



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

Unaudited condensed interim financial statements
for the period ended 30 June 2023

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Half Year Financial Statements and Dividend Announcement for the Half Year Ended 30 June 2023

INFORMATION REQUIRED FOR ANNOUNCEMENT OF HALF YEAR RESULTS

The board of directors (the "Board") of Eneco Energy Limited (the "Company", and together with its subsidiaries, the "Group") is pleased to announce the unaudited condensed interim consolidated financial statements of the Group for the half year ended 30 Jun 2023.

Condensed interim consolidated statement of comprehensive income

SGX Appendix 7.2 para 1(a)

	Note	Group 6 months ended		Change %
		30-Jun-23 S\$'000 Unaudited	30-Jun-22 S\$'000 Unaudited	
Continuing operations				
Revenue	5	15,493	15,402	1
Other income	6	712	871	(18)
Costs and operating expenses				
Service costs and related expenses		(4,673)	(4,692)	-
Salaries and employee benefits		(7,814)	(7,919)	(1)
Depreciation and amortisation expenses		(2,375)	(2,497)	(5)
Impairment loss recognised		(9)	-	-
Finance costs	7	(110)	(219)	(50)
Other operating expenses		(945)	(738)	28
Total costs and operating expenses		(15,926)	(16,065)	(1)
Profit from continuing operations, before tax	8	279	208	34
Income tax	9	(193)	-	-
Profit from continuing operations, net of tax		86	208	(59)
Profit/ (Loss) from discontinued operations, net of tax	12	455	(264)	272
Profit/ (Loss) for the period		541	(56)	1,066
Other comprehensive income/(loss)				
Items that may be reclassified subsequently to profit or loss:				
Foreign currency translation		(7)	(8)	(13)
Items that will not be reclassified subsequently to profit or loss:				
Foreign currency translation differences		-	(317)	(100)
Re-measurement of defined benefit obligation		-	1	(100)
Other comprehensive loss for the period, at nil tax		(7)	(324)	(98)
Total comprehensive profit/ (loss) for the period		534	(380)	241
Profit/ (Loss) attributable to:				
Owners of the Company				
- Profit from continuing operations, net of tax		86	105	(18)
- Profit/ (Loss) from discontinued operations, net of tax		455	(139)	427
		541	(34)	1,691
Non-controlling interests				
- Profit from continuing operations, net of tax		-	-	-
- Loss from discontinued operations, net of tax		-	(22)	(100)
		-	(22)	(100)
		541	(56)	1,066
Total comprehensive income/ (loss) attributable to:				
- Owners of the Company				
		534	(40)	1,435
- Non-controlling interests		-	(340)	100
		534	(380)	241
Earning/ (Loss) per share attributable to owners of the Company (cents per share)				
From continuing and discontinued operations				
Basic		0.02	(0.01)	
Diluted		0.01	(0.01)	
From continuing operations				
Basic		0.00	0.03	
Diluted		0.00	0.03	

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Condensed interim statements of financial position (Group and Company)

SGX Appendix 7.2 para 1(b)(i)

	Note	Group		Company	
		30-Jun-23 S\$'000 Unaudited	31-Dec-22 S\$'000 Audited	30-Jun-23 S\$'000 Unaudited	31-Dec-22 S\$'000 Audited
Non-current assets					
Plant and equipment		2,059	1,752	9	11
Right-of-use assets	11	4,863	5,703	522	52
Intangible assets		80	105	-	-
Investments in subsidiaries		-	-	9,228	9,228
		<u>7,002</u>	<u>7,560</u>	<u>9,759</u>	<u>9,291</u>
Current assets					
Trade receivables		7,634	7,568	-	-
Other receivables		556	513	2,157	6,082
Prepaid operating expenses		615	292	115	77
Cash and cash equivalents		15,320	16,216	9,999	7,210
Assets of disposal group classified as held-for-sale		-	5,027	-	-
		<u>24,125</u>	<u>29,616</u>	<u>12,271</u>	<u>13,369</u>
Current liabilities					
Trade payables		1,633	1,974	-	-
Other payables	13	3,060	2,985	3,412	3,176
Provisions		134	132	-	-
Lease liabilities	14	2,598	3,920	41	4
Loans and borrowings	14	565	745	-	-
Income tax payable		494	534	12	28
Liabilities directly associated with disposal group classified as held-for-sale		-	5,027	-	-
		<u>8,484</u>	<u>15,317</u>	<u>3,465</u>	<u>3,208</u>
Net current assets		15,641	14,299	8,806	10,161
Non-current liabilities					
Provisions		278	278	18	18
Lease liabilities	14	1,837	1,063	272	6
Loans and borrowings	14	-	189	4,802	5,042
Deferred taxation		208	208	-	-
		<u>2,323</u>	<u>1,738</u>	<u>5,092</u>	<u>5,066</u>
Net assets		20,320	20,121	13,473	14,386
Equity attributable to the owners of the Company					
Share capital		158,811	158,811	158,811	158,811
Treasury shares		(935)	(935)	(935)	(935)
Other reserves		8,066	9,030	8,099	7,956
Accumulated losses		(145,622)	(146,785)	(152,502)	(151,446)
		<u>20,320</u>	<u>20,121</u>	<u>13,473</u>	<u>14,386</u>
Total Equity		20,320	20,121	13,473	14,386

