



Company Registration Number: 199905693M

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2021

This announcement has been prepared by CapAllianz Holdings Limited (the “Company”) and its contents have been reviewed by the Company’s sponsor (the “Sponsor”), ZICO Capital Pte. Ltd., in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the “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.

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CAPALLIANZ HOLDINGS LIMITED
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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A. Condensed Interim consolidated statement of profit or loss and other comprehensive income

Consolidated Statement of Comprehensive Income	Note	Unaudited 2H FY2021 ¹ US\$'000	Unaudited 2H FY2020 ² US\$'000	Change %	Unaudited FY2021 ³ US\$'000	Audited FY2020 ⁴ US\$'000	Change %
Oil sale	2.5.1	1,064	876	21	1,890	2,279	(17)
Investment income	2.5.1	25	139	(82)	25	275	(91)
Total revenue		1,089	1,015	7	1,915	2,554	(25)
Cost of sales		(838)	(1,126)	(26)	(1,668)	(2,388)	(30)
Gross profit/(loss)		251	(111)	NM⁵	247	166	49
<i>Other items of income</i>							
Interest income		2	1	100	2	4	(50)
Other income		24	44	(45)	100	77	30
<i>Other items of expense</i>							
Administrative expenses		(579)	(783)	(26)	(1,223)	(1,377)	(11)
Finance costs		(153)	(432)	(65)	(407)	(878)	(54)
Other expenses		(234)	(275)	(15)	(741)	(692)	7
Other charges		(5,601)	(31,327)	(82)	(5,673)	(31,323)	(82)
Share of results of an associate		(30)	(72)	(58)	(30)	(120)	(75)
Loss before income tax	2.7	(6,320)	(32,955)	(81)	(7,725)	(34,143)	(77)
Income tax credit	2.8	2,844	709	>100	3,000	788	>100
Loss for the financial year	2.7	(3,476)	(32,246)	(89)	(4,725)	(33,355)	(86)
Other comprehensive income:							
<i>Items that may be reclassified subsequently to profit or loss</i>							
Currency translation differences arising from consolidation		-	10	NM ⁵	(7)	6	NM ⁵
Other comprehensive income for the financial year, net of tax		-	10	NM ⁵	(7)	6	NM ⁵
Total comprehensive loss for the financial year		(3,476)	(32,236)	(89)	(4,732)	(33,349)	(86)
(Loss)/profit attributable to:							
Owners of the Company		(3,481)	(32,250)	(89)	(4,731)	(33,352)	(86)
Non-controlling interests		5	4	25	6	3	100
		(3,476)	(32,246)	(89)	(4,725)	(33,355)	(86)
Total comprehensive (loss)/income attributable to:							
Owners of the Company		(3,481)	(32,240)	(89)	(4,738)	(33,352)	(86)
Non-controlling interests		5	4	25	6	3	100
		(3,476)	(32,236)	(89)	(4,732)	(33,349)	(86)

A. Condensed Interim consolidated statement of profit or loss and other comprehensive income (cont'd)

	Note	Unaudited 2H FY2021 ¹ US\$'000	Unaudited 2H FY2020 ² US\$'000	Change %	Unaudited FY2021 ¹ US\$'000	Audited FY2020 ² US\$'000	Change %
Other income							
Write back of other payables		10	-	NM ⁵	10	-	NM ⁵
Net fair value changes in investment securities carried at fair value through profit or loss		-	-	-	27	-	NM ⁵
Other income		14	44	(68)	63	77	(18)
		24	44	(45)	100	77	30
Finance costs							
Interest expense		(153)	(432)	(65)	(407)	(878)	(54)
Other charges							
Foreign exchange loss, net		(69)	(198)	>100	(55)	(154)	(64)
Allowance for obsolescence		-	-	-	(87)	-	NM ⁵
Loss on disposal of other property, plant and equipment		(45)	-	NM ⁵	(45)	-	NM ⁵
Impairment loss on other receivables		-	(4,472)	NM ⁵	-	(4,472)	NM ⁵
Impairment loss on goodwill		-	(24,612)	NM ⁵	-	(24,612)	NM ⁵
Impairment loss on oil and gas properties		(4,372)	(515)	>100	(4,372)	(515)	>100
Impairment loss on exploration, evaluation and development assets		(1,114)	(149)	>100	(1,114)	(149)	>100
Impairment loss on investment in associate		-	(1,379)	NM ⁵	-	(1,379)	NM ⁵
Net fair value changes in investment securities carried at fair value through profit or loss		(1)	(2)	(50)	-	(42)	NM ⁵
		(5,601)	(31,327)	(82)	(5,673)	(31,323)	(82)
Others							
Depreciation of other property, plant and equipment and right-of-use assets		23	130	(82)	149	271	(45)
Depletion of oil and gas properties		394	518	(24)	848	1,054	(20)
		417	648	(36)	997	1,325	(25)

¹ "2H FY2021": Six-Month financial period from 1 January 2021 to 30 June 2021

² "2H FY2020": Six-Month financial period from 1 January 2020 to 30 June 2020

³ "FY2021": Financial year from 1 July 2020 to 30 June 2021

⁴ "FY2020": Financial year from 1 July 2019 to 30 June 2020

⁵ "NM": Not Meaningful

B. Condensed interim statements of financial position

	Note	Group		Company	
		Unaudited 30-Jun-21 US\$'000	Audited 30-Jun-20 US\$'000	Unaudited 30-Jun-21 US\$'000	Audited 30-Jun-20 US\$'000
Statements of Financial Position					
ASSETS					
Non-Current Assets					
Exploration, evaluation and development assets		14,187	16,793	-	-
Oil and gas properties		54,521	58,363	-	-
Other property, plant and equipment		1,189	1,238	-	-
Right-of-use assets		-	83	-	-
Investments in subsidiaries		-	-	57,580	54,989
Intangible assets	2.12	-	-	-	-
Other receivables		1,809	-	1,809	-
Total Non-Current Assets		71,706	76,477	59,389	54,989
Current Assets					
Inventories		1,949	2,048	-	-
Trade and other receivables		247	172	15	-
Deposits		46	72	4	-
Prepayments		62	51	25	11
Investment securities	2.11	14	24	-	-
Cash and bank balances		922	402	43	6
Total Current Assets		3,240	2,769	87	17
Total Assets		74,946	79,246	59,476	55,006
EQUITY AND LIABILITIES					
Equity					
Share capital	2.14	146,784	140,245	146,784	140,245
Reserves		(5,102)	(5,095)	-	-
Accumulated losses		(122,617)	(117,886)	(87,479)	(86,523)
Equity attributable to owners of the Company		19,065	17,264	59,305	53,722
Non-controlling interests		7	1	-	-
Total Equity		19,072	17,265	59,305	53,722
Non-Current Liabilities					
Bank borrowings	2.13	-	-	-	-
Provision for restoration costs		1,460	1,553	-	-
Deferred tax liabilities		34,164	37,179	-	-
Total Non-Current Liabilities		35,164	38,732	-	-
Current Liabilities					
Trade and other payables		2,417	3,229	171	284
Bank borrowings	2.13	17,826	19,923	-	-
Financial guarantee liability		-	-	-	1,000
Lease liabilities		-	82	-	-
Income tax payables		7	15	-	-
Total Current Liabilities		20,250	23,249	171	1,284
Total Liabilities		55,874	61,981	171	1,284
Total Equity and Liabilities		74,946	79,246	59,476	55,006

