered in the name of DB Nominees (Singapore) Pte Ltd, and a deemed interest in the 107,699,200 shares held by Telecour Limited ("Telecour") pursuant to Section 7(4) of the Companies Act, through his position as the sole Director and Shareholder of Telecour.

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

Approximately 94.00% of the Company's shares are held in the hands of the public (on the basis of information available to the Company). Accordingly the Company has complied with Rule 723 of the Listing Manual of the SGX-ST.

TREASURY SHARES

The total number of treasury shares held as at 15 March 2024 is 1,807,215 shares, approximately 0.08% of the total number of issued shares (excluding treasury shares).

AS AT 15 MARCH 2024

TWENTY-ONE LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	PHILLIP SECURITIES PTE LTD	462,608,096	20.00
2	UOB KAY HIAN PTE LTD	242,034,231	10.46
3	LIM AND TAN SECURITIES PTE LTD	230,077,700	9.95
4	ENECO INVESTMENT PTE LTD	96,800,000	4.19
5	RAFFLES NOMINEES (PTE) LIMITED	75,912,900	3.28
6	MAYBANK SECURITIES PTE. LTD.	68,128,600	2.95
7	KHOO THOMAS CLIVE	59,570,600	2.58
8	CHUA SAN CHONG	56,277,800	2.43
9	ANG POON BENG	50,000,000	2.16
10	BNP PARIBAS NOMINEES SINGAPORE PTE LTD	47,145,500	2.04
11	LOI KUAN LOONG	46,800,000	2.02
12	CHEE TUCK HONG	45,000,000	1.95
13	WONG HONG ENG	45,000,000	1.95
14	YANG XIANZHENG	45,000,000	1.95
15	TAN ENG LEE	44,000,000	1.90
16	IFAST FINANCIAL PTE LTD	36,434,800	1.58
17	KARJADI TJUGITO	35,000,000	1.51
18	LIOW THIAM BOCK	32,000,000	1.38
19	KEN TAN KHIM SING	31,370,000	1.36
20	CHAN TIANG LAN	30,000,000	1.30
21	NG LEE ENG	30,000,000	1.30
	TOTAL	**1,809,160,227**	**78.24**

STATISTICS OF ***WARRANTHOLDINGS***

AS AT 15 MARCH 2024

DISTRIBUTION OF WARRANTHOLDINGS

SIZE OF WARRANTHOLDINGS	NO. OF WARRANTHOLDERS	%	NO. OF WARRANTS	%
1 – 99	–	–	–	–
100 – 1,000	–	–	–	–
1,001 – 10,000	–	–	–	–
10,001 – 1,000,000	–	–	–	–
1,000,001 AND ABOVE	36	100.00	1,658,000,000	100.00
TOTAL	**36**	**100.00**	**1,658,000,000**	**100.00**

TWENTY-FIVE LARGEST WARRANTHOLDERS

NO.	NAME	NO. OF WARRANTS	%
1	LEE SER KOON	95,000,000	5.73
2	LU LIFANG	90,000,000	5.43
3	NG LEE ENG	75,000,000	4.52
4	CHUA SAN CHONG	70,000,000	4.22
5	CHONG AI KIM	45,000,000	2.71
6	CHONG SOOK CHIN	45,000,000	2.71
7	CHRISTOPHER LOW JUNYAN	45,000,000	2.71
8	CHUA CHUAN SENG	45,000,000	2.71
9	DARWIN LIMAN	45,000,000	2.71
10	DENNIS LEE TUCK WING	45,000,000	2.71
11	FRANKI	45,000,000	2.71
12	FU LIJUN	45,000,000	2.71
13	JOEL LOI WEN BIN	45,000,000	2.71
14	KARJADI TJUGITO	45,000,000	2.71
15	LOI KUAN LOONG	45,000,000	2.71
16	TAN ENG LEE	45,000,000	2.71
17	TAN HWEE KOK	45,000,000	2.71
18	TAN JUN KAH, DERRICK	45,000,000	2.71
19	TAN JUN LIP DARREN	45,000,000	2.71
20	TAN JUN YEE	45,000,000	2.71
21	TAN SIEW BOON	45,000,000	2.71
22	TENG WAH HENG	45,000,000	2.71
23	VERONICA SAMANTHA HAN MAY LING	45,000,000	2.71
24	WONG HONG ENG	45,000,000	2.71
25	XIE RONGYAN	45,000,000	2.71
	TOTAL	**1,275,000,000**	**76.81**

