



Company Registration Number: 199905693M

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**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2023**

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*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**

**TABLE OF CONTENTS**

<b>Section</b>		<b>Page</b>
A	Condensed interim consolidated statement of profit or loss and other comprehensive income	3
B	Condensed interim statements of financial position	4
C	Condensed interim consolidated statement of cash flows	5
D	Condensed interim statements of changes in equity	6-7
E	Notes to the condensed interim consolidated financial statements	8-13
F	Other information required pursuant to Appendix 7C of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist (" <b>Catalist Rules</b> ")	14-17

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

Consolidated Statement of Comprehensive Income	Note	Unaudited 1H FY2024 <sup>1</sup> US\$'000	Unaudited 1H FY2023 <sup>2</sup> US\$'000	Change %
Oil sale	2.5.1	1,555	1,984	(22)
Investment income	2.5.1	450	-	NM <sup>3</sup>
Total revenue		2,005	1,984	1
Cost of sales		(1,180)	(1,166)	1
Gross profit		825	818	1
<i>Other items of income</i>				
Interest income		1	1	0
Other income		229	58	>100
<i>Other items of expense</i>				
Administrative expenses		(1,187)	(1,023)	24
Finance costs		(89)	(177)	(50)
Other charges		-	(7)	NM <sup>3</sup>
Loss before income tax	2.7	(221)	(330)	(33)
Income tax expense	2.8	(35)	(198)	(82)
<b>Total comprehensive loss for the financial period, representing net loss for the financial period</b>	2.7	(256)	(528)	(52)
<b>Total comprehensive loss for the financial period, representing net loss attributable to:</b>				
Owners of the Company		(256)	(528)	(52)
Non-controlling interests		-	-	-
		(256)	(528)	(52)
<b>Other income</b>				
Foreign exchange gain, net		46	57	(19)
Gain on recovery of loan to associated companies		171	-	NM <sup>3</sup>
Other income		12	1	>100
		229	58	>100
<b>Finance costs</b>				
Interest expense		(89)	(177)	(50)
<b>Other charges</b>				
Loss on disposal of other property, plant and equipment		-	(4)	NM <sup>3</sup>
Net fair value changes in investment securities carried at fair value through profit or loss		-	(3)	NM <sup>3</sup>
		-	(7)	NM <sup>3</sup>

<sup>1</sup> "1H FY2024": Six-month financial period from 1 July 2023 to 31 December 2023

<sup>2</sup> "1H FY2023": Six-month financial period from 1 July 2022 to 31 December 2022

<sup>3</sup> "NM": Not Meaningful

## B. Condensed interim statements of financial position

	Note	Group		Company	
		Unaudited 31-Dec-23 US\$'000	Audited 30-Jun-23 US\$'000	Unaudited 31-Dec-23 US\$'000	Audited 30-Jun-23 US\$'000
<b>Statements of Financial Position</b>					
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Exploration, evaluation and development assets		9,712	11,203	-	-
Oil and gas properties		59,817	58,959	-	-
Other property, plant and equipment		1,161	1,156	-	-
Right-of-use assets		104	192	103	192
Investments in subsidiaries		-	-	59,337	59,217
<b>Total Non-Current Assets</b>		<b>70,794</b>	<b>71,510</b>	<b>59,440</b>	<b>59,409</b>
<b>Current Assets</b>					
Inventories		1,786	1,828	-	-
Trade and other receivables	2.11	671	1,239	406	977
Cash and bank balances		1,623	1,324	72	276
<b>Total Current Assets</b>		<b>4,080</b>	<b>4,391</b>	<b>478</b>	<b>1,253</b>
<b>Total Assets</b>		<b>74,874</b>	<b>75,901</b>	<b>59,918</b>	<b>60,662</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	2.12	150,083	150,083	150,083	150,083
Accumulated losses		(114,910)	(114,654)	(91,240)	(91,047)
Equity attributable to owners of the Company		35,173	35,429	58,843	59,036
<b>Total Equity</b>		<b>35,173</b>	<b>35,429</b>	<b>58,843</b>	<b>59,036</b>
<b>Non-Current Liabilities</b>					
Trade and other payables		-	503	-	503
Provision for restoration costs		2,857	2,891	-	-
Deferred tax liabilities		34,002	34,025	-	-
Lease liabilities		-	6	-	6
<b>Total Non-Current Liabilities</b>		<b>36,859</b>	<b>37,425</b>	<b>-</b>	<b>509</b>
<b>Current Liabilities</b>					
Trade and other payables		2,690	2,803	982	935
Lease liabilities		93	182	93	182
Income tax payables		59	62	-	-
<b>Total Current Liabilities</b>		<b>2,842</b>	<b>3,047</b>	<b>1,075</b>	<b>1,117</b>
<b>Total Liabilities</b>		<b>39,701</b>	<b>40,472</b>	<b>1,075</b>	<b>1,626</b>
<b>Total Equity and Liabilities</b>		<b>74,874</b>	<b>75,901</b>	<b>59,918</b>	<b>60,662</b>

