Metis Energy Limited and its Subsidiaries

Company Registration No. 199006289K

Condensed Interim Financial Statements (Unaudited)
For the six months ended 30 June 2022

Metis Energy Limited and its Subsidiaries

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Metis Energy Limited and its Subsidiaries

Condensed Interim Consolidated Income Statement and Comprehensive Income
For the six months ended 30 June 2022

	Note	Group Six months ended 30 June 2022	2021	Increase / (Decrease)
		$'000	$'000	%
Revenue [1]	10	4,651	4,186	11
Other income [2]	11	22,077	5,234	322
Employee benefits expenses [3]		(1,450)	(1,319)	10
Depreciation and amortisation [4]		(2,976)	(2,429)	23
Operating expenses [5]	12	(3,272)	(3,380)	(3)
Other expenses [6]	12	(3,424)	(744)	360
Finance costs [7]		(200)	(56)	257
Share of results of associates, net of tax		(202)	(130)	55
Profit before tax		15,204	1,362	1,016
Income tax credit/(expense)	13	167	(101)	n.m.
Profit for the period		15,371	1,261	1,119
Profit attributable to:				
Owners of the Company		12,415	1,852	570
Non-controlling interests		2,956	(591)	n.m.
Profit for the period		15,371	1,261	1,119
Earnings per share (cents) attributable to owners of the Company				
- Basic	14	0.41	0.06	590
- Diluted		0.41	0.06	590

Metis Energy Limited and its Subsidiaries

Condensed Interim Consolidated Income Statement and Comprehensive Income
For the six months ended 30 June 2022

	Group Six months ended 30 June		
	2022	**2021**	**Increase / (Decrease)**
	$'000	$'000	%
Profit net of tax	15,371	1,261	1,119
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation	(665)	365	282%
Share of other comprehensive income of associates	(2,676)	–	n.m.
Other comprehensive income for the financial period, net of tax	(3,341)	365	1,015
Total comprehensive income for the financial period	12,030	1,626	640
Total comprehensive income attributable to:			
Owners of the Company	9,207	1,674	450
Non-controlling interests	2,823	(48)	598
	12,030	1,626	640

Explanatory Notes to Condensed Interim Consolidated Income Statement and Comprehensive Income

n.m. – not meaningful

(1) The increase in revenue in 1H 2022 was mainly due to the consolidation of the results for the renewable energy segment. The Group currently holds 30MW operational Commercial & Industrial Solar ("**C&I**") rooftop projects in Vietnam, which includes the largest single-site and single-customer C&I solar rooftop project delivered in mid-June 2022. The increase in revenue in the power plant segment was also offset by the decrease in coal transportation income due to lower coal carrying activities.

(2) The increase in other income was mainly due to the gain on sale of land parcels, and the write-back of allowance for impairment of trade and other receivables upon receipt.

(3) The increase in employee benefits expenses was mainly due to additional headcount in Singapore. The increase is offset slightly by the receipt of the Job Support Scheme payout in 1H 2022.

(4) The increase in depreciation and amortisation was mainly due to the additional intangible assets recognised from the purchase price allocation ("**PPA**") exercise arising from the acquisition of Athena Energy Holdings Pte Ltd ("**Athena**"). As a result, higher amortisation has been recognised.

(5) The decrease in operating expenses was mainly due to the decrease in coal and fuel expenses, and vessel related expenses, offset by the increase in operations and maintenance expenses.

The decrease in coal and fuel expenses arose mainly due to lesser coal being used arising from better coal efficiency levels for the power plant segment in 1H 2022, which was offset by the increase in coal and fuel expenses in the shipping segment.

The breakdown of the costs for "Coal and fuel" for different segment is as follows:

	Group S$'000		**% Change**
	1H 2022	**1H 2021**	**+/(-)**
Shipping	(268)	(180)	49
Power plant	(912)	(1,007)	(10)
	(1,180)	(1,187)	

(6) The increase in other expenses was mainly due to the increase in foreign exchange losses in 1H 2022 on the movement of Singapore Dollar ("**SGD**") against United States Dollar ("**USD**"), Vietnamese Dong ("**VND**"), Indonesian Rupiah ("**IDR**") and Renminbi ("**RMB**"), loss on deemed disposal of associates due to the dilution in equity interest, and write-off on prepaid taxes in the power plant segment. The increase in other expenses was also contributed by the increase in legal and other professional fees for the corporate exercises, compliance and due diligence costs for new projects.

(7) The increase in finance costs mainly relates to the interest expense on shareholders' loan which was extended to the Company for the acquisition of Athena in 4Q 2021.

Metis Energy Limited and its Subsidiaries

Condensed Interim Balance Sheets
As at 30 June 2022

	Note	Group 30 June 2022 $'000	Group 31 December 2021 $'000	Company 30 June 2022 $'000	Company 31 December 2021 $'000
Non-current assets					
Property, plant and equipment (1), (2), (4)	4	45,604	26,735	437	236
Intangible assets (2)	5	11,415	12,839	–	–
Right-of-use assets (1), (2), (3)		1,503	2,198	264	55
Investment property under construction (1)	6	–	–	–	–
Property under development (1)	6	–	–	–	–
Prepayments (1)		1,130	1,175	–	–
Interests in subsidiaries (1)	7	–	–	64,842	80,077
Investment in associates (1)		56,651	60,436	56,651	60,436
Trade and other receivables (1)		–	1,701	–	–
		116,303	105,084	122,194	140,804
Current assets					
Trade and other receivables (1), (2)		5,743	4,366	100	70
Prepayments (2)		418	172	65	20
Due from associates (non-trade) (1)		1,071	205	1,071	205
Inventories		167	155	–	–
Cash and bank deposits (1), (2)		16,321	20,545	4,102	3,140
		23,720	25,443	5,338	3,435
Assets held for sale (3)		725	6,244	–	–
		24,445	31,687	5,338	3,435
Current liabilities					
Trade and other payables (1)		(18,737)	(26,374)	(288)	(534)
Due to subsidiaries (non-trade)		–	–	(3,623)	(15,303)
Lease liability (1), (2)		(135)	(451)	(135)	(44)
Income tax payable (2)		(22)	(38)	–	–
		(18,894)	(26,863)	(4,046)	(15,881)
Net current assets/(liabilities)		5,551	4,824	1,292	(12,446)
Non-current liabilities					
Trade and other payables (1)		(12,529)	(12,278)	(12,529)	(12,278)
Deferred tax liabilities (1), (2)		(1,161)	(1,700)	(14)	(14)
Lease liability		(129)	–	(129)	–
Net assets		108,035	95,930	110,814	116,066