DISCLOSURE OF INFORMATION ON
DIRECTORS SEEKING RE-ELECTION

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the following are the information relating to the directors seeking re-election at the forthcoming Annual General Meeting as recommended by the Nominating Committee ("**NC**") and the Board, as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST:

	MR COLIN PETER MORAN	MR KOJI YOSHIHARA	MR NGO YIT SUNG
Date of first appointment	28 June 2019	14 December 2018	10 July 2023
Date of last re-appointment	28 April 2022	28 April 2021	–
Age	62	61	43
Country of principal residence	Australia	Japan	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity consideration, and the search and nomination process)	The Board of Directors (the "**Board**") concurs with the recommendation of Nominating Committee (the "**NC**") and is of the view that based on his qualifications and work experience, Mr Moran will be able to contribute positively to the Group and the Board.	The Board concurs with the recommendation of the NC and is of the view that based on his qualifications and work experience, Mr Yoshihara will be able to contribute positively to the Group. Mr Yoshihara is nominated by Eneco Investment Pte. Ltd. as Non-Independent Non-Executive Director of the Company.	The Board of Directors (the "**Board**") concurs with the recommendation of Nominating Committee (the "**NC**") and is of the view that based on his qualifications and work experience, Mr Ngo will be able to contribute positively to the Group and the Board.
Whether appointment is executive, and if so, the area of responsibility	Executive	Non-Executive	Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director	Non-Independent Non-Executive Director	Executive Director
Professional qualifications	Diploma in Business Studies from the Port Adelaide College of TAFE	Bachelor of Liberal Arts (Social Science, International Economics and Politics) from the International Christian University, Tokyo	Bachelor of Engineering (First Class Honours) in Electrical (Mechatronics) from Universiti Teknologi Malaysia, and a Ph.D. degree in Electrical and Computer Engineering from the National University of Singapore (NUS).

DISCLOSURE OF INFORMATION ON ***DIRECTORS SEEKING RE-ELECTION***

	MR COLIN PETER MORAN	**MR KOJI YOSHIHARA**	**MR NGO YIT SUNG**
Working experience and occupation(s) during the past 10 years	Director of the following companies:– • RichLand Chemical Logistics Pte Ltd • RichLand Logistics Services Pte Ltd • RichLand Global Pte Ltd • Wowz Entertainment Pte Ltd • RWB Marine Australia Pty Ltd • Eneco Singapore Pte td • REL Oil & Gas Pte Ltd • Ramba Energy Investment Limited • Ramba Energy Indonesia Limited • Ramba Energy Exploration Limited • Eneco Refresh Limited (Non-Executive Director) • Comoranich Family Trust • 1220 Umbrella Investments Pty Ltd • RWB Corporation Pty Ltd • Milde Marine Pty Ltd Commissioner of the following companies:– • PT RichLand Indonesia • PT RichLand Logistics Indonesia	<u>June 2011 to Present</u> • Eneco Investment, Inc. – Head of International Business Development Office <u>October 2016 to May 2021</u> • Neo Emulsion Tech Inc. (formerly called Eneco Holdings, Inc.) – General Manager <u>January 2016 to September 2016</u> • Pactera Consulting Japan Co., Ltd. – Consulting Division, Head of M&A Consulting Practice Group <u>April 2014 to December 2015</u> • Tsuneishi Kamtecs Corporation – Executive Officer, Planning Division – Overseas Business Group • Tsuneishi Kamtecs (Thailand) Co., Ltd. – President • Tsuneishi Alliance Solutions Limited (Bangladesh) – Managing Director <u>October 2013 to March 2014</u> • Daiwa Securities Group Inc., Daiwa Securities Co. Ltd. – Executive Director, Internal Audit Department	<u>April 2021 to February 2023</u> • TOTM Technologies Limited – Executive Director <u>December 2020 to April 2021</u> • TOTM Technologies Limited – Business Development Manager <u>October 2012 to February 2021</u> • Sino-Lion Communications Pte Ltd – Director
Shareholding interest in the listed issuer and its subsidiaries	5,031,906 shares 12,000,000 Options in Shares	6,000,000 Options in Shares	Nil

