

CWX GLOBAL LIMITED
(Formerly known as Loyz Energy Limited)
(Incorporated in the Republic of Singapore)
(Company Registration No. 199905693M)

**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SECOND QUARTER AND HALF
YEAR ENDED 31 DECEMBER 2017**

*This announcement has been prepared by CWX Global Limited (the “**Company**”) and its contents have been reviewed by the Company’s sponsor (the “**Sponsor**”), ZICO Capital Pte. Ltd., for compliance with the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalyst. The Sponsor has not independently verified the contents of this announcement.*

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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PART 1 – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) A statement of comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Comprehensive Income	Unaudited 2Q FY2018¹ US\$'000	Unaudited 2Q FY2017² US\$'000	Change %	Unaudited 1H FY2018³ US\$'000	Unaudited 1H FY2017⁴ US\$'000	Change %
		(Restated)			(Restated)	
Revenue	1,272	2,573	(51)	2,255	4,987	(55)
Cost of sales	(643)	(989)	(35)	(1,297)	(2,060)	(37)
Gross profit	629	1,584	(60)	958	2,927	(67)
<i>Other items of income</i>						
Interest income	56	33	70	90	35	157
Other income	1,563	780	100	1,622	1,033	57
<i>Other items of expense</i>						
Administrative expenses	(388)	(469)	(17)	(765)	(821)	(7)
Finance costs	(388)*	(663)*	(41)	(785)*	(1,310)*	(40)
Other expenses	(158)	(223)	(29)	(389)	(474)	(18)
Other charges	(27)	(56)	(52)	(27)	(56)	(52)
Share of results of associate company	(4)	-	NM ⁵	(4)	-	NM ⁵
Profit before income tax	1,283	986	30	700	1,334	(48)
Income tax expense	(227)	(617)	(63)	(311)	(1,224)	(75)
Profit for the financial period	1,056	369	186	389	110	NM⁵
Other comprehensive income/(loss):						
<i>Items that may be reclassified subsequently to profit or loss</i>						
Currency translation differences arising from consolidation	(11)	18	NM ⁵	(5)	(125)	(96)
Net change in fair value of cash flow hedges	-	-	-	29	-	NM ⁵
Other comprehensive income/(loss) for the financial period, net of tax	(11)	18	NM ⁵	24	(125)	NM ⁵
Total comprehensive income/(loss) for the financial period	1,045	387	170	413	(15)	NM⁵
Profit/(loss) attributable to:						
Owners of the Company	1,041	383	172	371	69	NM ⁵
Non-controlling interests	15	(14)	NM ⁵	18	41	(56)
	1,056	369	186	389	110	NM ⁵
Total comprehensive income/(loss) attributable to:						
Owners of the Company	1,157	296	NM ⁵	463	(92)	NM ⁵
Non-controlling interests	(112)	91	NM ⁵	(50)	77	NM ⁵
	1,045	387	170	413	(15)	NM ⁵

*Included in the finance costs in 1H FY2017 and 2Q FY2017 (restated) are borrowing costs, amounting to US\$1.1M and US\$0.5M respectively, arising from the loans taken up for the acquisition of the Group's Thailand operation, which was capitalised under oil and gas properties previously. The Group incurred US\$0.68M and US\$0.33M of such borrowing costs in 1H FY2018 and 2Q FY2018 respectively. Please refer to the Company's 2017 Annual Report for further details on the prior year adjustment.

1(a)(ii) Notes to Consolidated Statement of Comprehensive Income

	Unaudited 2Q FY2018 ¹ US\$'000	Unaudited 2Q FY2017 ² US\$'000	Unaudited 1H FY2018 ³ US\$'000	Unaudited 1H FY2017 ⁴ US\$'000
		(Restated)		(Restated)
Other income				
Foreign exchange gain, net	87	23	141	258
Net gain on settlement of bond receivable	-	755	-	755
Gain on settlement of payables via issuance of shares	1,467	-	1,467	-
Other income	9	2	14	20
	1,563	780	1,622	1,033
Finance costs				
Interest expense	(388)	(663)	(785)	(1,310)
Other charges				
Loss on disposal of other property, plant and equipment	(26)	-	(26)	-
Allowance for inventories obsolescence	-	(39)	-	(39)
Other property, plant and equipment written off	(1)	(17)	(1)	(17)
	(27)	(56)	(27)	(56)
Others				
Amortisation of intangible assets	-	-	-	2
Depreciation of other property, plant and equipment	18	22	39	46
Depletion of oil and gas properties	244	477	480	996
	262	499	519	1,044

