

ENECO ENERGY LIMITED
(Incorporated in the Republic of Singapore)
Company Registration No. 200301668R

**DIFFERENCES BETWEEN THE AUDITED AND UNAUDITED FINANCIAL
STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

The Board of Directors (the “Board”) of Eneco Energy Limited (“Company”), and together with its subsidiaries, the “Group”) refers to the Company’s unaudited full yearly results announcement for the financial year ended 31 December 2020 (“Unaudited Financial Statements”) for FY2020 released on 26 February 2021.

In compliance with Rule 704(6) of the Listing Manual of the SGX-ST, the Company would like to announce that there were adjustments between the Audited Financial Statements and the Unaudited Financial Statements for FY2020 following the finalization of the audit. Details and clarification of the material adjustments are annexed to this Announcement.

Shareholders are advised to read the full Audited Financial Statements contained in the 2020 Annual Report, which will be announced to SGXNet and made available on the Company website in due course.

BY ORDER OF THE BOARD
ENECO ENERGY LIMITED

Colin Peter Moran
Executive Director and Chief Executive Officer
08 April 2021

Reconciliation Schedule Between FY2020 Audited Results vs Unaudited Results

Statements of Financial Position

Balance Sheet as at	Group		Variance		Note	Group		Variance		Note
	31 Dec 20	31-Dec-20		%		31-Dec	31-Dec-19		%	
	S\$'000	S\$'000				S\$'000	S\$'000			
	Audited	Unaudited				Audited and restated	Audited			
Non-current assets										
Oil and gas properties	1,101	1,101	-	-		6,473	6,473	-	-	
Plant and equipment	1,729	1,729	-	-		2,110	2,110	-	-	
Right-of-use assets	14,514	14,514	-	-		18,099	18,099	-	-	
Intangible assets	64	64	-	-		86	86	-	-	
Investment in exploration and evaluation assets	652	652	-	-		706	706	-	-	
Other receivables	3,440	3,440	-	-		4,666	4,666	-	-	
Deferred tax assets		-	-	-		35	35	-	-	
Fixed deposits	309	309	-	-		318	318	-	-	
	21,809	21,809				32,493	32,493			
Current assets										
Trade receivables	9,696	9,696	-	-		9,737	9,737	-	-	
Other receivables	624	624	-	-		920	920	-	-	
Prepaid operating expenses	556	556	-	-		634	634	-	-	
Inventories	366	366	-	-		543	543	-	-	
Cash and bank balances	6,789	6,789	-	-		4,593	4,593	-	-	
	18,031	18,031				16,427	16,427			

Statements of Financial Position (Cont'd)

Balance Sheet as at	Group		Variance		Note	Group		Variance		Note
	31 Dec 20	31-Dec-20		%		31-Dec	31-Dec-19		%	
	S\$'000	S\$'000			S\$'000	S\$'000				
	Audited	Unaudited			Audited and restated	Audited				
Current liabilities										
Trade payables	9,639	11,081	(1,442)	13%	A1	9,746	14,112	(4,366)	31%	A1
Other payables	9,490	8,048	1,442	18%	A1	14,471	10,105	4,366	43%	A1
Provisions	181	191	(10)	5%		225	225	-	-	
Abandonment and site restoration liabilities	78	78	-	-		501	501	-	-	
Lease liabilities	5,158	5,158	-	-		5,638	5,638	-	-	
Loans and borrowings	1,500	1,500	-	-		9,094	9,094	-	-	
Income tax payable	511	511	-	-		197	197	-	-	
	26,557	26,567				39,872	39,872			
Net current (liabilities)/assets	(8,526)	(8,536)				(23,445)	(23,445)			
Non-current liabilities										
Other payables	8,901	8,901	-	-		16,590	16,590	-	-	
Provisions	832	822	10	1%		939	939	-	-	
Abandonment and site restoration liabilities	213	213	-	-		118	118	-	-	
Lease liabilities	8,710	8,710	-	-		11,456	11,456	-	-	
Loans and borrowings	1,500	1,500	-	-		-	-	-	-	
Deferred tax liabilities	71	71	-	-		-	-	-	-	
	20,227	20,217				29,103	29,103			
Net (liabilities)/assets	(6,944)	(6,944)				(20,055)	(20,055)			
Equity attributable to the owners of the Company										
Share capital	148,367	148,367	-	-		148,367	148,367	-	-	
Treasury shares	(935)	(935)	-	-		(935)	(935)	-	-	
Other reserves	4,197	4,197	-	-		4,683	4,683	-	-	
Accumulated losses	(151,217)	(151,217)	-	-		(164,210)	(164,210)	-	-	
	412	412				(12,095)	(12,095)			
Non-controlling Interests	(7,356)	(7,356)	-	-		(7,960)	(7,960)	-	-	
Total Equity	(6,944)	(6,944)				(20,055)	(20,055)			