Condensed Interim Balance Sheets
As at 30 June 2022

	Note	Group		Company	
		30 June 2022	**31 December 2021**	**30 June 2022**	**31 December 2021**
		$'000	$'000	$'000	$'000
Equity					
Share capital	9	222,180	222,180	222,180	222,180
Accumulated losses		(115,642)	(128,057)	(110,655)	(106,336)
Capital reserves [1]		339	339	–	–
Other reserve		(320)	(320)	–	–
Foreign currency translation reserve [1]		(8,473)	(5,265)	(1,008)	–
Acquisition revaluation reserve		5,392	5,392	–	–
Employee share option reserve		297	222	297	222
Equity attributable to owners of the Company		103,773	94,491	110,814	116,066
Non-controlling interests		4,262	1,439	–	–
Total equity		108,035	95,930	110,814	116,066

Explanatory Notes to Condensed Interim Balance Sheets

(1) On 4 May 2021 ("**Dilution Date**"), the Company's ("**Metis**") 51%-owned subsidiary, MPDPL increased its paid-up share capital by the issuance and allotment of an additional 5,000,000 ordinary shares to KaiYi Investment Pte Ltd ("**KaiYi**") for a total consideration of US$5,000,000 (approximately S$6,736,000).

Accordingly, the Company's shareholding interest in MPDPL has been diluted from 51% to 48.40% on Dilution Date. Consequently, the effective shareholding interest in Manhattan Resources (Ningbo) Property Limited ("**MRN**") held by the Company through MPDPL had been diluted from 51% to 48.40% on 4 May 2021. As a result, both MPDPL and MRN had ceased as subsidiaries and became associates of the Group.

Management engaged an external valuer to assist the Company with the Purchase Price Allocations exercise ("**PPA exercise**") to determine the fair values of the identifiable assets and liabilities as at Dilution Date. As at 31 December 2021, the valuation had been completed and the resulting fair value uplift of approximately S$12,991,000 arising from the gain on fair value adjustment on the property under development, investment property under construction and property, plant and equipment have been recognized in profit or loss as gain on changes arising from dilution of interest in subsidiary in accordance to the Company's relative shareholding portion of 48.40% amounting to S$6,288,000. Arising from the dilution in shareholding interest, the Group has derecognised the assets, liabilities, and non-controlling interests in MPDPL and MRN and has recognised the investment retained at its fair value at the date when control is lost.

Explanatory Notes to Condensed Interim Balance Sheets (cont'd)

(2) On 28 October 2021, the Company completed the acquisition of 100% equity interest in Athena Energy Holdings Pte. Ltd. and its subsidiaries ("**Athena**"). Upon the completion of the acquisition, Athena became a wholly owned subsidiary of the Group. Arising from the acquisition, the Company has recognised the identifiable assets and liabilities based on its fair value on the completion date. Refer to Note 7(a) of the Notes to the Condensed Interim Financial Statements.

(3) On 9 December 2021, the Company's indirect subsidiary, PT Kariangau Power ("**PT KP**") has entered into a conditional land sale and purchase agreement with PT Dermaga Perkasapratama ("**PT DPP"**) for the sale of two vacant land parcels in East Kalimantan ("**Proposed Disposal**"). As the Proposed Disposal constitute a "major transaction" under Chapter 10 of the Listing Manual, approval of shareholders of the Company is required. Accordingly, the net book value of the two vacant land parcels has been reclassified as assets held for sale.

On 9 March 2022, the shareholders of the Company approved the Proposed Disposal at an Extraordinary General Meeting. The disposal was completed on 15 March 2022.

Additionally, during 1H 2022, the Group entered into a sale and purchase agreement for the sale of the remaining tug. Accordingly, the net book value of $725,000 for the tug has been reclassified to assets held for sale.

(4) The increase in property, plant and equipment is due to the capital expenditure incurred for the C&I solar rooftop projects in Vietnam, which includes the 26.15MW C&I project completed in mid-June 2022.

Condensed Interim Statements of Changes in Equity
For the six months ended 30 June 2022

Group	Share capital	Accumulated losses	Capital reserve [1]	Other reserve	Foreign currency translation reserve [2]	Acquisition revaluation reserve [3]	Employee share option reserve [4]	Total	Non-controlling interests	Total Equity
	Total attributable to owners of the Company									
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
At 1 January 2021	221,427	(126,358)	353	(320)	(6,223)	5,392	74	94,345	53,900	148,245
Profit net of tax	–	1,852	–	–	–	–	–	1,852	(591)	1,261
Other comprehensive income										
Foreign currency translation	–	–	–	–	(178)	–	–	(178)	543	365
Other comprehensive income for the financial period, net of tax	–	–	–	–	(178)	–	–	(178)	543	365
Total comprehensive income for the financial period	–	1,852	–	–	(178)	–	–	1,674	(48)	1,626
Changes in ownership interests in subsidiaries										
Changes arising from dilution of interest in subsidiary	–	–	(14)	–	(2,516)	–	–	(2,530)	(50,887)	(53,417)
Total changes in ownership interests in subsidiaries	–	–	(14)	–	(2,516)	–	–	(2,530)	(50,887)	(53,417)
Total transactions with owners in their capacity as owners	–	–	(14)	–	(2,516)	–	–	(2,530)	(50,887)	(53,417)
At 30 June 2021	221,427	(124,506)	339	(320)	(8,917)	5,392	74	93,489	2,965	96,454

(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.

