golden energy and resources

RESOURCE RELEVANT

ANNUAL REPORT 2020

CONTENTS

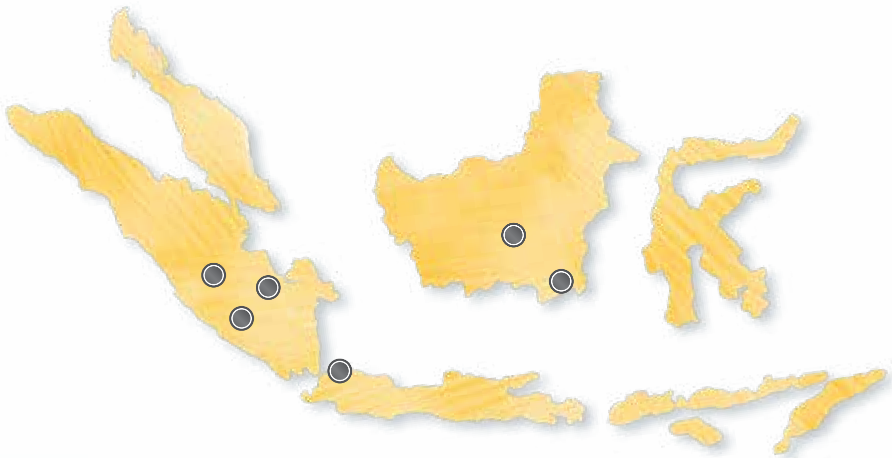
VISION

To be a globally diversified energy and resources company, leading in innovation and sustainability

MISSION

- Develop and nurture a leading corporate culture centred on human capital
- Amplify excellence in operations and processes
- Operate our mines responsibly, sustainably and safely with measures to minimise our impact to the environment and to engage, develop and empower communities meaningfully

2020
AT A GLANCE



We pride ourselves as a company that is responsive to change. Recognising the potential headwinds for the energy coal industry, GEAR leveraged our expertise in mining operations to expand mining operations across products such as metallurgical coal and gold. Today, GEAR has an expanded suite of products, with mining concessions that are geographically distributed across different sovereign jurisdictions in Indonesia and Australia.

JAN - MAR

GEAR together with our 50-50 joint venture partner EMR Capital, completed the acquisition of the Ravenswood Gold mine in Queensland, Australia, marking the Group's second investment in gold in Australia.

APR - MAY

GEAR through our subsidiary Golden Investments (Australia) Pte. Ltd. increased shareholding in Stanmore from 31.35% to 75.33%[1].

FEB - SEP

The Group also took advantage of buoyant gold prices in 2020 to divest interests in Westgold Resources Limited for profits.

[1]*GEAR's effective interest in Stanmore is 60% through its approximately 80% shareholding in its subsidiary Golden Investments (Australia) Pte. Ltd. which holds 75.33% in Stanmore.*

FY2020 HIGHLIGHTS

Revenue (USD)
1.2 billion

Gross profit (USD)
376.6 million

EBITDA (USD)
147.7 million

Net profit after tax (USD)
34.5 million

Cash (USD)
262.8 million

Production volume
34.7 million tonnes
(includes Stanmore)

Net asset value per share
(US cents)
16.36

Earnings per share
(US cents)
0.34

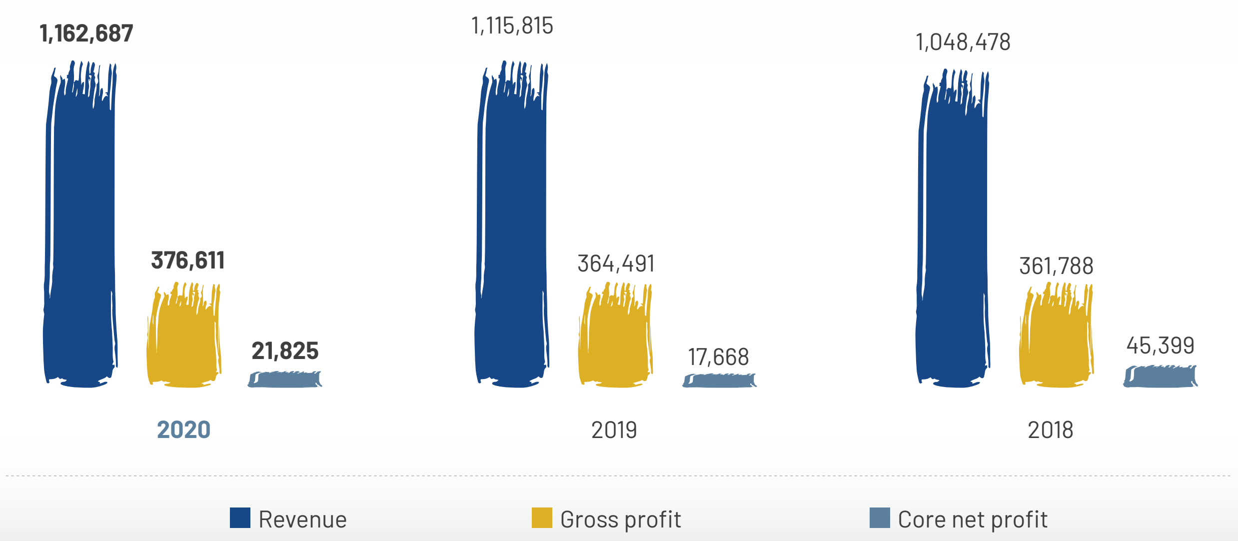
2P Reserves over
1.0 billion tonnes

Increased stake in
Stanmore
to 75.33%

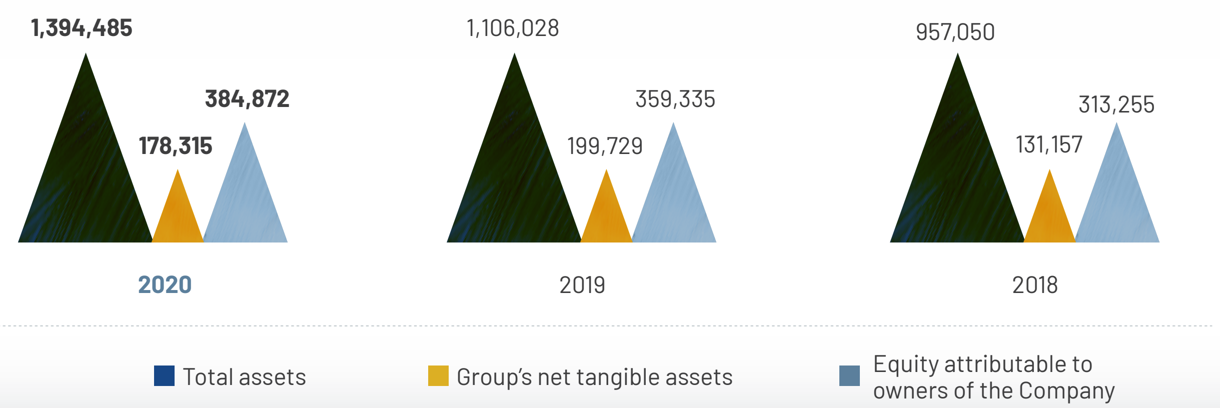
Ravenswood Gold
50-50
Joint Venture between
GEAR & EMR Capital