Balance Sheet as at	Company		Variance		Note
	31 Dec 20	31-Dec-20		%	
	S\$'000	S\$'000			
	Audited	Unaudited			
Non-current assets					
Plant and equipment	16	16	-	0%	
Right-of-use assets	129	129	-	0%	
Investment in subsidiaries	9,228	9,228	-	0%	
	9,373	9,373			
Current assets					
Other receivables	1,499	1,485	(14)	-1%	
Prepaid operating expenses	21	21	-	0%	
Cash and bank balances	171	171	-	0%	
	1,691	1,677			
Current liabilities					
Other payables	3,430	3,416	(14)	0%	
Lease liabilities	27	27	-	0%	
Income tax payable	12	12	-	0%	
	3,469	3,455			
Net current liabilities	(1,778)	(1,778)	-	0%	
Non-current liabilities					
Other payables	-	3,000	3,000	100%	A2
Provisions	18	18	-	0%	
Lease liabilities	31	31	-	0%	
Loans and borrowings	3,000	-	(3,000)	0%	A2
	3,049	3,049	-	0%	
Net assets	4,546	4,546		0%	
Equity attributable to the owners of the Company					
Share capital	148,367	148,367	-	0%	
Treasury shares	(935)	(935)	-	0%	
Other reserves	2,989	2,989	-	0%	
Accumulated losses	(145,875)	(145,875)	-	0%	
	4,546	4,546	-	0%	
Non-controlling Interests					
Total Equity	4,546	4,546	-	0%	

Note A1 reclassification from current trade to other payables.

Note A2 reclassification from non-current other payables to loans and borrowings.

Consolidated Statement of Comprehensive Income

	Group		Variance		Note	Group		Variance		Note
	for the period ended Dec			%		for the period ended Dec			%	
	2020 S\$'000 Audited	2020 S\$'000 Unaudited				2019 S\$'000 Audited	2019 S\$'000 Unaudited			
Revenue	36,616	36,616	-	0%		41,180	41,180	-	0%	
Gains on extinguishment of liabilities	20,638	-	20,638	100%	B/C	688	-	(688)	100%	B
Other income	3,947	25,530	(21,583)	547%	B/C	4,896	5,584	688	14%	B
Costs and operating expenses										
Service costs and related expenses	(11,759)	(11,759)	-	0%		(12,354)	(12,354)	-		
Royalties payment	(34)	(34)	-	0%		(139)	(139)	-	0%	
Salaries and employee benefits	(18,515)	(18,515)	-	0%		(22,217)	(22,217)	-	0%	
Depreciation and amortisation expenses	(5,937)	(5,937)	-	0%		(7,981)	(7,981)	-	0%	
Impairment loss recognised	(5,710)	-	(5,710)	-100%	D	(21,819)	-	21,819	100%	D
Finance costs	(1,025)	(1,970)	945	92%	C	(3,348)	(3,348)	-	0%	
Other operating expenses	(4,459)	(10,169)	5,710	128%	D	(3,770)	(25,589)	(21,819)	579%	D
Total costs and operating expenses	(47,439)	(48,384)				(71,628)	(71,628)			
Profit/(loss) before tax for the period	13,762	13,762	-	0%		(24,864)	(24,864)	-	0%	
Income tax	(519)	(519)	-	0%		(90)	(90)	-	0%	
Profit/(loss) for the period	13,243	13,243				(24,954)	(24,954)			
Other comprehensive income:										
Items that may be reclassified subsequently to profit or loss										
Foreign currency translation differences	(400)	(213)	(187)	-47%		325	460	135	42%	
Items that will not be reclassified subsequently to profit or loss										
Foreign currency translation differences	184	-	184	100%		135	-	(135)	-100%	
Re-measurement of defined benefit obligation	84	(20)	104	124%		166	166	-	0%	
Other comprehensive income for the year, at nil tax	(132)	(233)				626	626			
Total comprehensive income/ (loss) for the year	13,111	13,010				(24,328)	(24,328)			

