

ANNICA HOLDINGS LIMITED

Condensed Interim Consolidated Financial Statements for the Third Quarter and Nine-Month Financial Period Ended 30 September 2024

This announcement has been prepared by Annica Holdings Limited (the "Company") and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "Sponsor") in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Ms Goh Mei Xian, Director, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone: (65) 6636 4201.

For the purposes of this announcement ("Announcement"), "3Q2024" refers to the three-month financial period ended 30 September 2024, whereas "3Q2023" refers to the corresponding three-month financial period ended 30 September 2023. "9M2024" refers to the nine-month financial period ended 30 September 2024, whereas "9M2023" refers to the corresponding nine-month financial period ended 30 September 2023. "FY2023" refers to the full financial year ended 31 December 2023.

The quarterly reporting of financial statements is required by the Singapore Exchange Securities Trading Limited ("SGX-ST") for Annica Holdings Limited (the "Company", and together with its subsidiaries, the "Group") pursuant to Rule 705(2) of the SGX-ST Listing Manual Section B: Rules of Catalyst (the "Catalist Rules"). The foregoing statement is made pursuant to Rule 705(2C) of the Catalist Rules in view of the qualified opinion issued by the Company's independent auditor in its independent auditor's report dated 11 April 2024 in relation to the latest audited consolidated financial statements of the Group for FY2023.

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER AND NINE-MONTH FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024

| Note | Group | | | | | | |
|--|-----------------------|-----------------------|-------------------------|-----------------------|-----------------------|-------------------------|------|
| | 3Q2024 (Unaudited) | 3Q2023 (Unaudited) | Increase/ (Decrease) | 9M2024 (Unaudited) | 9M2023 (Unaudited) | Increase/ (Decrease) | |
| | S\$'000 | S\$'000 | % | S\$'000 | S\$'000 | % | |
| Revenue | 4 | 3,554 | 1,617 | NM | 8,403 | 8,859 | (5) |
| Cost of sales | | (1,108) | (1,228) | (10) | (4,027) | (6,726) | (40) |
| Gross profit | | 2,446 | 389 | NM | 4,376 | 2,133 | NM |
| Other income | | 102 | 46 | NM | 290 | 161 | 80 |
| Interest income | | 25 | 50 | (50) | 127 | 150 | (15) |
| Selling and distribution expenses | | (93) | (52) | 79 | (200) | (144) | 39 |
| Administrative and general expenses | | (1,254) | (1,096) | 14 | (3,740) | (3,329) | 12 |
| Other expenses | | (363) | (3) | NM | (509) | (5) | NM |
| Finance costs | | (115) | (55) | NM | (260) | (120) | NM |
| Profit/(Loss) before tax from continuing operations | 6 | 748 | (721) | NM | 84 | (1,154) | NM |
| Tax expense | 7 | (175) | (14) | NM | (280) | (45) | NM |
| Profit/(Loss) from continuing operations | | 573 | (735) | NM | (196) | (1,199) | (84) |
| Profit from discontinued operations | | - | - | NM | - | 1 | NM |
| Profit/(Loss) for the financial period | | 573 | (735) | NM | (196) | (1,198) | (84) |
| Other comprehensive income/(loss) | | | | | | | |
| <i>Items that are or may be reclassified subsequently to profit or loss:</i> | | | | | | | |
| Currency translation differences arising on consolidation | | 203 | (3) | NM | 186 | (98) | NM |
| Other comprehensive income/(loss) for the financial period | | 203 | (3) | NM | 186 | (98) | NM |
| Total comprehensive income/(loss) for the financial period | | 776 | (738) | NM | (10) | (1,296) | (99) |

NM: Not Meaningful

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER AND NINE-MONTH FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024 (cont'd)

| Note | Group | | | | | |
|--|----------------------------------|----------------------------------|------------------------------|----------------------------------|----------------------------------|------------------------------|
| | 3Q2024 (Unaudited) S\$'000 | 3Q2023 (Unaudited) S\$'000 | Increase/ (Decrease) % | 9M2024 (Unaudited) S\$'000 | 9M2023 (Unaudited) S\$'000 | Increase/ (Decrease) % |
| Profit/(Loss) attributable to: | | | | | | |
| - Equity holders of the Company | 333 | (798) | NM | (608) | (1,300) | (53) |
| - Non-controlling interests | 240 | 63 | NM | 412 | 102 | NM |
| Profit/(Loss) for the financial period | 573 | (735) | NM | (196) | (1,198) | (84) |
| Profit/(Loss) attributable to: | | | | | | |
| Equity holders of the Company | | | | | | |
| - Profit/(Loss) from continuing operations | 333 | (798) | NM | (608) | (1,301) | (53) |
| - Profit from discontinued operations | - | - | - | - | 1 | NM |
| | 333 | (798) | NM | (608) | (1,300) | (53) |
| Total comprehensive income/(loss) attributable to: | | | | | | |
| - Equity holders of the Company | 536 | (801) | NM | (422) | (1,398) | (70) |
| - Non-controlling interests | 240 | 63 | NM | 412 | 102 | NM |
| Total comprehensive income/(loss) for the financial period | 776 | (738) | NM | (10) | (1,296) | (99) |
| Total comprehensive income/(loss) attributable to: | | | | | | |
| Equity holders of the Company | | | | | | |
| - Profit/(Loss) from continuing operations | 536 | (801) | NM | (422) | (1,399) | (70) |
| - Profit from discontinued operations | - | - | - | - | 1 | NM |
| | 536 | (801) | NM | (422) | (1,398) | (70) |
| Earnings/(Loss) per share for profit/(loss) attributable to the equity holders of the Company | | | | | | |
| | (S\$ cents) | | | (S\$ cents) | | |
| <i>Basic and diluted</i> | | | | | | |
| - From continuing and discontinued operations | 0.0019 | (0.0047) | | (0.0035) | (0.0077) | |
| - From continuing operations | 0.0019 | (0.0047) | | (0.0035) | (0.0077) | |
| - From discontinued operations | - | - | | - | -* | |

*Amount less than S\$0.0001

NM: Not Meaningful

(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2024**

| | Note | Group | | Company | |
|--|------|---|--|---|--|
| | | As at 30 September 2024 (Unaudited) S\$'000 | As at 31 December 2023 (Audited) S\$'000 | As at 30 September 2024 (Unaudited) S\$'000 | As at 31 December 2023 (Audited) S\$'000 |
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Property, plant and equipment ("PPE") | 12 | 264 | 226 | 4 | 1 |
| Right-of-use ("ROU") assets | | 655 | 804 | 170 | 263 |
| Intangible assets | 11 | 36 | 36 | - | - |
| Investments in subsidiaries | | - | - | 1,890 | 1,890 |
| Trade and other receivables | | - | - | 135 | 229 |
| Deferred tax assets | | 25 | 25 | - | - |
| | | <u>980</u> | <u>1,091</u> | <u>2,199</u> | <u>2,383</u> |
| Current assets | | | | | |
| Cash and cash equivalents | | 3,110 | 3,013 | 165 | 66 |
| Fixed deposits | | 504 | 434 | - | - |
| Trade and other receivables | 13 | 7,194 | 7,175 | 4,001 | 3,363 |
| Inventories | | 1,158 | 383 | - | - |
| Financial assets at fair value through profit or loss | 10 | -* | -* | -* | -* |
| | | <u>11,966</u> | <u>11,005</u> | <u>4,166</u> | <u>3,429</u> |
| Total assets | | 12,946 | 12,096 | 6,365 | 5,812 |
| LIABILITIES | | | | | |
| Non-current liabilities | | | | | |
| Borrowings | 14 | 223 | 647 | 213 | 373 |
| Provision for employee benefits | | 107 | 108 | - | - |
| | | <u>330</u> | <u>755</u> | <u>213</u> | <u>373</u> |
| Current liabilities | | | | | |
| Trade and other payables | | 4,870 | 7,640 | 5,837 | 6,372 |
| Contract liabilities | | 3,415 | 2,008 | - | - |
| Borrowings | 14 | 2,132 | 2,054 | 1,762 | 1,709 |
| Tax payable | | 301 | 131 | - | - |
| | | <u>10,718</u> | <u>11,833</u> | <u>7,599</u> | <u>8,081</u> |
| Total liabilities | | 11,048 | 12,588 | 7,812 | 8,454 |
| Net assets/(liabilities) | | 1,898 | (492) | (1,447) | (2,642) |
| EQUITY | | | | | |
| Share capital | 15 | 70,501 | 68,101 | 70,501 | 68,101 |
| Other reserves | | (586) | (772) | 89 | 89 |
| Accumulated losses | | (68,683) | (68,075) | (72,037) | (70,832) |
| Equity/(capital deficiency) attributable to equity holders of the Company | | 1,232 | (746) | (1,447) | (2,642) |
| Non-controlling interests | | 666 | 254 | - | - |
| Total equity/(capital deficiency) | | 1,898 | (492) | (1,447) | (2,642) |