¹ "2Q FY2018": Period from 1 October 2017 to 31 December 2017

² "2Q FY2017": Period from 1 October 2016 to 31 December 2016

³ "1H FY2018": Period from 1 July 2017 to 31 December 2017

⁴ "1H FY2017": Period from 1 July 2016 to 31 December 2016

⁵ "NM": Not Meaningful

1(b)(i) A statement of financial position (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

Statements of Financial Position	Group			Company		
	Unaudited 31-Dec-17	Unaudited 30-Sep-17	Audited 30-Jun-17	Unaudited 31-Dec-17	Unaudited 30-Sep-17	Audited 30-Jun-17
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
ASSETS						
Non-Current Assets						
Exploration, evaluation and development assets	19,926	19,926	19,926	-	-	-
Oil and gas properties	53,545	53,731	53,873	-	-	-
Other property, plant and equipment	1,423	1,478	1,502	-	-	-
Investments in subsidiaries	-	-	-	71,516	69,512	69,628
Investment in associate	2,014	-	-	2,018	-	-
Intangible assets	24,612	24,612	24,612	-	-	-
Bonds receivable	586	561	502	-	-	-
Other receivables	4,324	-	-	4,324	-	-
Total Non-Current Assets	106,430	100,308	100,415	77,858	69,512	69,628
Current Assets						
Inventories	2,230	2,230	2,174	-	-	-
Trade and other receivables	811	554	729	4,615	2,132	2,132
Deposits	123	248	549	-	-	-
Prepayments	40	80	97	11	13	9
Cash and bank balances	7,503	1,516	1,660	4,656	13	7
Total Current Assets	10,707	4,628	5,209	9,282	2,158	2,148
Total Assets	117,137	104,936	105,624	87,140	71,670	71,776
EQUITY AND LIABILITIES						
Equity						
Share capital	140,253	124,343	124,343	140,253	124,343	124,343
Reserves	2,118	2,157	2,152	607	762	733
Accumulated losses	(77,953)	(78,994)	(78,324)	(54,001)	(53,878)	(53,730)
Equity attributable to owners of the Company	64,418	47,506	48,171	86,859	71,227	71,346
Non-controlling interests	(10,891)	(10,779)	(10,841)	-	-	-
Total Equity	53,527	36,727	37,330	86,859	71,227	71,346
Non-Current Liabilities						
Bank borrowings	18,752	18,789	18,960	-	-	-
Finance lease payables	-	31	35	-	-	-
Other payables	768	768	768	-	-	-
Deferred tax liabilities	37,528	37,568	37,502	-	-	-
Total Non-Current Liabilities	57,048	57,156	57,265	-	-	-
Current Liabilities						
Income tax payables	548	324	513	-	-	-
Trade and other payables	2,630	6,667	6,954	281	443	430
Bank borrowings	3,384	4,045	3,516	-	-	-
Finance lease payables	-	17	17	-	-	-
Derivative financial instruments	-	-	29	-	-	-
Total Current Liabilities	6,562	11,053	11,029	281	443	430
Total Liabilities	63,610	68,209	68,294	281	443	430
Total Equity and Liabilities	117,137	104,936	105,624	87,140	71,670	71,776

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31 Dec 2017 (US\$'000)		As at 30 Jun 2017 (US\$'000)	
Secured	Unsecured	Secured	Unsecured
2,831	553	2,986	547

Amount repayable after one year

As at 31 Dec 2017 (US\$'000)		As at 30 Jun 2017 (US\$'000)	
Secured	Unsecured	Secured	Unsecured
18,752	-	18,995	-

Details of any collaterals

Loans

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

On 8 May 2017, Loyz Oil obtained a revolving loan facility of US\$1,000,000 from OCBC Bank for general working capital requirements. The facility is secured by pledges of shares in Loyz Thai, Loyz Oil's cash balances in the accounts maintained with and as designated by OCBC Bank, all earnings and other cash flow of Loyz Thai, Loyz Thai's intercompany loans, as well as corporate guarantees by the Company, Loyz Thai and Jit Sun.

