



**CNMC**

**CNMC Goldmine Holdings Limited  
and its subsidiaries  
Registration Number: 201119104K**

Condensed financial statements  
for the six months and full year ended 31 December 2022

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## A. Condensed statements of financial position

	Note	Group		Company	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
		US\$	US\$	US\$	US\$
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>Assets</b>					
Exploration and evaluation assets	7	6,532,362	5,976,005	–	–
Mine properties	8	16,673,574	16,468,961	–	–
Property, plant and equipment	9	14,218,364	13,227,388	515,475	105,351
Interests in subsidiaries		–	–	8,334,223	8,334,223
Deferred tax assets		984,362	1,206,970	–	–
Mine rehabilitation fund		717,545	661,534	–	–
<b>Non-current assets</b>		<b>39,126,207</b>	<b>37,540,858</b>	<b>8,849,698</b>	<b>8,439,574</b>
Inventories		11,885,781	2,569,883	–	–
Current tax assets		166,764	–	–	–
Trade and other receivables		1,298,919	1,413,280	11,832,473	14,303,041
Cash and cash equivalents		1,280,121	16,433,078	43,748	143,905
<b>Current assets</b>		<b>14,631,585</b>	<b>20,416,241</b>	<b>11,876,221</b>	<b>14,446,946</b>
<b>Total assets</b>		<b>53,757,792</b>	<b>57,957,099</b>	<b>20,725,919</b>	<b>22,886,520</b>
<b>Equity</b>					
Share capital		18,032,233	18,032,233	18,032,233	18,032,233
Preference shares		2,800	2,800	–	–
Treasury shares		(357,172)	(357,172)	(357,172)	(357,172)
Reserves		3,389,326	3,223,650	(13,860)	(13,860)
Retained earnings/ (Accumulated losses)		17,521,810	19,839,468	(3,916,504)	(2,204,844)
<b>Equity attributable to owners of the Company</b>		<b>38,588,997</b>	<b>40,740,979</b>	<b>13,744,697</b>	<b>15,456,357</b>
Non-controlling interests		5,576,790	5,452,444	–	–
<b>Total equity</b>		<b>44,165,787</b>	<b>46,193,423</b>	<b>13,744,697</b>	<b>15,456,357</b>
<b>Liabilities</b>					
Loans and borrowings	10	1,098,361	72,323	268,416	4,451
Rehabilitation obligations		2,145,185	2,183,595	–	–
<b>Non-current liabilities</b>		<b>3,243,546</b>	<b>2,255,918</b>	<b>268,416</b>	<b>4,451</b>
Loans and borrowings	10	201,781	745,843	135,203	97,968
Trade and other payables		5,769,471	6,971,387	6,577,603	7,327,744
Dividends payable		358,197	1,064,902	–	–
Current tax liabilities		19,010	725,626	–	–
<b>Current liabilities</b>		<b>6,348,459</b>	<b>9,507,758</b>	<b>6,712,806</b>	<b>7,425,712</b>
<b>Total liabilities</b>		<b>9,592,005</b>	<b>11,763,676</b>	<b>6,981,222</b>	<b>7,430,163</b>
<b>Total equity and liabilities</b>		<b>53,757,792</b>	<b>57,957,099</b>	<b>20,725,919</b>	<b>22,886,520</b>

## B. Condensed consolidated statement of profit or loss

	Note	Six months ended		Twelve months ended	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
		US\$	US\$	US\$	US\$
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue		11,659,295	20,010,841	25,599,906	32,879,433
Other income		91,864	173,221	107,127	450,059
Changes in inventories		5,313,482	(827,255)	8,459,979	(491,186)
Amortisation and depreciation		(2,654,711)	(2,408,289)	(5,063,830)	(4,827,030)
Employee benefits expenses		(2,179,302)	(2,440,897)	(4,510,819)	(4,162,358)
Key management remuneration		(359,555)	(1,922,575)	(1,776,076)	(2,752,668)
Marketing and publicity expenses		(158,745)	(136,648)	(323,911)	(283,284)
Office and administration expenses		(222,506)	(172,072)	(474,369)	(323,935)
Professional fees		(253,213)	(196,424)	(527,741)	(476,264)
Rental and other lease expenses		(859,742)	(866,539)	(1,550,870)	(1,620,562)
Royalty and tribute fee expenses		(1,550,698)	(2,569,312)	(3,441,979)	(4,464,889)
Site and factory expenses		(6,756,837)	(5,650,880)	(12,666,703)	(10,104,832)
Travelling and transportation expenses		(148,277)	(195,688)	(257,200)	(314,751)
Other expenses		(1,057,199)	(37,743)	(2,023,406)	(462,204)
<b>Total expenses</b>		<b>(10,887,303)</b>	<b>(17,424,322)</b>	<b>(24,156,925)</b>	<b>(30,283,963)</b>
Finance income		20,629	129,457	102,218	240,990
Finance costs		(5,284)	(88,501)	(74,705)	(177,856)
<b>Net finance income</b>		<b>15,345</b>	<b>40,956</b>	<b>27,513</b>	<b>63,134</b>
<b>Profit before tax</b>	11	<b>879,201</b>	<b>2,800,696</b>	<b>1,577,621</b>	<b>3,108,663</b>
Tax expenses	13	(474,856)	(839,927)	(1,025,487)	(1,051,807)
<b>Profit for the period/year</b>		<b>404,345</b>	<b>1,960,769</b>	<b>552,134</b>	<b>2,056,856</b>
<b>Profit attributable to:</b>					
Owners of the Company		41,465	1,680,235	117,582	1,715,258
Non-controlling interests		362,880	280,534	434,552	341,598
<b>Profit for the period/year</b>		<b>404,345</b>	<b>1,960,769</b>	<b>552,134</b>	<b>2,056,856</b>
<b>Earnings per share</b>					
Basic and diluted (US\$ cents)	12	0.01	0.41	0.03	0.42
Basic and diluted (S\$ cents)	12	0.01	0.55	0.04	0.56

### C. Condensed consolidated statement of comprehensive income

	<b>Six months ended</b>		<b>Twelve months ended</b>	
	<b>31 December</b>	<b>31 December</b>	<b>31 December</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Profit for the period/year</b>	404,345	1,960,769	552,134	2,056,856
<b>Other comprehensive income</b>				
<b>Items that are or may be reclassified subsequently to profit or loss:</b>				
Exchange differences arising on consolidation of foreign subsidiaries	(18,211)	19,456	170,390	128,214
<b>Other comprehensive (loss)/ income for the period/year, net of tax</b>	(18,211)	19,456	170,390	128,214
<b>Total comprehensive income for the period/year</b>	386,134	1,980,225	722,524	2,185,070
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	32,405	1,654,582	249,764	1,774,102
Non-controlling interests	353,729	325,643	472,760	410,968
<b>Total comprehensive income for the period/year</b>	386,134	1,980,225	722,524	2,185,070

