Resources Prima Group Limited
(Company Registration No: 198602949M)

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**Exchange**"). The Sponsor has not independently verified the contents of this announcement.*

This announcement has not been examined or approved by the Exchange and the Exchange 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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Unaudited First Quarter Financial Statements for the Financial Period Ended 31 March 2019

INTRODUCTION

Resources Prima Group Limited (the "**Company**", and together with its subsidiaries, the "**Group**") makes reference to its announcement dated 18 April 2019, Update Pursuant to Catalist Rule 704(22), and provides the following update.

(A) Group's future direction and other material developments that may have a significant impact on the Group's financial situation

1. Ongoing Operations: PT Energy Indonesia Resources

As announced on 31 December 2018, there was no hauling operation in January 2019, due to temporary suspension of coal hauling activities (refer item (A)(1)(iii) below for update). The operations re-commenced on 26 February 2019 and the coal hauled for the period from 26 February 2019 to 28 February 2019 was 3,859 tonnes. The coal hauled for April 2019 was 8,940 tonnes. The coal haulage for April 2019 was low as a result of, *inter alia* less coal made available by CAN to EIR for hauling. The average coal hauled for the 18- months period from November 2017 to April 2019 amounted to 28,048 tonnes, which is significantly lesser than the 100,000 tonnes per month as set out in the Company's announcement dated 6 October 2017~~.~~

The discussions with CAN including *inter alia* possible recourse resulting from the various disruptions are still ongoing and CAN continues to make partial and intermittent payment to EIR. The various claims/outstanding receivables due from CAN at the date of this announcement are set out below:

i. Accounts receivables outstanding of approximately Rp.2.19billion (approximately USD 150,970 based on an exchange rate of US$1.00 equivalent to Rp14,500).
The outstanding accounts receivables comprise:
   a. USD69,060 for work done (coal hauled) in for the period from November 2018 to April 2019, excluding the R&F portion (as defined below) for this period;

   b. USD30,769 unilaterally deducted by CAN as overpayment claim for the period January 2018 to July 2018. Although CAN advised they were reviewing EIR's submission to dispute the overpayment claim, EIR has been informed that CAN's position with regard to the deduction remains unchanged and as at the date of this announcement no formal response has yet been received by EIR;

   c. USD42,496 for the period from September 2018 to April 2019 relating to the rise and fall portion ("**R&F**") (i.e. part of the pricing formula for the coal hauling services). CAN has unilaterally excluded this R&F portion from its payment for the accounts receivables due to EIR from September 2018 although EIR has informed of its disagreement with CAN in respect of the R&F adjustment. CAN's position, however, remains unchanged; and

d. USD8,645 for a 3-day stand by charge for January 2018 comprising of USD7,448 and R&F portion USD1,197 for the period 1 to 15 December 2017. Except for the R&F claim mentioned above, the R&F component for the period up to August 2018 have been paid by CAN.

ii. Other claims

a. Shortfall claim for the period from 1 November 2017 to 31 January 2019

1. EIR has, upon legal advice, invoiced CAN for the shortfall in the coal hauled by EIR for the 15-month period commencing 1 November 2017 to 31 January 2019 due to CAN's failure to provide a minimum of 100,000 tonnes per month to EIR ("Shortfall Claim") amounting to about USD2 million. On 10 April 2019, EIR received a formal letter from CAN stating that its Shortfall Claim has been received and is currently being reviewed by the legal department of CAN and CAN will commit to pay the outstanding owing to EIR. The formal letter from CAN did not state what is the amount payable to EIR that CAN has committed nor when payment will be made.

2. EIR sent a notification letter to CAN for the Shortfall Claim of about USD2 million, the R&F for the period from September 2018 to February 2019 of USD35,089 and the Overpayment Claim of USD30,769 and a second notification letter to CAN on 10 May 2019

b. Shortfall claim subsequent to 31 January 2019
EIR will continue to take action to protect and enforce its rights under the contract with CAN including but not limited to any monthly shortfall of coal hauled due to CAN's failure to provide a minimum of 100,000 tonnes per month to EIR, and the outstanding receivables.

The Company will continue to update shareholders via SGXNET in respect of the above and other matters concerning the Group through its monthly update pursuant to Rule 704(22) of the Catalist Rules.

2. <u>On-going Operations: RPG Logistics Pte Ltd's ("**RPG Logistics**") Joint Operation Agreement with PT Prima Dharma Karsa ("**PT Prima**")</u>

The Company incorporated RPG Logistics, a wholly-owned subsidiary company on 25 March 2019 for the purposes of provision of logistical support and supervision of operations in respect of mining activities.

On 31 March 2019, the Company announced that the Company's wholly-owned subsidiary RPG Logistics had entered into a joint operation agreement (the "**JOA**") with PT Prima, a company incorporated in Indonesia to provide logistical support to PT Prima, including but not limited to the transportation of nickel to a loading port, the supervision of mining operations as well as provision of mining equipment and mining services to PT Prima in relation to a mining area.

Subsequent to the signing of the PT Prima JOA, work has been done to implement the PT Prima JOA. This includes *inter alia* rental of 15 excavators and 20 dump trucks and chartering of two barges and is in the midst of appointing relevant personnel and making the necessary logistical arrangements. Barring any unforeseen circumstances, the shipment of the 35,000 metrics tonnes ("**MT**") of stockpile will commence in May 2019.