In June 2017, the Group restructured the payment terms of a term loan, taken up in 2015, from DBS Bank. The restructured loan is secured by a pledge of the Company's shares in Loyz Oil, corporate guarantees by the Company, and Jit Sun and certain of its subsidiaries.

1(c) A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Unaudited 2Q FY2018 US\$'000	Unaudited 2Q FY2017 US\$'000	Unaudited 1H FY2018 US\$'000	Unaudited 1H FY2017 US\$'000
Consolidated Statement of Cash Flows				
Operating activities		(Restated)		(Restated)
Profit before income tax	1,283	986	700	1,334
Adjustments for:				
Amortisation of intangible assets	-	-	-	2
Share of results of associate company	4	-	4	-
Depreciation of other property, plant and equipment	18	22	39	46
Depletion of oil and gas properties	244	477	480	996
Net gain on settlement of bond receivable	-	(755)	-	(755)
Gain on settlement of payables via issuance of shares	(1,467)	-	(1,467)	-
Allowance for inventories obsolescence	-	39	-	39
Other property, plant and equipment written off	1	17	1	17
Loss on disposal of other property, plant and equipment	26	-	26	-
Share-based payment expenses	-	44	29	65
Reversal of share options	-	-	-	(1)
Interest income	(56)	(33)	(90)	(35)
Interest expense	388	663	785	1,310
Operating cash flows before working capital changes	441	1,460	507	3,018
Working capital changes:				
Inventories	-	1	(56)	9
Trade and other receivables	(240)	(176)	(91)	(74)
Deposits	125	635	426	180
Prepayments	40	82	57	105
Trade and other payables	(297)	(94)	(724)	(430)
Cash generated from operations	69	1,908	119	2,808
Interest received	4	2	5	4
Income tax paid	(43)	(43)	(250)	(800)
Net cash from/ (used in) operating activities	30	1,867	(126)	2,012
Investing activities				
Proceeds from disposal of other property, plant and equipment	104	-	104	-
Purchase of plant and equipment	(94)	(42)	(94)	(50)
Additions to oil and gas properties	(58)	(240)	(152)	(403)
Investment in associate	(742)	-	(742)	-
Other receivables	(4,856)	-	(4,856)	-
Net cash used in investing activities	(5,646)	(282)	(5,740)	(453)
Financing activities				
Interest paid	(125)	(270)	(329)	(443)
Proceeds from bank borrowings	130	-	530	-
Net proceeds from issuance of ordinary shares	12,538	-	12,538	-
Repayment of short-term loans	-	(2)	-	(2)
Repayment of finance lease payables	(48)	(8)	(52)	(13)
Repayment of bank borrowings	(895)	(180)	(985)	(495)
Net cash from/ (used in) financing activities	11,600	(460)	11,702	(953)
Net change in cash and cash equivalents	5,984	1,125	5,836	606
Foreign currency translation adjustments	3	49	7	(60)
Cash and cash equivalents at beginning of financial period	1,516	1,833	1,660	2,461
Cash and cash equivalents at end of financial period	*7,503	*3,007	*7,503	*3,007

*Included in cash and cash equivalents are cash balances pledged to the banks, amounting to US\$0.8M for 2Q FY2018 and 1H FY2018 and US\$0.1M for 2Q FY2017 and 1H FY2017, in relation to loan/bank overdraft taken up.

