metis
ENERGY

COMMITTED TO BUILDING
A BETTER WORLD

ANNUAL REPORT 2023

CONTENTS

CHAIRMAN'S STATEMENT

Dear Shareholders,

ACCELERATION INTO METIS ENERGY

With the strong support from our shareholders and colleagues, Metis Energy Limited ("Metis") continues its journey as a leading Developer, Owner and Operator of Renewable Energy assets in the Asia Pacific region. Metis have achieved good progress in developing renewable energy projects in Vietnam and Australia.

EXPANDING OUR GREEN PORTFOLIO

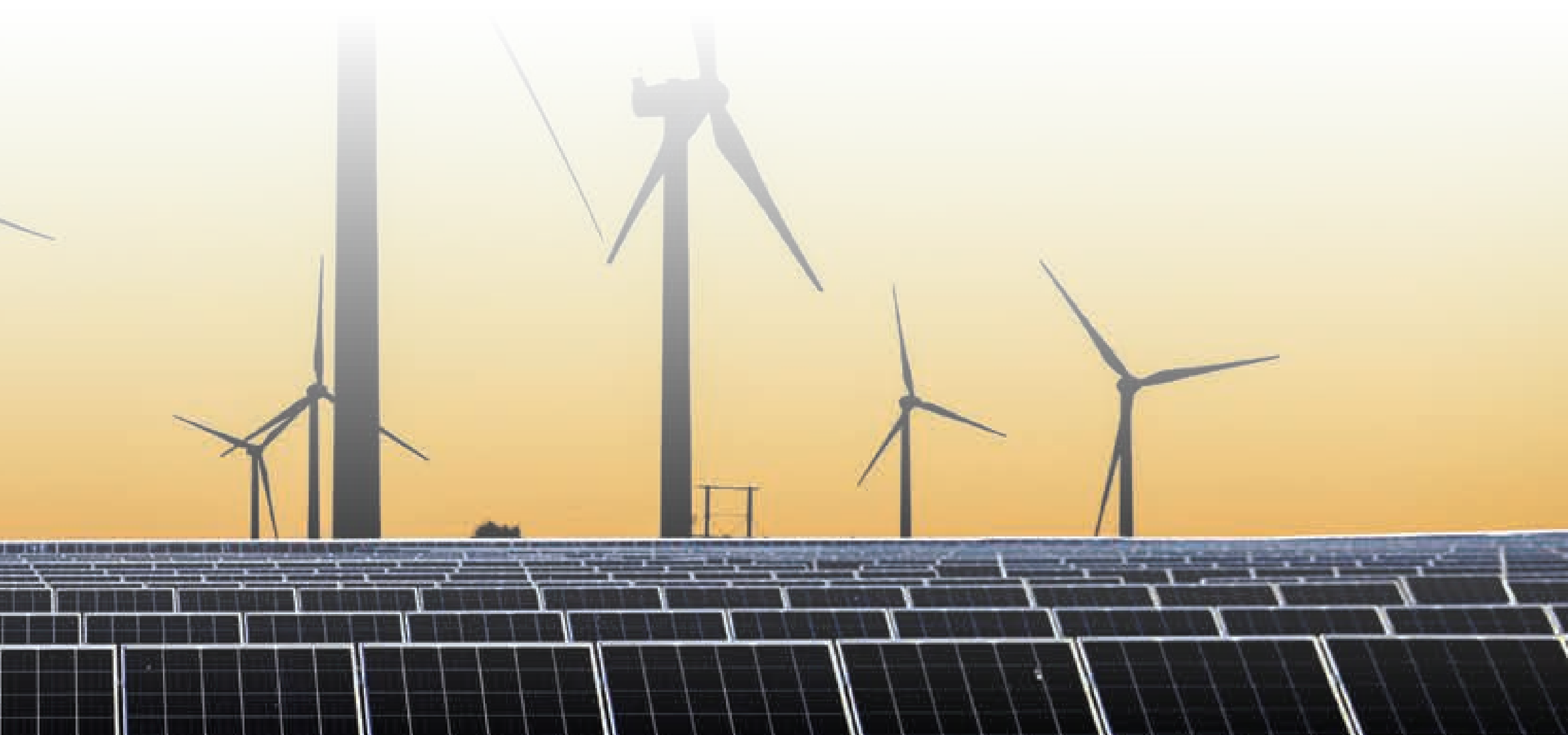
Metis have been recognised by the various stakeholders as a trusted renewable energy player and are now in a much stronger position to achieve our mission. The focus of the Group is to continue to bring the projects that are currently under development in Australia and Vietnam into its operational status.

Vietnam Pipelines

Currently, the Group has 42.55MWp of Commercial & Industrial ("C&I") rooftop solar facilities in operation. Among the operational projects, we delivered a 26.15MWp Shundao Rooftop Solar Project in June 2022, which is the largest single-site and single-customer C&I rooftop solar project in Vietnam and one of the largest in Asia. In 2023, the Group delivered an additional of 12.4MWp of C&I rooftop solar project. The Group has installed more than 77,000 solar panels across more than 325,000 square meters of rooftop space. These projects will offset approximately 42,500 tons of carbon emission per year for the next twenty years. The projects were achieved with non-recourse project financing secured from responsAbility Investment AG, a Swiss sustainability impact fund by meeting the stringent due diligence requirements and high standards of European financial institutions. In 2023, the Group has also obtained a syndicated senior secured loan from DBS Bank Limited and United Overseas Bank Limited. This green loan will enable the Group to speed up the development of its pipeline of C&I solar projects and further strengthen our presence in the Vietnam Renewable Energy market.

Australia Pipelines

We have acquired the Development Rights of a 111MWp DC/94 MW AC Utility Solar Project in Queensland, Australia in end 2022. All the necessary permits to commence construction have been secured for this development. We have signed a Connection Agreement with the Queensland Transmission Company, Energy Queensland in December 2022, and secured the Development Approval from the local Town Council. The Group has now achieved the financial close and issued the Notice to Proceed ("NTP") to the Contractor. This project will be capable of producing up to 250 gigawatt hours of energy annually, which is equivalent to abating approximately 150,000 tons of CO2 emissions and powering up to 32,000 households in Queensland annually. We strive to deliver this project within timeline and budget and will work closely with the local community to bring about benefits to the region. The team is committed to deliver the project by 2H 2025. The completion of this project will form the foundation and cornerstone of Metis portfolio in Australia.



CHAIRMAN'S STATEMENT

DIVESTMENT OF NON-CORE ASSETS

Thermal Energy

In line with the transformation into a renewable company, the Group has completed the final divestment of non-core assets, PT Kariangau Power ("PT KP"), on 30 November 2023.

CHANGES TO THE BOARD OF DIRECTORS

On behalf of the Board and Management, we would like to welcome Ms Tan Yek Lee Doreen as Director of the Company with effect from 1 April 2024. In addition, we would like to thank Mr Tung Zhihong, Paul who will be stepping down at the conclusion of the upcoming Annual General Meeting.

Mr Tung has been diligently serving the Company since 2014 and we thank him for his great contributions to the Board.

IN APPRECIATION

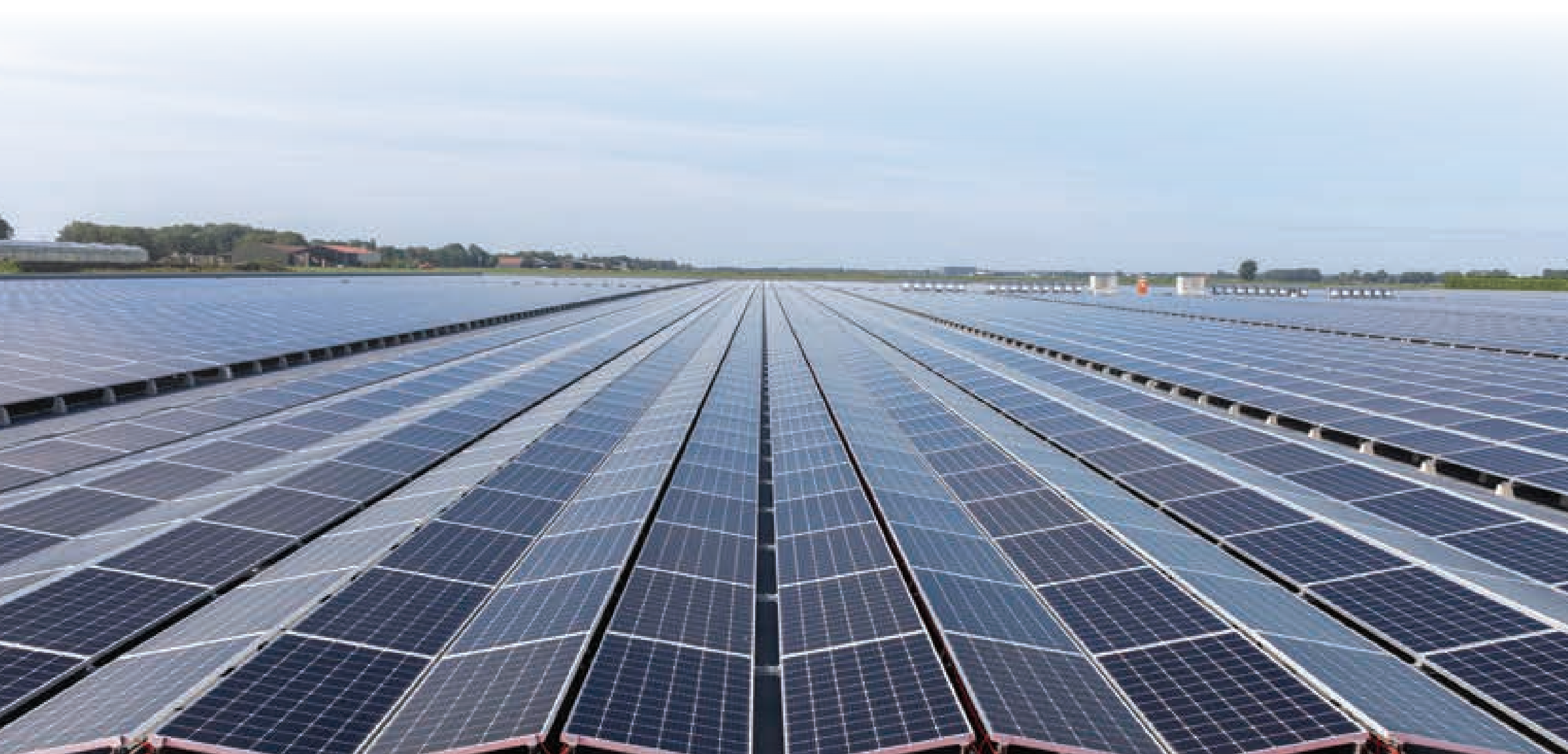
Our deep appreciation to our shareholders for your support as we embark on this green journey. The Group has obtained an unsecured loan facility up to US$13 million from the majority shareholder to finance its expenditure for renewable energy projects.

Our thanks to all our directors and employees for their dedication, commitment and hard work in this transformative journey to achieve our green vision.

We look forward to receiving your continued support through the coming years to enable us to achieve our vision to build a sustainable future for the Group and the environment. We will continue to accelerate our growth to deliver sustainable value while contributing to a net zero carbon future.

Tang Kin Fei
Board Chairman and Interim Chief Executive Officer

26 March 2024



DIRECTORS' INFORMATION

Tang Kin Fei

Board Chairman, Interim Chief Executive Officer, Chairman of Executive Committee and Member of Nominating Committee

Mr Tang was appointed to the Board in January 2021 and is currently the Chairman of the Executive Committee of SIA Engineering Company Limited, and the Chairman of Singapore LNG Corporation Pte Ltd, a major energy infrastructure project with strategic intent. He is a Director of Summit Power International Limited, a Board Chairman of Singapore Cooperation Enterprise, the Council Chairman of Ngee Ann Polytechnic and Vice Chairman of the Kwong Wai Shiu Hospital, a charitable hospital which provides care for needy patients.

Mr Tang was the Group President and Chief Executive Officer of Sembcorp Industries Ltd ("Sembcorp") from 1 May 2005 until his retirement on 31 March 2017. He then remained as an Advisor and a Non-Executive Director on the Board of Sembcorp until 31 May 2017. Mr Tang, who has been with Sembcorp for approximately 30 years, has been credited with driving its transformation into an international energy, water, marine and urban development group. He has headed Sembcorp's utilities business on Jurong Island in Singapore, which grew into a global energy and water player with a sizeable portfolio of assets and capabilities.

Ajaib Hari Dass

Lead Independent Director, Chairman of Nominating and Remuneration Committees and Member of Audit and Executive Committees

Mr Hari Dass was appointed to the Board in January 2021 and is currently an Independent Director of Sembcorp. He is a panel member of the Singapore International Arbitration Centre, the Singapore Chamber of Maritime Arbitration and the Asian International Arbitration Centre. He is also an accredited principal mediator of the Singapore Mediation Centre and a senior accredited specialist (maritime and shipping law), at the Singapore Academy of Law. He is a commissioner for oaths, a notary public and a retired justice of the peace. He is also the Lead Independent Director of Nam Cheong Limited.

DIRECTORS' INFORMATION

Tung Zhihong, Paul
Independent Director, Chairman of Audit Committee and Member of Nominating, Remuneration and Executive Committees

Mr Tung was appointed to the Board in May 2014 and is currently a Regional Finance Director with a multinational corporation. Prior to his current role, Mr Tung was an Audit Manager with PricewaterhouseCoopers.

Mr Tung holds a Bachelor of Commerce degree majoring in Financial Accounting, Corporate Finance and Investment Finance from the University of Western Australia.

Lee Fook Choon
Independent Director, Member of Audit, Nominating and Remuneration Committees

Mr Lee was appointed to the Board in October 2018 and is currently the Vice President of Software Sales (Asia Pacific) of Rockwell Automation Asia Pacific Business Center Pte. Ltd.

Prior to his current appointment, Mr Lee was the President (Asia) of Leica Geosystems – part of Hexagon from January 2019 to May 2020. Between May 2020 to November 2021, he was the Vice President of Hexagon PPM Division of Bricsys (Asia Pacific).

Mr Lee holds a Master in Business Administration (International Business) from RMIT Graduate Business School, a Master in Public Administration from Nanyang Technological University, and Bachelor of Engineer (Hons) from National University of Singapore.

Tan Tong Hai
Non-Independent Director, Member of Audit and Executive Committees

Mr Tan was appointed to the Board in May 2022 and is currently the Chairman of Nanyang Polytechnic Board of Governors. He is a Director of Taiwan Mobile Co. Ltd and United Hampshire US REIT Management Pte Ltd (Trustee Manager of United Hampshire US Real Estate Investment Trust).

Mr Tan held previous positions as President and CEO of StarHub, Singapore Computer Systems and Pacific Internet, and a Director of SEAX Global Pte Ltd and Super Sea Cable Networks Pte Ltd, which is a wholly owned subsidiary of SEAX Global Pte Ltd. He holds a Bachelor of Electrical Engineering (Honours) from the National University of Singapore.

Tan Yek Lee Doreen
Independent Director

Ms Tan was appointed to the Board in March 2024. She was with KPMG Singapore for over 24 years of audit experience, of which she spent 10 years as an audit partner.

Ms Tan holds a Bachelor of Accountancy with a minor in Banking and Finance from Nanyang Technological University Singapore.

KEY MANAGEMENT

Alvin Neo
Chief Financial Officer

Mr Neo joined the Group as the Chief Financial Officer in September 2023. Mr Neo has over 18 years of experience in Accounting and Finance.

Mr Neo brings with him experience from previous roles at Brawn Capital, Vena Energy, Equis Funds Group and PwC Singapore. He brings to Metis a robust skill set that consist of financial reporting, auditing, project financing, private equity transactions, fund management and renewable energy infrastructure transactions.

Mr Neo graduated with a Bachelor of Commerce from the University of Melbourne. He is admitted as a Chartered Accountant with Chartered Accountants Australia and New Zealand.

Ng Meng Poh
Head of Project Development and Operations

Mr Ng joined the Group as the Head of Project Development and Operations in November 2023.

Prior to joining Metis, Mr Ng was part of Semcorp and served as the Executive Vice President & Head of the utilities business covering Singapore, ASEAN, Australia, Middle East, Africa, UK and Americas. With more than 35 years of experience in the energy industry, Mr Ng has held significant roles in both government and private sector appointments. These roles include executive management positions at Senoko Power Limited and Singapore's Public Utilities Board. His involvement spans across the restructuring and liberalization of Singapore's power and gas markets, as well as negotiations for the importation of piped natural gas from Malaysia and Indonesia into Singapore.

Mr Ng graduated with a Bachelor of Engineering from National University of Singapore.

OPERATIONS AND FINANCIAL REVIEW

INCOME STATEMENT

The Group recorded a turnover of S$3.68 million in FY2023 from continuing operations as compared to S$12.61 million in FY2022. The decrease in revenue was mainly due to the decrease in management fees received from its associate and coal transportation as a result of disposal of the Group's investment in associates and the termination of charter contract and disposal of vessel in 2022. On 30 November 2023, the Group completed its sale of power plant segment. Accordingly, the power plant segment's performance was reflected in the Group's result for 11 months. The decrease is offset by the delivery of additional 12.4MWp Commercial & Industrial Solar ("C&I") rooftop projects in Vietnam in Q3 2023.

The Group reported a net loss for FY2023 which includes the non-operating one-off income from the gain on sale of investment in associates amounting to S$4.35 million, offset by the impairment loss and loss from disposal incurred in the disposal of power plant segment amounting to S$1.01 million and S$1.86 million respectively.

Power plant segment (Discontinued operation)

The power plant segment recorded a net loss of S$0.76 million in FY2023 as compared to a net profit of S$7.32 million in FY2022. The net loss in FY2023 was primarily due to higher cost of sales arising from operations and maintenance.

Renewable energy segment

The renewable energy segment recorded a net loss of S$5.40 million in FY2023 as compared to S$4.49 million in FY2022 mainly due to higher cost incurred and increase in operational assets. Legal and other professional fees remained high in FY2023 due to non-recurring event in relation to corporate exercises, due diligence costs for new development projects and project financing. The net loss is offset by the increase in revenue incurred during the year with the delivery of additional operational C&I rooftop solar. The Group's total operational C&I rooftop projects stands at 42.55MWp as at 31 December 2023.

Shipping segment

The shipping segment recorded a net loss of S$1.11 million in FY2023 as compared to a net profit of S$0.71 million in FY2022. The net loss recorded in FY2023 is due to the write-off of advances made in prior years. The net profit recorded in FY2022 is mainly due to a gain from the write-back of allowance for impairment of trade and other receivables upon receipt.

FINANCIAL POSITION

The Group's cash and bank deposits remain healthy at S$36.47 million in FY2023 as compared to S$19.89 million in FY2022. The movement in cash flow was mainly due to the receipt of the remaining proceeds from the sale of land parcels, proceeds from the disposal of subsidiary, offset by the capital expenditure incurred for the renewable energy segment and repayment of debt principal and interest.

As at 31 December 2023, the Group's total assets stood at S$135.55 million as compared to S$143.51 million in FY2022. At the same time, the Group's total liabilities decreased from S$49.73 million in FY2022 to S$43.55 million in FY2023. The decrease in the Group's total assets is mainly due to the completion of disposal of property development segment in 16 January 2023. The decrease is offset by the increase in capital expenditure incurred for the C&I solar rooftop projects in Vietnam and the solar assets in Australia. The decrease in the Group's total liabilities is mainly due to the completion of disposal of investment in associates on 16 January 2023 where the deposit of US$5.00 million received was reversed upon completion. The decrease is also attributed to the repayment of loan in FY2023.

On 30 November 2023, the Group has completed the disposal of power plant segment. As a result of the disposal, the Group has derecognised the assets, liabilities, and non-controlling interest in the power plant segment upon completion.

Total equity attributable to owners of the Company as at 31 December 2023 for the Group was S$92.01 million and net asset value per ordinary share was 3.03 cents.

REPORT ON CORPORATE GOVERNANCE

Metis Energy Limited (the "Company" or "Metis") recognises the importance of good governance in establishing and maintaining an operating environment which serves the interests of all stakeholders.

Both the Board and Management of the Company are committed to achieving a high standard of corporate governance and have always been proactive to promote the spirit of good governance throughout the Company and its subsidiaries.

For the financial year ended 31 December 2023, the Company has complied in all material respects with the principles and guidelines set out in the Code of Corporate Governance ("2018 Code"). Where there have been deviations from the 2018 Code, explanations are provided. This report outlines our corporate governance framework with specific reference made to the principles and guidelines of the 2018 Code.

I. BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

Board's Duties and Responsibilities

The Board of Directors ("Board") oversees the business affairs of the Company and its subsidiaries (collectively, the "Group"). Each director is expected to act in good faith and objectively take decisions in the best interests of the Group. The Board puts in place a code of conduct and ethics, sets appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the Group. The principal functions of the Board include the approval of appointment of directors and succession planning process; the setting of strategic plans; the approval of material investments, divestments and funding; overseeing the processes for evaluating the adequacy of internal controls, risk management, financial reporting, compliance and information technology controls; being responsible for corporate governance practices; dealing with matters such as sustainability issues like environmental and social factors as part of its strategic formulation and conflict of interest issues relating to substantial shareholders or directors or interested person transactions or those transactions or matters which require Board's approval under the provisions of the Listing Manual of Singapore Exchange Securities Trading Limited ("SGX-ST") or any applicable regulations as well as reviewing the performance of management and the financial performance of the Group. The Group has in place internal guidelines for financial authorisation and approval limits relating to capital and operating expenditure and specified transactions. All directors are expected to exercise due diligence and independent judgment in dealing with the business affairs of the Group and are obliged to act in good faith and to take objective decisions in the interests of the Group.