Metis Energy Limited and its Subsidiaries

Condensed Interim Statements of Changes in Equity
For the six months ended 30 June 2022

Group	Share capital	Accumulated losses	Capital reserve [1]	Other reserve	Foreign currency translation reserve [2]	Acquisition revaluation reserve [3]	Employee share option reserve [4]	Total	Non-controlling interests	Total Equity
	Total attributable to owners of the Company									
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'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	–	12,415	–	–	–	–	–	12,415	2,956	15,371
Other comprehensive income										
Foreign currency translation	–	–	–	–	(532)	–	–	(532)	(133)	(665)
Share of other comprehensive income of associates	–	–	–	–	(2,676)	–	–	(2,676)	–	(2,676)
Other comprehensive income for the financial period, net of tax	–	–	–	–	(3,208)	–	–	(3,208)	(133)	(3,341)
Total comprehensive income for the financial period	–	12,415	–	–	(3,208)	–	–	9,207	2,823	12,030
Contributions by and distributions to owners										
Shares-based payments	–	–	–	–	–	–	75	75	–	75
Total contributions by and distributions to owners	–	–	–	–	–	–	75	75	–	75
Total transactions with owners in their capacity as owners	–	–	–	–	–	–	75	75	–	75
At 30 June 2022	222,180	(115,642)	339	(320)	(8,473)	5,392	297	103,773	4,262	108,035

(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.

Metis Energy Limited and its Subsidiaries

Condensed Interim Statements of Changes in Equity
For the six months ended 30 June 2022

	Total attributable to owners of the Company				
Company	**Share capital** $'000	**Accumulated losses** $'000	**Foreign currency translation reserve**	**Employee share option reserve** $'000	**Total** $'000
At 1 January 2021	221,427	(112,174)	–	74	109,327
Loss net of tax	–	(908)	–	–	(908)
At 30 June 2021	221,427	(113,082)	–	74	108,419
At 1 January 2022	222,180	(106,336)	–	222	116,066
Loss net of tax	–	(4,319)	–	–	(4,319)
Share of other comprehensive income of associates	–	–	(1,008)	–	(1,008)
Share-based payments	–	–	–	75	75
At 30 June 2022	222,180	(110,655)	(1,008)	297	110,814

Condensed Interim Consolidated Cash Flow Statement
For the six months ended 30 June 2022

	Note	Six months ended 30 June 2022 $'000	Six months ended 30 June 2021 $'000
Cash flows from operating activities			
Profit before tax		15,204	1,362
Adjustments:			
Depreciation and amortisation		2,976	2,429
Unrealised foreign exchange differences		84	562
Interest expenses		200	56
Interest income		(104)	(29)
Share of results of associates		202	130
Gain on sale of land parcels		(19,405)	–
Share-based payment expenses		75	–
Loss on deemed disposal of associates		907	–
Write-back of allowance for impairment of trade and other receivables		(1,698)	–
Gain on changes arising from dilution of interest in subsidiary	7,11	–	(2,810)
Write-back on creditors and accruals		–	(2,391)
Operating cash flows before working capital changes		(1,559)	(691)
(Increase)/decrease in inventories		(14)	50
Decrease/(increase) in trade and other receivables		2,601	(249)
Increase in prepayments		(243)	(823)
Decrease in trade and other payables		4,240	(6,045)
Increase in property under development		–	(2,439)
Cash flows generated from/(used in) operations		5,025	(10,197)
Interest received		104	29
Income tax paid		–	–
Net cash flows generated from/(used in) operating activities		5,129	(10,168)
Cash flows used in investing activities			
Purchase of property, plant and equipment		(22,215)	(152)
Remaining proceeds from sale of land parcels		13,958	–
Subsequent expenditure on investment property under construction		–	(557)
Effect of dilution of investment on cash flows	7	–	(7,239)
Net cash flows used in investing activities		(8,257)	(7,948)
Cash flows used in financing activities			
Repayment of lease liabilities		(330)	(418)
Increase in amount due from associates		(866)	(104)
Net cash flows used in financing activities		(1,196)	(522)
Net decrease in cash and cash equivalents		(4,324)	(18,638)
Effect of exchange rate changes on cash and cash equivalents		100	542
Cash and cash equivalents at beginning of financial period		20,545	24,355
Cash and cash equivalents at end of the period		16,321	6,259

1. Corporate information

Metis Energy Limited (formerly known as Manhattan Resources Limited) (the "**Company**") is a limited liability company incorporated and domiciled in Singapore. The Company is listed on the Singapore Exchange Securities Trading Limited. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2022 comprise the Company and its subsidiaries (collectively, the "**Group**"). The primary activities of the Company are those of investment holding and provision of management services.

The principal activities of the Group are:

(a) business of constructing, acquiring, operating and maintaining renewable generation facilities, and production and sale of renewable energy ("**Renewable Energy Business**");

(b) business of constructing, acquiring, operating and maintaining coal-fired steam power plants, and production and sale of electric power ("**Power Plant Business**"); and

(c) provision of logistics and other support services to the coal and mining and oil and gas industries in Indonesia, including ship chartering and provision of freight services and leasing of mining equipment and machinery ("**Shipping Business**).

2. Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2022 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim 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 an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2021.

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 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.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of judgements and estimates

The preparation of the Group's condensed interim 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.

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 financial statements as at and for the year ended 31 December 2021.

