
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED 30 JUNE 2024

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

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

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CAPALLIANZ HOLDINGS LIMITED
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

Consolidated Statement of Comprehensive Income	Note	Unaudited 2H FY2024 ¹ US\$'000	Unaudited 2H FY2023 ² US\$'000	Change %	Unaudited FY2024 ³ US\$'000	Audited FY2023 ⁴ US\$'000	Change %
Oil sale	2.5.1	1,182	1,331	(11)	2,737	3,315	(17)
Technical services	2.5.1	969	-	NM ⁵	1,419	-	NM ⁵
Total revenue		2,151	1,331	62	4,156	3,315	25
Cost of sales*		(1,332)	(1,332)	0	(2,512)	(2,498)	1
Gross profit/(loss)		819	(1)	NM ⁵	1,644	817	>100
<i>Other items of income</i>							
Interest income		1	-	NM ⁵	2	1	100
Other income		1	4	(75)	184	5	>100
<i>Other items of expense</i>							
Administrative expenses		(995)	(1,101)	(10)	(2,182)	(2,124)	(3)
Finance costs		(233)	(232)	NM ⁵	(322)	(409)	(21)
Other charges/gains		(103)	(31)	>100	(57)	19	>(100)
Loss before income tax	2.7	(510)	(1,361)	(63)	(731)	(1,691)	(57)
Income tax credit	2.8	333	240	39	298	42	>100
Total comprehensive loss for the financial period/year, representing net loss for the financial period/year	2.7	(177)	(1,121)	(84)	(433)	(1,649)	(74)
Total comprehensive loss, representing net loss attributable to:							
Owners of the Company		(177)	(1,121)	NM ⁵	(433)	(1,649)	NM ⁵
Non-controlling interests		-	-	-	-	-	-
		(177)	(1,121)	(84)	(433)	(1,649)	(74)

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

2H FY2024: US\$0.563M

2H FY2023: US\$0.783M

FY2024: US\$1.139M

FY2023: US\$1.375M

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

	Note	Unaudited 2H FY2024 ¹ US\$'000	Unaudited 2H FY2023 ² US\$'000	Change %	Unaudited FY2024 ³ US\$'000	Audited FY2023 ⁴ US\$'000	Change %
Other income							
Gain on recovery of loan to then-associated companies		-	-	-	171	-	NM ⁵
Other income		1	4	(75)	13	5	>100
		1	4	(75)	184	5	>100
Finance costs							
Interest expense		(233)	(232)	NM ⁵	(322)	(409)	(21)
Other charges/gains							
Foreign exchange (loss)/gain, net		(100)	(30)	>100	(54)	27	NM ⁵
Gain on sale of financial assets, at FVPL		-	2	NM ⁵	-	2	NM ⁵
Other property, plant and equipment written off		-	-	-	-	(3)	NM ⁵
Loss on disposal of other property, plant and equipment		-	-	-	-	(1)	NM ⁵
Other provision		(3)	-	NM ⁵	(3)	-	NM ⁵
Net fair value changes in investment securities carried at fair value through profit or loss		-	(1)	NM ⁵	-	(4)	NM ⁵
Provision of impairment on other receivables		-	(2)	NM ⁵	-	(2)	NM ⁵
		(103)	(31)	>100	(57)	19	NM ⁵