Please refer to the Company's announcement dated 31 March 2019 for details.

3. <u>Cashflow analysis and resumption of trading:</u>

i. As a result of the Rinjani situation (including without limitation the loss of control of Rinjani), the Group has been operating under severe cashflow constraints as there was no operating cashflow for the period from July to October 2017. The severe underperformance of the coal hauling agreement with CAN as set out above added more uncertainty to the cashflows that can be generated by the Group. The Board also announced on 28 June 2017 that the Board is of the view that the Company is currently unable to demonstrate its ability to continue as a going concern or reasonably assess its financial position. As such the Board recommended that in the best interests of the Company, the trading halt of the Company's shares be converted to a trading suspension of the shares with immediate effect. Since 29 June 2017, the Board and Management have been concurrently working towards submitting a trading resumption proposal to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on or before 28 June 2018.

On 5 July 2018, the Company announced that it was informed by the SGX-ST that, having considered the financial position of the Company, SGX-ST, is of the view that a time extension will be in the interest of shareholders and in this regard SGX-ST has agreed to grant the Company a 3-month extension till 28 September 2018 for the Company to submit its resumption proposal.

The Company was subsequently granted a further 6-month extension to 28 March 2019 to submit its resumption proposal. On 28 March 2019, the Company announced that it will be submitting a further 6-

month extension of time till 28 September 2019 to submit its resumption proposal ("**Further RTP EOT**"). The Company had through its Sponsor, SAC Capital Pte Ltd made the relevant submission on 4 April 2019.

On 29 April 2019, the Company announced that SGX-ST has, on 26 April 2019, through the Company's Sponsor, informed the Company that based on the information provided, SGX-ST has no objection to granting the Company Further RTP EOT till 28 September 2019.

Please refer to the Company's announcement dated 29 April 2019 for details.

ii. Having regard of the deadline imposed by the SGX-ST, the Company announced on 6 August 2018, the entry of an investment agreement with Mr Ang Liang Kim ("**Investor**") ("**Ang Investment Agreement**"), a substantial shareholder of the Company. The Investor has, pursuant to the Ang Investment Agreement, committed not less than S$4 million of investment in the Company by way of a convertible loan (of up to S$2 million) and a rights issue. These funds are for the purpose of general working capital (excluding salary and fees of Management and Directors) and where necessary, capital expenditures (including but not limited to potential business opportunities). As such, and as announced on 6 April 2018, the Management and Directors will continue, as an interim measure, not to take any fees or remuneration or to take only nominal salaries until there is more clarity on the Group's cashflow situation. The first drawdown of funds notice under the convertible loan of S$250,000 was issued on 10 December 2018 with funds amounting to S$246,495.88 being subsequently received by the Company in January 2019 for working capital purposes in compliance with the terms of the Investment Agreement. The Company will be holding a general meeting to seek shareholders' approval for the convertible loan in due course.

On 1 October 2018, the Company announced entering into a binding MOU with Hing Chung Group (International) Limited ("**Vendor**) (the "**Parties**") in relation to a proposed acquisition of 100% equity interest in ChongQing HuangYang Property Development Limited ("**ChongQing**"). As announced by the Company on 3 May 2019, the MOU has lapsed and terminated in accordance with the MOU. Please refer to the Company's announcement dated 3 May 2019 for more details.

The termination of the MOU will not have any material impact on the earnings per share and net tangible assets per share of the Group for the current financial year ending 31 December 2019.

iii. On 31 March 2019, the Company announced that it has entered into an investment agreement with Mr Perman Yadi ("**Mr Yadi**") ("**Yadi Investment Agreement**"). Pursuant to the Yadi Investment Agreement, Mr Yadi will grant the Company a convertible loan with a principal of US$2 million. The purposes of the convertible loan are extended to the Company for, *inter alia* business operations and projects undertaken by the Company with the Investor's express approval.

Please refer to the Company's announcement dated 31 March 2019 for details.

iv. The Company, through its Sponsor has on 4 April 2019, made an application for (i) a subsequent further 6-month extension of time to 28 September 2019 to submit its resumption of trading proposal; (ii) a subsequent further 6-month extension to 28 March 2019 to fill the vacancy in its Audit and Risk Management Committee (the "**Extensions**"). On 29 April 2019, the Company announced that SGX-ST has, on 26 April 2019, through its Sponsor, informed the Company that based on the information provided, SGX-ST has no objection to granting the Company the following:

1. a 6-month extension till 28 September 2019 to submit a resumption proposal;
2. a 6-month extension till 28 September 2019 to fill the vacancy in the Audit and Risk Management Committee; and
3. a 2-month extension till 30 June 2019 to hold the Company's annual general meeting in respect of financial year ended 31 December 2018.

The Company has announced on 29 April 2019 the waivers granted, the reasons for and the outcome of the Extensions to submit a resumption proposal.

(B) Bankruptcy proceedings – PT Rinjani Kartanegara ("Rinjani")

There have been no further updates since the Company's announcement dated 31 October 2018, except that the Company has appointed legal counsel to represent the Company and the Group in all further matters pertaining to the Rinjani matters.