FINANCIAL HIGHLIGHTS

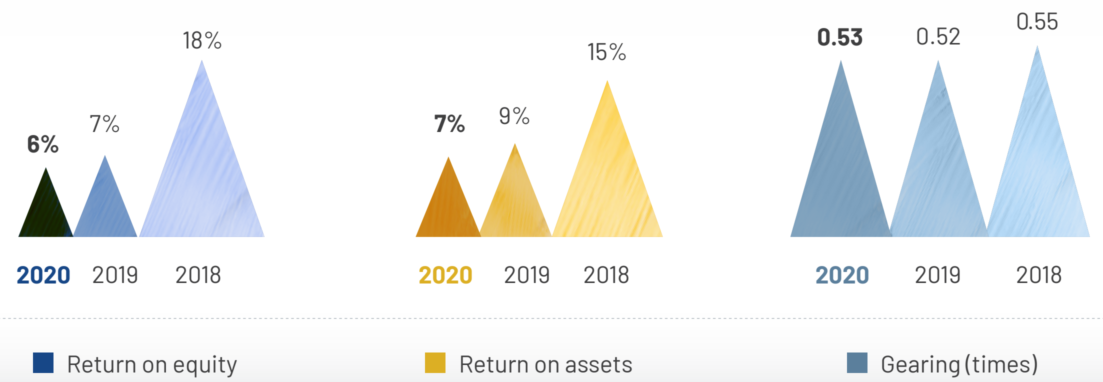
CONSOLIDATED INCOME STATEMENT (US$'000)



CONSOLIDATED STATEMENT OF FINANCIAL POSITION (US$'000)

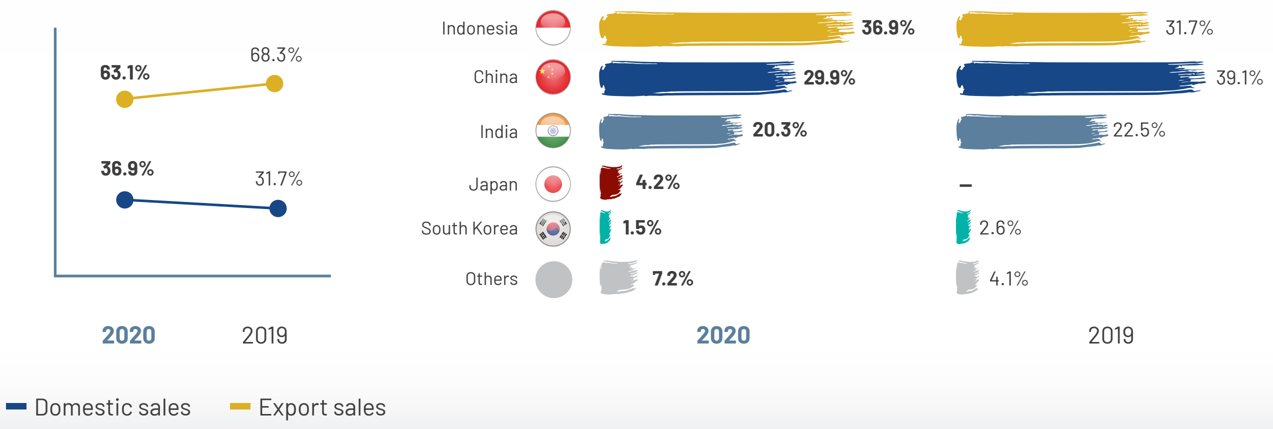


RATIOS

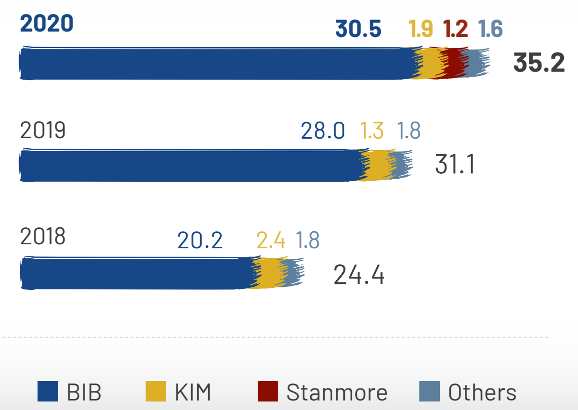


FINANCIAL HIGHLIGHTS

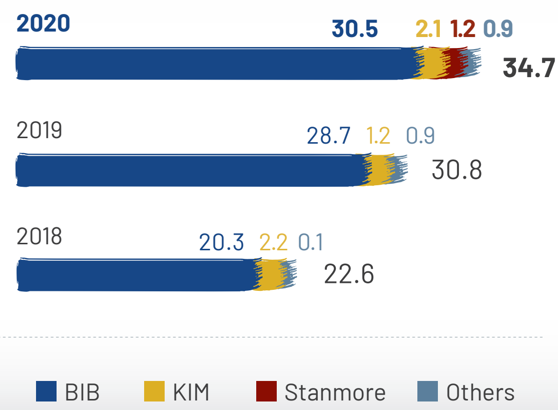
REVENUE MIX



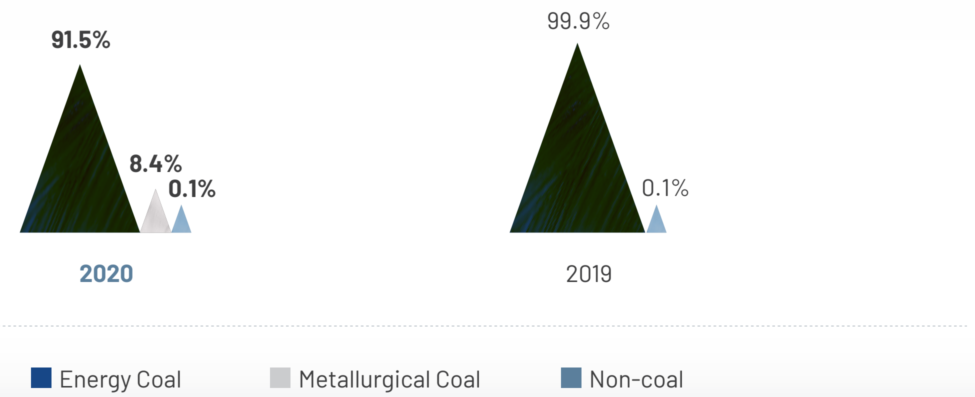
SALES VOLUME (MILLION TONNES)



PRODUCTION VOLUME (MILLION TONNES)



REVENUE MIX BUSINESS SEGMENT



OUR NEW SUBSIDIARY

STANMORE COAL LIMITED

- ASX listed Brisbane-based metallurgical and energy coal miner
- Operates the Isaac Plains Complex in the prime coking coal region of Bowen Basin in Queensland, Australia
- 1 operating project and 6 development mines
- Production life of approximately 12 years
- Main customers include steel makers in Japan, Korea, India and Europe