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 in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period are included in the following notes:

- Note 5 – Impairment test of non-financial assets: key assumptions underlying recoverable amounts
- Note 7(a) – Acquisition of subsidiary: the fair value of the consideration transferred, and the fair value of the assets acquired and liabilities assumed, measured on a provisional basis
- Note 7(b) – Dilution of interest in subsidiary: the fair value of the measurement of net assets assumed, measured on a provisional basis

3. Seasonal operations

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

4. Property, plant and equipment

During the six months ended 30 June 2022, the Group's additions to property, plant and equipment amounted to $22,215,000 (30 June 2021: $152,000), mainly due to the capital expenditure incurred for the C&I solar rooftop projects in Vietnam. There were no disposal of assets during the period (30 June 2021: Nil), however, the Group entered into a sale and purchase agreement for the sale of the remaining tug and reclassified the net book value of the tug amounting to $725,000 to assets held for sale.

5. Intangible assets

Group	**Business Licence** $'000	**Power Purchase Agreements** $'000	**Total** $'000
For the year ended 31 December 2021			
Opening net book amount at 1 January 2021	10,275	–	10,275
Acquisition of a subsidiary	–	6,603	6,603
Amortisation	(1,414)	(10)	(1,424)
Impairment loss	(2,681)		(2,681)
Exchange differences	66	–	66
Closing net book amount at 31 December 2021	6,246	6,593	12,839
6 months ended 30 June 2022			
Opening net book amount at 1 January 2022	6,246	6,593	12,839
Amortisation	(713)	(50)	(763)
Exchange differences	(661)	–	(661)
Closing net book amount at 30 June 2022	4,872	6,543	11,415

<u>Power Purchase Agreements</u> (Note 7a)

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

The useful life of the PPAs acquired is estimated to be 20 years, with remaining lives ranging from 18 to 19 years based on the commercial operation date as defined in the agreements (2021: 19 to 20 years).

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

<u>Business Licence</u>

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 Kariangau Power ("**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 (2020: 7 years).

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

5. Intangible assets (cont'd)

Impairment testing of intangible assets

Intangible assets acquired through business combinations have been allocated to the power plant Cash Generating Unit ("**CGU**") for impairment testing annually, or more frequently if impairment indicators exist. No impairment indicators were identified as at 30 June 2022 based on the CGU's business performance. The Group performed its annual impairment test as at 31 December 2021 and the key assumptions used to determine the recoverable amount for the CGU were disclosed in the annual consolidated financial statements for the year ended 31 December 2021.

6. Investment property under construction
Property under development

	Group	
	30 June 2022	**31 December 2021**
	$'000	$'000
Investment property under construction:		
At beginning of the financial period/year	–	21,390
Development costs capitalised	–	557
Gain on fair value adjustment recognised in profit or loss	–	–
Exchange differences	–	274
Changes arising from dilution of interest in subsidiary (Note 7(a))	–	(22,221)
End of financial period/year	–	–
Property under development:		
At beginning of the financial period/year	–	77,003
Development costs capitalised	–	2,439
Exchange differences	–	987
Changes arising from dilution of interest in subsidiary (Note 7(a))	–	(80,429)
End of financial period/year	–	–

The investment property under construction and property under development held by the associates as at 30 June 2022 is as follows:

Description and location	% owned	Site area (square metre)	Gross floor area (square metre)	Stage of completion as at date of annual report (expected year of completion)
A 56-storey integrated development with residential apartments, offices and retail components along Yinzhou District, Ningbo, People's Republic of China	31.38%	23,381	Approximately 160,000	2025

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

6. Investment property under construction (cont'd) Property under development (cont'd)

Valuation of investment properties

The Group's policy is for investment property to be measured at fair value for which the Group completes property valuations at least annually by independent registered valuers at the end of the year.

Management had taken into considerations those underlying factors that would have impacts to the fair value of the investment properties since the last valuations completed in December 2021; including market condition etc. There are no major aspects that could affect the fair value of the investment properties as at 30 June 2022.

7. Interests in subsidiaries

	Company	
	2022	**2021**
	$'000	$'000
Unquoted equity shares:		
Balance at beginning of the year	45,545	93,209
Additions during the year	–	4,830
Changes arising from dilution of interest in subsidiary	–	(52,494)
	45,545	45,545
Less: Impairment loss	(35,774)	(35,774)
Add: Amounts due from subsidiaries	55,071	70,306
Balance at end of the period/year	64,842	80,077

(a) ***Acquisition of subsidiaries***

On 28 October 2021 ("**Acquisition Date**"), the Company completed the acquisition of 100% equity interest in Athena. Upon the completion of the acquisition, Athena became a wholly owned subsidiaries of the Group.

The Group has acquired Athena to accelerate the transformation into a renewable energy company, which is in line with the Group's corporate strategy to pursue businesses which will be sustainable and provide a stable income. This business is strongly aligned with the Group's investment policy and transformation objectives.

Athena Energy Holdings Pte. Ltd. ("**Athena**") is a Singapore headquarted company with 4MW operating and committed rooftop Commercial & Industrial Solar ("**C&I**") projects in Vietnam, and with pipeline renewable energy projects across Asia and Australia. Athena has been led by a team of committed highly experienced energy experts in the region to deliver C&I solar projects and utility-scale solar projects. Following the acquisition of Athena, the Company has also entered into the employment contracts with the management team of Athena to deliver Athena's pipeline projects and grow its business.

