CAPALLIANZ HOLDNGS LIMITED
(Company Registration No. 199905693M)
(Incorporated in the Republic of Singapore)

MATERIAL VARIANCES BETWEEN UNAUDITED AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

The Board of Directors (the "**Board**") of CapAllianz Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's announcement on 30 August 2025 in relation to the Group's unaudited consolidated financial statements for the financial year ended 30 June 2025 ("**FY2025**") (the "**Unaudited Financial Statements**"). Further reference is made to the audited consolidated financial statements of the Group for FY2025 (the "**Audited Financial Statements**") and the report thereon by the Company's independent auditors ("**Independent Auditors' Report**") included in the Company's annual report for FY2025 ("**2025 Annual Report**") which has been released separately on the SGXNet.

Pursuant to Rule 704(5) of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist, the Board wishes to announce that subsequent to the release of the Unaudited Financial Statements, certain audit adjustments and reclassifications were made to the Unaudited Financial Statements following the finalisation of the audit by the Company's independent auditors.

Details and explanations of the material variances between the Audited Financial Statements and the Unaudited Financial Statements are set out below:

Statement of Financial Position as at 30 June 2025

	Audited Financial Statements US$'000	Unaudited Financial Statements US$'000	Differences US$'000	Note
Group				
Current assets				
Trade and other receivables	231	2,071	(1,840)	I
Inventories	1,886	1,888	(2)	II
Non-current assets				
Exploration, evaluation and development assets	8,025	8,220	(195)	III
Oil and gas properties	58,652	59,095	(443)	IV
Other property, plant and equipment	1,141	1,157	(16)	V
Current liability				
Trade and other payables	3,791	3,877	(86)	VI
Non-current liability				
Provision for restoration costs	5,659	3,313	2,346	VII
Deferred tax liabilities	31,073	32,565	(1,492)	VIII

Statement of Financial Position as at 30 June 2025

	Audited Financial Statements US$'000	Unaudited Financial Statements US$'000	Differences US$'000	Note
Company				
Current assets				
Trade and other receivables	31	2,058	(2,027)	IX
Non-current assets				
Investment in subsidiaries	59,619	59,616	3	X
Current liability				
Trade and other payables	2,088	2,655	(567)	XI

Notes

I. Adjustment due to addition loss allowance on expected credit loss from technical services business segment, foreign exchange on receivable balances and deposit on office lease.

II Difference due to rounding.

III. Adjustment due to impairment loss and depletion provision on exploration, evaluation and development assets.

IV. Adjustment due to addition capitalisation from provision for restoration costs, offset by the addition depletion provision and impairment loss recognised during the year.

V. Adjustment due to addition depreciation recognised during the year.

VI. Adjustment due to a damage claim provision and offset by over accrual of directors' fee and salaries, and the recognition of deferred income as revenue from technical services business segment.

VII. Adjustment due to capitalisation of oil and gas properties arising from addition provision for restoration costs and unwinding of discount on provision.

VIII. Adjustments arising from the impact of deferred tax liabilities related to impairment losses and depletion on exploration, evaluation, and development assets and oil and gas properties, as well as provisions for restoration costs recognised during the year.

IX. Adjustment due to a) the reclassification of amount due from subsidiaries to "Investment in Subsidiaries"," as the amount has been deemed to form part of the Investment in Subsidiaries; and b) the addition loss allowance on expected credit loss from technical services business segment.

X. Adjustment due to a) the reclassification of amount due from/to subsidiaries to "Investment in Subsidiaries", as the amount has been deemed to form part of the "Investment in Subsidiaries"; and b) the derecognition of the cost of investment in a wholly-owned subsidiary.

XI. Adjustment arising from a) the reclassification of amount due to subsidiaries to "Investment in Subsidiaries," as the amount has been deemed to form part of the Investment in Subsidiaries, as explained in Note (X) above; and b) the recognition of deferred income as revenue from technical services business segment.

Consolidated Statement of Comprehensive Income for FY2025

Group	Audited Financial Statements US$'000	Unaudited Financial Statements US$'000	Differences US$'000	Note
Revenue	3,598	3,448	150	a
Cost of sales	(3,546)	(3,150)	(396)	b
Gross profit	52	298	(246)	c
Other income - others	4	27	(23)	d
Other gains/(losses)	(4,588)	(1,121)	(3,467)	
- Loss allowance on financial assets	(2,991)	(1,080)	(1,911)	e
- Impairment loss on exploration, evaluation and development assets and oil and gas properties	(1,620)	-	(1,620)	f
- Loss on decognition of Right-of-use assets	-	(39)	39	g
- Others	23	(2)	25	h
Administrative expenses	(1,915)	(1,865)	(50)	i
Finance costs	(1,017)	(46)	(971)	j
Inocme tax credit	2,426	933	1,493	k