¹ "2H FY2024": Six-month financial period from 1 January 2024 to 30 June 2024

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

³ "FY2024": Financial year from 1 July 2023 to 30 June 2024

⁴ "FY2023": Financial year from 1 July 2022 to 30 June 2023

⁵ "NM": Not Meaningful

B. Condensed interim statements of financial position

	Note	Group		Company	
		Unaudited 30-Jun-24 US\$'000	Audited 30-Jun-23 US\$'000	Unaudited 30-Jun-24 US\$'000	Audited 30-Jun-23 US\$'000
Statements of Financial Position					
ASSETS					
Non-Current Assets					
Exploration, evaluation and development assets		9,712	11,203	-	-
Oil and gas properties		59,582	58,959	-	-
Other property, plant and equipment		1,155	1,156	-	-
Right-of-use assets		389	192	389	192
Investments in subsidiaries corporations		-	-	59,616	59,217
Total Non-Current Assets		70,838	71,510	60,005	59,409
Current Assets					
Inventories		1,840	1,828	-	-
Trade and other receivables	2.11	1,707	1,239	1,102	977
Cash and bank balances		1,248	1,324	-	276
Total Current Assets		4,795	4,391	1,102	1,253
Total Assets		75,633	75,901	61,107	60,662
EQUITY AND LIABILITIES					
Equity					
Share capital	2.12	150,083	150,083	150,083	150,083
Accumulated losses		(115,087)	(114,654)	(90,924)	(91,047)
Equity attributable to owners of the Company		34,996	35,429	59,159	59,036
Total Equity		34,996	35,429	59,159	59,036
Non-Current Liabilities					
Trade and other payables		-	503	-	503
Provision for restoration costs		3,295	2,891	-	-
Deferred tax liabilities		33,610	34,025	-	-
Lease liabilities		214	6	214	6
Total Non-Current Liabilities		37,119	37,425	214	509
Current Liabilities					
Trade and other payables		3,281	2,803	1,554	935
Lease liabilities		180	182	180	182
Income tax payables		57	62	-	-
Total Current Liabilities		3,518	3,047	1,734	1,117
Total Liabilities		40,637	40,472	1,948	1,626
Total Equity and Liabilities		75,633	75,901	61,107	60,662

C. Condensed interim consolidated statement of cash flows

	Unaudited FY2024 US\$'000	Audited FY2023 US\$'000
Consolidated Statement of Cash Flows		
Operating activities		
Loss before income tax	(731)	(1,691)
Adjustments for:		
Net fair value changes in investment securities carried at fair value through profit or loss	-	4
Depreciation of other property, plant and equipment	37	43
Depreciation of right-of-use assets	170	150
Depletion of oil and gas properties	1,109	1,375
Gain on lease modification	(6)	-
Gain on recovery of loan to then-associated companies	(171)	-
Gain on sale of financial assets, at FVPL	-	(2)
Impairment loss on financial assets	-	2
Other property, plant and equipment written off	-	3
Loss on disposal of other property, plant and equipment	-	1
Finance expense	322	409
Interest income	(2)	(1)
Operating cash flows before working capital changes	728	293
Working capital changes:		
Inventories	(12)	(9)
Trade and other receivables	(1,329)	109
Trade and other payables	(1,054)	560
Cash (used in)/generated from operations	(1,667)	953
Interest received	2	1
Income tax paid	(122)	(173)
Net cash (used in)/generated from operating activities	(1,787)	781
Investing activities		
Purchase of other property, plant and equipment	(36)	(1,506)
Additions to oil and gas properties	(120)	(15)
Repayment of loan from disposal of then-associated company	1,032	418
Proceeds from sales of investment securities	-	7
Net cash generated from/(used in) investing activities	876	(1,096)
Financing activities		
Interest paid	(9)	(13)
Amount due to non-related parties	999	503
Repayment of bank borrowings	-	(110)
Repayment of lease liabilities	(155)	(154)
Net cash generated from financing activities	835	226
Net change in cash and cash equivalents	(76)	(89)
Cash and cash equivalents at beginning of financial year	1,324	1,413
Cash and cash equivalents at end of financial year	1,248	1,324

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 2023 (audited)	2.13	150,083	(114,654)	35,429
Loss for the financial year		-	(433)	(433)
Total comprehensive loss for the financial year		-	(433)	(433)
Balance at 30 June 2024 (unaudited)		150,083	(115,087)	34,996

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)	2.13	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 (audited)		150,083	(114,654)	35,429

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 2023 (audited)	2.13	150,083	(91,047)	59,036
Profit for the financial year, representing total comprehensive income for the financial year		-	123	123
Balance at 30 June 2024 (unaudited)		150,083	(90,924)	59,159

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)	2.13	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 (audited)		150,083	(91,047)	59,036

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 2024 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 are:

- a) Exploration and production of oil and gas;
- b) Investment holding and trading (including services income); and
- c) Provision of technical services.