Ownership
75.33%

Coal Resources
1,716 m tonnes

Coal Reserves (Marketable)
130 m tonnes

Coal Processing Facilities
up to
3.5 mtpa

OUR JOINT VENTURE

RAVENSWOOD GOLD GROUP PTY LTD

- Located 130km south of Townsville in Queensland, Australia
- Joint venture with EMR Capital
- GEAR's second investment in gold in Australia
- Production life of over 14 years
- Expansion under progress to increase annual production capacity from 60,000 oz to 200,000 oz

Ownership
50%
(JV with EMR Capital)

Gold Resources
3.9
m ounces

Gold Reserves
2.6
m ounces

Gold Processing Facilities
up to
5.0 mtpa

CORPORATE PROFILE

Golden Energy and Resources Limited (the "**Company**" or "**GEAR**") is a Singapore-listed leading energy and resources company in the Asia Pacific region. GEAR principally engages in the exploration, mining, and marketing of metallurgical coal in Australia, through its subsidiary Stanmore Coal Limited ("**Stanmore**"), and energy coal in Indonesia through its subsidiary PT Golden Energy Mines Tbk ("**GEMS**"). The Group has also extended its product suite to include gold via its 50-50 joint venture ("**JV**") with EMR Capital in Ravenswood Gold Group Pty Ltd ("**Ravenswood Gold**") and has various investments in renewable energy projects in Asia.

STANMORE

Ownership
75.33%

6 development mines
1 operating project

Coal Resources
1,716 m tonnes

Coal Reserves (Marketable)
130 m tonnes

Coal Processing Facilities up to
3.5 mtpa

GEMS

Ownership
62.4998%

5 mining concessions
covering an aggregate area of approximately
66,204 hectares

Coal Resources
2.9 b tonnes

Coal Reserves over
1.0 b tonnes

Average Calorific Value
2,835-6,528 kcal/kg (arb)

RAVENSWOOD

Ownership
50%

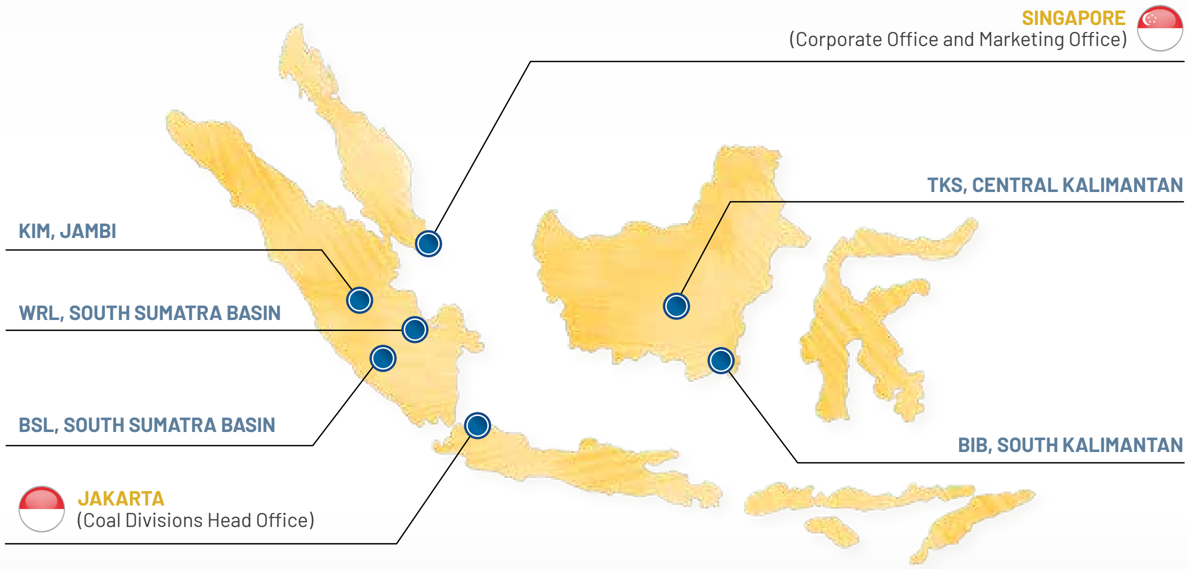
Gold Resources
3.9 m ounces

Gold Reserves
2.6 m ounces

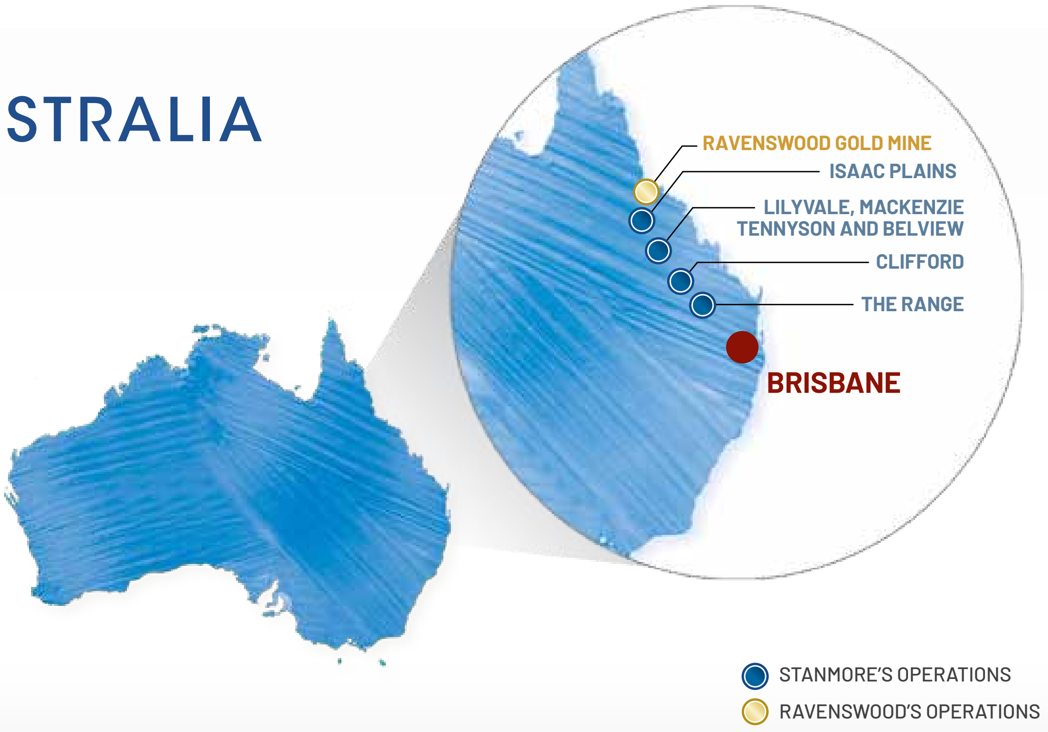
Gold Processing Facilities up to
5.0 mtpa

OUR AREAS OF OPERATIONS

INDONESIA & SINGAPORE



AUSTRALIA



CHAIRMAN'S MESSAGE

Dear Shareholders

MR. FUGANTO WIDJAJA
Executive Chairman

It gives me great pleasure to be addressing you for the first time as Executive Chairman of GEAR, as we concluded a monumental FY2020, where we achieved significant progress on our strategy and plans to reinvent GEAR.

