
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2023

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 Catalist.

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	10-18
F	Other information required pursuant to Appendix 7C of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst (" Catalist Rules ")	19-22

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

Consolidated Statement of Comprehensive Income	Note	Unaudited 2H FY2023 ¹ US\$'000	Unaudited 2H FY2022 ² US\$'000	Change %	Unaudited FY2023 ³ US\$'000	Audited FY2022 ⁴ US\$'000	Change %
Oil sale	2.5.1	1,331	1,732	(23)	3,315	3,003	10
Investment income	2.5.1	-	-	-	-	53	NM ⁵
Total revenue		1,331	1,732	(23)	3,315	3,056	8
Cost of sales*		(1,332)	(887)	50	(2,498)	(1,743)	43
Gross (loss)/profit		(1)	845	NM ⁵	817	1,313	(38)
<i>Other items of income</i>							
Interest income		-	1	NM ⁵	1	2	(50)
Other income		6	13	(54)	7	17,654	(100)
<i>Other items of expense</i>							
Administrative expenses		(1,101)	(914)	20	(2,124)	(2,596)	(18)
Finance costs		(232)	(108)	>100	(409)	(193)	>100
Other (charges)/gains		(33)	(165)	(80)	17	(1,313)	NM ⁵
(Loss)/profit before income tax	2.7	(1,361)	(328)	>100	(1,691)	14,867	NM ⁵
Income tax credit/(expense)	2.8	240	(281)	NM ⁵	42	(160)	NM ⁵
Total comprehensive (loss)/income for the financial period/year, representing net (loss)/profit for the financial period/year	2.7	(1,121)	(609)	84	(1,649)	14,707	NM ⁵
Total comprehensive (loss)/income, representing net (loss)/profit attributable to:							
Owners of the Company		(1,121)	(606)	85	-	14,714	NM ⁵
Non-controlling interests		-	(3)	NM ⁵	-	(7)	NM ⁵
		(1,121)	(609)	84	(1,649)	14,707	NM ⁵

*Cost of sales includes non-cash depletion of Oil and Gas properties:

2H FY2023: US\$0.78M

2H FY2022: US\$0.39M

FY2023: US\$1.375M

FY2022: US\$0.782M

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

	Note	Unaudited 2H FY2023 ¹ US\$'000	Unaudited 2H FY2022 ² US\$'000	Change %	Unaudited FY2023 ³ US\$'000	Audited FY2022 ⁴ US\$'000	Change %
Other income							
Gain on recovery of loan to associate		-	-	-	-	153	NM ⁵
Gain on settlement of bank loan		-	-	-	-	17,481	NM ⁵
Other income		6	12	(50)	7	19	(64)
Write-back of other payables		-	1	NM ⁵	-	1	NM ⁵
		6	13	(54)	7	17,654	(100)
Finance costs							
Interest expense		(232)	(108)	>100	(409)	(193)	>100
Other (charges)/gains							
Allowance for obsolescence		-	(3)	NM ⁵	-	(241)	NM ⁵
Foreign exchange gain/(loss), net		(30)	(97)	(69)	27	(9)	NM ⁵
Loss on disposal of other property, plant and equipment		-	-	-	(4)	-	NM ⁵
Other property, plant and equipment written off		-	(6)	NM ⁵	-	(6)	NM ⁵
Net fair value changes in investment securities carried at fair value through profit or loss		(1)	(3)	(67)	(4)	(5)	(20)
Provision of impairment on other receivables		(2)	(56)	(96)	(2)	(1,052)	(100)
		(33)	(165)	(80)	17	(1,313)	NM ⁵

