



Company Registration Number: 199905693M

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31 MARCH 2022

Pursuant to Rule 705(2C) of the Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Manual Section B: Rules of Catalist (“Catalist Rules”), the Company is required by the SGX-ST to announce its quarterly financial statements in view of the disclaimer of opinion issued by the Company’s auditors in the audited financial statements of the Group for the financial year ended 30 June 2020.

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 Catalist Rules.

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

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

CAPALLIANZ HOLDINGS LIMITED
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

TABLE OF CONTENTS

Section		Page
A	Condensed interim consolidated statement of profit or loss and other comprehensive income	3-4
B	Condensed interim statements of financial position	5
C	Condensed interim consolidated statement of cash flows	6
D	Condensed interim statements of changes in equity	7-9
E	Notes to the condensed interim consolidated financial statements	10-16
F	Other information required pursuant to Appendix 7C of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist (“ Catalist Rules ”)	17-21

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

Consolidated Statement of Comprehensive Income	Note	Unaudited 3Q FY2022 ¹ US\$'000	Unaudited 3Q FY2021 ² US\$'000	Change %	Unaudited 9M FY2022 ³ US\$'000	Unaudited 9M FY2021 ⁴ US\$'000	Change %
Oil sale	2.5.1	791	501	58	2,062	1,327	55
Investment income	2.5.1	8	3	>100	61	3	>100
Total revenue		799	504	59	2,123	1,330	60
Cost of sales		(416)	(394)	6	(1,272)	(1,224)	4
Gross profit		383	110	>100	851	106	>100
<i>Other items of income</i>							
Interest income		-	1	NM ⁵	1	1	-
Other income		1	17	(94)	17,650	66	>100
<i>Other items of expense</i>							
Administrative expenses		(318)	(282)	13	(1,791)	(926)	93
Finance costs		(43)	(61)	(30)	(128)	(315)	(59)
Other expenses		(109)	(163)	(33)	(326)	(670)	(51)
Other charges		(9)	(66)	(86)	(1,157)	(111)	>100
(Loss)/profit before income tax	2.7	(95)	(444)	(79)	15,100	(1,849)	NM ⁵
Income tax (expenses)/credit	2.8	(139)	67	NM ⁵	(18)	223	NM ⁵
(Loss)/profit for the financial period	2.7	(234)	(377)	(38)	15,082	(1,626)	NM ⁵
Other comprehensive loss:							
<i>Items that may be reclassified subsequently to profit or loss</i>							
Currency translation differences arising from consolidation		-	-	-	-	(7)	NM ⁵
Other comprehensive loss for the financial period, net of tax		-	-	-	-	(7)	NM ⁵
Total comprehensive (loss)/profit for the financial period		(234)	(377)	(38)	15,082	(1,633)	NM ⁵
(Loss)/profit attributable to:							
Owners of the Company		(234)	(277)	(16)	15,086	(1,527)	NM ⁵
Non-controlling interests		-	(100)	NM ⁵	(4)	(99)	(96)
		(234)	(377)	(38)	15,082	(1,626)	NM ⁵
Total comprehensive (loss)/income attributable to:							
Owners of the Company		(234)	(277)	(16)	15,086	(1,534)	NM ⁵
Non-controlling interests		-	(100)	NM ⁵	(4)	(99)	(96)
		(234)	(377)	(38)	15,082	(1,633)	NM ⁵

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

	Note	Unaudited 3Q FY2022 ¹ US\$'000	Unaudited 3Q FY2021 ² US\$'000	Change %	Unaudited 9M FY2022 ³ US\$'000	Unaudited 9M FY2021 ⁴ US\$'000	Change %
Other income							
Write-off of other payables		1	10	(90)	1	10	(90)
Gain on recovery of loan to associate		-	-	-	153	-	NM ⁵
Gain on settlement of bank loan		-	-	-	17,481	-	NM ⁵
Other income		-	7	NM ⁵	15	56	(73)
		1	17	(94)	17,650	66	>100
Finance costs							
Interest expense		(43)	(61)	(30)	(128)	(315)	(59)
Other charges							
Allowance for obsolescence		(3)	-	NM ⁵	(241)	(87)	>100
Net fair value changes in investment securities carried at fair value through profit or loss		(3)	(2)	50	(5)	26	NM ⁵
Loss on disposal of other property, plant and equipment		-	(13)	NM ⁵	-	(13)	NM ⁵
Foreign exchange gain, net		(3)	(51)	(94)	85	(37)	NM ⁵
Provision of impairment on other receivables	2.12	-	-	-	(996)	-	NM ⁵
		(9)	(66)	(86)	(1,157)	(111)	>100
Others							
Depreciation of other property, plant and equipment and right-of-use assets		24	12	100	68	139	(51)
Depletion of oil and gas properties		191	182	5	580	636	(9)
		215	194	11	648	775	(16)