C. Condensed interim consolidated statement of cash flows

	Unaudited FY2021 US\$'000	Audited FY2020 US\$'000
Consolidated Statement of Cash Flows		
Operating activities		
Loss before income tax	(7,725)	(34,143)
Adjustments for:		
Share of results of an associate	30	120
Net fair value changes in investment securities carried at fair value through profit or loss	(27)	42
Depreciation of other property, plant and equipment and right-of-use assets	149	271
Depletion of oil and gas properties	848	1,054
Allowance for obsolescence	87	-
Impairment loss on other receivables	-	4,472
Impairment loss on goodwill	-	24,612
Impairment loss on oil and gas properties	4,372	515
Impairment loss on exploration, evaluation and development assets	1,114	149
Impairment loss on investment in associate	-	1,379
Interest income	(2)	(4)
Interest expense	407	878
Operating cash flows before working capital changes	(747)	(655)
Working capital changes:		
Inventories	12	79
Trade and other receivables	(75)	376
Other assets	26	21
Prepayments	(11)	64
Trade and other payables	(184)	(296)
Cash used in operations	(979)	(411)
Interest received	2	4
Income tax paid	(23)	(47)
Net cash used in operating activities	(1,000)	(454)
Investing activities		
Purchase of other property, plant and equipment	(17)	(17)
Additions to oil and gas properties	(99)	(904)
Proceeds from sales of investment securities	37	211
Purchase of investment securities	-	(2)
Loan to associate	(1,809)	-
Investment in associate	(30)	-
Net cash used in investing activities	(1,918)	(712)
Financing activities		
Interest paid	(884)	(72)
Repayment of lease liabilities	(84)	(167)
Net proceeds from issuance of ordinary shares including share issuance expenses	6,539	-
Repayment of bank borrowings	(2,126)	-
Net cash generated from / (used in) financing activities	3,445	(239)
Net change in cash and cash equivalents	527	(1,405)
Foreign currency translation adjustments	(7)	(11)
Cash and cash equivalents at beginning of financial year	402	1,818
Cash and cash equivalents at end of financial year	922*	402*

*Included in cash and cash equivalents are cash balances pledged to the banks, amounting to US\$158,000 for FY2021 and US\$400 for FY2020 in relation to loan/bank overdraft taken up.

D. Condensed interim statements of changes in equity

Statement of Changes in Equity	Group	Equity attributable to owners of the Company					Non-controlling interests	Total equity
		Share capital	Other reserve	Foreign currency translation account	Accumulated losses	Total		
	Note	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance at 1 July 2020 (audited)	2.15	140,245	(5,102)	7	(117,886)	17,264	1	17,265
(Loss)/profit for the financial year		-	-	-	(4,731)	(4,731)	6	(4,725)
Other comprehensive income for the financial year:								
Currency translation differences arising from consolidation		-	-	(7)	-	(7)	-	(7)
Total comprehensive (loss)/income for the financial year		-	-	(7)	(4,731)	(4,738)	6	(4,732)
Issuance of shares		6,539	-	-	-	6,539	-	6,539
Balance at 30 June 2021 (unaudited)		146,784	(5,102)	-	(122,617)	19,065	7	19,072

D. Condensed interim statements of changes in equity (cont'd)

Statement of Changes in Equity	Group	Note	Equity attributable to owners of the Company				Non-controlling interests	Total equity	
			Share capital	Other reserve	Foreign currency translation account	Accumulated losses			Total
			US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	
Balance at 1 July 2019 (audited)		2.15	140,245	(5,102)	1	(84,528)	50,616	(2)	50,614
(Loss)/profit for the financial year			-	-	-	(33,358)	(33,358)	3	(33,355)
Other comprehensive income for the financial year:									
Currency translation differences arising from consolidation			-	-	6	-	6	-	6
Total comprehensive income/(loss) for the financial year			-	-	6	(33,358)	(33,352)	3	(33,349)
Balance at 30 June 2020 (audited)			140,245	(5,102)	7	(117,886)	17,264	1	17,265

D. Condensed interim statements of changes in equity (cont'd)

Statement of Changes in Equity		Share capital US\$'000	Accumulated losses US\$'000	Total equity US\$'000
Company	Note			
Balance at 1 July 2020 (audited)	2.15	140,245	(86,523)	53,722
Loss for the financial year, representing total comprehensive loss for the financial year		-	(956)	(956)
Issuance of shares		6,539	-	6,539
Balance at 30 June 2021 (unaudited)		146,784	(87,479)	59,305

Statement of Changes in Equity		Share capital US\$'000	Accumulated losses US\$'000	Total equity US\$'000
Company	Note			
Balance at 1 July 2019 (audited)	2.15	140,245	(54,220)	86,025
Loss for the financial year, representing total comprehensive loss for the financial year		-	(32,303)	(32,303)
Balance at 30 June 2020 (audited)		140,245	(86,523)	53,722

E. Notes to the condensed interim consolidated financial statements

1 Corporate Information

CapAllianz Holdings Limited (formerly known as CWX Global Limited) (the “**Company**”) is a public limited company, incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). The condensed interim consolidated financial statements as at and for the six months and full financial year ended 30 June 2021 comprise the Company and its subsidiaries (collectively, the “**Group**”).

The principal activities of the Company are those of investment holding and provision of management services to its subsidiaries.

The principal activities of the Company’s subsidiaries and its associates are:

- a) Exploration and production of oil and gas;
- b) Investment holding and trading; and
- c) Investment holding and management of a retail supermarket.

2.1 Basis of preparation

The condensed interim consolidated financial statements for the six months and full financial year ended 30 June 2021 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council 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 Group’s financial position and performance of the Group since the last annual audited consolidated financial statements for the year ended 30 June 2020.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period reported on as that of the Company’s most recently annual audited consolidated financial statements for the year ended 30 June 2020, except for the adoption of new and revised standards as set out in Note 2.2 of the condensed interim consolidated financial statements.

The condensed interim consolidated financial statements for the six months and full financial year ended 30 June 2021 are presented in United States dollar which is the Company’s functional currency.

Going concern

The Group incurred a net loss of US\$4,725,000 and recorded negative operating cash flows of US\$1,000,000 for the financial year ended 30 June 2021, and as of that date, the Group’s current liabilities exceeds current assets by US\$17,010,000. As at 30 June 2021, the Group’s cash and bank balances available for use amounted to US\$922,000 while its current liabilities amounted to US\$20,250,000 which mainly comprised of bank borrowings due on 30 July 2021 amounted to US\$17,826,000.

These facts and circumstances indicate the existence of material uncertainties that may cast significant doubts over the ability of the Group and of the Company to continue as a going concern. Notwithstanding the above, the condensed interim consolidated financial statements for the six months and full financial year ended 30 June 2021 have been prepared on a going concern basis, which assumes that the Group will be able to meet its debt obligations as and when they fall due within the next twelve months, on the following assumptions:

- (a) As at financial year ended 30 June 2020, the Group has bank loans amounting to US\$1,000,000 due to DBS Bank (“**DBS**”) and US\$18,923,000 due to Oversea Chinese Banking Corporation (“**OCBC**”).

As at financial year ended 30 June 2021, the Group has fully repaid the loan due to DBS.