**C. Condensed interim consolidated statement of cash flows**

<b>Consolidated Statement of Cash Flows</b>	<b>Unaudited 1H FY2024 US\$'000</b>	<b>Unaudited 1H FY2023 US\$'000</b>
<b>Operating activities</b>		
Loss before income tax	(221)	(330)
Adjustments for:		
Net fair value changes in investment securities carried at fair value through profit or loss	-	3
Depreciation of other property, plant and equipment	17	22
Depreciation of right-of-use assets	84	64
Depletion of oil and gas properties	576	592
Gain on recovery of loan to associated companies	(171)	-
Loss on disposal of other property, plant and equipment	-	4
Finance expense	89	177
Interest income	(1)	(1)
Gain on lease modification	(6)	-
Operating cash flows before working capital changes	367	531
Working capital changes:		
Inventories	42	(57)
Trade and other receivables	(44)	15
Trade and other payables	(624)	413
Cash (used in)/generated from operations	(259)	902
Interest received	1	1
Income tax paid	(61)	(100)
Net cash (used in)/generated from operating activities	(319)	803
<b>Investing activities</b>		
Purchase of other property, plant and equipment	(22)	(12)
Additions to oil and gas properties	(54)	(297)
Repayment on loan receivables	783	-
Net cash generated from/(used in) investing activities	707	(309)
<b>Financing activities</b>		
Repayment of bank borrowings	-	(110)
Repayment of lease liabilities	(89)	(74)
Net cash used in financing activities	(89)	(184)
Net change in cash and cash equivalents	299	310
Cash and cash equivalents at beginning of financial period	1,324	1,413
Cash and cash equivalents at end of financial period	1,623	1,723

**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
<b>Group</b>				
Balance at 1 July 2023 (audited)	2.13	150,083	(114,654)	35,429
Loss for the financial period		-	(256)	(256)
<b>Total comprehensive loss for the financial period</b>		-	(256)	(256)
Balance at 31 December 2023 (unaudited)		150,083	(114,910)	(35,173)

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
<b>Group</b>				
Balance at 1 July 2022 (audited)	2.13	150,083	(113,005)	37,078
Loss for the financial period		-	(528)	(528)
<b>Total comprehensive loss for the financial period</b>		-	(528)	(528)
Balance at 31 December 2022 (unaudited)		150,083	(113,533)	36,550

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

<b>Statement of Changes in Equity</b>				
<b>Company</b>	<b>Note</b>	<b>Share capital US\$'000</b>	<b>Accumulated losses US\$'000</b>	<b>Total equity US\$'000</b>
Balance at 1 July 2023 (audited)	2.13	150,083	(91,047)	59,036
<b>Loss for the financial period, representing total comprehensive loss for the financial period</b>		-	(193)	(193)
Balance at 31 December 2023 (unaudited)		150,083	(91,240)	58,843

<b>Statement of Changes in Equity</b>				
<b>Company</b>	<b>Note</b>	<b>Share capital US\$'000</b>	<b>Accumulated losses US\$'000</b>	<b>Total equity US\$'000</b>
Balance at 1 July 2022 (audited)	2.13	150,083	(89,889)	60,194
<b>Loss for the financial period, representing total comprehensive loss for the financial period</b>		-	(512)	(512)
Balance at 31 December 2022 (unaudited)		150,083	(90,401)	59,682

## **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 ended 31 December 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 are:

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

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

#### **2.1 Basis of preparation**

The condensed interim consolidated financial statements for the six months ended 31 December 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 annual audited consolidated financial statements for the financial year ended 30 June 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 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 ended 31 December 2023 are presented in United States dollar which is the Company’s functional currency.

#### Going concern

The Group recorded net loss of US\$256,000 and net cash used in operating activities of US\$319,000 for the six months ended 31 December 2023, and as of that date, the Group’s current assets exceeded its current liabilities by US\$1,238,000.