The Board has clear policies and procedures for dealing with conflicts of interest. Where a director faces a conflict of interest, he or she discloses and recuses himself or herself from meetings and decisions involving the issue. Where a director has a conflict or potentially conflict of interest in relation to any matter, he/she should immediately declare his/her interest when the conflict-related matter is discussed, unless the Board is of the opinion that his/her presence and participation is necessary to enhance the efficacy of such discussion. Nonetheless, he/she is to abstain from voting in relation to the conflict related matters.

REPORT ON CORPORATE GOVERNANCE

Directors' Orientation and Training

All newly appointed directors are briefed on the business activities and strategic directions of the Group. Visits will be arranged for non-executive directors to acquaint themselves with the Group's major overseas operations. All directors are provided with a Directors' Handbook, which sets out directors' duties and responsibilities and the related requirements under the Singapore Companies Act 1967 (the "Act"), SGX-ST's Listing Manual and the latest applicable Code of Corporate Governance. On an ongoing basis, the Company updates the directors regarding developments in new laws and regulations or changes in regulatory requirements and financial reporting standards or corporate governance practices or news articles which are relevant to or may affect the businesses of the Group. In addition, the Company encourages the directors to be members of the Singapore Institute of Directors ("SID") in order for them to receive journal updates and training from SID, as well as to attend relevant courses and seminars, so that they can stay abreast and be apprised of developments in the financial, legal and regulatory requirements and the business environment.

For newly appointed directors, the Company will make arrangements for them to undergo training in the roles and responsibilities of a director of a listed company within one year from the date of his/her appointment to the Board as prescribed by SGX-ST.

The NC, which is responsible for making recommendations to the Board in relation to the appointment and/or re-appointment of directors, will use a variety of channels including immediate circle of contacts, third party search firms, director associations or advertisements to identify a broader range of suitable candidates.

Board Approval

The Group has adopted internal guidelines governing matters that require the Board's approval which have been clearly communicated to the Management. The Group has in place internal guidelines for financial authorisation and approval limits relating to capital and operating expenditure and specified transactions.

Matters which require Board's approval include:

- strategic plans;
- annual budgets and business plan of the Group;
- material acquisition and disposal of assets/investments;
- borrowings;
- corporate/financial restructurings or corporate exercises;
- incorporation of new entities;
- issuance of shares, dividend payout and other return to shareholders;
- risk appetite and risk tolerance for the different categories of risk;

REPORT ON CORPORATE GOVERNANCE

- matters as specified under the SGX-ST's interested person transactions rules;
- announcement of the Group's half yearly and full year results and the release of Annual Reports; and
- any other matters as prescribed under relevant legislations and regulations, as well as the provisions of the Company's Constitution.

Delegation by the Board

To facilitate effective management, certain functions had been delegated to four board committees, namely the Audit Committee ("AC"), Nominating Committee ("NC"), Remuneration Committee ("RC") and Executive Committee ("Exco"). Each board committee has its own written terms of reference and whose actions are reported to and monitored by the Board. The Board accepts that while these Committees have the authority to examine particular issues and will report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters lies with the Board.

The Exco, comprising Mr Tang Kin Fei as its Chairman, Mr Tung Zhihong, Paul, Mr Ajaib Hari Dass and Mr Tan Tong Hai as its members was established to assist the Board in developing the overall strategy for the Group and to supervise on behalf of the Board, the management of the Group's business and affairs.

Composition of Board and Board Committees

As at the date of this report, the Company has six directors, namely:

Name of Director	Board	Board Committee	Date of appointment	Date of last re-election
Tang Kin Fei	Executive Board Chairman and Interim CEO	Chairman of Exco, Member of NC	12 January 2021	27 April 2023
Ajaib Hari Dass	Lead Independent Director	Chairman of NC and RC, Member of AC and Exco	12 January 2021	26 April 2021
Tung Zhihong, Paul	Independent Director	Chairman of AC, Member of RC, NC and Exco	2 May 2014	27 April 2023
Lee Fook Choon	Independent Director	Member of AC, RC and NC	18 October 2018	28 April 2022
Tan Tong Hai	Non-Executive and Non-Independent Director	Member of AC and Exco	4 May 2022	27 April 2023
Tan Yek Lee Doreen	Independent Director	–	1 April 2024	–

Note: The details of directors' shareholdings in the Company and its related corporations are disclosed in the "Directors' Statement" section of this annual report.

REPORT ON CORPORATE GOVERNANCE

Board Meetings and Attendance

The Board meets regularly and is provided with relevant updates and information. The Board and the AC meet at least twice each year. The other Board Committees meet as required, but usually at least once each year. Where necessary, Board meetings are convened to deliberate on substantive matters. In addition, directors often make themselves available and accessible to management for discussion and consultation. The Board and Board committees may also make decisions by way of circulating resolutions.

The dates of meetings of all the Board and Board Committee meetings, as well as the Annual General Meeting, are scheduled well in advance each year, in consultation with the Board. When a physical meeting is not possible, timely communication with members of the Board can be achieved through electronic means.

The number of Board and Board Committees meetings and general meeting(s) held during the financial year ended 31 December 2023 and the attendance of the directors at these meetings are set out below:

	Number of meetings attended in 2023					
	Board of Directors	**Audit Committee**	**Remuneration Committee**	**Nominating Committee**	**Executive Committee**	**General Meetings**
Meetings held in 2023	3	3	1	1	1	3
Name of Director						
Tang Kin Fei	3	NA	1	1	1	3
Ajaib Hari Dass	3	3	1	1	1	2
Henry Wong Cheun Yuen[(1)]	2	2	NA	NA	NA	2
Lee Fook Choon	2	2	0	0	NA	3
Tung Zhihong, Paul	3	3	1	1	1	3
Tan Tong Hai	3	3	NA	NA	1	3

(1) Dr Wong resigned with effect from 24 June 2023

NA – Not applicable

Multiple Board Representations

All directors are required to declare their board representations. When a director has multiple board representation, the NC will consider whether the director is able to adequately carry out his/her duties as a director of the Company, taking into consideration the director's number of listed company board representations and other principal commitments.

The Board and NC will also consider whether a director had previously served on the board of a company with an adverse track record or with a history of irregularities or is or was under investigation by regulators, and seek clarity on the director's involvement therein. The Board and NC will assess whether a director's resignation from the board of any such company casts any doubt on the director's qualification and ability to act as a director of the Company.

The Board has prescribed that each Board member should not hold more than six board representations in public listed companies. The NC is satisfied that sufficient time and attention are being given by the Directors to the affairs of the Company. Board and Board Committee meetings are scheduled in advance to facilitate the Directors' scheduling of their commitments.

REPORT ON CORPORATE GOVERNANCE

Access to Information and Access to Management and Company Secretary

Management keeps the Board apprised of the Group's operations and performance through updates and reports as well as through informal discussions. Prior to the meetings of the Board or Board Committees, directors are provided, where appropriate, with management information to enable them to be prepared for the meetings. On an ongoing basis, all Board members have full and free access to management, the Company Secretary and any information the Board requires. If required, the Board has access to independent professional advice to assist them to fulfil their responsibilities and duties.

At Board meetings, the Board receives half yearly financial statements, annual budgets and explanation to material variances. The strategies and forecast for the following months are also discussed and approved as appropriate. The Board is also provided with updates on the relevant new legislation, regulations and changing commercial risks in the Group's operating environment through regular meetings.

Principle 2: Board Composition and Guidance

The Company strives to achieve an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interest of the Company.

The NC has been delegated by the Board to review the Board's composition and effectiveness and make recommendations to the Board on all Board and Board Committee appointments. The NC considers and makes recommendations to the Board concerning its size and the need of the Board to ensure that the Board and Board Committees are of an appropriate size and comprise directors who as a group provide the appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate. As gender is an important aspect of diversity, the NC will strive to ensure that:

i. the requirement to present female candidates will be made known where external consultants are used for the search,

ii. female candidates are included for consideration whenever it seeks to identify a new Director for appointment to the Board, and

iii. there is female representation on the Board.

In line with the board diversity policy in relation to gender, the Company had appointed Ms Tan Yek Lee Doreen to the Board with effect from 1 April 2024. With her many years of experience in accounting and audit fields, she will be able to contribute positively to the Group. The Board believes that Ms Tan will offer a check-and-balance mechanism against blind spots and groupthink in decision making by a Board that is dominated by male directors.

Going forward, the Company would strive to ensure to have at least 20% female representation on the Board.

Mr Tung Zhihong, Paul has decided to step down at the conclusion of the forthcoming annual general meeting in view of the 9-year tenure limit for independent directors prescribed under the Singapore Exchange Securities Trading Limited Listing Manual.

REPORT ON CORPORATE GOVERNANCE

Following the resignation of Mr Tung, the Company will have at least 20% female representation on the Board. Notwithstanding this, the Company continues to promote and enhance gender diversity and will continue to include female candidates for consideration whenever it seeks to identify a new director for appointment to the Board.

The NC is responsible for setting the board diversity policy, including the targets, plans and timeline and has adopted such policy which addresses gender, skills and experience with effect from 1 August 2022. The NC will review the policy from time to time, as appropriate, to assess the effectiveness of this policy. The NC will recommend any revision, if required, and recommend to the Board for approval. The NC will report annually under the Corporate Governance section of the Company's Annual Report.

The Board has appropriate level of independence in decision-making in the best interest of the Company. The four independent directors on the Board are Mr Ajaib Hari Dass, Mr Tung Zhihong, Paul, Mr Lee Fook Choon and Ms Tan Yek Lee Doreen, making up a majority of the Board. Taking into consideration that the Board Chairman is not independent, in addition to having a majority of independent director on the Board, the Board has also appointed Mr Ajaib Hari Dass as the lead independent director to coordinate and lead the independent directors to provide a non-executive perspective and contribute to a balance of viewpoints on the Board.

The independent directors and their immediate family members have no relationship (whether familial, business, financial, employment, or otherwise) with Metis Energy Limited, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgment with a view to the best interests of Metis Energy Limited.

Other than Mr Tung Zhihong, Paul, none of the independent directors have served the Company for a period exceeding nine years.

The composition of the current Board has an appropriate balance and diversity of skills, experience, knowledge of the Company and other aspects of diversity such as gender and age. The Board comprises members who have extensive experience in Group's businesses from industrial utility, energy, shipping, engineering to accounting, financial services and legal sectors. The profiles of the directors are set out on pages 3 to 4 of this Annual Report.

The Board comprises six members, four of whom are independent. The Board is able to exercise objective judgment in the interests of the Group. No individual or group of individuals dominates the Board's decision-making process. Where a director has a conflict or potential conflict of interest in relation to any matter, he/she is to abstain from voting on the resolution. The Company has complied with the relevant provisions as a majority of the Board members are non-executive.

The views and opinions of the non-executive directors provide alternative perspectives to the Group's business and they bring independent judgment on business activities and transactions involving conflicts of interest and other complexities.

Accordingly, the above practices adopted by the Company are consistent with the intent of Principle 2 of the Code. The Company is also of the view that 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 Company.

REPORT ON CORPORATE GOVERNANCE

The non-executive directors meet regularly without the presence of Management throughout the year. One of the Directors who attended an ad hoc meeting will be assigned to provide feedback to the other Directors on relevant issues arising from the discussion.

Principle 3: Chairman and Chief Executive Officer

The Chairman chairs Board meetings and ensures that the directors receive accurate, timely and clear information, guides the Board on its discussion of substantive issues and ensures adequate time is available for such discussion. The Chairman also leads the Board to ensure its effectiveness, including the facilitation of effective contribution by non-executive directors, promotes a culture of openness and debate at the Board, ensures effective communication with shareholders, and encourages constructive relations within the Board and between the Board and management. The Chairman also promotes high standards of corporate governance.

The Chief Executive Officer is responsible for the execution of the Group's strategies and the day-to-day operations of the Company and the overall performance of the Group. Following the resignation of the Group's General Manager on 2 February 2024, the Chairman was appointed as the Interim Chief Executive Officer ("Interim CEO") and leads the Group in the meantime. The Company has sufficient expertise and resources at the (i) board level, which focuses on the strategic direction of the Company and (ii) management level, which focuses on the project execution.

Mr Ajaib Hari Dass, the Lead Independent Director, is able to provide leadership in situations where the Chairman is conflicted. He is available to shareholders when they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate.

Principle 4: Board Membership
NC Composition and Role

The members of the NC as at the date of this report are as follows:

Ajaib Hari Dass	Chairman
Tang Kin Fei	Member
Tung Zhihong, Paul	Member
Lee Fook Choon	Member

A majority of the NC members are independent, including the NC Chairman and are not related to any substantial shareholders of the Company.

REPORT ON CORPORATE GOVERNANCE

Under its terms of reference, the NC is responsible for reviewing the Board's composition and effectiveness and makes recommendations to the Board on all Board and Board Committee appointments. It is responsible for the nomination of directors for re-election and also reviews the independence of each director on an annual basis. The NC will also review the training and professional development programmes for directors as well as review Board succession plans for directors, in particular the CEO, Chairman, and key management personnel ("KMP").

The Interim CEO takes charge of the succession planning for KMP and the NC will review the plans that the Interim CEO has made for KMP succession. The NC will consider how key talent is managed within the organization by reviewing the mechanisms for identifying strong candidates and developing them to advance the career ladder.

In recommending new directors, if any, the NC relies mainly on the contacts and network of the entire Board. However, the NC may engage the services of external recruitment companies, if necessary. In nominating new directors, consideration is given to the integrity, skills and experience of the candidates and the overall composition of the Board.

In the process for selection, appointment and re-appointment of directors, the NC will also consider factors such as composition, diversity and progressive renewal of the Board and each director's competencies, commitment and performance as well as the Company's strategic priorities and the factors affecting the long-term success of the Company.

The NC will consider different time horizons as and when required for succession planning: (1) long-term planning, to identify competencies needed for the company's strategy and objectives, (2) medium-term planning, for the orderly replacement of Board members and KMP, and (3) contingency planning, for preparedness against sudden and unforeseen changes.

The NC is charged with determining the independence of the directors as set out under Principle 2 above.

The Board has prescribed that each Board member should not hold more than six board representations in public listed companies. The listed company directorship and principal commitments of each director are disclosed in page 3 to 4 of the Annual Report. The NC is satisfied that sufficient time and attention are being given by the Directors to the affairs of the Company. Board and Board Committee meetings are scheduled in advance to facilitate the Directors' scheduling of their commitments.

All directors should be required to submit themselves for re-nomination and re-appointment at regular intervals and at least once every three years. The Company's Constitution requires one-third, or the number nearest to but not less than one-third, of the Directors, including the person holding the office of Managing Director (or an equivalent appointment however described), to retire from office. The directors to retire every year are those who have been longest in office since their last election or appointment. No director stays in office for more than three years without being re-elected by shareholders. In addition, a newly appointed Director will hold office only until the next annual general meeting at which he/she will be eligible for re-election.

REPORT ON CORPORATE GOVERNANCE

The name and additional information of the directors who are seeking re-election at the forthcoming AGM are set out in the paragraphs below.

Each member of the NC abstains from voting on any resolution, making any recommendation and/or participating in respect of matters in which he/she is interested in.

The NC has used circular resolutions in writing to sanction decisions, as and when necessary.

Pursuant to Rule 720(6) of the Listing Manual of SGX-ST, the information relating to Mr Ajaib Hari Dass, Mr Lee Fook Choon and Ms Tan Yek Lee Doreen, the Directors seeking re-election, as set out in Appendix 7.4.1 of the Listing Manual of SGX-ST is disclosed below:

Name of Director	**Ajaib Hari Dass**
Date of Appointment	12 January 2021
Age	75
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	After reviewing the recommendations made by the Nominating Committee, the Board of Directors is of the view that based on Mr Ajaib's qualification, experience and overall contribution, he will be able to contribute positively to the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Lead Independent Director, Chairman of the Nominating Committee and Remuneration Committee and Member of the Audit Committee and Executive Committee
Professional qualifications	LLB (Hons) University of London Advocate & Solicitor, Supreme Court of Singapore Senior Accredited Specialist (Maritime & Shipping Law), Singapore Academy of Law
Working experience and occupation(s) during the past 10 years	Advocate & Solicitor
Shareholding interest in the listed issuer and its subsidiaries	NIL
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	NIL
Conflict of interest (including any competing business)	NIL
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes

REPORT ON CORPORATE GOVERNANCE

Other Principal Commitments* Including Directorships	
Past (for the last 5 years)	1. Amalfi Navigation Pte. Ltd. 2. American Sturgeon Pte. Ltd. 3. Bhaskar's Arts Academy Ltd. 4. Clive Investments Pte. Ltd. 5. Entraco Workboats Pte. Ltd. 6. EPB Pte. Ltd. 7. EPD Investments Holdings Pte. Ltd. 8. Exponential Technologies S & H Pte. Ltd. 9. Fertda Chemical Industries Pte. Ltd. 10. Kongsberg Geoacoustics Pte. Ltd. 11. Krane Metore Pte. Ltd. 12. M & L Trustee-Manager Pte. Ltd. 13. Mind Set Advisory & Investment Pte. Ltd. 14. MKC Holdings Pte. Ltd 15. Oceanic Crusader Pte. Ltd. 16. Peak Engineering Pte. Ltd. 17. Precious Sonnets Pte. Ltd. 18. Pride Shipping Oriental Pte. Ltd. 19. PRM Oil & Gas Pte. Ltd. 20. Rotondo Marine Pte. Ltd. 21. Scottline Technology investment Group Pte. Ltd. 22. SembCorp Marine Ltd 23. SKS Offshore Pte. Ltd. 24. Star Maritime Management Company Pte. Ltd. 25. Straits Grid Pte. Ltd. 26. Summit Global Advisory Pte. Ltd. 27. Sun Investment Advisory Pte. Ltd. 28. Warden Holdings Singapore Pte. Ltd. 29. Warden Marine Singapore Pte. Ltd. 30. Warden Offshore Pte. Ltd.

REPORT ON CORPORATE GOVERNANCE

Present	1. ABC One Pte. Ltd. 2. ABC Four Pte. Ltd. 3. ABC Three Pte. Ltd. 4. ABC Two Pte. Ltd. 5. Agrita Asia Pte. Ltd. 6. Alba Marine Services Pte. Ltd. 7. Asia Lime Pte. Ltd. 8. Associated Bulk Carriers Pte. Ltd. 9. Brahler ICS Pte Ltd 10. Briggs Singapore Pte. Ltd. 11. Carmeuse Eastern Pte. Ltd. 12. Coromandel Minerals Pte. Ltd. 13. Eastern Energy Chartering Pte. Ltd. 14. Eastern Energy Pte. Ltd. 15. Imperial Gloucester Pte. Ltd. 16. Inia Holdings Pte. Ltd. 17. Insurexecllence Advisors Pte. Ltd. 18. Fuji Royal Pte. Ltd. 19. Golden Ocean Maritime Services Pte. Ltd. 20. Grande Ikon Pte. Ltd. 21. Jaldhi Overseas Pte. Ltd. 22. Kamichiku International Pte. Ltd. 23. Karim Capital Pte. Ltd. 24. L7H Natural Resources Pte. Ltd. 25. M&L Manager Pte. Ltd. 26. Nam Cheong Limited 27. OND Pte. Ltd. 28. Oman Lime Pte. Ltd. 29. Orion Seagull NDT Pte. Ltd. 30. Otago Holdings Pte. Ltd. 31. Precious Bridges Pte. Ltd. 32. Precious Comforts Pte. Ltd. 33. Precious Forests Pte. Ltd. 34. Precious Fragrance Pte. Ltd. 35. Precious Glories Pte. Ltd. 36. Precious Grace Pte. Ltd. 37. Precious Skies Pte. Ltd. 38. Precious Shipping (Singapore) Pte Limited 39. Precious Sparks Pte. Ltd. 40. Precious Tides Pte. Ltd. 41. Precious Thoughts Pte. Ltd. 42. Precious Visions Pte. Ltd. 43. Precious Wisdom Pte. Ltd. 44. Sembcorp Industries Ltd 45. Star Maritime Pte. Ltd. 46. Straits Consultancy Pte. Ltd. 47. Swiwar Offshore Pte. Limited 48. Valency International Pte. Ltd. 49. Victor Investment Holdings Pte. Ltd. 50. Yavana Investments Pte. Ltd.