*Amount less than S\$1,000

(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THIRD QUARTER AND NINE-MONTH FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

| | Note | Group | | | |
|--|------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 3Q2024 (Unaudited) S\$'000 | 3Q2023 (Unaudited) S\$'000 | 9M2024 (Unaudited) S\$'000 | 9M2023 (Unaudited) S\$'000 |
| Cash flows from operating activities | | | | | |
| Profit/(Loss) before tax from continuing operations | | 748 | (721) | 84 | (1,154) |
| Profit before tax from discontinued operations | | - | - | - | 1 |
| | | <u>748</u> | <u>(721)</u> | <u>84</u> | <u>(1,153)</u> |
| Adjustments for: | | | | | |
| Depreciation of property, plant and equipment | 6 | 45 | 30 | 120 | 128 |
| Depreciation of right-of-use assets | 6 | 75 | 68 | 225 | 177 |
| Loss on disposal of property, plant and equipment | 6 | - | - | - | 1 |
| Interest expense | 6 | 115 | 55 | 260 | 120 |
| Interest income | 6 | (25) | (50) | (127) | (150) |
| Bad debt written off | 6 | - | 1 | - | 2 |
| Bad debt recovered | 6 | - | - | - | (11) |
| Currency translation adjustment | | 294 | - | 274 | - |
| Operating cash flows before working capital changes | | 1,252 | (617) | 836 | (886) |
| Changes in working capital: | | | | | |
| Inventories | | 176 | (599) | (775) | (2,562) |
| Trade and other payables and contract liabilities | | 587 | 1,679 | 949 | (2,006) |
| Trade and other receivables | | (1,017) | (364) | 112 | 4,824 |
| Currency translation adjustment | | - | (38) | - | (186) |
| Cash generated from/(used in) operations | | 998 | 61 | 1,122 | (816) |
| Income tax paid | | (136) | (27) | (163) | (73) |
| Net cash generated from/(used in) operating activities | | 862 | 34 | 959 | (889) |
| Cash flows from investing activities | | | | | |
| Interest received | | 2 | - | 6 | 3 |
| Purchase of property, plant and equipment | | (21) | (22) | (157) | (49) |
| Net cash used in investing activities | | (19) | (22) | (151) | (46) |
| Cash flows from financing activities | | | | | |
| Interest paid for bank loans | | (67) | (5) | (199) | (16) |
| Interest paid for lease liabilities | | (5) | (6) | (19) | (8) |
| Interest paid for third party loan | | (80) | (45) | (195) | (276) |
| (Placement)/Release of fixed deposit pledged | | (1) | - | (39) | 21 |
| Placement of deposit in cash margin account | | (5) | - | (261) | - |
| Proceeds of borrowings | | 500 | 500 | 1,500 | 1,500 |
| Repayment of principal portion of borrowings | | (171) | (84) | (1,515) | (468) |
| Repayment of principal portion of lease liabilities | | (68) | (63) | (201) | (175) |
| Net cash generated from/(used in) financing activities | | 103 | 297 | (929) | 578 |
| Net increase/(decrease) in cash and cash equivalents | | 946 | 309 | (121) | (357) |
| Cash and cash equivalents at beginning of the financial period | | 1,943 | 772 | 3,013 | 1,430 |
| Effects of foreign currency translation on cash and cash equivalents | | (40) | (4) | (43) | 4 |
| Cash and cash equivalents at end of the financial period | | 2,849 | 1,077 | 2,849 | 1,077 |
| Cash and cash equivalents at end of the financial period were made up of: | | | | | |
| Cash and cash equivalents | | 2,849 | 1,077 | 2,849 | 1,077 |
| Deposit placed in cash margin account | | 261 | - | 261 | - |
| Cash and cash equivalents in consolidated statement of cash flows | | 3,110 | 1,077 | 3,110 | 1,077 |

(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.

**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE-MONTH FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

| | Note | Equity/(capital deficiency) attributable to equity holders of the Company | | | Equity/(capital deficiency) attributable to equity holders of the Company S\$'000 | Non-controlling interests S\$'000 | Total equity/(capital deficiency) S\$'000 |
|---|------|--|---------------------------|----------------------------------|--|---|--|
| | | Share capital S\$'000 | Other reserves S\$'000 | Accumulated losses S\$'000 | | | |
| Group | | | | | | | |
| Balance as at 1 January 2024 (audited) | | 68,101 | (772) | (68,075) | (746) | 254 | (492) |
| Issuance of ordinary shares of the Company | | 2,400 | - | - | 2,400 | - | 2,400 |
| (Loss)/Profit for the financial period | | - | - | (608) | (608) | 412 | (196) |
| Other comprehensive income: | | | | | | | |
| Currency translation differences arising from consolidation | | - | 186 | - | 186 | - | 186 |
| Total comprehensive income/(loss) for the financial period | | - | 186 | (608) | (422) | 412 | (10) |
| Balance as at 30 September 2024 (unaudited) | | 70,501 | (586) | (68,683) | 1,232 | 666 | 1,898 |
| Balance as at 1 January 2023 (audited) | | 68,101 | (2,041) | (65,425) | 635 | (53) | 582 |
| Transfer to capital reserve | | - | 3 | - | 3 | - | 3 |
| (Loss)/Profit for the financial period | | - | - | (1,300) | (1,300) | 102 | (1,198) |
| Other comprehensive loss: | | | | | | | |
| Currency translation differences arising from consolidation | | - | (98) | - | (98) | - | (98) |
| Total comprehensive (loss)/income for the financial period | | - | (98) | (1,300) | (1,398) | 102 | (1,296) |
| Balance as at 30 September 2023 (unaudited) | | 68,101 | (2,136) | (66,725) | (760) | 49 | (711) |

(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. (cont'd)

**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE-MONTH FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024 (cont'd)**

| | Note | Share capital S\$'000 | Accumulated losses S\$'000 | Other reserves S\$'000 | Total equity/(capital deficiency) S\$'000 |
|--|------|--------------------------|----------------------------------|---------------------------|--|
| Company | | | | | |
| Balance as at 1 January 2024 (audited) | | 68,101 | (70,832) | 89 | (2,642) |
| Issuance of ordinary shares of the Company | | 2,400 | - | - | 2,400 |
| Total comprehensive loss for the financial period | | - | (1,205) | - | (1,205) |
| Balance as at 30 September 2024 (unaudited) | | 70,501 | (72,037) | 89 | (1,447) |
| Balance as at 1 January 2023 (audited) | | 68,101 | (68,231) | 89 | (41) |
| Total comprehensive loss for the financial period | | - | (1,100) | - | (1,100) |
| Balance as at 30 September 2023 (unaudited) | | 68,101 | (69,331) | 89 | (1,141) |

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate information

Annica Holdings Limited (the “**Company**”) is incorporated and domiciled in Singapore and its shares are publicly traded on the Catalist board of the SGX-ST. These condensed interim consolidated financial statements for the third quarter and nine-month financial period ended 30 September 2024 comprise the Company and its subsidiaries (collectively, the “**Group**”). The primary activity of the Company is that of investment holdings.

The principal activities of the Group are:

- (a) trading in oilfield equipment and related products;
- (b) designing of industrial plant engineering services systems and general wholesaler and trader;
- (c) designing, engineering, procurement, construction and commissioning of solar photovoltaic system and related products;
- (d) manufacturing of electricity distribution and control apparatus, operation of generation facilities that produce electric energy, and wholesale of industrial machinery, equipment and supplies; and
- (e) investment holding.

2. Basis of preparation

The condensed interim consolidated financial statements for the third quarter and nine-month financial period ended 30 September 2024 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council of Singapore. 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 an understanding of the changes in the financial position and performance of the Group since the last condensed interim consolidated financial statements of the Group for the second quarter and half year financial period ended 30 June 2024.

Save as disclosed in Note 2.1, the accounting policies and methods of computation adopted for the condensed interim consolidated financial statements for 3Q2024 and 9M2024 are consistent with those of the audited consolidated financial statements for the previous financial year, FY2023, which were prepared in accordance with SFRS(I)s.

The condensed interim consolidated financial statements in this Announcement are presented in Singapore dollar which is the Company’s functional currency.

2.1 New and amended standards adopted by the Group

As at 1 January 2024, the Group adopted all the new and revised SFRS(I) pronouncements that are mandatorily effective and are relevant to its operations. The adoption of these new/revised SFRS(I) pronouncements did not result in substantial changes to the accounting policies of the Group and of the Company and had no material effect on the disclosures or on the amounts reported for the current or prior financial years.

2.2 Use of judgements and estimates

The preparation of the financial statements requires the management of the Company (“**Management**”) to make critical judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, income and expense and the disclosure of contingent liabilities. Actual results may differ from these estimates.

The critical 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 audited consolidated financial statements of the Group for FY2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to an accounting estimate is recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements of the Company are included in the following note:

- Note 10.1 – Fair value measurement.

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 for 3Q2024 and 9M2024 are included in the following notes:

- Note 11 – Intangible assets; and
- Note 13 – Trade and other receivables.

3. Seasonal operations

The Group’s businesses were not affected significantly by seasonal or cyclical factors during 3Q2024 and 9M2024.

4. Segment and revenue information

The Group is organised into the following main business segments:

- Engineering Services;
- Oil and Gas Equipment;
- Renewable Energy; and
- Investments and Others.

These operating segments are reported in a manner consistent with internal reporting provided to the Executive Director and Chief Executive Officer of the Company, Ms Sandra Liz Hon Ai Ling (“**Ms Hon**”) and the board of directors of the Company (“**Board**”) who are responsible for allocating resources and assessing the performance of the operating segments.