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 ended 31 December 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 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 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 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

1H FY2024 (unaudited)	Oil and Gas	Investment and Trading	Unallocated	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Revenue				
- Sales to external customers	1,555	450	-	2,005
<b>Results</b>				
Segment results	375	450	-	825
Interest income	-	-	1	1
Other income	183	-	46	229
Finance costs	(77)	-	(12)	(89)
Administrative and other expenses	(575)	(146)	(466)	(1,187)
Loss before income tax				(221)
Income tax expense				(35)
<b>Loss for the financial period</b>				<b>(256)</b>

1H FY2023 (unaudited)	Oil and Gas	Investment and Trading	Unallocated	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Revenue				
- Sales to external customers	1,984	-	-	1,984
<b>Results</b>				
Segment results	818	-	-	818
Interest income	-	-	1	1
Other income	1	-	57	58
Other charges	(4)	(3)	-	(7)
Finance costs	(165)	-	(12)	(177)
Administrative and other expenses	(474)	(246)	(303)	(1,023)
Loss before income tax				(330)
Income tax expense				(198)
<b>Loss for the financial period</b>				<b>(528)</b>

## 2.5.2 Disaggregation of Revenue

Revenue information based on geographical segments are as follows:

	Revenue 1H FY2024		
	Singapore US\$'000	Thailand US\$'000	Total US\$'000
Technical services <sup>(a)</sup>	450	-	450
Sales of crude oil <sup>(b)</sup>	-	1,555	1,555
Total	450	1,555	2,005

	Revenue 1H FY2023		
	Singapore US\$'000	Thailand US\$'000	Total US\$'000
Sales of crude oil <sup>(b)</sup>	-	1,984	1,984
Total	-	1,984	1,984

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

## 2.6 Financial assets and financial liabilities

The following table sets out the financial instruments as at the end of 31 December 2023 and 30 June 2023:

	Group		Company	
	31 December 2023 US\$'000 (Unaudited)	30 June 2023 US\$'000 (Audited)	31 December 2023 US\$'000 (Unaudited)	30 June 2023 US\$'000 (Audited)
<b>Financial assets</b>				
Cash and bank balances	1,623	1,324	72	276
Trade and other receivables	629	1,185	383	955
	2,252	2,509	455	1,231
<b>Financial liabilities</b>				
Lease liabilities	93	188	93	188
Trade and other payables	2,690	3,306	982	1,438
	2,783	3,494	1,075	1,626

## 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	
	1H FY2024 US\$'000	1H FY2023 US\$'000
<b>Expenses by nature</b>		
Audit fees		
- Auditors of the Company	50	39
Depreciation of other property, plant and equipment	17	22
Depreciation of right-of-use assets	84	64
Depletion of oil and gas properties	576	592
Thailand Petroleum royalties and other government taxes	78	99
Directors' fees	67	68
Employee benefits expense		
- Salaries, bonuses and other short-term benefits	736	600
- Defined contributions plan expenses	17	19
Production expense	496	435
Professional fees	73	65
Transportation	30	39
Rental expense – short term lease	12	12
Other expenses	131	135
<b>Total cost of sales and administrative expenses</b>	<b>2,367</b>	<b>2,054</b>

### 2.7.2 Related party transactions

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

## 2.8 Taxation

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

	Group	
	1H FY2024 US\$'000	1H FY2023 US\$'000
Current tax		
- current financial period	(58)	(70)
Deferred tax		
- current financial period	23	(128)
	<b>(35)</b>	<b>(198)</b>

## 2.9 Loss per share

Loss per share of the Group based on loss attributable to owners of the Company	1H FY2024	1H FY2023
- Basic (US cents)	(0.003)	(0.006)
- On a fully diluted basis (US cents)	(0.003)	(0.006)

### Notes:

The basic and diluted loss per share for 1H 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 1H FY2023 are calculated based on 8,552,536,571 weighted average number of ordinary shares in issue.

Diluted loss per share for 1H FY2024 is the same as the basic loss per share because there are no potential ordinary shares to be converted. Diluted loss per share for 1H FY2023 is the same as the basic loss per share because the potential ordinary shares to be converted are anti-dilutive.

## 2.10 Net Asset Value

	Group 31-Dec-23	Group 30-Jun-23	Company 31-Dec-23	Company 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 31 December 2023 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.

During 1H 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 associated companies.

No impairment loss on other receivables was made during 1H FY2023.