(C) State of negotiations between the Company and its principal bankers or trustee

The Company currently has no credit lines or facilities with its bankers or trustee.

(D) Litigation

The Company refers to its announcement dated 9 February 2018 and advises that the Group's subsidiary, PT Pilar Mas Utama Perkasa ("**Pilar Mas**"), received a notice dated 24 January 2018 from the State Court of West Jakarta, Indonesia (the "**Notice**") in relation to a statement of claim filed by a former shareholder of PT Rinjani Kartanegara ("**Rinjani**"), being Ruznie Oms., S.H. M.Hum ("**Ruznie**"). The statement of claim is filed against, Pilar Mas, Agus Sugiono, the Group's Executive Chairman and Chief Executive Officer ("**Defendant II**"), Rinjani ("**Defendant III**"), Nordiansyah Nasrie, the Group's Chief Operating Officer ("**Defendant IV**") and other third parties (collectively, the "**Defendants**").

The statement of claim against the Defendants, claims, *inter alia*, losses arising from events and transactions pertaining to the sale and purchase of Rinjani's shares from its original shareholders prior to the reverse takeover back in 2014, one of which being Ruznie. The amount being claimed of Rp665 billion (approximately US$50 million), represents, amongst others, Ruznie's loss of rights from the sale of Rinjani's shares and loss of opportunity to profit from the sale of Rinjani coal.

Following a decision of the West Jakarta District Court to exclude Rinjani from the mediation process due to its bankruptcy and unwillingness to participate, the mediation process recommenced with the first mediation hearing on 3 July 2018. The mediation hearing was before a panel of 3 judges and included Ruznie, Pilar Mas, and Defendants II and IV amongst others.

At the 3 July 2018 mediation hearing, no agreement was reached between the parties and as such an initial hearing was set for 10 July 2018 during which PT Pilar Mas Utama Perkasa ("**Pilar Mas**") and Defendants II and IV submitted their response to Ruznie's statement of claim. Following a number of hearings, the latest of which was held on 11 December 2018 the panel of judges decided in favour of Pilar Mas and Defendants II and IV. The formal decision of the Court has been received and Ruznie has appealed against the decision to the higher court. No further actions are required by Pilar Mas, and Defendants II and IV while the higher court considers Ruznie's appeal. The Company will continue to defend its position and does not expect to incur any costs arising from the appeal process.

Other than as set out above, the Company has not been or is not a party in any other legal proceedings.

As previously announced, with effect from 9 October 2017, all litigation matters and decisions with respect to the legal proceedings against Rinjani will be handled by the curators appointed by the Commercial Court Jakarta.

(E) Board and board committee changes

Further to the changes and appointments to the Company's Board and Board Committees noted in the Company's announcement dated 11 May 2018, the Company will still be unable to meet the minimum number of members under Catalist Rule 704(7) in respect of the Audit and Risk Management Committee ("**ARMC**").

Although the Company endeavoured to fill the vacant position within the 3 months from 13 February 2018, the Company makes reference to the announcement dated 6 April 2018, wherein it advised that due to the Group's financial position, the independent directors, the executive chairman cum chief executive officer, the executive director, the chief operating officer and the former chief financial officer have all agreed not to take any fees or remuneration or to take only nominal salaries until there is more clarity on the Group's cashflow situation. Hence, it would be challenging for the Group to attract suitable candidates and an appointment of an additional independent director could potentially stretch the Group's financial resources.
Having regard to the above the Company refers to its announcements dated:

- 1 June 2018 wherein it was announced that SGX-ST had no objection to granting a 3-month extension till 10 August 2018 to appoint the additional (third) committee member of the ARMC, and
- 27 August 2018 wherein it was announced that based on the information provided by the Company, the SGX-ST has no objection to granting the Company a further 1.5-month extension, till 28 September 2018, to fill the vacancy in the ARMC.
- 12 November 2018 wherein it was announced that the SGX-ST has no objection to granting a 6-month extension till 28 March 2019 to fill the vacancy in the ARMC.
- 4 April 2019, the Company through its sponsor wrote to SGX-ST to seek a further 6 months extension to till 28 September 2019 to fill the vacancy in the ARMC.

As noted above under item (A), the Company announced that SGX-ST has, through the Company's Sponsor, informed the Company that they have no objection to grant a further 6-month extension till 28 September 2019 to fill the vacancy in the ARMC.

(F) Application for extension of time to hold the Company's annual general meeting in respect of the financial year ended 31 December 2018 ("FY2018")

On 4 April 2019, the Company has, through its Sponsor, made an application to the SGX-ST for a further 2-month extension (the "**AGM Extension**") to 30 June 2019 to hold its AGM.

As noted above under item (A), the Company announced that SGX-ST has, through the Company's Sponsor, informed the Company that they have no objection to grant a 2-month extension till 30 June 2019 to hold the

Company's annual general meeting for financial year ended 31 December 2018. The Company will announce the date of the Company's annual general meeting in due course.

(G) Trading resumption

Please refer to item (A) above for details.

The Company will continue to update shareholders via SGXNET when there are material developments in respect of any matters concerning the Group pursuant to Rule 704(7) of the Catalist Rules.

