

**ENTORIA ENERGY GROUP PTE. LTD.
AND ITS SUBSIDIARIES**

(Registration No: 202109399R)

ANNUAL FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

ENTORIA ENERGY GROUP PTE. LTD. AND ITS SUBSIDIARIES

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ENTORIA ENERGY GROUP PTE. LTD. AND ITS SUBSIDIARIES

DIRECTOR'S STATEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

The director is pleased to present this statement to the members together with the unaudited financial statements of Entoria Energy Group Pte. Ltd. (the "Company") and its subsidiaries (collectively, the "Group") and the statement of financial position of the Company for the financial year ended 31 December 2022.

1. Opinion of the director

In the opinion of the director,

- a. the consolidated financial statements of the Group and the statement of financial position of the Company are drawn up to give a true and fair view of the financial position of the Group and Company as at 31 December 2022 and the financial performance and cash flows of the Group for the financial period ended on that date; and
- b. at the date of this statement, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they fall due.

2. Director

The director in office at the date of this report is:

Vincenzo Faggioli

3. Arrangements to enable the director to acquire shares or debentures

Neither at the end of nor at any time during the financial period was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

4. Director's interests in shares or debentures

According to the register of director's shareholdings kept by the Company under section 164 of the Singapore Companies Act 1967, the director of the Company who held office at the end of the financial period had no interests in the shares or debentures of the Company and its related corporations except as stated below:

<u>Name of director</u>	<u>31.12.22</u> Ordinary shares in the Company
Vincenzo Faggioli	<u>458,600</u>

ENTORIA ENERGY GROUP PTE. LTD. AND ITS SUBSIDIARIES

**DIRECTOR'S STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

5. Share options

There were no share options granted during the financial period to subscribe for unissued shares of the Company.

There were no shares issued during the financial period by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial period.

6. Audit exemption

The Company qualifies as part of a small group under the Companies Act 1967 (the Act) and is exempt from statutory audit for the financial year ended 31 December 2022. No notice has been received under Section 205C of the Act for the Company to obtain an audit of its accounts for the period.

7. Issue of financial statements

The director have on the date of this statement authorised the accompanying financial statements for the financial year ended 31 December 2022 for issue.



.....
Vincenzo Faggiuoli
Director

Date:

ENTORIA ENERGY GROUP PTE. LTD. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	Group		Company	
		2022 \$	2021 \$	2022 \$	2021 \$
ASSETS					
Non-current assets					
Investment in subsidiaries	5	-	-	748,368	748,368
Other investments	6	13,666	22,844	-	-
Property, plant and equipment	7	4,970,594	2,470,874	-	-
Goodwill on acquisition	8	1,002,125	1,002,125	-	-
		<u>5,986,385</u>	<u>3,495,843</u>	<u>748,368</u>	<u>748,368</u>
Current assets					
Project-in-progress	9	2,177,437	2,566,353	-	-
Inventory		10,012	-	-	-
Cash and cash equivalents	10	642,430	579,819	5,998	30,976
Trade and other receivables	11	1,417,854	1,424,941	413,409	602
		<u>4,247,733</u>	<u>4,571,113</u>	<u>419,407</u>	<u>31,578</u>
Total assets		<u>10,234,118</u>	<u>8,066,956</u>	<u>1,167,775</u>	<u>779,946</u>
LIABILITIES AND EQUITY					
Non-current liabilities					
Long-term loans	12	10,871,843	5,685,055	-	-
		<u>10,871,843</u>	<u>5,685,055</u>	<u>-</u>	<u>-</u>
Current liabilities					
Trade and other payables	13	1,996,613	1,681,268	447,903	48,397
Income tax payable		1,706	32,773	-	-
		<u>1,998,319</u>	<u>1,714,041</u>	<u>447,903</u>	<u>48,397</u>
Equity					
Share capital	14	1,000	1,000	1,000	1,000
Share premium		747,368	747,368	747,368	747,368
Translation reserve		185,462	-	-	-
Accumulated losses		(2,299,049)	(16,819)	(28,496)	(16,819)
		<u>(1,365,219)</u>	<u>731,549</u>	<u>719,872</u>	<u>731,549</u>
Non-controlling interest		(1,270,825)	(63,689)	-	-
		<u>(2,636,044)</u>	<u>667,860</u>	<u>719,872</u>	<u>731,549</u>
Total liabilities and equity		<u>10,234,118</u>	<u>8,066,956</u>	<u>1,167,775</u>	<u>779,946</u>

The accompanying notes form an integral part of these financial statements.