On 15 September 2023, the Group completed the disposal of its associated company, Preferred Mart Pte. Ltd..

2.1 Basis of preparation

The condensed interim consolidated financial statements for the six months and full financial year ended 30 June 2024 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 2023.

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 2023, 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 2024 are presented in United States dollar which is the Company’s functional currency.

Going concern

The Group recorded net loss of US\$433,000 and net cash used in operating activities of US\$1,787,000 for the full financial year ended 30 June 2024, and as of that date, the Group’s current assets exceeded its current liabilities by US\$1,277,000.

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 2024 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 2023. 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 full financial year ended 30 June 2023.

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 three operating and reportable segments:

- Segment 1: Oil and gas segment – Comprising exploration, development and production activities and drilling activities;
- 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; and
- Segment 3: Technical services segment – Comprising development of software and applications.

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 FY2024 (unaudited)	Oil and Gas	Technical Services	Investment and Trading	Unallocated	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Revenue					
- Sales to external customers	1,182	969	-	-	2,151
Results					
Segment results	(150)	969	-	-	819
Interest income	1	-	-	-	1
Other income	1	-	-	-	1
Other charges	(3)	(100)	-	-	(103)
Finance costs	(206)	-	-	(27)	(233)
Administrative and other expenses	(203)	(88)	-	(704)	(995)
Loss before income tax					(510)
Income tax credit					333
Loss for the financial period					(177)
FY2024 (unaudited)	Oil and Gas	Technical Services	Investment and Trading	Unallocated	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Revenue					
- Sales to external customers	2,737	1,419	-	-	4,156
Results					
Segment results	445	1,199	-	-	1,644
Interest income	1	-	-	1	2
Other income	13	-	-	171	184
Other charges	(3)	(54)	-	-	(57)
Finance costs	(383)	-	-	(39)	(322)
Administrative and other expenses	(1,206)	(234)	-	(742)	(2,182)
Loss before income tax					(731)
Income tax credit					298
Loss for the financial year					(433)

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	4	-	-	4
Other charges	-	(31)	-	(31)
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 (audited)	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	2	3	-	5
Other (charges)/gains	(4)	23	-	19
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)

2.5.2 Disaggregation of Revenue

Revenue information based on geographical segments are as follows:

	Revenue 6 months ended 30 June 2024			
	Singapore US\$'000	China US\$'000	Thailand US\$'000	Total US\$'000
Technical services ^(a)	900	69	-	969
Sales of crude oil ^(b)	-	-	1,182	1,182
Total	900	69	1,182	2,151

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

	Revenue 12 months ended 30 June 2024			
	Singapore US\$'000	China US\$'000	Thailand US\$'000	Total US\$'000
Technical services ^(a)	1,350	69	-	1,419
Sales of crude oil ^(b)	-	-	2,737	2,737
Total	1,350	69	2,737	4,156

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

- (a) The Group derives revenue from the technical services provided upon satisfaction of performance obligation and all customers are based in Singapore and China.
- (b) The Group derives revenue from the transfer of goods at point in time and all customers are based in Thailand.