On 16 August 2021, the Group has successfully entered into a settlement credit facilities agreement with OCBC in relation to the US\$32 million credit facility with the bank (the “**Term Loan**”). Under the terms of the settlement credit facilities agreement, the Group will make a final repayment of S\$1.5 million (equivalent to approximately US\$1.1 million) to OCBC by 30 September 2021 (“**Completion**”). This will extinguish all liabilities including the Term Loan and all related servicing costs due to OCBC amounting to approximately US\$18.6 million as at 30 June 2021. All collaterals relating to the Term Loan (including pledging of shares and cashflow of Loyz Oil Thailand Pte Ltd, a subsidiary corporation of the Group) will also be discharged by OCBC on Completion. The Group has also obtained an official waiver from OCBC for technical breaches of financial covenants relating to the Term Loan for the financial year ended 30 June 2021.

- (b) The Company had, on 25 July 2021, entered into a placement agreement for a proposed placement exercise amounting to an aggregate of approximately S\$4.9 million (equivalent to approximately US\$3.6 million). Barring any unforeseen circumstances, pursuant to the terms and conditions of the placement agreement, the proposed placement is expected to be completed by 22 September 2021. Such funds when received, will be used to settle the abovementioned S\$1.5 million final repayment of the Term Loan due to OCBC and the remaining proceeds will be used for the Group’s funding of its Investment and Trading business segment and general working capital purposes.
- (c) The Group will not be required to inject additional funds into the joint operation in Thailand (“**Thailand Operations**”) for the next 12 months as the Thailand Operations are currently able to generate positive sufficient cash flows to sustain operations. The Thailand Operations are currently accumulating cash for the coming new drilling campaign. In addition, there are existing undrawn bank facilities of US\$10,000,000 obtained from a financial institution by the Thailand Operations, which will provide the extra funding for drilling of new wells if required. Moreover, the partners of the Thailand Operations have not been putting in cash into the Thailand Operations for years, despite the low oil prices.

2.2 New and amended standards adopted by the Group

The Group and the Company have adopted all the new and revised SFRS(I)s and SFRS(I) Interpretations that are relevant to its operations and effective for the annual period beginning on 1 July 2020. The adoption of these new and revised SFRS(I)s

and SFRS(I) Interpretations does not have any material effect on the financial performance of the Group and of the Company for the current financial period reported on. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these new and revised standards and interpretations.

2.3 Use of estimates and judgements

In preparing the condensed interim consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the last annual audited consolidated financial statements as at and for the year ended 30 June 2020.

2.4 Seasonal Operations

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

2.5 Segment and revenue information

The Group is organised into the following two main business segments:

- Segment 1: Oil and gas segment – Comprising exploration, development and production activities and drilling activities; and
- Segment 2: Investment and trading segment – Mainly comprising of the following business activities:
 - (a) Investment, including in private equity deals, pre-initial public offerings (mature stage), initial public offerings, fixed income and hybrid instruments; and
 - (b) Trading, including the trading of equities, commodities and other financial instruments.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, liabilities and expenses.

2.5.1 Reportable segments

2H FY2021 (unaudited)	Oil and Gas US\$'000	Investment and Trading US\$'000	Total US\$'000
Revenue			
- Sales to external customers	1,064	25	1,089
Results			
Segment results	(416)	(81)	(497)
Share of results of an associate	-	(30)	(30)
Other income	7	2	9
Other charges	(5,578)	-	(5,578)
Finance costs	(139)	-	(139)
Unallocated interest income			1
Unallocated other income			15
Unallocated other charges			(21)
Unallocated administrative and other expenses			(66)
Unallocated finance costs			(14)
Loss before income tax			(6,320)
Income tax credit	2,844	-	2,844
Loss for the financial year			(3,476)
Assets			
Segment assets	72,822	1,843	74,665
Unallocated assets			
- Other property, plant and equipment			6
- Cash and bank balances			239
- Other receivable			36
Total assets			74,946
Liabilities			
Segment liabilities	59,567	35	54,913

Unallocated liabilities			
- Trade and other payables			961
- Bank borrowings			-
Total liabilities			<u>55,874</u>
Other information			
Capital expenditure	22	-	<u>22</u>
Other material non-cash items:			
Depreciation of other property, plant and equipment	(23)	-	(23)
Unallocated depreciation of other property, plant and equipment			-
Total depreciation of other property, plant and equipment			<u>(23)</u>
Depletion of oil and gas properties	(394)	-	(394)
Net fair value changes in investment securities carried at fair value through profit or loss	-	(1)	(1)
Share of results of an associate	-	(30)	(30)
Impairment loss on oil and gas properties	(4,372)	-	(4,372)
Impairment loss on exploration, evaluation and development assets	(1,114)	-	(1,114)

FY2021 (unaudited)	Oil and Gas	Investment and Trading	Total
	US\$'000	US\$'000	US\$'000
Revenue			
- Sales to external customers	1,890	25	1,915
Results			
Segment results	(921)	(204)	(1,125)
Share of results of an associate	-	(30)	(30)
Other income	7	38	45
Other charges	(5,647)	-	(5,647)
Finance costs	(372)	-	(372)
Unallocated interest income			2
Unallocated other income			55
Unallocated other charges			(26)
Unallocated administrative and other expenses			(593)
Unallocated finance costs			(34)
Loss before income tax			(7,724)
Income tax credit	3,000	-	3,000
Loss for the financial year			<u>(4,725)</u>
Assets			
Segment assets	72,822	1,843	74,665
Unallocated assets			
- Other property, plant and equipment			6
- Cash and bank balances			239
- Other receivable			36
Total assets			<u>74,946</u>
Liabilities			
Segment liabilities	59,567	35	54,913
Unallocated liabilities			
- Trade and other payables			961
- Bank borrowings			-

Total liabilities			55,874
Other information			
Capital expenditure	116	-	116
Other material non-cash items:			
Depreciation of other property, plant and equipment	(50)	(8)	(58)
Unallocated depreciation of other property, plant and equipment			(91)
Total depreciation of other property, plant and equipment			(149)
Depletion of oil and gas properties	(848)	-	(848)
Net fair value changes in investment securities carried at fair value through profit or loss	-	27	27
Share of results of an associate	-	(30)	(30)
Impairment loss on oil and gas properties	(4,372)	-	(4,372)
Impairment loss on exploration, evaluation and development assets	(1,114)	-	(1,114)

2H FY2020 (unaudited)	Oil and Gas	Investment and Trading	Total
	US\$'000	US\$'000	US\$'000
Revenue			
- Sales to external customers	876	139	1,015
Results			
Segment results	(922)	7	(915)
Share of results of an associate	-	(73)	(73)
Other income	-	(6,031)	(6,031)
Other charges	(25,302)	(2)	(25,304)
Finance costs	(394)	-	(394)
Unallocated interest income			1
Unallocated other income			51
Unallocated administrative and other expenses			(253)
Unallocated finance costs			(37)
Loss before income tax			(32,955)
Income tax credit	709	-	709
Loss for the financial year			(32,246)
Assets			
Segment assets	79,060	83	79,143
Unallocated assets			
- Other property, plant and equipment			8
- Cash and bank balances			28
- Other receivable			67
Total assets			79,246
Liabilities			
Segment liabilities	58,812	35	58,847
Unallocated liabilities			
- Trade and other payables			1,204
- Bank borrowings			1,930
Total liabilities			61,981
Other information			
Capital expenditure	3,273	-	3,273