¹ "3Q FY2022": Financial period from 1 January 2022 to 31 March 2022

² "3Q FY2021": Financial period from 1 January 2021 to 31 March 2021

³ "9M FY2022": Nine-Month financial period from 1 July 2021 to 31 March 2022

⁴ "9M FY2021": Nine-Month financial period from 1 July 2020 to 31 March 2021

⁵ "NM": Not Meaningful

B. Condensed interim statements of financial position

	Note	Group		Company	
		Unaudited 31-Mar-22 US\$'000	Audited 30-Jun-21 US\$'000	Unaudited 31-Mar-22 US\$'000	Audited 30-Jun-21 US\$'000
Statements of Financial Position					
ASSETS					
Non-Current Assets					
Exploration, evaluation and development assets		12,695	14,187	-	-
Oil and gas properties		56,654	54,521	-	-
Other property, plant and equipment		1,211	1,189	12	-
Investments in subsidiaries		-	-	58,830	57,580
Other receivables		-	1,809	-	1,809
Total Non-Current Assets		70,560	71,706	58,842	59,389
Current Assets					
Inventories		1,811	1,949	-	-
Trade and other receivables	2.12	1,725	247	1,416	-
Deposits		35	46	-	4
Prepayments		72	62	33	25
Investment securities	2.11	9	14	-	-
Cash and bank balances		1,324	922	977	43
Total Current Assets		4,976	3,240	2,426	72
Total Assets		75,536	74,946	61,268	59,461
EQUITY AND LIABILITIES					
Equity					
Share capital	2.14	150,083	146,784	150,083	146,784
Reserves		(5,102)	(5,102)	-	-
Accumulated losses		(107,531)	(122,617)	(89,482)	(87,494)
Equity attributable to owners of the Company		37,450	19,065	60,601	59,290
Non-controlling interests		3	7	-	-
Total Equity		37,453	19,072	60,601	59,290
Non-Current Liabilities					
Provision for restoration costs		1,556	1,460	-	-
Deferred tax liabilities		34,133	34,164	-	-
Total Non-Current Liabilities		35,689	35,624	-	-
Current Liabilities					
Trade and other payables		2,279	2,417	667	171
Bank borrowings	2.13	110	17,826	-	-
Income tax payables		5	7	-	-
Total Current Liabilities		2,394	20,250	667	171
Total Liabilities		38,083	55,874	667	171
Total Equity and Liabilities		75,536	74,946	61,268	59,461

C. Condensed interim consolidated statement of cash flows

	Unaudited 3Q FY2022 US\$'000	Unaudited 3Q FY2021 US\$'000	Unaudited 9M FY2022 US\$'000	Unaudited 9M FY2021 US\$'000
Consolidated Statement of Cash Flows				
Operating activities				
(Loss)/profit before income tax	(95)	(444)	15,100	(1,849)
Adjustments for:				
Net fair value changes in investment securities carried at fair value through profit or loss	3	2	5	(26)
Depreciation of other property, plant and equipment and right-of-use assets	24	12	68	139
Depletion of oil and gas properties	191	182	580	636
Allowance for obsolescence	3	-	241	87
Gain on settlement of bank loan	-	-	(17,481)	-
Gain on recovery of loan to associate	-	-	(153)	-
Provision of impairment on other receivables	-	-	996	-
Interest expense	43	61	128	315
Operating cash flows before working capital changes	169	(187)	(516)	(698)
Working capital changes:				
Inventories	48	(4)	(103)	4
Trade and other receivables	(148)	(26)	(40)	(51)
Other assets	-	39	11	30
Prepayments	(38)	(45)	(10)	(46)
Trade and other payables	(1,135)	(584)	580	(15)
Cash used in operations	(1,104)	(807)	(78)	(776)
Income tax credited/(paid)	1	(2)	(14)	(25)
Net cash used in operating activities	(1,103)	(809)	(92)	(801)
Investing activities				
Purchase of other property, plant and equipment	(4)	(1)	(90)	(3)
Additions to oil and gas properties	(512)	9	(1,221)	(83)
Proceeds from sales of investment securities	-	-	-	37
Loan to associate	-	(1,416)	(502)	(1,416)
Repayment on loan receivable	30	-	30	-
Net cash used in investing activities	(486)	(1,408)	(1,783)	(1,465)
Financing activities				
Bank borrowings	110	-	110	-
Interest paid	-	(48)	(18)	(826)
Repayment of lease liabilities	-	-	-	(84)
Net proceeds from issuance of ordinary shares including share issuance expenses	1,721	4,083	3,299	6,550
Repayment of bank borrowings	-	(500)	(1,114)	(1,626)
Net cash generated from financing activities	1,831	3,535	2,277	4,014
Net change in cash and cash equivalents	242	1,318	402	1,748
Foreign currency translation adjustments	-	-	-	(7)
Cash and cash equivalents at beginning of financial period	1,082	825	922	402
Cash and cash equivalents at end of financial period	1,324	2,143	1,324	2,143