¹ "2H FY2023": Six-month financial period from 1 January 2023 to 30 June 2023

² "2H FY2022": Six-month financial period from 1 January 2022 to 30 June 2022

³ "FY2023": Financial year from 1 July 2022 to 30 June 2023

⁴ "FY2022": Financial year from 1 July 2021 to 30 June 2022

⁵ "NM": Not Meaningful

B. Condensed interim statements of financial position

	Note	Group		Company	
		Unaudited 30-Jun-23 US\$'000	Audited 30-Jun-22 US\$'000	Unaudited 30-Jun-23 US\$'000	Audited 30-Jun-22 US\$'000
Statements of Financial Position					
ASSETS					
Non-Current Assets					
Exploration, evaluation and development assets		11,203	12,695	-	-
Oil and gas properties		58,959	56,920	-	-
Other property, plant and equipment		1,156	1,188	-	-
Right-of-use assets		192	-	192	-
Investments in subsidiaries corporations		-	-	59,217	58,932
Total Non-Current Assets		71,510	70,803	59,409	58,932
Current Assets					
Inventories		1,828	1,819	-	-
Trade and other receivables	2.12	1,239	1,768	977	1,343
Investment securities	2.11	-	9	-	-
Cash and bank balances		1,324	1,413	276	646
Total Current Assets		4,391	5,009	1,253	1,989
Total Assets		75,901	75,812	60,662	60,921
EQUITY AND LIABILITIES					
Equity					
Share capital	2.14	150,083	150,083	150,083	150,083
Accumulated losses		(114,654)	(113,005)	(91,047)	(89,889)
Equity attributable to owners of the Company		35,429	37,078	59,036	60,194
Total Equity		35,429	37,078	59,036	60,194
Non-Current Liabilities					
Provision for restoration costs		2,891	2,091	-	-
Deferred tax liabilities		34,025	34,201	-	-
Lease liabilities		6	-	6	-
Total Non-Current Liabilities		36,922	36,292	6	-
Current Liabilities					
Trade and other payables		3,306	2,231	1,438	727
Bank borrowings	2.13	-	110	-	-
Lease liabilities		182	-	182	-
Income tax payables		62	101	-	-
Total Current Liabilities		3,550	2,442	1,620	727
Total Liabilities		40,472	38,734	1,626	727
Total Equity and Liabilities		75,901	75,812	60,662	60,921

C. Condensed interim consolidated statement of cash flows

	Unaudited FY2023 US\$'000	Audited FY2022 US\$'000
Consolidated Statement of Cash Flows		
Operating activities		
(Loss)/profit before income tax	(1,691)	14,867
Adjustments for:		
Net fair value changes in investment securities carried at fair value through profit or loss	4	5
Depreciation of other property, plant and equipment	43	83
Depreciation of right-of-use assets	150	-
Depletion of oil and gas properties	1,375	782
Allowance for obsolescence	-	241
Gain on settlement of bank loan	-	(17,481)
Gain on recovery of loan to associate	-	(153)
Other property, plant and equipment written off	-	6
Loss on disposal of other property, plant and equipment	4	-
Provision of impairment on other receivables	2	1,052
Gain on sales of investment securities carried at fair value through profit or loss	(2)	-
Finance expense	409	193
Interest income	(1)	(2)
Share-based payment expenses	-	96
Operating cash flows before working capital changes	293	(311)
Working capital changes:		
Inventories	(9)	(111)
Trade and other receivables	109	(184)
Trade and other payables	560	595
Cash generated from/(used in) operations	953	(11)
Interest received	1	2
Income tax paid	(173)	(29)
Net cash generated from/(used in) operating activities	781	(38)
Investing activities		
Purchase of other property, plant and equipment	(1,506)	(88)
Additions to oil and gas properties	(15)	(1,246)
Loan to associate	-	(502)
Repayment of loan receivables	-	153
Deposit from disposal of associated company	418	30
Proceeds from sales of investment securities	7	-
Net cash used in investing activities	(1,096)	(1,653)
Financing activities		
Bank borrowing	-	110
Interest paid	-	(18)
Loan facility	503	-
Net proceeds from issuance of ordinary shares including share issuance expenses	-	3,203
Repayment of bank borrowings	(110)	(1,113)
Repayment of lease liabilities	(167)	-
Net cash generated from financing activities	226	2,182
Net change in cash and cash equivalents	(89)	491
Cash and cash equivalents at beginning of financial year	1,413	922
Cash and cash equivalents at end of financial year	1,324	1,413