DISCLOSURE OF INFORMATION ON *DIRECTORS SEEKING RE-ELECTION*

	MR COLIN PETER MORAN	MR KOJI YOSHIHARA	MR NGO YIT SUNG
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
Conflict of Interest (including any competing business)	No	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes
Other Principal Commitments* Including Directorships# Past (for the last 5 years)	<u>Past</u> • RichLand Chemical Logistics Pte Ltd • RichLand Logistics Services Pte Ltd • RichLand Global Pte Ltd • Eneco Singapore Pte td • REL Oil & Gas Pte Ltd • Ramba Energy Investment Limited • Ramba Energy Indonesia Limited • Ramba Energy Exploration Limited • PT RichLand Indonesia • PT RichLand Logistics Indonesia	<u>Past</u> • Agricore Corporation, Director • Global Fitness Japan Co., Ltd, Member	<u>Past</u> • TOTM Technologies Limited • International Biometrics Pte. Ltd. • Netlink VJ Pte. Ltd.
Present	<u>Present</u> • Wowz Entertainment Pte Ltd • RWB Marine Australia Pty Ltd • RWB Corporation Pty Ltd • Milde Marine Pty Ltd • Eneco Refresh Limited (Chairman effective December 2023) • Comoranich Family Trust • 1220 Umbrella Investments Pty Ltd	<u>Present</u> • Eneco Refresh Limited, Director • Eneco Investment Pte Ltd, Director	<u>Present</u> • RichLand Logistics Services Pte Ltd • World Precision Machinery Limited

DISCLOSURE OF INFORMATION ON *DIRECTORS SEEKING RE-ELECTION*

	MR COLIN PETER MORAN	MR KOJI YOSHIHARA	MR NGO YIT SUNG
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
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
c) Whether there is any unsatisfied judgment against him?	No	No	No

	MR COLIN PETER MORAN	MR KOJI YOSHIHARA	MR NGO YIT SUNG
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
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
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

DISCLOSURE OF INFORMATION ON *DIRECTORS SEEKING RE-ELECTION*

	MR COLIN PETER MORAN	MR KOJI YOSHIHARA	MR NGO YIT SUNG
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
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
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
j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No

	MR COLIN PETER MORAN	MR KOJI YOSHIHARA	MR NGO YIT SUNG
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 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

NOTICE OF
ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of Eneco Energy Limited (the "**Company**") will be held at HomeTeamNS Bedok Reservoir Clubhouse, Thinking Space 3, Level 3, 900 Bedok North Rd, Singapore 479994 on Tuesday, 23 April 2024 at 10.00 a.m. (Singapore time) for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company and the Group for the financial year ended 31 December 2023 together with the Auditors' Report thereon.