## D. Condensed statements of changes in equity

Group (Unaudited)	Note	Share capital US\$	Treasury shares US\$	Preference shares US\$	Capital reserve US\$	Translation reserve US\$	Retained earnings US\$	Total attributable to owners of the Company US\$	Non- controlling interests US\$	Total equity US\$
At 1 January 2022		18,032,233	(357,172)	2,800	3,194,504	29,146	19,839,468	40,740,979	5,452,444	46,193,423
<b>Total comprehensive income for the year</b>										
Profit for the year		–	–	–	–	–	117,582	117,582	434,552	552,134
<b>Other comprehensive income</b>										
Exchange differences arising on consolidation of foreign subsidiaries		–	–	–	–	132,182	–	132,182	38,208	170,390
<b>Total other comprehensive income</b>		–	–	–	–	132,182	–	132,182	38,208	170,390
<b>Total comprehensive income for the year</b>		–	–	–	–	132,182	117,582	249,764	472,760	722,524
<b>Transactions with owners, recognised directly in equity</b>										
<b>Distributions to owners</b>										
Final and special dividends declared for year ended 31 December 2021	14	–	–	–	–	–	(2,372,076)	(2,372,076)	–	(2,372,076)
Dividends paid to non-controlling interests	14	–	–	–	–	–	–	–	(341,454)	(341,454)
Preference shares dividends declared by subsidiary for year ended 31 December 2022	14	–	–	–	–	–	(29,670)	(29,670)	(6,960)	(36,630)
Bonus issue of a subsidiary		–	–	–	33,494	–	(33,494)	–	–	–
<b>Total distributions to owners</b>		–	–	–	33,494	–	(2,435,240)	(2,401,746)	(348,414)	(2,750,160)
<b>Total transactions with owners</b>		–	–	–	33,494	–	(2,435,240)	(2,401,746)	(348,414)	(2,750,160)
At 31 December 2022		18,032,233	(357,172)	2,800	3,227,998	161,328	17,521,810	38,588,997	5,576,790	44,165,787

### D. Condensed statements of changes in equity (continued)

Group (Unaudited)	Note	Share capital US\$	Treasury shares US\$	Preference shares US\$	Capital reserve US\$	Translation reserve US\$	Retained earnings US\$	Total attributable to owners of the Company US\$	Non- controlling interests US\$	Total equity US\$
At 1 January 2021		18,032,233	–	2,800	3,111,892	(29,698)	18,324,436	39,441,663	6,087,717	45,529,380
<b>Total comprehensive income for the year</b>										
Profit for the year		–	–	–	–	–	1,715,258	1,715,258	341,598	2,056,856
<b>Other comprehensive income</b>										
Exchange differences arising on consolidation of foreign subsidiaries		–	–	–	–	58,844	–	58,844	69,370	128,214
<b>Total other comprehensive income</b>		–	–	–	–	58,844	–	58,844	69,370	128,214
<b>Total comprehensive income for the year</b>		–	–	–	–	58,844	1,715,258	1,774,102	410,968	2,185,070
<b>Transactions with owners, recognised directly in equity</b>										
<b>Distributions to owners</b>										
Dividends paid to non-controlling interests	14	–	–	–	–	–	–	–	(1,018,653)	(1,018,653)
Preference shares dividends declared by subsidiary for year ended 31 December 2021	14	–	–	–	–	–	(117,614)	(117,614)	(27,588)	(145,202)
Purchase of treasury shares		–	(357,172)	–	–	–	–	(357,172)	–	(357,172)
Bonus issue of a subsidiary		–	–	–	82,612	–	(82,612)	–	–	–
<b>Total distributions to owners</b>		–	(357,172)	–	82,612	–	(200,226)	(474,786)	(1,046,241)	(1,521,027)
<b>Total transactions with owners</b>		–	(357,172)	–	82,612	–	(200,226)	(474,786)	(1,046,241)	(1,521,027)
At 31 December 2021		18,032,233	(357,172)	2,800	3,194,504	29,146	19,839,468	40,740,979	5,452,444	46,193,423

## D. Condensed statements of changes in equity (continued)

Company (Unaudited)	Share capital US\$	Treasury shares US\$	Capital reserve US\$	Accumulated (losses)/ profits US\$	Total equity US\$
At 1 January 2022	18,032,233	(357,172)	(13,860)	(2,204,844)	15,456,357
<b>Total comprehensive income for the year</b>					
Profit for the year	–	–	–	660,416	660,416
<b>Total comprehensive income for the year</b>	–	–	–	660,416	660,416
<b>Transactions with owners, recognised directly in equity</b>					
<b>Distributions to owners</b>					
Final and special dividends declared for year ended 31 December 2021	–	–	–	(2,372,076)	(2,372,076)
<b>Total distributions to owners</b>	–	–	–	(2,372,076)	(2,372,076)
<b>Total transactions with owners</b>	–	–	–	(2,372,076)	(2,372,076)
At 31 December 2022	<u>18,032,233</u>	<u>(357,172)</u>	<u>(13,860)</u>	<u>(3,916,504)</u>	<u>13,744,697</u>
At 1 January 2021	18,032,233	–	(13,860)	(5,759,325)	12,259,048
<b>Total comprehensive income for the year</b>					
Profit for the year	–	–	–	3,554,481	3,554,481
<b>Total comprehensive income for the year</b>	–	–	–	3,554,481	3,554,481
<b>Transactions with owners, recognised directly in equity</b>					
<b>Distributions to owners</b>					
Purchase of treasury shares	–	(357,172)	–	–	(357,172)
<b>Total distributions to owners</b>	–	(357,172)	–	–	(357,172)
<b>Total transactions with owners</b>	–	(357,172)	–	–	(357,172)
At 31 December 2021	<u>18,032,233</u>	<u>(357,172)</u>	<u>(13,860)</u>	<u>(2,204,844)</u>	<u>15,456,357</u>



## E. Condensed consolidated statement of cash flows

	<b>Twelve months ended</b>	
	<b>31 December 2022 US\$ (Unaudited)</b>	<b>31 December 2021 US\$ (Audited)</b>
<b>Cash flows from operating activities</b>		
Profit for the period	552,134	2,056,856
Adjustments for:		
Amortisation of mine properties	843,684	938,112
Depreciation of property, plant and equipment	4,220,146	3,888,918
Gain on disposal of property, plant and equipment	-	(63,803)
Interest expense	74,705	177,856
Interest income	(102,218)	(240,990)
Plant and equipment written off	466,395	-
Unrealised loss on foreign exchange	639,668	585,527
Tax expenses	1,025,487	1,051,807
Impairment losses on exploration and evaluation assets	6,835	36,326
Inventories written down	992,215	-
Change in fair value of derivative financial instrument of a subsidiary	-	(27,357)
Gain on discounting of convertible loan issued by a subsidiary	(90,238)	-
	8,628,813	8,403,252
Changes in:		
- Inventories	(10,308,113)	(598,879)
- Trade and other receivables	198,758	1,958,257
- Rehabilitation obligations, and trade and other payables	(2,972,053)	(179,205)
<b>Cash (used in)/ generated from operations</b>	(4,452,595)	9,583,425
Tax paid	(1,609,720)	(991,466)
<b>Net cash (used in)/ generated from operating activities</b>	(6,062,315)	8,591,959
<b>Cash flows from investing activities</b>		
Payment for exploration and evaluation assets, and mine properties	(1,166,326)	(1,101,892)
Proceeds from sales of property, plant and equipment	-	63,803
Purchase of property, plant and equipment	(4,149,669)	(1,872,001)
Interest received	102,218	240,990
<b>Net cash used in investing activities</b>	(5,213,777)	(2,669,100)
<b>Cash flows from financing activities</b>		
Dividends paid to equity holders of the Company	(2,372,076)	-
Dividends paid to preference shares holder and non-controlling interests	(1,167,544)	-
Payment of lease liabilities	(150,330)	(165,949)
Interest paid	(40,744)	(100,255)
Share buyback	-	(357,172)
<b>Net cash used in financing activities</b>	(3,730,694)	(623,376)