4.1 Reportable segments

The reportable segments are engineering services (“ES”), oil and gas equipment (“O&G”), renewable energy (“RE”) and investments and others (“I&O”).

| | Continuing operations | | | | | Continuing operations S\$'000 | Discontinued operations S\$'000 | Total S\$'000 |
|---|-----------------------|----------------|---------------|----------------|------------------------|----------------------------------|------------------------------------|------------------|
| | ES S\$'000 | O&G S\$'000 | RE S\$'000 | I&O S\$'000 | Elimination S\$'000 | | | |
| 3Q2024 | | | | | | | | |
| Revenue | | | | | | | | |
| External sales | 157 | 3,397 | - | - | - | 3,554 | - | 3,554 |
| Inter-segment sales | - | - | - | - | - | - | - | - |
| Total revenue | 157 | 3,397 | - | - | - | 3,554 | - | 3,554 |
| Interest income | - | 1 | - | 27 | (3) | 25 | - | 25 |
| Other income | 1 | 48 | 37 | 51 | (35) | 102 | - | 102 |
| Total other income | 1 | 49 | 37 | 78 | (38) | 127 | - | 127 |
| Total revenue and other income | 158 | 3,446 | 37 | 78 | (38) | 3,681 | - | 3,681 |
| Depreciation of PPE | - | (45) | - | - | - | (45) | - | (45) |
| Depreciation of ROU assets | (9) | (35) | - | (31) | - | (75) | - | (75) |
| Interest expense | (1) | (4) | - | (113) | 3 | (115) | - | (115) |
| Segment profit/(loss) | 148 | 3,362 | 37 | (66) | (35) | 3,446 | - | 3,446 |
| Unallocated expenses | (201) | (2,211) | (31) | (287) | 32 | (2,698) | - | (2,698) |
| (Loss)/Profit before tax | (53) | 1,151 | 6 | (353) | (3) | 748 | - | 748 |
| Tax expense | - | (175) | - | - | - | (175) | - | (175) |
| (Loss)/Profit for the interim period | (53) | 976 | 6 | (353) | (3) | 573 | - | 573 |
| 9M2024 | | | | | | | | |
| Revenue | | | | | | | | |
| External sales | 770 | 7,633 | - | - | - | 8,403 | - | 8,403 |
| Inter-segment sales | - | - | - | - | - | - | - | - |
| Total revenue | 770 | 7,633 | - | - | - | 8,403 | - | 8,403 |
| Interest income | - | 4 | - | 134 | (11) | 127 | - | 127 |
| Other income | 2 | 210 | 37 | 143 | (102) | 290 | - | 290 |
| Total other income | 2 | 214 | 37 | 277 | (113) | 417 | - | 417 |
| Total revenue and other income | 772 | 7,847 | 37 | 277 | (113) | 8,820 | - | 8,820 |
| Depreciation of PPE | - | (119) | - | (1) | - | (120) | - | (120) |
| Depreciation of ROU assets | (27) | (106) | - | (92) | - | (225) | - | (225) |
| Interest expense | (5) | (16) | - | (250) | 11 | (260) | - | (260) |
| Segment profit/(loss) | 740 | 7,606 | 37 | (66) | (102) | 8,215 | - | 8,215 |
| Unallocated expenses | (924) | (6,032) | (132) | (1,138) | 95 | (8,131) | - | (8,131) |
| (Loss)/Profit before tax | (184) | 1,574 | (95) | (1,204) | (7) | 84 | - | 84 |
| Tax expense | - | (280) | - | - | - | (280) | - | (280) |
| (Loss)/Profit for the interim period | (184) | 1,294 | (95) | (1,204) | (7) | (196) | - | (196) |
| Assets | | | | | | | | |
| Non-current assets | 66 | 679 | 336 | 174 | (300) | 955 | - | 955 |
| Other segment assets | 273 | 11,845 | 398 | 6,191 | (6,716) | 11,991 | - | 11,991 |
| Consolidated total assets | 339 | 12,524 | 734 | 6,365 | (7,016) | 12,946 | - | 12,946 |
| Expenditures for segment non-current assets | | | | | | | | |
| Additions to PPE | - | 153 | - | 4 | - | 157 | - | 157 |
| Additions to ROU assets | - | 62 | - | - | - | 62 | - | 62 |
| | - | 215 | - | 4 | - | 219 | - | 219 |
| Liabilities | | | | | | | | |
| Segment liabilities | 1,109 | 5,164 | 869 | 5,837 | (4,587) | 8,392 | - | 8,392 |
| Borrowings | 144 | 500 | - | 1,975 | (264) | 2,355 | - | 2,355 |
| Deferred tax liabilities | - | - | - | - | - | - | - | - |
| Tax payable | - | 301 | - | - | - | 301 | - | 301 |
| Consolidated total liabilities | 1,253 | 5,965 | 869 | 7,812 | (4,851) | 11,048 | - | 11,048 |

4.1 Reportable segments (cont'd)

| | Continuing operations | | | | | Continuing operations S\$'000 | Discontinued operations S\$'000 | Total S\$'000 |
|---|-----------------------|----------------|----------------|----------------|------------------------|----------------------------------|------------------------------------|------------------|
| | ES S\$'000 | O&G S\$'000 | RE* S\$'000 | I&O S\$'000 | Elimination S\$'000 | | | |
| 3Q2023 | | | | | | | | |
| Revenue | | | | | | | | |
| External sales | 47 | 1,570 | - | - | - | 1,617 | - | 1,617 |
| Inter-segment sales | - | - | - | - | - | - | - | - |
| Total revenue | 47 | 1,570 | - | - | - | 1,617 | - | 1,617 |
| Interest income | - | 1 | - | 52 | (3) | 50 | - | 50 |
| Other income | (2) | 43 | 2 | 44 | (41) | 46 | - | 46 |
| Total other income | (2) | 44 | 2 | 96 | (44) | 96 | - | 96 |
| Total revenue and other income | 45 | 1,614 | 2 | 96 | (44) | 1,713 | - | 1,713 |
| Depreciation of PPE | - | (25) | - | (5) | - | (30) | - | (30) |
| Depreciation of ROU assets | (6) | (33) | - | (29) | - | (68) | - | (68) |
| Interest expense | (2) | (5) | - | (51) | 3 | (55) | - | (55) |
| Segment profit/(loss) | 37 | 1,551 | 2 | 11 | (41) | 1,560 | - | 1,560 |
| Unallocated expenses | (102) | (1,758) | (33) | (419) | 31 | (2,281) | - | (2,281) |
| (Loss)/Profit before tax | (65) | (207) | (31) | (408) | (10) | (721) | - | (721) |
| Tax expense | - | (14) | - | - | - | (14) | - | (14) |
| (Loss)/Profit for the interim period | (65) | (221) | (31) | (408) | (10) | (735) | - | (735) |
| 9M2023 | | | | | | | | |
| Revenue | | | | | | | | |
| External sales | 175 | 8,684 | - | - | - | 8,859 | - | 8,859 |
| Inter-segment sales | - | - | - | - | - | - | - | - |
| Total revenue | 175 | 8,684 | - | - | - | 8,859 | - | 8,859 |
| Interest income | - | 3 | - | 150 | (3) | 150 | - | 150 |
| Other income | 14 | 137 | (22) | 144 | (112) | 161 | - | 161 |
| Total other income | 14 | 140 | (22) | 294 | (115) | 311 | - | 311 |
| Total revenue and other income | 189 | 8,824 | (22) | 294 | (115) | 9,170 | - | 9,170 |
| Depreciation of PPE | - | (96) | - | (32) | - | (128) | - | (128) |
| Depreciation of ROU assets | (6) | (91) | - | (80) | - | (177) | - | (177) |
| Interest expense | (4) | (21) | - | (98) | 3 | (120) | - | (120) |
| Segment profit/(loss) | 179 | 8,616 | (22) | 84 | (112) | 8,745 | - | 8,745 |
| Unallocated expenses | (364) | (8,362) | (83) | (1,185) | 95 | (9,899) | 1 | (9,898) |
| (Loss)/Profit before tax | (185) | 254 | (105) | (1,101) | (17) | (1,154) | 1 | (1,153) |
| Tax expense | - | (45) | - | - | - | (45) | - | (45) |
| (Loss)/Profit for the interim period | (185) | 209 | (105) | (1,101) | (17) | (1,199) | 1 | (1,198) |
| FY2023 | | | | | | | | |
| Assets | | | | | | | | |
| Non-current assets | 93 | 673 | 337 | 263 | (300) | 1,066 | - | 1,066 |
| Other segment assets | 628 | 10,661 | 322 | 5,550 | (6,131) | 11,030 | - | 11,030 |
| Consolidated total assets | 721 | 11,334 | 659 | 5,813 | (6,431) | 12,096 | - | 12,096 |
| Expenditures for segment non-current assets | | | | | | | | |
| Additions to PPE | - | 70 | - | - | - | 70 | - | 70 |
| Additions to ROU assets | 108 | 313 | - | 326 | - | 747 | - | 747 |
| | 108 | 383 | - | 326 | - | 817 | - | 817 |
| Liabilities | | | | | | | | |
| Segment liabilities | 1,224 | 5,390 | 674 | 6,375 | (3,907) | 9,756 | - | 9,756 |
| Borrowings | 228 | 757 | - | 2,082 | (366) | 2,701 | - | 2,701 |
| Deferred tax liabilities | - | - | - | - | - | - | - | - |
| Tax payable | - | 131 | - | - | - | 131 | - | 131 |
| Consolidated total liabilities | 1,452 | 6,278 | 674 | 8,457 | (4,273) | 12,588 | - | 12,588 |

* The financial performance of the RE segment was previously subsumed under the I&O segment for the purposes of the condensed interim consolidated financial statements for the half year financial period ended 30 June 2023 as announced on 10 August 2023.