While FY2020 has been a challenging year for the overall global economy, it has also been a truly transformational year for GEAR as we embarked on a series of corporate actions which enabled us to further diversify our suite of products into metallurgical coal and gold, and at the same time reduce our exposure and reliance on energy coal so as to broaden our earnings streams. We were purposeful with our strategic expansion of product portfolio and geographic expansion to Australia.

The logic behind our diversified business model is simple and compelling – we produce resources which are not only essential, but also have distinct financial and cyclical characteristics and needs. Our fundamental strength comes from the geographically diversified nature of our various operating units and product portfolio. This balance steadies us not only for the short term annual results, but also for our long term development.

CORPORATE DEVELOPMENTS

In the first quarter of 2020, GEAR leveraged its prior experience in gold mining and together with its 50% joint venture partner EMR Capital, completed the acquisition of Ravenswood Gold on 31 March 2020. The acquisition further allows GEAR to include a counter-cyclical resources such as gold in its product portfolio, thereby injecting resilience into GEAR's resources portfolio amid the volatile macroeconomic environment.

As at 31 December 2020, Ravenswood Gold has total gold resources of 3.9 million ounces and total gold reserves of 2.6 million ounces. Following a feasibility study completed recently, Ravenswood Gold is undertaking a development plan which will increase its gold production from 60,000 ounces per annum, to over 200,000 ounces per annum, paving way for it to be the largest gold producer in Queensland, Australia.

GEAR had earlier made its investment in its first gold mining asset via a minority stake in ASX-listed Westgold Resources ("**Westgold**") in December 2017. Throughout FY2020, GEAR has stayed nimble and demonstrated its ability to make swift decisions in its corporate actions by seizing opportunities amid the volatile capital and financial markets. In FY2020, the Group was able to capitalise on the peaks and troughs of the gold cycle and had successfully divested Westgold at a profit when gold prices were buoyant, with the proceeds used to acquire the 50% stake in Ravenswood Gold.

In FY2020, GEAR also expanded its product portfolio with a strategic increase in its stake of Stanmore from 31.35% to 75.33%[1]. The addition of metallurgical coal, which is used in primary steel-making process and historically relatively less affected by market dynamics than energy coal, positions GEAR for a potential revenue and margin uplift.

Despite global uncertainties and significant acquisitions made in the course of the year, GEAR was reaffirmed a "B1" rating with Stable Outlook by Moody's and a "B+" rating with Outlook Stable by Fitch Ratings in May 2020.

[1] GEAR's effective interest in Stanmore is 60.0% through its approximately 80% shareholding in its subsidiary Golden Investments (Australia) Pte. Ltd. which holds 75.33% in Stanmore

CHAIRMAN'S MESSAGE

OUTLOOK FOR COAL

While global coal prices may continue to be impacted by the effects of the pandemic and overall weakness in global economies, global coal demand, however, is expected to be supported by higher electricity demand and industrial output as countries such as China, India and Southeast Asian countries step up their efforts towards a gradual recovery.

China thermal coal imports is anticipated to remain robust in 2021, supported by continued demand, high utilisation at domestic suppliers and high local prices. Furthermore, due to China's political tensions with its second-largest supplier Australia, coal miners in Indonesia, where GEAR has operations in, are deemed as the beneficiaries of strong Chinese demand.

Southeast Asia continues to see the expansion of coal-fired generation, with close to 20 Gigawatts of new coal-fired generating capacity under construction. As one of the remaining regions where coal-fire generation are expanding, the expansion of capacity are mostly located in Indonesia, Vietnam and the Philippines.

Moving into 2021, Indonesia is expected to remain at the top position of being the world's largest thermal coal exporter. This comes on top of a cooperation agreement signed by the Indonesian Coal Mining Association and China Coal Transportation and Distribution Association in November 2020. Under the agreement, China will purchase US$1.47 billion worth of thermal coal from Indonesia in 2021, which will further solidify Indonesia as the world's top coal exporter.

While demand for metallurgical coal was adversely impacted by lower steel production due to the effects of the pandemic in FY2020, such as movement restrictions and closure of businesses, the demand for metallurgical coal is expected to improve as global steelmakers restore production and kick start industrial output.

India, which surpassed Japan as the world's second largest steel producer, recorded crude steel production of 111.2 million tonnes in 2019, and steel consumption grew at a CAGR of 5.2% during FY2016-2020 to reach 100 million tonnes. In recent months, India's coal imports have also recovered to near pre-pandemic levels as it reported imports of 17.56 million tonnes of thermal and metallurgical coal in January 2021.

GEAR remains cautiously optimistic on the near to medium term outlook recovery for energy and metallurgical coal demand and prices.

ACKNOWLEDGEMENTS

As we look forward to another year of growth and developments, I would like to express my gratitude to Mr. Lay Krisnan Cahya, who has stepped down from the Board on 8 February 2021 and relinquished his roles as Non-Executive Director and Chairman of the Board. I would like to thank Mr. Lay Krisnan Cahya for his strong leadership and commitment during his tenure with GEAR.

Additionally, the Board has promoted Mr. Dwi Prasetyo Suseno to Group CEO effective 8 February 2021. His record of success as Deputy Group CEO previously and his contribution as director make him an ideal choice. He will provide strong leadership to the management team to continue building the business. Mr. Suseno will be responsible for overseeing the overall management and operations of the Group.

Also, I would wish to extend a warm welcome to Mr. Mark Zhou You Chuan who has been appointed as Executive Director of the Board with effect from 8 February 2021. Mr. Zhou joined GEAR more than four years ago and has been instrumental to GEAR's diversification and growth. As we embark on further expansionary growth, Mr. Zhou will continue to help drive this forward including managing GEAR's existing portfolio of investments and assets.

I am delighted to have the opportunity to lead the GEAR Board, and I look forward to working closely with my fellow directors and management team. During 2020, we have taken important steps to position GEAR well for future growth and developed a plan that builds on our 2020 performance which sets the stage for long term growth and flexibility. Our mission is to do much more with the exceptional assets that we have – to leverage our mining assets and the talent of our people to grow the business.

I would like to express my sincere gratitude to our shareholders, customers and business associates for their continued support over the years. As we forge ahead, we will remain committed in executing our strategy to achieve long-term growth and ensure the sustainability of our businesses.

MR. FUGANTO WIDJAJA
Executive Chairman

GROUP CEO'S MESSAGE

MR. DWI PRASETYO SUSENO
Executive Director, Group CEO

Dear Shareholders

It is indeed my privilege to provide you with the first operational and financial update as the Group CEO of GEAR.

FY2020 was a milestone year for GEAR as we continued to perform well in our mining operations to report record revenue and production volumes, despite an unprecedented environment brought on by the impact of the pandemic.

STRONG STRATEGIC PLAN PROGRESS

Despite the challenging environment, the Group remains committed to its strategy of transforming itself into a well-diversified resources company.