## **E. Condensed consolidated statement of cash flows (continued)**

<b>Net (decrease)/ increase in cash and cash equivalents</b>	(15,006,786)	5,299,483
<b>Cash and cash equivalents at 1 January</b>	16,433,078	11,256,819
<b>Effect of exchange rate fluctuations on cash held</b>	(146,171)	(123,224)
<b>Cash and cash equivalents at 31 December</b>	<u>1,280,121</u>	<u>16,433,078</u>

During the year ended 31 December 2022 (“**FY2022**”), the Group acquired property, plant and equipment with an aggregate cost of US\$5,703,537 (FY2021: US\$2,487,365) of which US\$457,743 was acquired by means of lease arrangements, compared to US\$222,750 for the corresponding year ended 31 December 2021 (“**FY2021**”). As at 31 December 2022, a total consideration of US\$1,096,125 (2021: US\$392,614) was yet to be paid to third parties.

In FY2022, the Group also acquired exploration and evaluation assets and mine properties with an aggregate cost of US\$1,765,063 (FY2021: US\$2,011,799). As at 31 December 2022, a total consideration of US\$598,737 (FY2021: US\$909,907) was yet to be paid to third parties.

## **F. Notes to the condensed financial statements**

### **1 Corporate information**

CNMC Goldmine Holdings Limited (the “**Company**”) is incorporated and domiciled in Singapore and its shares are publicly traded on the Catalist of the Singapore Exchange.

These condensed consolidated financial statements as at and for the six months and full year ended 31 December 2022 comprise the Company and its subsidiaries (collectively, the “**Group**”).

The principal activities of the Company are those of an investment holding and management company. The principal activities of the Group are exploration and mining of gold deposits, mineral exploration and drilling service provider, underground mining service provider, non-mining related service provider and investment holding.

### **2 Basis of preparation**

The condensed financial statements for the six months and full year ended 31 December 2022 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed 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 audited financial statements for the year ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed financial statements are presented in United States Dollars, which is the Company’s functional currency.

#### **2.1 New and amended standards adopted by the Group**

There are no new standards, amendments, to standards and interpretations, effective from annual beginning on or after 1 January 2022, which will result in significant impact on the condensed financial statements of the Group.

#### **2.2 Use of estimates and judgements**

The preparation of the condensed financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. 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 applied to the audited financial statements as at and for the year ended 31 December 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Save as described below, there were no significant changes to the major assumptions used in assessing the accounting estimates and the carrying amounts of the relevant assets and liabilities in these condensed financial statements. Details of such assumptions and estimations are disclosed in the last audited financial statements for the year ended 31 December 2021.

During the financial year, the Group refined its cost allocation basis for recognising the work-in-progress inventory relating to gold production in view of the Group's change in its operational focus on the carbon-in-leach plant for its gold production and the flotation plant for base metal production. The change in the cost allocation basis represents a change in accounting estimates in accordance with SFRS(I) 1-8. The effect of the change will be recognised prospectively in the financial statements for both current and future periods under profit or loss.

### 3 Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

### 4 Segment and revenue information

The Group has one reportable business segment which is mining – exploration, development, mining and marketing of gold and other minerals. Other operations include investment holding and provision of corporate services. These operating segments are reported in a manner consistent with internal reporting provided to the Group's executive directors who are responsible for allocating resources and assessing performance of the operating segments.

#### 4.1 Reportable segments

	<b>Mining</b>	<b>Other</b>	<b>Inter-segment</b>	<b>Total</b>
	<b>US\$</b>	<b>operations</b>	<b>eliminations</b>	<b>US\$</b>
		<b>US\$</b>	<b>US\$</b>	
<b>Group</b>				
<b>1 July 2022 to 31 December 2022</b>				
Revenue from external customers	11,659,295	–	–	11,659,295
Dividend income	–	1,212,564	(1,212,564)	–
Interest income	8,532	93,443	(81,346)	20,629
Management fee	387,114	994,812	(1,381,926)	–
Interest expense	(95,334)	(1,670)	91,720	(5,284)
Amortisation and depreciation	(2,730,205)	(66,742)	142,236	(2,654,711)
Reportable segment profit before tax	760,253	1,396,917	(1,277,969)	879,201

*CNMC Goldmine Holdings Limited and its subsidiaries*  
*Condensed financial statements*  
*Six months and full year ended 31 December 2022*

	<b>Mining US\$</b>	<b>Other operations US\$</b>	<b>Inter-segment eliminations US\$</b>	<b>Total US\$</b>
<b>Group</b>				
<b>1 July 2021 to 31 December 2021</b>				
Revenue from external customers	20,010,841	–	–	20,010,841
Dividend income	–	3,951,252	(3,951,252)	–
Interest income	70,293	128,260	(69,096)	129,457
Management fee	847,881	1,981,840	(2,829,721)	–
Interest expense	(155,370)	(2,227)	69,096	(88,501)
Amortisation and depreciation	(2,454,005)	(50,953)	96,669	(2,408,289)
Reportable segment profit before tax	2,836,700	3,835,445	(3,871,449)	2,800,696
<b>Group</b>				
<b>1 January 2022 to 31 December 2022</b>				
Revenue from external customers	25,599,906	–	–	25,599,906
Dividend income	–	1,212,564	(1,212,564)	–
Interest income	71,728	169,440	(138,950)	102,218
Management fee	1,001,183	2,684,132	(3,685,315)	–
Interest expense	(221,331)	(3,116)	149,742	(74,705)
Amortisation and depreciation	(5,230,941)	(117,361)	284,472	(5,063,830)
Reportable segment profit before tax	1,828,309	897,627	(1,148,315)	1,577,621
Reportable segment assets	53,361,440	31,852,026	(32,440,036)	52,773,430
Capital expenditure*	7,034,708	527,485	(93,593)	7,468,600
Reportable segment liabilities	(23,487,454)	(12,562,083)	26,457,532	(9,592,005)
<b>Group</b>				
<b>1 January 2021 to 31 December 2021</b>				
Revenue from external customers	32,879,433	–	–	32,879,433
Dividend income	–	3,951,252	(3,951,252)	–
Interest income	152,451	220,769	(132,230)	240,990
Management fee	1,318,031	3,134,649	(4,452,680)	–
Interest expense	(304,803)	(5,283)	132,230	(177,856)
Amortisation and depreciation	(4,908,543)	(111,822)	193,335	(4,827,030)
Reportable segment profit before tax	3,290,916	3,691,848	(3,874,101)	3,108,663
Reportable segment assets	53,243,442	35,263,875	(31,757,188)	56,750,129
Capital expenditure*	4,486,309	195,264	(182,409)	4,499,164
Reportable segment liabilities	(23,120,245)	(14,353,175)	25,709,744	(11,763,676)

\* Capital expenditure consists of additions of property, plant and equipment, mine properties and, exploration and evaluation assets.