The Board is of the opinion that all material disclosures have been provided by the Company.

GOING CONCERN

As set out in (A) above, the Company on 6 August 2018 announced the entry into an Investment Agreement with Mr Ang Liang Kim, a substantial shareholder of the Company (the "**Investor**") pursuant to which the Investor has committed not less than S$4 million of investment in the Company by way of a convertible loan (of up to S$2 million) and a rights issue. Following execution of the Investment Agreement, there is now more certainty on the cashflows of the Company to ensure it can meet its debts and obligations (excluding salary and fees of Management and Directors) as they fall due for the 12-month period from 31 December 2018 (the reporting date). Further, on 31 March 2019, the Company announced that it has entered into an investment agreement with Mr Perman Yadi ("**Mr Yadi**") ("**Yadi Investment Agreement**"). Pursuant to the Yadi Investment Agreement, Mr Yadi will grant the Company a convertible loan with a principal of US$2 million ("**Yadi Convertible Loan**"). The purposes of the Yadi Convertible Loan are extended to the Company for, *inter alia* business operations and projects undertaken by the Company with the Investor's express approval.

In view of the above, the Company has updated its profitability and cashflow analysis for the 12-month period from the reporting date up to 31 December 2019 and the analysis confirms that the Company is able to meet all of its debts and obligations during the forecast period.

The Board is therefore of the view that the Company is currently able to demonstrate that it can continue as a going concern and as such the first quarter financial statements of the Company and Group for the financial period ended 31 March 2019 have been prepared on a going concern basis.

CONSOLIDATED FINANCIAL STATEMENTS – PRESENTATION AND PREPARATION

Application of New Financial Reporting Framework

The Group has adopted a new financial reporting framework, SFRS(I)s, on 1 January 2018 and has prepared its financial information under SFRS(I)s for the first quarter ended 31 March 2019. SFRS(I)s comprise standards and interpretations that are equivalent to International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and is effective on 1 January 2018.

Optional Exemptions Applied

Based on professional advice, the Group has elected for the optional exemption to reset its cumulative translation differences to nil at the date of transition at 1 January 2017 in its unaudited full year results announcement on 1 March 2019 for financial year ended 31 December 2018. As a result, cumulative translation losses of $1,383,000 was reclassified from currency translation reserve to accumulated losses as at 1 January 2017 in the Group full year results presentation as announced on 1 March 2019. Subsequently, the Company reversed the re-classification from accumulated losses to currency translation of the same amount as the Company was advised that the cumulative translation differences for the Group were not through foreign operations. In accordance to SFRS(I)1, i.e. if a first-time adopter uses this exemption, the cumulative translation differences are to be derived through all foreign operations at the date of the transition.

The results of the Company, RPG Trading Pte Ltd, Energy Prima Pte Ltd, Pilar Mas, and EIR for the financial year ended 31 December 2018 are presented as Continuing Operations.

RESULTS ANNOUNCEMENT – ABBREVIATIONS

For ease of reference, the following abbreviations are used in this announcement:

- "**1QFY2018**": The 3-months (first quarter) of the financial year ended 31 December 2018,
- "**1QFY2019**": The 3-months (first quarter) of the financial year ended 31 December 2019, and
- "**12MFY2018**": The 12-months financial year ended 31 December 2019.

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

1(a)(i) Income statement and statement of comprehensive income, or a statement of comprehensive income for the group together with a comparative statement for the – corresponding period of immediately preceding year

INCOME STATEMENT

	Group			
	3 months ended 31.03.19 US$'000	3 months ended 31.03.18 US$'000	Inc/ (Dec) %	Ref
Revenue	**51**	**313**	**(83.7)**	**8.1.1**
Cost of goods sold	(153)	(320)	(52.2)	**8.1.2**
Gross loss	**(102)**	**(7)**	**>100**	**8.1.3**
Other gains, net	14	4	**>100**	**8.1.4**
Administrative expenses	(129)	(305)	(57.7)	**8.1.5**
Finance costs	(2)	-	N.M.	**8.1.6**
Loss before tax	(219)	(308)	**(28.9)**	
Tax expense	-	(2)	N.M.	**8.1.7**
Loss for the financial period	**(219)**	**(310)**	**(29.4)**	
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss:				
Currency translation differences arising on consolidation	3	(12)	N.M.	**8.1.8**
Total comprehensive loss for the financial period	**(216)**	**(322)**	**(38.8)**	
Loss attributable to:				
- Equity holders of the Company	(219)	(310)	(29.4)	
- Non-controlling interests	-*	-*	N.M.	
	(219)	(310)	(29.4)	
Total comprehensive loss attributable to:				
- Equity holders of the Company	(216)	(322)	(32.9)	
- Non-controlling interests	-*	-*	N.M.	
	(216)	(322)	(32.9)	

1(a)(ii) Income before tax is stated after charging/(crediting) the following:-

	Group		
	3 months ended 31.03.19 US$'000	3 months ended 31.03.18 US$'000	Inc/(Dec) %
Foreign currency exchange gain, net	(32)	(10)	>100
Depreciation of property, plant and equipment	37	65	(43.1)
Impairment loss on trade receivables	19	-	N.M