2.5.3 A breakdown of sales

	Group		
	FY2024 US\$'000	FY2023 US\$'000	Increase / (Decrease) %
Sales reported for first half year	2,005	1,984	1
Operating loss after tax before deducting non-controlling interests reported for first half year	(256)	(528)	(52)
Sales reported for second half year	2,151	1,331	62
Operating loss after tax before deducting non-controlling interests reported for second half year	(177)	(1,121)	(84)

2.6 Financial assets and financial liabilities

The following table sets out the financial instruments as at the end of 30 June 2024 and 30 June 2023:

	Group		Company	
	30 June 2024 US\$'000 (Unaudited)	30 June 2023 US\$'000 (Audited)	30 June 2024 US\$'000 (Unaudited)	30 June 2023 US\$'000 (Audited)
Financial assets				
Cash and bank balances	1,248	1,324	-	276
Trade and other receivables	1,664	1,185	1,094	955
	<u>2,912</u>	<u>2,509</u>	<u>1,094</u>	<u>1,231</u>
Financial liabilities				
Lease liability	394	188	394	188
Trade and other payables	3,281	3,306	1,554	1,438
	<u>3,675</u>	<u>3,494</u>	<u>1,948</u>	<u>1,626</u>

2.7 Loss before taxation

2.7.1 Significant items

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

	Group			
	2H FY2024 US\$'000	2H FY2023 US\$'000	FY2024 US\$'000	FY2023 US\$'000
Expenses by nature				
Audit fees				
- Auditors of the Company	42	43	92	82
Depreciation of other property, plant and equipment	20	21	37	43
Depreciation of right-of-use assets	86	86	170	150
Depletion of oil and gas properties	533	783	1,109	1,375
Thailand Petroleum royalties and other government taxes	59	67	137	166
Directors' fees	68	67	135	135
Employee benefits expense				
- Salaries, bonuses and other short-term benefits	486	609	1,222	1,209
- Defined contributions plan expenses	40	27	57	46
Production expense	496	452	992	887
Professional fees	71	63	144	128
Transportation	24	32	54	71
Rental expense – short term lease	12	12	24	24
Other expenses	390	171	521	306
Total cost of sales and administrative expenses	<u>2,327</u>	<u>2,433</u>	<u>4,721</u>	<u>4,622</u>

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 FY2024 US\$'000	2H FY2023 US\$'000	FY2024 US\$'000	FY2023 US\$'000
Current tax				
- current financial period	59	65	117	135
Deferred tax				
- current financial period	(392)	(305)	(415)	(177)
	<u>(333)</u>	<u>(240)</u>	<u>(298)</u>	<u>(42)</u>

2.9 Loss per share

Loss per share of the Group based on loss attributable to owners of the Company	2H FY2024	2H FY2023	FY2024	FY2023
- Basic (US cents)	(0.002)	(0.013)	(0.005)	(0.019)
- On a fully diluted basis (US cents)	(0.002)	(0.013)	(0.005)	(0.019)

Notes:

The basic and diluted loss per share for 2H FY2024 and FY2024 are calculated based on 8,552,538,955 weighted average number of ordinary shares in issue. 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.

Diluted loss per share for FY2023 is the same as the basic loss per share because the potential ordinary shares to be converted are anti-dilutive. Diluted loss per share for 2H FY2024, FY2024 and 2H FY2023 is the same as the basic loss per share because there are no potential ordinary shares to be converted that were outstanding.

2.10 Net Asset Value

	Group		Company	
	30-Jun-24	30-Jun-23	30-Jun-24	30-Jun-23
Net asset value per share (US cents)	0.41	0.41	0.69	0.69

Note:

The net asset value per share as at 30 June 2024 and 30 June 2023 are calculated based on 8,552,538,955 ordinary shares in issue.

2.11 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 a then-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 the financial year ended 30 June 2022.

An additional impairment loss on other receivables of US\$1,800 was made during FY2023. During FY2024, there was a reversal of over-provision of impairment loss amounting to US\$171,000 on the aforementioned loan due to recovery of loan to then-associated company.

2.12 Share capital

	Group and Company			
	30 June 2024		30 June 2023	
	Number of shares	US\$'000	Number of shares	US\$'000
Issued and fully paid ordinary shares				
At beginning of financial year	8,552,538,955	150,083	8,552,536,455	150,083
Issuance of ordinary shares	-	-	2,500	-*
At end of financial year	8,552,538,955	150,083	8,552,538,955	150,083

* less than US\$1,000

There were no outstanding convertibles as at 30 June 2024 and 30 June 2023.