D. Condensed interim statements of changes in equity

Statement of Changes in Equity	Note	Equity attributable to owners of the Company		
		Share capital US\$'000	Accumulated losses US\$'000	Total equity US\$'000
Group				
Balance at 1 July 2022 (audited)	2.15	150,083	(113,005)	37,078
Loss for the financial year		-	(1,649)	(1,649)
Total comprehensive loss for the financial year		-	(1,649)	(1,649)
Balance at 30 June 2023 (unaudited)		150,083	(114,654)	35,429

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

		Equity attributable to owners of the Company					
Statement of Changes in Equity		Share capital	Other reserve	Accumulated losses	Total	Non-controlling interests	Total equity
Group	Note	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 year		-	-	14,714	14,714	(7)	14,707
Total comprehensive income/(loss) for the financial year		-	-	14,714	14,714	(7)	14,707
Deconsolidation of a subsidiary corporation arising from liquidation		-	5,102	(5,102)	-	-	-
Issuance of shares		3,299	-	-	3,299	-	3,299
Balance at 30 June 2022 (audited)		150,083	-	(113,005)	37,078	-	37,078

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

Statement of Changes in Equity				
Company	Note	Share capital US\$'000	Accumulated losses US\$'000	Total equity US\$'000
Balance at 1 July 2022 (audited)	2.15	150,083	(89,889)	60,194
Loss for the financial year, representing total comprehensive loss for the financial year		-	(1,158)	(1,158)
Balance at 30 June 2023 (unaudited)		150,083	(91,047)	59,036

Statement of Changes in Equity				
Company	Note	Share capital 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 year, representing total comprehensive loss for the financial year		-	(2,395)	(2,395)
Issuance of shares		3,299	-	3,299
Balance at 30 June 2022 (audited)		150,083	(89,889)	60,194

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 six months and full financial year ended 30 June 2023 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 2023 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 2022.

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 full financial year ended 30 June 2022, 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 2023 are presented in United States dollar which is the Company’s functional currency.

Going concern

The Group recorded net loss of US\$1,649,000 and net cash generated from operating activities of US\$781,000 for the full financial year ended 30 June 2023, and as of that date, the Group’s current assets exceeded its current liabilities by US\$841,000.

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 six months and full financial year ended 30 June 2023 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 2022. 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 financial year ended 30 June 2022.

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 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 FY2023 (unaudited)	Oil and Gas	Investment and Trading	Unallocated	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Revenue				
- Sales to external customers	1,331	-	-	1,331
Results				
Segment results	(1)	-	-	(1)
Other income	6	-	-	6
Other charges	-	(33)	-	(33)
Finance costs	(219)	-	(13)	(232)
Administrative and other expenses	(644)	(116)	(341)	(1,101)
Loss before income tax				(1,361)
Income tax credit				240
Loss for the financial period				(1,121)
FY2023 (unaudited)	Oil and Gas	Investment and Trading	Unallocated	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Revenue				
- Sales to external customers	3,315	-	-	3,315
Results				
Segment results	817	-	-	817
Interest income	-	-	1	1
Other income	5	2	-	7
Other (charges)/gains	(4)	21	-	17
Finance costs	(384)	-	(25)	(409)
Administrative and other expenses	(1,118)	(362)	(644)	(2,124)
Loss before income tax				(1,691)
Income tax credit				42
Loss for the financial year				(1,649)

2H FY2022 (unaudited)	Oil and Gas	Investment and Trading	Unallocated	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Revenue				
- Sales to external customers	1,732	-	-	1,732
Results				
Segment results	845	-	-	845
Interest income	-	-	1	1
Other income	13	-	-	13
Other charges	(3)	(67)	(95)	(165)
Finance costs	(103)	-	(5)	(108)
Administrative and other expenses	(356)	(262)	(296)	(914)
Loss before income tax				(328)
Income tax expense				(281)
Loss for the financial period				(609)
FY2022 (audited)	Oil and Gas	Investment and Trading	Unallocated	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Revenue				
- Sales to external customers	3,003	53	-	3,056
Results				
Segment results	1,260	53	-	1,313
Interest income	-	-	2	2
Other income	17,501	153	-	17,654
Other charges	(241)	(1,066)	(6)	(1,313)
Finance costs	(184)	-	(9)	(193)
Administrative and other expenses	(1,653)	(377)	(566)	(2,596)
Profit before income tax				14,867
Income tax expense				(160)
Profit for the financial year				14,707