REPORT ON CORPORATE GOVERNANCE

Disclosure applicable to the appointment of Director only	
Any prior experience as a director of an issuer listed on the Exchange? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Not applicable, as this relates to re-appointment of director.
Response to questions (a) to (k) under Appendix 7.4.1 of the Listing Manual of SGX-ST	Negative Confirmation

Name of Director	**Lee Fook Choon**
Date of Appointment	18 October 2018
Age	48
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	After reviewing the recommendations made by the Nominating Committee, the Board of Directors is of the view that based on Mr Lee's qualification, experience and overall contribution, he will be able to contribute positively to the Board
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Director, Member of Audit Committee, Nominating Committee and Remuneration Committee
Professional qualifications	Master in Business Administration (International Business), Master in Public Administration, and Bachelor of Engineer (Hons)

REPORT ON CORPORATE GOVERNANCE

Working experience and occupation(s) during the past 10 years	April 2013 to January 2016 Head of Sales, Autodesk Asia Pte. Ltd. January 2016 to October 2018 Country Manager, Autodesk Asia Pte. Ltd. January 2019 to May 2020 President (Asia) of Leica Geosystems – part of Hexagon May 2020 to November 2021 Vice president of Hexagon PPM Division of Bricsys (Asia Pacific) November 2021 to present Vice President, Asia Pacific of Rockwell Automation Asia Pacific Business Centre Pte Ltd
Shareholding interest in the listed issuer and its subsidiaries	588,800
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	NIL
Conflict of interest (including any competing business)	NIL
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments* Including Directorships	
Past (for the last 5 years)	NIL
Present	NIL

REPORT ON CORPORATE GOVERNANCE

Disclosure applicable to the appointment of Director only	
Any prior experience as a director of an issuer listed on the Exchange? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Not applicable, as this relates to re-appointment of director.
Response to questions (a) to (k) under Appendix 7.4.1 of the Listing Manual of SGX-ST	Negative Confirmation

Name of Director	**Tan Yek Lee Doreen**
Date of Appointment	1 April 2024
Age	47
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	After reviewing the recommendations made by the Nominating Committee, the Board of Directors is of the view that based on Ms Tan's qualification, experience and overall contribution, she will be able to contribute positively to the Board
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent director. Ms Tan will be appointed as Chairman of the Audit Committee and a member of the Remuneration Committee, Nominating Committee and Executive Committee on 26 April 2024.
Professional qualifications	Bachelor of Accountancy with a minor in Banking and Finance, Nanyang Technological University, Singapore
Working experience and occupation(s) during the past 10 years	October 2013 – October 2023 Audit Partner, KPMG September 1999 – September 2013 Auditor, KPMG
Shareholding interest in the listed issuer and its subsidiaries	NIL

REPORT ON CORPORATE GOVERNANCE

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	NIL
Conflict of interest (including any competing business)	NIL
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments* Including Directorships	
Past (for the last 5 years)	NIL
Present	NIL
Disclosure applicable to the appointment of Director only	
Any prior experience as a director of an issuer listed on the Exchange? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Not applicable, as this relates to re-appointment of director.
Response to questions (a) to (k) under Appendix 7.4.1 of the Listing Manual of SGX-ST	Negative Confirmation

REPORT ON CORPORATE GOVERNANCE

Principle 5: Board Performance

The Group's activities include the renewable energy business comprising on-grid and off-grid renewable energy business segments and selective clean energy power projects.

The Board believes its performance would be judged based on the Group's ability to manage the operations of the renewable energy projects in an efficient manner and to seek new investment opportunities to enhance shareholders' value. Updates on progress of projects are made at formal Board meetings. Regular discussions are also held between management and directors who offer their views and guidance on the matters.

The Board, based on the recommendation of the NC, recognises the need for regular reviews and evaluations of the effectiveness of the Board as a whole and the effectiveness of individual directors.

During the financial year, all directors are requested to complete a Board Evaluation Questionnaire which are collated and presented to the NC for review before submitting to the Board to determine actions required to improve the effectiveness of the Board and Committees of the Board as a whole. Taking into account the board size and composition, the NC is of the opinion that the evaluation of the Board as a whole and its Committees would suffice to assess the effectiveness and performance of the Board, its Committees and directors.

In evaluating the contribution and performance of the Board, its Board Committees and directors, the NC takes into consideration a number of factors including attendance, preparedness and participation in decision-making.

II. REMUNERATION MATTERS
Principle 6: Procedures for Developing Remuneration Policies
Principle 7: Level and Mix of Remuneration
RC Composition and Role

The members of the RC as at the date of this report are as follows:

Ajaib Hari Dass	Chairman
Tung Zhihong, Paul	Member
Lee Fook Choon	Member

All of the RC members, including the RC Chairman, are independent.

The role of the RC is to review and make recommendations to the Board on the remuneration package of each key management personnel. The RC also recommends the level of fees for directors and Board Committee members which are subject to the approval of shareholders. No director is involved in the deliberation of his own remuneration or fee level. Where necessary, independent professional advice on the framework for remuneration packages may be sought by the RC.

In recommending the remuneration packages of the key management personnel, the RC is largely guided by the financial performance of the Company and the Group. The Company believes that the current remuneration level should be competitive and sufficient to attract, retain and motivate the key management personnel. A remuneration consultant was engaged to review the remuneration package of some of the key management personnel during the year.

REPORT ON CORPORATE GOVERNANCE

Having reviewed and considered the variable components of the service contracts of the key management personnel, which are moderate, the RC is of the view that there is no requirement to institute contractual provisions to allow the Company to reclaim incentive components of their remuneration paid in prior years in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss. The RC has reviewed the termination clause of the key management personnel's contract of service and found them to be fair, reasonable and are in line with market practice.

The Company's remuneration policy may be amended to take into account the overall performance of the Company, the meeting of key targets, shareholders' value enhancement and individual performance.

The RC has used circular resolutions in writing to sanction decisions, as and when necessary.

Disclosure of Remuneration

Taking note of the highly competitive industry conditions and pressure in talent market and the sensitivity and confidentiality of remuneration matters, the Board decided not to disclose the remuneration of each individual director and the total remuneration of the top five key executive officers (who are not directors) of the Group, including names of the top key executives. The Board is of the view that disclosure of such information would not be in the interests of the Company as such information is confidential and sensitive due to the highly competitive industry conditions and pressure in the talent market, and could be exploited by competitors. The Company needs to maintain stability in the management team. There are no employees who are substantial shareholders of the Company.

The remuneration of the directors and the top five executives (who are not directors), is set out below:

(a) The table below shows a breakdown (in percentage terms) of the average remuneration of directors, which fall within broad bands, for the financial year ended 31 December 2023:

Directors of the Company	Salary %	Bonus %	Allowance %	Director's Fee %
Below S$250,000:				
Ajaib Hari Dass	–	–	–	100
Henry Wong Chuen Yuen[(1)]	–	–	–	100
Lee Fook Choon	–	–	–	100
Tung Zhihong, Paul	–	–	–	100
Tan Tong Hai	–	–	–	100
S$250,000 to S$499,999:				
Tang Kin Fei	–	–	–	100

(1) Dr Wong resigned with effect from 24 June 2023.

REPORT ON
CORPORATE GOVERNANCE

(b) The remuneration paid to the top five key executives (who are not directors) for the financial year ended 31 December 2023 is as follows:

Remuneration Band	Number
Below $250,000	5

The amounts and breakdowns of remuneration of the top five key management personnel are not disclosed for the same reasons above.

There is no immediate family member (as defined in the Listing Manual of SGX-ST) of a director or the Chief Executive Officer in the employment of the Company whose annual remuneration exceeds S$100,000 during the financial year ended 31 December 2023.

For the financial year ended 31 December 2023, there was no termination, retirement and post-employment benefits granted to directors, the Chief Executive Officer and the key management personnel other than the standard contractual notice period termination payment in lieu of service.

III. ACCOUNTABILITY AND AUDIT

Principle 9: Risk Management and Internal Controls
Accountability

There are comprehensive management reporting disciplines and structured financial approval authorities to govern the implementation of agreed Company's and Group's policies and Board's decisions, and the day-to-day management of the Group's operating units. The Board is capable in determining the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation.

For effective monitoring of the Group's business and affairs, management and financial information are provided to the Board for review at half yearly Board meetings. This information includes disclosure documents, half yearly results, forecasts for profit and cash flow, working capital and funding levels, compared to approved budgets and the corresponding prior financial periods' results, where applicable. In addition, the Company adopts a policy which welcomes directors to request for further explanations, briefings or informal discussions on any aspect of the Group's operations or business from management.

Principle 10:
Audit Committee

The members of the AC as at the date of this report are as follows:

Tung Zhihong, Paul	Chairman
Ajaib Hari Dass	Member
Lee Fook Choon	Member
Tan Tong Hai	Member

A majority of the AC members are independent. Mr Tung Zhihong, Paul, Mr Ajaib Hari Dass, Mr Lee Fook Choon and Mr Tan Tong Hai have the requisite expertise or experience to discharge their responsibility as members of the AC.

REPORT ON CORPORATE GOVERNANCE

The duties of the AC include:

(a) reviewing the audit plans of the internal and external auditors of the Company and reviewing the internal auditor's evaluation of the adequacy of the Company's and Group's system of internal accounting controls and the assistance given by the Company's and Group's management to the internal and external auditors;

(b) reviewing the half yearly and full year financial statements before their announcements;

(c) reviewing the annual financial statements and the external auditor's report on the annual financial statements of the Company and the Group before their submission to the Board;

(d) reviewing the effectiveness of the Company's and Group's material internal controls, including financial, operational and compliance controls, information technology controls and risk management policies and systems;

(e) meeting with the internal and external auditors, other committees and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC;

(f) reviewing legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programs and any reports received from regulators;

(g) reviewing the effectiveness of the internal audit function;

(h) reviewing the cost effectiveness, independence and objectivity of the external auditor and the nature and extent of non-audit services provided by the external auditor;

(i) reviewing the significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the Company and the Group and any formal announcements relating to their financial performance;

(j) making recommendations to the Board on the appointment, re-appointment and removal of the external auditor, approving the remuneration and terms of engagement of the external auditor and reviewing the scope and results of the audit;

(k) reviewing, monitoring and advising the Board on the Company's and Group's overall risk exposures, tolerance and strategy;

(l) reviewing the Company's and Group's overall risk assessment, framework, processes and methodology;

(m) reporting actions and minutes of the AC to the Board with such recommendations as the AC considers appropriate; and

(n) reviewing interested person transactions in accordance with the requirements of SGX-ST's Listing Manual.

REPORT ON CORPORATE GOVERNANCE

The AC has the power to conduct investigations in accordance with the AC's written terms of reference and has full access to and co-operation from management as well as direct access to the Company's external auditor. In discharging its duties, the AC may seek independent advice at the expense of the Company.

The AC is kept abreast by the Management and the external auditors of changes to accounting standards which have impact on the Group's consolidated financial statements.

Following discussions with management and the external auditors, significant issues that impact the financial statements for the year ended 31 December 2023 were identified and included in the Independent Auditor's Report to the Members of the Company under "Key Audit Matters". In the review of the financial statements for the year ended 31 December 2023, the AC had obtained an understanding on the work performed by external auditors and management's assessment of the various key audit matters. The AC is satisfied that these issues including the impairment assessment of power plant have been properly dealt with and concurred with management's assessment and conclusion of the key audit matters.

The AC meets with both the internal and external auditors without the presence of management at least once a year to review the overall scope of the internal and external audits and assistance given by management to both the internal and external auditors. During the financial year ended 31 December 2023, an amount of approximately S$300,000 and S$10,000 was paid/payable to the Company's external auditor for audit fee and non-audit services. In the opinion of the AC, the nature and extent of these non-audit services did not prejudice the independence and objectivity of the Company's external auditor.

The AC has recommended to the Board that Ernst & Young LLP be nominated for re-appointment as auditor at the forthcoming AGM of the Company.

The AC does not comprise former partners or directors of the Company's existing auditing firm or auditing corporation: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

In appointing the auditing firms for the Company and its subsidiaries, we have complied with Rules 712 and 715 of the Listing Manual of SGX-ST.

The AC has adopted a whistle-blowing policy to encourage and to provide a channel for stakeholders to report and to raise, in good faith and in confidence, their concerns about possible improprieties in matters of financial reporting and other matters. An email address has been created to receive any whistle-blowing concerns and stakeholders are invited to write to ACchairman@metisenergy.com.

Internal Audit
Risk Management and Internal Controls

The Group continues to reinforce its internal controls (including financial, operational, compliance and information technology) and risk management systems designed to provide reasonable assurance with regard to the keeping of proper accounting records, integrity and reliability of its financial information and safeguarding the Group's assets. The management has further strengthened its human resources to support the internal controls and risk management systems review initiatives and to implement revised policies and procedures.

REPORT ON CORPORATE GOVERNANCE

The AC annually evaluates the findings of the internal auditor on the internal controls. In addition, it also evaluates the observations and recommendations by the external auditor on any material internal control weaknesses which have come to its attention in the course of its statutory audit. On an ad-hoc basis as warranted by particular circumstances, the AC may commission professional independent reviews of the operations of the Company and its subsidiaries and evaluates the results of such professional independent reviews. The evaluation assists the Board in developing policies that enhances the controls and operating systems of the Company and the Group.

The Board, with the assistance from the AC, is responsible for reviewing the appropriateness of framework and policies for managing risks, setting the risk appetite of the Company and the Group, reviewing key risks identified at business unit levels and their related risk treatment plans.

Management has implemented a formalised risk management framework, under the guidance of AC, for the identification, treatment, monitoring and reporting of risks. The AC shall also review and discuss risk management matters at least once a year. A risk self-assessment exercise was conducted at business unit level and a risk register with risk treatment plans was identified. Arising from these risk management activities, the Company and the Group have adopted a set of more stream-lined and comprehensive guidelines for approval limits and delegation of authorities, investment approval and documentation requirements. The AC and the Board are not aware of any matter which suggests that key risks are not being satisfactorily managed.

The Group’s financial risk management objectives and policies are discussed further in Note 26 to the financial statements.

The Board has obtained a written confirmation from the Interim CEO and Chief Financial Officer (“CFO”) that:

(a) the financial records of the Group have been properly maintained and the financial statements for the year ended 31 December 2023 give a true and fair view of the Group’s operations and finances, and

(b) the system of risk management and internal controls in place within the Group is adequate and effective in addressing the material risks in the Company and the Group in its current business environment.

The AC reviews the assurance from the Interim CEO and CFO on the financial records and financial statements.

Based on the internal controls established and maintained by the Company and the Group, the work performed by the internal auditors and statutory audits by the external auditors, and reviews performed by management, Board Committees and the Board, it is the opinion of the Board and AC that the internal controls (including financial, operational, compliance and information technology) and risk management systems, are adequate and effective in meeting the current scopes of the Company’s and the Group’s operations in the prevailing business environment in all material aspects. However, the Board acknowledges that no system can provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human errors, losses, fraud or other irregularities.

The Board will continually review and improve the internal controls and risk management systems of the Company and the Group on an on-going basis.

REPORT ON CORPORATE GOVERNANCE

The internal audit function is outsourced to Grant Thornton (Vietnam) Limited.

The primary objectives of the internal audit function are to assess if adequate systems of internal controls are in place to safeguard shareholders' investments and the Group's assets and to ensure that such control procedures are continuously complied with. The internal auditor reports to the AC. During the financial year ended 31 December 2023, the outsourced internal audit function has carried out internal audit in accordance with the internal audit plan approved by the AC. The AC has reviewed and discussed the findings from internal audit with the internal auditor.

The AC has considered the internal audit function to be independent, effective and adequately resourced.

IV. SHAREHOLDER RIGHTS AND ENGAGEMENT

Principle 11: Shareholder Rights and Conduct of General Meetings
Principle 12: Engagement with Shareholders

The Board is mindful of its obligation to provide timely and relevant information to shareholders.

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.

Timely disclosure of material information is carried out in accordance with the requirements of the Listing Manual of the SGX-ST. The Company's results and annual reports are released on the SGXNET. The Company's Annual Report and Notice of AGM are electronically available on SGX and the Company's website.

All material information on the performance and development of the Group and of the Company is disclosed in a timely, accurate and comprehensive manner through SGXNET, press releases and the Company's website. The Company does not practice selective disclosure of material information. All materials on the half yearly and full year financial results are available on the Company's website – www.metisenergy.com. The comprehensive website, which is updated regularly, contains various information on the Group and the Company which serves as an important resource for investors and all stakeholders. Shareholders with questions may contact the Company at 133 New Bridge Road #18-01/02 Chinatown Point Singapore 059413 (Contact Number: +65 6393 0860, Email Address: info@metisenergy.com).

Shareholders are encouraged to attend and participate at the Company's AGMs to ensure a high level of accountability. The AGM is the principal forum for dialogue with shareholders. The Board welcomes the view of shareholders on matters affecting the Company.

Members of the Board and Key Management are in attendance at general meetings. The attendance of directors at the annual general meeting held in 2023 is set out under Principle 1 above. The external auditor is also present to address shareholders' queries about the conduct of the audit and the preparation and content of the auditor's report.

The Company encourages shareholder participation at general meetings. A shareholder who is entitled to attend and vote may appoint not more than two proxies. For shareholders who hold shares through nominees such as CPF and custodian banks, they are able to attend and vote at general meetings under the multiple proxy regime.

The Company has been actively facilitating the communication between the Board with its shareholders.

REPORT ON CORPORATE GOVERNANCE

The Company tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the company explains the reasons and material implications in the notice of meeting.

The Company would prepare minutes of general meetings, which include substantial and relevant comments and questions raised by shareholders, together with responses from the Board and the Management, and would be available on the Company's website as soon as practicable.

Dividend policy

The Board aims to declare and pay annual dividend. The form, frequency and amount of dividends each year will take into consideration the Group's financial performance, cash position, cash flow generated from operations, projected capital requirements for business growth, general global economic conditions and other factors as the Board may deem appropriate.

No dividend has been declared or recommended for FY2023 as the Company continues to record accumulated losses as at 31 December 2023.

V. MANAGING STAKEHOLDERS RELATIONSHIPS

Principle 13: Engagement with Stakeholders

The Company maintains a corporate website at http://www.metisenergy.com to communicate and engage with stakeholders.

VI. OTHER CORPORATE GOVERNANCE MATTERS

Sustainability Statement

The Group recognises the growing importance of sustainable growth and how such sustainability practices impact our various stakeholders. We maintain regular engagement with our key stakeholders who have significant influence on our business and to whom our business impacts most. Their needs and concerns are important in helping us understand the accountability of our business actions and improve our decision making. We focus our efforts on addressing their key interests while striving for operational efficiency in order to create long-term sustainable growth for the Group and our stakeholders.

The stakeholders have been identified as those who are impacted by the Group's business and operations and those who are similarly are able to impact the Group's business and operations.

Four stakeholders groups have been identified through an assessment of their significance to the business operations. They are namely, employees, investors, regulators and customers.

The Company has undertaken a process to determine the environmental, social and governance (ESG) issues which are important to these stakeholders. These issues form the materiality matrix upon which targets, performance and progress are reviewed and endorsed by the Board annually.

Having identified the stakeholders and the material issues, the Company has mapped out the key areas of focus in relation to the management of the respective stakeholder relationships.

The FY2023 Sustainability Report will be available on the SGXnet and the Company's website by 30 April 2024. A summary of the Sustainability Report will be included in the 2023 Annual Report. Shareholders are encouraged to refer to the sustainability report for further details.

REPORT ON CORPORATE GOVERNANCE

Dealing in Securities

The Group has adopted a policy to govern conduct in the dealing of the securities of the Company for directors and officers in accordance with the Listing Manual of SGX-ST. Under this policy, directors and officers are prohibited from dealing in the securities of the Company (i) on short-term considerations, (ii) during the period commencing one month before the announcement of the Company's full-year financial results and two weeks before the release of half yearly financial results ("Blackout Period"), and (iii) when they are in possession of unpublished price-sensitive information.

In addition, two weeks before the release of the Company's half yearly financial results and one month before the release of the Company's full-year financial results, an email is sent to the Company's and Group's directors and employees reminding them of the Blackout Period; and prohibition to trade any time they are in possession of unpublished material price-sensitive information and on short-term considerations.

Interested Person Transactions ("IPTs")

Interested person transactions carried out during the financial year which fall under Chapter 9 of the Listing Manual of the SGX-ST are as follows:

Name of interested person	Aggregate value of all IPTs during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual)	Aggregate value of all IPTs under shareholders' mandate pursuant to Rule 920 of the Listing Manual (excluding transactions less than S$100,000)
	S$'000	**S$'000**
KaiYi Investment Pte. Ltd.[1]		
Lease of office premises	–	(227)
Interest expenses	(375)	–
PT Dermaga Perkasapratama[2]		
Sale of electricity	7,113	–
Bayan Resources[2]		
Sale of PT KP	9,193	–
PT Bayan Energy[2]		
Sale of PT KP	3,761	–

REPORT ON CORPORATE GOVERNANCE

Notes:

(1) KaiYi Investment Pte Ltd ("KaiYi"), a substantial shareholder, has 33.61% direct interest in the Company. In addition, Dato' Dr. Low Tuck Kwong, Low Yi Ngo, Elaine Low who are substantial shareholders of the Company, own 10.46%, 34.22% and 34.22% of KaiYi respectively and the immediate family member of Dato' Dr. Low Tuck Kwong, Low Yi Ngo and Elaine Low owns 16.16%. Accordingly, KaiYi is deemed to be an Interested Person for the purposes of Chapter 9 of the Listing Manual.