7. Interests in subsidiaries (cont'd)

(a) *Acquisition of subsidiary (cont'd)*

The fair values of the identifiable assets and liabilities of Athena as at the acquisition date were:

	Fair values recognized on acquisition
	$'000
Property, plant and equipment	3,590
Right-of-use assets	2
Intangible assets (Note 5)	6,603
Trade and other receivables	1,058
Prepayments	14
Cash and cash equivalents	663
	11,930
Trade and other payables	(6,359)
Lease liability	(2)
Provision for tax	(30)
Deferred tax liabilities	(708)
Total identifiable net assets at fair value	4,831

<u>Consideration transferred for the acquisition of Athena</u>	
Cash paid	4,277
Consideration shares issued (14,197,450 ordinary shares of Metis Energy Limited)	753
Shareholders' loan provided	5,169
	10,199

<u>Effect of the acquisition of Athena on cash flows</u>	
Total consideration transferred	10,199
Less: Shareholders' loan provided eliminated on consolidation	(5,169)
Less: Consideration shares issued (non-cash consideration)	(753)
Less: Cash and cash equivalents of subsidiary acquired	(663)
Net cash outflow on acquisition	3,614

At the date of completion of the acquisition, the Company has provided a shareholders' loan of an aggregate S$5,169,000 to Athena for the purpose of paying off all previous shareholders' loans and liabilities of Athena.

7. Interests in subsidiaries (cont'd)

(a) *Acquisition of subsidiary (cont'd)*

Transaction costs

Transaction costs related to the acquisition of approximately S$392,000 have been recognised in the "Legal and professional fees" line item in the Group's profit or loss in 2H 2021 for the year ended 31 December 2021.

Impact of the acquisition on profit or loss

From the acquisition date, Athena had contributed S$71,000 of revenue and S$110,000 net loss in FY2021. If the business combination had taken place at the beginning of FY2021, the Group's revenue would have been S$508,000 and the Group's loss, net of tax would have been S$833,000.

Provisional accounting of the acquisition of Athena

The Power Purchase Agreements ("PPAs") have been identified as intangible assets arising from is acquisition. The Group has engaged an independent valuer to determine the fair values of the PPAs. As at 31 December 2021, PPAs of $6,603,000 have been determined on a provisional basis as the final results of the valuation have not been received by the date the financial statements were authorised for issuance. The carrying amounts of the intangible assets, deferred tax liabilities and amortisation of the intangible assets will be adjusted accordingly on a retrospective basis when the valuation of the brand is finalised.

7. Interests in subsidiaries (cont'd)

(b) *Dilution of interest in subsidiary*

On 4 May 2021 ("**Dilution Date**"), the Company's 51%-owned subsidiary, MPDPL increased its paid-up share capital by the issuance and allotment of an additional 5,000,000 ordinary shares to KaiYi for a total consideration of US$5,000,000 (approximately S$6,736,000). Accordingly, the Company's shareholding interest in MPDPL has been diluted from 51% to 48.40%. Consequently, the effective shareholding interest in MRN held by the Company through MPDPL will also be diluted from 51% to 48.40%. As a result, both MPDPL and MRN will cease as subsidiaries and become associates of the Group.

Balance sheet disclosures

The net identifiable assets and liabilities of Manhattan Property Development Pte Ltd and its subsidiary recorded in the consolidated financial statements as at 4 May 2021, and the effects of the dilution were:

	2021
	$'000
Property, plant and equipment	36
Right-of-use assets	255
Trade and other receivables	3,805
Prepayment	5,041
Investment property under construction (Note 6)	22,221
Property under development (Note 6)	80,429
Cash and bank deposits	7,239
	119,026
Trade and other payables	(14,475)
Deferred tax liabilities	(967)
Lease liability	(241)
Carrying value of net assets	103,343
Net assets derecognised	(103,343)
Non-controlling interest derecognised	50,697
Reserves recycled to profit or loss	2,530
Fair value of retained interest	59,566
Gain on changes arising from dilution of interest in subsidiary	9,450

On the Dilution Date, the Group has derecognised the net assets, liabilities, and non-controlling interesting in MPDPL and MRN and has recognised the investment retained at its fair value.

The fair value of retained interest amounting to S$59,566,000 includes the Company's relative shareholding portion of the fair value uplift arising from the PPA exercise as at dilution date.

The Group has engaged an independent valuer to determine the fair value of the net identifiable assets of the MPDPL and MRN. As at 31 December 2021, the valuation has been completed and the resulting fair value uplift are approximately S$47,000, S$3,000 and S$12,941,000 to property, plant and equipment, investment property under construction and property under development respectively.

7. Interests in subsidiaries (cont'd)

(a) *Dilution of interest in subsidiary (cont'd)*

Income statement disclosures

	1 Jan 2021 to 4 May 2021 $'000
Other income	14
Employee benefits expenses	(183)
Depreciation and amortisation	(39)
Operating expenses	(50)
Other expenses	(165)
Finance costs	(6)
Loss before tax	(429)
Income tax	–
Loss for the period	(429)
Loss attributable to:	
Owners of the Company	(219)
Non-controlling interests	(210)
Loss for the period	(429)

Cash flow statement disclosures

	2021 $'000
Operating	(6,209)
Investing	(1,044)
Financing	14
Net cash outflow on dilution	(7,239)

Impact of the changes arising from the dilution of interest in subsidiary on profit or loss

From 1 January 2021 to the Dilution Date, MPDPL and MRN had contributed $Nil revenue and S$219,000 loss to the Group's results.

The gain on disposal attributable to measuring the retained interest amounted to S$9,450,000 was included in "Other income" line item in the Group's profit or loss for the year ended 31 December 2021.

8. Aggregate amount of the Group's borrowings and debt securities

Among repayable in one year or less, or on demand:

30 June 2022		31 December 2021	
Unsecured	Secured	Unsecured	Secured
–	–	–	–

Among repayable after one year:

30 June 2022		31 December 2021	
Unsecured	Secured	Unsecured	Secured
–	–	–	–

The Group has secured a USD 14 million syndicated senior secured loan from two climate finance funds managed by responsAbility Investments AG, a Swiss sustainable asset manager, to finance C&I rooftop solar projects in Vietnam. The Group expects to draw down the loan in 2H 2022.