ENTORIA ENERGY GROUP PTE. LTD. AND ITS SUBSIDIARIES

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	Note	Group		Company	
		2022 \$	2021 \$	2022 \$	2021 \$
Revenue		453,822	-	-	-
Costs of goods sold		(300,597)	-	-	-
Gross profit		<u>153,225</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other gains					
Foreign exchange gain		170,451	25	1,520	25
Government grant		1,615	-	-	-
		<u>172,066</u>	<u>25</u>	<u>1,520</u>	<u>25</u>
Administrative Expenses					
Wages & salaries		1,323,208	-	-	-
Sales & Business development		25,232	-	-	-
Travel		205,203	-	-	-
Office & IT		209,151	-	-	-
Bank charges		106,051	204	1,544	204
Legal and professional fees		817,648	16,640	11,130	16,640
Others		166,445	-	523	-
		<u>2,852,938</u>	<u>16,844</u>	<u>13,197</u>	<u>16,844</u>
Other expenses					
Write-offs		563,657	-	-	-
Depreciation		192,502	-	-	-
Interest paid		307,684	-	-	-
Direct taxes		72,712	-	-	-
		<u>1,136,555</u>	<u>-</u>	<u>-</u>	<u>-</u>
Loss before tax		(3,664,202)	(16,819)	(11,677)	(16,819)
Income tax expense	15	111,145	-	-	-
Net comprehensive loss for the financial period		<u>(3,553,057)</u>	<u>(16,819)</u>	<u>(11,677)</u>	<u>(16,819)</u>
Total comprehensive loss attributable to:					
Equity holders of the Company		(2,105,162)	(16,819)	(11,677)	(16,819)
Non-controlling interests		(1,447,895)	-	-	-
Total comprehensive loss		<u>(3,553,057)</u>	<u>(16,819)</u>	<u>(11,677)</u>	<u>(16,819)</u>

The accompanying notes form an integral part of these financial statements.

ENTORIA ENERGY GROUP PTE. LTD. AND ITS SUBSIDIARIES

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	Note	Group 2022 \$	2021 \$
Cash flows from operating activities			
Loss before income tax		(3,553,055)	(16,819)
Adjustments for:			
Depreciation		192,502	-
Unrealised loss on foreign exchange		173,055	-
Operating cash flows before changes in working capital		<u>(3,187,498)</u>	<u>(16,819)</u>
Changes in working capital:			
Trade and other receivables		396,004	(1,602)
Inventory		(10,012)	-
Trade and other payables		347,967	48,397
Net cash used in operating activities		<u>(2,453,539)</u>	<u>29,976</u>
Cash flows from investing activities			
Addition of plant and equipment		(4,747,055)	-
Disposal of plant and equipment		2,067,240	-
Acquisition of subsidiary		(13,666)	-
Disposal of subsidiary		22,844	-
Net cash used in investing activities		<u>(2,670,637)</u>	<u>-</u>
Cash flows from financing activities			
Issuance of capital		-	1,000
Advance from shareholders		5,186,787	-
Net cash generated from financing activities		<u>5,186,787</u>	<u>1,000</u>
Net increase in cash and cash equivalents		62,611	30,976
Cash and cash equivalents at beginning of year		579,819	-
Cash received on acquisition of subsidiary		-	548,843
Cash and cash equivalents at end of financial year		<u>642,430</u>	<u>579,819</u>

The accompanying notes form an integral part of these financial statements.

ENTORIA ENERGY GROUP PTE. LTD. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

1. General

The Company is incorporated and domiciled in Singapore with its registered office at 36 Robinson Road, #13-01, City House, Singapore 068877.

The principal activity of the Company is that of investment holding. The principal activities of the Group's subsidiaries are disclosed in Note 5 to the financial statements.

2. Basis of preparation

2.1 Statement of compliance

The consolidated financial statements and the financial statement of the Company have been prepared in accordance with the Singapore Companies Act 1967 and the Singapore Financial Reporting Standard (SFRS) for Small Entities issued by the Accounting Standards Council.

2.2 Basis of Consolidation

The financial statements incorporate the financial statements of the Company and its subsidiaries. All intragroup transactions, balances, income and expenses are eliminated.