   (Resolution 1)

2. To re-elect the following Directors of the Company retiring pursuant to the Constitution of the Company:

   (i) Colin Peter Moran (Article 111) **(Resolution 2)**

   (ii) Koji Yoshihara (Article 111) **(Resolution 3)**

   (iii) Ngo Yit Sung (Article 122) **(Resolution 4)**

   [See Explanatory Note (i), (ii) and (iii)]

3. To approve the payment of Directors' fees up to S$221,600 for the financial year ending 31 December 2024. [FY2023: S$221,600]

   (Resolution 5)

4. To re-appoint Messrs Foo Kon Tan LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration.

   (Resolution 6)

5. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

6. **Ordinary Resolution**

   Authority to Issue Shares

   (Resolution 7)

   That pursuant to Section 161 of the Companies Act 1967 ("**Companies Act**") and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Directors of the Company be authorised and empowered 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 of the Company 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 of the Company while this Resolution was in force,

   (the "***Share Issue Mandate***")

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) and Instruments to be issued pursuant to this Resolution shall not exceed 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 sub-paragraph (2) below), of which the aggregate number of shares and Instruments to be issued other than on a pro-rata basis to existing shareholders of the Company shall not exceed 20% 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);

(2) (subject to such calculation as may be prescribed by SGX-ST) for the purpose of determining the aggregate number of shares and Instruments that may be issued under sub-paragraph (1) above, the percentage of issued shares and Instruments shall be based on the 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:–

    (i) new shares arising from the conversion or exercise of the Instruments or any convertible securities;

    (ii) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time of the passing of the resolution, provided the options or awards were granted in compliance with Part VIII of Chapter 8; and

    (iii) any subsequent bonus issue, consolidation or subdivision of shares.

(3) in exercising the Share Issue Mandate conferred by this Resolution, the Company shall comply with the provision of the Listing Manual of SGX-ST for the time being in force (unless such compliance has been waived by SGX-ST) and the Constitution of the Company; and

(4) unless revoked or varied by the Company in a general meeting, the Share Issue Mandate shall continue in force until: (i) 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; or (ii) in the case of shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such shares in accordance with the terms of the Instruments.

[See Explanatory Note (iv)]

7. **Ordinary Resolution**

Authority to issue shares under the Eneco Group Share Option Scheme 2017 ("EGSOS 2017")

(Resolution 8)

That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to offer and grant options ("Options") under the EGSOS 2017 and to allot and 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 EGSOS 2017, 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 EGSOS 2017 shall not exceed 15% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, but subject to the aggregate number of shares available under all schemes including share award/share plans (as defined in "Resolution 8") must not exceed 15% of the total number of issued shares (excluding treasury shares and subsidiary holdings) 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 (v)]

8. **Ordinary Resolution**

Authority to issue shares under the Eneco Group Performance Share Plan 2017 ("EGPSP 2017")

(Resolution 9)

That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to offer and grant awards ("Awards") in accordance with the provision of EGPSP 2017 and to issue and/or deliver from time to time such number of shares in the capital of the Company (excluding treasury shares and subsidiary holdings) as may be required to be issued and/or delivered pursuant to the respective EGPSP 2017 shall not exceed 15% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, but subject to the aggregate number of shares available under all schemes including share award/share plans must not exceed 15% of the total number of issued shares (excluding treasury shares and subsidiary holdings) 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 (vi)]

By Order of the Board

Tong Shan
Company Secretary

8 April 2024

Explanatory Notes:

(i) Mr Colin Peter Moran will, upon re-election as Director of the Company, be considered as an executive, non-independent director.

(ii) Mr Koji Yoshihara will, upon re-election as Director of the Company, be considered as a non-executive, non-independent director.

(iii) Mr Ngo Yit Sung will, upon re-election as Director of the Company, be considered as an executive, non-independent director.

(iv) The Ordinary Resolution 7 in item 6 above, if passed, will empower the Directors of the Company 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, 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to 20% may be issued other than on a pro-rata basis to existing shareholders of the Company.

For the purpose of determining the aggregate number of shares that may be issued, the percentage of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings) 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 the conversion or exercise of the Instruments or any convertible securities or the exercise of share options or the vesting of share awards outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent consolidation or subdivision of shares.