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) / retained earnings	Total		
	Note	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance at 1 July 2021 (audited)	2.15	146,784	(5,102)	-	(122,617)	19,065	7	19,072
Profit/(loss) for the financial period		-	-	-	15,086	15,086	(4)	15,082
Total comprehensive income/(loss) for the financial period		-	-	-	15,086	15,086	(4)	15,082
Issuance of shares		3,299	-	-	-	3,299	-	3,299
Balance at 31 March 2022 (unaudited)		150,083	(5,102)	-	(107,531)	37,450	3	37,453

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 2020 (audited)		2.15	140,245	(5,102)	7	(117,886)	17,264	1	17,265
Loss for the financial period			-	-	-	(1,527)	(1,527)	(99)	(1,626)
Other comprehensive income for the financial period:									
Currency translation differences arising from consolidation			-	-	(7)	-	(7)	-	(7)
Total comprehensive loss for the financial period			-	-	(7)	(1,527)	(1,534)	(99)	(1,635)
Issuance of shares			6,550	-	-	-	6,550	-	6,550
Balance at 31 March 2021 (unaudited)			146,795	(5,102)	-	(119,413)	22,280	(98)	22,182

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

Statement of Changes in Equity					
Company	Note	Share capital US\$'000	Other reserves US\$'000	Accumulated losses US\$'000	Total equity US\$'000
Balance at 1 July 2021 (audited)	2.15	146,784	-	(87,494)	59,290
Loss for the financial period, representing total comprehensive loss for the financial period		-	-	(1,988)	(1,988)
Issuance of shares		3,299	-	-	3,299
Balance at 31 March 2022 (unaudited)		150,083	-	(89,482)	60,601

Statement of Changes in Equity				
Company	Note	Share capital US\$'000	Accumulated losses US\$'000	Total equity US\$'000
Balance at 1 July 2020 (audited)	2.15	140,245	(86,523)	53,722
Loss for the financial period, representing total comprehensive loss for the financial period		-	(565)	(565)
Issuance of shares		6,550	-	6,550
Balance at 31 March 2021 (unaudited)		146,795	(87,088)	59,707

E. Notes to the condensed interim consolidated financial statements

1 Corporate Information

CapAllianz Holdings 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 third quarter and nine months ended 31 March 2022 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 third quarter and nine months ended 31 March 2022 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 condensed interim consolidated financial statements for the six months ended 31 December 2021.

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 2021, 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 third quarter and nine months ended 31 March 2022 are presented in United States dollar which is the Company’s functional currency.

Going concern

The Group recorded net profit of US\$15,082,000 and net cash used in operating activities of US\$92,000 for the nine months ended 31 March 2022, and as of that date, the Group’s current assets exceeded its current liabilities by US\$2,582,000.

Accordingly, management does not believe there is a material uncertainty over the ability of the Group to operate as a going concern, and the condensed interim consolidated financial statements for the third quarter and nine months ended 31 March 2022 have been prepared on a going concern basis which contemplates that the Group will be able to pay its debts as and when they fall due and payable and realise its assets and extinguish its liabilities in the ordinary course of business.

If the Group and the Company are unable to continue in operational existence in the foreseeable future, the Group and the Company may be unable to discharge their liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the balance sheets. In addition, the Group and the Company may have to reclassify non-current assets and liabilities to current assets and liabilities respectively. These financial statements do not include any adjustment which may arise from these uncertainties.

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 2021. 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 2021.