2.3 Basis of measurement

The financial statements have been prepared on a going concern and on the historical cost basis except as otherwise described in the notes below.

2.4 Functional and presentation currency

These financial statements are presented in United States Dollars (\$), which is the Company's functional currency.

2.5 Use of estimates and judgments

The preparation of financial statements in conformity with SFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. There are no significant areas of estimation uncertainties and critical judgment in applying accounting policies.

There are no significant assumption or estimation uncertainties that have a significant risk of resulting in a material adjustment to the financial statements within the next financial year.

ENTORIA ENERGY GROUP PTE. LTD. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

3. Summary of significant accounting policies

3.1 Foreign currency transactions and balances

The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the financial statements of the Company are presented in United States Dollars, which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit & loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit and loss for the period except for the differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised separately in the comprehensive group income statement.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in United States dollars using exchange rates prevailing at the end of the reporting period. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during the period, in which case the exchange rate at the dates of the transactions are used. Exchange differences arising, if any, are recognised in comprehensive income and accumulated in a separate component of equity under the header of foreign currency translation reserve.

3.2 Revenue recognition

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

3.3 Income taxes

Current income tax liabilities and assets for current and prior periods are recognised at the amounts expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws in the various tax jurisdictions that have been or substantially enacted by the balance sheet date.

Deferred income tax is provided in full, using the liability method, on temporary difference arising between the bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

ENTORIA ENERGY GROUP PTE. LTD. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

3. Summary of significant accounting policies (Continued)

3.3 Income taxes (Continued)

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Current and deferred income tax are recognised as income or expense in the income statement, except to the extent that the tax arises from a transaction which is recognised directly in equity.

3.4 Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. Control exists when the group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

Investments in subsidiaries are consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances and transactions and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

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

Non-controlling interests represent that portion of the profit or loss and net assets of a subsidiary attributable to equity interest that are not owned, directly or indirectly through subsidiaries, by the Company.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented separately on the face of the consolidated income statement.

3.5 Investment in joint venture

A joint venture is a contractual arrangement whereby two or more parties have joint control. Joint control is contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group accounts for its investment in joint venture using the equity method from the date on which it becomes a joint venture.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Company's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the joint venture's profit or loss in the period in which the investment is acquired.

ENTORIA ENERGY GROUP PTE. LTD. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

3. Summary of significant accounting policies (Continued)

3.5 Investment in joint venture (Continued)

Under the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Company's investment in joint venture. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in joint venture is impaired. If that is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value and recognises the amount in profit or loss.

In the Company's separate financial statements, investment in joint venture is recorded at cost less cumulative impairment losses.

3.6 Goodwill on acquisition

Goodwill on acquisitions of subsidiaries represent the excess of (i) the sum of consideration transferred, and the amount of any non-controlling interest in the acquiree, (ii) the fair value of the identifiable net asset acquired. Goodwill on subsidiaries is recognised separately as an intangible asset and is carried at cost less accumulated impairment losses. If consideration is less than the fair value of the identifiable net assets of the subsidiary acquired and the measurement of all amounts have been reviewed, the difference is recognised directly in profit or loss as a gain from bargain purchase.

3.7 Project-in-progress

Project-in-progress can either be for use by the Group or for sale to non-related parties. The cost of such projects initially recognised includes any cost that is directly attributable to bring the project to the condition necessary for it to be capable of operating in the manner intended by management, or in accordance with agreed contractual specifications.

Where a project is undertaken under a contract with a customer, the cost incurred and the matching revenue will be recognised in profit or loss in accordance with the terms of each contract.

Where a project is commissioned by the Group for its own use, the total cost of the project will be taken to property, plant and equipment upon completion. Subsequent expenses are recognised in the carrying amount if it is expected to produce future economic benefits and its costs can be reliably measured. The amortisation policy for such completed projects taken to property, plant and equipment shall be applied in accordance with the Company's accounting policy.

At each reporting date, project-in-progress wherefor sale or own use, is stated at cost less impairment charge.

3.8 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired, If any indication exists, (or, where applicable, when an annual impairment testing for an asset is required), the Group makes an estimate of the asset's recoverable amount.