Notes

a. Adjustment due to under recognition of revenue and recognition of deferred income in “Trade and other payable” as revenue from technical services business segment.
b. Adjustment due to additional depletion arising from oil and gas properties.
c. Difference due to technical service revenue adjustment, offset with the higher cost of sales as explained in Note (b) above.
d. Difference due to adjustment on foreign exchange gain or loss, and reclassification of the adjusted foreign exchange gain or loss from “Other income – others” to “Other gains”.
e. Adjustment due to addition loss allowance on expected credit loss from technical services business segment.
f. Adjustment due to impairment loss of "exploration, evaluation and development assets" and "oil and gas properties".
g. Derecognition of right-of-use assets, a change from loss to gain and reclassified to “Other gains”.
h. Difference due to reclassification of adjusted foreign exchange gain or loss from “Other income – others” to “Other gains” as explained in Note (d) above, and loss on derecognition of right-of-use assets to “Other gains” as explained in Note (g) above.
i. Adjustment due to a damage claim provision and increased depreciation of right-of-use assets, offset by over accrual directors’ fee and salaries.
j. Adjustment due to addition unwinding of discount on provision for restoration costs.

k. Adjustments due to impact of deferred tax liabilities related to impairment losses and depletion on exploration, evaluation, and development assets and oil and gas properties, as well as provisions for restoration costs recognised during the year.

Consolidated Statement of Cash Flows for FY2025

Group	Audited Financial Statements US$'000	Unaudited Financial Statements US$'000	Differences US$'000	Note
Cash flow from operating activities				
- Depletion of oil and gas properties	2,441	2,045	396	1
- Depreciation of Right-of-use assets	174	158	16	2
- Provision for impairment on financial assets	2,991	1,080	1,911	3
- Gain on derecognition of Right-of-use assets	(14)	39	(53)	4
- Impairment loss on exploration, evaluation and development assets and oil and gas properties	1,620	-	1,620	5
- Finance expenses	1,017	46	971	6
Change in working capital				
- Inventories	(45)	(47)	2	7
- Trade and other receivables	(1,604)	(1,479)	(125)	8
- Trade and other payables	861	1,325	(464)	9
Income tax paid	(169)	(170)	1	7
Net cash (used in)/provided by operating activities	(174)	308	(482)	
Cash flows from investing activities				
Addittion to oil and gas properties	(66)	(67)	1	7
Acquisition of property, plant and equipment	(3)	(19)	16	10
Net cash used in investing activities	(69)	(86)	17	
Cash flows from financing activities				
Interest paid	(19)	(28)	9	11
Loan from non-related parties	513	148	365	12
Repayment of lease liabilities	(111)	(202)	91	13
Net cash provided by/(used in) financing activit	383	(82)	465	

Notes

1. Adjustment due to higher depletion provision arising from capitalisation of oil and gas properties, addition provision for restoration and unwinding of discount on provision for restoration costs.
2. Adjustment due to addition depreciation of right-of-use assets.
3. Adjustment due to addition loss allowance on expected credit loss from technical services business segment.
4. Adjustment due to gain on derecognition of right-of-use assets during the year.
5. Adjustment due to impairment loss recognised for exploration, evaluation and development assets and oil and gas properties.
6. Adjustment due to addition unwinding of discount on provision for restoration costs.
7. Difference due to rounding.
8. Difference due to adjustment on foreign exchange on receivable balances and the deposit on termination of office lease as explained in Note (13) below.
9. Adjustment arising from reclassification of loan from non-related parties from financing activities to operating activities. In addition, offset by over accrual directors' fee and

salaries, offset by the deferred income as revenue from technical services business segment.

10. Difference due to adjustment of fixed assets recognition during the year.
11. Adjustment due to reclassification unpaid interest arising from loan from non-related party, from financing activities to operating activities, under the trade and other payables.
12. Adjustment due to loan from non-related parties, receipt in cash.
13. Adjustment due to termination of office lease prior expire date and deposit use to offset the lease payment.

Shareholders of the Company ("**Shareholders**") and potential investors of the Company are advised to read this announcement in conjunction with the Independent Auditors' Report and the Audited Financial Statements which form part of the 2025 Annual Report, which has been released separately on the SGXNet.

Shareholders and potential investors of the Company are advised to exercise caution in trading of the shares of the Company. Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors of the Company should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Liu Qiang
Executive Director and Chief Executive Officer
8 December 2025

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*This announcement has been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**").*

*This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (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, ZICO Capital Pte. Ltd. at 77 Robinson Road #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.