***Reconciliation of reportable segment assets and liabilities***

	<b>Group</b>	
	<b>31 December</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
	<b>US\$</b>	<b>US\$</b>
<b>Assets</b>		
Total assets for reportable segments	52,773,430	56,750,129
Unallocated assets	984,362	1,206,970
Consolidated total assets	53,757,792	57,957,099
<b>Liabilities</b>		
Total liabilities for reportable segments	(9,592,005)	(11,763,676)
Unallocated liabilities	—	—
Consolidated total liabilities	(9,592,005)	(11,763,676)

***Geographical segments***

The operations of the Group are principally located in Malaysia.

***Major customer***

There is one (31 December 2021: one) major customer which accounts for 99.5% (31 December 2021: 100%) of the Group's revenue.

**4.2 A breakdown of sales and net profit are as follows:**

	<b>Group</b>		<b>Increase/ (Decrease)</b>
	<b>For year ended</b>		
	<b>31 December</b>	<b>31 December</b>	
	<b>2022</b>	<b>2021</b>	
	<b>US\$</b>	<b>US\$</b>	<b>%</b>
(a) Sales reported for first half year	13,940,611	12,868,592	8.3
(b) Operating profit after tax before deducting non-controlling interests reported for first half year	147,789	96,087	53.8
(c) Sales reported for second half year	11,659,295	20,010,841	(41.7)
(d) Operating profit after tax before deducting non-controlling interests reported for second half year	404,345	1,960,769	(79.4)

## 5 Financial assets and financial liabilities

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2022 and 31 December 2021 and their fair values measurements:

	<b>Carrying amount</b>		
	<b>Financial assets at amortised cost US\$</b>	<b>Financial liabilities at amortised cost US\$</b>	<b>Total US\$</b>
<b>Group</b>			
<b>At 31 December 2022</b>			
<b>Financial assets not measured at fair value</b>			
Trade and other receivables*	1,277,034	–	1,277,034
Cash and cash equivalents	1,280,121	–	1,280,121
	2,557,155	–	2,557,155
<b>Financial liabilities not measured at fair value</b>			
Convertible loan	–	(787,440)	(787,440)
Trade and other payables^	–	(4,514,922)	(4,514,922)
Dividends payable	–	(358,197)	(358,197)
	–	(5,660,559)	(5,660,559)
<b>At 31 December 2021</b>			
<b>Financial assets not measured at fair value</b>			
Trade and other receivables*	1,389,941	–	1,389,941
Cash and cash equivalents	16,433,078	–	16,433,078
	17,823,019	–	17,823,019
<b>Financial liabilities not measured at fair value</b>			
Convertible loan	–	(592,404)	(592,404)
Trade and other payables^	–	(4,550,596)	(4,550,596)
Dividends payable	–	(1,064,902)	(1,064,902)
	–	(6,207,902)	(6,207,902)

	<b>Carrying amount</b>		
	<b>Financial assets at amortised cost US\$</b>	<b>Other financial liabilities US\$</b>	<b>Total US\$</b>
<b>Company</b>			
<b>At 31 December 2022</b>			
<b>Financial assets not measured at fair value</b>			
Trade and other receivables*	11,810,588	–	11,810,588
Cash and cash equivalents	43,748	–	43,748
	11,854,336	–	11,854,336
<b>Financial liability not measured at fair value</b>			
Trade and other payables^	–	(6,531,589)	(6,531,589)
	–	(6,531,589)	(6,531,589)
<b>At 31 December 2021</b>			
<b>Financial assets not measured at fair value</b>			
Trade and other receivables*	14,279,702	–	14,279,702
Cash and cash equivalents	143,905	–	143,905
	14,423,607	–	14,423,607
<b>Financial liability not measured at fair value</b>			
Trade and other payables^	–	(6,505,908)	(6,505,908)
	–	(6,505,908)	(6,505,908)

\* Excluded prepaid expenses of US\$21,885 (31 December 2021: US\$23,339) and US\$21,885 (31 December 2021: US\$23,339) for the Group and the Company respectively.

^ Excluded accrual for payroll-related costs of US\$937,846 (31 December 2021: US\$2,219,158), and withholding tax of US\$316,703 (31 December 2021: US\$201,633) for the Group and accrual for payroll-related costs of US\$46,014 (31 December 2021: US\$821,836) for the Company.

## 6 Net Asset Value

	<b>Group</b>		<b>Company</b>	
	<b>31 December 2022 US\$</b>	<b>31 December 2021 US\$</b>	<b>31 December 2022 US\$</b>	<b>31 December 2021 US\$</b>
Net asset value (US\$) <sup>(1)</sup>	38,588,997	40,740,979	13,744,697	15,456,357
Number of shares at the end of the period (excluding treasury shares)	405,289,100	405,289,100	405,289,100	405,289,100
Net asset value per share:				
- US cents	9.52	10.05	3.39	3.81
- SG cents <sup>(2)</sup>	12.77	13.59	4.55	5.15

Notes:-

(1) Net asset value represents total assets less total liabilities and non-controlling interests.

(2) Net asset value per share translated at a closing exchange rate of USD/SGD 1.3414 and 1.3523 as at 31 December 2022 and 31 December 2021 respectively.



## 7 Exploration and evaluation assets

At 31 December 2022, the Group acquired exploration and evaluation assets amounting to US\$716,766 (31 December 2021: US\$571,703).

## 8 Mine properties

At 31 December 2022, the Group acquired mine properties amounting to US\$1,048,297 (31 December 2021: US\$1,440,096).

## 9 Property, plant and equipment

At 31 December 2022, the Group acquired property, plant and equipment amounting to US\$5,703,537 (31 December 2021: US\$2,487,365) and written off and disposed of assets with net carrying value amounting to US\$466,395 (31 December 2021: US\$18,135).

## 10 Loans and borrowings

	<b>Group</b>		<b>Company</b>	
	<b>31 December 2022 US\$</b>	<b>31 December 2021 US\$</b>	<b>31 December 2022 US\$</b>	<b>31 December 2021 US\$</b>
<b>Non-current</b>				
Lease liabilities - Secured	38,854	53,944	–	–
Lease liabilities - Unsecured	272,067	18,379	268,416	4,451
Convertible loan - Unsecured	787,440	–	–	–
	<u>1,098,361</u>	<u>72,323</u>	<u>268,416</u>	<u>4,451</u>
<b>Current</b>				
Lease liabilities - Secured	57,033	45,697	–	–
Lease liabilities - Unsecured	144,748	107,742	135,203	97,968
Convertible loan - Unsecured	–	592,404	–	–
	<u>201,781</u>	<u>745,843</u>	<u>135,203</u>	<u>97,968</u>
	<u><u>1,300,142</u></u>	<u><u>818,166</u></u>	<u><u>403,619</u></u>	<u><u>102,419</u></u>

### Details of any collaterals

The Group's secured lease liabilities as at 31 December 2022 comprised hire purchase liabilities, which are secured over the Group's motor vehicles. The net carrying amounts of the motor vehicles as at 31 December 2022 amounted to US\$49,778 (31 December 2021: US\$21,002).

The Group's unsecured lease liabilities were recognised pursuant to the requirements of SFRS(I) 16.

Pursuant to a convertible loan agreement dated 24 February 2017 (“**Previous CLA**”) (as announced on the same date), the Group’s unsecured convertible loan issued by a subsidiary matured on 23 February 2022. As such, the outstanding amount (excluding the accrued and unpaid interest) was reclassified as other payables (a current liability) as at 30 June 2022 in the condensed interim financial statements for the six months ended 30 June 2022. Subsequently, on 3 November 2022, a new convertible loan agreement (“**New CLA**”) was signed among the same contracting parties with the following salient terms: (i) the new principal amount is the aggregate of the previous outstanding principal amount and a portion of the accrued and unpaid interest pursuant to the Previous CLA; (ii) the new principal amount is not interest bearing; and (iii) the repayment period for the loan will be three years. Save for the foregoing, all other terms of the New CLA are materially similar to the Previous CLA.