4.2 Disaggregation of Revenue

| | Group 9M2024 | | |
|---------------------------------------|-------------------------|----------------------------|--------------------------|
| | ES S\$'000 | O&G S\$'000 | Total S\$'000 |
| Types of goods or services: | | | |
| Sale of goods | 770 | 6,154 | 6,924 |
| Services rendered | - | 1,479 | 1,479 |
| | <u>770</u> | <u>7,633</u> | <u>8,403</u> |
| Timing of revenue recognition: | | | |
| At a point in time | 770 | 7,633 | 8,403 |
| Over time | - | - | - |
| | <u>770</u> | <u>7,633</u> | <u>8,403</u> |
| Geographical information: | | | |
| Singapore | - | 620 | 620 |
| Malaysia | 136 | 2,272 | 2,408 |
| Indonesia | - | 346 | 346 |
| Thailand | 35 | 841 | 876 |
| Vietnam | 585 | 2 | 587 |
| Brunei & Myanmar | 14 | 3,532 | 3,546 |
| Others | - | 20 | 20 |
| | <u>770</u> | <u>7,633</u> | <u>8,403</u> |

| | 9M2023 | | |
|---------------------------------------|-----------------------|----------------------------|--------------------------|
| | ES S\$'000 | O&G S\$'000 | Total S\$'000 |
| Types of goods or services: | | | |
| Sale of goods | 175 | 8,619 | 8,794 |
| Services rendered | - | 65 | 65 |
| | <u>175</u> | <u>8,684</u> | <u>8,859</u> |
| Timing of revenue recognition: | | | |
| At a point in time | 175 | 8,684 | 8,859 |
| Over time | - | - | - |
| | <u>175</u> | <u>8,684</u> | <u>8,859</u> |
| Geographical information: | | | |
| Singapore | 11 | 483 | 494 |
| Malaysia | 153 | 4,900 | 5,053 |
| Indonesia | - | 640 | 640 |
| Thailand | 11 | 255 | 266 |
| Vietnam | - | 2 | 2 |
| Brunei & Myanmar | - | 2,347 | 2,347 |
| Others | - | 57 | 57 |
| | <u>175</u> | <u>8,684</u> | <u>8,859</u> |

4.2 Disaggregation of Revenue (cont'd)

| | ES | Group | |
|---------------------------------------|----------------|----------------|----------------|
| | S\$'000 | 3Q2024 | |
| | | O&G | Total |
| | | S\$'000 | S\$'000 |
| Types of goods or services: | | | |
| Sale of goods | 157 | 2,040 | 2,197 |
| Services rendered | - | 1,357 | 1,357 |
| | <u>157</u> | <u>3,397</u> | <u>3,554</u> |
| Timing of revenue recognition: | | | |
| At a point in time | 157 | 3,397 | 3,554 |
| Over time | - | - | - |
| | <u>157</u> | <u>3,397</u> | <u>3,554</u> |
| Geographical information: | | | |
| Singapore | - | 310 | 310 |
| Malaysia | 51 | 1,521 | 1,572 |
| Indonesia | - | (290) | (290) |
| Thailand | 35 | 192 | 227 |
| Vietnam | 72 | - | 72 |
| Brunei & Myanmar | (1) | 1,649 | 1,648 |
| Others | - | 15 | 15 |
| | <u>157</u> | <u>3,397</u> | <u>3,554</u> |

| | ES | 3Q2023 | |
|---------------------------------------|----------------|----------------|----------------|
| | S\$'000 | O&G | |
| | | S\$'000 | Total |
| | | | S\$'000 |
| Types of goods or services: | | | |
| Sale of goods | 47 | 1,531 | 1,578 |
| Services rendered | - | 39 | 39 |
| | <u>47</u> | <u>1,570</u> | <u>1,617</u> |
| Timing of revenue recognition: | | | |
| At a point in time | 47 | 1,570 | 1,617 |
| Over time | - | - | - |
| | <u>47</u> | <u>1,570</u> | <u>1,617</u> |
| Geographical information: | | | |
| Singapore | 3 | 6 | 9 |
| Malaysia | 44 | 396 | 440 |
| Indonesia | - | 359 | 359 |
| Thailand | - | 94 | 94 |
| Vietnam | - | - | - |
| Brunei & Myanmar | - | 679 | 679 |
| Others | - | 36 | 36 |
| | <u>47</u> | <u>1,570</u> | <u>1,617</u> |

5. Financial assets and financial liabilities

| | Note | Group | | Company | |
|---|------|---|--|---|--|
| | | As at 30 September 2024 (Unaudited) S\$'000 | As at 31 December 2023 (Audited) S\$'000 | As at 30 September 2024 (Unaudited) S\$'000 | As at 31 December 2023 (Audited) S\$'000 |
| Financial Assets | | | | | |
| Financial assets at fair value through profit or loss | 10 | -* | -* | -* | -* |
| Financial assets at amortised costs | | 8,138 | 8,694 | 4,236 | 3,636 |
| | | 8,138 | 8,694 | 4,236 | 3,636 |
| Financial Liabilities, at amortised costs | | | | | |
| Trade and other payables | | 4,398 | 7,087 | 5,813 | 6,229 |
| Provision for employee benefits | | 107 | 108 | - | - |
| Borrowings | | 2,355 | 2,701 | 1,975 | 2,082 |
| | | 6,860 | 9,896 | 7,788 | 8,311 |

*Amount less than S\$1,000

6. Profit/(Loss) before taxation from continuing operations

6.1 Significant items

| | Group | | | |
|---|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | 3Q2024 (Unaudited) S\$'000 | 3Q2023 (Unaudited) S\$'000 | 9M2024 (Unaudited) S\$'000 | 9M2023 (Unaudited) S\$'000 |
| Income | | | | |
| Interest income from bank and deposits | 1 | - | 5 | 3 |
| Interest income from a third party | 24 | 50 | 122 | 147 |
| Miscellaneous income | 3 | 5 | 8 | 8 |
| Government grant received | 18 | - | 19 | 10 |
| Extension fees on amount due from Ms Chong Shin Mun | 5 | 15 | 35 | 45 |
| Bad debt recovered | - | - | - | 11 |
| Foreign currency exchange gain | 76 | 26 | 228 | 83 |
| Expenses | | | | |
| Interest expenses on borrowings | 110 | 49 | 241 | 112 |
| Interest expenses on lease liabilities | 5 | 6 | 19 | 8 |
| Loss on disposal of property, plant and equipment | - | - | - | 1 |
| Bad debt written off | - | 1 | - | 2 |
| Depreciation of property, plant and equipment | 45 | 30 | 120 | 128 |
| Depreciation of right of use assets | 75 | 68 | 225 | 177 |
| Foreign currency exchange loss | 363 | - | 503 | - |

6.2 Related party transactions

There were no material related party transactions during 3Q2024 and 9M2024.

7. Taxation

| | Group | | | |
|--------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | 3Q2024 (Unaudited) S\$'000 | 3Q2023 (Unaudited) S\$'000 | 9M2024 (Unaudited) S\$'000 | 9M2023 (Unaudited) S\$'000 |
| Current income tax | 175 | 14 | 280 | 45 |
| Deferred tax | - | - | - | - |
| | 175 | 14 | 280 | 45 |

8. Dividends

No dividend has been/was declared or recommended for the current and previous financial periods reported on.

9. Net Asset Value

| | Group | | Company | |
|---|--|---|--|---|
| | As at 30 September 2024 (Unaudited) | As at 31 December 2023 (Audited) | As at 30 September 2024 (Unaudited) | As at 31 December 2023 (Audited) |
| Net equity/(capital deficiency) per ordinary share of the Company ("Share") based on the issued Shares at the end of the financial period/year reported on (in S\$ cents) | 0.0064 | (0.0044) | (0.0075) | (0.0156) |

Net asset value per Share of the Group as at 30 September 2024 was calculated by dividing the Group's net equity attributable to equity holders as at 30 September 2024 of S\$1,232,000 (31 December 2023: net capital deficiency attributable to equity holders of S\$746,000) by the number of issued Shares of the Company as at 30 September 2024 of 19,260,481,334 (31 December 2023: 16,974,767,048).

Net capital deficiency per Share of the Company as at 30 September 2024 was calculated by dividing the Company's net capital deficiency attributable to equity holders as at 30 September 2024 of S\$1,447,000 (31 December 2023: S\$2,642,000) by the number of issued Shares of the Company as at 30 September 2024 of 19,260,481,334 (31 December 2023: 16,974,767,048).

10. Financial assets at fair value through profit or loss

Financial assets at fair value through profit and loss ("FVTPL") comprise the following:

| | Group | | Company | |
|---------------------|--|---|--|---|
| | As at 30 September 2024 (Unaudited) | As at 31 December 2023 (Audited) | As at 30 September 2024 (Unaudited) | As at 31 December 2023 (Audited) |
| Unquoted securities | -* | -* | -* | -* |

10.1 Fair value measurement

The Group classifies financial assets measured at fair value using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices included within Level 1 which are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - Inputs for the asset or liability which are not based on observable market data (unobservable inputs).