We have moved forward on a number of fronts as we expanded into different types of mining resources and reached diversified customer segments. In a relatively short span of time, we have successfully diversified our product portfolio to include metallurgical coal and gold. I am heartened with the meaningful progress that the Group had made in 2020, and we intend to build on our momentum to expand our revenue sources.

In FY2020, we extended our participation in the Australia metallurgical coal business via increasing our stake in Stanmore from 31.35% to 75.33% in May 2020.

As a result of the controlling stake, Stanmore became a subsidiary of the Group and its results have been consolidated into the Group. To better reflect the performance of the individual operating segment, GEAR has changed its reportable segments into Energy Coal, Metallurgical Coal and Non-Coal Businesses. This compares with Coal Mining, Coal Trading and Non-Coal Businesses previously reported in FY2019. The Energy Coal segment includes coal mining and coal trading of energy coal.

RECORD YEAR FOR PRODUCTION AND REVENUE

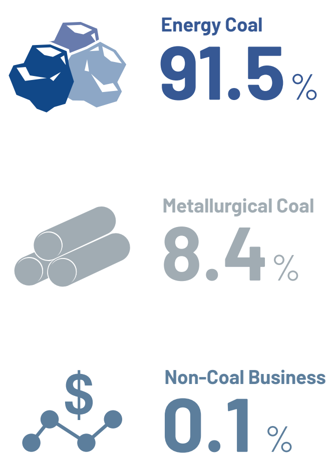
In line with the record production volume achieved, GEAR achieved a revenue of US$1.2 billion in the year under review, a 4.2% increase over revenue in FY2019. This also marked GEAR's highest revenue level since its listing on SGX.

Apart from achieving record revenue and production volume, GEAR also remained vigilant on its production costs to ensure sustained profitability under a challenging business landscape. Average cash cost for GEAR's Energy Coal segment declined to US$21.04 per metric tonne, a significant cost reduction from US$24.11 per metric tonne in FY2019. This was achieved through mine planning and cost optimisation, thereby resulting in lower strip ratios and contractor rates.

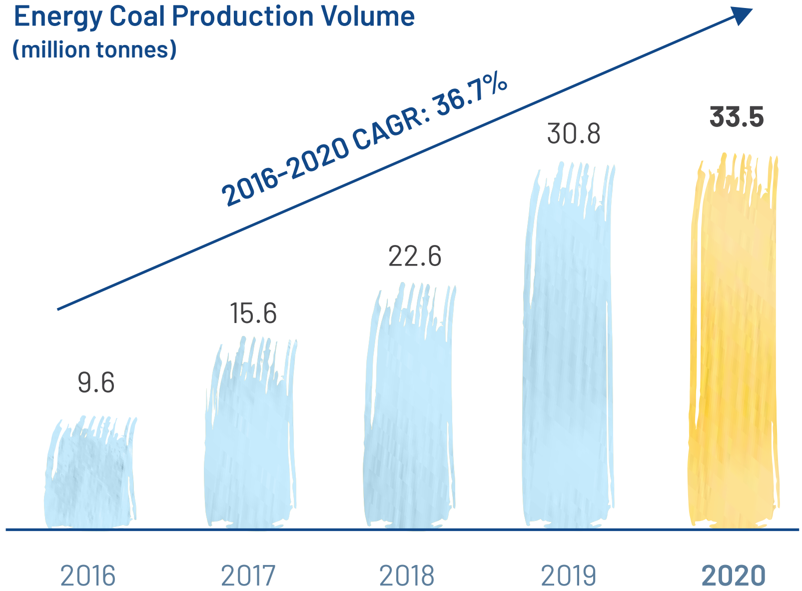
With a disciplined approach on managing production costs, GEAR was able to maintain profitability in FY2020 despite the impact of the pandemic on global economies and a low coal price environment. The Group reported net profit of US$34.5 million, representing a 4.8% increase from US$32.9 million in FY2019.

GROUP CEO'S MESSAGE

Revenue Breakdown by Segment FY2020



Energy Coal Production Volume
(million tonnes)



ENERGY COAL

Energy coal segment revenue remains the Group's primary revenue contributor, contributing approximately 91.5% to the Group's total revenue.

In FY2020, the Energy coal segment recorded a revenue of US$1.1 billion, representing a 4.5% decline compared to FY2019. The decline in revenue was mainly attributed to a decrease in average selling price of 11.3% to US$31.03 per metric tonne in FY2020, from US$34.99 per metric tonne in FY2019. The drop in average selling price was partially offset by an increase in sales volume to 34.0 million tonnes, as compared to 31.1 million tonnes in FY2019.

In the 12-month period, GEAR focused its efforts in optimising production and carefully managing production costs. These measures underpinned our ability in ramping up production volume to 33.5 million tonnes, representing an 8.5% increase to FY2019's production volume, and which also exceeded our target of 31.0 million tonnes for FY2020.

METALLURGICAL COAL

As a result of consolidation of Stanmore's financial performance, GEAR reported revenue of US$97.2 million from its Metallurgical Coal segment in FY2020, which accounted for a contribution of 8.4% to GEAR's total revenue.

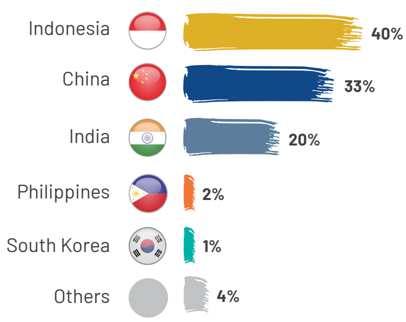
In the period from 1 July 2020 to 31 December 2020, Stanmore recorded production volume of 1.1 million tonnes and also implemented various cost reduction initiatives across its operations including redesigning mine plans to reduce fleet capacity and strip ratios, and restructuring of its mining contract to reduce production costs.

We witnessed a reduction in metallurgical coal prices in FY2020, mainly driven by the China-Australia trade tensions. While Stanmore has no direct volume exposure to China, its term contract revenues have been affected by the price impact of the Chinese import restrictions to spot metallurgical coal indices from Australia.

BALANCING DOMESTIC SUPPLY AND EXPORTS

In FY2020, GEAR has dutifully fulfilled the Domestic Market Obligations set by Indonesia's Ministry of Energy and Mineral Resources, and domestic revenue from Indonesia made up 40% of GEMS's total revenue.