2.5.2 Disaggregation of Revenue

Revenue information based on geographical segments are as follows:

	Revenue 6 months ended 30 June 2023		
	Singapore US\$'000	Thailand US\$'000	Total US\$'000
Sales of crude oil ^(a)	-	1,331	1,331
Total	-	1,331	1,331

	Revenue 6 months ended 30 June 2022		
	Singapore US\$'000	Thailand US\$'000	Total US\$'000
Sales of crude oil ^(a)	-	1,732	1,732
Total	-	1,732	1,732

	Revenue 12 months ended 30 June 2023		
	Singapore US\$'000	Thailand US\$'000	Total US\$'000
Sales of crude oil ^(a)	-	3,315	3,315
Total	-	3,315	3,315

	Revenue 12 months ended 30 June 2022		
	Singapore US\$'000	Thailand US\$'000	Total US\$'000
Interest income ^(b)	53	-	53
Sales of crude oil ^(a)	-	3,003	3,003
Total	53	3,003	3,056

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

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

2.5.3 A breakdown of sales

	Group		
	FY2023 US\$'000	FY2022 US\$'000	Increase / (Decrease) %
Sales reported for first half year	1,984	1,324	50
Operating (loss)/profit after tax before deducting non-controlling interests reported for first half year	(528)	15,316	NM
Sales reported for second half year	1,331	1,732	(23)
Operating loss after tax before deducting non-controlling interests reported for second half year	(1,121)	(609)	>100

NM: Not Meaningful

2.6 Financial assets and financial liabilities

The following table sets out the financial instruments as at the end of 30 June 2023 and 30 June 2022:

	Group		Company	
	30 June 2023 US\$'000 (Unaudited)	30 June 2022 US\$'000 (Audited)	30 June 2023 US\$'000 (Unaudited)	30 June 2022 US\$'000 (Audited)
Financial assets				
Cash and bank balances	1,324	1,413	276	646
Fair value through profit or loss (FVPL)	-	9	-	-
Trade and other receivables	1,185	1,712	955	1,314
	2,509	3,134	1,231	1,960
Financial liabilities				
Borrowings	-	110	-	-
Lease liability	188	-	188	-
Trade and other payables	3,306	2,231	1,438	727
	3,494	2,341	1,626	727

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			
	2H FY2023 US\$'000	2H FY2022 US\$'000	FY2023 US\$'000	FY2022 US\$'000
Expenses by nature				
Audit fees				
- Auditors of the Company	43	46	82	76
- Other auditors	-	6	-	6
Depreciation of other property, plant and equipment	21	39	43	83
Depreciation of right-of-use assets	86	-	150	-
Depletion of oil and gas properties	783	393	1,375	782
Thailand Petroleum royalties and other government taxes	67	86	166	150
Directors' fees	67	81	135	137
Employee benefits expense				
- Salaries, bonuses and other short-term benefits	609	451	1,255	1,731
- Defined contributions plan expenses	27	25	46	40
Production expense	452	345	887	717
Professional fees	63	102	128	209
Transportation	32	29	71	59
Rental expense – short term lease	12	13	24	26
Other expenses	171	185	260	323
Total cost of sales and administrative expenses	2,433	1,801	4,622	4,339

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

	Group			
	2H FY2023 US\$'000	2H FY2022 US\$'000	FY2023 US\$'000	FY2022 US\$'000
Current tax				
- current financial period/year	65	102	135	122
- overprovision in prior periods/years	-	-	-	1
Deferred tax				
- current financial period/year	(305)	179	(177)	37
	(240)	281	(42)	160

2.9 (Loss)/earnings per share

(Loss)/earnings per share of the Group based on (loss)/profit attributable to owners of the Company	2H FY2023	2H FY2022	FY2023	FY2022
- Basic (US cents)	(0.013)	(0.008)	(0.019)	0.19
- On a fully diluted basis (US cents)	(0.013)	(0.008)	(0.019)	0.19

Notes:

The basic and diluted loss per share for 2H FY2023 and FY2023 are calculated based on 8,552,537,811 weighted average number of ordinary shares in issue. The basic and diluted earnings per share for 2H FY2022 and FY2022 are calculated based on 7,787,810,980 weighted average number of ordinary shares in issue.