The following table presents the financial assets measured at fair value:

| | Level 1 S\$'000 | Level 2 S\$'000 | Level 3 S\$'000 | Total S\$'000 |
|---|--------------------|--------------------|--------------------|------------------|
| Group – 31 December 2023 and 30 September 2024 | | | | |
| Financial assets | | | | |
| Financial assets at fair value through profit or loss | - | - | -* | -* |
| Company – 31 December 2023 and 30 September 2024 | | | | |
| Financial assets | | | | |
| Financial assets at fair value through profit or loss | - | - | -* | -* |

*Amount less than S\$1,000

11. Intangible assets

Goodwill arising on consolidation

As at 31 December 2023 and 30 September 2024

**Group
S\$'000**
36

12. Property, plant and equipment

During 9M2024, the Group acquired plant and equipment amounting to S\$157,000 (FY2023: S\$70,000). The Group did not dispose of any plant and equipment during 9M2024 (FY2023: disposed of plant and equipment amounting to S\$1,000).

14. Borrowings

| | As at 30 September 2024 (Unaudited) | | | As at 31 December 2023 (Audited) | | |
|--|--|----------------------|-------------------|-------------------------------------|----------------------|-------------------|
| | Secured borrowings | Unsecured borrowings | Lease liabilities | Secured borrowings | Unsecured borrowings | Lease liabilities |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Amount repayable in one year or less, or on demand | 340 | 1,536 | 249 | 344 | 1,450 | 260 |
| Amount repayable after one year | 24 | - | 206 | 271 | - | 376 |
| Total | 364 | 1,536 | 455 | 615 | 1,450 | 636 |

During 9M2024 and FY2023, the secured bank borrowings and credit facilities of the Group are secured over the Group's leasehold properties, fixed deposits, the corporate guarantee given by the Company and personal guarantees given by certain directors of the Company's subsidiaries.

15. Share capital

| | The Group and the Company | | | |
|---------------------------------|---------------------------|-------------------|--------------------------|-------------------|
| | 9M2024 (Unaudited) | | FY2023 (Audited) | |
| | Number of shares '000 | Amount S\$'000 | Number of shares '000 | Amount S\$'000 |
| Beginning of financial period | 16,974,767 | 68,101 | 16,974,767 | 68,101 |
| Issuance of new ordinary shares | 2,285,714 | 2,400 | - | - |
| End of financial period | 19,260,481 | 70,501 | 16,974,767 | 68,101 |

16. Subsequent events

There are no known subsequent events (after 30 September 2024) which have led to adjustments to this set of condensed interim consolidated financial statements.

OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES

1. (d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.

The share capital of the Company changed in 3Q2024 as set out in the table below.

| The Group and the Company 3Q2024 (Unaudited) | | |
|--|--------------------------|-------------------|
| | Number of shares '000 | Amount S\$'000 |
| Beginning of financial period | 16,974,767 | 68,101 |
| Issuance of Debt Conversion Shares | 2,285,714 | 2,400 |
| End of financial period | 19,260,481 | 70,501 |

Please refer to the information set out below for further details on the issuance of the Debt Conversion Shares (as defined below) during 3Q2024.

Conversion of Cash Advances into New Ordinary Shares in the Capital of the Company

The Company had on 8 July 2024 entered into a debt conversion agreement (the "**Debt Conversion Agreement**") with Ms Hon, Mr Lim In Chong ("**Mr Lim**"), Mr Pek Seck Wei ("**Mr Pek**") and Mr Mohamed Shafeii Bin Abdul Gaffoor ("**Mr Shafeii**") (each a "**Creditor**", collectively, the "**Creditors**") for the Debt Conversion (as defined below). The Creditors had extended to the Company interest-free and unsecured cash advances amounting to an aggregate sum of S\$2,400,000 ("**Advances**"). As of the date of the Debt Conversion Agreement, the total amount owing by the Company to the Creditors under the Advances is S\$2,400,000 (the "**Outstanding Debt**").

Pursuant to the terms of the Debt Conversion Agreement, the Creditors have agreed to convert the Outstanding Debt of S\$2,400,000 into 2,285,714,286 new ordinary shares in the capital of the Company ("**Debt Conversion Shares**") at the conversion price of S\$0.00105 per Debt Conversion Share (the "**Debt Conversion**"). The Debt Conversion Shares are to be issued in full repayment of the Outstanding Debt. Upon the allotment and issuance of the Debt Conversion Shares to the Creditors, the Outstanding Debt under the Advances shall be deemed to be fully repaid.

Details of the Creditors, the portion of the Outstanding Debt owing by the Company to each Creditor and the number of Debt Conversion Shares to be allotted and issued to each Creditor pursuant to the Debt Conversion Agreement are set out below:

| Name of Creditor | Details of the Creditors | Portion of Outstanding Debt | Number of Debt Conversion Shares |
|------------------|--|-----------------------------|----------------------------------|
| Ms Hon | Ms Hon is the Executive Director and Chief Executive Officer of the Company. On 8 July 2024, she holds 1,092,619,845 shares in the Company (" Shares "), representing 6.44% of the total existing issued and paid-up share capital of the Company, and is a substantial shareholder of the Company (" Substantial Shareholder "). | S\$1,100,000 | 1,047,619,048 |
| Mr Lim | Mr Lim is the Non-Independent and Non-Executive Director of the Company. On 8 July 2024, he holds 1,807,378,770 Shares, representing 10.65% of the total existing issued and paid-up share capital of the Company, and is a Substantial Shareholder. | S\$100,000 | 95,238,095 |
| Mr Pek | Mr Pek is a director of Industrial Engineering Systems Pte Ltd (" IES "), IES Engineering Systems Sdn. Bhd., Cahya Suria Energy Sdn. Bhd., and H2E International Pte Ltd., subsidiaries of the Company as at 8 July 2024. On 8 July 2024, he holds 454,630,992 Shares, representing 2.68% of the total existing issued and paid-up share capital of the Company. For the avoidance of doubt, he is not a Substantial Shareholder. | S\$400,000 | 380,952,381 |
| Mr Shafeii | Mr Shafeii is the Chief Executive Officer of Panah Jaya Services Sdn. Bhd., a subsidiary of the Company as at 8 July 2024. On 8 July 2024, he does not hold any Shares in the Company. | S\$800,000 | 761,904,762 |
| Total | | S\$2,400,000 | 2,285,714,286 |

On 29 August 2024, the Company convened an extraordinary general meeting ("**EGM**") and the Debt Conversion was duly approved by the Company's shareholders at the EGM. As announced on 6 September 2024, 2,285,714,286 Debt Conversion Shares were issued on 3 September 2024 by the Company and quoted on the Catalist Board of the SGX-ST on 6 September 2024.

There are no shares of the Company that may be issued on conversion of any outstanding convertibles as at the end of the current financial period except as follows:

Grant of Options pursuant to the Annica Employee Share Option Scheme:

Pursuant to the Annica Employee Share Option Scheme, the Company had on 27 December 2018 granted employee share options (“**ESOS Options**”) consisting of 42,500,000 Shares, the details of which are as follows:

| | |
|---|--|
| (a) Date of grant of ESOS Options | 27 December 2018 |
| (b) Exercise Price of ESOS Options granted | S\$0.001 per Share |
| (c) Number of Shares comprised in the ESOS Options granted | 42,500,000 |
| (d) Number of Shares comprised in the ESOS Options which have lapsed; and are null and void | 12,500,000 |
| (e) Number of Shares comprised in the remaining ESOS Options | 30,000,000 |
| (f) Number of Shares comprised in the ESOS Options granted to each Director and controlling shareholders (and each of their associates) | None |
| (g) Market Price of the Shares on the Date of Grant | S\$0.001 |
| (h) Validity period of the ESOS Options | 28 December 2019 – 27 December 2028 (both dates inclusive) ESOS Options shall only be exercisable after the 1 st anniversary from the Date of Grant and shall be exercised before the 10 th anniversary of the Date of Grant. |

As at the date of this Announcement, no ESOS Options have been exercised by the respective holders of the ESOS Options.

As at 30 September 2024, the number of shares that may be issued on conversion of all the outstanding convertible securities is 30,000,000 (31 December 2023: 30,000,000) which represents approximately 0.16% (31 December 2023: 0.18%) of the total issued shares of the Company (excluding treasury shares and subsidiary holdings).

There were no treasury shares or subsidiary holdings as at 30 September 2024 and 30 September 2023.

(d)(iii) 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.

| | As at 30 September 2024 | As at 31 December 2023 |
|--|-------------------------|------------------------|
| Total number of issued shares excluding treasury shares ('000) | 19,260,481 | 16,974,767 |

(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable. The Company did not hold any treasury shares as at 30 September 2024 and 31 December 2023.

(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. The Company's subsidiaries did not hold any shares in the Company as at 30 September 2024 and 31 December 2023.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).

Not applicable.

3A. 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.

The Company refers to the two basis for qualified opinion (the “**Qualified Opinion**”) (i) as set out in the independent auditor's report dated 11 April 2024 which is contained in the Company's annual report for FY2023; and (ii) reproduced in the Company's announcement on 12 April 2024 titled “**QUALIFIED OPINION BY THE INDEPENDENT AUDITOR ON THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**”.