(2) PT Dermaga Perkasapratama and PT Bayan Energy is a subsidiary of PT Bayan Resources Tbk ("Bayan Resources"). Dato' Dr. Low Tuck Kwong and Low Yi Ngo who are substantial shareholders of the Company, own 61.06% and 0.18% of Bayan Resources respectively and are on the board of directors of Bayan Resources. Accordingly, the Bayan Group, comprising Bayan Resources and its subsidiaries are deemed to be Interested Persons for the purposes of Chapter 9 of the Listing Manual.

Use of Proceeds

As at 31 December 2023, the Group raised an approximately US$10 million from the disposal of shares in PT KP ("Proceeds"). The Proceeds will be deployed as capital expenditure, development cost and working capital for the Renewable Energy Business. As at the date of this report, the Group has not utilised the Proceeds.

DIRECTORS' STATEMENT

The directors hereby present their statement to the members together with the audited consolidated financial statements of Metis Energy Limited (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 December 2023.

Opinion of the directors

In the opinion of the directors,

(a) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of 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 and changes in equity of the Company for the year ended on that date; 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.

Directors

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

Tang Kin Fei
Ajaib Hari Dass
Tung Zhihong, Paul
Lee Fook Choon
Tan Tong Hai

Arrangements to enable directors to acquire shares and debentures

Except as described in the paragraph below, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

DIRECTORS' STATEMENT

Directors' interests in shares and debentures

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act 1967, an interest in shares and share options of the Company, as stated below:

Name of directors	1 January 2023	31 December 2023	21 January 2024
The Company			
Ordinary shares			
Tang Kin Fei	25,000,000	25,000,000	25,000,000
Tan Tong Hai	40,000,000	40,000,000	40,000,000
Lee Fook Choon	588,800	588,800	588,800

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

Options

No options were issued by the Company during the financial year. As at 31 December 2023, there are no options on the unissued shares of the Company or any other body corporate which were outstanding.

Audit committee

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act 1967. The functions performed are detailed in the Report on Corporate Governance set out in the Annual Report of the Company.

DIRECTORS' STATEMENT

Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the board of directors,

Tung Zhihong, Paul
Director

Tang Kin Fei
Director

Singapore
26 March 2024

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF METIS ENERGY LIMITED

Opinion

We have audited the financial statements of Metis Energy Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and the Company as at 31 December 2023, the statements of changes in equity of the Group and the Company and the consolidated income statement, consolidated statement of comprehensive income and consolidated cash flow statement 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, the balance sheet and the statement of changes in equity 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) (the "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 and changes in equity of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (the "SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (the "ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (the "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 judgment, 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF METIS ENERGY LIMITED

Key Audit Matters (cont'd)

Impairment assessment of non-current assets

The Group has certain property, plant and equipment and finite life intangible assets as disclosed in Notes 3 and 4 to the financial statements which forms the cash-generating unit ("CGU") in relation to subgroup of Athena – Vietnam. Management performs an impairment review of the CGU when there are indicators of impairment and the recoverable values of the CGU is determined based on value-in-use assessment where relevant and are performed by management.

These assessments involve judgement exercised in value-in-use assessments, future revenues, operating costs and discount rates. The estimates and assumptions used in the cashflow projections which form the basis of recoverable amounts require significant judgement due to the inherent estimation uncertainty. As such, we have considered this to be a key audit matter.

For the value-in-use assessment, we have obtained the CGU's cash flow forecasts assessment prepared by management and evaluated the reasonableness of management's key assumptions including forecast cash flows focusing on revenues and earnings before interest, tax, depreciation, and amortisation ('EBITDA'). We also assessed the appropriateness of discount rates with the assistance of our internal valuation specialist where required and assessed gross margins based on historical and market trends.

We also reviewed the adequacy of the Group's disclosures in relation to property, plant and equipment and finite life intangible assets as disclosed in Notes 3 and 4 to the financial statements.

Other Information

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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF METIS ENERGY LIMITED

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), 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 the 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 the SSAs, we exercise professional judgement and maintain professional skepticism 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF METIS ENERGY LIMITED

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

- 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.

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, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current 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 Lim Huijing Amanda.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore
26 March 2024

BALANCE SHEETS

AS AT 31 DECEMBER 2023

	Note	Group 2023 $'000	Group 2022 $'000	Company 2023 $'000	Company 2022 $'000
Non-current assets					
Property, plant and equipment	3	76,231	51,858	1,191	697
Intangible assets	4	5,972	6,329	–	–
Right-of-use assets	22	499	1,301	317	–
Prepayments		28	1,249	–	–
Interests in subsidiaries	5	–	–	26,327	54,812
		82,730	60,737	27,835	55,509
Current assets					
Trade and other receivables	7	13,463	5,720	4,722	136
Prepayments		1,844	235	64	59
Due from subsidiaries (non-trade)	8	–	–	56,324	4,336
Due from associate (non-trade)		–	509	–	509
Inventories	9	1,041	581	–	–
Cash and bank deposits	10	36,474	19,893	20,771	8,023
		52,822	26,938	81,881	13,063
Assets held for sale	23	–	55,831	–	56,323
		52,822	82,769	81,881	69,386
Current liabilities					
Trade and other payables	11	(13,347)	(18,670)	(671)	(7,513)
Bank borrowings	24	(1,440)	(1,421)	–	–
Lease liabilities	22	(328)	(5)	(323)	–
Income tax payable		(18)	(11)	–	–
		(15,133)	(20,107)	(994)	(7,513)
Net current assets		37,689	62,662	80,887	61,873
Non-current liabilities					
Trade and other payables	11	(12,929)	(12,640)	(12,929)	(12,640)
Bank borrowings	24	(14,624)	(16,380)	–	–
Deferred tax liabilities	17	(679)	(410)	(14)	(14)
Lease liabilities	22	(181)	(196)	–	–
		(28,413)	(29,626)	(12,943)	(12,654)
Net assets		92,006	93,773	95,779	104,728

BALANCE SHEETS

AS AT 31 DECEMBER 2023

	Note	Group 2023 $'000	Group 2022 $'000	Company 2023 $'000	Company 2022 $'000
Equity					
Share capital	12	223,659	222,180	223,659	222,180
Accumulated losses		(133,857)	(123,545)	(127,880)	(116,506)
Capital reserves		–	339	–	–
Other reserve		(320)	(320)	–	–
Foreign currency translation reserve		(2,868)	(13,152)	–	(1,268)
Acquisition revaluation reserve		5,392	5,392	–	–
Employee share option reserve		–	322	–	322
Equity attributable to owners of the Company		92,006	91,216	95,779	104,728
Non-controlling interests		–	2,557	–	–
Total equity		92,006	93,773	95,779	104,728

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	Group 2023 $'000	Group 2022 $'000
Continuing operations			
Revenue	13	3,680	12,609
Other income	14	6,395	25,482
Employee benefits expenses	15	(3,710)	(2,974)
Depreciation and amortisation		(1,795)	(5,771)
Operating expenses	16	(255)	(6,702)
Impairment losses	16	(2,100)	(9,092)
Other expenses	16	(9,462)	(6,449)
Finance costs	16	(2,254)	(857)
Share of results of associate, net of tax		–	(199)
(Loss)/profit before tax from continuing operations		(9,501)	6,047
Income tax (expense)/credit	17	(53)	162
(Loss)/profit from continuing operations, net of tax		(9,554)	6,209
Discontinued operations			
Loss from discontinued operations, net of tax	5(b)	(635)	–
(Loss)/profit for the year		(10,189)	6,209
Attributable to:			
Owners of the Company			
(Loss)/profit from continuing operations, net of tax		(9,554)	4,512
Loss from discontinuing operations, net of tax		(758)	–
Non-controlling interests			
Profit from continuing operations, net of tax		–	1,697
Profit from discontinuing operations, net of tax		123	–
(Loss)/profit for the financial year		(10,189)	6,209

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	Group 2023 $'000	Group 2022 $'000
(Loss)/profit net of tax		(10,189)	6,209
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(669)	(5,530)
Share of other comprehensive income of associates		–	(2,936)
Other comprehensive income for the financial year, net of tax		(669)	(8,466)
Total comprehensive income for the financial year		(10,858)	(2,257)
Total comprehensive income attributable to:			
Owners of the Company		(10,616)	(3,375)
Non-controlling interests		(242)	1,118
		(10,858)	(2,257)
Basic EPS			
From continuing operations		(0.33)	0.15
From discontinued operations	5(b)	(0.02)	–
		(0.35)	0.15
Diluted EPS			
From continuing operations		(0.33)	0.15
From discontinued operations	5(b)	(0.02)	–
		(0.35)	0.15

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Group	Total attributable to owners of the Company									
	Share capital $'000	Accumulated losses $'000	Capital reserve[(1)] $'000	Other reserve $'000	Foreign currency translation reserve[(2)] $'000	Acquisition revaluation reserve[(3)] $'000	Employee share option reserve[(4),(5)] $'000	Total $'000	Non-controlling interests $'000	Total Equity $'000
At 1 January 2022	222,180	(128,057)	339	(320)	(5,265)	5,392	222	94,491	1,439	95,930
Profit net of tax	–	4,512	–	–	–	–	–	4,512	1,697	6,209
Other comprehensive income										
Foreign currency translation	–	–	–	–	(4,951)	–	–	(4,951)	(579)	(5,530)
Share of other comprehensive income of associates	–	–	–	–	(2,936)	–	–	(2,936)	–	(2,936)
Other comprehensive income for the financial period, net of tax	–	–	–	–	(7,887)	–	–	(7,887)	(579)	(8,466)
Total comprehensive income for the financial period	–	4,512	–	–	(7,887)	–	–	(3,375)	1,118	(2,257)
Contributions by and distributions to owners										
Shares-based payments	–	–	–	–	–	–	100	100	–	100
Total contributions by and distributions to owners	–	–	–	–	–	–	100	100	–	100
Total transactions with owners in their capacity as owners	–	–	–	–	–	–	100	100	–	100
At 31 December 2022	222,180	(123,545)	339	(320)	(13,152)	5,392	322	91,216	2,557	93,773

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Group	Total attributable to owners of the Company								Non-controlling interests $'000	Total Equity $'000
	Share capital $'000	Accumulated losses $'000	Capital reserve[(1)] $'000	Other reserve $'000	Foreign currency translation reserve[(2)] $'000	Acquisition revaluation reserve[(3)] $'000	Employee share option reserve[(4),(5)] $'000	Total $'000		
At 1 January 2023	222,180	(123,545)	339	(320)	(13,152)	5,392	322	91,216	2,557	93,773
(Loss)/profit, net of tax	–	(10,312)	–	–	–	–	–	(10,312)	123	(10,189)
Other comprehensive income										
Foreign currency translation	–	–	–	–	(304)	–	–	(304)	(365)	(669)
Other comprehensive income for the financial period, net of tax	–	–	–	–	(304)	–	–	(304)	(365)	(669)
Total comprehensive income for the financial period	–	(10,312)	–	–	(304)	–	–	(10,616)	(242)	(10,858)
Contributions by and distributions to owners										
Shares-based payments	1,479	–	–	–	–	–	(322)	1,157	–	1,157
Total contributions by and distributions to owners	1,479	–	–	–	–	–	(322)	1,157	–	1,157
Changes arising from disposal of subsidiary										
Changes arising from disposal of subsidiary	–	–	(339)	–	10,588	–	–	10,249	(2,315)	7,934
Total changes in disposal of subsidiary	–	–	(339)	–	10,588	–	–	10,249	(2,315)	7,934
Total transactions with owners in their capacity as owners	1,479	–	(339)	–	10,588	–	(322)	11,406	(2,315)	9,091
At 31 December 2023	223,659	(133,857)	–	(320)	(2,868)	5,392	–	92,006	–	92,006

(1) Capital reserve represents the capital contribution in excess of the registered capital and differences between the amount by which the non-controlling interest is adjusted and the fair value of consideration paid or received.

(2) Foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Company's functional currency. It is also used to record the effect of hedging net investments in foreign operations.

(3) Acquisition revaluation reserve represents the fair value adjustments on acquisition of subsidiary in 2009 relating to previously held interest.

(4) Employee share option reserve represents the equity-settled share options granted to directors and employees. The reserve is made up of the cumulative value of services received from directors and employees recorded over the resulting period commencing from the grant dates of equity-settled share options and is reduced by the expiry of exercise of the share options.

(5) The share-based payments reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Company	Total attributable to owners of the Company				
	Share capital $'000	Accumulated losses $'000	Foreign currency translation reserve $'000	Employee share option reserve $'000	Total $'000
At 1 January 2022	222,180	(106,336)	–	222	116,066
Share of other comprehensive income of associates	–	–	(1,268)	–	(1,268)
Shares-based payments	–	–	–	100	100
Loss for the year, representing total comprehensive income	–	(10,170)	–	–	(10,170)
At 31 December 2022	222,180	(116,506)	(1,268)	322	104,728
At 1 January 2023	222,180	(116,506)	(1,268)	322	104,728
Share of other comprehensive income of associates	–	–	1,268	–	1,268
Shares-based payments	1,479	–	–	(322)	1,157
Loss for the year, representing total comprehensive income	–	(11,374)	–	–	(11,374)
At 31 December 2023	223,659	(127,880)	–	–	95,779

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED CASH FLOW STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	2023 $'000	2022 $'000
Operating cash flows			
(Loss)/profit before tax from continuing operations		(9,501)	6,047
Loss before tax from discontinued operations		(315)	–
(Loss)/profit before tax		(9,816)	6,047
Adjustments:			
Depreciation and amortisation		4,086	5,771
Impairment loss on intangible assets	16	–	3,806
Impairment loss on property, plant and equipment	16	–	5,286
Impairment loss on trade and other receivables	16	2,100	–
Unrealised foreign exchange differences		590	1,173
Interest expenses		2,255	857
Interest income		(1,747)	(203)
Share of results of associates		–	199
Share-based payment expenses		1,062	100
Gain on sale of land parcels, net of tax		–	(18,506)
Gain on disposal of investment in associates	14	(4,349)	–
(Gain)/loss on disposal of property, plant and equipment		(2)	257
Loss on deemed disposal of associates		–	978
Write-back of allowance for impairment of trade and other receivables	7	(371)	(1,731)
Write-back on amounts owed to creditors		–	(4,961)
Property, plant and equipment written off		355	–
Loss on disposal of a subsidiary	16	1,860	–
Operating cash flows before working capital changes		(3,977)	(927)
Increase in inventories		(642)	(475)
(Increase)/decrease in trade and other receivables		(4,728)	1,750
Increase in prepayments		(1,506)	(314)
Increase in trade and other payables		2,352	4,422
Cash flows (used in)/ generated from operations		(8,501)	4,456
Interest expense paid		(1,851)	(857)
Interest received		1,747	203
Income tax paid		(366)	(632)
Net cash flows (used in)/generated from operating activities		(8,935)	3,170
Cash flows from investing activities			
Purchase of property, plant and equipment		(38,243)	(38,008)
Proceeds from sale of property, plant and equipment		52	13,614
Net proceeds from disposal of a subsidiary	5(b)	10,425	–
Remaining proceeds from sale of investment in associates		54,725	–
Net cash flows generated from/(used in) investing activities		26,959	(24,394)
Cash flows from financing activities			
Proceeds from bank borrowings	24	–	19,144
Repayment of bank borrowings	24	(1,488)	(877)
Repayment of lease liabilities	22	(111)	(464)
Decrease/(increase) in amount due from associate		509	(304)
Net cash flows (used in)/generated from financing activities		(1,090)	17,499
Net increase/(decrease) in cash and cash equivalents		16,934	(3,725)
Effect of exchange rate changes on cash and cash equivalents		(353)	3,073
Cash and cash equivalents at beginning of financial year		19,893	20,545
Cash and cash equivalents at end of financial year	10	36,474	19,893

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

1. CORPORATE INFORMATION

Metis Energy Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore. The Company is listed on the Singapore Exchange Securities Trading Limited.

The registered office and principal place of business of the Company is located at 133 New Bridge Road, #18-01/02 Chinatown Point, Singapore 059413.

The principal activities of the Company are those of investment holding and the provision of management services.

The principal activities and principal place of business of the subsidiaries are as shown in Note 5.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company have been prepared in accordance with the provisions of Singapore Companies Act 1967 and Singapore Financial Reporting Standards (International) (SFRS(I)).

The financial statements have been prepared on a historical cost basis, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore dollars ($ or SGD), which is the Company's functional currency and all values in the tables are rounded to the nearest thousand ($'000) except when otherwise indicated.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 January 2023.

The adoption of these standards did not have any material effect on the financial performance or position of the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.3 Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Description	Effective for 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) 16 Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to SFRS(I) 1-1 Non-current Liabilities with Covenants	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 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

2.4 Significant accounting estimates and judgments

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to carrying amount of the asset or liability affected in the future periods.

(a) ***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 its assumptions and estimates on parameters available when the financial statements were 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.4 Significant accounting estimates and judgments (cont'd)

(a) ***Key sources of estimation uncertainty (cont'd)***

Impairment of non-financial assets

The non-financial assets of the Group include property, plant and equipment, intangible assets and right-of-use assets.

Management has determined the recoverable amount based on value-in-use computation which involved significant estimates. Such estimates are based on valuation techniques, which require considerable judgements in forecasting future cash flows and developing other assumptions. The recoverable amount is most sensitive to discount rate used for the discounted cash flow model as well as the expected future cash inflows from forecasted revenue. The key assumptions applied in the determination of the value-in-use are disclosed and further explained in Note 4.

The carrying amount of the Group's property, plant and equipment, intangible assets and right-of-use assets at the balance sheet date are disclosed in Note 3, Note 4 and Note 22 respectively.

(b) ***Judgments made in applying accounting policies***

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

Determining the lease term of contract with renewal and termination options – Group as Lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Group did not include renewal periods as part of the lease term as these are not reasonably certain to be exercised. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.5 Subsidiaries and basis of consolidation

(a) ***Subsidiaries***

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.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

(b) ***Basis of 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 intra-group transactions 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 within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when controls is lost;
- De-recognises the carrying amount of any non-controlling interest;
- De-recognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss;
- Re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.6 Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2.7 Foreign currency

The financial statements are presented in Singapore dollars, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) ***Transactions and balances***

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss, except for foreign exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

(b) ***Consolidated financial statements***

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.8 Property, plant and equipment and depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Expenditure for additions, improvements and renewals is capitalised. Expenditure for repair and maintenance, including overhaul and dry-docking for vessels, is charged to profit or loss unless such expenditure is separately identified and assessed by management to have increased the future economic benefits derived from the property, plant and equipment.

The capitalised assets of overhaul and dry-docking are recorded as an additional cost of property, plant and equipment and the costs are depreciated over the period up to the next scheduled overhaul and dry-docking. Any remaining carrying amount of the cost of the previous overhaul and dry-docking is derecognised and charged to current year's profit or loss.

Depreciation of an asset begins when it is available for use and is computed on a straight-line basis over the estimated useful life of the asset as follows:

Power plant	–	25 – 26 years
Infrastructure	–	20 – 26 years
Vessels	–	15 years
Leasehold improvements	–	shorter of 10 years or lease terms
Machinery and equipment	–	4 – 26 years
Furniture, fittings and office equipment	–	3 – 5 years
Motor vehicles	–	4 – 8 years
Computers	–	1 – 3 years

Construction-in-progress for qualifying assets, includes borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.9 Intangible assets

Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

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.

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 profit or loss when the asset is derecognised.

Business licence

The business licence was acquired in a business combination. Customer contracts and customers relationships have also been included in the value of the business licence as these contracts are not separable from the business licence. The business licence together with the customer contracts are amortised on a straight-line basis over its finite useful life based on the validity of the business licence as disclosed in Note 4.

Power purchase agreements

The power purchase agreements were acquired in a business combination. The power purchase agreements are amortised on a straight-line basis over its finite useful life based on the validity of the power purchase agreement as disclosed in Note 4.

2.10 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that intangible assets, property, plant and equipment, right-of-use assets and investments in subsidiaries and associates, an asset which includes may be impaired. If any such indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.10 Impairment of non-financial assets (cont'd)

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.11 Financial instruments

(a) ***Financial assets***

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of 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 party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset.

Investments in debt instruments

Amortised costs

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest 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 profit or loss when the assets are derecognised or impaired, and through amortisation process.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.11 Financial instruments (cont'd)

(a) ***Financial assets (cont'd)***

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(b) ***Financial liabilities***

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.12 Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. 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 expects 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 (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.12 Impairment of financial assets (cont'd)

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has 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 considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before considering any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.13 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, and fixed deposits, less cash at bank and fixed deposits pledged to secure banking facilities, and which are subject to an insignificant risk of changes in values.

Cash at bank and on hand and fixed deposits are classified and accounted for as financial assets under SFRS(I) 9. The accounting policy for this category of financial assets is stated in Note 2.11.

2.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for at purchase costs on a first-in first-out basis.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.15 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.16 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

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.

2.17 Employee benefits

(a) ***Defined contribution plans***

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund ("CPF") scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) ***Employee leave entitlement***

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

(c) ***Share option plans***

Directors and 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 directors and employees is measured by reference to the fair value of the options at the date on which the options are granted. This cost is recognised in profit or loss, with a corresponding increase in the share option 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 profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

The employee share option reserve is transferred to retained earnings upon expiry of the share options.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.17 Employee benefits (cont'd)

(d) ***Termination benefits***

Termination benefits are payable when employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminate the employment of current employees according to a detailed plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits is based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after end of the reporting period are discounted to present value.

