

CapAllianz expects to strengthen financial position from the final settlement of credit facilities for its onshore oil concessions in Thailand

- Final repayment of S\$1.5 million to extinguish all payables by Loyz Oil amounting to approximately US\$18.6 million due to OCBC bank for the Group's 20% stake in its onshore oil concessions in Thailand
- Group expects to report a one-off gain of approximately US\$17.5 million arising from the settlement for the financial year ending 30 June 2022
- Group will be debt-free with strengthened financial position upon completion of the final repayment

For Immediate Release

SINGAPORE, 17 August 2021 – CapAllianz Holdings Limited 共享资本集团 (“CapAllianz” or the “Company” and together with its subsidiaries, the “Group”), an investment holding company focusing on the oversight and management of a portfolio of investments, wishes to update shareholders of the Company that the Company's subsidiary, Loyz Oil Pte Ltd (“Loyz Oil”) has entered into a settlement agreement with Oversea-Chinese Banking Corporation Limited (“OCBC Bank”) (“Settlement Agreement”) in relation to the existing US\$32 million credit facility with OCBC Bank (the “Term Loan”) for the Group's key investment – the 20% stake in onshore oil concessions located at Phetchabun Basin in Thailand.

Under the terms of the Settlement Agreement, Loyz Oil will have to make a final repayment of S\$1.5 million to the OCBC Bank by 30 September 2021 (“Completion”). The repayment, in turn, will extinguish all payables by Loyz Oil to OCBC Bank, including the Term Loan and all related servicing costs, which amounting to approximately US\$18.6 million as at 30 June 2021. Upon Completion, all collaterals relating to the Term Loan will be discharged and the Group is expected to record a one-off gain of approximately US\$17.5 million for the financial year ending 30 June 2022 (“FY2022”), which will significantly improve the Group's net tangible assets per share and earnings per share in FY2022. On Completion, the Group will be debt-free, turning around from its negative working capital position and strengthening its balance sheet.

Said Mr. Jeffrey Pang (彭润程), Executive Director and Chief Executive Officer of CapAllianz, “The final settlement with OCBC bank will lift the Group towards debt-free and improve our

financial position, as well as steer us back to positive working capital going forward.

We are also pleased to update that our operations in Thailand is generating positive operating cash flows despite low oil production volume. This was achieved through our continual cost optimisation efforts and higher oil price in 2021. The positive operating cash flow quickens our plan to conduct a drilling campaign for five wells which is scheduled to commence in the last quarter of 2021.”

Currently, the Group has approximately 23 producing wells and the new drilling campaign is aimed to increase the oil reserves and oil production.

The Group is currently preparing its unaudited financial statements for the financial year ended 30 June 2021 (“**FY2021**”) and conducting an impairment assessment exercise as part of its annual audit procedure based on discounted cash flow valuation methodology and assumptions including the outlook of oil prices and demand for oil amid the uncertainties brought about by the COVID-19 pandemic. The unaudited financial statements for FY2021 will be released on the SGXNet website on or before 29 August 2021.

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Note: This media release is to be read in conjunction with the Company’s announcement released on the SGXNet website on the same date.

CapAllianz Holdings Limited 共享资本集团

(Stock codes – SGX: 594 | Bloomberg: CAH SP | Reuters: 594.SI)

CapAllianz Holdings Limited 共享资本集团 (“**CapAllianz**” or the “**Company**” and together with its subsidiaries, the “**Group**”) is an investment holding company focusing on the oversight and management of a portfolio of investments. The Group’s strategy is to leverage the strengths of its team of professionals to identify and invest in promising businesses and improve the business operations of the investee companies to maximise investment returns for the portfolio.

The Group’s current portfolio of investments comprises (i) the Oil and Gas sector, and (ii) the Consumer Sector.

Under the Oil and Gas portfolio, the Group holds a 20% stake in the Thailand onshore oil concessions located at Phetchabun Basin. These concessions continue to generate steady income from its existing producing wells. With substantial proven reserves for development as well as significant potential exploration upside, this investment holds the promise of value enhancement and sustainable long-term growth as the joint operators continue to work towards unlocking the untapped reserves.

The Group’s Consumer portfolio consists of a 40% stake in Preferred Mart Pte Ltd, which holds a 100% stake in a supermarket business in Singapore. The supermarket business currently operates through a retail outlet and e-commerce platforms where it has a subscriber base of more than 150,000 in Singapore. The Group intends to grow the business through expansion in retail outlets as well as broadening its online sales channels.

Issued for and on behalf of **CapAllianz Holdings Limited** by:



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*This media release has been reviewed by the Company’s sponsor, ZICO Capital Pte. Ltd. (the “**Sponsor**”) in compliance with Rule 226(2) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalyst.*

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

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