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

ENTORIA ENERGY GROUP PTE. LTD. AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

3. Summary of significant accounting policies (Continued)

Impairment of non-financial assets (Continued) Impairment losses are recognised in profit or loss. A previously recognised impairment less is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would be determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

3.8 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are initially measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation of property, plant and equipment is calculated using a straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

Office equipment	- 3 years
Solar equipment	- 24 years
Leasehold equipment	- 24 years

The residual value, useful lives and depreciation method are review at the end of each reporting period, and adjusted prospectively, if appropriate.

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

3.9 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances, cash on hand and fixed deposits which are subject to an insignificant risk of changes in value.

3.10 Trade and other receivables

Provision of services and sale of goods are made on the basis of normal credit terms and are initially recorded at fair value. At the end of each financial year, the carrying amounts are reviewed to determine whether there is any objective evidence that the amounts are no recoverable. If so, an impairment loss is recognised immediately in profit and loss.

3.11 Trade and other payables

Trade and other payables are obligations on the basis of normal credit terms and do not bear interest. Other payables denominated in a foreign currency are translated into the Company's functional currency using the exchange rate at the reporting date. Foreign exchange gains or losses are included in other income or other expenses.

ENTORIA ENERGY GROUP PTE. LTD. AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

4. Related party transactions

Related parties in the context of the consolidated financial statements include the Company's and subsidiaries' shareholders, entities controlled by them and any key management personnel. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

Transactions between the Company and its subsidiaries have been eliminated in consolidation. Transactions with related parties are on terms agreed between the parties.

Significant related party transactions and balances during the financial period were as follows:

	Group 2022 \$	Group 2021 \$	Company 2022 \$	Company 2021 \$
<u>Transactions with related parties</u>				
Loan to subsidiaries	-	-	412,809	-
Loan from subsidiaries	-	-	402,142	33,891
<u>Balances with related parties</u>				
Amount due from joint venture (Note 11)	-	161,050	-	-
Amount due from director (Note 11)	600	748	600	600
Advance from shareholders (Note 12)	4,897,657	3,563,813	-	-
Amount due from subsidiaries (Note 11)	-	-	412,809	-
Amount due to subsidiaries (Note 13)	-	-	436,033	33,891

The amounts due from joint venture and amount due from director are non-trade, unsecured, non-interest bearing and repayable on demand.

Advance from shareholders and amount due to subsidiaries are non-trade, unsecured, non-interest bearing and payable on demand.

5. Investment in subsidiaries

	Company 2022 \$	Company 2021 \$
<u>Unquoted equity shares at cost</u>		
Balance at beginning of year	748,368	-
Addition	-	748,368
Balance at end of year	748,368	748,368

On 14 October 2021, the Company acquired 80% equity interest in Entoria Energy Pte. Ltd. and its subsidiaries for a purchase consideration of \$747,368, with the assumption of the net liabilities of \$254,757 (Note 8).

On 21 October 2021, the Company incorporated a subsidiary Entoria Solar Assets Asia Pte. Ltd with an investment of \$1,000 for 100% equity interest.

ENTORIA ENERGY GROUP PTE. LTD. AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

5. Investment in subsidiaries (Continued)

The details of the subsidiaries directly held by the Company are as follows:

<u>Name and country of incorporation and operation</u>	<u>Principal activity</u>	<u>Percentage of ordinary shares held</u>	
		<u>2022</u> %	<u>2021</u> %
Entoria Energy Pte. Ltd. (Singapore)	Investment holding	80	80
Entoria Solar Assets Asia Pte. Ltd. (Singapore)	Provision of renewable clean energy facilities	100	100

The details of investments held by the above subsidiaries are as follows:

<u>Name and country of incorporation and operation</u>	<u>Principal activity</u>	<u>Percentage of ordinary shares held</u>	
		<u>2022</u> %	<u>2021</u> %
<u>Held by Entoria Energy Pte. Ltd.</u>			
Entoria Energy Latin America Pte. Ltd. (Singapore)	Provision of renewable clean energy facilities	55	66
Red Dot Renergy Pte. Ltd. (Singapore)	Provision of renewable demand response services	80	80
Entoria Energy Asia Pte. Ltd. (Singapore)	Provision of renewable clean energy facilities	100	100
Entoria Co. Limited (Hong Kong)	Investment holding	100	100
Vietnam Solar Generation 1 Pte. Ltd. (Singapore)	Provision of renewable clean energy facilities	100	100
Sing Solar Power Pte. Ltd. (Singapore)	Provision of renewable clean energy facilities	100	100
<u>Held by Entoria Energy Latin America Pte. Ltd.</u>			
Entoria Energy Colombia S.A.S (Colombia)	Provision of renewable clean energy facilities	100	100
Entoria Energy Peru S.A.C (Peru)	Provision of renewable clean energy facilities	100	100
Entoria Energy S.A. (Argentina)	Provision of renewable clean energy facilities	100	100
PYR Entoria S.A. de C.V (Mexico)	Provision of renewable clean energy facilities	95.24	51
Entoria Generation Solar S.A. de. C.V (Mexico)	Provision of renewable clean energy facilities	100	80
Entoria Generation Solar Engs S.A.S (Ecuador)	Provision of renewable clean energy facilities	100	100
Entoria Energy Ecuador S.A.S (Ecuador)	Provision of renewable clean energy facilities	100	100
Latam Energy Investments (UK) Limited (United Kingdom)	Investment holding	100	100