For the purposes of this section, unless otherwise defined, all capitalised terms used herein shall bear the same meaning ascribed to them in the Company's announcements on 1 March 2021, 9 March 2021, 14 April 2021, 20 April 2021, 20 October 2021, 25 February 2022, 13 May 2022, 24 June 2022, 21 April 2023, 24 April 2024, 14 August 2024 and 2 October 2024.

In respect of the first and second basis for the Qualified Opinion, the Company had on 14 August 2024 entered into a final letter of settlement (the “**Final Settlement Letter**”) with Chong Shin Mun (the “**Purchaser**”) and Tan Yock Chew (the “**Guarantor**”) in relation to the full and final settlement of the outstanding amounts owed by the Purchaser and GPE Power Systems (M) Sdn. Bhd. (“**GPE**”) to the Company of S\$1,332,190 and S\$3,449,169 respectively (together, the “**Outstanding Sum**”). The provision of doubtful debt on the outstanding amounts owed by the Purchaser and GPE has been fully written off. Pursuant to the Final Settlement Letter, the parties thereto agree, *inter alia*, that:

- (a) the Guarantor, being the sole legal and beneficial owner, shall transfer, a total of ten (10) sets of vertical automatic waste tyre pyrolysis production lines as set out in further detail in paragraph 3 of the Company's announcement dated 14 August 2024 to the Company and/or its nominee(s) ("Production Lines"), within five (5) business days of written request by the Company as full and final settlement of the Outstanding Sum on the terms and conditions as set out in the Final Settlement Letter (the "Assignment"); and
- (b) upon completion of the Assignment, GPE, the Purchaser and the Guarantor shall be discharged from any and all claims, demands and causes of action arising out or in connection with the Outstanding Sum.

On 2 October 2024, the Company announced that the Guarantor has completed the transfer of the legal title and beneficial ownership of the Production Lines to the Company in accordance with the Final Settlement Letter ("Completion"). Following Completion, (i) each of GPE, the Purchaser and the Guarantor has been discharged from any and all claims, demands and causes of action arising out or in connection with the Outstanding Sum by the Company; and (ii) the Company is the legal and beneficial owner of the Production Lines.

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

The Board confirms that the impact of all outstanding audit issues on the financial statements have been adequately disclosed to date.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed in paragraph 5 below, the Group adopted the same accounting policies and methods of computation in the financial statements for the current reporting period as compared to the most recently audited consolidated financial statements for FY2023.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group adopted all the new/revised SFRS(I) pronouncements that are mandatorily effective and are relevant to its operations. The adoption of these new/revised SFRS(I) pronouncements did not result in substantial changes to the Group's and the Company's accounting policies and had no material effect on the disclosures or on the amounts reported for the current or prior financial periods.

6. 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:-

- (a) Based on the weighted average number of ordinary shares on issue; and
- (b) On a fully diluted basis (detailing any adjustments made to the earnings).

| | Group | | | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| | 3Q2024 (S\$ cents) | 3Q2023 (S\$ cents) | 9M2024 (S\$ cents) | 9M2023 (S\$ cents) |
| Earnings/(Loss) per share based on the weighted average number of shares in issue: | | | | |
| Basic and diluted earnings/(loss) per share | | | | |
| From continuing and discontinued operations | 0.0019 | (0.0047) | (0.0035) | (0.0077) |
| From continuing operations (Notes (a) and (c)) | 0.0019 | (0.0047) | (0.0035) | (0.0077) |
| From discontinued operations (Notes (b) and (d)) | - | - | - | -* |

*Amount is less than S\$0.0001

- (a) Basic and diluted earnings per share from continuing operations for 3Q2024 was calculated by dividing the profit attributable to equity holders of the Company from continuing operations of S\$333,000 (3Q2023: loss attributable to equity holders of the Company from continuing operations of S\$798,000) by the weighted average number of shares for 3Q2024 of 17,250,053,805 (3Q2023: 16,974,767,048).
- (b) No basic and diluted earnings per share from discontinued operations for 3Q2024, 3Q2023 and 9M2024.
- (c) Basic and diluted loss per share from continuing operations for 9M2024 was calculated by dividing the loss attributable to equity holders of the Company from continuing operations of S\$608,000 (9M2023: S\$1,300,000) by the weighted average number of shares for 9M2024 of 17,250,053,805 (9M2023: 16,974,767,048).
- (d) Basic and diluted earnings per share from discontinued operations for 9M2023 was calculated by dividing the profit attributable to equity holders of the Company from discontinued operations of S\$1,000 by the weighted average number of shares for 9M2023 of 16,974,767,048.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

- (a) current financial period reported on; and
- (b) immediately preceding financial year.

Please refer to Note 9 to the Condensed Interim Consolidated Financial Statements for further information.

8. 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.

Please refer to Appendix A for the review of the performance of the Group during 3Q2024 and 9M2024.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders of the Company.

10. 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 Group operates in Southeast Asia, a region that has demonstrated economic resilience and delivered credible economic performance in the second quarter 2024. Nevertheless, Southeast Asia is heavily reliant on the major global economies and is highly susceptible to both external economic shocks and domestic risk considerations. The fragile external environment continues to provide mixed signals and various ongoing challenges, including geopolitical conflicts, could pose challenges to Southeast Asia's growth momentum and adversely affect the overall business environment of the Group in the near term.

Other factors which may impact the Group include possible supply chain disruptions or shocks resulting from the worsening of geopolitical conflicts (such as the ongoing Russo-Ukrainian war, and the Israel-Hamas war that has spiralled into a wider conflict with other Middle Eastern countries), and potential trade wars between major countries, extreme weather conditions. Further to that, a potential fallout from the highly divisive and incendiary USA 2024 Presidential Elections that may also adversely affect the global economy, capital markets and foreign currency exchange rates. These factors may adversely impact the Group's operations and performance by driving up financing and operational costs generally, while potentially reducing demand for its goods and services. The Group's oil and gas equipment segment is particularly susceptible to geopolitical risks and price increases from principals, which may adversely affect profitability in Malaysia due to US dollar-denominated costs.

Despite these challenges, Southeast Asia's role in the global energy system is expected to grow strongly over the next decade. According to the International Energy Agency, the region will contribute significantly to energy production and demand, with 25% of global energy demand growth between 2024 and 2035. This augurs well for the Group's traditional oil and gas and renewable businesses, as the region will continue to rely heavily on fossil fuels to meet its high energy demand while expanding its renewable energy capacity.

The Malaysian Government's recent budget announcement has been positive for the Group, especially in the renewable-related sector. Among other things, the doubled special grant for Sabah and Sarawak to RM600 million each will enhance business prospects in East Malaysia, the primary market for the Group's renewables business. However, while these policies and budget are supportive, there exists a time lag on its implementation, and this may affect the Group's ability to scale its projects according to its desired pace.

Given the challenges, the Directors are adopting a cautious approach by closely monitoring developments and implementing measures to mitigate potential negative impacts. The Group's diversification into the green technology and renewable energy sector since 2016 has strategically positioned the Group as an energy transition company, expected to play a critical role in balancing the energy trilemma of security, affordability, and environmental sustainability. To drive growth, the Group is streamlining operations, focusing on localisation, targeting strong market sectors, investing in vertical integration, and strengthening supply chain resiliency. The Board continuously evaluates strategies, including fundraising, acquisitions, and restructuring, while prioritising realistic cash flow and expense management.

11. If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and
No dividend has been declared or recommended for the current financial period reported on.

(b)(i) Amount per share
Not applicable.

(b)(ii) Previous corresponding period
Not applicable. No interim dividend was declared or recommended in the previous corresponding financial period.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).
Not applicable.

(d) The date the dividend is payable.
Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.
Not applicable.

12. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No dividend has been recommended or declared for the current financial period reported on as the Group was loss-making in 9M2024.

13. If the Group has obtained a general mandate from shareholders for IPTs, 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.

The Group has not obtained a general mandate from shareholders of the Company for interested person transactions pursuant to Rule 920(1)(a)(ii) of the Catalyst Rules.

The allotment and issuance of 1,047,619,048 Debt Conversion Shares to Ms Hon and 95,238,095 Debt Conversion Shares to Mr Lim pursuant to the Debt Conversion as announced by the Company on 8 July 2024 constitutes interested person transactions under Chapter 9 of the Catalyst Rules. Shareholders' approvals have been obtained for these interested person transactions at an EGM held on 29 August 2024. Please refer to the Company's circular to shareholders dated 14 August 2024 for more information on these interested person transactions. Save as disclosed above, there was no interested person transaction, as defined in Chapter 9 of the Catalyst Rules, entered into by the Company or any of its subsidiaries during 3Q2024 as required to be disclosed pursuant to the Catalyst Rules.

- 14. Please disclose the use of the IPO proceeds and any proceeds arising from any offerings pursuant to Chapter 8 as and when such funds are materially disbursed and whether such a use is in accordance with the stated use and in accordance with the percentage allocated in the offer document or the announcement of the issuer. Where the proceeds are used for general working capital purposes, the issuer must announce a breakdown with specific details on the use of proceeds for working capital. Where there is any material deviation from the stated use of proceeds, the issuer must also announce the reasons for such deviation.**

There were no outstanding IPO proceeds or other proceeds arising from any offerings pursuant to Chapter 8 of the Catalist Rules during 3Q2024.