2.18 Leases

As lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) ***Right-of-use assets***

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis from the commencement date over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Office premises	–	1 – 4 years
Vessels	–	5 years
Land use rights	–	24 years
Rooftop	–	20 years

Land use rights are initially measured at cost. Following initial recognition, land use rights are measured at cost less accumulated amortisation.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are presented separately as "Right-of-use assets" and are subject to impairment according to the accounting policy as set out in Note 2.10.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.18 Leases (cont'd)

As lessee (cont'd)

(b) ***Lease liabilities***

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(c) ***Short-term leases and leases of low-value assets***

The Group applies the short-term lease recognition exemption to its short-term leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

As lessor

Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.19 Revenue

Revenue is recognised to the extent that is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Sale of electricity

Revenue from sale of electricity is recognised when electricity is transmitted to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the power generation revenue, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

2.20 Taxes

(a) ***Current income tax***

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) ***Deferred tax***

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of temporary differences associated with investments in subsidiaries, associate and interests in joint venture, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.20 Taxes (cont'd)

(b) ***Deferred tax (cont'd)***

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, associate and interests in joint venture, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) ***Sales tax***

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of sales tax included.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.21 Discontinued operations

A discontinued operation is a component of the business that represents a separate major line of business or geographical area of operations that has been sold. When an operation is classified as a discontinued operation, they are presented separately in the statement of profit or loss and the comparative figures are restated as if the operation had been discontinued from the start of the comparative year.

Additional disclosures are provided in Note 5. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

2.22 Share capital and share issue expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.23 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 balance sheet 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.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.24 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 Group and Company 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 Group or Company or

(b) An entity is related to the Group and the Company 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;

(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).

2.25 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge.

The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance.

Additional disclosures on each of these segments are shown in Note 21, including the factors used to identify the reportable segments and the measurement basis of segment information.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.26 Non-current assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Non-current assets are not depreciated or amortised once classified as held for sale.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. PROPERTY, PLANT AND EQUIPMENT

Group	Power plant $'000	Infrastructure $'000	Vessels $'000	Leasehold improvements $'000	Machinery and equipment $'000	Furniture, fittings and office equipment $'000	Motor vehicles $'000	Computers $'000	Construction-in-progress $'000	Total $'000
Cost										
At 1 January 2022	44,382	7,386	1,733	592	5,791	242	265	237	1,072	61,700
Additions	112	19,280	–	40	343	17	58	11	18,147	38,008
Disposals	–	–	(1,380)	–	–	–	–	–	–	(1,380)
Exchange differences	(4,740)	(19)	(153)	(15)	(586)	(11)	(25)	(1)	–	(5,550)
At 31 December 2022 and 1 January 2023	39,754	26,647	200	617	5,548	248	298	247	19,219	92,778
Additions	–	7,138	–	43	324	290	32	28	31,242	39,097
Disposals	–	–	–	–	–	–	(90)	–	–	(90)
Write-off	–	–	–	(32)	–	–	–	–	(312)	(344)
Disposal of a subsidiary	(39,574)	(4,673)	–	(164)	(5,729)	(153)	(256)	13	(553)	(51,115)
Adjustment	–	–	(200)	–	–	–	–	–	–	(200)
Exchange differences	(180)	(1,048)	–	11	(41)	(10)	16	–	–	(1,252)
At 31 December 2023	–	28,064	–	475	102	375	–	262	49,596	78,874

Assets under construction

Included in property, plant and equipment of the Group as at 31 December 2023 is an amount of AUD$5,895,000 (approximately S$5,315,000) (2022: AUD$5,895,000 (approximately S$5,367,000)) relating to the 111MWdc (94MWac) of solar assets' development rights acquired during the year in Australia.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	Power plant $'000	Infrastructure $'000	Vessels $'000	Leasehold improvements $'000	Machinery and equipment $'000	Furniture, fittings and office equipment $'000	Motor vehicles $'000	Computers $'000	Construction-in-progress $'000	Total $'000
Accumulated depreciation and impairment										
At 1 January 2022	26,339	2,817	631	456	4,076	211	248	187	–	34,965
Depreciation charge for the financial year	1,808	820	56	21	458	2	–	18	–	3,183
Impairment loss	3,187	915	–	–	1,184	–	–	–	–	5,286
Disposals	–	–	(381)	–	–	–	–	–	–	(381)
Exchange differences	(1,927)	486	(106)	(5)	(569)	(11)	–	(1)	–	(2,133)
At 31 December 2022 and 1 January 2023	29,407	5,038	200	472	5,149	202	248	204	–	40,920
Depreciation charge for the financial year	1,578	1,417	–	23	409	20	30	21	–	3,498
Disposals	–	–	–	–	–	–	(40)	–	–	(40)
Write-off	–	–	–	(9)	–	–	–	–	–	(9)
Disposal of a subsidiary	(30,755)	(4,961)	–	(71)	(5,466)	(118)	(242)	(10)	–	(41,623)
Adjustment	–	–	(200)	–	–	–	–	–	–	(200)
Exchange differences	(230)	367	–	18	(48)	(29)	4	15	–	97
At 31 December 2023	–	1,861	–	433	44	75	–	230	–	2,643
Net book value										
At 31 December 2023	–	26,203	–	42	58	300	–	32	49,596	76,231
At 31 December 2022	10,347	21,609	–	145	399	46	50	43	19,219	51,858

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company	Leasehold improvements $'000	Furniture, fittings and office equipment $'000	Computers $'000	Construction-in-progress $'000	Total $'000
Cost					
At 1 January 2022	431	56	244	200	931
Additions	32	14	11	426	483
At 31 December 2022 and 1 January 2023	463	70	255	626	1,414
Additions	43	255	25	550	873
Write-off	(32)	–	–	(312)	(344)
At 31 December 2023	474	325	280	864	1,943
Accumulated depreciation					
At 1 January 2022	431	56	208	–	695
Depreciation charge for the financial year	3	1	18	–	22
At 31 December 2022 and 1 January 2023	434	57	226	–	717
Depreciation charge for the financial year	7	16	21	–	44
Write-off	(9)	–	–	–	(9)
At 31 December 2023	432	73	247	–	752
Net book value					
At 31 December 2023	42	252	33	864	1,191
At 31 December 2022	29	13	29	626	697

Impairment loss

In the previous financial year, the Group carried out a review of the recoverable amount of its power plant, infrastructure, machinery and equipment and business licence (identified as a single cash generating unit ("CGU") which is also the power plant reportable operating segment) as there were indicators of impairment.

An impairment loss of S$5,286,000 (Note 16) representing the write-down of the power plant, infrastructure, and machinery and equipment to their respective recoverable amounts was previously recognised in "impairment loss" line in profit or loss.

The recoverable amount of the power plant CGU was based on its value in use and the discount rate applied to the cash flow projection was 13.00% per annum.

On 30 November 2023, the investment in PT Kariangau Power ("PT KP") has been disposed and accordingly, the power plant, infrastructure, machinery and equipment and business licence (Note 4) have also been disposed and previous impairment loss has been reversed as part of the disposal (Note 5(b)).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

4. INTANGIBLE ASSETS

Group	**Business licence $'000**	**Power purchase agreements $'000**	**Total $'000**
Cost:			
At 1 January 2022	22,524	6,603	29,127
Exchange differences	(1,989)	–	(1,989)
At 31 December 2022 and 1 January 2023	20,535	6,603	27,138
Disposal	(20,443)	–	(20,443)
Exchange differences	(92)	–	(92)
At 31 December 2023	–	6,603	6,603
Accumulated amortisation and impairment			
At 1 January 2022	16,278	10	16,288
Amortisation	1,222	264	1,486
Impairment loss	3,806	–	3,806
Exchange differences	(771)	–	(771)
At 31 December 2022 and 1 January 2023	20,535	274	20,809
Amortisation	–	357	357
Disposal	(20,443)	–	(20,443)
Exchange differences	(92)	–	(92)
At 31 December 2023	–	631	631
Net carrying amount:			
At 31 December 2023	–	5,972	5,972
At 31 December 2022	–	6,329	6,329

Business Licence

Business licence relates to the business licence for the rights to supply electricity exclusively within the Kawasan Industri Kariangau ("KIK") zone, which arose from the acquisition of PT KP in 2016. Customer contracts and customer relationships have also been included in the value of the business licence as these contracts are not separable from the business licence. The useful life of the business licence together with the customer contracts is estimated to be 12 years, with a remaining useful life of 6 years in 2022.

On 30 November 2023, the investment in PT KP has been disposed and previous impairment loss has been reversed as part of the disposal (Note 5(b)).

Power Purchase Agreements

Power Purchase Agreements ("PPAs") relates to the contractual agreements signed between the customers and Athena, which arose from the acquisition of the AEH Group in October 2021.

The useful life of the PPAs acquired is estimated to be 20 years, with remaining useful lives ranging from 17 to 18 years (2022: 18 to 19 years) based on the commercial operation date as defined in the agreements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

4. INTANGIBLE ASSETS (CONT'D)

Power Purchase Agreements (cont'd)

The amortisation expense for power purchase agreements is included in the "Depreciation and amortisation" line item in profit or loss.

Impairment testing of non-current assets in relation to subgroup of Athena – Vietnam

In the current financial year, the Group carried out a review of the recoverable amount of certain of its property, plant and equipment and power purchase agreements which are identified as a single cash generating unit ("CGU") in relation to subgroup of Athena – Vietnam as there were indicators of impairment.

The recoverable amounts of the CGUs have been determined based on value in use calculations using cash flow projections from financial budgets approved by management covering a 18-year period. The discount rates applied to the cash flow projections is 11.5%.

The calculations of value in use for the CGUs are most sensitive to the following assumptions:

- Forecasted EBITDA and budgeted gross margins – EBITDA and gross margins used in the value-in-use calculations are based on budgeted gross margins derived from past performance and management's expectations of market developments.

- Discount rates – The discount rate reflects the current market assessment of the risks specific to the CGU.

Sensitivity to changes in assumptions

At 1.00% change in discount rate assumption, the recoverable value would change by 7.4%.

5. INTERESTS IN SUBSIDIARIES

	Company	
	2023	**2022**
	$'000	**$'000**
Unquoted equity shares:		
At 1 January	45,545	45,545
Add: Amounts due from subsidiaries	28,762	47,418
Less: Impairment loss	(47,980)	(38,151)
At 31 December	26,327	54,812

Management performed impairment testing on the Company's investment in subsidiaries as certain subsidiaries have been loss making. Based on assessment of the subsidiaries historical and current performance, the Company has made an additional allowance for impairment against the respective investments amounting to S$9,829,000 during the financial year ended 31 December 2023 (2022: S$2,377,000).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

5. INTERESTS IN SUBSIDIARIES (CONT'D)

(a) *Composition of the Group*

The Company has the following subsidiaries as at 31 December 2023:

Name of subsidiary	Principal activities	Principal place of business	Proportion of ownership interest		Cost of investment by the Company	
			2023	2022	2023	2022
			%	%	$'000	$'000
SLM Holding Pte Ltd[a]	Investment holding	Singapore	100	100	2,195	2,195
DLM Marine Pte Ltd[a]	Dormant	Singapore	100	100	100	100
MR Logistics Pte. Ltd.[a]	Investment holding	Singapore	100	100	33,879	33,879
Lian Beng Energy Pte. Ltd.[a]	Investment holding	Singapore	100	100	4,541	4,541
Athena Energy Holdings Pte. Ltd.[a]	Investment holding	Singapore	100	100	4,830	4,830
					45,545	45,545

Name of subsidiary	Principal activities	Principal place of business	Proportion of ownership interest	
			2023	2022
			%	%
Held through SLM Holding Pte Ltd				
PT Kariangau Power[b],[h]	Power plant	Indonesia	–	100
Held through MR Logistics Pte. Ltd.				
Kaltim Alpha Shipping Pte. Ltd.[a]	Investment holding	Singapore	100	100
PT. Jaya Pesona Abadi[e]	Investment holding	Indonesia	100	100
Held through PT. Jaya Pesona Abadi				
PT. Aneka Samudera Lintas[d]	Shipping activities	Indonesia	100	100
Held through DLM Marine Pte Ltd				
PT. MR Engineering[e]	Dormant	Indonesia	100	100
Held through Lian Beng Energy Pte. Ltd.				
PT Lian Beng Energy[e]	Dormant	Indonesia	100	100
Held through Athena Energy Holdings Pte. Ltd.				
Vietrof RE Pte. Ltd.[a]	Developer, owner and operator of renewable energy assets	Singapore	100	100
Vietrof PV Pte. Ltd.[a]	Developer, owner and operator of renewable energy assets	Singapore	100	100
Vietrof Solar Pte. Ltd.[a],[i]	Developer, owner and operator of renewable energy assets	Singapore	–	100

5. INTERESTS IN SUBSIDIARIES (CONT'D)

(a) *Composition of the Group (cont'd)*

Name of subsidiary	Principal activities	Principal place of business	Proportion of ownership interest 2023 %	2022 %
Metis Solar Pte. Ltd.[(a)]	Developer, owner and operator of renewable energy assets	Singapore	100	100
Metis RE Pte. Ltd.[(a)]	Developer, owner and operator of renewable energy assets	Singapore	100	100
Metis PV Pte. Ltd.[(a)]	Developer, owner and operator of renewable energy assets	Singapore	100	100
Held through Athena Energy Holdings Pte. Ltd.				
Metis Australia Investment Pte. Ltd.[(a)]	Investment holding	Singapore	100	100
Metis RE (Philippines) Pte. Ltd.[(a),(g)]	Investment holding	Singapore	100	–
Athena Energy Australia (Holdings) Pty. Ltd.[(e),(g)]	Developer, owner and operator of renewable energy assets	Australia	100	–
Athena Wind Energy Australia (Holdings) Pty. Ltd.[(e),(g)]	Developer, owner and operator of renewable energy assets	Australia	100	–
Metis Operations (Australia) Pty. Ltd.[(e),(g)]	Services related to management consulting	Australia	100	–
Athena (Shanghai) Co., Ltd.[(e)]	Dormant	People's Republic of China	100	100
Metis Solar (Vietnam) Pte. Ltd.[(a),(j)]	Developer, owner and operator of renewable energy assets	Singapore	100	–
Held through Metis RE (Philippines) Pte. Ltd.				
Metis Philippines Kembangan Solar Pte. Ltd.[(a),(g)]	Investment holding	Singapore	100	–
Held through Metis Solar Pte. Ltd.				
Metis Solar (Vietnam) Pte. Ltd.[(a),(j)]	Developer, owner and operator of renewable energy assets	Singapore	–	100
Metis Solar (Indonesia) Pte. Ltd.[(a)]	Developer, owner and operator of renewable energy assets	Singapore	100	100
Vietrof Solar Pte. Ltd.[(a),(i)]	Developer, owner and operator of renewable energy assets	Singapore	100	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

5. INTERESTS IN SUBSIDIARIES (CONT'D)

(a) *Composition of the Group (cont'd)*

Name of subsidiary	Principal activities	Principal place of business	Proportion of ownership interest 2023 %	2022 %
Held through Vietrof RE Pte. Ltd.				
Vietrof Renewable Energy Co., Ltd.[c]	Developer, owner and operator of renewable energy assets	Vietnam	100	100
Held through Vietrof PV Pte. Ltd.				
Vietrof PV Vietnam Co., Ltd.[c]	Services related to management consulting	Vietnam	100	100
Leedon International Vietnam Co., Ltd[c]	Services related to management consulting	Vietnam	100	100
Held through Vietrof Solar Pte. Ltd				
Vietrof Solar Vietnam Co., Ltd[c]	Developer, owner and operator of renewable energy assets	Vietnam	100	100
Chesterfield Vietnam Co., Ltd[c]	Developer, owner and operator of renewable energy assets	Vietnam	100	100
Held through Metis Solar (Vietnam) Pte. Ltd.				
Metis Solar Vietnam Co., Ltd[c]	Developer, owner and operator of renewable energy assets	Vietnam	100	100
Held through Vietrof Renewable Energy Co., Ltd.				
Can Sports Green Energy Co., Ltd.[c]	Developer, owner and operator of renewable energy assets	Vietnam	100	100
Phu Luc Green Energy Co., Ltd.[c]	Developer, owner and operator of renewable energy assets	Vietnam	100	100
Held through Metis Solar (Indonesia) Pte. Ltd.				
PT Metis Solar (formerly known as PT Niaga Power Kariangau)[e]	Operations and maintenance of electrical installation	Indonesia	95	95
PT Power Kariangau Kalimantan[e]	Operations and maintenance of electrical installation	Indonesia	95	95
Held through Metis Australia Investment Pte. Ltd.				
Metis Gunsynd Holdings Pty Ltd[e]	Investment holding	Australia	100	100
Held through Metis Australia Investment Pte. Ltd.				
Progressive Renewable Development Gunsynd Pty Ltd[e],[f]	Developer, owner and operator of renewable energy assets	Australia	100	100
Gunsynd Solar Farm Project Trust[g]	Developer, owner and operator of renewable energy assets	Australia	100	–

5. INTERESTS IN SUBSIDIARIES (CONT'D)

(a) *Composition of the Group (cont'd)*

(a) Audited by Ernst & Young LLP, Singapore

(b) Audited by member firm of Ernst & Young Global for purposes of Group consolidation

(c) Audited by member firm of Ernst & Young Global

(d) Audited by Kantor Akuntan Publik Umaryadi, Ak., CPA

(e) Exempted from audit in the country of incorporation

(f) Acquired during the financial year ended 31 December 2022

(g) Incorporated during the financial year ended 31 December 2023

(h) Disposed during the financial year ended 31 December 2023

(i) Athena Energy Holdings Pte. Ltd., has on 10 March 2023 transferred its 100% equity interest in Vietrof Solar Pte. Ltd. to Metis Solar Pte. Ltd.

(j) Metis Solar Pte. Ltd., has on 10 March 2023 transferred its 100% equity interest in Metis Solar (Vietnam) Pte. Ltd. to its holding company, Athena Energy Holdings Pte. Ltd.

(b) *Discontinued operation – Disposal of PT Kariangau Power ("PT KP")*

On 26 June 2023, SLM Holding Pte. Ltd. ("SLM"), wholly-owned subsidiary of the Company, entered into a Conditional Sales and Purchase Agreement ("CSPA") with PT Bayan Resources Tbk and PT Bayan Energy for the sale of all 397,785 shares owned by SLM in PT KP equivalent to 86.11% shareholding. The agreed consideration is IDR 151,629,092,135 (approximately $12,954,000). The disposal was completed on 30 November 2023 and the consideration was fully settled in cash.

The net assets and liabilities of PT KP, recorded in the consolidated financial statements as at 30 November 2023, and the effects of the disposal are as follows:

	2023 $'000
Property, plant and equipment	10,543
Inventories	147
Trade and other receivables	950
Prepayment	1,053
Cash and cash equivalents	2,529
	15,222
Trade and other payables	(1,714)
Amount due to related party	(5,833)
Other liabilities	(795)
Carrying value of net assets	6,880
Net assets disposed	(6,880)
Non-controlling interest	2,315
Reserves recycled to profit or loss	(10,249)
Cash consideration	12,954
Loss from disposal of subsidiary (Note 16)	(1,860)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

5. INTERESTS IN SUBSIDIARIES (CONT'D)

(b) ***Discontinued operation – Disposal of PT Kariangau Power ("PT KP") (cont'd)***

Effect of disposal of subsidiary on cash flow

	2023 $'000
Total consideration	12,954
Less: Cash and cash equivalents of subsidiary disposed	(2,529)
Net cash inflow on disposal of subsidiary	10,425

The operating performance of PT KP has been presented separately under "Loss from discontinued operation, net of tax" on the Income Statement. The results of discontinued operation for the period are presented below.

Income statement disclosures

The results of discontinued operation for the financial year ended 30 November 2023 are as follows:

	2023 $'000
Revenue	8,790
Other income	95
Employee benefits expenses	(477)
Depreciation and amortisation	(2,291)
Operating expenses	(6,194)
Other expenses	(237)
Finance costs	(1)
Loss before tax from discontinued operation	(315)
Income tax expense	(320)
Loss from discontinued operation, net of tax	(635)

Included in the PT KP's prepayments are advanced payments made for the construction of haul roads to facilitate the transportation of coal to the power plant. The advanced payments on the road haul costs are amortised over the remaining tenure of 18 years (2022: 19 years).

Amortisation expenses of $52,000 relating to prepayments has been recognised in the "Depreciation and amortisation" line item of the income statement of the discontinued operations above.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

5. INTERESTS IN SUBSIDIARIES (CONT'D)

(b) ***Discontinued operation – Disposal of PT Kariangau Power ("PT KP") (cont'd)***

Cash flow statement disclosures

The cash flows attributable to discontinued operations are as follows:

	2023 $'000
Operating	1,192
Investing	(1,058)
Net cash inflows	134

	2023
Loss per share disclosures	
Loss per share from discontinued operation attributable to owners of the Company (SGD cents per share)	
Basic and diluted	(0.02)

The basic and diluted loss per share from discontinued operation are calculated by dividing the loss from discontinued operation, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares for basic loss per share and diluted earnings per share computation.