Other material non-cash items:

Depreciation of other property, plant and equipment	(32)	(8)	(40)
Unallocated depreciation of other property, plant and equipment			(90)
Total depreciation of other property, plant and equipment			(130)
Depletion of oil and gas properties	(518)	-	(518)
Net fair value changes in investment securities carried at fair value through profit or loss	-	(2)	(2)
Share of results of an associate	-	(72)	(72)
Impairment loss on goodwill	(24,612)	-	(24,612)
Impairment loss on oil and gas properties	(515)	-	(515)
Impairment loss on exploration, evaluation and development assets	(149)	-	(149)
Impairment loss on other receivables	-	(4,472)	(4,472)
Impairment loss on investment in associate	-	(1,379)	(1,379)

FY2020 (audited)	Oil and Gas	Investment and Trading	Total
	US\$'000	US\$'000	US\$'000
Revenue			
- Sales to external customers	2,279	275	2,554
Results			
Segment results	(1,263)	(38)	(1,301)
Share of results of an associate	-	(120)	(120)
Other income	-	-	-
Other charges	(25,281)	(6,042)	(31,323)
Finance costs	(796)	-	(796)
Unallocated interest income			3
Unallocated other income			77
Unallocated administrative and other expenses			(601)
Unallocated finance costs			(82)
Loss before income tax			(34,143)
Income tax credit	788	-	788
Loss for the financial year			(33,355)
Assets			
Segment assets	79,060	83	79,143
Unallocated assets			
- Other property, plant and equipment			8
- Cash and bank balances			28
- Other receivable			67
Total assets			79,246
Liabilities			
Segment liabilities	58,812	35	58,847
Unallocated liabilities			
- Trade and other payables			1,204
- Bank borrowings			1,930
Total liabilities			61,981
Other information			
Capital expenditure	921	-	921

Other material non-cash items:

Depreciation of other property, plant and equipment	(72)	(15)	(87)
Unallocated depreciation of other property, plant and equipment			(184)
Total depreciation of other property, plant and equipment			(271)
Depletion of oil and gas properties	(1,054)	-	(1,054)
Net fair value changes in investment securities carried at fair value through profit or loss	-	(42)	(42)
Share of results of an associate	-	(120)	(120)
Impairment loss on goodwill	(24,612)	-	(24,612)
Impairment loss on oil and gas properties	(515)	-	(515)
Impairment loss on exploration, evaluation and development assets	(149)	-	(149)
Impairment loss on other receivables	-	(4,472)	(4,472)
Impairment loss on investment in associate	-	(1,379)	(1,379)

2.5.2 Disaggregation of Revenue

Revenue information based on geographical segments are as follows:

	Revenue 6 months ended 30 June 2021		
	Singapore US\$'000	Thailand US\$'000	Total US\$'000
Interest income	25	-	25
Sales of crude oil	-	1,064	1,064
Total	25	1,064	1,089

	Revenue 6 months ended 30 June 2020		
	Singapore US\$'000	Thailand US\$'000	Total US\$'000
Interest income	139	-	139
Sales of crude oil	-	876	876
Total	139	876	1,015

	Revenue 12 months ended 30 June 2021		
	Singapore US\$'000	Thailand US\$'000	Total US\$'000
Interest income	25	-	25
Sales of crude oil	-	1,890	1,890
Total	25	1,890	1,915

	Revenue 12 months ended 30 June 2020		
	Singapore US\$'000	Thailand US\$'000	Total US\$'000
Interest income	275	-	275
Sales of crude oil	-	2,279	2,279
Total	275	2,279	2,554

2.5.3 A breakdown of sales

	Group		
	FY2021 US\$'000	FY2020 US\$'000	Increase / (Decrease) %
Sales reported for first half year	826	1,539	(46)
Operating loss after tax before deducting non-controlling interests reported for first half year	(1,249)	(1,109)	13
Sales reported for second half year	1,089	1,015	7
Operating loss after tax before deducting non-controlling interests reported for second half year	(3,476)	(32,246)	(89)

2.6 Financial assets and financial liabilities

The following table sets out the financial instruments as at the end of 30 June 2021 and 30 June 2020:

	Group		Company	
	30 June 2021 US\$'000 (Unaudited)	30 June 2020 US\$'000 (Audited)	30 June 2021 US\$'000 (Unaudited)	30 June 2020 US\$'000 (Audited)
Financial assets				
Fair value through profit or loss (FVPL)	14	24	-	-
Financial assets at amortised cost	3,024	646	1,871	6
	<u>3,038</u>	<u>670</u>	<u>1,871</u>	<u>6</u>
Financial liabilities				
Financial liabilities at amortised cost	20,243	23,234	171	284
	<u>20,243</u>	<u>23,234</u>	<u>171</u>	<u>284</u>

2.7 Loss before taxation

2.7.1 Significant items

In addition to the charges and credits disclosed elsewhere in the notes, the loss before taxation includes the following charges:

	Group			
	2H FY2021 US\$'000	2H FY2020 US\$'000	FY2021 US\$'000	FY2020 US\$'000
Cost of sales				
Depletion of oil and gas properties	394	518	848	1,054
Thailand Petroleum royalties and other government taxes	53	44	94	114
Administrative expenses				
Audit fees				
- Auditors of the Company	36	30	70	78
- Other auditors	3	4	7	7
Directors' fees	29	25	67	73
Employee benefits expense				
- Salaries, bonuses and other short-term benefits	430	591	895	980
- Defined contributions plan expenses	15	18	29	36

	Group			
	2H FY2021	2H FY2020	FY2021	FY2020
	US\$'000	US\$'000	US\$'000	US\$'000
Other expenses				
Depreciation of other property, plant and equipment, right-of-use assets	23	130	149	271
Lease expenses not included in lease liability				
- Short term lease	14	23	41	53
Legal and professional fees	136	79	447	254

2.7.2 Related party transactions

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

2.8 Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. Major components of income tax credit in the condensed consolidated statement of profit or loss are:

	Group			
	6 months ended 30 June 2021	6 months ended 30 June 2020	12 months ended 30 June 2021	12 months ended 30 June 2020
	US\$'000	US\$'000	US\$'000	US\$'000
Current tax				
- current financial year	545	554	551	576
- overprovision in prior years	(537)	(537)	(537)	(537)
Deferred tax				
- current financial year	(2,852)	(726)	(3,014)	(827)
	(2,844)	(709)	(3,000)	(788)

2.9 Loss per share

Loss per share of the Group based on loss attributable to owners of the Company	2H FY2021	2H FY2020	FY2021	FY2020
- Basic (US cents)	(0.06)	(0.83)	(0.09)	(0.86)
- On a fully diluted basis (US cents)	(0.06)	(0.83)	(0.09)	(0.86)

Notes:

The basic and diluted loss per share for 2H FY2021 and FY2021 are calculated based on 5,388,858,466 weighted average number of ordinary shares in issue. The basic and diluted loss per share for 2H FY2020 and FY2020 are calculated based on 3,900,018,070 weighted average number of ordinary shares in issue.

Diluted loss per share for each of 2H FY2021, FY2021, 2H FY2020 and FY2020 is the same as the basic loss per share because the potential ordinary shares to be converted are anti-dilutive.