GEMS Revenue by Geography

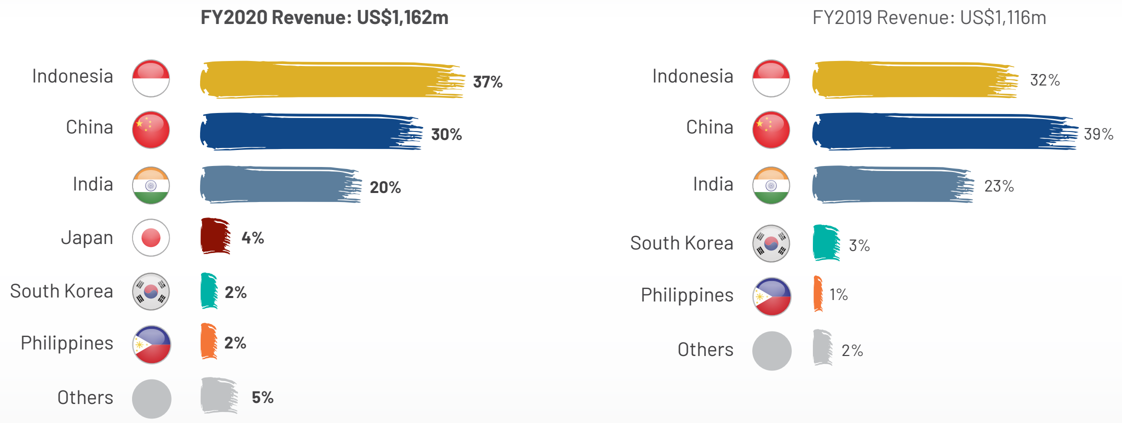


GROUP CEO'S MESSAGE

Apart from ensuring a sustained supply of coal for domestic interests, GEAR has also set its sight in exploring new customer markets overseas, and has seen an increase in revenue contribution from Asian markets such as the Philippines and new markets including Japan and Europe due to Stanmore's operations.

GEAR's Global Distribution Reach

Revenue Breakdown by Geography



GROUP CEO'S MESSAGE

SUSTAINABILITY EFFORTS

Our business and our ethics are intertwined, and that is an enormous source of pride for everyone at GEAR. In line with our vision to be a diversified energy and resources company leading in innovation and sustainability, GEAR also continues to empower the lives of the communities in areas where the Group operates.

On the innovation front, GEAR continues to implement pioneering initiatives to further enhance our operational excellence. Some of our sites, particularly BIB, have successfully leveraged information technologies and automation to reap higher productivity and efficiency even before the onset of the pandemic. Additionally, since the onset of the COVID-19 lockdown, the Group has been practicing safe management measures both at the offices and work-sites. These included conducting virtual meetings as much as possible, and streamlining work processes for enhanced efficiency.

We have also implemented education, health and training related initiatives to surrounding villages at our sites, helping communities and empowering their lives in a bid to make the villages more self-reliant.

Notable health initiatives in FY2020 included the donation of COVID-19 Hygiene Kits comprising reusable face masks or face shields to 19 villages; and a Polymerase Chain Reactor equipment and 2,000 test kits to the local community. On the environmental front, a milestone initiative was to convert water reservoirs in Andaru Pit in two villages into clean water facilities where the treated water will be used for washing and commercially viable projects that benefitted more than 1,000 households.

Clean water facility at Andaru Pit

Polymerase Chain Reactor Equipment

IN CONCLUSION

While we closed off FY2020 with a commendable performance, GEAR will strive towards operational excellence and continue to keep a lookout for potential strategic acquisition targets which will augment the resilience of our portfolio mix.

Looking ahead to 2021 and beyond, our business is strong, and our focus is clear. We have talented teams across all levels of the Group and strong relationships with a wide array of outstanding business partners. We are excited about the opportunities that lie ahead and are confident in our ability to continue to deliver sustainable growth for our shareholders over the long term.

APPRECIATION

GEAR's achievements over the years were only made possible because of the dedication and commitment of our board of directors and staff, mining service providers and contractors, banking partners, and the unstinting support of our shareholders. As such, I would like to take this opportunity to express my deep gratitude and appreciation to all stakeholders for the success that GEAR enjoys today.

MR. DWI PRASETYO SUSENO
Executive Director, Group CEO

BOARD OF DIRECTORS

MR. FUGANTO WIDJAJA
Executive Chairman

Mr. Fuganto Widjaja was appointed as an Executive Director and the Group Chief Executive Officer on 20 April 2015 following the completion of the acquisition of 66.9998% equity interest in the share capital of PT Golden Energy Mines Tbk ("**GEMS**") from PT Dian Swastatika Sentosa Tbk ("**DSS**") ("**DSS Completion**") and was re-designated as an Executive Chairman on 8 February 2021. Mr. Widjaja is a member of both the Remuneration Committee and the Nominating Committee. Mr. Widjaja is the son of Mr. Indra Widjaja and nephew of Mr. Franky Oesman Widjaja and Mr. Muktar Widjaja. Mr. Indra Widjaja, Mr. Franky Oesman Widjaja and Mr. Muktar Widjaja are the ultimate controlling shareholders of the Company. Except as provided above, Mr. Widjaja does not have any relationships including immediate family relationship with the Directors or the Company as defined in the Code of Corporate Governance 2018 ("**Code**"). Mr. Widjaja was re-elected to the Board on 25 June 2020.

Mr. Widjaja has more than 17 years of experience in general management and supervisory responsibilities in the coal industry. Mr. Widjaja is a Commissioner of GEMS and PT Sinar Mas Multiartha Tbk.

Mr. Widjaja graduated with a Bachelor of Arts (Computer Science and Economics) from Cornell University in 2003 and obtained a Master's Degree in Philosophy (Finance) from the University of Cambridge in 2004.

MR. DWI PRASETYO SUSENO
Executive Director, Group CEO

Mr. Dwi Prasetyo Suseno was appointed as an Executive Director and the Deputy Group Chief Executive Officer on 26 October 2015 and was promoted to Group Chief Executive Officer on 8 February 2021. He does not have any relationships including immediate family relationship with the Directors, the Company or its 5% shareholders as defined in the Code. Mr. Suseno was re-elected to the Board on 30 April 2018.

Mr. Suseno has over 26 years of experience in mining, resources and oil & gas related industries with exposures in operations, general management, trading, finance, business development, merger and acquisitions, corporate legal and international taxation. He is a Non-Executive Director and Chairman of Stanmore Coal Limited (listed on the ASX) and an Independent Director of Malacca Straits Acquisition Company Ltd (listed on the NASDAQ). He has previously worked with PT Indo Straits Tbk (listed on the IDX), Straits Asia Resources Limited (previously listed on the SGX mainboard), Baker Hughes Inc. (a Fortune 500 company and listed on the NYSE), Arthur Andersen Australia and Ernst & Young LLP Australia.

Mr. Suseno obtained his Bachelor of Commerce degree from the University of Western Australia, Postgraduate Diploma in Business degree from Curtin University, Western Australia and Executive MBA degree from Kellogg School of Management & HKUST. He holds a Graduate Diploma degree in Taxation Law Masters from the University of Melbourne, Australia. Mr. Suseno is a Fellow Certified Public Accountant of CPA Australia. He is also a Chartered Accountant and member of Institute of Singapore Chartered Accountants.

BOARD OF DIRECTORS

MR. MOCHTAR SUHADI
Executive Director

Mr. Mochtar Suhadi was appointed as an Executive Director of the Company on 20 April 2015 following DSS Completion. He does not have any relationships including immediate family relationship with the Directors, the Company or its 5% shareholders as defined in the Code. Mr. Suhadi was re-elected to the Board on 29 April 2019.

Mr. Suhadi has many years of experience in general management of operations, merger and acquisitions, exploration, joint ventures and joint operations of coal mines in Indonesia.