- 15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).**

The Company confirms that the required undertakings under Rule 720(1) of the Catalist Rules have been obtained from its Directors and Executive Officers in the format set out in Appendix 7H of the Catalist Rules.

- 16. Disclosure of acquisitions (including incorporations) and realisations of shares since the end of the previous reporting period pursuant to Rule 706A.**

The Group does not have any acquisitions (including incorporations) and realisations of shares in subsidiaries and/or associated companies since the end of the previous reporting period, up to 30 September 2024.

Confirmation by the Board

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm 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 condensed interim consolidated financial statements of the Group for the third quarter and nine-month financial period ended 30 September 2024 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Sandra Liz Hon Ai Ling
Executive Director and Chief Executive Officer

Tan Sri Dato Seri Zulkefli Bin Ahmad Makinudin
Independent and Non-Executive Chairman

Singapore
14 November 2024

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.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Revenue

The Group reported revenue of S\$3,554,000 in 3Q2024, which was an increase of S\$1,937,000 from S\$1,617,000 in 3Q2023. The Group reported higher revenue in 3Q2024 as compared to 3Q2023 mainly due to the higher revenue generated from both engineering services and oil and gas equipment segment in 3Q2024.

The Group reported revenue of S\$8,403,000 in 9M2024, which was a 5% decrease of S\$456,000 from S\$8,859,000 in 9M2023. This was mainly due to lower revenue generated from its oil and gas equipment segment in 9M2024.

Cost of sales

The Group reported cost of sales of S\$1,108,000 in 3Q2024, which was a 10% decrease of S\$120,000 from S\$1,228,000 in 3Q2023. The Group reported lower cost of sales in 3Q2024 as compared to 3Q2023 due to higher gross profit margin projects in the oil and gas equipment segment being recognised in 3Q2024 as compared to 3Q2023.

The Group reported cost of sales of S\$4,027,000 in 9M2024, which was a 40% decrease of S\$2,699,000 from S\$6,726,000 in 9M2023. This was mainly due to lower cost of sales incurred in oil and gas equipment segment in 9M2024.

Gross profit

The Group reported a gross profit of S\$2,446,000 in 3Q2024, which was an increase of S\$2,057,000 from S\$389,000 in 3Q2023. The gross profit margin in 3Q2024 was 69%, which was a 45% increase from 24% in 3Q2023. The Group reported higher gross profit and gross profit margin in 3Q2024 as compared to 3Q2023, mainly due to higher gross profit margin projects in the oil and gas equipment segment being recognised in 3Q2024.

The Group reported a gross profit of S\$4,376,000 in 9M2024, which was an increase of S\$2,243,000 from S\$2,133,000 in 9M2023. The gross profit margin in 9M2024 was 52%, which was a 28% increase from 24% in 9M2023. The Group reported higher gross profit and gross profit margin in 9M2024 as compared to 9M2023, mainly due to higher gross profit margin projects in the oil and gas equipment segment being recognised in 9M2024.

Other income

The Group reported other income of S\$102,000 in 3Q2024, which was an increase of S\$56,000 from S\$46,000 in 3Q2023. In 3Q2024, other income was mainly derived from both foreign currency exchange gains and government grants. By comparison, in 3Q2023, other income was mainly only derived from foreign currency exchange gains.

The Group received other income of S\$290,000 in 9M2024, which was an 80% increase of S\$129,000 from S\$161,000 in 9M2023. In 9M2024, other income comprised mainly government grants and foreign currency exchange gains. By comparison, in 9M2023, other income comprised mainly government grants, bad debt recovered and foreign currency exchange gains. Foreign currency exchange gains were higher in 9M2024 as compared to 9M2023 mainly due to the fluctuation of the United States Dollar, Malaysian Ringgit and the Indonesian Rupiah against the Singapore Dollar during 9M2024.

Interest income

The Group received interest income of S\$25,000 in 3Q2024, which was a 50% decrease of S\$25,000 from S\$50,000 in 3Q2023. The decrease was mainly due to cessation of interest income charged on amount due from GPE and CSM upon the Completion of the transfer of the Production Lines to the Company pursuant to the Final Settlement Letter in 3Q2024.

The Group received interest income of S\$127,000 in 9M2024, which was a 15% decrease of S\$23,000 from S\$150,000 in 9M2023. The decrease was mainly due to cessation of interest income charged on amount due from GPE and CSM upon the aforementioned Completion in 3Q2024.

Selling and distribution expenses

The Group incurred selling and distribution expenses of S\$93,000 in 3Q2024, which was a 79% increase of S\$41,000 from S\$52,000 in 3Q2023. The increase was mainly due to higher travelling expenses incurred during 3Q2024.

The Group incurred selling and distribution expenses of S\$200,000 in 9M2024, which was a 39% increase of S\$56,000 from S\$144,000 in 9M2023. The increase was mainly due to higher travelling expenses incurred in 9M2024.

Administrative and general expenses

The Group incurred administrative and general expenses of S\$1,254,000 in 3Q2024, which was a 14% increase of S\$158,000 from S\$1,096,000 in 3Q2023. This increase was mainly due to higher professional fees, office expenses and a short-term rental of office cum warehouse by a subsidiary, Panah Jaya Makmur Sdn Bhd ("PJM"), in 3Q2024.

The Group incurred administrative and general expenses of S\$3,740,000 in 9M2024, which was a 12% increase of S\$411,000 from S\$3,329,000 in 9M2023. This increase was mainly due to higher professional fees, employment expenses, office expenses and a short-term rental of office cum warehouse by PJM during 9M2024. The depreciation charged on PPE in 9M2024 was lower as compared to 9M2023 as some PPE had been fully depreciated in 9M2024. The depreciation charged on ROU assets in 9M2024 was higher as compared to 9M2023 mainly due to the addition of ROU assets in FY2023.

Other expenses

The Group incurred other expenses of S\$363,000 in 3Q2024, which was an increase of S\$360,000 from S\$3,000 in 3Q2023. This was mainly due to foreign currency exchange loss in 3Q2024. By comparison, in 3Q2023, other expenses were mainly due to loss on a disposal of office equipment.

The Group incurred other expenses of S\$509,000 in 9M2024, which was an increase of S\$504,000 from S\$5,000 in 9M2023. Other expenses incurred in 9M2024 were mainly due to foreign currency exchange loss and donation incurred. By comparison, in 9M2023, other expenses were mainly due to bad debt written off upon the disposal of Cahya Suria Services Sdn. Bhd. (“**CSS**”), a former indirectly wholly owned subsidiary of the Company, and loss on a disposal of office equipment.

Finance costs

The Group incurred finance costs of S\$115,000 in 3Q2024, which was an increase of S\$60,000 from S\$55,000 in 3Q2023. The increase in the Group’s finance costs in 3Q2024 was mainly due to higher loan interest paid to third parties.

The Group incurred finance costs of S\$260,000 in 9M2024, which was an increase of S\$140,000 from S\$120,000 in 9M2023. The increase in the Group’s finance costs in 9M2024 was mainly due to the higher loan interest paid to third parties.

Tax expense

The Group recognised tax expense of S\$175,000 in 3Q2024, which was an increase of S\$161,000 from S\$14,000 in 3Q2023. This was mainly due to the profit generated by the oil and gas equipment segment in 3Q2024.

The Group incurred tax expense of S\$280,000 in 9M2024, which was an increase of S\$235,000 from S\$45,000 in 9M2023. The tax expense arose mainly from the profit generated by the oil and gas equipment segment during 9M2024.

Profit from discontinued operations

The Group’s discontinued operations in 9M2023 pertained to CSS, which is a former indirectly wholly owned subsidiary of the Company as abovementioned. The Company had decreased its effective shareholding interest in CSS from 100% to 10% following a disposal by Cahya Suria Energy Sdn. Bhd. of 9,000 ordinary shares representing 90% of the shareholdings of CSS to a third-party purchaser during 9M2023. As at the date of disposal on 1 February 2023, the profit after tax from discontinued operations was S\$1,000.

Profit/(Loss) for the financial period

The Group reported a profit for the financial period of S\$573,000 in 3Q2024, which was a decrease of S\$1,308,000 from a loss for the financial period of S\$735,000 in 3Q2023. The profit generated by the Group in 3Q2024 was mainly due to higher revenue generated, higher gross profit and higher other income as compared to 3Q2023 as explained above.

The Group reported a loss for the financial period of S\$196,000 in 9M2024, which was a decrease of S\$1,002,000 from a loss for the financial period of S\$1,198,000 in 9M2023. The losses incurred by the Group in 9M2024 were mainly due to higher selling and distribution expenses, higher administrative and general expenses, higher other expenses, higher finance costs and higher tax expense incurred as compared to 9M2023 as explained above.

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:-

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

STATEMENTS OF FINANCIAL POSITION

Non-current assets

The Group's non-current assets decreased by S\$111,000 from S\$1,091,000 as at 31 December 2023 to S\$980,000 as at 30 September 2024. The decrease was mainly due to the depreciation charged on ROU assets.

Current assets

The Group's current assets increased by S\$961,000 from S\$11,005,000 as at 31 December 2023 to S\$11,966,000 as at 30 September 2024. The increase was due to an increase in goods in transit which are categorised under inventories, cash and cash equivalents, fixed deposits and trade and other receivables.