The Company did not have any treasury shares or subsidiary holdings as at 30 June 2024, 31 December 2023 and 30 June 2023.

2.13 Borrowings

The Group and the Company do not have any bank borrowings and debt securities as at 30 June 2024 and 30 June 2023.

2.14 Subsequent events

On 22 July 2024, the Company entered into three (3) placement agreements ("**Placement Agreements**") with three (3) 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 650,859,805 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\$1.30 million (equivalent to approximately US\$0.96 million based on an exchange rate of US\$1.36 : S\$1.00) (the "**Proposed Placement**").

On 5 August 2024, the Company completed the Proposed Placement, and 650,859,805 Placement Shares at the placement price of S\$0.002 per Placement Share have been allotted and issued to the placees by the Company on the same day. Following the completion of the Proposed Placement, the total number of issued shares of the Company has increased from 8,552,538,955 shares to 9,203,398,760 shares.

For more information on the Proposed Placement, please refer to the Company's announcements dated 22 July 2024, 2 August 2024 and 5 August 2024.

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.

Not applicable. The Group's latest audited consolidated financial statements for the financial year ended 30 June 2023 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 August 2024, the U.S Energy Information Administration ("EIA") had forecasted that despite the recent fall in oil prices, oil prices are expected to rise in the second half of 2024 ("2H2024"). The Brent crude oil price ended Jul 2024 at US\$81 per barrel as compared to an average for the month of US\$85 per barrel. It is expected that the Brent crude oil price will return to between US\$85 and US\$90 per barrel by the end of the year with expected decreased in global oil inventories as part of ongoing OPEC+ production cut¹.

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 workovers. Additional workovers started in mid-May 2024, and the wells are still undergoing testing. One of the wells observed sand accumulation, and sand screen has been successfully installed. The additional workovers 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

On 15 September 2023, the Group completed the disposal of its associated company, Preferred Mart Pte. Ltd., and the Group currently does not hold any other active investment. The Group will continue to source for new business opportunities to invest in to deliver value to its shareholders.

Provision of technical services

As disclosed in the Company's annual report for the financial year ended 30 June 2022, the Group is looking to pursue strategic opportunities in IT and related sectors to broaden its earnings base. In line with this business strategy of the Group, the Company entered into a technical service agreement with GPT Desk Pte. Ltd. ("GPT Desk") in September 2023, which marked the Group's first foray into the IT business.

In addition to the technical service agreement entered into with GPT Desk, the Group entered into a technical service agreement with Shenzhen Shoutou Industrial Co., Ltd. ("SSI") in May 2024 to provide SSI with system development and operation services and other services.

The Group will continue to source for new business opportunities to deliver value to 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 FY2024 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 FY2024 and FY2023.

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 FY2024 vs FY2023

Consolidated Statement of Comprehensive Income

Revenue increased by US\$0.84M or 25%, from US\$3.32M in FY2023 to US\$4.16M in FY2024, attributable to the increase in revenue from the technical services business segment, partially offset by the decrease in revenue from the oil and gas business segment. Revenue from the technical services business segment recorded in FY2024 was attributable to the service fees received by the Group for the provision of technical services to GPT Desk pursuant to the technical service agreement entered into in September 2023. Such revenue was absent in FY2023. For more information on the technical service agreement, please refer to the Company's announcement dated 7 September 2023. The decrease in revenue from the oil and gas business segment was mainly due to a decrease in the Group's share of oil production volume from the Thailand Operations of 6,365 barrels, from 39,293 barrels in FY2023 to 32,928 barrels in FY2024. The aforementioned decrease in oil production was offset by a slight increase in the average oil price from US\$85.00 per barrel in FY2023 to US\$85.63 per barrel in FY2024.