ENTORIA ENERGY GROUP PTE. LTD. AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

5. Investment in subsidiaries (Continued)

The details of investments held by the above subsidiaries are as follows: (Continued)

<u>Name and country of incorporation and operation</u>	<u>Principal activity</u>	<u>Percentage of ordinary shares held</u>	
		<u>2022</u> %	<u>2021</u> %
<u>Held by Latam Energy Investments (UK) Limited</u>			
Latam Solar Investments S.A.S (Colombia)	Provision of renewable clean energy facilities	100	100
Entoria Generacion Solar S.A.S (Colombia)	Provision of renewable clean energy facilities	100	100
<u>Held by Entoria Co. Limited</u>			
Apollo Energy Asset Management Pte. Ltd. (Singapore)	Investment holding	99	99
Entoria Asset Management Co., Ltd. (Cayman Islands)	Fund management activities	99	99
<u>Held by Entoria Asset Management Co., Ltd (Cayman Islands)</u>			
Entoria Asset Management Co., Ltd. SPC (Cayman Islands)	Fund management activities	100	100
<u>Held by Entoria Energy Asia Pte. Ltd.</u>			
Entoria Energy Philippines Pte. Ltd. (Singapore)	Investment holding	70	70
Entoria Energy (Vietnam) Company Limited (Vietnam)	Investment holding	100	100
Sunrise Castle Sdn. Bhd. (Malaysia)	Provision of renewable clean energy facilities	100	100
Entoria Solar Power LLC (Vietnam)	Provision of renewable clean energy facilities	100	100
Entoria Solar Power Limited (Thailand)	Provision of renewable clean energy facilities	99	99

6. Investment in joint venture

	Group 2022 \$	Group 2021 \$
<u>Unquoted equity shares at cost</u>		
Balance at beginning of year	22,844	-
Addition	13,666	22,844
Disposal	(22,844)	-
Balance at end of year	<u>13,666</u>	<u>22,844</u>

ENTORIA ENERGY GROUP PTE. LTD. AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

6. Investment in joint venture

The details of investments held by the above subsidiaries are as follows: (Continued)

<u>Name and country of incorporation and operation</u>	<u>Principal activity</u>	<u>Percentage of ordinary shares held</u>	
		<u>2022</u> %	<u>2021</u> %
SXV-E Onsite Solar Assets (Spain)	Investment holding	20	-
Entoria Sustainable Power Asia Pte. Ltd. (Singapore)	Investment holding	20	-

7. Property, plant and equipment

	Solar equipment \$	Office equipment \$	Leasehold equipment \$	Total \$
<u>Group Cost</u>				
Acquisition of subsidiary (Note 5) At 31 December 2021	479,492	10,792	2,067,240	2,557,524
Addition	4,744,387	2,668	-	4,747,055
Disposal	-	-	(2,067,240)	(2,067,240)
At 31 December 2022	5,223,879	13,460	-	5,237,339
<u>Accumulated depreciation</u>				
Acquisition of subsidiary (Note 5) At 31 December 2021	84,930	1,720	-	86,650
Depreciation	177,297	2,798	-	180,095
Disposal	-	-	-	-
At 31 December 2022	262,227	4,518	-	266,745
<u>Carrying amounts</u>				
At 31 December 2021	394,562	9,072	2,067,240	2,470,874
At 31 December 2022	4,961,652	8,942	-	4,970,594

ENTORIA ENERGY GROUP PTE. LTD. AND ITS SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