Eneco Energy Limited

Condensed interim consolidated statement of cash flows

SGX Appendix 7.2 para 1(c)

	Note	Group	
		6 months ended	
		30-Jun-23 S\$'000 Unaudited	30-Jun-22 S\$'000 Unaudited
Operating activities :			
Profit/ (Loss) before income tax			
- Continuing operations		279	208
- Discontinued operations		479	(122)
Adjustments for:			
Depreciation and amortisation expenses	8	2,429	2,829
Gain on disposal of plant and equipment and intangible assets	6	(47)	(212)
Finance costs	7	116	319
Government grant income	6	(6)	(220)
Interest income from banks	6	(196)	(4)
Gain on disposal of subsidiaries	6	(498)	-
Share based payment		143	-
Allowance for doubtful trade receivables		9	59
Provision made		2	15
Operating cash flows before working capital changes		2,710	2,872
Change in trade receivables		(75)	(692)
Change in other receivables		(43)	(75)
Change in prepaid operating expenses		(323)	(235)
Change in trade payables		(373)	967
Change in other payables and provisions		(6)	181
Cash generated from operations		1,890	3,018
Interest income received		196	4
Income tax paid		(257)	(243)
Grants received		6	220
Net cash generated from operating activities		1,835	2,999
Investing activities :			
Proceeds from disposal of plant and equipment		234	219
Proceeds from disposal of subsidiaries, net of cash disposed of	Note B	(242)	-
Purchase of plant and equipment		(64)	(382)
Purchase of right-of-use assets		(220)	(8)
Acquisition of intangible assets		(4)	(103)
Withdrawal of fixed deposits		498	-
Net cash generated from/ (used in) investing activities		202	(274)
Financing activities :			
Proceeds from loan and borrowings		-	1,480
Repayment of finance costs		(116)	(297)
Repayment of loans and borrowings		(370)	(1,691)
Principal payment of lease liabilities		(2,277)	(2,970)
Net cash used in financing activities		(2,763)	(3,478)
Net decrease in cash and cash equivalents		(726)	(753)
Effect of exchange rate changes on opening cash and cash equivalents		-	9
Cash and cash equivalents at beginning of period		4,542	2,822
Cash and cash equivalents at end of period	Note A	3,816	2,078
Note A			
Cash on hand and at bank		3,816	2,078
Fixed deposits		11,504	308
Cash and deposits		15,320	2,386
Less : Restricted cash classified as available for sale assets		-	(308)
Cash and cash equivalents		15,320	2,078

Certain items in prior period have been reclassified to conform with current period presentation.

Eneco Energy Limited

Condensed interim consolidated statement of cash flows

SGX Appendix 7.2 para 1(c)

NOTE B

Cash and cash equivalents

Proceeds from disposal of subsidiaries, net of cash disposed of

On 14 February 2023, the Group disposed of its wholly owned subsidiaries, PT RichLand Indonesia and PT RichLand Logistics Indonesia for US\$1. The effects of the disposal on the cashflows of the Group were as follows:

	Group at 14 February 2023 S\$'000
Carrying amount of assets and liabilities as at the date of disposal:	
Cash and cash equivalents	242
Restricted deposits	278
Trade and other receivables	2,918
Plant & equipment	288
Right of use Assets	1,347
Less : Trade and other payables	(4,057)
Severance provisions	(645)
Lease liabilities	(466)
Net liabilities disposed	<u>(95)</u>
Cash outflows arising from disposal:	
Net liabilities disposed of (as above)	(95)
Reclassification of foreign exchange reserves to profit & loss	(403)
Gain on disposal	<u>(498)</u>
Net cash outflow on disposal	<u>242</u>