1(d)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Statement of Changes in Equity Group	Share capital US\$'000	Deemed capital contribution US\$'000	Share option/ award reserve US\$'000	Foreign currency translation account US\$'000	Hedging reserve US\$'000	Accumulated losses US\$'000	Total US\$'000	Non- controlling interests US\$'000	Total equity US\$'000
Balance as at 1 July 2017	124,343	2,103	126	(48)	(29)	(78,324)	48,171	(10,841)	37,330
(Loss)/profit for the financial period	-	-	-	-	-	(670)	(670)	3	(667)
Other comprehensive income for the financial period:									
Currency translation differences arising from consolidation	-	-	-	(53)	-	-	(53)	59	6
Net change in fair value of cash flow hedges	-	-	-	-	29	-	29	-	29
Total comprehensive (loss)/income for the financial period	-	-	-	(53)	29	(670)	(694)	62	(632)
Grant of share options/awards to employees	-	-	29	-	-	-	29	-	29
Balance as at 30 September 2017	124,343	2,103	155	(101)	-	(78,994)	47,506	(10,779)	36,727
Balance as at 1 October 2017	124,343	2,103	155	(101)	-	(78,994)	47,506	(10,779)	36,727
Profit for the financial period	-	-	-	-	-	1,041	1,041	15	1,056
Other comprehensive income for the financial period:									
Currency translation differences arising from consolidation	-	-	-	116	-	-	116	(127)	(11)
Total comprehensive income/(loss) for the financial period	-	-	-	116	-	1,041	1,157	(112)	1,045
Issuance of shares	15,755	-	-	-	-	-	15,755	-	15,755
Share awards exercised	155	-	(155)	-	-	-	-	-	-
Balance as at 31 December 2017	140,253	2,103	-	15	-	(77,953)	64,418	(10,891)	53,527

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (Continued)

Statement of Changes in Equity Group	Ordinary shares US\$'000	Deemed capital contribution US\$'000	Share option/ award reserve US\$'000	Foreign currency translation account US\$'000	Accumulated losses US\$'000	Total US\$'000	Non-controlling interests US\$'000	Total equity US\$'000
Balance as at 1 July 2016	115,440	2,103	789	(139)	(91,970)	26,223	(10,610)	15,613
(Loss)/profit for the financial period	-	-	-	-	(314)	(314)	55	(259)
Other comprehensive income for the financial period:								
Currency translation differences arising from consolidation	-	-	-	(74)	-	(74)	(69)	(143)
Total comprehensive loss for the financial period	-	-	-	(74)	(314)	(388)	(14)	(402)
Grant of share options/awards to employees	-	-	21	-	-	21	-	21
Share options/awards cancelled	-	-	(765)	-	764	(1)	-	(1)
Balance as at 30 September 2016	115,440	2,103	45	(213)	(91,520)	25,855	(10,624)	15,231
Balance as at 1 October 2016	115,440	2,103	45	(213)	(91,520)	25,855	(10,624)	15,231
Profit/(loss) for the financial period	-	-	-	-	383	383	(14)	369
Other comprehensive income for the financial period:								
Currency translation differences arising from consolidation	-	-	-	(87)	-	(87)	105	18
Total comprehensive (loss)/income for the financial period	-	-	-	(87)	383	296	91	387
Issuance of shares	242	-	-	-	-	242	-	242
Share awards exercised	40	-	(40)	-	-	-	-	-
Grant of share options/awards to employees	-	-	44	-	-	44	-	44
Balance as at 31 December 2016	115,722	2,103	49	(300)	(91,137)	26,437	(10,533)	15,904

1(d)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (Continued)

Statement of Changes in Equity	Ordinary shares US\$'000	Share option/ award reserve US\$'000	Foreign currency translation account US\$'000	Retained earnings US\$'000	Total equity US\$'000
Company					
Balance at 1 July 2017	124,343	126	607	(53,730)	71,346
Loss for the financial period, representing total comprehensive loss for the financial period	-	-	-	(148)	(148)
Grant of share options/awards to employees	-	29	-	-	29
Balance at 30 September 2017	124,343	155	607	(53,878)	71,227
Balance at 1 October 2017	124,343	155	607	(53,878)	71,227
Loss for the financial period, representing total comprehensive income for the financial period	-	-	-	(123)	(123)
Issuance of shares	15,755	-	-	-	15,755
Share awards exercised	155	(155)	-	-	-
Balance at 31 December 2017	140,253	-	607	(54,001)	86,859