(v) The Ordinary Resolution 8 in item 7 above, if passed, will empower the Directors of the Company, effective from the date of this AGM 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 EGSOS 2017 up to a number not exceeding in total (for the entire duration of the EGSOS 2017) 15% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time, but subject to the aggregate number of shares available under all schemes including the Awards (as defined in "Resolution 9") must not exceed 15% of the total number of issued shares (excluding treasury shares and subsidiary holdings) from time to time.

(vi) The Ordinary Resolution 9 in item 8 above, if passed, will empower the Directors of the Company, effective from the date of this AGM 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 vesting of awards under the, EGSOS 2017 (as defined in "Resolution 8") EGPSP 2017 (as defined in "Resolution 9"), and other share-based incentive schemes of the Company up to a number not exceeding in total (for the entire duration of the EGPSP 2017) 15% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time, but subject to the aggregate number of shares available under all schemes including share award/share plans must not exceed 15% of the total number of issued shares (excluding treasury shares) from time to time.

Notes:

1. The AGM will be held in a wholly physical format, at the venue, date and time stated above. **There will be no option for members to participate virtually.** Printed copies of this Notice of AGM and the accompanying proxy form as well as a request form for the members to opt receive hard copy of the Annual Report, will be sent by post to members. These documents as well as the Annual Report will also be published on the SGXNet website at the URLs https://www.sgx.com/securities/company-announcements. Members, including CPF and SRS investors, are able to ask questions and vote at the AGM in person, or by appointing proxy(ies) and representative(s) to do so on their behalf.

2. A member of the Company (other than a "**Relevant Intermediary**") entitled to attend, speak and vote at the Annual General Meeting of the Company is entitled to appoint Chairman of the Annual General Meeting or not more than two proxies to attend, speak and vote in his/her stead. A proxy need not be a shareholder of the Company. Where a member appoints more than one proxy, he/she shall specify the proportion of his/her shares to be represented by each such proxy, failing which the nomination shall be deemed to be alternative.

   A **Relevant Intermediary** may appoint more than two proxies provided that each proxy must be appointed to exercise the rights attached to different shares held by him (which number and class of shares shall be specified). Where such member's proxy form appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.

   "**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967:

   (a) a banking corporation licensed under the Banking Act 1970 or its wholly-owned subsidiary which provides nominee services and holds shares in that capacity;

   (b) a capital markets services licence holder which provides custodial services for securities under the Securities and Futures Act 2001 and holds shares in that capacity; or

   (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

3. The Proxy Form must be executed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

4. Where the Proxy Form is signed on behalf of the appointor by an attorney, the power of attorney or a duly certified copy thereof must (failing previous registration with the Manager), be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.

5. Members are advised to give specific instructions as to voting or abstentions from voting on the resolutions set out in the Proxy Form. The Proxy Form attached to the Notice of AGM can be downloaded from the Company's announcement on SGXNet from https://www.sgx.com/securities/company-announcements.

6. The deposit of an instrument of proxy does not preclude a member concerned from attending and voting in person at the meeting, as well as for any adjournment of the meeting to which it relates. In such an event, the appointment of the proxy(ies) is deemed to be revoked by the member concerned at the point when the member attends the AGM.

7. The proxy form must be submitted to in the following manner:

   a. if submitted by post, be lodged at the Company's Share Registrar, Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte. Ltd.) at 9 Raffles Place, #26-01 Republic Plaza, Singapore 048619; or

   b. if submitted electronically, be submitted via email to sg.is.proxy@sg.tricorglobal.com

   in either case, by 20 April 2024, 10.00 a.m., being 72 hours before the time fixed for the AGM.

   A member who wishes to submit a proxy form must complete and sign the proxy form, before submitting it by post to the address provided above, or before sending it by email to the email address provided above.

   Members are strongly encouraged to submit completed proxy forms electronically via email.