Eneco Energy Limited
Statements of Changes in Equity

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

SGX Appendix 7.2 para 1(d)(i)

Group	Attributable to owners of the Company												
	Total equity S\$'000	Attributable to owners of the Company S\$'000	Share capital S\$'000	Treasury shares S\$'000	Accumulated losses S\$'000	Other reserves S\$'000	Share based payment reserve S\$'000	Warrant reserve S\$'000	Others S\$'000	Foreign currency translation reserve S\$'000	Gain on reissuance of treasury shares S\$'000	Capital reserve S\$'000	Non-controlling interests S\$'000
Opening balance as at 1 January 2023	20,121	20,121	158,811	(935)	(146,785)	9,030	84	5,242	603	123	2,630	348	-
1H													
Profits for the period	541	541	-	-	541	-	-	-	-	-	-	-	-
<u>Other comprehensive income</u>													
Exchange differences on translating foreign operations	13	13	-	-	-	13	-	-	19	(6)	-	-	-
Total comprehensive income/ (loss) for the period	554	554	-	-	541	13	-	-	19	(6)	-	-	-
<u>Contributions by and distributions to owners</u>													
Disposal of subsidiary	(498)	(498)	-	-	622	(1,120)	-	-	(622)	(403)	-	(95)	-
Share based payment to employees	143	143	-	-	-	143	143	-	-	-	-	-	-
Total contributions by and distributions to owners	(355)	(355)	-	-	622	(977)	143	-	(622)	(403)	-	(95)	-
Total transactions with owners in their capacity as owners	(355)	(355)	-	-	622	(977)	143	-	(622)	(403)	-	(95)	-
Closing balance as at 30 June 2023	20,320	20,320	158,811	(935)	(145,622)	8,066	227	5,242	-	(286)	2,630	253	-

Eneco Energy Limited
Statements of Changes in Equity

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

SGX Appendix 7.2 para 1(d)(i)

Group	Attributable to owners of the Company												
	Total equity S\$'000	Attributable to owners of the Company S\$'000	Share capital S\$'000	Treasury shares S\$'000	Accumulated losses S\$'000	Other reserves S\$'000	Share based payment reserve S\$'000	Warrant reserve S\$'000	Others S\$'000	Foreign currency translation reserve S\$'000	Gain on reissuance of treasury shares S\$'000	Capital reserve S\$'000	Non-controlling interests S\$'000
Opening balance as at 1 January 2022	(5,369)	1,914	148,367	(935)	(149,213)	3,695	-	-	908	(191)	2,630	348	(7,283)
1H													
Loss for the period	(56)	(34)	-	-	(34)	-	-	-	-	-	-	-	(22)
Other comprehensive income													
Re-measurement of defined benefit obligations	1	1	-	-	-	1	-	-	1	-	-	-	-
Exchange differences on translating foreign operations	(324)	(8)	-	-	-	(8)	-	-	-	(8)	-	-	(316)
Total comprehensive (loss)/ income for the period	(379)	(41)	-	-	(34)	(7)	-	-	1	(8)	-	-	(338)
Closing balance as at 30 June 2022	(5,748)	1,873	148,367	(935)	(149,247)	3,688	-	-	909	(199)	2,630	348	(7,621)

Eneco Energy Limited
Statement of Changes in Equity

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

SGX Appendix 7.2 para 1(d)(i)

Company	Total equity S\$'000	Share capital S\$'000	Treasury shares S\$'000	Accumulated losses S\$'000	Other reserves S\$'000	Share based payment reserve S\$'000	Warrant reserve S\$'000	Gain on reissuance of treasury shares S\$'000
Opening balance as at 1 January 2023	14,386	158,811	(935)	(151,446)	7,956	84	5,242	2,630
1H								
Loss for the period, representing total comprehensive loss for the period	(1,056)	-	-	(1,056)	-	-	-	-
<u>Contributions by and distributions to owners</u>								
Share based payment to employees	143	-	-	-	143	143	-	-
Total transactions with owners in their capacity as owners	143	-	-	-	143	143	-	-
Closing balance as at 30 June 2023	13,473	158,811	(935)	(152,502)	8,099	227	5,242	2,630