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

For management purposes, the Group has two operating and reportable 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

3Q FY2022 (unaudited)	Oil and Gas	Investment and Trading	Unallocated	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Revenue				
- Sales to external customers	791	8	-	799
Results				
Segment results	375	8	-	383
Interest income	-	-	-	-
Other income	-	1	-	1
Other charges	(3)	(6)	-	(9)
Finance costs	(32)	(8)	(3)	(43)
Administrative and other expenses	(252)	(52)	(123)	(427)
Loss before income tax				(95)
Income tax expenses				(139)
Loss for the financial period				(234)
9M FY2022 (unaudited)	Oil and Gas	Investment and Trading	Unallocated	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Revenue				
- Sales to external customers	2,062	61	-	2,123
Results				
Segment results	790	61	-	851
Interest income	-	-	1	1
Other income	17,496	154	-	17,650
Other charges	(241)	(916)	-	(1,157)
Finance costs	(113)	(8)	(7)	(128)
Administrative and other expenses	(1,533)	(167)	(417)	(2,117)
Profit before income tax				15,100
Income tax expenses				(18)
Profit for the financial period				15,082

3Q FY2021 (unaudited)	Oil and Gas	Investment and Trading	Unallocated	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Revenue				
- Sales to external customers	501	3	-	504
Results				
Segment results	107	3	-	110
Interest income	-	-	1	1
Other income	17	-	-	17
Other charges	(13)	(53)	-	(66)
Finance costs	(61)	-	-	(61)
Administrative and other expenses	(392)	(53)	-	(445)
Loss before income tax				(444)
Income tax credit				67
Loss for the financial period				(377)
9M FY2021 (unaudited)	Oil and Gas	Investment and Trading	Unallocated	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Revenue				
- Sales to external customers	1,327	3	-	1,330
Results				
Segment results	103	3	-	106
Interest income	-	-	1	1
Other income	66	-	-	66
Other charges	(100)	(11)	-	(111)
Finance costs	(281)	-	(34)	(315)
Administrative and other expenses	(906)	(176)	(514)	(1,596)
Loss before income tax				(1,849)
Income tax credit				223
Loss for the financial period				(1,626)

2.5.2 Disaggregation of Revenue

Revenue information based on geographical segments are as follows:

	Revenue 3Q FY2022			Revenue 9M FY2022		
	Singapore US\$'000	Thailand US\$'000	Total US\$'000	Singapore US\$'000	Thailand US\$'000	Total US\$'000
Interest income ^(a)	8	-	8	61	-	61
Sales of crude oil ^(b)	-	791	791	-	2,062	2,062
Total	8	791	799	61	2,062	2,123

	Revenue 3Q FY2021			Revenue 9M FY2021		
	Singapore US\$'000	Thailand US\$'000	Total US\$'000	Singapore US\$'000	Thailand US\$'000	Total US\$'000
Interest income ^(a)	3	-	3	3	-	3
Sales of crude oil ^(b)	-	501	501	-	1,327	1,327
Total	3	501	504	-	1,327	1,330

(a) Interest income is calculated on effective interest method for loan to associated company.

(b) The Group derives revenue from the transfer of goods at a point in time and all customers are based in Thailand.

2.6 Financial assets and financial liabilities

The following table sets out the financial instruments as at the end of 31 March 2022 and 30 June 2021:

	Group		Company	
	31 March 2022 US\$'000 (Unaudited)	30 June 2021 US\$'000 (Audited)	31 March 2022 US\$'000 (Unaudited)	30 June 2021 US\$'000 (Audited)
Financial assets				
Cash and bank balances	1,324	922	977	43
Fair value through profit or loss (FVPL)	9	14	-	-
Financial assets at amortised cost	1,760	2,102	1,416	1,813
	3,093	3,038	2,393	1,856
Financial liabilities				
Financial liabilities at amortised cost	2,389	20,243	667	171

2.7 Profit/(loss) before taxation

2.7.1 Significant items

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

	Group			
	Q3 FY2022 US\$'000	Q3 FY2021 US\$'000	9M FY2022 US\$'000	9M FY2021 US\$'000
Cost of sales				
Depletion of oil and gas properties	191	182	580	636
Thailand Petroleum royalties and other government taxes	40	25	103	66
Administrative expenses				
Audit fees				
- Auditors of the Company	32	20	62	57
Directors' fees	19	11	75	50
Employee benefits expense				
- Salaries, bonuses and other short-term benefits	200	182	1,481	660
- Defined contributions plan expenses	16	7	31	22
Other expenses				
Depreciation of other property, plant and equipment and right-of-use assets	24	12	68	139
Legal and professional fees	54	125	161	436