9. Share capital

	Group and Company			
	30 June 2022		31 December 2021	
	No. of shares	$'000	No. of shares	$'000
Issued and fully paid ordinary shares				
Beginning of interim period/year	3,000,701,100	222,180	2,986,503,650	221,427
Consideration shares issued during the period (1)	–	–	14,197,450	753
End of interim period/year	3,000,701,100	222,180	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 20 October 2021, the Company entered into a sale and purchase agreement with Sandnergy Pte. Ltd. and Goldland Technology Sdn. Bhd to acquire the entire issued and paid-up share capital of Athena Energy Holdings Pte. Ltd. in which the consideration is satisfied by way of cash and shares at the issue price of S$0.039. Pursuant to the acquisition, an aggregate amount of 14,197,450 shares were allotted and issued to the nominees of Sandnergy Pte. Ltd on 15 December 2021. For the purpose of the financial statements, the consideration shares have been accounted for based on the market value of shares issued on 15 December 2021, being S$0.053 per share amounting to S$753,000.

There are no options on the unissued share of the Company or any other body corporate which were outstanding. There are no outstanding warrants as at 30 June 2022 and 30 June 2021.

(i) Treasury shares

The Company did not hold any treasury shares as at 30 June 2022 and 30 June 2021.

(ii) Subsidiary holdings

There is no subsidiary holdings as at 30 June 2022 and 30 June 2021.

There were no sales, transfers cancellation and/or use of subsidiary holdings as at 30 June 2022 and 30 June 2021.

10. Revenue

	Group For the six months ended 30 June 2022 $'000	Group For the six months ended 30 June 2021 $'000
Disaggregation of revenue		
Sale of electricity		
- Power plant segment	3,548	3,433
- Renewable energy segment	416	–
Coal transportation income	687	753
	4,651	4,186
Timing of transfer of services		
Over time	687	753
Point in time	3,964	3,433

The Group's revenue by business segment and geographical location is disclosed in Note 16.

11. Other income

	Group For the six months ended 30 June 2022 $'000	Group For the six months ended 30 June 2021 $'000
Interest income on cash and bank deposits	104	29
Gain on sale of land parcels (i)	19,405	–
Write-back of allowance for impairment of trade and other receivables	1,698	–
Management fees	797	–
Gain on changes arising from dilution of interest in subsidiary (ii)	–	2,810
Write-back on creditors and accruals	–	2,391
Miscellaneous income	73	4
	22,077	5,234

(i) Arising from the completion of the sale of two vacant land parcels with PT DPP, the Group has recognised a gain of S$19,405,000 in 1H 2022.

(ii) As a result of the dilution in shareholding interest in MPDPL, the Group has recognised a gain of S$2,810,000 in profit or loss upon deconsolidation in 1H 2021.

12. Operating expenses and other expenses

	Group For the six months ended 30 June	
	2022	**2021**
	$'000	$'000
Operating expenses:		
Coal and fuel	(1,180)	(1,187)
Operations and maintenance	(1,304)	(1,158)
Agent fees and port handling charges	(57)	(57)
Certificate, licence and other compliance expenses	(8)	(29)
Chartering expenses	–	(48)
Solar cleaning expenses	(7)	–
Other expenses	(716)	(901)
	(3,272)	(3,380)

Other expenses included the following:

Foreign exchange loss, net	(527)	(432)
Loss on deemed disposal of associates (1)	(907)	–
Write-off on prepaid taxes arising from the power plant segment	(607)	–
Legal and professional fees	(698)	(143)
Included in legal and professional fees are the following:		
- Audit fees:		
Auditors of the Company	(81)	(62)
Affiliates of the auditors of the Company	(47)	(31)
- Non-audit fees:		
Auditors of the Company	(5)	(5)

(1) On 14 January 2022 and 12 June 2022, MPDPL had further increased its share capital by the issuance and the allotment of additional 14,000,000 ordinary shares to Kaiyi for a total consideration of US$14,000,000. Consequently, the Company's shareholding interest in MPDPL has been diluted from 35.44% to 31.38%. Arising from the dilution, the Group has recognised a loss on deemed disposal of interest in associates of S$907,000.

13. Income tax credit/(expense)

The Group calculates the period income tax credit/(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 statement of profit or loss are:

	Group For the six months ended 30 June	
	2022	**2021**
	$'000	$'000
Current income tax:		
Current income taxation	(630)	(260)
	(630)	(260)
Deferred income tax:		
Origination and reversal of temporary differences	797	159
	797	159
Income tax recognised in profit or loss	167	(101)

14. Earnings per share

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

Diluted earnings per share from continuing operations 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 period 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 periods ended 30 June:

	Group For the six months ended 30 June	
	2022	**2021**
	$'000	$'000
Profit for the financial period, net of tax, attributable to equity holders of the Company used in the computation of basic earnings per share	12,415	1,852
	No. of shares	No. of shares
Weighted average number of ordinary shares for basic and diluted earnings per share computation	3,000,701,100	2,986,503,650

15. Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

16. Segment information

For management purposes, the Group is organised into business units based on their products and services, and has 5 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;

(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;

(d) The Property Development segment relates to property development activities in the PRC. Arising from the dilution in the shareholding interest in MPDPL & MRN, the Group no longer consolidates its results since 4 May 2021. Instead, the Group recognised the shares of result of its associates; and

(e) 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 condensed interim financial statements.