8. Members, including CPF/SRS investors, who hold shares through their relevant intermediaries (as defined in Section 181 of the Act), which would include in the case of CPF/SRS investors, their respective CPF Agent Banks/SRS Operators, may:

   (a) vote at the AGM if they are appointed as proxies by their relevant intermediaries (including CPF Agent Banks or SRS Operators) and should contact them if they have any queries regarding their appointment as proxies; or

   (b) appoint the Chairman of the AGM as proxy to vote on their behalf;

   in which case, they should approach their relevant intermediaries to submit their voting instructions by **Friday, 12 April 2024 at 10.00 a.m.**, being at least seven (7) working days before the AGM.

9. The Company shall be entitled to reject the Proxy Form 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 proxy (including any related attachment) (such as in the case where the appointor submits more than one instrument appointing proxy). In addition, in the case of members whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing proxy lodged if such members are not shown to have shares entered against their names in the Depository Register as at seventy-two (72) hours before the time appointed for the AGM, as certified by The Central Depository (Pte) Limited to the Company.

10. Submission of Questions

   Members, including CPF and SRS investors may submit questions related to the resolutions to be tabled for approval at the AGM in advance of the AGM. Members, CPF and SRS investors may submit questions electronically by **Monday, 15 April 2024 at 10.00 a.m.** in the following manner:

   a. if submitted by **email**, to be received by the Company at email to info@enecoenergy.com; or

   b. if submitted by **post**, be deposited at the 300 Tampines Avenue 5, #05-02, Singapore 529653.

   Members who submit questions via email or by post to the Company must provide the following information:

   (a) the member's full name;

   (b) NRIC/Passport Number;

   (c) the member's address; and

   (d) the manner in which the member holds Shares in the Company (e.g., via CDP, scrip, CPF or SRS).

11. Addressing questions

   The Company will address all substantial and relevant questions raised at the AGM during the AGM itself and will address all substantial and relevant questions submitted in advance of the AGM by 18 April 2024. The Company will publish the minutes of the AGM on the SGX-ST's website within one month after the AGM and the minutes will include the responses to the substantial and relevant questions which are addressed during the AGM.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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ENECO ENERGY LIMITED
Company Registration No. 200301668R
(Incorporated in the Republic of Singapore)

PROXY FORM
(Please see notes overleaf before completing this Form)

IMPORTANT:
1. The 2024 Annual General Meeting of ENECO ENERGY LIMITED (the "Company") ("AGM" or the "Meeting") will be held in a wholly physical format on Tuesday, 23 April 2024 at HomeTeamNS Bedok Reservoir Clubhouse, Thinking Space 3, Level 3, 900 Bedok North Rd, Singapore 479994 at 10.00 a.m. There will be no option for members to participate virtually.
2. Investors (including CPF and SRS investors) who wish to vote should approach their relevant intermediaries (including CPF Agent Banks or SRS Operators) as soon as possible to submit their voting instructions by Friday, 12 April 2024, 10.00 a.m., being at least seven (7) working days before the AGM.
3. By submitting an instrument on the appointment of proxy(ies), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 8 April 2024.
4. Please read the notes overleaf which contain instructions on, inter alia, the appointment of proxy(ies) by members.
5. An investor who holds shares under the Central Provident Fund Investment Scheme ("**CPF Investor**") and/or the Supplementary Retirement Scheme ("**SRS Investors**") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.
6. This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We*, ______________________________ (Name) ______________ (NRIC/Passport No.)

of ____ (Address)

being a member/members of Eneco Energy Limited (the "**Company**"), hereby appoint:–

Name	NRIC Passport No.	Email Address	Proportion of Shareholdings	
			No. of Shares	%
Address				

and/or (delete as appropriate)

Name	NRIC Passport No.	Email Address	Proportion of Shareholdings	
			No. of Shares	%
Address				

or failing him/her*, or either or both of the persons, referred to above, the Chairman of the AGM as *my/our proxy to attend, speak and vote for *me/us on *my/our behalf at the AGM held by electronic means on Tuesday, 23 April 2024 at 10.00 a.m. (Singapore time) and at any adjournment thereof.