2.10 Net Asset Value

	Group 30-Jun-21	Group 30-Jun-20	Company 30-Jun-21	Company 30-Jun-20
Net asset value per share (US cents)	0.28	0.44	0.86	1.38

Note:

The net asset value per share as at 30 June 2021 and 30 June 2020 are calculated based on 6,867,914,879 and 3,900,018,070 ordinary shares in issue respectively.

2.11 Fair value measurement

The Group and the Company classify fair value measurements using a fair value hierarchy that 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 that 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 that are not based on observable market data (unobservable inputs).

The following table shows an analysis of financial instruments carried at fair value (recurring measurements) by level of fair value hierarchy:

	Group			Total US\$'000	
	Quoted prices in active markets for identical instruments (Level 1) US\$'000	Significant other observable inputs (Level 2) US\$'000	Significant unobservable inputs (Level 3) US\$'000		
	As at 30 June 2021				
	Financial asset, at FVPL	14	-		-
As at 30 June 2020					
Financial asset, at FVPL	24	-	-	24	

Fair value of financial instruments that are not carried at fair value

The carrying amounts of the Group's and the Company's current financial assets and financial liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

2.12 Intangible assets

	Goodwill US\$'000	Pre-exploration data US\$'000	Software US\$'000	Overriding royalty interest US\$'000	Total US\$'000
Group Cost					
As at 1 July 2019 and 30 June 2020	35,410	593	43	2,886	38,932
As at 1 July 2020 and 30 June 2021	35,410	593	43	2,886	38,932
Accumulated amortisation and impairment loss					
As at 1 July 2019	10,798	593	43	2,886	14,320
Impairment loss	24,612	-	-	-	24,612
As at 30 June 2020	35,410	593	43	2,886	38,932
As at 1 July 2020	35,410	593	43	2,886	38,932
Impairment loss	-	-	-	-	-
As at 30 June 2021	35,410	593	43	2,886	38,932
Net carrying amount					
As at 30 June 2021	-	-	-	-	-
As at 30 June 2020	-	-	-	-	-

Pre-exploration data and software

Overriding royalty interest

Pre-exploration data relates to proprietary technologies reports on the non-core concessions in Australia, New Zealand and the Philippines.

The overriding royalty interest relates to the Group's rights to a 28.5% overriding royalty interest in the gross production of oil and gas from the Awakino permit area (Petroleum Exploration Permit 38479) in New Zealand, under Loyz NZ Ventures Limited (a 51%-owned subsidiary of the Company).

Both assets had been fully impaired since financial year ended 30 June 2016.

Goodwill

Goodwill arising on acquisition of Loyz USA Holdings LLC (a wholly-owned subsidiary of the Company), Loyz Oil Australia Pty Ltd (a wholly-owned subsidiary of the Company) and the 20% participating interest in the Group's Thailand onshore oil concessions located at Phetchabun Basin ("**Thailand Operations**") is attributable mainly to the potential for the recognition of or the access to additional reserves and the synergies expected to be achieved from integrating the investees into the Group's existing business. None of the goodwill recognised is expected to be deductible for income tax purposes.

2.12.1 Impairment on exploration, evaluation and development assets, oil and gas properties and intangible assets

For the purpose of management's impairment assessment, any impairment will be offset against the intangible assets of the Thailand Operations. Thereafter allocating the impairment to exploration, evaluation and development assets and oil and gas properties is based on the allocation of the Thailand Operations as a cash-generating unit ("**CGU**").

Impairment loss on exploration, evaluation and development assets, oil and gas properties and intangible assets have been recognised as follows:

	2021	2020
	US\$'000	US\$'000
Exploration, evaluation and development assets	1,114	149
Oil and gas properties	4,372	515
Intangible assets	-	24,612
	5,486	25,276

The recoverable amount of the Group's goodwill has been determined based on value-in-use calculations for the assets owned by the CGU using management-approved discounted cash flow projections covering a period of 6 to 22 years (2020: 7 to 22 years) based on development plans for the producing wells and the remaining concession periods including expected renewals of 10 years each at the end of respective concession periods.

Management has assessed that a longer period for the financial forecast of the above CGU is appropriate considering the long-term development plans for the fields and the terms of the respective permits.

The value-in-use calculations are most sensitive to the following assumptions:

- Crude oil prices (taking into consideration of current and future outlook in fluctuating oil prices);
- Forecast annual production volumes (taking into account proved and probable reserve); and
- Pre-tax discount rate.

Crude oil prices of US\$57 to US\$85 (2020: US\$43 to US\$96) per barrel are based on publicly available benchmark oil prices by petroleum consultants, with the forecasted declined of 7% to 10% per annum in the next 2 years (2020: forecasted recovery of 12.5% to 14.3% per annum in next 3 years) and forecasted recovery of 2% per annum from year 2024 onwards (2020: 1.5% to 3.2% per annum for subsequent 6 years and 2% per annum from year 2030 onwards).

Forecasted annual production volumes are based on detailed data for the reserves of the fields and taking into account the development plans for the fields approved by Operating Committee as part of the long-term planning process. Whereby reserves are based on information compiled by appropriately qualified persons relating to the geological and technical data

on the size, depth, shape and grade of the hydrocarbon body and suitable production techniques and recovery rates.

The discount rate of 10% (2020: 10%) represents the current market assessment of the risk specific to the CGU, regarding the time value of money and individual risks of underlying assets which have not been incorporated in the cash flows estimates. The discount rate calculation is based on the specific circumstances of the CGU and derived with reference to the weighted average cost of capital (WACC) of the CGU, adjusted for the risks specific to the CGU.

2.13 Borrowings

Group	Maturity	Current	Non-current	Total
		US\$'000	US\$'000	US\$'000
As at 30 June 2021				
<u>Secured</u>				
Bank Loan I	30 July 2021	17,826	-	17,826
Specific Advance Facility	On demand	-	-	-
Revolving Credit Facility	On demand	-	-	-
		17,826	-	17,826
As at 30 June 2020				
<u>Secured</u>				
Bank Loan I	30 July 2020	17,993	-	17,993
Specific Advance Facility	30 July 2020	930	-	930
Revolving Credit Facility	On demand	1,000	-	1,000
		19,923	-	19,923

Bank Loan I

During the financial year ended 30 June 2014, the Company's wholly-owned subsidiary, Loyz Oil Pte. Ltd. ("**Loyz Oil**"), drew down US\$32.0 million pursuant to the term loan from OCBC Bank to finance the acquisition of the Thailand Operations held by Carnarvon Thailand Limited ("**Term Loan**"). The Term Loan is secured by pledges of shares in the Company's wholly-owned subsidiary, Loyz Oil Thailand Pte. Ltd. ("**Loyz Thailand**"), Loyz Oil's cash balances in the accounts maintained with and as designated by OCBC Bank, all earnings and other cash flow of Loyz Thailand, as well as corporate guarantees by the Company, and a shareholder of the Company, Jit Sun Investments Pte. Ltd..

The Term Loan was originally due on 31 July 2021. Loyz Oil had, on 16 August 2021, entered into a settlement agreement with OCBC Bank ("**Settlement Agreement**") in relation to the Term Loan. Under the terms of the Settlement Agreement, Loyz Oil will make a final repayment of S\$1.5 million to OCBC Bank by 30 September 2021 ("**Completion**"). This will extinguish all payables by Loyz Oil to OBCB Bank, including the Term Loan and all related servicing costs. All collaterals relating to the Term Loan (including pledging of shares and cashflow of Loyz Thailand) will also be discharged by OCBC Bank on Completion.