Statement of Changes in Equity	Ordinary shares US\$'000	Share option/ award reserve US\$'000	Foreign currency translation account US\$'000	Retained earnings US\$'000	Total equity US\$'000
Company					
Balance at 1 July 2016	115,440	789	607	(52,259)	64,577
Loss for the financial period, representing total comprehensive loss for the financial period	-	-	-	(257)	(257)
Grant of share options/awards to employees	-	21	-	-	21
Share options/awards cancelled	-	(765)	-	244	(521)
Balance at 30 September 2016	115,440	45	607	(52,272)	63,820
Balance at 1 October 2016	115,440	45	607	(52,272)	63,820
Loss for the financial period, representing total comprehensive loss for the financial period	-	-	-	(136)	(136)
Issuance of shares	242	-	-	-	242
Share awards exercised	40	(40)	-	-	-
Grant of share options/awards to employees	-	44	-	-	44
Balance at 31 December 2016	115,722	49	607	(52,408)	63,970

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Share capital – Ordinary shares	Number of shares	US\$
Balance as at 1 October 2017	1,526,527,683	124,343,085
Vesting of share awards	15,200,000	155,003
Issuance of shares pursuant to settlement of payables and an investment agreement in relation to setting up of an associate company (FIT Global Pte Ltd)	408,281,352	3,216,625
Issuance of shares pursuant to a rights cum warrants issue exercise	1,950,009,035	13,016,106
Share issue expense	-	(477,392)
Balance as at 31 December 2017	3,900,018,070	140,253,427

Outstanding share options/awards

Number of outstanding options/awards

Loyz Energy Performance Share Plan ("PSP"):

- As at 31 December 2017	-
- As at 31 December 2016	15,200,000

Save for the above, there were no other outstanding convertibles as at 31 December 2017 and 31 December 2016.

The Company did not have any treasury shares or subsidiary holdings as at 31 December 2017 and 31 December 2016.

(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	31-Dec-17	30-Jun-17
Total number of issued shares excluding treasury shares	3,900,018,070	1,526,527,683

The Company did not have any treasury shares as at 31 December 2017 and 30 June 2017.

(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable, as the Company did not have any treasury shares during and as at the end of the financial period ended 31 December 2017.

(d)(v) A statement showing all sales, transfers, disposal, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable, as the Company did not have any subsidiary holdings during and as at the end of the financial period ended 31 December 2017.

2. 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.

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

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The financial information has been prepared in accordance with the same accounting policies and methods of computation as adopted in the audited financial statements of the Group for the financial year ended 30 June 2017, except for the adoption of the new or revised Singapore Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") which have become effective for the current financial year. The adoption of FRS and INT FRS did not result in any substantial changes to the Group's accounting policies.

5. If there were any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Certain restatements have been made to the unaudited 2Q FY2017 and 1H FY2017 financial statements to reflect the following:

- (a) In accordance with FRS 23 *Borrowing Costs*, the borrowing costs arising from the amortisation of deferred consideration and bank loan borrowed for the acquisition of the 20% Participating Interests in the Thailand Operations ("Assets") shall not be capitalised as the Assets do not meet the definition of a qualifying asset. This is because the Assets were already available for use in the condition in which it was acquired and also do not require a substantial period of time to get the Assets ready for use. Accordingly, adjustment are made to recognise borrowing costs in the Group's profit or loss instead of capitalising the borrowing costs to the oil and gas properties, in the respective years by the Group as previously reported.
- (b) In accordance with FRS 103 *Business Combinations*, re-measurement difference arising from the change of the fair value of the deferred consideration amounting to US\$3,441,000 shall be recognised in the Group's profit or loss as other income instead of adjusting the oil and gas properties in the financial year ended 30 June 2016 as previously reported.

6. Earnings per ordinary share of the Group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

Earnings per share of the Group based on profit attributable to owners of the Company	2Q FY2018	2Q FY2017	1H FY2018	1H FY2017
		(Restated)		(Restated)
- Basic (US cents)	0.06	0.04	0.02	0.01
- On a fully diluted basis (US cents)	0.06	0.04	0.02	0.01

Notes:

The basic earnings per share for 2Q FY2018 and 1H FY2018 are calculated based on 1,788,923,506 weighted average number of ordinary shares in issue. The basic earnings per share for 2Q FY2017 and 1H FY2017 are calculated based on 1,046,796,347 weighted average number of ordinary shares in issue.