Diluted (loss)/earnings per share for FY2023, 2H FY2022 and FY2022 is the same as the basic (loss)/earnings per share because the potential ordinary shares to be converted are anti-dilutive. Diluted loss per share for 2H FY2023 is the same as the basic loss per share because there are no potential ordinary shares to be converted that were outstanding during 2H FY2023.

2.10 Net Asset Value

	Group		Company	
	30-Jun-23	30-Jun-22	30-Jun-23	30-Jun-22
Net asset value per share (US cents)	0.41	0.43	0.69	0.70

Note:

The net asset value per share as at 30 June 2023 and 30 June 2022 are calculated based on 8,552,538,955 and 8,552,536,455 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 2023				
Financial asset, at FVPL	-	-	-	-
As at 30 June 2022				
Financial asset, at FVPL	9	-	-	9

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 the loan extended by the Group to an associated company for general working capital purposes, 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 the aforementioned loan) amounting to US\$1,052,000 was made in FY2022.

An additional impairment loss on other receivables of US\$1,800 was made during FY2023.

2.13 Borrowings

Group	Maturity	Current	Non-current	Total
		US\$'000	US\$'000	US\$'000
As at 30 June 2023				
<u>Secured</u>				
Thailand HSBC Loan	On demand	-	-	-
As at 30 June 2022				
<u>Secured</u>				
Thailand HSBC Loan	On demand	110	-	110

Thailand HSBC Loan

This loan is in relation to the Thailand Operations (as defined below). During FY2022, the Thailand Operations utilised its existing credit facilities to finance the drilling of new wells. The loan has been fully repaid in July 2022.

2.14 Share capital

	Group and Company			
	30 June 2023		30 June 2022	
	Number of shares	US\$'000	Number of shares	US\$'000
Issued and fully paid ordinary shares				
At beginning of financial year	8,552,536,455	150,083	6,867,914,879	146,784
Issuance of ordinary shares	2,500	-*	1,684,621,576	3,245
Share awards vested	-	-	-	96
Share issue expense	-	-	-	(42)
At end of financial year	8,552,538,955	150,083	8,552,536,455	150,083

*less than US\$1,000

Outstanding convertibles

	Number of outstanding convertibles
Warrants:	
- As at 30 June 2023	-
- As at 30 June 2022	487,502,256

Save for the above, there were no other outstanding convertibles as at 30 June 2023 and 30 June 2022.

The Company did not have any treasury shares or subsidiary holdings as at 30 June 2023, 31 December 2022 and 30 June 2022.

2.15 Subsequent events

- (a) On 23 July 2023, the Company entered into four (4) placement agreements ("**Placement Agreements**") separately with four (4) individual placees. Subject to and upon the terms of the Placement Agreements, the Company has agreed to allot and issue, and the placees have agreed to subscribe and pay for, an aggregate of 1,500,000,000 new ordinary shares in the capital of the Company ("**Placement Shares**") at S\$0.002 per Placement Share, amounting to an aggregate placement consideration of approximately S\$3.00 million (equivalent to approximately US\$2.27 million based on an exchange rate of US\$1.32 : S\$1.00) (the "**Proposed Placement**").

On 21 August 2023, the Company entered into a supplemental agreement with each of the four (4) individual placees to extend the date of payment of their respective subscription consideration, the completion date of the Proposed Placement and the long-stop date of the Placement Agreement. Pursuant to the terms and conditions of the Placement Agreements (as supplemented by the supplemental agreements), completion of the Proposed Placement shall take place by 25 September 2023 (or such other date as the parties to the Placement Agreements may agree in writing), and the long-stop date, in any event, shall be before 30 September 2023.

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.

The Directors are also of the view that the Proposed Placement is necessary and beneficial to the Group in view of continuing global uncertainties plagued by weak economic outlook on the back of high inflation and interest rates as well as the protracted Russia-Ukraine war. Should the global situation continue to deteriorate and further affect the market sentiment, the Company may not be able to raise funds when required.

For more information on the Proposed Placement, please refer to the Company's announcements dated 25 July 2023 and 22 August 2023.