2.14 Share capital

	Group and Company			
	2021		2020	
	Number of shares	US\$'000	Number of shares	US\$'000
Issued and fully paid ordinary shares				
At beginning of the year	3,900,018,070	140,245	3,900,018,070	140,245
Issuance of ordinary shares	1,888,888,889	2,489	-	-
Share issue expense	-	(22)	-	-
As at beginning of second half of the year	5,788,906,959	142,712	3,900,018,070	140,245
Issuance of ordinary shares	1,079,007,920	4,090	-	-
Share issue expense	-	(18)	-	-
At end of the year	6,867,914,879	146,784	3,900,018,070	140,245

Outstanding convertibles

	Number of outstanding convertibles
Warrants:	
- As at 30 June 2021	487,502,256
- As at 30 June 2020	487,502,256

Save for the above, there were no other outstanding convertibles as at 30 June 2021 and 30 June 2020.

The Company did not have any treasury shares or subsidiary holdings as at 30 June 2021, 31 December 2020 and 30 June 2020.

2.15 Investment in associate

Details of the associate is as follows:

Name of company	Country of incorporation and place of business	Principal activities	Proportion (%) of ownership interest
			2021 %
Preferred Mart Pte. Ltd. (" Preferred Mart ")	Singapore	Investment holding and management of a retail supermarket	40
Wholly-owned subsidiary of Preferred Mart			
Chinese International Commodity City Pte. Ltd.	Singapore	Management of a retail supermarket	100
Associate company of Preferred Mart			
Immense Wellness Pte. Ltd.	Singapore	Healthcare services and trading of healthcare products	40

On 19 February 2021, the Company acquired 40% of the issued share capital in Preferred Mart, an investment in and/or management of the operation of a retail supermarket chain, for a consideration of S\$40,000 through a joint venture agreement entered on 5 February 2021 with four unrelated third parties. As such, Preferred Mart is an associated company of the Company since 19 February 2021.

The four unrelated third parties (jointly and not severally) irrevocably and unconditionally grants a call option ("**Call Option**") to the Company, whereby the Company shall have the right to require each of the parties (jointly and not severally) to sell to the Company all Shares held by them for an aggregate consideration of S\$120,000.

The Call Option shall be exercisable any time and at the discretion of the Company.

On 22 February 2021, Preferred Mart acquired 100% of issued and paid-up share capital of Chinese International Commodity City Pte. Ltd. ("**CICC**") from an unrelated third party (the "**Vendor**"), on the terms and subject to the conditions set out in a sale and purchase agreement entered into between Preferred Mart and the Vendor on the same day (the "**Acquisition**"). Following completion of the Acquisition, CICC is a wholly-owned subsidiary of Preferred Mart. For more information, please refer to the Company's announcements dated 8 February 2021 and 22 February 2021.

The summarised financial information in respect of Preferred Mart based on its FRS financial statements and a reconciliation with the carrying amount of the investment in the consolidated financial statements is as follows:

	2021 US\$'000
Summarised balance sheet	
Assets and liabilities	
Non-current assets	1,174
Current assets	3,333
Non-current liabilities	(4,736)
Current liabilities	(261)
Net liabilities attributable to the Company	(490)

Proportion of Group's ownership	40%
Group's investment in associate	30
Group's share of net liabilities	(30)
	<hr/>
Carrying amount of the investment	-
	<hr/>
Summarised statement of comprehensive income	
Revenue	238
Loss after tax, attributable to the Company	(228)
	<hr/>
Total comprehensive loss attributable to the Company	(228)
	<hr/>

2.16 Subsequent events

- (1) On 25 July 2021, the Company entered into a placement agreement ("**Placement Agreement**") with seven (7) placees. Subject to and upon the terms of the Placement Agreement, the Company has agreed to allot and issue, and the placees have agreed to subscribe and pay for, an aggregate of 1,815,445,559 new ordinary shares in the capital of the Company ("**Placement Shares**") at S\$0.0027 per Placement Share, amounting to an aggregate consideration of approximately S\$4.902 million (equivalent to approximately US\$3.631 million) (the "**Proposed Placement**").

Pursuant to the terms and conditions of the Placement Agreement, completion of the Proposed Placement shall take place by 22 September 2021 (or such other date as the parties to the Placement Agreement may agree in writing).

The Proposed Placement is undertaken by the Company to raise funds and strengthen the Group's financial position. The Proposed Placement will improve the Group's cash flows to meet anticipated general working capital requirements and provide capital to the Group to fund acquisition of potential assets as and when opportunities arise, as part of the Group's strategy for long-term business growth.

For more information, please refer to the Company's announcement dated 27 July 2021.

- (2) Fit Global Pte. Ltd. ("**FIT**"), a 40%-owned associate company of the Group, has been placed under voluntary liquidation (the "**Liquidation**") with effect from 13 August 2021. The Group and the Company had made full allowance for impairment against the total gross carrying amounts of the debt and equity investments in FIT group in FY2020 on account of the significant economic uncertainties brought about by the COVID-19 pandemic.

For more information, please refer to the Company's announcement dated 14 August 2021.

- (3) On 16 August 2021, Loyz Oil entered into the Settlement Agreement with OCBC Bank in relation to the Term Loan. Under the terms of the Settlement Agreement, Loyz Oil will make a final repayment of S\$1.5 million to OCBC Bank by 30 September 2021. This will extinguish all payables by Loyz Oil to OCBC Bank, including the Term Loan and all related servicing costs, amounting to approximately US\$18.6 million as at 30 June 2021. All collaterals relating to the Term Loan (including pledging of shares and cashflow of Loyz Thailand) will also be discharged by OCBC Bank on Completion.

The Completion is expected to provide the Group with a one-off gain of approximately US\$17.5 million which will significantly improve the consolidated net tangible assets per share and earnings per share of the Group for FY2022.

On Completion, the Group will be debt-free, turning around from its negative working capital position and strengthening its balance sheet.

For more information, please refer to the Company's announcement dated 17 August 2021.

F. Other information required pursuant to Appendix 7C of the Catalist Rules

1. 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 Company's auditors.

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

Not applicable.

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

Not applicable. No forecast or prospect statement had been previously disclosed to shareholders.

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.

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

This is not required for any audit issue that is a material uncertainty relating to going concern.

(a) Updates on the efforts taken to resolve each outstanding audit issue.

The Company's previous independent auditors, Messrs Crowe Horwath First Trust LLP, had issued a disclaimer of opinion ("**Disclaimer of Opinion**") on the Group's audited financial statements for FY2020 (the "**Audited Financial Statements**"). The basis for the Disclaimer of Opinion is in relation to (i) going concern; and (ii) investment in associate and loan to associate.

Going Concern

Please refer to Note 2 to the Audited Financial Statements for FY2020 on the details of the opinion of the Board of Directors of the Company ("**Board**") that the Group will be able to continue as a going concern and the Audited Financial Statements have been prepared on a going concern basis for the reasons set out therein.

Please also refer to Note 2.1 to the condensed interim consolidated financial statements above for the basis on why the condensed interim consolidated financial statements for the six months and full financial year ended 30 June 2021 have been prepared on a going concern basis, which assumes that the Group will be able to meet its debt obligations as and when they fall due within the next twelve months.