Non-current liabilities

The Group's non-current liabilities decreased by S\$425,000 from S\$755,000 as at 31 December 2023 to S\$330,000 as at 30 September 2024. The decrease was mainly due to the reclassification of long-term borrowings to short-term borrowings.

Current liabilities

The Group reported current liabilities of S\$10,718,000 as at 30 September 2024, which was a decrease of S\$1,115,000 from S\$11,833,000 as at 31 December 2023. The decrease was mainly due to the decrease in trade and other payables due to decrease in trade payables and the completion of the Debt Conversion in 3Q2024, partially offset against an increase in contract liabilities due to deferred income recognised in 3Q2024 and tax payable arise from accrued income tax expenses.

Working Capital

The Group reported positive working capital of S\$1,248,000 as at 30 September 2024, whereas the Group reported negative working capital of S\$828,000 as at 31 December 2023. The shift to positive working capital from negative working capital was primarily due to the Debt Conversion of cash advances into new ordinary shares of the Company (as detailed under Section 1 of "Other Information Required by Appendix 7C of the Catalist Rules" above) in 3Q2024.

Shareholders' equity

The Group's capital and reserves attributable to equity holders of the Company was a net equity of S\$1,232,000 as at 30 September 2024, which was an increase of S\$1,978,000 from net capital deficiency of S\$746,000 as at 31 December 2023. The net equity position for 30 September 2024 was mainly due to the increase of share capital by the way of issuance of new ordinary shares of the Company pursuant to the Debt Conversion (as detailed under Section 1 of "Other Information Required by Appendix 7C of the Catalist Rules" above).

STATEMENT OF CASH FLOWS

3Q2024

The Group recorded net cash generated from operating activities of S\$862,000 in 3Q2024 (3Q2023: S\$34,000). The net cash generated from operating activities in 3Q2024 was higher as compared to 3Q2023 mainly due to the operating cash flows generated from the profit before tax from continuing operations in 3Q2024.

The Group recorded net cash used in investing activities of S\$19,000 in 3Q2024 (3Q2023: S\$22,000). The net cash used in investing activities in 3Q2024 was mainly due to the payments made to acquire plant and equipment.

The Group recorded net cash generated from financing activities of S\$103,000 in 3Q2024 (3Q2023: S\$297,000). The net cash generated from financing activities in 3Q2024 comprised proceeds of borrowings of S\$500,000, partially offset by the interest paid on borrowings of S\$152,000, placement of fixed deposit pledged and deposit in cash margin account of S\$6,000, and repayment of borrowings and lease liabilities of S\$239,000.

9M2024

The Group recorded net cash generated from operating activities of S\$959,000 in 9M2024 (9M2023: net cash used in operating activities of S\$889,000). This was mainly due to the higher operating cash flows generated after changes in working capital in 9M2024.

The Group recorded net cash used in investing activities of S\$151,000 in 9M2024 (9M2023: S\$46,000). The increase in net cash used in investing activities in 9M2024 was mainly for the capitalisation of renovation costs for the office cum warehouse rented by PJM and payments made to acquire plant and equipment.

The Group recorded net cash used in financing activities of S\$929,000 in 9M2024 (9M2023: net cash generated from financing activities of S\$578,000). The net cash used in financing activities in 9M2024 mainly comprised interest paid on borrowings of S\$413,000, placement of fixed deposit pledged and deposit in cash margin account of S\$300,000, and repayment of borrowings and lease liabilities of S\$1,716,000, partially offset by proceeds of borrowings of S\$1,500,000.

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 (cont'd).

KEY MATTERS ARISING DURING 2024

Conversion of Cash Advances into New Ordinary Shares in the Capital of the Company

Please refer to Section 1 of "Other Information Required by Appendix 7C of the Catalist Rules" above for information on the Debt Conversion. Please also refer to the Company's circular to shareholders dated 14 August 2024 for more information on the Debt Conversion.

Full and Final Settlement in Relation to Outstanding Sum Owed by Chong Shin Mun and GPE Power Systems (M) Sdn Bhd

Please refer to Section 3A of "Other Information Required by Appendix 7C of the Catalist Rules" above for information on the Final Settlement Letter. Please also refer to the Company's announcements dated 14 August 2024 and 2 October 2024 for more information on the Final Settlement Letter.

Increase in Issued and Paid-Up Share Capital of a Wholly-Owned Subsidiary

On 2 October 2024, IES, a wholly-owned subsidiary of the Company, increased its issued and paid-up share capital from S\$1,000,000 to S\$2,000,000 by way of allotment and issuance of 1,000,000 new ordinary shares in the capital of IES at an issue price of S\$1.00 per new share, representing a total subscription price of S\$1,000,000, to the Company ("**New Share Issuance**").

The New Share Issuance was made pursuant to the capitalisation of an existing intercompany advance of S\$900,000 owed to the Company by IES and the payment in cash of S\$100,000 for the subscription by the Company to IES. The rationale for increasing the issued and paid-up share capital of IES is to strengthen the financial position of IES.

For more information on the New Share Issuance, please refer to the Company's announcement dated 2 October 2024.

Entry into Non-Binding Memorandum of Understanding with SunGreenH2 Pte. Ltd.

On 22 October 2024, H2E International Pte. Ltd. ("**H2E**"), a wholly-owned subsidiary of the Company, entered into a non-binding memorandum of understanding (the "**MOU**") with SunGreenH2 Pte. Ltd. ("**SunGreenH2**") to collaborate on, *inter alia*, renewable energy and off-grid electrification projects in Malaysia (the "**Proposed Collaboration**").

H2E and SunGreenH2 have the intention to enter into a collaboration and strategic partnership in relation to the Proposed Collaboration on the following projects:

- I. participation in renewable energy and off-grid electrification projects for rural/decentralised communities and rural/decentralised facilities in Malaysia, with potential expansion to other territories in the future; and
- II. the commissioning, development, operation and maintenance of a hydrogen electrolyser system assembly facility in Malaysia.

For more information on the MOU, please refer to the Company's announcement dated 22 October 2024.

Disposal of the remaining 10% Shareholding Interest in an Associate

On 7 November 2024, the Company fully disposed the remaining effective shareholding interest in its indirect associate, CSS, of 10% following a disposal by Cahya Suria Energy Sdn Bhd ("**CSE**") of 1,000 ordinary shares representing 10% of the shareholdings of CSS to the 90% shareholder of CSS (the "**CSS Disposal**") for a cash consideration of RM1,000 (the "**Consideration**"). The Consideration was arrived at on a willing buyer willing seller basis and pursuant to negotiations on an arm's length basis. No valuation was conducted in connection with the CSS Disposal.

As the relative figures computed pursuant to Rule 1006(a) and Rule 1006(b) of the Catalist Rules involve negative figures in both the numerator and denominator, under Rule 1007(1) of the Catalist Rules, Chapter 10 of the Catalist Rules may still be applicable to the CSS Disposal in accordance with the applicable circumstances in Practice Note 10A of the Catalist Rules.

Pursuant to paragraph 4.3(c) and paragraph 4.3(e) of Practice Note 10A of the Catalist Rules, as the absolute relative figures for the CSS Disposal computed on the basis of Rule 1006 of the Catalist Rules do not exceed 5% and the CSS Disposal does not result in a loss on disposal, the CSS Disposal is considered a "non-discloseable transaction" for the purposes of Chapter 10 of the Catalist Rules which does not require an announcement and does not require the approval of the shareholders of the Company at a general meeting.

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 (cont'd).

KEY MATTERS ARISING DURING 2024 (cont'd)

Proposed Disposal of 100% Interest in a Wholly-Owned Subsidiary

On 8 November 2024, the Company entered into a sale and purchase agreement ("**SPA**") with Ahmad Khalis Bin Abdul Ghani ("**Mr Ahmad Khalis**") to dispose of 2,000,000 ordinary shares in the capital of Industrial Engineering Systems Pte. Ltd. ("**IES**"), a wholly-owned subsidiary of the Company, representing 100% of the total issued and paid-up share capital of IES (the "**Sale Shares**"), to Mr Ahmad Khalis (the "**Proposed Disposal**").

Pursuant to the SPA, the completion of the Proposed Disposal shall take place no later than fourteen (14) business days after the date on which the last of the conditions precedent in relation to the SPA has been satisfied or waived, and in any event not later than six (6) months after the date of the SPA (the "**IES Disposal Completion**"). The IES Disposal Completion is expected to take place on 22 November 2024.

The aggregate value of the consideration for the Sale Shares to be paid to the Company in connection with the Proposed Disposal is S\$1,500,000 (the "**IES Consideration**"). The IES Consideration was mutually agreed upon pursuant to an arms' length negotiations between the Company and Mr Ahmad Khalis on a willing-seller and willing-buyer basis after taking into consideration, the audited net assets of IES based on the audited accounts of IES for FY2023. The IES Consideration shall be fully payable and settled by the Purchaser in cash at the IES Disposal Completion.

Upon the IES Disposal Completion, IES and IES Engineering Systems Sdn. Bhd. (a wholly-owned subsidiary of IES) will cease to be subsidiaries of the Company and the Group and will no longer be a part of the Group. For more information on the Proposed Disposal, please refer to the Company's announcement dated 8 November 2024.