- (b) The Company refers to Note 22 of the latest annual audited consolidated financial statements of the Group for FY2022, which stated that on 30 January 2022, the Group entered into a sales and purchase agreement ("**Agreement**") to sell its 40% interest in Preferred Mart Pte. Ltd. ("**Preferred Mart**"), an associated company of the Group, to an unrelated third party ("**Buyer**") in view that its businesses have not performed to expectations ("**Disposal**").

The transaction amount of the Agreement is (i) the consideration for the sale and purchase of the 40,000 ordinary shares of S\$40,000 (equivalent to approximately US\$29,000) ("**Sale Consideration**"); and (ii) full and final settlement of S\$2,560,000 (equivalent to approximately US\$1,856,000) ("**Settlement Amount**") (together with the Sale Consideration, "**Transaction Amount**"). The Transaction Amount shall be payable by the Buyer to the Company in eight (8) tranches and the completion of the Disposal will take place following the payment of the first two (2) tranches amounting to an aggregate of S\$2,000,000 (equivalent to approximately US\$1,450,000) as set out in the Agreement.

On 30 June 2023, the Group entered into a supplemental sales and purchase agreement ("**Supplemental Agreement**") with the Buyer to vary the terms and conditions of the Agreement.

The variations of the Supplemental Agreement are such that:

- (i) The Settlement Amount shall be reduced from S\$2,560,000 to S\$2,000,000 to be fully paid in cash to the Group.
- (ii) The Settlement Amount shall be repayable by the Buyer to the Group in two (2) tranches on or before 31 July 2023 instead of eight (8) tranches as set out in the Agreement.

As at the date of this report, the Group has received the full Transaction Amount (comprising the Sale Consideration and the Settlement Amount) as set out under the Agreement (as supplemented by the Supplemental Agreement). The Company is in the midst of the completing the administrative procedures to effect the completion of the Disposal.

The Disposal constitutes a "non-discloseable" transaction under Chapter 10 of the Catalyst Rules. The Company had fully impaired its investments in Preferred Mart in the financial year ended 30 June 2021. The Disposal has no material impact on the earnings per share and net tangible assets per share of the Company and the Group for FY2023 and FY2022, and is not expected to have any material impact on the earnings per share and net tangible assets per share of the Company as well as the Group for the current financial year ending 30 June 2024. The Group has not recognised its share of losses from Preferred Mart for FY2023 and FY2022 as the Group's cumulative share of losses exceed its interest in that entity and the Group has no obligation in respect of those accumulated losses at the respective reporting dates.

Save as disclosed above, 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 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.

The unaudited consolidated financial statements of the Group for FY2023 as set out in this announcement, are in line with the profit guidance announcement for FY2023 released by the Company on 18 August 2023.

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.

Not applicable. The Group's latest audited consolidated financial statements for the financial year ended 30 June 2022 are not subject to an adverse opinion, qualified opinion or disclaimer of opinion issued by the Company's auditors.

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

Oil prices are expected to remain volatile with the changes in world production and consumption which could result in significant differences in oil prices. In its forecast report entitled "Short-Term Energy Outlook" that was released in July 2023, the U.S Energy Information Administration ("EIA") had forecasted that the Brent crude oil price will increase to mid-US\$80 per barrel by the end of 2024, up from June 2023 average US\$75 per barrel¹. On 4 June 2023, OPEC+ members agreed to extend crude oil production cuts through the end of 2024¹. The continuous oil production cuts signal strong commitment and signals that oil prices will continue to be supported¹.

The joint operators of the Group's 20% stake in the Thailand onshore oil concessions located in Phetchabun Basin (the "Thailand Operations") are continuing their efforts to improve oil production and efficiency from existing producing wells through additional workovers after the drilling campaign that was completed in 2H FY2023. One of the wells drilled tested for free flowing gas. Gas sales is being planned, to monetise the gas found together with existing gas reserves. Another well encountered oil shows and further tests have been planned, pending governmental approvals and logistics. The additional workovers and further testing are 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 Thailand Operations.

Investment and trading-related activities

The Group's investment business will progress more cautiously as market sentiments continue to be weak in fear of a global recession as worldwide large corporations are laying off staffs and cutting costs.