Eneco Energy Limited
Statement of Changes in Equity

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

SGX Appendix 7.2 para 1(d)(i)

Company	Total equity S\$'000	Share capital S\$'000	Treasury shares S\$'000	Accumulated losses S\$'000	Other reserves S\$'000	Share based payment reserve S\$'000	Warrant reserve S\$'000	Gain on reissuance of treasury shares S\$'000
Opening balance as at 1 January 2022	467	148,367	(935)	(149,595)	2,630	-	-	2,630
1H Loss for the period, representing total comprehensive loss for the period	(882)	-	-	(882)	-	-	-	-
Closing balance as at 30 June 2022	(415)	148,367	(935)	(150,477)	2,630	-	-	2,630

Eneco Energy Limited

Notes to the condensed interim consolidated financial statements

1 Corporate information

The Company is incorporated as a limited liability company and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST). These condensed interim consolidated financial statements as at and for the 6 months ended 30 June 2023 comprise the Company and its subsidiaries (collectively, the Group).

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are the provision of transportation management, logistics services and airport cargo terminal handling.

2 Basis of preparation

SGX Appendix 7.2 para 4

The condensed interim consolidated financial statements for the 6 months ended 30 June 2023 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting. The condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to understand changes in the Group's financial positions and performance of the Group since the last annual financial statements for the year ended 31 December 2022.

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

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

2.1 New and amended standards

SGX Appendix 7.2 para 5

The Group has adopted the applicable revised Singapore Financial Reporting Standards (International) ("SFRS(I)") that are mandatory for the accounting periods beginning on or after 1 January 2023.

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

- Amendments to SFRS(I) 17 - Insurance Contracts
- Amendments to SFRS(I) 1-1 - Practice Statement 2 - Disclosure of Accounting Policies
- Amendments to SFRS(I) 1-8 - Definition of Accounting Estimates
- Amendments to SFRS(I) 1-12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

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

2.2 Use of judgement and estimates

In preparing the condensed interim consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

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

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

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

Eneco Energy Limited

Notes to the condensed interim consolidated financial statements (Cont'd)

2.2 Use of judgement and estimates (Cont'd)

Judgements made in applying accounting policies

(a) Identification of functional currency

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

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

(b) Impairment of non-financial assets

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

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

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

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

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

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

(d) Contingent liabilities

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

(e) Income tax

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

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Notes to the condensed interim consolidated financial statements (Cont'd)

2.2 Use of judgement and estimates (Cont'd)

Key sources of estimation uncertainty

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

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

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

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

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

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

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

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

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

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

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

3 Seasonal operations

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

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Notes to the condensed interim consolidated financial statements (Cont'd)

4 Segment information

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

The Group is organised into the following main business segments:

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

**For the 6 months ended
30 Jun 2023**

	Oil & Gas (Discontinued)	Logistics (Discontinued)	Logistics (Continuing)	Corporate	Eliminations / Adjustments	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue:						
Sales to external customers	-	747	15,493	-	-	16,240
Other income	-	499	452	260	-	1,211
Inter-segment sales	-	-	422	250	(672)	-
Total	-	1,246	16,367	510	(672)	17,451
Segment profit	-	485	1,475	5,329	(6,415)	874
Finance costs	-	(6)	(103)	(315)	308	(116)
Profit before tax	-	479	1,372	5,014	(6,107)	758
Taxation	-	(24)	(193)	-	-	(217)
Net profits for the period	-	455	1,179	5,014	(6,107)	541
Interest income	-	1	233	270	(308)	196
Depreciation and amortisation expenses	-	(54)	(2,344)	(31)	-	(2,429)
Other non-cash income/ (expense)	-	-	(17)	(88)	-	(105)
Other segment information						
Segment assets	-	-	18,340	12,787	-	31,127
Segment liabilities	-	-	10,138	669	-	10,807
Additions to non-current assets	-	54	1,521	540	-	2,115