## 2.12 Share capital

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

\* less than US\$1,000

There were no outstanding convertibles as at 31 December 2023 and 31 December 2022.

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

## 2.13 Borrowings

The Group and the Company do not have any bank borrowings and debt securities as at 31 December 2023 and 30 June 2023.

## 2.14 Subsequent events

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 rising tension in the Red Sea which disrupted global trade which could result in a change in oil prices. In the forecast report titled "Short-Term Energy Outlook" that was released in January 2024, the U.S Energy Information Administration had forecasted that for 1Q 2024, Brent crude oil price will increase to US\$85 per barrel in March 2024 which is expected to be driven by OPEC+ production cuts leading to global draws of 810,000 barrels per day. Thereafter a gradual decrease after April 2024 with minor stock builds as global productions increase more than consumption, forecasting an increase by 110,000 barrels per day from 2Q 2024 through 4Q 2024<sup>1</sup>.

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

#### Investment and trading-related activities

The Group's investment business has made headways as it pursues strategic opportunities in the information technology ("IT") and related sectors to broaden its earnings base.

In September 2023, the Group entered into a technical service agreement with GPT Desk Pte. Ltd. ("GPT Desk") on the cooperation of technology development, as well as operation and maintenance services of the "GptDesk.AI" platform, an artificial intelligence large language processing model developed by GPT Desk.

The Group will continue to source for new business opportunities to deliver value to its shareholders.

<sup>1</sup> <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 1H FY2024 as the Group conserves its funds for working capital purposes.

**7. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has not obtained a general mandate from shareholders for interested person transactions. There were no interested person transactions above S\$100,000 entered into by the Group in the current financial period reported on.

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

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

#### **Review for 1H FY2024 vs 1H FY2023**

##### Consolidated Statement of Comprehensive Income

Revenue increased slightly by US\$0.021M, from US\$1.98M in 1H FY2023 to US\$2.00M in 1H FY2024, attributable to the increase in revenue from the investment and trading-related business segment, partially offset by the decrease in revenue from the oil and gas business segment. Investment income from the investment and trading-related business segment recorded in 1H FY2024 was attributable to the service fee received by the Group for the provision of the technical services to GPT Desk pursuant to the technical service agreement entered into in September 2023. Such investment income was absent in 1H 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 average oil price from US\$90.58 per barrel in 1H FY2023 to US\$87.19 per barrel in 1H FY2024. The aforementioned decrease in average oil price was further impacted by the decrease in the Group's share of oil production volume from the Thailand Operations of 3,034 barrels, from 21,621 barrels in 1H FY2023 to 18,587 barrels in 1H FY2024.

Cost of sales, relating to the cost of oil and gas sold, increased by US\$0.01M, from US\$1.17M in 1H FY2023 to US\$1.18M in 1H FY2024.

As a result of the above, gross profit increased by US\$0.01M, from US\$0.82M in 1H FY2023 to US\$0.83M in 1H FY2024.

Other income increased by US\$0.17M, from US\$0.06M in 1H FY2023 to US\$0.23M in 1H FY2024. Other income in 1H FY2024 related mainly to (i) gain on recovery of loan to associated companies, which relates to reversal of over-provision of impairment loss on other receivables due from associated companies, amounting to US\$0.17M; and (ii) foreign exchange gain (net) of US\$0.05M. Other income in 1H FY 2023 comprised mainly foreign exchange gain (net) of US\$0.06M.

Administrative expenses increased by US\$0.16M, from US\$1.02M in 1H FY2023 to US\$1.18M in 1H FY2024, mainly due to an increase in staff costs of US\$0.13M arising from a one-time ex-gratia accrued fee of US\$0.11M to be paid to the former Vice Chairman of the Board and Executive Director (1H FY2023: Nil), which was approved by shareholders during the Company's annual general meeting held on 27 October 2023.

Finance costs decreased by US\$0.09M, from US\$0.18M in 1H FY2023 to US\$0.09M in 1H FY2024, mainly due to a decrease of unwinding of discount on provisions for restoration costs in relation to the Thailand Operations amounting to US\$0.08M.

The income tax expense of US\$0.035M recorded in 1H FY2024 arose from the Thailand Operations.

As a result of the above, the Group recorded a loss after income tax of US\$0.256M in 1H FY2024, as compared to a loss after income tax of US\$0.528M in 1H FY2023.