Note B reclassification of extinguishment of liabilities from other income.

Note C set-off finance costs incurred to a lender during the year against extinguishment of liabilities.

Note D reclassification of impairment from other operating expenses.

Consolidated Statement of Cash Flows

	For the year ended		Variance			For the year ended		Variance		
	31 Dec 20 S\$'000 Audited	31 Dec 20 S\$'000 Unaudited		%		31 Dec 19 S\$'000 Audited and restated	31 Dec 19 S\$'000 Audited		%	
Operating activities :										
Profit/(loss) before income tax for the period	13,762	13,762	-	0%		(24,864)	(24,864)	-	0%	
Adjustments for:										
Depreciation and amortisation expenses	5,937	5,937	-	0%		7,981	7,981	-	0%	
Bad debts written off	91	-	91	0%		-	-	-	0%	
Loss on disposal of right-of-use assets	-	-	-	0%		214	214	-	0%	
Gain on disposal of property, write-off of plant and equipment	(254)	(253)	(1)	0%		(96)	(97)	1	-1%	
Finance costs	1,025	1,970	(945)	-48%	F	3,348	3,348	-	0%	
Grant income	(2,758)	-	2,758	0%	H	-	-	-	0%	
Interest income from banks	(11)	(11)	-	0%		(26)	(26)	-	0%	
Gain on extinguishment of liabilities	(20,638)	-	(20,638)	0%	F,G	(688)	-	(688)	0%	G
Write-back of other payables and provision	-	(2,405)	2,405	100%	F,G	-	(688)	688	0%	G
Write-back of revenue related tax payable	-	(3,030)	3,030	100%	G	-	-	-	0%	
Extinguishment of advances from an ex joint venture partner	-	(7,677)	7,677	100%	G	-	-	-	0%	
Extinguishment of loans and borrowings	-	(8,471)	8,471	100%	G	-	-	-	0%	
Impairment loss recognised, net	5,619	5,579	40	1%		21,819	17,199	4,620	27%	J
Impairment loss on doubtful trade receivables	-	46	(46)	100%		-	87	(87)	100%	J
Impairment loss on other receivables	-	85	(85)	100%		-	4,533	(4,533)	100%	J
Gain on farm out of participating interest	-	-	-	0%		(3,538)	(3,538)	(0)	0%	
Plant and equipment written-off	-	-	-	-		-	1	(1)	100%	
Provisions made	147	-	147	0%		(115)	-	(115)	100%	
Foreign exchange translation adjustments	(336)	(232)	(104)	45%		95	67	28	42%	
Operating cash flows before working capital changes	2,584	5,300				4,130	4,217			
Change in inventories	177	177	(0)	0%		(371)	(371)	-	0%	
Change in trade receivables	1	8	(7)	-88%		1,446	1,446	-	0%	
Change in other receivables	1,431	1,153	278	24%		(2,776)	(2,790)	14	-1%	
Change in prepaid operating expenses	78	78	-	0%		170	184	(14)	-8%	
Change in trade payables	(107)	(2,926)	2,819	-96%	I	(2,369)	(2,528)	159	-6%	
Change in other payables and provisions	984	4,143	(3,159)	-76%	I	3,605	3,592	13	0%	
Cash generated from operations	5,148	7,933				3,835	3,750			