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			
	3Q FY2022 US\$'000	3Q FY2021 US\$'000	9M FY2022 US\$'000	9M FY2021 US\$'000
Current tax				
- current financial period	726	702	697	476
- overprovision in prior periods	(537)	(537)	(537)	(537)
Deferred tax				
- current financial period	(50)	(232)	(142)	(162)
	139	(67)	18	(223)

2.9 (Loss)/earnings per share

(Loss)/earnings per share of the Group based on (loss)/profit attributable to owners of the Company	3Q FY2022	3Q FY2021	9M FY2022	9M FY2021
- Basic (US cents)	(0.003)	(0.006)	0.21	(0.03)
- On a fully diluted basis (US cents)	(0.003)	(0.006)	0.21	(0.03)

Notes:

The basic and diluted (loss)/earnings per share for 3Q FY2022 and 9M FY2022 are calculated based on 7,195,206,697 weighted average number of ordinary shares in issue. The basic and diluted loss per share for 3Q FY2021 and 9M FY2021 are calculated based on 4,648,917,070 weighted average number of ordinary shares in issue.

Diluted earnings per share for 9M FY2022 is the same as the basic earnings per share because the potential ordinary shares to be converted are anti-dilutive. Diluted loss per share for 3Q FY2022, 3Q FY2021 and 9M FY2021 are the same as the basic loss per share for the respective periods because the potential ordinary shares to be converted are anti-dilutive.

2.10 Net Asset Value

	Group 31-Mar-22	Group 30-Jun-21	Company 31-Mar-22	Company 30-Jun-21
Net asset value per share (US cents)	0.44	0.28	0.80	0.86

Note:

The net asset value per share as at 31 March 2022 and 30 June 2021 are calculated based on 8,552,536,455 and 6,867,914,879 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 31 March 2022				
	Financial asset, at FVPL	9	-		-
As at 30 June 2021					
Financial asset, at FVPL	14	-	-	14	

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 Trade and other receivables

Trade and other receivables consist of trade receivable from non-related party, other receivables from non-related parties, subsidiary corporations and associated companies, deposits, and prepayments.

Other receivables due from subsidiary corporations are unsecured, interest-free and repayable on demand.

In accordance with the expected credit loss assessment methodology adopted by the management in the assessment of the recoverability of trade and other receivables, the Board and the management decided to adopt a prudent approach and an impairment loss on other receivables due from an associated company (which related to a loan extended for general working capital purposes) amounting to US\$996,000 was made during the nine months financial period ended 31 March 2022.

2.13 Borrowings

Group	Maturity	Current	Non-current	Total
		US\$'000	US\$'000	US\$'000
As at 31 March 2022				
<u>Secured</u>				
Bank Loan I	30 July 2021	-	-	-
Thailand Loan	On demand	110	-	110
		110	-	110
As at 30 June 2021				
<u>Secured</u>				
Bank Loan I	30 July 2021	17,826	-	17,826
		17,826	-	17,826

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 20% interest in the Thailand onshore oil concessions in Phetchabun Basin ("**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.

On 27 September 2021, the Group has made a final repayment of S\$1,500,000 to OCBC Bank. Pursuant to the terms of the Settlement Agreement, with effect from 27 September 2021, (i) all payables by the Group to OCBC Bank, including the Term Loan and all related servicing costs have been extinguished; and (ii) 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) have been discharged by OCBC Bank.

Thailand Loan

The Thailand Loan is in relation to the Thailand Operations. During 3Q FY2022, the Thailand Operations utilised its existing credit facilities to finance the drilling of new wells. The Thailand Loan is expected to be repaid by end of July 2022.

2.14 Share capital

	Group and Company			
	31 March 2022		30 June 2021	
	Number of shares	US\$'000	Number of shares	US\$'000
Issued and fully paid ordinary shares				
At beginning of financial period/year (i.e. 1 July)	6,867,914,879	146,784	5,788,906,959	142,712
Issuance of ordinary shares	700,000,000	1,396	1,079,007,920	4,090
Share issue expense	-	(15)	-	(18)
At beginning of third quarter of financial period/year (i.e. 1 January)	7,567,914,879	148,165	6,867,914,879	146,784
Issuance of ordinary shares	984,621,576	1,945	-	-
Share issue expense	-	(27)	-	-
At end of financial period/year	8,552,536,455	150,083	6,867,914,879	146,784

Outstanding convertibles

	Number of outstanding convertibles
Warrants:	
- As at 31 March 2022	487,502,256
- As at 31 March 2021	487,502,256

Save for the above, there were no other outstanding convertibles as at 31 March 2022 and 31 March 2021.