8. Goodwill on acquisition

	Group 2022	Group 2021	Company 2022	Company 2021
	\$	\$	\$	\$
Balance at beginning of year				
Addition	1,002,125	1,002,125	-	-
Balance at end of year	<u>1,002,125</u>	<u>1,002,125</u>	<u>-</u>	<u>-</u>

The effect of changes in the ownership interest of Entoria Energy Pte. Ltd. and its subsidiaries on the equity attributable to owners of the Company during the period is summarised as follows:

	Group \$
Net liabilities of Entoria Energy Pte. Ltd. and its subsidiaries	318,446
Carrying amount of non-controlling interest acquired (80%)	254,757
Consideration paid for non-controlling interest	747,368
Net goodwill on acquisition	<u>1,002,125</u>

9. Project-in-progress

	Group 2022	Group 2021	Company 2022	Company 2021
	\$	\$	\$	\$
Balance at beginning of year				
Addition	2,177,437	2,566,353	-	-
Balance at end of year	<u>2,177,437</u>	<u>2,566,353</u>	<u>-</u>	<u>-</u>

ENTORIA ENERGY GROUP PTE. LTD. AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022****10. Cash and cash equivalents**

	Group 2022	Group 2021	Company 2022	Company 2021
	\$	\$	\$	\$
Cash at bank	627,503	564,961	5,998	30,976
Cash on hand	3	33	-	-
Fixed deposits	14,924	14,825	-	-
Balance at end of year	<u>642,430</u>	<u>579,819</u>	<u>5,998</u>	<u>30,976</u>

Cash and cash equivalents are denominated in the following currencies:

	Group 2022	Group 2021	Company 2022	Company 2021
	\$	\$	\$	\$
United States Dollars	388,148	306,482	4,948	27,225
Singapore Dollars	178,024	218,765	572	3,651
Euro	32,195	43,141	478	100
Malaysia Ringgit	44,063	11,431	-	-
	<u>642,430</u>	<u>579,819</u>	<u>5,998</u>	<u>30,976</u>

11. Trade and other receivables

	Group 2022	Group 2021	Company 2022	Company 2021
	\$	\$	\$	\$
Amount due from third parties – trade	51,001	11,655	-	-
Amount due from third parties – non-trade	81,701	180,028	-	-
Amount due from subsidiaries – non-trade	-	-	412,809	-
Amount due from joint venture (Note 4)	-	161,050	-	-
Amount due from director (Note 4)	600	748	600	600
Unbilled revenue	207,914	503,939	-	-
Prepayments	176,432	384,014	-	-
Refunded deposits	32,582	34,146	-	-
GST receivables	405,044	45,860	-	-
Withholding tax recoverable	127,853	43,213	-	-
Others	334,727	58,288	-	2
	<u>1,417,854</u>	<u>1,424,941</u>	<u>413,409</u>	<u>602</u>

12. Long-term loans

	Group 2022	Group 2021	Company 2022	Company 2021
	\$	\$	\$	\$
Loans from third parties	5,974,186	2,121,242	-	-
Loans from shareholders (Note 4)	4,897,657	3,563,813	-	-
	<u>10,871,843</u>	<u>5,685,055</u>	<u>-</u>	<u>-</u>

Loans from third parties accrue interest ranging from interest free to 10% per annum and are repayable within 3 to 5 years.

ENTORIA ENERGY GROUP PTE. LTD. AND ITS SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022****13. Trade and other payables**

	Group 2022	Group 2021	Company 2022	Company 2021
	\$	\$	\$	\$
Amount due to third parties – trade	1,230,782	716,550	11,870	14,506
Amount due to subsidiaries – non-trade (Note 4)	-	-	436,033	33,891
Accrued expenses	610,487	932,014	-	-
Provision for unutilised leave	23,412	27,799	-	-
Others	131,932	4,905	-	-
	<u>1,996,613</u>	<u>1,681,268</u>	<u>447,903</u>	<u>48,397</u>

14. Share capital

	<u>2022</u>		<u>2021</u>	
	No. of shares	\$	No. of shares	\$
<u>Issued and fully paid-up</u>				
Balance at end of year	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

The ordinary shares have no par value.

15. Income tax expense

The Group incurred operating losses for the current financial period and therefore has no tax liability. The Group has available tax losses of approximately \$3,553,057 which may be utilised for set off against future taxable profit subject to agreement with the tax authorities. The deferred tax credit is not recognised due to the uncertainty of future operating profits.