On a fully diluted basis, the earnings per share for 2Q FY2018 and 1H FY2018 are calculated based on 1,788,923,506 weighted average number of ordinary shares in issue. The diluted earnings per share for 2Q FY2017 and 1H FY2017 are calculated based on 1,061,996,347 weighted average number of ordinary shares in issue. Diluted earnings per share for each 2Q FY2018 and 1H FY2018 is the same as the basic earnings per share because the potential ordinary shares to be converted are anti-dilutive.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-

- (a) current period reported on; and
- (b) immediately preceding financial year

	Group 31-Dec-17	Group 30-Jun-17	Company 31-Dec-17	Company 30-Jun-17
Net asset value per share (US cents)	1.65	3.16	2.23	4.67

Note:

The net asset value per share as at 31 December 2017 and 30 June 2017 are calculated based on 3,900,018,070 and 1,526,527,683 ordinary shares in issue respectively.

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

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

Review for 2Q FY2018 vs 2Q FY2017

Consolidated Statement of Comprehensive Income

Revenue decreased by US\$1.3M or 51%, from US\$2.6M in 2Q FY2017 to US\$1.3M in 2Q FY2018. The decrease was due to a decrease in the Group's share of oil production volume from its Thailand concession of 35,156 barrels, from 59,740 barrels in 2Q FY2017 to 24,584 in 2Q FY2018, as a result of the natural decline of the existing wells, coupled with lower investments in drilling last year when oil prices was lower. Instead, efforts were focused on the technical works in refining drilling targets for the 2017 drilling campaign. The effect of the aforesaid lower oil production volume was partially offset by an increase in the average oil price from US\$44.85 per barrel to US\$54.27 per barrel. Cost of sales decreased by US\$0.4 million or 35%, from US\$1.0M in 2Q FY2017 to US\$0.6M in 2Q FY2018, in line with the decrease in revenue. Consequently, gross profit declined by US\$1.0M, from US\$1.6M in 2Q FY2017 to US\$0.6M in 2Q FY2018.

Other income amounted to US\$1.5M in 2Q FY2018, as compared to US\$0.8M in 2Q FY2017. The other income in 2Q FY2018 related to a US\$1.5M gain on settlement of amount due to Carnarvon Thailand Limited ("**CVN**") via issuance of the Company's new ordinary shares to CVN in 2Q FY2018. The other income in 2Q FY2017 mainly related to a US\$0.8M gain on the redemption of bond receivable issued by Fram Exploration ASA ("**Fram**") in 2Q FY2017.

Administrative expenses decreased by US\$0.1M, from US\$0.5M in 2Q FY2017 to US\$0.4M in 2Q FY2018. This was mainly due to a decrease in staff costs.

Finance costs decreased by US\$0.3M, from US\$0.7M in 2Q FY2017 to US\$0.4M in 2Q FY2018, due to the decrease in the Group's bank borrowings.

As a result of the above, the Group recorded a profit after income tax of US\$1.1M in 2Q FY2018 as compared to a profit after income tax of US\$0.4M in 2Q FY2017.

Consolidated Statement of Financial Position

The Group's non-current assets increased by US\$6.1M, from US\$100.3M as at 30 September 2017 to US\$106.4M as at 31 December 2017. The increase was mainly due to the investment in an associate company (FIT Global Pte Ltd) which was setup for the Group's new business and an increase in other receivables relating to a long-term loan extended by the Company to the aforesaid associate company.

The Group's current assets increased by US\$6.1M, from US\$4.6M as at 30 September 2017 to US\$10.7M as at 31 December 2017. The increase was mainly due to the cash received pursuant to the Company's rights cum warrants issue exercise completed in December 2017.

The Group's non-current liabilities decreased by US\$0.2M, from US\$57.2M as at 30 September 2017 to US\$57.0M as at 31 December 2017. This was mainly due to the reclassification of bank borrowings, which is due within 1 year, from non-current liabilities to current liabilities and the full repayment of finance lease payable following the disposal of the motor vehicle.