The Company did not have any treasury shares or subsidiary holdings as at 31 March 2022, 30 June 2021 and 31 March 2021.

2.15 Subsequent events

Subsequent to 31 March 2022, there are no known subsequent events which have led to adjustment to this set of condensed interim consolidated financial statements.

F. Other information required pursuant to Appendix 7C of the Catalyst 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 current independent auditors, Messrs Nexia TS Public Accounting Corporation ("**Nexia**"), had issued a qualified opinion ("**Qualified Opinion**") on the Group's audited consolidated financial statements for the financial year ended 30 June 2021. The basis for the Qualified Opinion arose purely from a disclaimer of opinion issued by the former independent auditor of the Company on the Group's audited consolidated financial statements for the financial year ended 30 June 2020.

Basis for Qualified Opinion

Investments in associated companies and loan to associated companies, FIT Global Pte. Ltd. ("**FIT**") and its subsidiary corporations

During the financial year ended 30 June 2020, in view of the significant economic uncertainties brought about by the COVID-19 pandemic, the Group and the Company made full allowance for impairment against the total gross carrying amounts of the debt and equity investments in associated companies, FIT and its subsidiary corporation. Accordingly, a total impairment charge of US\$5,851,000 was recognised in profit or loss of the Group thereby bringing the net carrying amounts of the investments in associated companies and loan to associated companies of the Group and the Company to zero.

The predecessor auditor were unable to evaluate and determine whether the assessment (including any bases thereof) has been robustly and comprehensively carried out by the Group and the Company. Consequently, the predecessor auditor issued a modified opinion as they were unable to ascertain the appropriateness of the impairment amount recognised for the financial year ended 30 June 2020.

As the carrying amounts of investments in associated companies and loan to associated companies in and its subsidiary corporation as at 30 June 2020 formed part of the opening balances for the Group's and the Company's current financial year, and as Nexia was unable to carry out any alternative audit procedures to obtain sufficient and appropriate audit evidences on the opening balances, Nexia was unable to determine whether any adjustments might be necessary in respect of the consolidated statement of comprehensive income for the current financial year, and whether there will be possible effects on the comparability of current year's figures with corresponding figures.

For the financial year ended 30 June 2021, Nexia has obtained sufficient and appropriate audit evidence to determine the carrying amounts on the investments in associated companies and loan to associated companies in FIT and its subsidiary corporation.

(b) Confirmation from the Board

Based on current available information, the board of directors (the "**Board**") of the Company 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

Although oil prices have increased significantly from its lowest since 2014, there are lingering concerns over demand mainly due to weak economic growth in China, the world's top oil importer. Geopolitics and the state of the world economy will continue to steer oil prices and volatility. The US Energy Information Administration is forecasting West Texas Intermediate crude oil prices to average around US\$98 for 2022, which will support growth in the oil industry.

For the Thailand Operations, planning is underway for a potential drilling campaign in the second half of 2022. A multi-well workover program is also being planned for to be carried out by the third quarter of 2022. These work will be fully funded by the positive cash flow generated from operations of the Thailand Concessions and banking facilities available to the Thailand Operations, if necessary.

Investment and trading-related activities

The negativity in the global economic outlook is weighing on the markets, adding investment risk and volatility. The Group's investment business will progress more cautiously due to the current weak global sentiments.

The Group will continue to source for new business opportunities to deliver value to its shareholders, while working towards raising oil production and revenue at its Thailand Operations. In addition, the Group continually explores opportunities with respect to existing business of the Group to unlock value for its shareholders.

* <https://www.eia.gov/outlooks/steo/data/browser/#?v=8>

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 3Q FY2022 as the Group conserves its funds for working capital purposes.

7. 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.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current period reported on.**

Review for 3Q FY2022 vs 3Q FY2021

Consolidated Statement of Comprehensive Income

Revenue increased by US\$0.3M or 58%, from US\$0.5M in 3Q FY2021 to US\$0.8M in 3Q FY2022, due to the increase in revenue from the oil and gas business segment and the investment income business segment. The increase in revenue from the oil and gas business segment was mainly due to an increase in the average oil price from US\$55.75 per barrel in 3Q FY2021 to US\$98.05 per barrel in 3Q FY2022. The impact of the aforementioned increase in average oil price was partially offset by a drop in the Group's share of oil production volume from the Thailand Operations of 357 barrels, from 8,997 barrels in 3Q FY2021 to 8,640 barrels in 3Q FY2022, as a result of the natural decline of the existing wells. Investment income, relating to the interest earned from the loan extended to the Company's associate company, Preferred Mart Pte. Ltd., increased slightly by approximately US\$5,000, from approximately US\$3,000 in 3Q FY2021 to approximately US\$8,000 in 3Q FY2022.