## 11 Profit before tax

### 11.1 Significant items

The following items have been included in arriving at profit before tax for the period:

	<b>Group</b>			
	<b>Six months ended</b>	<b>Six months ended</b>	<b>Twelve months ended</b>	<b>Twelve months ended</b>
	<b>31 December</b>	<b>31 December</b>	<b>31 December</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Finance costs	5,284	88,501	74,705	177,856
Amortisation and depreciation	2,654,711	2,408,289	5,063,830	4,827,030
Property, plant and equipment written off	61,915	–	466,395	–
Impairment loss on exploration and evaluation assets	–	36,326	6,835	36,326
Inventories written down	992,215	–	992,215	–
Gain on disposal of property, plant and equipment	–	–	–	(63,803)
Grant income	(1,643)	(135,891)	(6,858)	(360,587)
Gain on discounting of convertible loan	(90,238)	–	(90,238)	–
Loss/(Gain) on foreign exchange:				
- Unrealised	(26,445)	43,138	639,668	585,527
- Realised	38,423	(51,466)	(81,707)	(161,066)

### 11.2 Related party transactions

Other than key management personnel compensation as presented in the condensed consolidated statement of profit or loss, the Group had no other significant related party transactions during the reporting period.

## 12 Earnings per share

### Basic earnings per share

The calculation of basic earnings per share at 31 December 2022 was based on the profit attributable to ordinary shareholders of US\$117,582 (31 December 2021: US\$1,715,258) and a weighted-average number of ordinary shares outstanding of 405,289,100 (31 December 2021: 407,096,019).

The Group's weighted-average number of ordinary shares is calculated as follows:

	<b>Group</b>			
	<b>Six months ended</b>		<b>Twelve months ended</b>	
	<b>31 December 2022</b>	<b>31 December 2021</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>No. of shares</b>	<b>No. of shares</b>	<b>No. of shares</b>	<b>No. of shares</b>
Issued number of ordinary shares	407,693,000	407,693,000	407,693,000	407,693,000
Effect of own shares held	(2,403,900)	(1,187,434)	(2,403,900)	(596,981)
Weighted-average number of ordinary shares during the period	<u>405,289,100</u>	<u>406,505,566</u>	<u>405,289,100</u>	<u>407,096,019</u>

### Diluted earnings per share

Diluted earnings per share is the same as basic earnings per share due to the absence of any dilutive financial instruments for the year ended 31 December 2022 and 31 December 2021 respectively.

Basic earnings per ordinary share translated at an average exchange rate of USD/SGD 1.3787 and 1.3414 for year ended 31 December 2022 and 31 December 2021 respectively.

## 13 Tax expense

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

	<b>Group</b>			
	<b>Six months ended</b>		<b>Twelve months ended</b>	
	<b>31 December 2022</b>	<b>31 December 2021</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
<b>Current tax expense</b>				
Current period/year	475,283	1,089,731	876,228	1,545,632
Adjustment for prior periods/year	(73,349)	(3,967)	(73,349)	9,550
	<u>401,934</u>	<u>1,085,764</u>	<u>802,879</u>	<u>1,555,182</u>
<b>Deferred tax expense</b>				
Reversal of temporary differences	(188,363)	(269,039)	(144,852)	(534,620)
Adjustment for prior periods	261,285	23,202	367,460	31,245
	<u>72,922</u>	<u>(245,837)</u>	<u>222,608</u>	<u>(503,375)</u>
<b>Total tax expense</b>	<u>474,856</u>	<u>839,927</u>	<u>1,025,487</u>	<u>1,051,807</u>

## 14 Dividends

The following exempt (one-tier) dividends were declared, and paid and payable by the Group and Company:

<b>For the year ended 31 December</b>	<b>Group and Company</b>	
	<b>2022</b>	<b>2021</b>
	<b>US\$</b>	<b>US\$</b>
<b>Paid by the Company to owners of the Company</b>		
Dividends on ordinary shares:		
- Final dividends for the year ended 31 December 2021: S\$0.00200 (equivalent to US\$0.001463) (2020: S\$Nil (equivalent to US\$Nil)) per ordinary share	593,019	–
- Special dividends for the year ended 31 December 2021: S\$0.00600 (equivalent to US\$0.004390) (2020: S\$Nil (equivalent to US\$Nil)) per ordinary share	1,779,057	–
	2,372,076	–

<b>For the year ended 31 December</b>	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>US\$</b>	<b>US\$</b>
<b>Payable by subsidiaries to non-controlling interests</b>		
Dividends on ordinary shares:		
- Interim dividends for the year ended 31 December 2022: RM12.40 (equivalent to US\$2.7529) (2021: RM 43.00 (equivalent to US\$10.1523)) per ordinary share	341,454	1,018,653
Dividends on preference shares:		
- Preference dividends for the year ended 31 December 2022: RM11.00 (equivalent to US\$2.4420) (2021: RM41.00 (equivalent to US\$9.6801)) per preference share	6,960	27,588
	348,414	1,046,241

After the respective reporting dates, the following exempt (one-tier) dividends were proposed by the directors. These exempt (one-tier) dividends have not been provided for.

	<b>Group and Company</b>	
	<b>2022</b>	<b>2021</b>
	<b>US\$</b>	<b>US\$</b>
<b>Payable by the Company to owners of the Company</b>		
- Final dividends for the year ended 31 December 2022: S\$0.00200 (equivalent to US\$0.001491) (2021: S\$0.00200 (equivalent to US\$0.001479)) per ordinary share	604,286	599,407
- Special dividends for the year ended 31 December 2022: S\$Nil (equivalent to US\$Nil) (2021: S\$0.00600 (equivalent to US\$0.004437)) per ordinary share	-	1,798,221
	604,286	2,397,628

## 15 Contingent liability

There is no significant update on the contingent liability as disclosed in the Group's last audited financial statements for the year ended 31 December 2021.

## 16 Treasury shares

	<b>Group and Company</b>			
	<b>2022</b>		<b>2021</b>	
	<b>No. of shares</b>	<b>US\$</b>	<b>No. of shares</b>	<b>US\$</b>
As at 1 January	(2,403,900)	(357,172)	–	–
Purchase of treasury shares	–	–	(2,403,900)	(357,172)
As at 31 December	<u>(2,403,900)</u>	<u>(357,172)</u>	<u>(2,403,900)</u>	<u>(357,172)</u>

Treasury shares related to ordinary shares of the Company that is held by the Company.

No treasury shares were reissued pursuant to any performance share plans during the year.

## 17 Subsequent events

There are no known subsequent events which have led to adjustments to this set of financial statements.

## G. Other Information Required by Catalist Rule Appendix 7C

### 1 Review

The condensed consolidated statement of financial position of CNMC Goldmine Holdings Limited (the “**Company**”), and together with its subsidiaries, (the “**Group**”) as at 31 December 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period and full year then ended and certain explanatory notes have not been audited or reviewed by the Company’s auditors.