Mr. Suhadi was previously a non-executive director of the Company from January 2011 to August 2011. Mr. Suhadi graduated with a Bachelor of Science from University of Michigan in 2004.

MR. MARK ZHOU YOU CHUAN
Executive Director, Chief Investment Officer

Mr. Mark Zhou You Chuan was appointed as an Executive Director on 8 February 2021, and is also the Chief Investment Officer of the Company. He does not have any relationships including immediate family relationship with the Directors, the Company or its 5% shareholders as defined in the Code. He is responsible for strategic planning, corporate management, mergers and acquisitions, capital raising activities, corporate finance and treasury as well as investor relations of the Company.

Mr. Zhou has more than 12 years of senior management and investment banking experience. He was previously Chief Executive Officer of PSL Holdings Limited and Chief Investment Officer of Geo Energy Resources Limited, both of which are listed on the main board of the Singapore Exchange. Mr. Zhou's investment banking career was with Canaccord Genuity and Collins Stewart where he led various capital markets activities such as initial public offerings, reverse takeovers, rights issues, placements and financial advisory transactions on the Singapore Exchange.

Mr. Zhou graduated from Nanyang Technological University with a Bachelor of Business degree with a double major in Banking and Finance as well as Business Law.

BOARD OF DIRECTORS

MR. LIM YU NENG PAUL
Lead Independent Director

Mr. Lim Yu Neng Paul is the Lead Independent Director of the Company. Mr. Lim was appointed as a Non-Executive Director of the Company on 3 August 2007 and was re-designated as an Independent Director on 26 February 2009. He is presently the Chairman of the Audit Committee and member of both the Nominating Committee and the Remuneration Committee of the Company. Mr. Lim does not have any relationships including immediate family relationships with the Directors, the Company or its 5% shareholders as defined in the Code. Mr. Lim was re-elected to the Board on 29 April 2019.

Mr. Lim has over 26 years of banking experience with international investment banks including Morgan Stanley, Deutsche Bank, Solomon Smith Barney and Bankers Trust. He is currently the Managing Director and Head of Private Equity of SBI Ven Capital Pte Ltd. Mr. Lim is an Independent Director of China Everbright Water Limited and Nippecraft Limited. Mr. Lim graduated with a Bachelor of Science in Computer Science in 1985 and obtained his Master of Business Administration in Finance in 1986 from the University of Wisconsin, Madison, USA. He is also a Chartered Financial Analyst.

MR. LEW SYN PAU
Independent Director

Mr. Lew Syn Pau was appointed as an Independent Non-Executive Director of the Company on 20 April 2015 following DSS Completion. He is presently the Chairman of the Nominating Committee and the Remuneration Committee and member of the Audit Committee of the Company. He does not have any relationships including immediate family relationship with the Directors, the Company or its 5% shareholders as defined in the Code. Mr. Lew was re-elected to the Board on 25 June 2020.

Mr. Lew's prior work experience includes being Managing Director of NTUC Comfort (a transport enterprise), Executive Director of NTUC Fairprice (a supermarket co-operative), Assistant Secretary-General of NTUC and Country Manager of Banque Indosuez.

Mr. Lew is an Independent Director of SUTL Enterprise Ltd, Broadway Industrial Group Limited, Golden Agri-Resources Ltd and Sinarmas Land Limited. He is also Chairman of SUTL Enterprise Ltd and Broadway Industrial Group Limited.

Mr. Lew was a Singapore Government scholar, and has a Bachelor (1977) and Master (1981) of Engineering from Cambridge University, UK and a Master of Business Administration from Stanford University, USA (1984). He was a member of the Singapore Parliament from 1988 to 2001, during which he chaired the Singapore Government Parliamentary Committees for Education, Finance, Trade and Industry and National Development.

BOARD OF DIRECTORS

MR. DJUANGGA MANGASI MANGUNSONG
Independent Director

Mr. Djuangga Mangasi Mangunsong was appointed as an Independent Non-Executive Director of the Company on 18 January 2018 and was appointed as a member of Audit Committee on 8 February 2021. He does not have any relationships including immediate family relationship with the Directors, the Company or its 5% shareholders as defined in the Code. Mr. Mangunsong was re-elected to the Board on 25 June 2020.

Mr. Mangunsong has many years of experience in the mining industry. He is the Vice Chairman of PT Indo Minerba Insani (Indonesian Mining Institute) and a non-Executive Director of PT Media Bakti Tambang (Tambang Magazine). He was previously a Director of PT Tambang Mas Sangihe and a member of the Working Group on Energy and Mineral Resources of Indonesia's National Committee for Economy and Industry.

Mr. Mangunsong holds a Bachelor of Engineering degree in Mining Engineering from the Bandung Institute of Technology.

MR. IRWANDY ARIF
Independent Director

Mr. Irwandy Arif was appointed as an Independent Non-Executive Director of the Company on 20 April 2015 following DSS Completion. He does not have any relationships including immediate family relationship with the Directors, the Company or its 5% shareholders as defined in the Code. Mr. Arif was re-elected to the Board on 29 April 2019.

Mr. Arif has over 40 years of experience in the mining industry. He is a Commissioner of PT Bukit Asam Tbk, an Independent Commissioner of PT Indexim Coalindo and a member of audit committee of GEMS. He was previously an Independent Commissioner of PT Vale Indonesia Tbk, GEMS and PT Aneka Tambang Tbk, a member of audit committee on the Board of Commissioner of PT Adaro Energy Tbk and PT Tobabara Sejahtera Tbk.

Mr. Arif graduated with a Bachelor of Engineering in Mining Engineering from the Bandung Institute of Technology in 1976, obtained his Master of Science in Industrial Engineering from the Bandung Institute of Technology in 1985 and was conferred a Doctoral Degree from the Ecole des Mines de Nancy, France in 1991.

FINANCIAL & OPERATIONS REVIEW

FINANCIAL AND OPERATIONS REVIEW

CONSOLIDATED INCOME STATEMENT (US$'000)	2020	2019	2018
Revenue	**1,162,687**	1,115,815	1,048,478
Gross profit	**376,611**	364,491	361,788
EBITDA[1]	**147,687**	129,674	157,499
EBIT[2]	**104,123**	104,901	139,751
Net profit after tax[3]	**34,468**	32,888	73,680
Core net profit[4]	**21,825**	17,668	45,399
Net profit[5]	**8,085**	9,947	39,318
Weighted average number of shares[6] ('000)	**2,353,100**	2,353,100	2,353,100
Earnings per share[6] (US cents)	**0.34**	0.42	1.67

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (US$'000)	2020	2019	2018
Total assets	**1,394,485**	1,106,028	957,050
Total current assets	**576,535**	452,286	382,942
Total current liabilities	**404,335**	303,067	251,148
Total non-current liabilities	**412,621**	323,840	287,627
Net tangible assets[7]	**178,315**	199,729	131,157
Non-controlling interests	**192,657**	119,786	105,020
Equity attributable to owners of the Company	**384,872**	359,335	313,255
Total equity	**577,529**	479,121	418,275
Total outstanding shares[8] ('000)	**2,353,100**	2,353,100	2,353,100