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

	Oil & Gas (Discontinued)	Logistics (Discontinued)	Logistics (Continuing)	Corporate	Eliminations / Adjustments	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Revenue:						
Sales to external customers	-	6,147	15,402	-	-	21,549
Other income	-	132	744	127	-	1,003
Inter-segment sales	-	-	188	-	(188)	-
Total	-	6,279	16,334	127	(188)	22,552
Segment (loss)/profit	(161)	139	1,155	(728)	-	405
Finance costs	-	(100)	(196)	(161)	138	(319)
Profit before tax	(161)	39	959	(889)	138	86
Taxation	-	(142)	-	-	-	(142)
Net (loss)/ profit for the period	(161)	(103)	959	(889)	138	(56)
Interest income	-	4	138	-	(138)	4
Depreciation and amortisation expenses	-	(331)	(2,471)	(27)	-	(2,829)
Other non-cash income	-	62	92	-	-	154
Other segment information						
Segment assets	2,848	6,236	19,512	237	-	28,833
Segment liabilities	13,257	5,446	13,974	1,416	489	34,582
Additions to non-current assets	-	-	919	5	-	924

Eneco Energy Limited

Notes to the condensed interim consolidated financial statements (Cont'd)

Segment information (cont'd)

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

Geographical information

For the 6 months ended

30 Jun 2023

	Singapore		
	Logistics S\$'000	Corporate S\$'000	Total S\$'000
Revenue	15,493	-	15,493
Segment assets			
Non-current assets	6,471	531	7,002

	Indonesia			Grand total S\$'000
	Logistics (Discontinued) S\$'000	Oil & Gas (Discontinued) S\$'000	Total S\$'000	
	747	-	747	16,240
	-	-	-	7,002

For the 6 months ended

30 Jun 2022

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

	Indonesia			Grand total S\$'000
	Logistics (Discontinued) S\$'000	Oil & Gas (Discontinued) S\$'000	Total S\$'000	
	6,147	-	6,147	21,549
	2,670	13	2,683	12,478

Eneco Energy Limited

Notes to the condensed interim consolidated financial statements (Cont'd)

	Group	
	for the year ended	
	30-Jun-23	30-Jun-22
	S\$'000	S\$'000
	Unaudited	Unaudited
5 Revenue		
Continuing operations:		
Logistics services	15,493	15,402
Discontinued operations:		
Logistics services	747	6,147
	<u>16,240</u>	<u>21,549</u>
6 Other income		
Continuing operations:		
Diesel consumed by service partners	1	2
Port rebates	36	67
Interest income from banks	195	-
Government grant income	6	220
Gain on disposal of plant and equipment and intangible assets	47	92
Others	427	490
	<u>712</u>	<u>871</u>
Discontinued operations:		
Interest income from banks	1	4
Gain on disposal of subsidiaries	498	-
Gain on disposal of plant and equipment and intangible assets	-	120
Others	-	8
	<u>499</u>	<u>132</u>
	<u>1,211</u>	<u>1,003</u>

Government grant income relates to COVID-19 related government grants such as jobs support scheme. Others include shifting, parking charges and trucking surcharge.

7 Finance costs		
Continuing operations:		
Finance charges on lease liabilities	99	174
Interest on borrowings	11	24
Commitment fee on loan facility	-	21
	<u>110</u>	<u>219</u>
Discontinued operations:		
Finance charges on lease liabilities	6	100
	<u>6</u>	<u>100</u>
	<u>116</u>	<u>319</u>

8 Profit before tax for the period
Profit before tax for the period included the following items -

Continuing operations:		
Depreciation and amortisation expenses:		
Plant and equipment	(392)	(100)
Right-of-use assets	(1,955)	(2,370)
Intangible assets	(28)	(28)
Foreign exchange loss, net	(5)	(3)
Legal and other professional fees	(386)	(172)
Allowance for doubtful other receivables	(9)	-
Gain on disposal of plant and equipment and intangible assets	47	92
Discontinued operations:		
Depreciation and amortisation expenses:		
Plant and equipment	(8)	(289)
Right-of-use assets	(46)	(42)
Foreign exchange gain, net	34	21
Legal and other professional fees	(16)	(74)
Allowance for doubtful trade receivables	-	(59)
Gain on disposal of plant and equipment and intangible assets	-	120

9 Income tax
The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

Continuing operations:		
Current taxation		
Current year	193	-
Discontinued operations:		
Current taxation		
Current year	13	71
Underprovision in respect of prior years	11	71
	<u>24</u>	<u>142</u>
	<u>217</u>	<u>142</u>

Eneco Energy Limited

Notes to the condensed interim consolidated financial statements (Cont'd)