### 2 Review of performance of the Group

In the review of performance, the factors leading to any material changes in contributions to turnover and earnings are reported by the operating segments.

Please refer to note 4 of the condensed financial statements for information on the reportable segment.

Please refer to the below for analysis of revenue in FY2022, as contributed by the mining segment.

Revenue from other operations segment consists mainly of dividend income from subsidiaries, inter-company interest and management fee charged by the holding company to the mining segment.

In FY2022, profit before tax from other operations segment was US\$0.90 million as compared to US\$3.69 million in FY2021. This was mainly due to lower dividend income received from subsidiaries in FY2022.

#### Statement of profit or loss

##### Revenue

The table below is a summary of the financial performance of the Group for the six months period ended 31 December 2022 (“**2H2022**”) and the full year ended 31 December 2022 (“**FY2022**”) and the comparative financial performance for the six months period ended 31 December 2021 (“**2H2021**”) and the full year ended 31 December 2021 (“**FY2021**”):

	<b>2H2022</b>	<b>2H2021</b>	<b>Increase / (Decrease) %</b>	<b>FY2022</b>	<b>FY2021</b>	<b>Increase / (Decrease) %</b>
<b>Production volume of fine gold (ounces)</b>	6,650.26	11,181.33	(40.5)	14,105.92	18,256.06	(22.7)
<b>Sales volume of gold (ounces)</b>	6,650.26	11,181.33	(40.5)	14,105.92	18,256.06	(22.7)
<b>Revenue – Total (US\$’000)</b>	11,659.30	20,010.84	(41.7)	25,599.91	32,879.43	(22.1)
<b>Average realised gold price (US\$/ounce)</b>	1,753.21	1,789.67	(2.0)	1,814.83	1,801.01	0.8

The Group's revenue decreased by 41.7% and 22.1% in 2H2022 and FY2022 respectively, compared to 2H2021 and FY2021. This was due to a decrease in the production and sales volume of fine gold by 40.5% and 22.7% in 2H2022 and FY2022 respectively.

Gold production for 2H2022 was impacted by a period of non-production owing to certain repair work being carried out on the ball mill grinder of the carbon-in-leach production line of approximately one month, as announced on 11 November 2022 under the heading of "Development Activities". The decrease was compounded by lower grade ore of gold extracted during the aforementioned period, as compared to 2H2021. There was no such disruption to our operations in 2H2021, following the Malaysian Federal Government's decision to ease Covid-19 restrictions in Kelantan and four other states with effect from 5 July 2021, as announced on 13 July 2021.

#### Other income and expenses

In 2H2022, the Group recorded net other operating expenses<sup>1</sup> as compared to net other operating income in 2H2021, mainly due to the inventories of lead and zinc concentrates being written down to their net realisable value ("NRV"). The Group assessed the NRV of lead and zinc concentrates based on the best available information and circumstances, including their expected market selling prices, estimated royalties and tributes, and estimated costs necessary to make the sale. The Group commenced production of lead and zinc concentrates during FY2022 and higher costs were incurred during the machinery calibration period at the initial phase of production. The net operating expenses incurred in 2H2022 was also due to lower government grants for wage subsidies due to the end of the COVID-19 pandemic.

In FY2022, the Group recorded an increase in net other operating expenses compared to FY2021, mainly due to the issues mentioned above that arose in 2H2022. The increase was also due to the write-off of property, plant and equipment relating to the heap leaching pad as a result of soil instability, as well as a higher foreign exchange loss as the MYR depreciated against the USD. The Group's cash and bank balances are predominantly denominated in MYR.

#### Operating expenses

The overall decrease in operating expenses in 2H2022 and FY2022, was mainly due to the following:

- decrease in key management remuneration, mainly due to the lower performance bonus accrued for FY2022;
- decrease in royalty and tribute expenses resulting from lower sales of gold dore bars;
- a credit being recorded for changes in inventories of lead and zinc as at 31 December 2022 because of the accumulation of the finished goods of lead and zinc concentrates. The Group entered into an export sale contract for the finished goods of lead and zinc concentrate as at year-end but the export permit was only approved in mid-January 2023. The Group expects to ship the entire batch of finished goods within the months of February 2023 and March 2023.
- a credit was recorded for changes in inventories for work in progress of gold because of the refinement of the cost allocation basis for the recognition, as explained in note 2.2 of the Section F, and accumulation of stockpiles.

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<sup>1</sup> the net of other operating income over other operating expenses, or vice versa, as the case may be.

The aforesaid decrease was partly offset by:

- increase in site and factory expenses derived mainly from the higher consumption of diesel and average price of diesel, as well as higher repair and maintenance expenses; and
- increase in amortisation and depreciation mainly due to additional depreciation charge from the newly capitalised lead and zinc production facility which commenced its operations during FY2022.

#### Non-FRS Performance Measures

The Group adopts adjusted operating costs per ounce, all-in sustaining costs per ounce and all-in costs per ounce as non-FRS performance measures in accordance with the World Gold Council guidelines. The Company believes these performance measures better define the total costs associated with its gold production. However, these performance measures have no standardised meaning. For the avoidance of doubt, the information provided below is intended to provide additional information to shareholders and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with FRS. The Company computed these measures in accordance with the World Gold Council guidelines listed in footnotes (1), (2) and (3) based on sales volume of fine gold.

Summarised below are the Group's all-in sustaining costs and all-in costs per ounce, relating to gold mining activities for, 2H2022 and FY2022 and their comparatives:

	2H2022	2H2021	US\$ / gold ounce sold		FY2021	↑/ (↓) %
			↑/ (↓) %	FY2022		
<b>Sales volume of fine gold (ounces)</b>	<b>6,650.26</b>	<b>11,181.33</b>	<b>(40.5)</b>	<b>14,105.92</b>	<b>18,256.06</b>	<b>(22.7)</b>
Mining related costs	846	869	(2.6)	723	896	(19.3)
Royalty and tribute expenses	231	230	0.4	243	245	(0.8)
<b>Adjusted operating costs<sup>(1)</sup></b>	<b>1,077</b>	<b>1,099</b>	<b>(2.0)</b>	<b>966</b>	<b>1,141</b>	<b>(15.3)</b>
General and administrative costs	15	250	(94.0)	129	240	(46.3)
Capital expenditure	29	39	(25.6)	46	60	(23.3)
<b>All-in sustaining costs<sup>(2)</sup></b>	<b>1,121</b>	<b>1,388</b>	<b>(19.2)</b>	<b>1,141</b>	<b>1,441</b>	<b>(20.8)</b>
Capital exploration (non-sustaining)	71	5	n.m.	40	9	n.m.
Capital expenditure (non-sustaining)	148	26	n.m.	171	33	n.m.
<b>All-in costs<sup>(3)</sup></b>	<b>1,340</b>	<b>1,419</b>	<b>(5.6)</b>	<b>1,352</b>	<b>1,483</b>	<b>(8.8)</b>

- (1) Adjusted operating costs include production costs such as mining production and maintenance costs, royalties, and operating costs such as storage, net of by-product credits. These costs may vary depending on seasonal or cyclical factors, including among others, rainy season and grade of gold extracted from the ore.
- (2) All-in sustaining costs include adjusted operating costs and sustaining capital expenditure, corporate general and administrative expenses, exploration expense, reflecting the full cost of gold production from current operations.
- (3) Include all-in sustaining costs and non-sustaining costs. Non-sustaining costs are costs incurred for new operations and costs related to construction of the new production facility for the existing operations where these projects are expected to materially increase production in future.