*I/We direct *my/our proxy to vote for or against, or abstain the Ordinary Resolutions proposed at the AGM as indicated hereunder.

Voting would be conducted by poll. Please indicate your vote "For" or "Against" or "Abstain" with a tick [√] within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for a particular resolution, you are directing your proxy(ies) not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.

Note: In the absence of specific directions in respect of a resolution, the appointment of your proxy for that resolution will be treated as invalid.

No.	Resolutions relating to:	**For	**Against	**Abstained
1.	Audited Financial Statements for the financial year ended 31 December 2023			
2.	Re-election of Mr Colin Peter Moran as a Director			
3.	Re-election of Mr Koji Yoshihara as a Director			
4.	Re-election of Mr Ngo Yit Sung as a Director			
5.	Approval of Directors' fees amounting to S$221,600 for the financial year ending 31 December 2024			
6.	Re-appointment of Messrs Foo Kon Tan LLP as Auditors and authority to Directors to fix remuneration			
7.	Authority to issue shares			
8.	Authority to issue shares under Eneco Group Share Option Scheme 2017			
9.	Authority to issue shares under Eneco Group Performance Share Plan 2017			

Dated this ________ day of ________________ 2024

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

____
Signature of Shareholder(s)
or Common Seal of Corporate Shareholder

**Delete where inapplicable*

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 of Singapore), 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 a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A member of the Company (other than a Relevant Intermediary*), entitled to attend and vote at a meeting of the Company is entitled to appoint one (1) or two (2) proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
3. Where a member (other than a Relevant Intermediary*) appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. A Relevant Intermediary may appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number or class of shares shall be specified).
5. Subject to note 7, completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.
6. The Proxy Form must be deposited to the Company **by 10:00 a.m. on Saturday, 20 April 2024** (being not less than seventy-two (72) hours before the time fixed for the AGM) either:

   (i) by email to sg.is.proxy@sg.tricorglobal.com; or

   (ii) by post to the Company's Share Registrar, Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte. Ltd.) at 9 Raffles Place, #26-01 Republic Plaza, Singapore 048619.

   In appointing the Chairman of the AGM as proxy, a member of the Company must give specific instructions as to voting, or abstentions from voting, in respect of a resolution, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.
7. Where a Proxy Form is executed by an individual, it must be executed under the hand of the individual or his/her attorney duly authorised in writing. Where a Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or officer duly authorised in writing.
8. Where a Proxy Form is signed on behalf of an individual or a corporation, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be submitted to the Company together with the Proxy Form, failing which the Proxy Form may be treated as invalid.

AFFIX
STAMP

The Share Registrar of Eneco Energy Limited
TRICOR BARBINDER SHARE REGISTRATION SERVICES
(A division of Tricor Singapore Pte. Ltd.)
9 Raffles Place,
#26-01 Republic Plaza,
Singapore 048619

9. The Company shall be entitled to reject a Proxy Form if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form.
10. Members, including CPF/SRS investors, who hold shares through their relevant intermediaries (as defined in Section 181 of the Act), which would include in the case of CPF/SRS investors, their respective CPF Agent Banks/SRS Operators, may:

    (a) vote at the AGM if they are appointed as proxies by their relevant intermediaries (including CPF Agent Banks or SRS Operators) and should contact them if they have any queries regarding their appointment as proxies; or

    (b) appoint the Chairman of the AGM as proxy to vote on their behalf;

    in which case, they should approach their relevant intermediaries to submit their voting instructions by Friday, 12 April 2024 at 10:00 a.m., being at least seven (7) working days before the AGM.

* A Relevant Intermediary is:

(a) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or

(c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 8 April 2024.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies 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 a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.