Cost of sales increased by US\$0.01M or 1%, from US\$2.50M in FY2023 to US\$2.51M in FY2024. This rise was primarily due to a US\$0.22M increase in the cost of sales for the technical services business segment, partially offset by the US\$0.21M decrease in the cost of sales for the oil and gas business segment. The increase in the cost of sales for the technical services business segment was mainly due to the addition of labour costs relating to the technical service agreement entered into in September 2023, which was absent in FY2023. The decrease in the cost of sales for the oil and gas business segment was in line with the decrease in revenue recorded from the oil and gas business segment.

As a result of the above, gross profit increased by US\$0.83M, from US\$0.82M in FY2023 to US\$1.65M in FY2024.

Other income increased by US\$179K, from US\$5K in FY2023 to US\$184K in FY2024. Other income in FY2024 comprised mainly (i) gain on recovery of loan to then-associated companies, which related to reversal of over-provision of impairment loss on other receivables due from then-associated companies, amounting to US\$171K; and (ii) reversal of over-accrued expenses and government grants of which the respective amounts were insignificant. Other income in FY2023 comprised mainly government grants and miscellaneous income of US\$5K.

Finance costs decreased by US\$0.09M, from US\$0.41M in FY2023 to US\$0.32M in FY2024, mainly due to a decrease of unwinding of discount on provisions for restoration costs in relation to the Thailand Operations amounting to US\$0.10M which was partially offset against the increase of interest expense of other payables of US\$0.01M.

Other charges of US\$0.05M recorded in FY2024 mainly attributable from foreign exchange loss (net) due to the strengthening of SGD against USD during the financial year under review. Other gains of US\$0.02M recorded in FY2023 was mainly attributable by the foreign exchange gain (net) of US\$0.03M due to the weakening of SGD against USD in FY2023, which was

partially offset against (i) loss on disposal of other property, plant and equipment; (ii) net fair value changes in investment securities carried at fair value through profit or loss; and (iii) provision of impairment on other receivables, total amounting to US\$0.01M.

The income tax credit of US\$0.3M recorded in FY2024 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\$0.43M in FY2024, as compared to a loss after income tax of US\$1.65M in FY2023.

Consolidated Statement of Financial Position

The Group's non-current assets decreased by US\$0.67M, from US\$71.51M as at 30 June 2023 to US\$70.84M as at 30 June 2024, mainly attributable to the decrease in exploration, evaluation and development assets of US\$1.49M mainly due to reclassification to oil and gas properties in FY2024. The aforementioned was partially offset against the increase in (i) oil and gas properties of US\$0.62M due to the reclassification of exploration, evaluation and development assets after offsetting against the depletion of oil and gas properties; and (ii) right-of-use assets by US\$0.20M due to the renewal of lease for the Company's office.

The Group's current assets increased by US\$0.41M, from US\$4.39M as at 30 June 2023 to US\$4.80M as at 30 June 2024. The increase was attributable to the increase in trade and other receivables of US\$0.47M, which was partially offset against the decrease in cash and cash equivalents of US\$0.08M (please refer to the explanation of cash and cash equivalents under consolidated statement of cash flows below).

The Group's non-current liabilities decreased by US\$0.31M, from US\$37.43M as at 30 June 2023 to US\$37.12M as at 30 June 2024. The decrease was mainly attributable to the decrease in (i) trade and other payables of US\$0.50M due to reclassification from non-current liabilities to current liabilities; and (ii) deferred tax liabilities of US\$0.42M in relation to the Thailand Operations. The above decrease was partially offset against the increase in (i) provision for restoration costs in relation to the Thailand Operations of US\$0.4M; and (ii) lease liabilities of US\$0.21M due to the renewal of lease for the Company's office.

The Group's current liabilities increased by US\$0.47M, from US\$3.05M as at 30 June 2023 to US\$3.52M as at 30 June 2024. This was mainly due to the increase in trade and other payables 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.