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.

¹ <https://www.eia.gov/outlooks/steo/>

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 FY2023 as the Group conserves its funds for working capital purposes.

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 FY2023 and FY2022.

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 FY2023 vs FY2022

Consolidated Statement of Comprehensive Income

Revenue increased by US\$0.26M or 8%, from US\$3.06M in FY2022 to US\$3.32M in FY2023, due to the increase in revenue from the oil and gas business segment. The increase in revenue from the oil and gas business segment was mainly due to the increase in the Group's share of oil production volume from the Thailand Operations of 3,783 barrels, from 35,510 barrels in FY2022 to 39,293 barrels in FY2023. The impact of the aforementioned increase in the Group's share of oil production was partially offset by the decrease in the average oil price from US\$91.14 per barrel in FY2022 to US\$85.00 per barrel in FY2023. Investment income, relating to the interest income earned from the loan extended to the Company's associate company, Preferred Mart, was absent in FY2023, as compared to US\$53,000 recorded in FY2022. This was due to the loan extended to Preferred Mart having been fully impaired by the Group and the Company in FY2022 as a result of a one-off full impairment of the loan.

Cost of sales, relating to the cost of oil and gas sold, increased by US\$0.76M or 43%, from US\$1.74M in FY2022 to US\$2.50M in FY2023. The increase was mainly due to an increase of US\$0.59M in non-cash depletion of Oil and Gas properties. The rise in cost of sales was otherwise, in line with the increase in revenue from the increase in oil sale, as well as the increase in material costs in FY2023.

As a result of the above, gross profit reduced by US\$0.49M, from US\$1.31M in FY2022 to US\$0.82M in FY2023.

Other income decreased by US\$17.65M, from US\$17.66M in FY2022 to approximately US\$7K in FY2023. Other income in FY2022 comprised mainly (i) a one-off gain on settlement of the term loan with OCBC Bank amounting to US\$17.48M; and (ii) a one-off gain on recovery of the loan extended to the Company's associate company, FIT Global Pte. Ltd., amounting to US\$0.15M. Such one-off gains were absent in FY2023. Other income in FY2023 comprised government grants and sales of FVTPL amounting to an aggregate of approximately US\$7K.

Administrative expenses decreased by US\$0.48M, from US\$2.60M in FY2022 to US\$2.12M in FY2023, mainly due to a decrease in staff costs. Depreciation of right-of-use assets of US\$0.15M was recorded in FY2023 to account for a new office lease (FY2022: US\$nil).

Finance costs increased by US\$0.22M, from US\$0.19M in FY2022 to US\$0.41M in FY2023, mainly due to (i) an increase of unwinding of discount on provisions for restoration costs in relation to the Thailand Operations amounting to US\$0.22M; and (ii) an increase of interest expense on lease liabilities of US\$0.01M, which were partially offset against the decrease in repayment of bank interest of US\$0.02M.

The Group recorded other gains of US\$0.02M in FY2023, as compared to other charges of US\$1.31M in FY2022. Other charges in FY2022 comprised mainly (i) a one-off provision of impairment on other receivables of US\$1.05M (please refer to Note 2.12 under Section E to this set of condensed interim consolidated financial statements for more information); and (ii) a one-off allowance for obsolescence of drilling equipment and spare parts in relation to the Thailand Operations of US\$0.24M. Such one-off charges were absent in FY2023. Other gains in FY2023 comprised net foreign exchange gain of US\$0.03M, partially offset against the loss on disposal of other property, plant and equipment, net fair value changes in investment

securities carried at fair value through profit or loss and a one-off provision of impairment on other receivables, of which their respective amounts were insignificant.

The income tax credit of US\$0.04M recorded in FY2023 arose from the write-back of tax provision for the Thailand Operations.

As a result of the above, the Group recorded a loss after income tax of US\$1.65M in FY2023, as compared to a profit after income tax of US\$14.71M in FY2022.