10 Related party transactions

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

11 Right-of-use assets

	Note	30-Jun-23 S\$'000 Unaudited	31-Dec-22 S\$'000 Audited
Cost			
Opening balance		18,259	24,189
New leases entered during the period/ year		2,001	1,238
Early termination/ end of lease		(2,127)	(1,630)
Reclassification to "plant and equipment" upon full repayment of lease liabilities		(1,987)	(978)
Reclassification to assets of disposal group held-for-sale		-	(4,124)
Net exchange differences		-	(436)
Closing balance		16,146	18,259
Accumulated depreciation			
Opening balance		12,556	11,849
Depreciation for the period/ year	8	1,955	4,786
Early termination/ end of lease		(2,071)	(1,054)
Impairment loss recognised		-	225
Loss on remeasurement recognised on reclassification disposal group held-for-sale		-	463
Reclassification to "plant and equipment" upon full repayment of lease liabilities		(1,157)	(556)
Reclassification to assets of disposal group held-for-sale		-	(2,879)
Net exchange differences		-	(278)
Closing balance		11,283	12,556
Carrying amount		4,863	5,703

12 Assets and liabilities directly associated with disposal group classified as held-for sale

On 2 January 2023, the Group announced that it had entered into a Conditional Sales and Purchase Agreement to dispose of its entire shareholdings in PT Richland Indonesia and PT Richland Logistics Indonesia. Accordingly, management has classified the assets and liabilities associated with the subsidiaries as a disposal group held-for-sale and measured the non-current assets at the lower of the carrying amount and fair value less cost to sell in the current financial year ended 31 December 2022.

The agreement was fully completed on 14 February 2023.

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

The agreement fully completed in FY2022.

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

(a) The major classes of assets and liabilities:

	30-Jun-23 S\$'000 Unaudited	31-Dec-22 S\$'000 Audited
Assets		
Plant & Equipment	-	212
Right of use assets	-	1,245
Intangible assets	-	1
Fixed deposit (restricted)	-	270
Cash & cash equivalent	-	326
Trade and other receivables	-	2,973
Assets of disposal group classified as held-for-sale	-	5,027
Liabilities		
Trade and other payables	-	(3,806)
Lease liabilities	-	(611)
Provisions	-	(599)
Income tax payables	-	(11)
Liabilities directly associated with disposal group	-	(5,027)
Net assets of disposal group classified as held-for-sale	-	-

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

	Note	Group	
		30-Jun-23 S\$'000 Unaudited	30-Jun-22 S\$'000 Unaudited
Revenue			
Revenue	5	747	6,147
Other income	6	-	8
Interest income	6	1	4
Gains on disposal of subsidiaries	6	498	-
Gain on disposal of plant and equipment and intangible assets	6	-	120
Expenses			
Service costs and related expenses		(536)	(4,464)
Salaries and employee benefits		(146)	(1,046)
Depreciation and amortisation expenses	8	(54)	(331)
Finance costs	7	(6)	(100)
Other operating expenses		(25)	(460)
		(767)	(6,401)
Profit/ (Loss) from discontinued operations, before tax		479	(122)
Income tax		(24)	(142)
Profit/ (Loss) from discontinued operations, after tax		455	(264)

Eneco Energy Limited

Notes to the condensed interim consolidated financial statements (Cont'd)

13 Other payables

	30-Jun-23 S\$'000 Unaudited	31-Dec-22 S\$'000 Audited
Current		
Accrued salaries & employee benefits	2,075	1,998
Sundry payables and provisions	985	987
Total	3,060	2,985

14 Aggregate amount of Group's borrowings and debt securities

SGX Appendix 7.2 para 1(b)(ii)

	30-Jun-23 S\$'000 Unaudited	31-Dec-22 S\$'000 Audited
(a) Amount repayable in one year or less, or on demand (secured)		
Loans and borrowings	565	745
Lease liabilities	2,598	3,920
(b) Amount repayable after one year (secured)		
Loans and borrowings	-	189
Lease liabilities	1,837	1,063
Total	5,000	5,917

Loans and borrowings

The Group's loans and borrowings of S\$0.57 million (2022: S\$0.93 million) are secured by way of a corporate guarantee by the Company.

Lease liabilities

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

15 Share Capital

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

SGX Appendix 7.2 para 1 (d)(iii)

There were no changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on.

The number of shares that may be issued on conversion of all the outstanding convertibles

	As at 30-Jun-23	As at 30-Jun-22
Total number of unexercised warrants	1,658,000,000	-
Total number of options issued under EGSOS2017	53,900,000	-

Each unexercised warrant and each option issued under EGSOS2017 can be converted to 1 ordinary share in the Company.