The Group's current liabilities decreased by US\$4.5M, from US\$11.1M as at 30 September 2017 to US\$6.6M as at 31 December 2017. The decrease was mainly due to the settlement of payables due to CVN amounting to US\$4.0M, via issuance of the Company's new ordinary shares, coupled with the repayment of bank borrowings.

Consolidated Statement of Cash Flows

The Group generated net cash of approximately US\$30,000 from its operating activities. Major movements of the cash flow from operating activities mainly comprised (i) increase in trade and other receivables of US\$0.2M; (ii) decrease in other assets of US\$0.1M; (iii) decrease in trade and other payables of US\$0.3M; and (iv) operating cash flows before working capital changes of US\$0.4M.

The Group used net cash of US\$5.6M for its investing activities mainly in relation to the investment in an associate company (FIT Global Pte Ltd) which was setup for the Group's new business.

The Group generated net cash of US\$11.6M from its financing activities mainly in relation to the proceeds received from the rights cum warrants issue exercise, partially offset by the repayment of bank borrowings and interest payment.

As a result of the above, and taking into account foreign currency translation adjustments, cash and cash equivalents increased by US\$6.0M from US\$1.5M as at 30 September 2017 to US\$7.5M as at 31 December 2017.

9. 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.

10. 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.

The gross production rate for the Group's 20%-owned Thailand oil concessions (the "**Concessions**") had increased to 2,000 barrels of oil per day by late December 2017 as the Group had obtained its Production Area licenses for the newly discovered commercial wells.

The Group is planning for a new drilling campaign which is expected to commence in 1st half of 2018. The drilling campaign's key focus is to further increase production. The drilling campaign is expected to be entirely funded by the cashflows generated from the Concessions.

With the increase in production rate and rising oil prices, barring unforeseen circumstances, the Group is expecting the performance of its Oil and Gas division to continue to improve.

The Company had, on 27 October 2017, received shareholders' approval to diversify into its new business. Barring unforeseen circumstances, the new business is expected to generate a new source of revenue to the Group from 2018.

11. 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) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect

No dividend has been declared or recommended for the second quarter and half year ended 31 December 2017.

13. 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.

14. Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Not applicable.

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

Not applicable.

16. A breakdown of sales

Not applicable.

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

Not applicable.

18a. 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.

Please refer to the separate announcement made in accordance with Rule 705(6)(a) of the Catalist Rules on 30 January 2018.

18b. Rule 705(6)(b) of the Catalist Rules in relation to the director's confirmation

Please refer to the separate announcement made in accordance with Rule 705(6)(b) of the Catalist Rules on 30 January 2018.

19a. 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.

Please refer to the separate announcement made in accordance with Rule 705(7) of the Catalist Rules on 30 January 2018.

19b. Rule 705(7) of the Catalist Rules in relation to an update on its reserves and resources, where applicable, in accordance with the requirements set out in Practice Note 4C, including a summary of reserves and resources as set out in Appendix 7D.

Please refer to the separate announcement made in accordance with Rule 705(7) of the Catalist Rules on 30 January 2018.

20. Use of proceeds

The Company completed a renounceable non-underwritten rights cum warrants issue (the “**Rights cum Warrants Issue**”) in December 2017. The Company raised net proceeds of approximately S\$16,990,000 (the “**Net Proceeds**”), after deducting all expenses in connection with the Rights cum Warrants Issue.

As at 31 December 2017, there is no further update to the utilisation of the Net Proceeds following the use of proceeds announcement made by the Company on 26 December 2017. The Company will make periodic announcements via SGXNet as and when the balance of the Net Proceeds is materially utilised.

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

On behalf of the board of directors (“**Board**”) of the Company, we hereby confirm to the best of our knowledge that nothing has come to the attention of the Board which may render the unaudited financial statements and dividend announcement for the second quarter and half year ended 31 December 2017 to be false or misleading in any material aspect.

On behalf of the Board

Jeffrey Pang
Chief Executive Officer and Executive Director

Lee Chye Cheng, Adrian
Non-Executive Director

22. 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

Jeffrey Pang
Chief Executive Officer and Executive Director
30 January 2018