Investment in associate and loan to associate

The Company had invested (in the form of equity and debt) in or through an associate, FIT which is in the business of investment, trading and other related services. As at 30 June 2020, the total gross carrying amount (before the impairment allowance made for the current financial year) of the Group's financial interests in FIT stood at US\$5,851,000 comprising a 40%-share equity investment of US\$1,379,000 and a loan receivable of US\$4,472,000.

The Group and the Company had made full allowance for a one-off impairment of US\$5.9 million against the total gross carrying amounts of the debt and equity investments in FIT group in FY2020, on account of the significant economic uncertainties brought about by the COVID-19 pandemic.

FIT has been placed under voluntary liquidation with effect from 13 August 2021. Please refer to the Company's announcement dated 14 August 2021 for more details.

(b) Confirmation from the Board

Based on current available information, the Board confirms that the impact of all outstanding audit issues on the financial statements has been adequately disclosed.

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

Oil and gas business

On 18 July 2021, the Organization of the Petroleum Exporting ("**OPEC**") announced that the production of oil will increase by 400,000 barrels per day from August 2021. This will gradually phase out 5.8 million barrels per day of oil production cut by September 2022 and increase the supply of oil production to meet global demand, which is on the rise due to the world's continued emergence from the COVID-19 pandemic.

For the Thailand Operations, a new drilling campaign for five new wells is currently being scheduled to take place in the last quarter of 2021. The actual timing of the drilling campaign will be subject to the then situation of the COVID-19 pandemic in Thailand. This drilling campaign aims to increase reserves as well as oil production.

Investment and trading-related activities

The Group's associate company, Preferred Mart is currently in the early stage of operating the supermarket business and is working to streamline its operations. Preferred Mart is also in discussions with other potential business partners to explore for new business opportunities.

The Group will continue to source for new business opportunities to deliver value to its shareholders and explore fund raising options, while working towards raising oil production and revenue at its Thailand Operations.

5. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

(c) Date payable

Not applicable.

(d) 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.

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

No dividend has been declared or recommended for FY2021 as the Group incurred losses and reported negative working capital as at 30 June 2021.

7. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable. No dividend has been declared or recommended for FY2021 and FY2020.

8. 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 for interested person transactions. There were no interested person transactions above S\$100,000 entered into by the Group in the current financial period reported on.

9. 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 period reported on.

Review for FY2021 vs FY2020

Consolidated Statement of Comprehensive Income

Revenue decreased by US\$0.6M or 25%, from US\$2.6M in FY2020 to US\$1.9M in FY2021, due to the decrease in revenue from the oil and gas business segment and the investment income business segment. The decrease in revenue from the oil and gas business segment was mainly due to a drop in the Group's share of oil production volume from the Thailand Operations of 11,798 barrels, from 50,170 barrels in FY2020 to 38,372 barrels in FY2021, as a result of the natural decline of the existing wells. The impact of the aforementioned lower oil production volume on the revenue was partially offset by an increase in the average oil price from US\$46.78 per barrel in FY2020 to US\$50.67 per barrel in FY2021. Investment income of US\$0.03M for FY2021 relates to the interest income earned from the loan extended to the Company's associate company, Preferred Mart. Investment income of US\$0.3M for FY2020 relates to the interest income earned from the loan extended to the Company's associate company, FIT, which had been fully impaired in the audited financial statements in FY2020, as a result of a one-off full impairment of the loan by the Group and the Company in FY2020.

Cost of sales, relating to the cost of oil and gas sold, decreased by US\$0.7M or 30%, from US\$2.4M in FY2020 to US\$1.7M in FY2021, due to the Group's lower share of oil production volume which led to the decrease in cost of production.

As a result of the higher percentage decrease in cost of sales by 30% as compared to the percentage decrease in revenue by 25%, gross profit increased by US\$0.08M, from US\$0.17M in FY2020 to US\$0.25M in FY2021.

Other income amounted to US\$0.1M in FY2021, as compared to US\$0.08M in FY2020. Other income in FY2021 relates mainly to (i) a net fair value gain of a quoted investment security of US\$0.03M (whereas the Group suffered a net fair value loss of a quoted investment security of US\$0.04M in FY2020); (ii) wage subsidy and rental rebate received by the Group, as part of the Singapore Government's effort to provide support to firms to pull through the COVID-19 pandemic situation of US\$0.06M; and (iii) write back of other payables of US\$0.01M. Other income in FY2020 relates mainly to wage subsidy received by the Group, as part of the Singapore Government's effort to provide support to firms to pull through the COVID-19 pandemic situation.

Administrative expenses decreased by US\$0.16M, from US\$1.38M in FY2020 to US\$1.22M in FY2021. This was mainly due to a decrease in corporate expenses.

Finance costs decreased by US\$0.47M, from US\$0.88M in FY2020 to US\$0.41M in FY2021, mainly due to the repayment of bank loans and reduction in the interest rate.

Other charges decreased by US\$25.6M, from US\$31.3M in FY2020 to US\$5.7M in FY2021. Other charges in FY2021 relates mainly to (i) impairment loss on exploration, evaluation and development assets of US\$1.1M; (ii) impairment loss on oil and gas properties of US\$4.4M; (iii) allowance for obsolescence of US\$0.09M in relation to the Thailand Operations; (iv) net foreign exchange loss of US\$0.06M; and (v) loss on disposal of property, plant and equipment of US\$0.04M. Other charges in FY2020 relates mainly to (i) one-off impairment loss on goodwill of US\$24.6M; (ii) impairment loss on exploration, evaluation and development assets of US\$0.15M; (iii) impairment loss on oil and gas properties of US\$0.51M; (iv) impairment loss on other receivables of US\$4.5M; (v) impairment loss on investment in associate of US\$1.4M; and (vi) a net foreign exchange loss of US\$0.15M.

Share of losses of an associate decreased to US\$0.03M in FY2021 as compared to US\$0.1M in FY2020. The share of losses in FY2021 relates to the Group's new associate company, Preferred Mart, whereas the share of losses in FY2020 relates to FIT. The Group's investments in FIT has been fully written off in FY2020 as the Group made full allowance for a one-off impairment.

The income tax credit of US\$3.0M recorded in FY2021 arose due to a reversal of overprovision of deferred tax relating to the Thailand Operations.

As a result of the above, the Group recorded a loss after income tax of US\$4.7M in FY2021, as compared to a loss after income tax of US\$33.4M in FY2020.

Consolidated Statement of Financial Position

The Group's non-current assets decreased by US\$4.8M, from US\$76.5M as at 30 June 2020 to US\$71.7M as at 30 June 2021, mainly attributable to (i) the decrease in exploration, evaluation and development assets by US\$2.6M mainly due to reclassification to oil and gas properties in FY2021 of US\$1.5M and impairment loss of US\$1.1M; (ii) the decrease in oil and gas properties by US\$3.8M mainly due to impairment loss of US\$4.4M, partially offset against additions of oil and gas properties; and (iii) the decrease in right-of-use assets of US\$0.08M as the lease agreement had ended. The aforesaid decrease was partially offset by the increase in other receivables of US\$1.8M relating to the loan extended to the Group's associate company, Preferred Mart.