The all-in costs per ounce in 2H2022 and FY2022 were 5.6% and 8.8% lower, respectively, as compared to 2H2021 and FY2021. This was mainly due to lower operating expenses, as explained in the section above on “Operating expenses”. The overall decrease was partly offset by higher capital expenditure resulting from the on-going construction of the two underground mining facilities.

#### Tax expenses

The Group’s effective tax rate for 2H2022 and FY2022 was approximately 54% and 65% respectively, which was higher than the applicable tax rate of 24% for the Group. The much higher effective tax rate was due mainly to the non-deductibility of certain items for tax purposes, the non-recognition of deferred tax asset (or income tax credit) in relation to losses incurred by some subsidiaries due to uncertainty of their future profitability, and the payment of Malaysian withholding taxes on management fees received by the Company’s subsidiary CMNM Mining Group Sdn. Bhd.

#### Profit after tax

As explained above, the lower profit after tax of 2H2022 and FY2022, as compared to 2H2021 and FY2021, was mainly due to the lower revenue recorded and higher net other operating expenses.

### **Statement of financial position**

#### Assets

The increase in non-current assets was mainly due to the increase in exploration and evaluation assets resulting from the additional drilling costs, as well as the increase in property, plant and equipment because of the construction of underground structure facilities and the lead and zinc production facility. The overall increase in non-current assets was partially offset by the amortisation of mine properties and depreciation of property, plant and equipment.

The decrease in total current assets was mainly due to lower cash and cash equivalents, for reasons presented in the statement of cash flows analysis below. This was partially offset by the accumulation of the finished goods of lead and zinc concentrates, as well as the increase in the carrying value of inventories of gold division. The rationale of the increase is explained in “Operating expenses” section above.

#### Liabilities

The decrease in total liabilities was mainly due to lower trade and other payables, resulting from lower performance bonus accruals made for the year, and lower dividends payable because of lower interim dividend payable by subsidiaries, as well as the lower tax liabilities. This was offset by increase in loans and borrowings mainly due to the recognition of office lease obligations and the increase in the amount of the convertible loan issued by a subsidiary as a result of the accumulation of the unpaid interest under the previous convertible loan agreement, as explained in Note 10 in Section F above).

As at 31 December 2022, the Group had a positive working capital of US\$8.28 million compared to US\$10.91 million as at 31 December 2021.

### **Statement of cash flows**

The net operating cash outflows in FY2022 amounting to US\$6.06 million were mainly due to operating profit before working capital changes of US\$8.63 million, adjusted for the decrease in trade and other receivables of US\$0.20 million, which was partially offset by tax paid of US\$1.61 million, increases in inventories of US\$10.31 million and decreases in trade and other payables of US\$2.97 million.

Net cash used in investing activities amounted to US\$5.21 million in FY2022, comprising payments to acquire: i) property, plant and equipment for the construction of the underground mining facilities; ii) the lead and zinc production facility; iii) exploration and evaluation assets and mine properties.

Net cash used in financing activities amounted to US\$3.73 million in FY2022, mainly due to dividends paid to equity holders of the Company, dividends paid to preference shares holder and non-controlling interests and payment made for lease liabilities during the financial year.

As at 31 December 2022, the Group had cash and cash equivalents of US\$1.28 million, down US\$15.15 million from US\$16.43 million as at 31 December 2021.

- 3(a) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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.**

	Number of shares	Share capital (S\$)	Share capital (US\$)
<b>As at 31 December 2022</b>	405,289,100	22,890,024	18,032,233
<b>As at 31 December 2021</b>	405,289,100	22,890,024	18,032,233

As at 31 December 2022, the Company held 2,403,900 ordinary shares as treasury shares (31 December 2021: 2,403,900). The total number of issued shares of the Company (excluding treasury shares) as at 31 December 2022 was 405,289,100 (31 December 2021: 405,289,100).

The percentage of the aggregate number of treasury shares held against the total number of shares issued (excluding treasury shares) as at 31 December 2022 was 0.6% (31 December 2021: 0.6%).

Save for the above, the Company did not have any outstanding options, convertible securities, treasury shares or subsidiary holdings as at 31 December 2022 and 31 December 2021.

- 3(b) 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 immediately preceding year.**

	Company As at 31 December 2022 (Unaudited)	Company As at 31 December 2021 (Audited)
Total number of issued shares	407,693,000	407,693,000
Treasury shares	<u>(2,403,900)</u>	<u>(2,403,900)</u>
Total number of issued shares, excluding treasury shares	<u>405,289,100</u>	<u>405,289,100</u>

- 3(c) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable. There were no sales, transfers, cancellations and/or use of treasury shares during and as at the end of the financial period reported on.

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

Not applicable. There were no subsidiary holdings during and as the end of the current financial period reported on.

- 4 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 auditors.

- 5 Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).**

Not applicable. The figures have not been audited or reviewed by the auditors.

- 6 Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion (this is not required for any audit issue that is a material uncertainty relating to going concern):—**

- (a) Updates on the efforts taken to resolve each outstanding audit issue.**

Not applicable.

- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

Not applicable.

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

Please refer to Note 2: Basis of preparation of the notes to the condensed financial statements herein.

**8 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.**

Please refer to Note 2: Basis of preparation of the notes to the condensed financial statements herein.

**9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

Not applicable. No forecast or prospect statement was previously disclosed.

**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.**

Global gold demand is expected to remain firm in 2023, even after rising 18% to an 11-year high of 4,741 tonnes last year, the World Gold Council (“WGC”) said in a report dated 31 January 2023\*. According to WGC, interest rate hikes to tame inflation are expected to be less of a headwind for gold prices this year than in 2022, and that continued weakness in the US dollar and growing recession and geopolitical risks should help sustain investors’ interest in gold.

With its carbon-in-leach plant up and running again after about a month of downtime for repairs in 2H2022, the Group expects its gold output to increase, barring any unforeseen circumstances.

The Group will, in the meantime, continue to expand its underground mining capacity. As previously disclosed, the two additional underground mining facilities at the Sokor gold mine are currently being built. Both facilities, when completed, will enable the Group to mine more higher-grade gold ore and increase the total volume of ore that is mined, barring any unforeseen circumstances.

The Group entered into a sales contract to export its lead and zinc concentrates in November 2022, with the relevant export permit being approved in mid-January 2023. The bulk of the lead and zinc concentrates produced last year is expected to be exported in February 2023 and March 2023.

\* Gold Demand Trends: World Gold Council

<https://www.gold.org/goldhub/research/gold-demand-trends/gold-demand-trends-full-year-2022/outlook> and <https://www.gold.org/goldhub/research/gold-demand-trends/gold-demand-trends-full-year-2022>

## 11 Dividend information

### If a decision regarding dividend has been made:

**(a) Whether an interim (final) ordinary dividend has been declared (recommended); and**

Yes. The proposed dividends for the financial year ended 31 December 2022 are subject to shareholders' approval at the forthcoming annual general meeting of the Company to be held in April 2023.

**(b) (i) Amount per share (cents)**

Proposed dividends

Name of Dividend	Final tax exempt dividend
Dividend Type	Cash
Dividend Amount per Share	S\$0.0020 per ordinary share
Tax Rate	Tax-exempt one-tier

**(ii) Previous corresponding period (cents)**

Yes. A final and special tax-exempt dividend for FY2021 was announced on 24 February 2022 and approved at the FY2021 annual general meeting on 29 April 2022.