16. Segment information (cont'd)

	For the six months ended 30 June 2022						For the six months ended 30 June 2021					
	Power Plant	**Renewable Energy**	**Shipping**	**Corporate and Others**	**Elimina-tions**	**Per condensed interim consolidated financial statements**	**Power Plant**	**Shipping**	**Property Deve-lopment**	**Corporate and Others**	**Elimina-tions**	**Per condensed interim consolidated financial statements**
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue												
External customers	3,548	416	687	–	–	4,651	3,433	753	–	–	–	4,186
Inter-segment	–	–	–	12	(12)	–	–	–	–	12	(12)	–
Total revenue from external parties	3,548	416	687	–	–	4,651	3,433	753	–	12	(12)	4,186
Results												
Interest income	86	–	5	13	–	104	10	1	13	5	–	29
Depreciation and amortisation	(2,508)	(101)	(304)	(63)	–	(2,976)	(2,006)	(316)	(39)	(68)	–	(2,429)
Share of results of associates	–	–	–	(202)	–	(202)	–	–	(130)	–	–	(130)
Loss on deemed disposal of associates	–	–	–	(907)	–	(907)	–	–	–	–	–	–
Gain on sale of land parcels	19,405	–	–	–	–	19,405	–	–	–	–	–	–
Interest expenses	(3)	–	(11)	(186)	–	(200)	(2)	(45)	(6)	(3)	–	(56)
Profit/(loss) before tax	16,690	(261)	1,460	(2,685)	–	15,204	(1,582)	2,020	(395)	1,319	–	1,362
Income tax credit/(expenses)	155	20	(8)	–	–	167	159	(260)	–	–	–	(101)

16. Segment information (cont'd)

	Power Plant	Renewable Energy	Shipping	Property Development	Corporate and Others	Per consolidated financial statements
	$'000	$'000	$'000	$'000	$'000	$'000
30 June 2022						
Assets						
Additions to property, plant and equipment	267	21,674	–	–	274	22,215
Segment assets	37,973	37,011	2,693	–	63,071	140,748
Segment liabilities	(3,137)	(11,107)	(544)	–	(17,925)	(32,713)
31 December 2021						
Assets						
Additions to property, plant and equipment	215	555	–	–	243	1,013
Segment assets	52,161	11,904	8,430	–	64,276	136,771
Segment liabilities	(18,044)	(2,003)	(3,235)	–	(17,559)	(40,841)

Geographical information

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

	Revenue For the six months ended 30 June		Non-current assets	
	2022	**2021**	**30 June 2022**	**31 December 2021**
	$'000	$'000	$'000	$'000
Singapore	–	–	764	291
Indonesia	4,235	4,186	26,952	33,787
Vietnam	416	–	21,152	9,701
Australia	–	–	1,446	869
China	–	–	56,651	60,436
	4,651	4,186	106,965	105,084

17. Net asset value

	Group		Company	
	30 June 2022	**31 December 2021**	**30 June 2022**	**31 December 2021**
Net asset value per ordinary share (cents)	3.46	3.15	3.69	3.87

Net asset value per ordinary share of the Group and of the Company are computed based on 3,000,701,100 ordinary shares in issue as at 30 June 2022 and 31 December 2021.

18. Fair value of assets and liabilities

(a) ***Fair value hierarchy***

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,

- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

During the current financial period, there have been no transfers between Level 1 and Level 2 and no transfers into or out of Level 3.

Valuation policies and procedures

The Group's Deputy Chief Financial Officer who is assisted by the team (collectively referred to as the "Finance Team"), oversees the Group's financial reporting valuation process and is responsible for setting and documenting the Group's valuation policies and procedures. In this regard, the Finance Team reports to the Group's audit committee.

For all significant financial reporting valuations using valuation models and significant unobservable inputs, it is the Group's policy to engage external valuation experts who possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies and SFRS(I) 1-13 fair value measurement guidance to perform the valuation.

For valuations performed by external valuation experts, the appropriateness of the valuation methodologies and assumptions adopted are reviewed along with the appropriateness and reliability of inputs (including those developed internally by the Group) used in the valuations.

18. Fair value of assets and liabilities (cont'd)

(a) *Fair value hierarchy (cont'd)*

Valuation policies and procedures (cont'd)

In selecting the appropriate valuation models and inputs to be adopted for each valuation that uses significant non-observable inputs, external valuation experts are requested to calibrate the valuation models and inputs to actual market transactions (which may include transactions entered into by the Group with third parties as appropriate) that are relevant to the valuation if such information are reasonably available.

For valuations that are sensitive to the unobservable inputs used, external valuation experts are required, to the extent practicable to use a minimum of two valuation approaches to allow for cross-checks.

Significant changes in fair value measurements from period to period are evaluated for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources, or internal sources if necessary and appropriate.

(b) *Financial assets and financial liabilities*

Set out below is an overview of the financial assets and financial liabilities of the Group and Company as at 30 June 2022 and 31 December 2021:

	Group		Company	
	30 June 2022 $'000	**31 December 2021** $'000	**30 June 2022** $'000	**31 December 2021** $'000
Financial assets:				
Trade and other receivables	5,743	6,067	100	70
Due from associates (non-trade)	1,071	205	1,071	205
Cash and bank deposits	16,321	20,545	4,102	3,140
Total financial assets	23,135	26,817	5,273	3,415
Financial liabilities:				
Trade and other payables	(32,713)	(38,652)	(12,817)	(12,812)
Due to subsidiaries (non-trade)	–	–	(3,623)	(15,303)
Lease liabilities	(264)	(451)	(264)	(44)
Total financial liabilities	(32,977)	(39,103)	(16,704)	(28,159)

19. Subsequent event

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

1. Review

The condensed consolidated balance sheets of Metis Energy Limited and its subsidiaries as at 30 June 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. 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, including (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.