The Group's current assets increased by US\$0.47M, from US\$2.77M as at 30 June 2020 to US\$3.24M as at 30 June 2021. The increase was mainly attributable to (i) the increase in cash and cash equivalents of US\$0.52M (please refer to the explanation of cash and cash equivalents under consolidated statement of cash flows below); (ii) the increase in trade and other receivables of US\$0.07M; and (iii) the increase in prepayments of US\$0.01M. The increase was partially offset by (i) the decrease in inventories of US\$0.1M due to the provision for obsolescence in the Thailand Operations; and (ii) the decrease in other current assets of US\$0.03M.

The Group's non-current liabilities decreased by US\$3.1M, from US\$38.7M as at 30 June 2020 to US\$35.6M as at 30 June 2021. This was mainly due to (i) the decrease in provision for restoration costs of US\$0.1M; and (ii) the decrease in deferred tax liabilities of US\$3.0M, both in relation to the Thailand Operations.

The Group's current liabilities decreased by US\$3.0M, from US\$23.2M as at 30 June 2020 to US\$20.2M as at 30 June 2021. This was mainly due to (i) the repayment of bank borrowings amounting to US\$2.2M; (ii) the decrease in trade and other payables of US\$0.8M; and (iii) the lease liabilities of US\$0.8M as at 30 June 2020 was absent as at 30 June 2021 as the lease agreement had ended.

The Group reported a negative working capital position of US\$17.0M as at 30 June 2021, as compared to a negative working capital position of US\$20.5M as at 30 June 2020. Notwithstanding so, the condensed interim consolidated financial statements for the six months and full financial year ended 30 June 2021 have been prepared on a going concern basis, which assumes that the Group will be able to meet its debt obligations as and when they fall due within the next twelve months, Please refer to Note 2.1 to the condensed interim consolidated financial statements above for more information.

Consolidated Statement of Cash Flows

The Group used net cash of US\$1.0M for its operating activities in FY2021. The Group recorded operating cash outflows before working capital changes of US\$0.7M. The main movements of the cash flows from operating activities comprised (i) the increase in trade and other receivables of US\$0.08M; (ii) the decrease in other assets and inventories of US\$0.03M and US\$0.01M respectively; (iii) the increase in prepayments of US\$0.01M; and (v) the increase in trade and other payables of US\$0.2M. In addition, income tax amounting to US\$0.02M was paid in FY2021.

The Group used net cash of US\$1.9M for its investing activities in FY2021 mainly due to (i) the additions to oil and gas properties of US\$0.1M as a result of the evaluation work performed in relation to the Thailand Operations; (ii) loan to associate of US\$1.8M; and (iii) investment in associate of US\$0.03M. This was partially offset by the proceeds from sales of investment securities of US\$0.04M.

The Group generated net cash of US\$3.4M from its financing activities in FY2021. This was mainly due to the issuance of new ordinary shares amounting to US\$6.5M, partially offset by the repayment of bank borrowings of US\$2.1M, lease liabilities of US\$0.08M and interest paid on bank borrowings of US\$0.9M.

As a result of the above, and taking into account foreign currency translation adjustments, cash and cash equivalents increased by US\$0.5M from US\$0.4M as at 1 July 2020 to US\$0.9M as at 30 June 2021.

10. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Please refer to paragraph 9 above for the review on the Group's performance.

11. Disclosure of acquisitions (including incorporations) and realisations of shares in subsidiaries and/or associated companies since the end of the previous reporting period pursuant to Rule 706A of the Catalist Rules.

- (a) On 19 February 2021, the Company acquired 40% of the issued share capital in Preferred Mart, an investment in and/or management of the operation of a retail supermarket chain, for a consideration of S\$40,000 through a joint venture agreement entered on 5 February 2021 with four unrelated third parties. As such, Preferred Mart is an associated company of the Company since 19 February 2021.

On 22 February 2021, Preferred Mart acquired 100% of issued and paid-up share capital of CICC from the Vendor. Following completion of the Acquisition, CICC is a wholly-owned subsidiary of Preferred Mart. For more information, please refer to the Company's announcements dated 8 February 2021 and 22 February 2021.

- (b) The Company's dormant and wholly-owned subsidiary, Loyz USA Holdings LLC, has been cancelled from the State of Delaware ("**Cancellation**") with effect from 23 February 2021.

The Company's dormant and wholly-owned subsidiary, CWX HK Limited, has been deregistered from the Companies Registry of Hong Kong pursuant to Section 751 of the Companies Ordinance, Chapter 662 of the Laws of Hong Kong ("**Deregistration**") with effect from 26 February 2021.

The Cancellation and the Deregistration do not have any material impact on the earnings per share and net tangible assets per share of the Company and the Group for FY2021. For more information, please refer to the Company's announcement dated 2 March 2021.

- (c) On 23 June 2021, the Company was notified that a 51.8%-owned subsidiary of the Company, Interlink Petroleum Limited, was liquidated with effect from 25 May 2021 ("**Liquidation**"). The Liquidation do not have any material effect on the net tangible assets per share and earnings per share of the Company and the Group for FY2021. For more information, please refer to the Company's announcement dated 24 June 2021.

Save for the above, 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.

12. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (10) in the format below. If there are no such person, the issuer must make an appropriate negative statement.

There is no person occupying a managerial position in the Company or any of its subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

13a. Rule 705(6)(a) of the Catalist Rules in relation to the use of funds/ cash for the quarter and projection on the use of funds/ cash for the next immediate quarter, including principal assumptions.

The expenditure incurred for mining and exploration activities in the fourth quarter from 1 April 2021 to 30 June 2021 ("**4Q2021**") is as follows:

	US\$'000
Evaluation, Exploration and Development Expenditure	-
Purchase of Fixed Assets	-
Administrative Expenses	-

The projected expenditure for mining and exploration activities in the first quarter from 1 July 2021 to 30 September 2021 ("**1Q2022**") is as follows:

	US\$'000
Evaluation, Exploration and Development Expenditure	-
Purchase of Fixed Assets	-
Administrative Expenses	-

13b. Rule 705(6)(b) of the Catalist Rules in relation to the director's confirmation

The Board confirms that, to the best of its knowledge, nothing has come to its attention which may render such information provided to be false or misleading in any material aspect.

14. Rule 705(7) of the Catalist Rules in relation to details of exploration (including geophysical surveys), mining development and/or production activities undertaken by the Company and a summary of the expenditure incurred on those activities, including explanation for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity respectively, that fact must be stated.

The Group has a 20% stake in the Thailand onshore oil concessions located in Phetchabun Basin (the "**Concessions**"). There were no drilling activities undertaken at the Concessions in 4Q2021. The joint venture partners of the Concessions are closely monitoring the COVID-19 situation, while continuing to work towards a new drilling campaign in the last quarter of 2021, barring unforeseen circumstances. The actual timing of the new drilling campaign is also subject to the then COVID-19 situation in Thailand.

As the operations at the Concessions are self-funded, the Group did not and does not expect to incur any expenditure for exploration, development and production activities for 4Q2021 and 1Q2022, respectively.

Save as disclosed above, the Group did not have any exploration, development and/or production activities for 4Q2021 and is not expected to incur any expenditure for such activities for 1Q2022.

15. Confirmation from the Company under Rule 720(1) of the Catalist Rules

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

BY ORDER OF THE BOARD

Pang Kee Chai, Jeffrey
Executive Director and Chief Executive Officer
29 August 2021