N.M. – Not Meaningful

* - Amount is below US$1,000

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

	Group		Ref	Company	
	As at 31.03.19 US$'000 (Unaudited)	As at 31.12.18 US$'000 (Restated)		As at 31.03.19 US$'000 (Unaudited)	As at 31.12.18 US$'000 (Restated)
Non-current assets					
Property, plant and equipment	430	467	**8.2.1**	-	-
Investment in subsidiaries	-	-		-	-
	430	**467**		-	-
Current assets					
Inventories	46	45	**8.2.2**	-	-
Trade and other receivables	168	184	**8.2.3**	35	2
Cash and cash equivalents	260	253	**8.2.4**	125	70
	474	482		160	72
Total assets	**904**	**949**		**160**	**72**
Equity					
Share capital	100,480	100,480		236,508	236,508
Currency translation reserve	(797)	(800)	**8.2.5**	(15,806)	(15,809)
Accumulated losses	(101,233)	(101,014)		(222,523)	(222,411)
Equity attributable to equity holders of the Company	(1,550)	(1,334)		(1,821)	(1,712)
Non-controlling interests	(193)	(193)		-	-
Total equity	**(1,743)**	**(1,527)**		**(1,821)**	**(1,712)**
Non-current liabilities					
Finance lease liabilities	15	15	**8.2.8**	-	-
Current liabilities					
Trade and other payables	1,937	1,901	**8.2.6**	1,801	1,784
Advances from Investor	180	-	**8.2.7**	180	-
Finance lease liabilities	41	56	**8.2.8**	-	-
Tax payable	474	504	**8.2.9**	-	-
	2,632	2,461		1,981	1,784
Total liabilities	**2,647**	**2,476**		**1,981**	**1,784**
Net liabilities	**(1,743)**	**(1,527)**		**(1,821)**	**(1,712)**
Total equity and liabilities	**904**	**949**		**160**	**72**

* - Amount is below US$1,000

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

(a) Amount repayable in one year or less, or on demand

31.03.19		31.12.18	
US$'000	US$'000	US$'000	US$'000
Secured	Unsecured	Secured	Unsecured
41	152	56	152

(b) Amount repayable after one year

31.03.19		31.12.18	
US$'000	US$'000	US$'000	US$'000
Secured	Unsecured	Secured	Unsecured
15	-	15	-

(c) Details of any collateral

Certain vehicles (such as coal hauling trucks) with an aggregate carrying amount of US$0.07 million as at 31 March 2018 (31 December 2018: US$0.1 million) are pledged under existing finance lease arrangements.

A corporate guarantee by Pilar Mas was provided as security for the debt owed by Rinjani to a main supplier amounting to approximately US$15 million.

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

	Group	
	3 months ended 31.03.19 US$'000	**3 months ended 31.03.18 US$'000**
Cash flows from operating activities		
Loss before tax	(219)	(308)
Adjustments for:-		
Impairment loss on trade receivables	19	-
Depreciation of property, plant and equipment	37	65
Finance costs (Interest expenses)	2	-
Unrealised foreign currency exchange gain, net	(30)	(10)
Operating cash flows before working capital changes	**(191)**	**(253)**
Inventories	(1)	(4)
Trade and other receivables	(4)	(6)
Trade and other payables	38	232
Currency translation adjustments	1	(13)
Cash used in operations	**(157)**	**(44)**
Taxes paid	(1)	(8)
Net cash used in operating activities	**(158)**	**(52)**
Cash flows from financing activities		
Repayment of finance leases	(15)	-
Advances from Investor	182[1]	-
Interest paid	(2)	-
Net cash generated from financing activities	**165**	**-**
Net increase/(decrease) in cash and cash equivalents	7	(52)
Cash and cash equivalents at beginning of the financial period	253	322
Effects of currency translation on cash and cash equivalents	-	2
Cash and cash equivalents at end of the financial period	**260**	**272**

[1] *The Advances from Investor received in Singapore dollars was translated to United States dollar ("**US$**") at the prevailing transactional rate in the cash flow statement. The carrying amount of the same Advances from Investor in the balance sheets was translated at the closing rate as at 31 March 2019. Consequently, the unrealized foreign translation difference was not cash flow and henceforth, the Advances from Investor in the cash flow statement were not adjusted for the unrealized foreign translation differences.*

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

Statement of Changes in Equity

	Share capital US$'000	Currency translation reserve US$'000	Accumulated losses US$'000	Equity attributable to equity holders of the Company US$'000	Non-controlling interests US$'000	Total equity US$'000
Group						
At 1 January 2018, reported	**100,480**	**559**	**(101,017)**	**22**	**(173)**	**(151)**
Adjustment for opening balances	-	(1,383)	1,383	-	-	-
At 1 January 2018, restated	**100,480**	**(824)**	**(99,634)**	**22**	**(173)**	**(151)**
Loss for the 3 months ended 31 March 2018	-	-	(310)	(310)	-*	(310)
Other comprehensive income:						
- Currency translation differences	-	(12)	-	(12)	-	(12)
Loss and total comprehensive loss for the 3 months ended 31 March 2018	-	(12)	(310)	(322)	-*	(322)
Adjustments	-	-	2	2	(2)	-
At 31 March 2018, restated	**100,480**	**(836)**	**(99,942)**	**(298)**	**(175)**	**(473)**
At 1 January 2019, reported	**100,480**	**583**	**(102,403)**	**(1,340)**	**(187)**	**(1,527)**
Adjustment for opening balances	-	(1,383)	1,389	6	(6)	-
Balance at 1 January 2019, restated	**100,480**	**(800)**	**(101,014)**	**(1,334)**	**(193)**	**(1,527)**
Loss for the 3 months ended 31 March 2019	-	-	(219)	(219)	-*	(219)
Other comprehensive income:						
- Currency translation differences	-	3	-	3	-	3
Profit/(loss) and total comprehensive income/(loss) for the 3 months ended 31 March 2019	-	3	(219)	(216)	-*	(216)
At 31 March 2019	**100,480**	**(797)**	**(101,233)**	**(1,550)**	**(193)**	**(1,743)**