6. INVESTMENT IN ASSOCIATES

The movement in investment in associates is summarised below:

	Group		Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Investment, at cost	26,148	85,714	26,148	85,714
Accumulated share of results, net of tax	(6,540)	(7,467)	–	(927)
Accumulated share of other comprehensive income of associates	–	(1,268)	–	(1,268)
Accumulated loss on deemed disposal of associates	–	(1,048)	–	(1,048)
Accumulated impairment loss	(19,608)	(19,608)	(26,148)	(26,148)
Other adjustments	–	(492)	–	–
Transfer to assets held for sale (Note 23)	–	(55,831)	–	(56,323)
At the end of year	–	–	–	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

6. INVESTMENT IN ASSOCIATES (CONT'D)

The Group's associates comprised the following:

Name	Principal activities	Principal place of business	Proportion of ownership interest 2023 %	2022 %
Giantminer Pte. Ltd.	Investment holding and other mining and quarrying	Singapore	25	25

7. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Trade receivables (current):				
Third parties	5,108	6,042	38	38
Less: Allowance for impairment	(4,526)	(4,619)	(38)	(38)
	582	1,423	–	–
Other receivables (current):				
GST receivable	5,408	2,797	141	36
Deposits	3,055	3,042	3,022	3,022
Due from a related party	5,308	–	5,308	–
Other receivables	9,593	7,585	293	101
Interest receivable from banks	6	17	6	17
	23,370	13,441	8,770	3,176
Less: Allowance for impairment	(10,489)	(9,144)	(4,048)	(3,040)
	12,881	4,297	4,722	136
Trade and other receivables (current)	13,463	5,720	4,722	136
Add:				
Cash and bank deposits (Note 10)	36,474	19,893	20,771	8,023
Due from subsidiaries (non-trade)	–	–	56,324	4,336
Due from associate (non-trade)	–	509	–	509
Total financial assets carried at amortised cost	49,937	26,122	81,817	13,004

(i) Trade receivables are non-interest bearing and are to be settled in cash. Trade receivables are generally on 30 to 120 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

(ii) Amounts due from related parties are unsecured, repayable upon demand and are to be settled in cash.

7. TRADE AND OTHER RECEIVABLES (CONT'D)

Expected credit losses

The movement in allowance for expected credit losses of trade and other receivables computed based on lifetime ECL are as follows:

	Group		Company	
	Trade receivables $'000	**Other receivables $'000**	**Trade receivables $'000**	**Other receivables $'000**
At 1 January 2022	(4,687)	(12,185)	(38)	(3,040)
Write-back	–	1,731	–	–
Written off	–	1,326	–	–
Charge for the year	–	(484)	–	–
Exchange differences	68	468	–	–
At 31 December 2022 and 1 January 2023	(4,619)	(9,144)	(38)	(3,040)
Write-back (Note 14)	–	371	–	–
Written off	–	222	–	–
Charge for the year (Note 16)	–	(2,100)	–	(1,008)
Exchange differences	93	162	–	–
At 31 December 2023	(4,526)	(10,489)	(38)	(4,048)

8. DUE FROM SUBSIDIARIES (NON-TRADE)

	Company	
	2023 $'000	**2022 $'000**
Current		
Amounts due from subsidiaries	59,820	7,810
Less: Allowance for impairment	(3,496)	(3,474)
	56,324	4,336

Non-trade amounts due from subsidiaries are unsecured, interest-free and repayable on demand.

9. INVENTORIES

	Group	
	2023 $'000	**2022 $'000**
Balance sheets:		
Raw materials (at cost)	1,041	581
Income statement:		
Inventories recognised as an expense in operating expenses	–	2,301

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

10. CASH AND BANK DEPOSITS

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Cash at banks and on hand	16,670	15,277	4,704	5,710
Short term deposits	19,804	4,616	16,067	2,313
Cash and bank deposits	36,474	19,893	20,771	8,023

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term deposits are made for varying periods between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short term deposit rates.

The effective interest rates as at 31 December 2023 for the Group and the Company were 3.55% (2022: 1.01%) and 4.53% (2022: 1.22%) per annum, respectively. At the balance sheet date, cash and bank deposits denominated in USD amounted to $21,803,000 (2022: $10,383,000) and $19,606,000 (2022: $6,140,000) for the Group and Company respectively.

11. TRADE AND OTHER PAYABLES

	Group		Company	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Trade payables (current):				
Third parties	(8,350)	(5,136)	(12)	(4)
	(8,350)	(5,136)	(12)	(4)
Accrued expenses	(4,341)	(4,342)	(658)	(646)
Other payables	(656)	(9,192)	(1)	(6,863)
Trade and other payables (current)	(13,347)	(18,670)	(671)	(7,513)
Trade and other payables (non-current):				
Amounts due to related parties	(12,929)	(12,640)	(12,929)	(12,640)
Total trade and other payables	(26,276)	(31,310)	(13,600)	(20,153)
Add:				
Bank borrowings (Note 24)	(16,064)	(17,801)	–	–
Total financial liabilities carried at amortised cost	(42,340)	(49,111)	(13,600)	(20,153)

Trade and other payables are non-interest bearing. The credit terms of trade payables range from 30 to 120 days (2022: 30 to 120) days, while other payables have an average term of 6 (2022: 6) months.

11. TRADE AND OTHER PAYABLES (CONT'D)

Amounts due to related parties

The amounts due to related parties are unsecured. At the balance sheet date, amounts due to related parties denominated in USD amounted to $2,149,000 (2022: $2,192,000).

The amounts due to related parties included the following:

(i) The Company and Kaiyi Investment Pte Ltd ("KaiYi") entered into a loan agreement on 5 December 2019 whereby a loan of US$1,630,000 was granted to the Company. As at 31 December 2023, both the Company and KaiYi agreed to extend the loan to 31 December 2025.

(ii) The Company and KaiYi entered into a loan agreement for the purpose of the acquisition of Athena on 18 October 2021, whereby the loan of S$10,000,000 bears interest at 3.75% per annum and is repayable at the discretion of KaiYi.

Deposits received

On 2 September 2022, the Company has entered into a CSPA with KaiYi for the sale of Manhattan Property Development Pte Ltd ("MPDPL") for a consideration of US$45,700,000 (approximately S$64,030,000). Based on the CSPA, KaiYi has made a deposit of US$5,000,000 (approximately S$6,861,000) in the previous financial year.

On 16 January 2023, the sale of MPDPL was completed and the deposit received were reversed from trade and other payables.

12. SHARE CAPITAL

	Group and Company			
	2023		2022	
	No. of shares	$'000	No. of shares	$'000
Issued and fully paid ordinary shares				
At 1 January	3,000,701,100	222,180	3,000,701,100	222,180
Issuance of ordinary shares[1]	32,624,230	1,479	–	–
At 31 December	3,033,325,330	223,659	3,000,701,100	222,180

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

(1) On 14 June 2023 and 1 November 2023, the Company has issued and allotted 1,855,000 and 30,769,230 new ordinary shares respectively in accordance to the Metis Energy Performance Share Scheme 2022 to selected employees of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

13. REVENUE

	Group	
	2023	**2022**
	$'000	**$'000**
Disaggregation of revenue		
Management fees	–	878
Sales of electricity		
– Power plant segment	–	9,214
– Renewable energy segment	3,680	1,826
Coal transportation income	–	691
	3,680	12,609
Timing of transfer of services		
Over time	–	1,569
Point in time	3,680	11,040

The Group's revenue by business segment and geographical location is disclosed in Note 21.

14. OTHER INCOME

	Group	
	2023	**2022**
	$'000	**$'000**
Interest income	1,673	203
Gain on sale of land parcels, net of tax	–	18,506
Gain on sale of investment in associate	4,349	–
Write-back on amounts owed to creditors	–	4,961
Write-back of allowance for impairment of trade and other receivables (Note 7)	371	1,731
Miscellaneous income	2	81
	6,395	25,482

15. EMPLOYEE BENEFITS EXPENSES (INCLUDING DIRECTORS' AND EXECUTIVE OFFICERS' REMUNERATION)

	Group	
	2023	**2022**
	$'000	**$'000**
Salaries and bonuses	(2,271)	(2,587)
Central Provident Fund contributions	(241)	(239)
Share-based payments	(1,157)	(100)
Others	(41)	(48)
	(3,710)	(2,974)

Directors' and executive officers' remuneration are disclosed in Note 19(a).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

16. OPERATING EXPENSES, IMPAIRMENT LOSS AND OTHER EXPENSES

	Group 2023 $'000	Group 2022 $'000
Operating expenses:		
Coal and fuel	–	(2,620)
Operations and maintenance	(217)	(2,706)
Agent fees and port handling charges	3	(34)
Certificate, licence and other compliance expenses	–	(13)
Other expenses	(41)	(1,329)
	(255)	(6,702)
Finance costs:		
– Interest expense on lease liabilities	(27)	(12)
– Interest expense on bank borrowings	(1,788)	(441)
– Interest expense on others	(439)	(404)
	(2,254)	(857)
Impairment loss on:		
– Property, plant and equipment (Note 3)	–	(5,286)
– Intangible assets (Note 4)	–	(3,806)
– Trade and other receivables (Note 7)	(2,100)	–
	(2,100)	(9,092)
Other expenses included the following:		
Office and other rental expenses	(340)	(190)
Foreign exchange loss, net	(1,962)	(36)
Loss on deemed disposal of associate	–	(978)
Loss on disposal of subsidiary (Note 5(b))	(1,860)	–
Legal and professional fees	(3,790)	(3,273)
Included in legal and professional fees are the following:		
– Audit fees:		
Auditors of the Company	(218)	(208)
Affiliates of the auditors of the Company	(88)	(81)
– Non-audit fees:		
Auditors of the Company	(10)	(9)
Affiliates of the auditors of the Company	–	(129)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

17. INCOME TAX

Major components of income tax expense/(credit)

Major components of income tax expense/(credit) for the financial years ended 31 December 2023 and 2022 are:

	Group	
	2023	**2022**
	$'000	**$'000**
Income statement:		
From continuing operations		
Current income tax:		
Current income tax	79	1,812
Under provision in respect of previous years	9	–
Deferred income tax:		
Origination and reversal of temporary differences	(35)	(1,974)
	(35)	(1,974)
Income tax expense/(credit) recognised in profit or loss	53	(162)
From discontinued operation		
Current income tax:		
Current income tax	51	–
Deferred income tax:		
Origination and reversal of temporary differences	269	–
Income tax expense recognised in profit or loss	320	–
Tax expense is attributable to:		
Continuing operations	53	(162)
Discontinued operations	320	–
Income tax expense/(credit) recognised in profit or loss	373	(162)

17. INCOME TAX (CONT'D)

Relationship between income tax credit and accounting profit/(loss)

The reconciliation of the tax and the product of accounting profit/(loss) before tax multiplied by the applicable tax rate is as follows:

	Group	
	2023 **$'000**	**2022** **$'000**
(Loss)/profit from continuing operations	(9,501)	6,047
Loss from discontinuing operations	(315)	–
(Loss)/profit before tax	(9,816)	6,047
Tax at the domestic rates applicable to (loss)/profit in the countries where the Group operates	(1,579)	1,611
Adjustments:		
Income not subject to taxation	(435)	(2,273)
Non-deductible expenses	1,351	951
Share of results of associate and joint venture	–	34
Benefits from unrecognised tax losses	–	(485)
Deferred tax assets not recognised	1,027	–
Under provision in respect of previous years	9	–
Income tax expense/(credit) recognised in profit or loss	373	(162)

The corporate income tax rate applicable to Singapore companies of the Group was 17% for the year of assessment ("YA") 2024 and YA2023.

The corporate income tax rate applicable to Indonesia companies of the Group was 22% for YA2024 and YA2023, except for a subsidiary's vessel charter income which is subjected to a final tax at a rate of 1.20% of revenue in YA2023 under the Taxation Laws of Indonesia.

The reconciliation of tax and the product of accounting profit/(loss) is prepared by aggregating separate reconciliation for each national jurisdiction.

Deferred tax

Deferred tax as at 31 December relates to the following:

	Group				Company	
	Consolidated balance sheet		Consolidated income statement		Balance sheet	
	2023 **$'000**	**2022** **$'000**	**2023** **$'000**	**2022** **$'000**	**2023** **$'000**	**2022** **$'000**
Deferred tax liability:						
Differences in depreciation	(56)	(1,724)	(378)	(337)	(14)	(14)
Differences in amortisation	(1,405)	(886)	144	1,881	–	–
Sale of land	–	2,200	–	430	–	–
Disposal of subsidiary	782	–	–	–	–	–
	(679)	(410)			(14)	(14)
Deferred tax credit/ (expense)			(234)	1,974		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

17. INCOME TAX (CONT'D)

Unabsorbed tax losses

As at 31 December 2023, the Group and the Company have unabsorbed tax losses of approximately $16,030,000 (2022: $17,503,000) and $8,072,000 (2022: $6,473,000), respectively, that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset has been recognised due to uncertainty of its recoverability. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

Unrecognised temporary differences relating to investment in subsidiaries and associates

At the end of the respective reporting periods, no deferred tax liability has been recognised for taxes that would be payable on the undistributed earnings of the Group's subsidiaries and associates as the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

18. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share are calculated by dividing profit, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following tables reflect the profit and share data used in the computation of basic and diluted earnings per share for the financial years ended 31 December:

	Group	
	2023 **$'000**	**2022** **$'000**
Loss from discontinued operation, net of tax, attributable to equity holders of the company	(758)	–
(Loss)/profit from continuing operations, net of tax, attributable to equity holders of the Company used in the computation of basic earnings per share	(9,554)	4,512
	No. of shares	**No. of shares**
Weighted average number of ordinary shares for basic and diluted earnings per share computation	3,006,775,494	3,000,701,100

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

19. RELATED PARTY DISCLOSURES

(a) ***Remuneration of directors and executive officers***

	Group	
	2023 **$'000**	**2022** **$'000**
Directors' remuneration (including directors' fees):		
Salaries, bonus and directors' fees	(548)	(550)
CPF contributions	–	(5)
Other benefits	–	(5)
	(548)	(560)
Executive officers' remuneration:		
Salaries and bonus	(1,244)	(1,450)
CPF contributions	(89)	(99)
Other benefits	(8)	(42)
	(1,341)	(1,591)
	(1,889)	(2,151)

Directors' interest in share option plan

During the financial years ended 31 December 2023 and 2022, no share options were granted to the Company's directors.

(b) ***Sale and purchase of services and leases***

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties during the financial year took place at terms agreed between the parties, which were made at terms equivalent to those prevailing in arm's length transactions with third parties:

	Group	
	2023 **$'000**	**2022** **$'000**
Related parties		
– Sale of electricity	7,113	7,309
– Commercial property lease expense	(227)	(150)
– Interest expense	(375)	(375)

Related parties comprise companies which are related to a substantial shareholder and his close family members.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

20. CONTINGENT LIABILITIES

Financial support

The Company has committed to provide continuing financial support to certain of its subsidiaries to enable them to operate as going concerns.

21. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services, and has 4 reportable operating segments as follows:

(a) The Power Plant segment relates to the construction, acquisition, operations and maintenance of power plants and the production and sale of electric power in Indonesia. This relates to the investment in PT KP for which was sold as of 31 December 2023 (Note 5);

(b) The Renewable Energy segment relates to the construction, acquisition, operations and maintenance of renewable generation facilities and the production and sale of renewable energy in Vietnam;

(c) The Shipping segment relates to ship-chartering and provision of freight services in Indonesia, mainly for coal carrying activities. The Group has exited from the shipping business and sold the last tug boat to a third party in the financial year ended 31 December 2022;

(d) The Corporate and Others segment is involved in Group-level corporate services, treasury functions, investments in properties and others, including overburden removal services and equipment leasing services.

Except as indicated above, no other 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 resources 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.

21. SEGMENT INFORMATION (CONT'D)

	31 December 2023						31 December 2022					
	Renewable Energy $'000	Shipping $'000	Corporate and Others $'000	Elimina-tions $'000	Per consolidated financial statements $'000	Power Plant Discontinued operation $'000	Power Plant $'000	Renewable Energy $'000	Shipping $'000	Corporate and Others $'000	Elimina-tions $'000	Per consolidated financial statements $'000
Revenue												
External customers	3,680	–	–	–	3,680	8,790	9,214	1,826	691	878	–	12,609
Inter-segment	–	–	24	(24)	–	–	–	–	–	24	(24)	–
Total revenue	3,680	–	24	(24)	3,680	8,790	9,214	1,826	691	902	(24)	12,609
Results												
Interest income	94	9	1,570	–	1,673	74	120	1	14	68	–	203
Depreciation and amortisation	(1,638)	–	(157)	–	(1,795)	(2,291)	(4,507)	(707)	(481)	(76)	–	(5,771)
Share of results of associates	–	–	–	–	–	–	–	–	–	(199)	–	(199)
Gain on disposal of investment in associates	–	–	4,349	–	4,349	–	–	–	–	–	–	–
Gain on sale of land parcels, net of tax	–	–	–	–	–	–	18,506	–	–	–	–	18,506
Loss on disposal of subsidiary	–	–	(1,860)	–	(1,860)	–	–	–	–	–	–	–
Interest expenses	(1,868)	–	(386)	–	(2,254)	(1)	(4)	(465)	(13)	(375)	–	(857)
Impairment loss on property, plant and equipment	–	–	–	–	–	–	(5,286)	–	–	–	–	(5,286)
Impairment loss on intangible assets	–	–	–	–	–	–	(3,806)	–	–	–	–	(3,806)
Segment (loss)/profit before tax	(5,350)	(1,109)	(3,042)	–	(9,501)	(315)	8,207	(4,480)	1,350	970	–	6,047
Income tax (expenses)/credit	(51)	(2)	–	–	(53)	(320)	814	(13)	(639)	–	–	162
(Loss)/profit for the financial year from continuing operations	(5,401)	(1,111)	(3,042)	–	(9,554)	(635)	9,021	(4,493)	711	970	–	6,209
Loss for the financial year from discontinuing operations	–	–	(758)	–	(758)	–	–	–	–	–	–	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

21. SEGMENT INFORMATION (CONT'D)

	Power Plant $'000	Renewable Energy $'000	Shipping $'000	Corporate and Others $'000	Per consolidated financial statements $'000	Power Plant Discontinued operation $'000
31 December 2023						
Assets						
Additions to property, plant and equipment	–	37,023	–	977	38,000	1,097
Segment assets	–	104,950	535	30,067	135,552	–
Segment liabilities	–	(28,448)	(26)	(15,072)	(43,546)	–
31 December 2022						
Assets						
Additions to property, plant and equipment	534	36,933	–	541	38,008	–
Segment assets	17,247	58,933	1,811	65,515	143,506	–
Segment liabilities	(2,806)	(26,246)	(486)	(20,195)	(49,733)	–

Geographical information

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

	Revenue		Non-current assets	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
From continuing operations				
Singapore	–	878	4,007	10,569
Indonesia	–	9,905	47	13,050
Vietnam	3,680	1,826	39,290	30,600
Australia	–	–	39,386	6,518
	3,680	12,609	82,730	60,737
From discontinued operations				
Indonesia	8,790	–	11,500	–

Information about major customers

	Renewable		Power plant		Shipping	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Revenue from a major customer	2,638	1,361	7,113	7,309	–	641

22. LEASES

Group as lessee

The Group has lease contracts for various items of office premises, vessels and rooftop leasing used in its operations. Leases of office premise generally have lease terms between 1 to 4 years, while vessels generally have lease terms of 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from subleasing the office premises to third parties. The lease contracts do not include renewal options and variable lease payments.

The Group also has certain leases of staff accommodation and office premise with lease terms of 12 months or less and leases of photocopier machine and warehouse storage with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

(a) ***Carrying amounts of right-of-use assets***

The carrying amounts of right-of-use assets recognised and the movements during the period are as follows:

Group	Vessels $'000	Office premises $'000	Land use rights $'000	Rooftop $'000	Total $'000
At 1 January 2022	401	56	1,741	–	2,198
Additions	–	–	–	205	205
Depreciation charge for the financial year	(401)	(56)	(581)	(4)	(1,042)
Exchange differences	–	–	(60)	–	(60)
At 31 December 2022 and 1 January 2023	–	–	1,100	201	1,301
Additions	–	402	–	–	402
Depreciation charge for the financial year	–	(85)	(84)	(10)	(179)
Disposal of a subsidiary	–	–	(1,051)	–	(1,051)
Exchange differences	–	–	35	(9)	26
At 31 December 2023	–	317	–	182	499

Arising from the acquisition of PT KP in 2016, the Group has land use rights over three plots of land in Indonesia, of which one plot is currently utilised by the Group's power plant. These land use rights have a lease term of 29 years with a remaining tenure of 17 years (2022: 18 years). On 30 November 2023, the investment in PT KP has been disposed and accordingly, the land use rights have also been disposed (Note 5).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

22. LEASES (CONT'D)

Group as lessee (cont'd)

(a) ***Carrying amounts of right-of-use assets (cont'd)***

Company	Office premise $'000
At 1 January 2022	55
Depreciation charge for the financial year	(55)
At 31 December 2022 and 1 January 2023	–
Additions	402
Depreciation charge for the financial year	(85)
At 31 December 2023	317

(b) ***Lease liabilities***

The carrying amounts of lease liabilities and the movements during the period are as follows:

	Group		Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
At 1 January	201	451	–	44
Additions	402	202	402	–
Accretion of interest	27	12	11	–*
Payments	(138)	(464)	(90)	(44)
Exchange differences	17	–	–	–
At 31 December	509	201	323	–
Current	328	5	323	–
Non-current	181	196	–	–

* *denotes less than S$1,000*

The maturity profile of lease liabilities is disclosed in Note 26(b).