Cost of sales, relating to the cost of oil and gas sold, increased by US\$0.03M or 6%, from US\$0.39M in 3Q FY2021 to US\$0.42M in 3Q FY2022, in line with the increase in revenue in 3Q FY2022.

As a result of the higher percentage increase in revenue by 58% as compared to the percentage increase in cost of sales by 6%, gross profit increased by US\$0.27M, from a gross profit of US\$0.11M in 3Q FY2021 to a gross profit of US\$0.38M in 3Q FY2022.

Administrative expenses increased by US\$0.04M, from US\$0.28M in 3Q FY2021 to US\$0.32M in 3Q FY2022. This was mainly due to an increase in staff costs and management fee in relation to the Thailand Operations, as a result of the drilling campaign for new wells in 3Q FY2022.

Finance costs decreased by US\$0.02M, from US\$0.06M in 3Q FY2021 to US\$0.04M in 3Q FY2022, mainly due to the repayment of bank loans during the financial period under review which resulted in lesser interest costs incurred.

Other expenses decreased by US\$0.05M, from US\$0.16M in 3Q FY2021 to US\$0.11M in 3Q FY2022, mainly due to the decrease in legal and professional fees, partially offset by the increase in depreciation of other property, plant and equipment and right-of-use assets.

Other charges decreased by US\$0.06M, from US\$0.07M in 3Q FY2021 to US\$0.01M in 3Q FY2022, mainly due to (i) the decrease in net foreign exchange gain; and (ii) the absence of loss on disposal of other property, plant and equipment, partially offset by the increases in (i) allowance for obsolescence of drilling equipment and spare parts in relation to the Thailand Operations; and (ii) net fair value changes in investment securities carried at fair value through profit and loss.

The income tax expense of US\$0.14M recorded in 3Q FY2022 arose from the Thailand Operations.

As a result of the above, the Group recorded a loss after income tax of US\$0.23M in 3Q FY2022, as compared to a loss after income tax of US\$0.38M in 3Q FY2021.

Consolidated Statement of Financial Position

The Group's non-current assets decreased by US\$1.2M, from US\$71.7M as at 30 June 2021 to US\$70.5M as at 31 March 2022, mainly attributable to (i) the decrease in exploration, evaluation and development assets by US\$1.5M mainly due to reclassification to oil and gas properties in 9M FY2022; and (ii) the absence of other receivables of US\$1.8M in 3Q FY2022 due to reclassification of the amount due from an associated company to current assets as the management deems such amount to be recoverable within the next 12 months from 31 March 2022. The aforesaid was partially offset by the increase in oil and gas properties of US\$2.1M due to the reclassification of exploration, evaluation and development assets and additions to oil and gas properties.

The Group's current assets increased by US\$1.74M, from US\$3.24M as at 30 June 2021 to US\$4.98M as at 31 March 2022. The increase was mainly attributable to (i) the increase in cash and cash equivalents of US\$0.4M (please refer to the explanation of cash and cash equivalents under consolidated statement of cash flows below); and (ii) the increase in trade and other receivables of US\$1.48M, mainly due to the reclassification of the amount due from an associated company from non-current assets (as explained above). The increase was partially offset by the decrease in inventories of US\$0.14M due to the provision for obsolescence of drilling equipment and spare parts in relation to the Thailand Operations.

The Group's non-current liabilities increased by US\$0.07M, from US\$35.62M as at 30 June 2021 to US\$35.69M as at 31 March 2022. This was mainly due to the increase in provision for restoration costs in relation to the Thailand Operations, partially offset by the decrease in deferred tax liabilities in relation to the Thailand Operations.

The Group's current liabilities decreased by US\$17.86M, from US\$20.25M as at 30 June 2021 to US\$2.39M as at 31 March 2022. This was mainly due to the settlement of bank borrowings with OCBC Bank amounting to US\$17.8M. Please refer to Note 2.13 under Section E to this set of condensed interim consolidated financial statements for more information. Trade and other payables also decreased slightly by US\$0.14M as at 31 March 2022.