* - Amount is below US$1,000

Statement of Changes in Equity (continued)

	Share capital US$'000	Currency translation reserve US$'000	Accumulated losses US$'000	Total equity US$'000
Company				
At 1 January 2018, reported	**236,508**	**2,242**	**(239,234)**	**(484)**
Adjustment for opening balances	-	(18,075)	18,075	-
At 1 January 2018, restated	**236,508**	**(15,833)**	**(221,159)**	**(484)**
Loss for the 3 months ended 31 March 2018	-	-	(301)	(301)
Other comprehensive income:				
- Currency translation differences	-	(105)	-	(105)
Loss and total comprehensive loss for the 3 months ended 31 March 2018	-	(105)	(301)	(406)
At 31 March 2018, restated	**236,508**	**(15,938)**	**(221,460)**	**(890)**
At 1 January 2019, reported	**236,508**	**2,266**	**(240,486)**	**(1,712)**
Adjustment for opening balances	-	(18,075)	18,075	-
Balance at 1 January 2019, restated	**236,508**	**(15,809)**	**(222,411)**	**(1,712)**
Loss for the 3 months ended 31 March 2019	-	-	(112)	(112)
Other comprehensive income:				
- Currency translation differences	-	3	-	3
Profit/(loss) and total comprehensive income/(loss) for the 3 months ended 31 March 2019	-	3	(112)	(109)
At 31 March 2019	**236,508**	**(15,806)**	**(222,523)**	**(1,821)**

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also 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.

	No. of Ordinary Shares	Issued Share Capital (S$)
At 31 March 2019 and 31 December 2018	**1,832,999,998**	**307,306,455**

There were no changes in the Company's share capital since 31 December 2018 and up till 31 March 2019. As at 31 March 2019 and 31 March 2018, the Company had no outstanding share options, other convertibles, treasury shares and subsidiary holdings.

Subject to the following corporate actions to be approved by shareholders, the number of ordinary shares will be increased by:

(a) the full drawdown and conversion of the convertible loan extended by Mr Ang Liang Kim into 2 billion shares;

(b) the full drawdown and conversion of the convertible loan extended by Mr Yadi into 2.705 billion shares;

(c) the conversion of the commission payable to Mr Khoo Boo Kok, introducer of the PT Prima JOA into 676,250,000 shares;

(d) a 1-for-1 rights issue at S$0.001 to be undertaken pursuant to the investment agreement entered into by the Company with Mr Ang Liang Kim.

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

	31.03.19	31.12.18
Total number of issued shares (excluding treasury shares)	**1,832,999,998**	**1,832,999,998**

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

Not applicable. The Company had no treasury shares at the beginning of the financial period and does not have any at the end of the financial period.

1(d)(v) 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. The Company had no subsidiary holdings at the beginning of the financial period and does not have any at the end of the financial period.

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

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

Not applicable.

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

Except as disclosed in the Introduction (Consolidated financial statements – Presentation and Preparation) and item 5 below, the Group and the Company have applied the same accounting policies and methods of computation for the current reporting period as compared with the audited financial statements of the Group and the Company for the preceding financial year.

5. If there are 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.

As noted in the Introduction (Consolidated financial statements – Presentation and Preparation), there have been no changes in the accounting policies and methods of computation. The Group and the Company have adopted all the new and revised standards and interpretations of the Singapore Financial Reporting Standards (International) ("SFRS(I)") that are effective for annual periods beginning on or after 1 January 2019. The adoption of these standards and interpretations had no significant effect on the financial performance or position of the Group and the Company for 1QFY2019.

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

	Group	
	3 months ended 31.03.19	**3 months ended 31.03.18**
Losses per ordinary share:-		
Basic (US$ cents)	(0.012)	(0.017)
Diluted (US$ cents)	(0.012)	(0.017)
Weighted average number of ordinary shares for basic losses per share	1,832,999,998	1,832,999,998

Diluted loss per share is the same as basic loss per share for all reported financial periods ended 31 March 2019 and 31 March 2018 as there were no outstanding convertible instruments.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year.