The Group reported a positive working capital position of US\$1.28M as at 30 June 2024, as compared to a positive working capital position of US\$1.34M as at 30 June 2023.

Consolidated Statement of Cash Flows

The Group used net cash of US\$1.79M from its operating activities in FY2024, as compared to net cash generated from operating activities of US\$0.78M in FY2023. The Group recorded operating cash inflows before working capital changes of US\$0.73M. The main movements of the cash flows from operating activities in FY2024 comprised (i) the increase in trade and other receivables of US\$1.33M; and (ii) the increase in trade and other payables of US\$1.05M. Income tax of US\$0.12M was paid in FY2024.

The Group generated net cash of US\$0.88M from its investing activities in FY2024. This was due to the repayment of loan from disposal of the then-associate company, Preferred Mart Pte. Ltd., of US\$1.03M, partially offset by (i) the additions to oil and gas properties of US\$0.12M 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\$0.03M.

The Group generated net cash of US\$0.84M from its financing activities in FY2024. This was due to amount due to non-related parties of US\$1.0M which was partially offset against repayment of lease liability of office rental of US\$0.15M.

As a result of the above, cash and cash equivalents decreased by US\$0.08M from US\$1.32M as at 1 July 2023 to US\$1.24M as at 30 June 2024.

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.

On 3 May 2024, the Company incorporated a wholly-owned subsidiary, Future AI Tech Pte. Ltd. with an issued and paid-up capital of S\$100,000, comprising 100,000 ordinary shares. For more information, please refer to the Company's announcement dated 27 May 2024.

Save for the above, the Group does not have any acquisitions (including incorporations) and realisations of shares in subsidiaries and/or associated companies since the end of the previous reporting period, up to 30 June 2024.

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 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 fourth quarter from 1 April 2024 to 30 June 2024 (“4Q2024”) 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 2024 to 30 September 2024 (“1Q2025”) is as follows:

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

13b. Rule 705(6)(b) of the Catalyst 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 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”). Additional workovers started in mid-May 2024, and the wells are undergoing testing while the joint operators of the Concessions are still actively optimizing the production rate of the wells. The additional workovers 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 4Q2024 and 1Q2025, respectively.

Save as disclosed above, the Group does not have any exploration, development and/or production activities for 4Q2024 and is not expected to incur any expenditure for such activities for 1Q2025.

15. Use of Proceeds

Use of Proceeds from Placement

On 5 August 2024, the Company completed a placement of an aggregate of 650,859,805 new ordinary shares at an issue price of S\$0.002 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\$1,280,000 (after deducting all expenses in connection with the Placement as set out in the Company’s announcement dated 22 July 2024) (the “Net Proceeds”).

As at the date of this announcement, 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 the date of this announcement (S\$'000)	Balance of Net Proceeds as at this announcement (S\$'000)
- Funding of the Group’s businesses	0 to 384 (0% to 30% of Net Proceeds)	-	0
- General working capital of the Group	384 to 1,280 (70% to 100% of Net Proceeds)	1,280*	0
Total	1,280	1,280	0

* Breakdown of the Net Proceeds utilised for general working capital of the Group as follows:

	(S\$'000)
(a) Office expenses such as office rental	123
(b) Staff costs including staff salaries, CPF and bonus	659
(c) Administrative expenses such as legal and professional fees, audit fees, corporate secretary fees and SGX related expenses	149
(d) Repayment of short-term loans	200
(e) Payment to IRAS including GST and withholding taxes	107
(f) Finance costs such as interests	42
Total	<u>S\$1,280</u>

The use of the Net Proceeds is in accordance with the intended use and percentage allocated as stated in the Company's announcement dated 22 July 2024. The Net Proceeds have been fully utilised as at the date of this announcement.

16. 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

Liu Qiang
Executive Director and Chief Executive Officer
26 August 2024