The Group reported a positive working capital position of US\$2.6M as at 31 March 2022, as compared to a negative working capital position of US\$17.0M as at 30 June 2021.

Consolidated Statement of Cash Flows

The Group used net cash of US\$1.1M for its operating activities in 3Q FY2022, as compared to net cash used in operating activities of US\$0.8M from its operating activities for 3Q FY2021. The Group recorded operating cash inflows before working capital changes of US\$0.17M. The main movements of the cash flows used in operating activities in 3Q FY2022 comprised (i) the increase in trade and other receivables of US\$0.15M; (ii) the increase in prepayments of US\$0.04M; (iii) the decrease in inventories of US\$0.05M; and (v) the decrease in trade and other payables of US\$1.1M.

The Group used net cash of US\$0.5M for its investing activities in 3Q FY2022 mainly due to the additions to oil and gas properties of US\$0.5M as a result of the evaluation work performed in relation to the Thailand Operations, partially offset by the repayment of loan to associate of US\$0.03M.

The Group generated net cash of US\$1.83M from its financing activities in 3Q FY2022. This was due to (i) the issuance of new ordinary shares amounting to US\$1.72M; and (ii) bank borrowings of US\$0.11M in relation to the Thailand Operations.

As a result of the above, and taking into account foreign currency translation adjustments, cash and cash equivalents increased by US\$0.24M from US\$1.08M as at 1 January 2022 to US\$1.32M as at 31 March 2022.

9. 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.

The Group does not have any acquisitions (including incorporations) and realisations of shares in subsidiaries and/or associated companies since the end of the previous reporting period up to 31 March 2022.

10a. Rule 705(6)(a) of the Catalyst 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 third quarter from 1 January 2022 to 31 March 2022 (“3Q2022”) 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 fourth quarter from 1 April 2022 to 30 June 2022 (“4Q2022”) is as follows:

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

10b. Rule 705(6)(b) of the Catalyst 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.

11. Rule 705(7) of the Catalyst 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”). Planning is underway by the joint operators of the Concessions for a potential drilling campaign in the second half of 2022. A multi-well workover program is also being planned for to be carried out by the third quarter of 2022.

The above is expected to be fully funded by the positive cash flow generated from the sale of oil drawn from the existing producing wells and bank facilities available to the Concessions.

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 3Q2022 and 4Q2022, respectively.

Save as disclosed above, the Group does not have any exploration, development and/or production activities for 3Q2022 and is not expected to incur any expenditure for such activities for 4Q2022.

12. Use of Proceeds

Use of Proceeds from Placement

On 10 February 2021, the Company completed a placement of an aggregate of 925,925,925 new ordinary shares at an issue price of S\$0.0027 per new ordinary share in the capital of the Company (the “Placement”). Pursuant to the Placement, the Company raised net proceeds amounting to approximately S\$2,475,000 (after deducting all expenses in connection with the Placement as set out in the Company’s announcement dated 6 December 2021) (the “Net Proceeds”).

The following is a summary of the Net Proceeds and the utilisation thereof:

Use of Net Proceeds	Allocation of Net Proceeds (S\$'000)	Amount utilised as at 31 March 2022 (S\$'000)	Balance of Net Proceeds as at 31 March 2022 (S\$'000)
- Funding of the Group’s Investment and Trading Business Segment	0 to 742 (0% to 30% of Net Proceeds)	-	0 to 742
- General Working Capital of the Group	1,733 to 2,475 (70% to 100% of Net Proceeds)	1,165*	568 to 1,310
Total	2,475	1,165	1,310

*The Net Proceeds utilised for general working capital of the Group is used for general and administrative expenses including office expenses, staff costs and administrative expenses.

The use of the Net Proceeds is in accordance with the intended use and percentage allocated as stated in the Company’s announcement dated 6 December 2021.

The Company will make periodic announcements via SGXNet as and when the balance of the Net Proceeds is materially utilised,

13. Requirement under Rule 705(5) of the Listing Manual

On behalf of the Board, we hereby confirm to the best of our knowledge that nothing has come to the attention of the Board which may render the unaudited financial statements and dividend announcement for the third quarter and nine months ended 31 March 2022 to be false or misleading in any material aspect.

On behalf of the Board

Pang Kee Chai, Jeffrey
Vice Chairman and Executive Director

Yu Jinfeng
Chairman and Non-Executive Independent Director

14. 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
Vice Chairman and Executive Director
12 May 2022