Consolidated Statement of Financial Position

The Group's non-current assets increased by US\$0.71M, from US\$70.80M as at 30 June 2022 to US\$71.51M as at 30 June 2023, mainly attributable to (i) the overall increase in oil and gas properties of US\$2.04M due to the reclassification of exploration, evaluation and development assets, and additions of oil and gas properties; and (ii) the recognition of right-of-use assets of US\$0.19M as a result of the new lease for the Company's new office. The above increases were partially offset by the decrease in (i) exploration, evaluation and development assets of US\$1.49M mainly due to reclassification to oil and gas properties in FY2023; and (ii) other property, plant and equipment of US\$0.03M due to an increase in depreciation charges.

The Group's current assets decreased by US\$0.62M, from US\$5.01M as at 30 June 2022 to US\$4.39M as at 30 June 2023. The decrease was due to (i) the decrease in cash and cash equivalents of US\$0.09M (please refer to the explanation of cash and cash equivalents under consolidated statement of cash flows below); and (ii) the decrease in trade and other receivables of US\$0.53M due to the partial receipt of the Transaction Amount for the Disposal of Preferred Mart and the decrease in trade receivables of the Group.

The Group's non-current liabilities increased by US\$0.63M, from US\$36.29M as at 30 June 2022 to US\$36.92M as at 30 June 2023. This was mainly due to (i) the increase in provision for restoration costs in relation to the Thailand Operations of US\$0.8M; and (ii) the recognition of lease liabilities of US\$0.006M as a result of a new office lease. The abovementioned was partially offset against the decrease in deferred tax liabilities of US\$0.18M in relation to the Thailand Operations.

The Group's current liabilities increased by US\$1.11M, from US\$2.44M as at 30 June 2022 to US\$3.55M as at 30 June 2023. This was mainly due to (i) the increase in trade and other payables of US\$1.08M, largely attributable to the increase in working capital loan, accruals, other payables and management fee payable to the main operator and the 60% interest holder of the Thailand Operations; and (ii) the recognition of lease liability of US\$0.18M as a result of a new office lease. The increase was partially offset against (i) the repayment of the Thailand HSBC loan of US\$0.11M in relation to Thailand Operations in July 2022; and (ii) the decrease in income tax payables of US\$0.04M in relation to the Thailand Operations.

The Group reported a positive working capital position of US\$0.84M as at 30 June 2023, as compared to a positive working capital position of US\$2.57M as at 30 June 2022.

Consolidated Statement of Cash Flows

The Group generated net cash of US\$0.78M from its operating activities in FY2023, as compared to net cash used in operating activities of US\$0.04M in FY2022. The Group recorded operating cash inflows before working capital changes of US\$0.29M. The main movements of the cash flows from operating activities in FY2023 comprised (i) the decrease in trade and other receivables of US\$0.11M; and (ii) the increase in trade and other payables of US\$0.56M. Income tax of US\$0.17M was paid in FY2023.

The Group used net cash of US\$1.10M for its investing activities in FY2023. This was due to (i) the additions to oil and gas properties of US\$0.02M as a result of the evaluation work performed in relation to the Thailand Operations; and (ii) the additions to other property, plant and equipment of US\$1.51M, partially offset by the deposit from disposal of Preferred Mart of US\$0.42M and proceeds from sales of investment securities of approximately US\$7K.

The Group generated net cash of US\$0.23M from its financing activities in FY2023. This was due to drawn down of a loan facility of US\$0.50M, partially offset by (i) repayment of lease liability amounting to US\$0.17M; and (ii) repayment of bank borrowings of US\$0.11M in relation to the Thailand Operations.

As a result of the above, cash and cash equivalents decreased by US\$0.09M from US\$1.41M as at 1 July 2022 to US\$1.32M as at 30 June 2023.

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.

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 30 June 2023.

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 2023 to 30 June 2023 (“4Q2023”) 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 2023 to 30 September 2023 (“1Q2024”) 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 of directors of the Company (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”). A drilling campaign for the Concessions was completed in 2H FY2023. Additional workovers and further testing of the wells drilled are being planned and are 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 4Q2023 and 1Q2024, respectively.

Save as disclosed above, the Group does not have any exploration, development and/or production activities for 4Q2023 and is not expected to incur any expenditure for such activities for 1Q2024.

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
Vice Chairman and Executive Director
24 August 2023