1H 2022	**S$'000 Power Plant**	**S$'000 Renewable Energy**	**S$'000 Shipping**	**S$'000 Property**	**S$'000 Corporate & Others**	**S$'000 Total**
Geographical location	**Indonesia**	**Vietnam**	**Indonesia**	**PRC**	**Singapore**	
Revenue	3,548	416	687	–	–	4,651
Other income	19,536	28	1,703	–	810	22,077
Cost	(6,207)	(461)	(918)	–	(3,244)	(10,830)
Foreign exchange gain/(loss)	(32)	(224)	(20)	–	(251)	(527)
Profit/(loss) net of tax	**16,845**	**(241)**	**1,452**	–	**(2,685)**	**15,371**
Profit/(loss) net of tax, attributable to owners of the Company	**13,889**	**(241)**	**1,452**	–	**(2,685)**	**12,415**

1H 2021	**S$'000 Power Plant**	**S$'000 Shipping**	**S$'000 Property**	**S$'000 Corporate & Others**	**S$'000 Total**
Geographical location	**Indonesia**	**Indonesia**	**PRC**	**Singapore**	
Revenue	3,433	753	–	–	4,186
Other income	9	2,391	14	2,820	5,234
Cost	(4,957)	(1,355)	(244)	(1,171)	(7,727)
Foreign exchange gain/(loss)	90	(30)	(165)	(327)	(432)
(Loss)/profit net of tax	**(1,425)**	**1,759**	**(395)**	**1,322**	**1,261**
(Loss)/profit net of tax, attributable to owners of the Company	**(1,060)**	**1,759**	**(184)**	**1,337**	**1,852**

Turnover, costs and net loss

The Group recorded a turnover of S$4.7m in 1H 2022 as compared to S$4.2m in 1H 2021. The increase in revenue was mainly due to the consolidation of the results for the renewable energy segment. The Group currently holds 30MW operational C&I solar rooftop projects in Vietnam, which includes the largest single-site and single-customer C&I solar rooftop project completed in mid-June 2022. The increase in revenue was also due to the increase in sales volume of electricity in 1H 2022. The shipping revenue decreased from S$0.8m in 1H 2021 to S$0.7m in 1H 2022.

The power plant segment recorded a net profit of S$13.9m in 1H 2022 as compared to a net loss of S$1.1m in 1H 2021, mainly due to the gain on sale of land parcels upon completion in 1H 2022. The power plant recorded a turnover of S$3.5m in 1H 2022 as compared to S$3.4m in 1H 2021. The increase in cost of S$5.0m in 1H 2021 to S$6.2m in 1H 2022 was mainly due to the increase in operations and maintenance fees incurred and write-off on prepaid taxes.

The renewable energy segment recorded a net loss of S$0.2m in 1H 2022 mainly due to foreign exchange losses incurred during the period. The acquisition of Athena was only completed in 4Q 2021, hence no results recorded in 1H 2021.

The shipping segment recorded a net profit of S$1.5m in 1H 2022, as compared to a net profit of S$1.8m in 1H 2021, mainly due to a gain of S$1.7m from the write-back of allowance for impairment of trade and other receivables upon receipt. This was offset by the absence of write-back of creditors and accruals in 1H 2021.

As a result of the dilution in shareholding in the property segment, the Group no longer consolidates its results, but recognised the share of results of its associates instead.

The corporate & others segment recorded a net loss of S$2.7m 1H 2022, as compared to a net profit of S$1.3m 1H 2021, mainly due to the loss on deemed disposal of interest in associates in 1H 2022. There was a gain on changes arising from the dilution of interest of S$2.8m in subsidiary in 1H 2021.

As a whole, the Group recorded a net profit attributable to owners of the Company of S$12.4m for 1H 2022 as compared to a net profit of S$1.9m for 1H 2021.

Cash flow, working capital, assets and liabilities

The Group’s cash and bank deposits amounted to S$16.3m as at 30 June 2022 as compared to S$20.5m as at 31 December 2021. The movement in cash flow in 1H 2022 was mainly due to the receipt of the remaining proceeds from the sale of land parcels, receipt from trade debtors offset by the capital expenditure incurred for the renewable energy segment. The decrease is also mainly attributable to the changes in working capital of the Group.

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

Not applicable

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

The Company has made concerted efforts to increase its profitability and for the Group to return to profitability. Some of these steps include (a) the acceleration of the Company's growth into a renewable energy company; (b) the implementation of cost-saving initiatives to optimise the cost-effectiveness of the Group's existing businesses; and (c) the review of the relevance of continuing to own the non-core assets.

5. Dividend information

No dividend has been declared or recommended by the Board as the Group still has accumulated losses as at 30 June 2022.

6. Interested person transactions

Name of Interested Person	Nature of relationship	Aggregate value (S$'000) of all IPTs during the period ended 30 June 2022 (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPTs under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
	Note	**S$'000**	**S$'000**
KaiYi Investment Pte. Ltd.	(1)		
- Lease of office premises		–	(75)
- Interest expense		–	(186)
PT Dermaga Perkasapratama	(2)		
- Sale of electricity		2,544	–
- Sale of land parcels		25,638	–

Notes:

(1) KaiYi, a substantial shareholder, has 34.14% direct interest in the Company. In addition, Dato' Dr. Low Tuck Kwong, a substantial shareholder of the Company, owns 10.46% of KaiYi, and the immediate family of Dato' Dr. Low Tuck Kwong 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 is a subsidiary of PT Bayan Resources Tbk ("**Bayan Resources**"). Dato' Dr. Low Tuck Kwong, a substantial shareholder of the Company, owns 55.19% of Bayan Resources. Dato' Dr. Low Tuck Kwong is on the board of directors of PT Bayan Resources Tbk. 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.

7. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has procured undertakings from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

8. Confirmation pursuant to Rule 705(5) of the Listing Manual

We, Tang Kin Fei and Tung Zhihong, Paul, being two directors of Metis Energy Limited (the "**Company**"), do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements for the first half ended 30 June 2022 to be false or misleading in any material aspect.

For and on behalf of the Board of Directors

METIS ENERGY LIMITED

Tang Kin Fei
Board Chairman

Tung Zhihong, Paul
Director

BY ORDER OF THE BOARD
Madelyn Kwang Yeit Lam
Secretary

5 August 2022