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

	30-Jun-23 No. of Shares	30-Jun-22 No. of Shares
Treasury shares	1,807,215	1,807,215
Number of issued ordinary shares (excluding treasury shares)	2,308,867,923	2,308,867,923
Percentage (%)	0.08%	0.08%

- (c) **To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

SGX Appendix 7.2 para 1 (d)(iii)

	30-Jun-23	31-Dec-22
Total number of ordinary shares	2,310,675,138	2,310,675,138
Treasury shares	(1,807,215)	(1,807,215)
Total number of ordinary shares (excluding treasury shares) as at end of period/ year	2,308,867,923	2,308,867,923

Eneco Energy Limited

Notes to the condensed interim consolidated financial statements (Cont'd)

Share Capital (Cont'd)

- (d) **A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial**
SGX Appendix 7.2 para 1 (d)(iv)

The movement of number of treasury shares is as follow:

As at 1 January 2023	1,807,215
Movements during the period	-
As at 30 June 2023	1,807,215

- (e) **A statement showing all sales, transfers, cancellation and / or use of subsidiary holdings as at the end of the current**
SGX Appendix 7.2 para 1 (d)(v)

Not applicable.

- 16 **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year after deducting any provision for preference dividends**

SGX Appendix 7.2 para 6

Earnings per share (EPS)	Group	
	6 months ended	
	30-Jun-23	30-Jun-22
From continuing and discontinued operations		
Based on the weighted average number of shares (cents)		
- net profit/ (loss) attributable to shareholders	0.02	(0.01)
Weighted average number of shares	2,308,867,923	646,867,923
On a fully diluted basis		
- net (loss)/ profit attributable to shareholders	0.01	(0.01)
Weighted average number of shares	4,020,767,923	646,867,923

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

(a) **current financial period reported on; and**

(b) **immediately preceding financial year**

SGX Appendix 7.2 para 7

Net Assets Value (NAV)	Group		Company	
	30-Jun-23	31-Dec-22	30-Jun-23	31-Dec-22
No. of ordinary shares	2,308,867,923	2,308,867,923	2,308,867,923	2,308,867,923
NAV per ordinary share (cents)	0.88	0.87	0.58	0.62

- 18 **Subsequent events**

Nil

- 19 **Review**

SGX Appendix 7.2 para 2 and 3

The condensed interim statements of financial position of Eneco Energy Limited and its subsidiaries as at 30 June 2023 and the related condensed interim consolidated statement of comprehensive income, statements of changes in equity and condensed interim consolidated statement of cash flows for the period then ended and certain explanatory notes have not been audited or reviewed.

Eneco Energy Limited

Other information

20 Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

SGX Appendix 7.2 para 3A

Not applicable.

21 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business.

It must include a discussion of the following:

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on,

(where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

SGX Appendix 7.2 para 8

Group Income Review

1H 2023 vs 1H 2022

The Group's revenue in 1H2023 was S\$15.5 million, slightly higher than the S\$15.4 million achieved in 1H 2022. The contribution from the logistics segment had remained relatively constant with no significant changes in contracted rates and business volume.

Other income has decreased by S\$0.16 million to S\$0.71 million due lower government grants received during the period, lower port rebates and lower gains from the disposal of plant and equipment and intangible assets. This decrease was partly offset by higher interest income derived from fixed deposit placements.

a. Service costs and operating expenses were slightly lower at S\$4.67 million in 1H 2023 compared to S\$4.69 million in 1H 2022. Lower rental and maintenance costs and cargo handling charges were offset by higher IT and diesel costs.

b. Salaries and employee benefits was lower by S\$0.11 million. Lower expenses due to reduction in headcount was partly offset by higher bonus accruals and employee share option expenses.

c. There was lower depreciation and amortisation expenses amounting to S\$0.12 million due to the disposal of transport equipment and machinery.

d. Finance costs were lower by S\$0.11 million due to lower term loans outstanding.

e. Profit from discontinued operations relate to gains from the disposal of the logistics business in Indonesia during the current period while the loss on discontinued business in 1H 2022 relates to the aggregate losses from the logistics business and oil & gas business in Indonesia.

Group Balance Sheet Review

Current assets decreased by S\$5.49 million largely due to the disposal of the Group's assets classified as held-for-sale during the period, amounting to S\$5.03 million, which relates to the Group's logistics business in Indonesia. Further decrease was due to the decrease in cash and cash equivalents by S\$0.9 million which was used in the financing activities of the Group. The decreases were partly offset by increases in prepaid operating expenses.