(c) ***Amounts recognised in profit or loss***

The lease expenses recognised in the statement of comprehensive income are as follows:

	Group		Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Interest expenses on lease liabilities	27	12	11	–*
Expenses related to low value assets	340	190	145	113
Total amount recognised in profit or loss	367	202	156	113

* *denotes less than S$1,000*

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

22. LEASES (CONT'D)

Group as lessee (cont'd)

(d) ***Total cash outflow***

The Group and Company had total cash outflows for leases of $478,000 (2022: $654,000) and $235,000 (2022: $157,000) respectively.

23. ASSETS HELD FOR SALE

On 2 September 2022, the Company entered into a conditional sale and purchase agreement with KaiYi for the sale of Manhattan Property Development Pte Ltd ("MPDPL") for a consideration of US$45,700,000 (approximately S$64,030,000). Accordingly, the net book value of the investment in associates have been reclassified as assets held for sale.

On 5 January 2023, the shareholders of the Company approved the Proposed Disposal of MPDPL at an Extraordinary General Meeting. The disposal was completed on 16 January 2023.

The assets and liabilities relating to the assets held for sale as at 31 December 2023 and 2022 are as follows:

	Group		Company	
	2023 $'000	2022 $'000	2023 $'000	2022 $'000
Transfer from investment in associates (Note 6)	–	55,831	–	56,323
Assets held for sale	–	55,831	–	56,323

24. BANK BORROWINGS

	Maturity	Group		Company	
		2023 $'000	2022 $'000	2023 $'000	2022 $'000
Current:					
U$14,000,000 bank loan	2024	(1,440)	(1,421)	–	–
Non-current:					
U$14,000,000 bank loan	2025 – 2029	(14,624)	(16,380)	–	–
Total bank borrowings		(16,064)	(17,801)	–	–

The bank borrowings are denominated in United States Dollar, bear interest at SOFR + margin per annum ranging from 4.87% to 10.16% are secured by (i) charge on the ownership interest in the borrower entity is granted; and (ii) charge on all present and future assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

24. BANK BORROWINGS (CONT'D)

A reconciliation of liabilities arising from the Group's financing activities is as follows:

	1 January 2023 $'000	Cash flows $'000	Non-cash changes Additions $'000	Accretion of interests $'000	Foreign exchange movement $'000	Others $'000	31 December 2023 $'000
Lease liabilities	201	(138)	402	27	17	–	509
Bank borrowings	17,801	(3,276)	–	1,788	(317)	68	16,064
Total	18,002	(3,414)	402	1,815	(300)	68	16,573

	1 January 2022 $'000	Cash flows $'000	Non-cash changes Additions $'000	Accretion of interests $'000	Foreign exchange movement $'000	31 December 2022 $'000
Lease liabilities	451	(476)	202	12	12	201
Bank borrowings	–	18,708	–	441	(1,348)	17,801
Total	451	18,232	202	453	(1,336)	18,002

25. COMMITMENTS

(a) ***Power purchase agreements***

Subsidiaries of the Group have signed power purchase agreements to supply electric power and renewable energy to various customers at pre-determined rates. These agreements are valid for a period of 1 to 20 years and can be extended upon the written approvals of the parties.

Future minimum sale of electricity as at 31 December are as follows:

	Group 2023 $'000	Group 2022 $'000
Not later than one year	5,277	9,097
Later than one year but not later than five years	21,790	35,695
More than five years	78,478	60,534
	105,545	105,326

Since the completion of the sale of PT KP (Note 5(b)), there is no further commitment by PT KP as at 31 December 2023.

25. COMMITMENTS (CONT'D)

(b) *Capital commitments*

Capital expenditure contracted for as at the end of reporting period but not recognised in the financial statements are as follows:

	Group	
	2023	**2022**
	$'000	**$'000**
Capital commitments in respect of property, plant and equipment	7,038	5,463

26. FINANCIAL INSTRUMENTS

(a) *Financial risk management objectives and policies*

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include foreign currency risk, credit risk and liquidity risk.

The Board of Directors reviews and agrees on policies and procedures for the management of these risks, which are executed by the Chief Financial Officer. The Audit Committee provides independent oversight to the effectiveness of the risk management process.

It is and has been throughout the current and previous financial years, the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost efficient. The Group and the Company do not apply hedge accounting.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

Foreign currency risk

The Group has transactional currency exposures arising from purchases that are denominated in a currency other than the respective functional currencies of the Group's entities, primarily Singapore Dollars ("SGD"), Indonesian Rupiah ("IDR"), Australian Dollars ("AUD") and Vietnamese Dong ("VND"). The foreign currencies in which these transactions are mainly denominated are United States Dollars ("USD"). Approximately 29% (2022: 10%) of the Group's costs and expenses, excluding impairment losses, are denominated in USD (2022: USD). The Group's trade payable balances as at the balance sheet date have similar exposures.

The Group and Company also hold cash and cash equivalents denominated in foreign currencies for working capital purposes. At the balance sheet date, such foreign currency balances are mainly denominated in USD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

26. FINANCIAL INSTRUMENTS (CONT'D)

(a) ***Financial risk management objectives and policies (cont'd)***

Foreign currency risk (cont'd)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit/(loss) net of tax to a reasonably possible change in the SGD, USD and IDR exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

			Group	
			Loss before tax (increase)/ decrease 2023 $'000	**Profit before tax decrease/ (increase) 2022 $'000**
SGD/USD	–	strengthened 3% (2022: 3%)	709	(580)
	–	weakened 3% (2022: 3%)	(709)	580
USD/IDR	–	strengthened 3% (2022: 3%)	23	(2)
	–	weakened 3% (2022: 3%)	(23)	2

Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

At the balance sheet date, the Group's and the Company's financial liabilities and financial assets are based on the carrying amounts reflected in the financial statements. The table in Note 26(b) 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.

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables and amounts due from subsidiaries. For cash and cash equivalents, the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

26. FINANCIAL INSTRUMENTS (CONT'D)

(a) ***Financial risk management objectives and policies (cont'd)***

Credit risk (cont'd)

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased 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.

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 60 days when they fall due, which are derived based on the Group's historical information.

The Group considers "low risk" to be an investment grade credit rating with at least one major rating agency for those investments with credit rating. 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 forwarding-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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

26. FINANCIAL INSTRUMENTS (CONT'D)

(a) ***Financial risk management objectives and policies (cont'd)***

Credit risk (cont'd)

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 determined 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

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

The Group categorises a loan or receivable for potential write-off 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 receivable due. Where recoveries are made, these are recognised in profit or loss.

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

Trade and other receivables

The Group provides for lifetime expected credit losses for all trade and other receivables using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance to days past due by grouping of customers based on business operating units. The expected credit losses below also incorporate forward looking information such as forecast of economic conditions where the gross domestic product will deteriorate over the next year, leading to an increased number of defaults.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

26. FINANCIAL INSTRUMENTS (CONT'D)

(a) ***Financial risk management objectives and policies (cont'd)***

Credit risk (cont'd)

Trade and other receivables (cont'd)

Summarised below is the information about the credit risk exposure on the Group's trade and other receivables using provision matrix, grouped by business units:

(i) Shipping

	Gross carrying amount $'000	Loss allowance provision $'000
At 31 December 2023		
Current	2	–
Past due:	–	–
Within 30 days	–	–
31 to 60 days	–	–
61 to 90 days	–	–
More than 90 days	6,477	(6,477)
	6,479	(6,477)
At 31 December 2022		
Current	–	–
Past due:		
Within 30 days	–	–
31 to 60 days	–	–
61 to 90 days	–	–
More than 90 days	6,567	(5,796)
	6,567	(5,796)

(ii) Power plant

	Gross carrying amount $'000	Loss allowance provision $'000
At 31 December 2023		
Current	–	–
Past due:	–	–
Within 30 days	–	–
31 to 60 days	–	–
More than 90 days	–	–
	–	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

26. FINANCIAL INSTRUMENTS (CONT'D)

(a) ***Financial risk management objectives and policies (cont'd)***

Credit risk (cont'd)

Trade and other receivables (cont'd)

(ii) Power plant (cont'd)

	Gross carrying amount $'000	Loss allowance provision $'000
At 31 December 2022		
Current	980	–
Past due:		
Within 30 days	58	–
31 to 60 days	56	–
More than 90 days	547	(394)
	1,641	(394)

(iii) Renewable energy

	Gross carrying amount $'000	Loss allowance provision $'000
At 31 December 2023		
Current	8,596	–
Past due:		
More than 90 days	137	(137)
	8,733	(137)
At 31 December 2022		
Current	3,495	–
Past due:		
More than 90 days	71	–
	3,566	–

26. FINANCIAL INSTRUMENTS (CONT'D)

(a) ***Financial risk management objectives and policies (cont'd)***

Credit risk (cont'd)

The Company provides for expected credit other loss ("ECL") on loans to subsidiary and amounts due from subsidiaries based on the general approach and the extent of loss allowance is dependent on the extent of credit deterioration since initial recognition.

In assessing whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on amounts due from subsidiaries and loan to subsidiary as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supporting information, which includes any significant changes in the expected performance and behaviour of these subsidiaries and joint ventures, including changes in the payment status, financial position and operating results, forward-looking information and market data.

The Company computes expected credit loss using the probability of default approach. In calculating the expected credit loss rates, the Company considers implied probability of default from external rating agency.

A significant increase in credit risk is presumed when there is a significant deterioration in the financial position of these subsidiaries.

A default occurs when these subsidiaries and joint ventures fail to make contractual payments within 90 days of when they fall due. The amounts due from subsidiaries and joint ventures are only written off when the respective subsidiary is liquidated or disposed.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

26. FINANCIAL INSTRUMENTS (CONT'D)

(a) ***Financial risk management objectives and policies (cont'd)***

Credit risk (cont'd)

Category	Definition of category	Basis for recognition of expected credit loss provision	Gross carrying amount as at 31 December 2023 $'000	Loss allowance provision $'000
Stage 1	Subsidiaries that have a low risk of default and a strong capacity to meet contractual cash flows.	12-month expected credit loss	–	–
Stage 2	Amounts due from subsidiaries which have a significant increase in credit risk.	Lifetime expected credit loss	–	–
Stage 3	Amounts due from subsidiaries that are 90 days past due.	Lifetime expected credit loss	59,820	(3,496)

Category	Definition of category	Basis for recognition of expected credit loss provision	Gross carrying amount as at 31 December 2022 $'000	Loss allowance provision $'000
Stage 1	Subsidiaries that have a low risk of default and a strong capacity to meet contractual cash flows.	12-month expected credit loss	–	–
Stage 2	Amounts due from subsidiaries which have a significant increase in credit risk.	Lifetime expected credit loss	–	–
Stage 3	Amounts due from subsidiaries that are 90 days past due.	Lifetime expected credit loss	7,810	(3,474)

26. FINANCIAL INSTRUMENTS (CONT'D)

(a) ***Financial risk management objectives and policies (cont'd)***

Credit risk (cont'd)

Exposure to credit risk

At the balance sheet date, 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 balance sheets.

Credit risk, or the risk of counterparties defaulting, is managed through the application of credit approval and monitoring procedures.

No other financial assets carry a significant exposure to credit risk.

Credit risk concentration profile

The Group's trade receivables at balance sheet date are mainly due from customers in the coal mining and electricity industries in the Indonesia market, and customers in the renewable energy industry in the Vietnam market.

The credit risk concentration profile of the Group's trade receivables at the end of the reporting period is as follows:

	Group			
	2023		**2022**	
	$'000	**% of total**	**$'000**	**% of total**
By country:				
Indonesia	–	–	1,141	80%
Vietnam	582	100%	282	20%
	582	100%	1,423	100%

At the end of the reporting period, approximately 32% (2022: Nil%) of the Group's trade receivables were due from related parties.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Group. Cash and cash equivalents are placed with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 7.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

26. FINANCIAL INSTRUMENTS (CONT'D)

(b) ***Classification and maturity profile of financial instruments***

At the balance sheet date, the Group's and the Company's financial liabilities and financial assets are based on the carrying amounts reflected in the financial statements. 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.

		Group	
	One year or less $'000	**One to five years $'000**	**Total $'000**
2023			
Financial assets:			
Trade and other receivables	3,755	–	3,755
Due from a related party	4,300	–	4,300
Cash and bank deposits	36,474	–	36,474
Total undiscounted financial assets	44,529	–	44,529
Financial liabilities:			
Trade and other payables	(13,347)	(12,929)	(26,276)
Bank borrowings	(3,167)	(20,755)	(23,922)
Lease liabilities	(328)	(181)	(509)
Total undiscounted financial liabilities	(16,842)	(33,865)	(50,707)
Total net undiscounted financial assets/(liabilities)	27,687	(33,865)	(6,178)
2022			
Financial assets:			
Trade and other receivables	2,414	–	2,414
Due from associate (non-trade)	509	–	509
Cash and bank deposits	19,893	–	19,893
Total undiscounted financial assets	22,816	–	22,816
Financial liabilities:			
Trade and other payables	(18,670)	(12,640)	(31,310)
Bank borrowings	(3,283)	(24,394)	(27,677)
Lease liabilities	(5)	(196)	(201)
Total undiscounted financial liabilities	(21,958)	(37,230)	(59,188)
Total net undiscounted financial assets/(liabilities)	858	(37,230)	(36,372)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

26. FINANCIAL INSTRUMENTS (CONT'D)

(b) ***Classification and maturity profile of financial instruments (cont'd)***

	Company One year or less $'000	One to five years $'000	Total $'000
2023			
Financial assets:			
Trade and other receivables	281	–	281
Due from a related party	4,300	–	4,300
Due from subsidiaries (non-trade)	56,324	–	56,324
Cash and bank deposits	20,771	–	20,771
Total undiscounted financial assets	81,676	–	81,676
Financial liabilities:			
Trade and other payables	(671)	(12,929)	(13,600)
Lease liabilities	(323)	–	(323)
Total undiscounted financial liabilities	(994)	(12,929)	(13,923)
Total net undiscounted financial liabilities	80,682	(12,929)	67,753
2022			
Financial assets:			
Trade and other receivables	100	–	100
Due from subsidiaries (non-trade)	4,336	–	4,336
Due from associate (non-trade)	509	–	509
Cash and bank deposits	8,023	–	8,023
Total undiscounted financial assets	12,968	–	12,968
Financial liabilities:			
Trade and other payables	(7,513)	(12,640)	(20,153)
Total undiscounted financial liabilities	(7,513)	(12,640)	(20,153)
Total net undiscounted financial liabilities	5,455	(12,640)	(7,185)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

27. FAIR VALUE OF ASSETS AND LIABILITIES

(a) ***Financial instruments whose carrying amounts approximate fair values***

Management has determined that the carrying amounts of cash and cash equivalents, trade and other receivables, amounts due from related party, amounts due from/to subsidiaries and trade and other payables based on their notional amounts, reasonably approximate their fair values because these are mostly short-term in nature or are repriced frequently.

28. CAPITAL MANAGEMENT

The Group's capital management is dependent on capital requirements of projects or investments. Management would evaluate various options taking into consideration market conditions, nature of investment and the Group's structure.

The Group seeks to maintain healthy capital ratios to support its business and maximise shareholder value. The Group would also consider dividend payment to shareholders, return of capital to shareholders, issuance of new shares or borrowings whenever it is in the best interest of the shareholders to do so.

No changes were made in the objectives, policies or processes during the financial years ended 31 December 2023 and 31 December 2022. The Group monitors capital by monitoring equity attributable to owners of the Company.

	Group	
	2023	**2022**
	$'000	**$'000**
Equity		
Share capital	223,659	222,180
Accumulated losses	(133,857)	(123,545)
Capital reserves	–	339
Other reserve	(320)	(320)
Foreign currency translation reserve	(2,868)	(13,152)
Acquisition revaluation reserve	5,392	5,392
Employee share option reserve	–	322
Equity attributable to owners of the Company	92,006	91,216

29. SUBSEQUENT EVENTS

On 9 February 2024, the Company's wholly owned subsidiary, Progressive Renewable Developments Goondiwindi Pty Ltd (in its personal capacity and as trustee for Gunsynd Solar Farm Project Trust) ("PRDG") entered into a syndicated facility agreement (the "Syndicated Facility Agreement") in relation to loan facilities of an aggregate principal amount of approximately AUD$111 million for the purpose of financing the construction of 111MWp Australia utility-scale solar farm project ("Project Gunsynd") which has begun in 2H2023. The interest rates on these borrowings are on floating rates and the borrowings are secured over the assets of PRDG. The loan facility will facilitate the timely delivery of the project and is targeted to be operational by 2H2025.

29. SUBSEQUENT EVENTS (CONT'D)

On 16 February 2024, the Company provided a Parent Company Guarantee to the Engineering, Procurement and Construction Contractor and power purchase customer on behalf of PRGD.

On 15 March 2024, the Company entered into a shareholder loan agreement with Onward Capital Pte. Ltd. for a loan facility of up to US$13 million to finance the Group's capital expenditure for renewable energy projects and general working capital requirements. The loan is unsecured, bearing interest of SOFR + margin per annum and repayable by 31 December 2025.

30. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the financial year ended 31 December 2023 were authorised for issue in accordance with a resolution of the directors on 26 March 2024.

STATISTICS OF SHAREHOLDINGS

ANALYSIS OF SHAREHOLDINGS AS AT 18 MARCH 2024

SHARE CAPITAL	:	$256,430,185.64
NUMBER OF SHARES	:	3,033,325,330
CLASS OF SHARES	:	ORDINARY SHARES
VOTING RIGHTS	:	ONE VOTE PER SHARE
NUMBER OF TREASURY SHARES	:	NIL

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	6	0.51	225	0.00
100 – 1,000	116	9.84	96,954	0.00
1,001 – 10,000	418	35.45	2,317,774	0.08
10,001 – 1,000,000	589	49.96	61,196,746	2.02
1,000,001 & ABOVE	50	4.24	2,969,713,631	97.90
TOTAL	**1,179**	**100.00**	**3,033,325,330**	**100.00**

TWENTY LARGEST SHAREHOLDERS AS AT 18 MARCH 2024		NO. OF SHARES	%
1	KAIYI INVESTMENT PTE LTD	1,019,475,000	33.61
2	ENERGY RESOURCE INVESTMENT PTE LTD	830,046,700	27.36
3	RAFFLES NOMINEES (PTE) LIMITED	591,697,696	19.51
4	UNITED OVERSEAS BANK NOMINEES PTE LTD	106,022,600	3.49
5	CGS-CIMB SECURITIES (SINGAPORE) PTE LTD	81,097,392	2.67
6	DBS NOMINEES PTE LTD	63,075,235	2.08
7	DB NOMINEES (SINGAPORE) PTE LTD	35,069,907	1.16
8	CITIBANK NOMINEES SINGAPORE PTE LTD	26,179,953	0.86
9	TANG KIN FEI	25,000,000	0.82
10	PHILLIP SECURITIES PTE LTD	20,960,595	0.69
11	GAO DAIYING	17,950,135	0.59
12	MAYBANK SECURITIES PTE. LTD.	14,024,600	0.46
13	YUAN RUIDUO	13,676,600	0.45
14	SIVARAMAKRISHNAN SREEDHARAN	10,851,410	0.36
15	UOB KAY HIAN PTE LTD	8,750,600	0.29
16	CHENG YIN MUI OR HO SING MING	8,147,208	0.27
17	ONG SEE BENG	7,540,000	0.25
18	OCBC SECURITIES PRIVATE LTD	6,951,400	0.23
19	LOW YI NGO	5,980,200	0.20
20	LEE DEBORAH CHEUNG	5,970,000	0.20
		2,898,467,231	**95.55**

STATISTICS OF SHAREHOLDINGS

SUBSTANTIAL SHAREHOLDERS
(As recorded in the Register of Substantial Shareholders as at 18 March 2024)

		DIRECT INTEREST	%	DEEMED INTEREST	%
1	LOW YI NGO(1)	5,980,200	0.20%	1,849,521,700	60.97%
2	ELAINE LOW(2)	–	–	1,849,521,700	60.97%
3	DATO' DR. LOW TUCK KWONG(3)	373,637	0.01%	2,400,639,590	79.14%
4	WONG KAI LAI(4)	–	–	831,736,700	27.42%
5	ENERGY RESOURCE INVESTMENT PTE LTD	830,046,700	27.36%	–	–
6	KAIYI INVESTMENT PTE LTD	1,019,475,000	33.61%	–	–

(1) Mr Low Yi Ngo is deemed interested in (i) the 830,046,700 shares held by Energy Resource Investment Pte Ltd ("ERI") through his 33.3% shareholding interest in ERI; and (ii) the 1,019,475,000 shares held by KaiYi Investment Pte Ltd ("KaiYi") through his 34.22% shareholding interest in KaiYi.

(2) Ms Elaine Low is deemed interested in (i) the 830,046,700 shares held by ERI through her 33.3% shareholding interest in ERI; and (ii) the 1,019,475,000 shares held by KaiYi through her 34.22% shareholding interest in KaiYi.