Name of Dividend	Final tax exempt dividend
Dividend Type	Cash
Dividend Amount per Share	S\$0.0020 per ordinary share
Tax Rate	Tax-exempt one-tier

Name of Dividend	Special tax exempt dividend
Dividend Type	Cash
Dividend Amount per Share	S\$0.0060 per ordinary share
Tax Rate	Tax-exempt one-tier

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)**

Tax-exempt (one-tier)

**(d) The date the dividend is payable.**

The proposed final tax-exempt dividends, if approved at the forthcoming annual general meeting of the Company, will be paid at a date to be announced in due course.

- (e) **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.**

The books closure date for the proposed final tax-exempt dividends will be announced at a later date.

- (f) **If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

Not applicable.

- 12. If the Group has obtained a general mandate from shareholders for interested persons transactions (“IPT”), 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 does not have a general mandate from its shareholders for IPT. In FY2022, the Group did not enter into any IPT of S\$100,000 and more.

**Additional Disclosure Required for Mineral, Oil and Gas companies**

- 13a Rule 705 (6)(a) of the Catalist Listing Manual**

- i. Use of funds/cash for the quarter:-**

In 4Q2022, funds/cash were mainly used for the following production activities, as compared to the projections:-

<b>Purpose</b>	<b>Amount (US\$ million) Actual</b>	<b>Amount (US\$ million) Projected</b>
Exploration and evaluation activities	0.49	0.51
Payments for plant and machinery	0.73	0.91
Payments for diesel and other production materials	2.66	3.29
Royalty and tribute fees to government	0.41	0.68
Rental of equipment	0.40	0.42
Upkeep of equipment and motor vehicles	0.36	0.41
General working capital	1.93	2.00
<b>Total</b>	<b>6.98</b>	<b>8.22</b>

**ii. Projection on the use of funds/cash for the next immediate quarter, including principal assumptions:-**

For the next immediate quarter (financial period from 1 January 2023 to 31 March 2023 (“1Q2023”)), the Group’s use of funds/cash for production activities is expected to be as follows:-

<b>Purpose</b>	<b>Amount (US\$ million)</b>
Exploration and evaluation activities	0.45
Payments for plant and machinery	0.56
Payments for diesel and other production materials	2.19
Royalty and tribute fees to government	1.42
Rental of equipment	0.32
Upkeep of equipment and motor vehicles	0.33
General working capital	2.66
<b>Total</b>	<b>7.93</b>

The Group’s exploration plans for 1Q2023 are as follows:-

(a) Geological Investigation

Ulu Sokor concession:

Exploration activities will focus on the following areas:

i) Manson Lode Deposit

The department will continue its exploration activities northwards for base metal mineralisation and prospect for porphyry gold mineralisation at the deeper depth; and

ii) New Found Deposit

Exploration activities to focus on gold mineralisation at the deeper depth at the western part of the mine pit and verify the extension of gold mineralisation eastward.

CNMC Pulai and Kelgold concession:

No major exploration activities have been planned because the Group’s exploration focus for 1Q2023 will remain on its producing asset, the Ulu Sokor concession.

(b) Diamond drilling program

Diamond core drilling will be fulfilled by an exploration drilling sub-contractor using two diamond rigs capable of drilling NQ drill core size to 1,000 meters in depth.

19 drillholes with total footage of 2,960 meters are planned for 1Q2023. The Group’s geology department will revise the drilling plan based on the assay results of each drillhole.

**13b Rule 705 (6)(b) of the Catalist Listing Manual**

The Board confirms that, to the best of its knowledge, nothing has come to its attention which may render the information provided in item 13a above to be false or misleading in any material aspect.

**14 Rule 705 (7) of the Catalist Listing Manual**

**Details of exploration (including geophysical surveys), 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;**

In 4Q2022, the variance between budgeted and actual usage of funds/cash was mainly due to the timing difference in making certain payments.

The Group carried out the following exploration activities in 4Q2022 and capitalised US\$0.57 million for exploration and evaluation expenditures.

(a) Geological Investigation

Ulu Sokor concession:

- i) New Found Deposit  
Eighteen drillholes intersected with orebody to verify gold orebody continuation; and
- ii) Manson’s Lode Deposit  
Three drillholes intersected with orebody

No major exploration activities were carried out at Rixen Centre and Amang Area as planned as the Company focused its exploration activities on New Found and Manson’s Lode deposit.

CNMC Pulai and Kelgold concession:

No major exploration activities were carried out in the Pulai and Kelgold concession.

(b) Drilling Program

Details of the twenty-three (23) drillholes completed in 4Q2022 with total footage of 2,975.73 meters at Ulu Sokor concession are tabulated below:

Drillholes	Designed locations		Completed depths (m)	Dip(°)
	Easting	Northing		
ZKNF3-5	443938.44	613245.14	150.17	56.00
ZKNF2-9	443914.83	613275.71	52.59	70.00
ZKNF3-6	443946.22	613272.62	110.90	72.00
ZKNF3-7	443946.09	613272.36	100.95	86.00



Drillholes	Designed locations		Completed depths (m)	Dip(°)
	Easting	Northing		
ZKNF1-6	443869.59	613305.52	60.98	65.00
ZKNF1-7	443891.84	613345.11	100.99	65.00
ZKNF5-8	444012.41	613217.90	200.53	72.00
ZKNF7+-1	444127.24	613250.37	120.95	60.00
ZKNF7+-2	444134.81	613270.51	70.58	60.00
ZKNF7+-3	444118.25	613230.55	150.33	60.00
ZKNF7-1	444137.14	613274.53	100.98	78.00
ZKNF7+-4	444137.56	613274.36	120.99	90.00
ZKNF8-2	444127.07	613250.97	120.99	55.00
ZKNF8-3	444161.26	613310.64	100.83	60.00
ZKNF8-4	444172.09	613329.09	120.33	60.00
ZKNF8-5	444159.98	613356.21	183.50	62.00
ZKNF9-1	444205.28	613301.33	120.23	75.00
ZKNF9-2	444206.00	613265.21	99.33	90.00
ZKNF9-3	444194.90	613361.11	162.11	59.00
ZKNF9-4	444203.85	613321.94	134.89	75.00
ZKM118-7	444971.41	613699.02	150.93	80.00
ZKM117-3	444959.44	613652.37	189.50	80.00
ZKM117-4	444921.03	613696.41	252.15	70.00

(c) Half core sampling and analysis

A total of 1,990 half core samples from the Ulu Sokor concession were sent to in-house production laboratory for gold, silver, lead, zinc and copper analysis.

**15. 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).**

None of the persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a director or chief executive officer or substantial shareholder of the Company.

**16 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalyst Listing Manual**

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

**17 Disclosures on incorporation, acquisition and realisation of shares pursuant to Catalyst Rule 706A.**

Not applicable.

**By Order of the Board**

Choo Chee Kong  
Executive Vice Chairman

Lim Kuoh Yang  
Chief Executive Officer

24 February 2023

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*This announcement has been reviewed by the Company's Sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

*The Sponsor has also not drawn on any specific technical expertise in its review of this announcement.*

*The contact person for the Sponsor is Ms Lim Hui Ling, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.*