##### Consolidated Statement of Financial Position

The Group's non-current assets decreased by US\$0.72M, from US\$71.51M as at 30 June 2023 to US\$70.79M as at 31 December 2023, mainly attributable to the decrease in (i) exploration, evaluation and development assets by US\$1.49M mainly due to reclassification to oil and gas properties in 1H FY2024; and (ii) right-of-use assets by US\$0.09M due to an increase in depreciation charges for the Company's office. The above decreases were partially offset by the increase in oil and gas properties of US\$0.86M due to the reclassification of exploration, evaluation and development assets, after offsetting against the depletion of oil and gas properties.

The Group's current assets decreased by US\$0.31M, from US\$4.39M as at 30 June 2023 to US\$4.08M as at 31 December 2023. The decrease was attributable to the decrease in (i) trade and other receivables of US\$0.57M due to repayment from a then associated company of US\$0.86M and deposits and prepayments of US\$0.02M, which partially offset against the increase of trade and other receivables of US\$0.31M; and (ii) inventories of US\$0.04M in relation to the Thailand Operations. The above decreases were partially offset against the increase in cash and cash equivalents of US\$0.30M (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\$0.56M, from US\$37.42M as at 30 June 2023 to US\$36.86M as at 31 December 2023. This was due to the decrease in (i) trade and other payables of US\$0.50M due to reclassification from non-current liabilities to current liabilities, (ii) provision for restoration costs and deferred tax liabilities in relation to the Thailand Operations of US\$0.03M and US\$0.02M respectively, and (iii) lease liabilities of US\$0.01M as repayment of lease for the Company's office rental.

The Group's current liabilities decreased by US\$0.20M, from US\$3.04M as at 30 June 2023 to US\$2.84M as at 31 December 2023. This was mainly due to the decrease in (i) trade and other payables of US\$0.19M, largely attributable to the decrease in accruals, other payables and management fee payable to the main operator and holder of 60% interest of the Thailand Operations; and (ii) lease liabilities of US\$0.08M as a result of repayment of lease for the Company's office rental. The above decreases were partially offset against an increase in unearned revenue of US\$0.08M relating to advance billing to GPT Desk.

The Group reported a positive working capital position of US\$1.24M as at 31 December 2023, 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\$0.32M from its operating activities in 1H FY2024, as compared to net cash generated from operating activities of US\$0.80M in 1H FY2023. The Group recorded operating cash inflows before working capital changes of US\$0.37M in 1H FY2024. The main movements of the cash flows from operating activities in 1H FY2024 comprised (i) the increase in trade and other receivables of US\$0.04M; (ii) the decrease in inventories of US\$0.04M; and (iii) the decrease in trade and other payables of US\$0.62M. Income tax of US\$0.06M was paid in 1H FY2024.

The Group generated net cash of US\$0.71M from its investing activities in 1H FY2024. This was due to (i) the repayment on loan receivables of US\$0.17M from associated companies; and (ii) deposit received from disposal of the associated company, Preferred Mart Pte. Ltd., of US\$0.61M, partially offset by (i) the additions to oil and gas properties of US\$0.05M 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\$0.02M.

The Group used net cash of US\$0.89M from its financing activities in 1H FY2024. This was due to repayment of lease liability in relation to the Company's office rental.

As a result of the above, cash and cash equivalents increased by US\$0.30M from US\$1.32M as at 1 July 2023 to US\$1.62M as at 31 December 2023.

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

The Group does not have any acquisitions (including incorporations) and realisations of shares in subsidiaries and/or associated companies since the end of the previous reporting period, up to 31 December 2023.

#### **10a. 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 during the second quarter from 1 October 2023 to 31 December 2023 ("2Q2024") 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 third quarter from 1 January 2024 to 30 March 2024 ("3Q2024") is as follows:

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

#### **10b. 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.

#### **11. 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"). 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 2Q2024 and 3Q2024, respectively.

Save as disclosed above, the Group does not have any exploration, development and/or production activities for 2Q2024 and is not expected to incur any expenditure for such activities for 3Q2024.

#### **12. Requirement under Rule 705(5) of the Listing Manual**

On behalf of the Board, we hereby confirm to the best of our knowledge that nothing has come to the attention of the Board which may render the unaudited financial statements and dividend announcement for the six months ended 31 December 2023 to be false or misleading in any material aspect.

On behalf of the Board

Liu Qiang  
Executive Director and Chief Executive Officer

Yu Jinfeng  
Chairman and Non-Executive Independent Director

#### **13. 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  
8 February 2024

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