	Group	
	As at 31.03.19	**As at 31.12.18**
Net liability value per ordinary share (US$ cents)	(0.085)	(0.073)
Number of ordinary shares issued (excluding treasury shares)	1,832,999,998	1,832,999,998

	Company	
	As at 31.03.19	**As at 31.12.18**
Net asset value per ordinary share (US$ cents)	(0.099)	(0.093)
Number of ordinary shares issued (excluding treasury shares)	1,832,999,998	1,832,999,998

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss 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. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

8.1 INCOME STATEMENT

8.1.1 Revenue

Following the deconsolidation of Rinjani and discontinued operations of RPG Trading and EIR and the re-presentation of the comparative figures, there is no revenue from continuing operations other than for EIR for 1QFY2019.

During 1QFY2018, EIR hauled a total of 101,463 tonnes of coal as compared to 19,182 tonnes of coal in 1QFY2019. The decrease in coal haulage for 1QFY2019 was due to, *inter alia* temporary suspension of coal hauling operations from January 2019 to 25 February 2019 and stoppage of operations from 11 March to 15 March 2019 as set out in the item (A) of the Introduction.

8.1.2 Cost of Goods Sold

EIR's COGS for 1QFY2019 includes primarily the costs of manpower, fuel, repairs and maintenance/spare parts and depreciation of its coal hauling trucks. The decrease in EIR's COGS is less than proportionate than the decrease in revenue due to certain fixed component of COGS *such as* manpower cost and depreciation which remain fairly constant throughout the months,

8.1.3 Gross Loss

EIR incurred a gross loss of US$102,000 and US$7,000 for 1QFY2019 and 1QFY2018 respectively. This gross loss arose due to the reasons noted in the Introduction-point A. The existing cash and cash equivalents of the Group together with the cashflows from operations of EIR were used for operational activities.

EIR on a standalone basis incurred negative cash flows from operations amounting to approximately cash outflow of US$65,000 for 1QFY2019 while positive cash flows of US$58,000 was generated for 1QFY2018, with the exclusion of non-cash expenses, primarily depreciation.

8.1.4 Other gains, net

Other gains, net comprises income primarily foreign exchange gains and losses arising from an adjustment to tax payable of the Group, offset by an impairment provision for 1QFY2019 as set out in paragraph 8.2.3 below.

8.1.5 Administrative expenses

Administrative expenses comprise mainly executive remuneration, directors fees, professional fees (audit and legal), listing fees and service provider fees and costs.

Administrative expenses decreased by US$176,000 or 58% to US$129,000 in 1QFY2019 from US$305,000 in 1QFY2018 primarily due to departure of some key executives and Directors at subsidiaries and Group level and reductions in the costs/fees of certain service providers and professionals.

As set out in the item (E) of the Introduction, as an interim measure, the Directors and Management of the Company (other than the recently appointed CFO) will continue not to take any fees/remuneration or to take only nominal salaries until there is more clarity on the Group's cashflow situation.

8.1.6 Finance costs

Finance costs is in relation to lease finance cost and amounted to US$2,000 for 1QFY2019 and Nil for 1QFY2018. The finance costs for 1QFY2018 was Nil as EIR's lease agreements were under renegotiation with the lessor with all lease finance costs deferred until the execution of the new lease agreements in April 2018.

8.1.7 Tax expense

The tax expense is calculated based on the current statutory income tax rates in Singapore and Indonesia. The tax expense is Nil for 1QFY 2019. The US$2,000 noted in 1QFY2018 represents the tax expense of a subsidiary following receipt of a notice of assessment in relation to the Year of Assessment 2017 from the Inland Revenue Authority of Singapore.

8.1.8 Currency translation difference

The currency translation differences arise from translation of the financial statements of the Company from its functional currency (in SGD) to the Group's presentation currency (in USD).

8.2 ASSETS, LIABILITES AND EQUITY

8.2.1 Property, plant and equipment

Property, plant and equipment ("**PP&E**") decreased by US$37,000 to US$430,000 as at 31 March 2019 from US$467,000 as at 31 December 2018. The decrease was due to current period depreciation of EIR's coal hauling trucks.

8.2.2 Inventories

Inventories include fuel and spare parts and are stated at the lower of cost and net realisable value. The movement in the opening and closing balances results from normal operational activities.

8.2.3 Trade and other receivables

Trade and other receivables comprise primarily of trade receivables due from CAN for the coal hauling services, deposits and insurance premium prepayments.

Trade and other receivables decreased by US$16,000 to US$168,000 as at 31 March 2019 from US$184,000 as at 31 December 2018 as collection from CAN is slow and intermittent as set out in item (A) of the Introduction. CAN, the only trade debtor, continues to make partial and intermittent payment and based on current credit risk assessment, an expected credit losses amounting to approximately US$19,000 have been recorded for 1QFY2019 while a provision amounting to US$27,000 has been booked for the 4QFY2018 and 12MFY2018 in accordance with the adoption of the SFRS(I) as set out in Consolidated Financial Statements – Presentation and Preparation .

8.2.4 Cash and cash equivalents

	Group	
	3 months ended 31.03.19 US$'000	**3 months ended 31.03.18 US$'000**
Cash and cash equivalents at beginning of period	253	322
Cash flows used in Operating Activities	(158)	(52)
Cash flows generated from Financing Activities	165	-
Effects of currency translation on cash and cash equivalents	-	2
Net increase/(decrease) in cash and cash equivalents	7	(50)
Cash and cash equivalents at end of period	**260**	**272**

Cash flows used in operating activities

Cash flows used for operating activities before working capital changes amounted to US$191,000 for 1QFY2019 as set out in paragraph 1(c) on Cash flow statement for the group above. After working capital changes, cash flows used in operating activities reduced to approximately US$158,000 for 1QFY2019 due to the increase of other payables.