Consolidated Statement of Cash Flows

	For the year ended		Variance			For the year ended		Variance		
	31 Dec 20	31 Dec 20		%		31 Dec 19	31 Dec 19		%	
	S\$'000	S\$'000				S\$'000	S\$'000			
	Audited	Unaudited				Audited				
						Audited and restated				
Benefits paid	(10)	(10)	-	0%		(159)	(8)	(151)	1888%	
Interest income received	11	11	-	0%		26	26	-	0%	
Income tax paid	(99)	(97)	(2)	2%		(81)	(28)	(53)	189%	
Grants Received	2,970	-	2,970	0%	H	-	-	-	0%	
Finance costs paid	-	(2,792)	2,792	100%	E	-	(1,241)	1,241	-100%	E
Net cash flows generated from operating activities	8,020	5,046				3,621	2,499			
Investing activities :										
Proceeds from disposal of property, plant and equipment	309	312	(3)	-1%		148	148	-	0%	
Proceeds from disposal of right-of-use assets	-	-	-	0%		533	533	-	0%	
Purchase of plant and equipment and oil and gas properties	(499)	(499)	-	0%		(983)	(983)	-	0%	
Purchase of right-of-use assets	-	-	-	0%		(130)	(130)	-	0%	
Purchase of intangible assets	(62)	(62)	-	0%		(31)	(31)	-	0%	
Net cash flows used in investing activities	(252)	(248)				(463)	(463)			
Financing activities :										
Proceeds from loan and borrowings	3,000	3,000	-	0%		-	-	-	0%	
Repayment of finance costs	(879)	-	(879)	0%	E,F	(1,122)	-	(1,122)	0%	E
Repayment of loans and borrowings	-	(903)	903	-100%	E	-	-	-	0%	
Repayment of principal elements of lease liabilities	(4,702)	(4,702)	-	0%		(5,666)	(5,666)	-	0%	
Settlement sum paid	(3,000)	-	(3,000)	0%	E,F	-	-	-	0%	
Net cash flows used in financing activities	(5,581)	(2,605)				(6,788)	(5,666)			
Net increase/(decrease) in cash and cash equivalents	2,187	2,191	(4)	0%		(3,630)	(3,630)	-	0%	
Effect of exchange rate changes on cash and cash equivalents	9	5	4	80%		(8)	(8)	-	0%	
Cash and cash equivalents at beginning of period	4,593	4,593	-	0%		8,231	8,231	-	0%	
Cash and cash equivalents at end of period	6,789	6,789				4,593	4,593			
Note										
Cash on hand and at bank	6,789	6,789	-	0%		4,593	4,593	-	0%	
Fixed deposits	309	309	-	0%		318	318	-	0%	
Cash and deposits	7,098	7,098	-	0%		4,911	4,911	-	0%	
Less : Restricted cash classified as non-current assets	(309)	(309)	-	0%		(318)	(318)	-	0%	
Cash and cash equivalents	6,789	6,789	-	0%		4,593	4,593	-	0%	

Note E reclassification of accounts from operating activities to financing activities.

Note F set-off finance costs incurred to a lender during the year against extinguishment of liabilities.

Note G reclassification to gain on extinguishment of liabilities.

Note H conform to the financial presentation.

Note I mainly reclassification from trade to other payables and allocation of foreign exchange translation adjustments previously reported in the operating cash flow before working capital changes

Note J grouping of impairment losses of doubtful trade receivables and other receivables to impairment losses.