Current liabilities decreased by S\$6.83 million due mainly to the disposal of Group's liabilities directly associated with assets held-for-sale during the period, amounting to S\$5.03 million. Further decrease was caused by reduction in lease liabilities of \$1.32 million and loans and borrowings of S\$0.18 million due to repayments during the period. There were also reduction in trade payables amounting to S\$0.34 million at the end of the period.

Non-current assets decreased by S\$0.56 million to S\$7.0 million due to depreciation charged on right-of-use assets, which is partly offset by the purchase of new plant and equipment during the period.

Non-current liabilities increased by S\$0.59 million to S\$2.32 million due mainly to an increase in lease liabilities for the purchase of new right-of-use assets during the period. The increase was partly offset by the reclassification of loans and borrowings amounting to S\$0.19 million to current liabilities.

Group Cashflow Statement Review

For the 6-months ended 30 June 2023, the Group reported net cash inflow from operating activities of S\$1.84 million compared to S\$3.0 million in the last corresponding period. The decrease was due to higher payments of trade and other payables and prepaid expenses during the period. The decrease was partly offset by higher collections of trade receivables and higher interest income received.

The Group reported net cash inflow from investing activities of S\$0.20 million compared to a net cash outflow of S\$0.27 million in the last corresponding period. This was due to the withdrawal of fixed deposits for working capital purpose. There was also lower purchase of plant and equipment and intangible assets during the period. These increases were partly offset by the purchase of right-of-use assets during the period and cash in subsidiaries that were disposed.

The Group reported net cash outflow from financing activities of S\$2.8 million as compared to an outflow S\$3.5 million in the last corresponding period. The decrease was due mainly to lower repayment of lease liabilities and finance costs during the period.

The Group reported net cash and cash equivalents of S\$15.3 million as at 30 June 2023 as compared to S\$16.2 million as at 31 December 2022.

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

SGX Appendix 7.2 para 9

Not applicable.

Eneco Energy Limited

Other information (Cont'd)

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

SGX Appendix 7.2 para 10

The Group expects labour costs to rise further in the near term, though at a slower pace compared to the last 12 months. Businesses are likely to continue passing through higher labour costs to consumers, albeit more gradually amid the general slowdown in domestic economic activity.

The business environment that the Group operates in is expected to remain very competitive and margins might be challenged with the expected increase in operating expenses, including manpower costs and leasing costs. Higher business costs will likely persist in the short term and the Group is mindful to deploy its resources to contracts that are profitable and that will provide positive cashflows to the Group.

The Group continues to be on the lookout for new revenue and profit streams that will be sustainable in the mid to longer term.

24 Dividend

SGX Appendix 7.2 para 11

(a) Current Financial Period Reported On

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

(b) Corresponding Period of the Immediately Preceding Financial Year

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

(c) Date Payable - Not Applicable

(d) Record date - Not Applicable

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

SGX Appendix 7.2 para 12

No dividend for the current period ended 30 June 2023 is recommended pending further improvement in financial position.

25 Interested person transactions

If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

No IPT general mandate has been obtained from the shareholders.

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

SGX Appendix 7.2 para 8

The Company undertook a shares cum warrants placement exercise on 1 September 2022. 1.66 billion ordinary shares with detachable and transferrable warrants were successfully allotted with total proceeds amounting to S\$16.6 million. The status on the use of proceeds raised from the placement exercise as at 30 June 2023 is as follows:

	As at
	30-Jun-23
	S\$
Placement proceeds	16,600,000
Proceeds from warrant conversion	18,000
Placement commission	(830,000)
Placement expenses	(100,439)
Net placement proceeds	<u>15,687,561</u>
Repayment of loans	(1,480,507)
Working capital *	(2,398,144)
Balance from placement proceeds	<u><u>11,808,910</u></u>
* working capital includes the following:	
Professional fees	715,673
Trade creditor payments	347,515
Staff expenses	969,674
Tax	27,199
Directors' fees	189,831
Other overheads	148,252
	<u><u>2,398,144</u></u>

The proceeds has been used in accordance with the stated use.

Eneco Energy Limited

Other information (Cont'd)

27 Board of Directors' assurance

SGX Appendix 7.2 para 14 and 15

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

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

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

Gwee Chee Kiang
Group Chief Executive Officer
8 August 2023