Cash flows used in investing activities

There were no investing activities in 1QFY2019 and therefore no cash movement from investing activities.

Cash flows used in financing activities

There was a first drawdown in January 2019 of US$182,000 from Ang Investment Agreement as set out in the item (A) of the Introduction and paragraph 8.2.7 on Advances from Investor below.

8.2.5 Currency translation reserve

The currency translation reserve represents the balance of translation from the Company's functional currency (in SG$) to the Group's presentation currency (in US$) as at 31 March 2019 as highlighted in the *Option Exemptions Applied* in Consolidated Financial Statements – Presentation and Preparation.

8.2.6 Trade and other payables

Trade and other payables comprise amounts due to vendors, service providers, related parties, directors and executive management, shareholder as well as normal accruals.

Trade and other payables increased by approximately US$40,000 to US$1.94 million as at 31 March 2019 from US$1.90 million as at 31 December 2018 mainly due to the deferral and accrual of management remuneration and director fees. The total accrual for executive management remuneration and director fees as at 31 March 2019 amounted to approximately US$1.1 million and US$0.2 million respectively. Payment is deferred for the reasons noted in item (A) of the Introduction. Certain service providers and professionals have also agreed to deferred payment for their services in 1QFY2019 and as such also contributed to the increase in the trade and other payables balance as at 31 March 2019.

8.2.7 Advances from Investor

The Company and the Group had made a first drawdown from the Ang Investment Agreement of US$182,000 in January 2019 for its working capital requirements, as set out in item (A) of the Introduction.

No interest has been accrued on the basis that the controlling shareholder and the entities controlled by the controlling shareholder have given undertakings, *inter alia,* to vote and/or procure the voting of all the undertaking shares of 742,384,980 ordinary shares, representing approximately 40.5% of the total number of issued shares of the Company, in favour of the resolutions at any extraordinary general meeting of the Company to be held to approve, among others, the transactions contemplated in the Ang Investment

Agreement, including but not limited to the convertible loan, the issuance of shares pursuant to the convertible loan, the whitewash waiver, and the rights issue.

8.2.8 Finance lease liabilities

Finance lease liabilities represent the outstanding obligation for the hire purchase of coal hauling trucks by EIR.

Finance lease liabilities (both current and non-current) decreased by US$15,000 to US$56,000 as at 31 March 2019 from US$71,000 as at 31 December 2018 due to lease payments during 1QFY2019 by EIR.

8.2.9 Tax payable

Tax payable decreased by approximately US$30,000 as set out in paragraph 8.1.4 above.

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

No forecast or prospect statement has been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the 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.

Factors and events that are relevant to the Group in the next 12 months are highlighted in the Introduction under items A to G, Going Concern and Consolidated Financial Statements – Presentation and Preparation.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period/year reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period/year of the immediately preceding financial year?

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared or recommended for 1QFY2019 as the Group is loss making for the quarter.

13. Interested Person Transactions

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920(1)(a)(ii) of the Listing Manual Section B: Rules of Catalist of the SGX-ST (the "**Catalist Rules**").

There were no interested person transactions of S$100,000 or more entered into by the Group during 1QFY2019.

14. Use of Funds

Not applicable. In accordance with the use of proceeds as stated in the Company's offer document dated 30 September 2014, the remaining S$38K which was allocated for the upgrading of coal mining facilities is no longer available to the Group following the loss of control of Rinjani.

Additional Information Required for Mineral, Oil and Gas Companies

15. Rule 705(6)(a) of the Catalist Rules

1) Use of funds/cash for the quarter ended 31 March 2019:
Not applicable due to the loss of control of Rinjani with effect from 24 August 2017 and deconsolidation of Rinjani, which held all mining rights of the Group.

2) Projection on the use of funds/cash for the next immediate quarter, including principal assumptions:
Not applicable due to the loss of control of Rinjani with effect from 24 August 2017 and deconsolidation of Rinjani, which held all mining rights of the Group.

16. Rule 705(6)(b) of the Catalist Rules

Refer to Item 19 below.

17. Rule 705(7)(a) of the Catalist Rules

Details of exploration (including geophysical surveys), mining development and/or production activities undertaken by the issuer and a summary of the expenditure incurred on those activities, including explanations 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.

Not applicable due to the loss of control of Rinjani with effect from 24 August 2017 and deconsolidation of Rinjani, which holds all mining rights of the Group.

18. Confirmation by the Company pursuant to Rule 720(1) of the Catalist Rules

The Company confirms that it has procured all the required undertakings (in the format set out in Appendix 7H of the Catalist Rules) from all its Directors and Executive Officers pursuant to Rule 720(1) of the Catalist Rules.

19. Confirmation by the Board of Directors pursuant to Rule 705(5) and Rule 705(6)(b) of the Catalist Rules

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

On behalf of the Board

Agus Sugiono
Executive Chairman and Chief Executive Officer

14 May 2019