(3) Dato' Dr. Low Tuck Kwong is deemed interested in 2,400,639,590 shares, of which (i) 549,427,890 shares are registered in the name of Raffles Nominees (Pte) Limited, (ii) 1,690,000 shares are held by his spouse, registered in the name of Citibank Nominees Singapore Pte Ltd, (iii) 830,046,700 shares which are held by ERI through the 33.3% shareholding interest in ERI held by his spouse, and (iv) 1,019,475,000 shares held by KaiYi through his 10.46% shareholding interest in KaiYi and 16.16% shareholding interest in KaiYi held by his spouse.

(4) Mdm Wong Kai Lai is the spouse of Dato' Dr. Low. She is deemed interested in 831,736,700 shares of which (i) 1,690,000 shares are registered in the name of Citibank Nominees Singapore Pte Ltd and (ii) 830,046,700 shares which are held by ERI through her 33.3% shareholding interest in ERI.

PERCENTAGE OF SHAREHOLDINGS IN HANDS OF THE PUBLIC
Approximately 18.39% of the Company's shares are held in the hands of the public. Accordingly, the Company has compiled with Rule 723 of the Listing Manual of the SGX-ST.

NOTICE OF
ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Metis Energy Limited ("**Company**") will be held by physical means at MND Auditorium, 9 Maxwell Road, Annexe A, MND Complex, Singapore 069112 on Friday, 26 April 2024 at 9.30 a.m. ("**2024 AGM**") for the following purposes:

As Ordinary Business

1. To receive and adopt the directors' statement and the audited financial statements for the financial year ended 31 December 2023, together with the independent auditors' report thereon. **(Resolution 1)**
2. To re-elect Mr Ajaib Hari Dass, a director retiring under regulation 101 of the Company's constitution. **(Resolution 2)**
3. To re-elect Mr Lee Fook Choon, a director retiring under regulation 101 of the Company's constitution. **(Resolution 3)**
4. To re-elect Ms Tan Yek Lee Doreen, a director retiring under regulation 105 of the Company's constitution. **(Resolution 4)**
5. To approve directors' fees of S$600,000 for the financial year ending 31 December 2024 payable half-yearly in arrears (2023: S$600,000). **(Resolution 5)**
6. To re-appoint Ernst & Young LLP as auditors of the Company for the financial year ending 31 December 2024, and to authorise the directors to fix their remuneration. **(Resolution 6)**
7. To transact any other ordinary business that may properly be transacted at an annual general meeting.

As Special Business

To consider and, if thought fit, to pass, with or without modifications, the following resolutions as ordinary resolutions:

8. **Share Issue Mandate** **(Resolution 7)**

That, under section 161 of the Companies Act 1967 ("**Companies Act**") and the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), authority be given to the directors of the Company 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) warrants, debentures or other instruments convertible or exchangeable into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the directors may in their absolute discretion deem fit; and

(b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the directors while this Resolution was in force,

NOTICE OF
ANNUAL GENERAL MEETING

provided that:

(1) the aggregate number of Shares to be issued under this Resolution (including Shares to be issued in pursuance of the Instruments, made or granted under this Resolution) does not exceed 50 per cent of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro rata basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted under this Resolution) does not exceed 20 per cent of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such manner of calculation and adjustments as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued Shares shall be calculated based on the total number of issued Shares excluding treasury shares and subsidiary holdings, if any, at the time of the passing of this Resolution, after adjusting for:

    (a) new Shares arising from the conversion or exercise of convertible securities;

    (b) new Shares arising from the exercise of share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and

    (c) any subsequent bonus issue, consolidation or subdivision of Shares

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Companies Act, the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the constitution for the time being of the Company; and

(4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.

NOTICE OF ANNUAL GENERAL MEETING

9. **Authority to offer and grant options and issue shares under the Metis Energy Share Option Scheme 2022** **(Resolution 8)**

That approval be given to the directors:

(a) to offer and grant options from time to time in accordance with the rules of the Metis Energy Share Option Scheme 2022 ("**MESOS 2022**"); and

(b) under section 161 of the Companies Act, 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 under the exercise of options under the MESOS 2022, provided that the aggregate number of new shares to be issued under the MESOS 2022, and any share-based schemes of the Company, shall not exceed 15 per cent of the total number of issued shares (excluding treasury shares and subsidiary holdings) from time to time.

10. **Authority to grant awards and issue shares under the Metis Energy Performance Share Scheme 2022** **(Resolution 9)**

That approval be given to the directors:

(a) to grant awards from time to time in accordance with the rules of the Metis Energy Performance Share Scheme 2022 ("**MEPSS 2022**"); and

(b) under section 161 of the Companies Act, 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 under the vesting of awards under the MEPSS 2022, provided that the aggregate number of new shares to be issued under the MEPSS 2022, and any share-based schemes of the Company, shall not exceed 15 per cent of the total number of issued shares (excluding treasury shares and subsidiary holdings) from time to time.

11. **Renewal of Shareholders' Mandate for Interested Person Transactions** **(Resolution 10)**

That:

(a) for purpose of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited, approval be given for the Company, its subsidiaries and associated companies or any of them, to enter into, amend and/or renew any of the transactions falling within the types of interested person transactions described in the addendum to the Annual Report 2023 ("**Addendum**") with any party who is of the class of interested persons described in the Addendum, provided that such transactions are on normal commercial terms, are not prejudicial to the interests of the Company and its minority shareholders, and are in accordance with the review procedures for such interested person transactions as set out in the Addendum ("**Shareholders' Mandate**");

(b) the Shareholders' Mandate shall, unless revoked or varied by the Company in a general meeting, continue in force until conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier; and

NOTICE OF ANNUAL GENERAL MEETING

(c) the Directors of the Company and each of them be authorised to complete and to do all acts and things (including without limitation to making such arrangements, entering into all such transactions, arrangements and agreements and executing all such documents as may be required or as they (or he/she) may from time to time consider necessary, desirable or expedient, or in the interests of the Company), to give effect to the Shareholders' Mandate and/or this Resolution as they (or he/she) may deem fit (including without limitation to the foregoing, to affix the Common Seal of the Company to any such documents, if required.)

By Order of the Board

Madelyn Kwang
Company Secretary
11 April 2024
Singapore

Explanatory Notes

Resolution 2
If re-elected, Mr Ajaib Hari Dass will remain as the Lead Independent Director of the Company. He will also continue to serve as the Chairman of each of the Remuneration and Nominating Committees, and a member of the Audit Committee.

Resolution 3
If re-elected, Mr Lee Fook Choon, an Independent Director of the Company, will remain as a member of each of the Audit, Remuneration and Nominating Committees.

Resolution 4
As announced on 26 March 2024, Ms Tan Yek Lee, Doreen, an Independent Director of the Company, will be appointed the Chairman of the Audit Committee and a member of each of the Remuneration, Nominating and Executive Committees upon the resignation of Mr Tung Zhihong, Paul at this Annual General Meeting. If re-elected, she will accordingly assume the position of the Chairman of the Audit Committee and a member of each of the Remuneration, Nominating and Executive Committees.

Resolution 7
The proposed Resolution 7, if passed, will empower the directors, from the date of the Annual General Meeting until the next annual general meeting of the Company, to issue Shares and/or Instruments up to an aggregate number not exceeding 50 per cent of the total number of issued Shares excluding treasury shares and subsidiary holdings, if any, with a sub-limit of 20 per cent for Shares issued other than on a *pro rata* basis to Shareholders.

Resolution 8
The proposed Resolution 8, if passed, will empower the directors to offer and grant options under the MESOS 2022 (which was approved at the Extraordinary General Meeting of the Company held on 28 April 2022) and to allot and issue shares in the capital of the Company, under the exercise of options under the MESOS 2022, provided that the aggregate number of shares to be issued under the MESOS 2022 and any share-based schemes of the Company does not exceed 15 per cent of the total number of issued shares of the Company (excluding treasury shares and subsidiary holdings) for the time being.

Resolution 9
The proposed Resolution 9, if passed, will empower the directors to grant awards under the MEPSS 2022 (which was approved at the Extraordinary General Meeting of the Company held on 28 April 2022) and to allot and issue shares in the capital of the Company, under the vesting of awards under the MEPSS 2022, provided that the aggregate number of shares to be issued under the MEPSS 2022 and any share-based schemes of the Company does not exceed 15 per cent of the total number of issued shares of the Company (excluding treasury shares and subsidiary holdings) for the time being.

Resolution 10
The proposed Resolution 10, if passed, will renew the Shareholders' Mandate (which was approved at the annual general meeting held on 27 April 2023) and empower the Company, its subsidiaries and associated companies or any of them, to enter into, amend and/or renew any of the Interested Person Transactions as described in the Addendum to this Notice of Annual General Meeting and to do all acts necessary to give effect to the Shareholders' Mandate. The authority under the renewed Shareholders' Mandate will, unless revoked or varied by the Company in general meeting, expire at the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting is required by law to be held, whichever is earlier. In accordance with the requirements of Chapter 9 of the Listing Manual, Dato' Dr Low Tuck Kwong, Madam Wong Kai Lai, Mr Low Yi Ngo, Ms Elaine Low, Energy Resources Investment Pte Ltd, Kaiyi Investment Pte Ltd will abstain, and will ensure that their associates will abstain from voting on this Ordinary Resolution 10 in relation to the renewal of the Shareholders' Mandate.

NOTICE OF ANNUAL GENERAL MEETING

Notes

(1) A member of the Company entitled to attend and vote at the 2024 AGM (other than a member who is a relevant intermediary) is entitled to appoint not more than two (2) proxies to attend and vote in his/her/its stead. A proxy need not be a member of the Company.

(2) Pursuant to Section 181 of the Companies Act, a member of the Company who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote at the 2024 AGM instead of such member. Where such member appoints more than two (2) proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

"**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act.

(3) In appointing a proxy or proxies, a member (whether individual or corporate and including a relevant intermediary as defined in Section 181 of the Companies Act, which includes CPFIS Investors and/or the SRS Investors) must submit his/her/its instrument appointing the proxy(ies) (i.e. the "**Proxy Form**") together with the power of attorney or other authority under which it is signed (if applicable) or a duly certified copy thereof, to vote on his/her/its behalf. A member should give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the proxy will vote at his/her/its own discretion.

(4) The Proxy Forms must be submitted to the Company in the following manner:

(a) if submitted in hard copy and sent by post, the Proxy Forms must be lodged at the Company's registered office at 133 New Bridge Road, #18-01/02 Chinatown Point, Singapore 059413; or

(b) if submitted electronically, the Proxy Forms must be submitted via email to the Company at investor.relations@metisenergy.com,

in either case, at least 48 hours before the time for holding the 2024 AGM, by no later than 9.30 a.m. on 24 April 2024 (the "**Proxy Deadline**").

(5) Investors who hold their Shares through relevant intermediaries as defined in Section 181 of the Companies Act (including CPFIS Investors and SRS Investors) and who wish to exercise their votes by appointing a proxy or proxies should approach their respective relevant intermediaries (including their respective CPF agent banks or SRS agent banks) to submit their voting instructions by 9.30 a.m. on 16 April 2024 (being seven (7) working days before the date of 2024 AGM) in order to allow sufficient time for their respective relevant intermediaries to in turn submit a Proxy Form to appoint the proxy(ies), to vote on their behalf no later than the Proxy Deadline.

(6) A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited 72 hours before the time appointed for the 2024 AGM in order for the Depositor to be entitled to attend and vote at the 2024 AGM.

(7) Members may raise questions at the 2024 AGM or submit questions related to the resolutions to be tabled for approval at the 2024 AGM, in advance of the 2024 AGM. Members who would like to submit questions in advance of the 2024 AGM may do so in the following manner:

(a) if submitted by post, by depositing at the registered office of the Company at 133 New Bridge Road, #18-01/02 Chinatown Point, Singapore 059413; or

(b) if submitted by email, be received by the Company at investor.relations@metisenergy.com,

in either case, by 9.30 a.m. on 18 April 2024 (being seven (7) calendar days from the date of the Notice of Annual General Meeting) (the "**Questions Submission Cut-Off Date**").

Members submitting questions are requested to state: (i) their full name; and (ii) their identification/registration number, failing which the Company shall be entitled to regard the submission as invalid.

The Company will endeavour to address all substantial and relevant questions submitted by members prior to or during the 2024 AGM.

The responses to substantial and relevant questions raised by members on or before the Questions Submission Cut-Off Date will be published on SGXNet and the Company's website at the URL http://www.metisenergy.com prior to the 2024 AGM or at the 2024 AGM.

Substantial and relevant questions which are submitted after the Questions Submission Cut-Off Date will be consolidated and addressed at the 2024 AGM.

(8) The Annual Report has been uploaded on SGXNet on 11 April 2024 and may be accessed on SGXNet at the URL (http://www2.sgx.com/securities/company-announcements) or at the Company's website at the URL (http://www.metisenergy.com).

NOTICE OF
ANNUAL GENERAL MEETING

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 2024 AGM 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) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 2024 AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 2024 AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, "**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), 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) 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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METIS ENERGY LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199006289K)

PROXY FORM
ANNUAL GENERAL MEETING

This form of proxy has been made available on SGXNet and the Company's website and may be accessed at the URL http://www.metisenergy.com.

IMPORTANT

1. A relevant intermediary may appoint more than two (2) proxies to attend the 2024 AGM and vote.
2. This Proxy Form is not valid for use by CPFIS and SRS Investors and shall be ineffective for all intents and purpose if used or purported to be used by them.
3. **Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of such other person(s) as a member's proxy(ies) to vote on your behalf at the 2024 AGM.**

I/We ______________________ (NRIC/Passport No./Company Registration No.) ______________________

of ____ (Address)
being a member/members of Metis Energy Limited ("**Company**"), hereby appoint:

Name	Address	NRIC/Passport Number	Email Address**	Proportion of Shareholdings (%)	
				No. of Shares	%

and/or*

Name	Address	NRIC/Passport Number	Email Address**	Proportion of Shareholdings (%)	
				No. of Shares	%

and/or the Chairman of the annual general meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the annual general meeting of the Company to be held by physical means at MND Auditorium, 9 Maxwell Road, Annexe A, MND Complex, Singapore 069112 on **Friday, 26 April 2024 at 9.30 a.m.** ("**2024 AGM**") and any adjournment thereof. *I/We direct my/our proxy/proxies to vote for or against the ordinary resolutions to be proposed at the 2024 AGM as indicated hereunder.

(Voting will be conducted by poll. Please indicate with a "√" in the space provided within the relevant box to vote for or against or abstain from voting, in respect of the resolutions to be proposed at the 2024 AGM as indicated hereunder. Alternatively, please indicate the number of shares that your proxy is directed to vote "For" or "Against" or to abstain from voting. **In the absence of specific directions in respect of a resolution, the proxy will vote at his/her/its own discretion.**)

No.	Resolutions	No. of votes For	No. of votes Against	No. of votes Abstained
Ordinary Business				
1.	To receive and adopt the directors' statement and the audited financial statements for the year ended 31 December 2023, together with the independent auditors' report thereon.			
2.	To re-elect Mr Ajaib Hari Dass as a director retiring under regulation 101 of the Company's constitution.			
3.	To re-elect Mr Lee Fook Choon as a director retiring under regulation 101 of the Company's constitution.			
4.	To re-elect Ms Tan Yek Lee Doreen as a director retiring under regulation 105 of the Company's constitution.			
5.	To approve directors' fees of S$600,000 for the financial year ending 31 December 2024 payable half-yearly in arrears (2023: S$600,000).			
6.	To re-appoint Ernst & Young LLP as auditors of the Company for the financial year ending 31 December 2024, and to authorise the directors to fix their remuneration.			
Special Business				
7.	To authorise directors to issue shares and/or Instruments under Section 161 of the Companies Act 1967 of Singapore.			
8.	To authorise directors to offer and grant options and to issue shares under the Metis Energy Share Option Scheme 2022.			
9.	To authorise directors to grant awards and to issue shares under the Metis Energy Performance Share Scheme 2022.			
10.	To approve the proposed modifications of, and renewal of the Shareholders' Mandate for interested person transactions.			

Dated this ______________ day of April 2024

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	
Total	

____
Signature(s) of member(s)/Common Seal of corporate member

* Delete as applicable

IMPORTANT
PLEASE READ NOTES OVERLEAF

Notes:

1. A member should insert the total number of ordinary shares in the capital of the Company ("**Shares**") held. If the member has Shares entered against his/her/its name in the Depository Register, he/she/it should insert that number of Shares. If the member has Shares registered in his/her/its name in the Register of Members, he/she/it should insert that number of Shares. If a member has Shares entered against his/her/its name in the Depository Register and Shares registered in his/her/its name in the Register of Members, he/she/it should insert the aggregate number of Shares entered against his/her/its name in the Depository Register and registered in his/her/its name in the Register of Members. If no number is inserted, this instrument appointing a proxy or proxies will be deemed to relate to all Shares held by the member.

2. A member of the Company entitled to attend and vote at a meeting of the Company (other than a member who is a relevant intermediary) is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.

3. Where a member of the Company (other than a member who is a relevant intermediary) appoints more than one proxy, he/she/it shall specify the proportion of his/her/its shareholding (expressed as a percentage of the whole) to be represented by each proxy. If no such percentage is specified, the first named proxy shall be treated as representing 100% of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.

4. Pursuant to Section 181 of the Companies Act 1967 of Singapore ("**Companies Act**"), a member of the Company who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote at the 2024 AGM instead of such member. Where such member appoints more than two (2) proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

   "**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act.

5. The instrument appointing a proxy(ies) ("**Proxy Forms**") must be submitted to the Company in the following manner:

   (a) if submitted in hard copy and sent by post, the Proxy Forms must be lodged at the Company's registered office at 133 New Bridge Road, #18-01/02 Chinatown Point, Singapore 059413; or

   (b) if submitted electronically, the Proxy Forms must be submitted via email to the Company at investor.relations@metisenergy.com, in either case, at least 48 hours before the time for holding the 2024 AGM, by no later than **9.30 a.m. on 24 April 2024** (the "**Proxy Deadline**").

   Shareholders are strongly encouraged to submit completed Proxy Forms electronically via email.

6. Investors who hold their Shares through relevant intermediaries as defined in Section 181 of the Companies Act (including CPFIS and SRS Investors) and who wish to exercise their votes by appointing a proxy or proxies should approach their respective relevant intermediaries (including their respective CPF agent banks or SRS agent banks) to submit their voting instructions by 9.30 a.m. on 16 April 2024 (being seven (7) working days before the date of 2024 AGM) in order to allow sufficient time for their respective relevant intermediaries to in turn submit a Proxy Form to appoint the proxy(ies), to vote on their behalf **no later than the Proxy Deadline**.

7. Completion and return of a Proxy Form by a member shall not prevent the member of the Company from attending, speaking and voting at the 2024 AGM if the member so wishes. Any appointment of proxy(ies) shall be deemed to be revoked if a member of the Company attends the meeting in person, and in such event, the Company reserves the right to refuse any proxy(ies) appointed under the relevant Proxy Form to the 2024 AGM

8. The instrument appointing a proxy(es) must be under the hand of the appointor or by his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies 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.

9. A corporation which is a member of the Company may, in accordance with Section 179 of the Companies Act, authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the 2024 AGM.

10. The Company shall be entitled to reject the instrument appointing a proxy(ies) 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.

11. In the case of members of the Company whose Shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy(ies) lodged if the member of the Company, being the appointor, is not shown to have Shares entered against his/her/its names in the Depository Register as at 72 hours before the time appointed for holding the 2024 AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 2024 AGM 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) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 2024 AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 2024 AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, "**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), 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) 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.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive:
Tang Kin Fei (Board Chairman and Interim CEO)

Non-Executive:
Ajaib Hari Dass (Lead Independent Director)
Tung Zhihong, Paul (Independent)
Lee Fook Choon (Independent)
Tan Tong Hai (Non-Independent)
Tan Yek Lee Doreen (Independent)

Audit Committee
Tung Zhihong, Paul (Chairman)
Ajaib Hari Dass
Lee Fook Choon
Tan Tong Hai

Nominating Committee
Ajaib Hari Dass (Chairman)
Tang Kin Fei
Tung Zhihong, Paul
Lee Fook Choon

Remuneration Committee
Ajaib Hari Dass (Chairman)
Tung Zhihong, Paul
Lee Fook Choon

Executive Committee
Tang Kin Fei (Chairman)
Tung Zhihong, Paul
Ajaib Hari Dass
Tan Tong Hai

COMPANY SECRETARY
Madelyn Kwang Yeit Lam

REGISTERED OFFICE
133 New Bridge Road
#18-01/02 Chinatown Point
Singapore 059413

SHARE REGISTRAR
B.A.C.S PRIVATE LIMITED
77 Robinson Road
#06-03, Robinson 77,
SINGAPORE 068896
Telephone No.: (65) 6593 4848

AUDITORS
Ernst & Young LLP,
Public Accountants and Chartered Accountants
One Raffles Quay
North Tower Level 18
Singapore 048583

Partner-in-charge: Lim Huijing Amanda
(since the financial year ended 31 December 2021)

METIS ENERGY LIMITED
CO. Reg. No. 199006289K

133 New Bridge Road
#18-01/02 Chinatown Point
Singapore 059413

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