RATIOS	2020	2019	2018
Gross profit margin	**32%**	33%	35%
EBITDA[1] margin	**13%**	12%	15%
Core net profit[4] margin	**2%**	2%	4%
Net profit[5] margin	**1%**	1%	4%
Return on equity[9]	**6%**	7%	18%
Return on assets[10]	**7%**	9%	15%
Current ratio[11] (times)	**1.43**	1.49	1.52
Gearing ratio[12] (times)	**0.53**	0.52	0.55
Net tangible assets per share[13] (cents)	**7.58**	8.49	5.57
Receivable turnover[14] (days)	**37**	37	36
Inventory turnover[15] (days)	**22**	10	10

Notes:
(1) EBITDA = Profit for the year + finance costs + income tax expense + depreciation and amortisation + impairment loss - reversal of prior year interest expense - income tax benefit
(2) EBIT = Profit for the year + finance costs + income tax expense - reversal of prior year interest expense - income tax benefit
(3) Net profit/(loss) after tax = profit/(loss) before tax - income tax (expense)/benefit
(4) Core net (loss) profit = net (loss)/profit attributable to owners of the Company excluding the net effect of net gain or loss from changes in fair value of biological assets, foreign exchange differences, impairment of goodwill arising from consolidation & impairment loss on property, plant and equipment
(5) Net profit/(loss) = net profit/(loss) attributable to owners of the Company
(6) Refer to Note 9 of Financial contents for explanation
(7) Net tangible assets = total assets - total liabilities - intangible assets
(8) Refer to Note 29 of Financial contents for explanation
(9) Return on equity = net profit/(loss) for the year / total equity
(10) Return on assets = EBIT / total assets
(11) Current ratio = curent assets / current liabilites
(12) Gearing ratio = (loans and borrowings + trade and other payables - advances received - cash and cash equivalents) / (loans and borrowings + trade and other payables - advances received -cash and cash equivalents + equity attributable to owners of the Company)
(13) Net tangible assets per share = Net tangible assets[7]/Number of shares in issued
(14) Receivable turnover = average trade receivables / revenue * 365
(15) Inventory turnover = average inventory / cost of sales * 365

FINANCIAL AND OPERATIONS REVIEW

In a year of challenging macro-environment caused by the COVID-19 pandemic, GEAR had demonstrated remarkable performance through the resiliency of our business model and the dedication of our international team. FY2020 was a transformational year for GEAR, which saw GEAR further diversify into metallurgical coal and gold in Australia. Accordingly, GEAR's reporting segments have been realigned from Coal Mining, Coal Trading, Non-coal businesses segments to Energy Coal, Metallurgical Coal and Non-coal businesses segments.

The Group turned in record revenue of US$1.2 billion in FY2020, with US$97.2 million contributed from Metallurgical Coal segment due to the consolidation of Stanmore with the increase in stake from 31.35% to 75.33% (completed on 18 May 2020). With the onset of COVID-19 and disrupted global economic activities, demand for the global energy coal had softened in FY2020, which led to the decrease in the Indonesian Coal Index 4 ("**ICI 4**"). ICI 4 decreased 16.0% from US$35.00 per metric tonne in 2019 to US$29.40 per metric tonne in 2020. In line with the decline in ICI 4, revenue from Energy Coal segment reported a decrease of 4.5% to US$1.1 billion in FY2020 mainly due to a decrease in average selling price of 11.3% to US$31.03 per metric tonne in FY2020, from US$34.99 per metric tonne in FY2019. The increase in sales volume from 31.1 million tonnes in FY2019 to 34.0 million tonnes in FY2020, was backed by increased in production volume from 30.8 million tonnes in FY 2019 to 33.5 million tonnes in FY2020, which helped ease the impact of lower average selling price. Non-coal business segment reported a decrease in revenue as a result of no consultancy services rendered during the year.

With diligent effort in strict controls on cash cost, through mine planning and cost optimisation resulting in lower strip ratios and contractor rates, Energy Coal segment managed to report a lower cash cost (excluding royalty) of US$21.04 per metric tonne in FY2020, with a cost savings of US$3.07 per metric tonne. During the financial year, the cost of sales registered an increase of 4.6% to US$786.1 million, which resulted from the coal production ramp up from the Energy Coal segment and consolidation of Stanmore's cost of sales.

Accordingly, the Group's gross profit increased by US$12.1 million or 3.3% from US$364.5 million in FY2019 to US$376.6 million in FY2020.

In achieving higher sales volume in FY2020, a 8.6% increase from US$185.4 million in FY2019 to US$201.4 million in FY2020 was recorded for the Group's selling and distribution expense. This was mainly attributable to the consolidation of results of Stanmore and an increase in GEMS's barging and trucking expenses. Administrative expenses also increased by US$5.3 million or 7.1% from US$74.1 million in FY2019 to US$79.3 million in FY2020 as a

result of consolidation of Stanmore's result. Other operating expenses which comprise foreign currency translation gains or losses, provision for rehabilitation and mines closure expenses recorded a decrease of US$4.6 million or 23.5% from US$19.4 million in FY2019 to US$14.9 million in FY2020. This was mainly due to remeasurement and reversal on provision of rehabilitation and mines closure expenses, partially offset by foreign exchange loss arising from appreciation in Australian Dollar against United States Dollar. In line with the increase in loans and borrowings, finance costs increased by US$2.8 million or 8.1% from US$34.6 million in FY2019 to US$37.4 million in FY2020. The Group also reported share of loss of a joint venture (net of tax) amounting to US$4.9 million in FY2020 pertaining to investment in Ravenswood Gold.

Notwithstanding the challenging macro-environment, the Group achieved an increase of 4.8% in net profit after tax, or US$1.6 million to US$34.5 million in FY2020 as compared to US$32.9 million in FY2019.

Other comprehensive income was lowered by US$13.4 million or 38.9% from US$34.4 million in FY2019 to US$21.0 million in FY2020. This was mainly due to the decline in share prices for Westgold and Stanmore in FY2020 as compared to increase in share prices for Westgold and Stanmore in FY2019, which was partially offset by foreign currency translation gains due to the strengthening of Australian Dollar against United States Dollar.

The Group's financial position remained strong with net assets value of US$577.5 million as at 31 December 2020 compared to US$479.1 million as at 31 December 2019. The increase of US$98.4 million in net asset value was primarily related to the consolidation of Stanmore's results and net cash flow generation from operations.

As at 31 December 2020, the Group maintained a robust financial position with cash and cash equivalents of US$262.8 million, representing an increase of US$85.0 million, following receipts from coal sales, net drawdown of loans, repayment of other receivables and lower taxes paid, partially offset by payment to trade and other payables, acquisition of subsidiary and formation of joint venture.

The Group's strategic expansion of product portfolio to include resources with no direct substitutes – metallurgical coal and gold, serve as diversifiers to the Group's core resource of energy coal, enabling it to diversify earnings streams and reduce dependence on energy coal. Furthermore, this expanded suite of products with mining concessions are geographically distributed across different sovereign jurisdictions in Indonesia and Australia, providing diversification at several levels.

SUSTAINABILITY OVERVIEW

GEAR'S SUSTAINABILITY FRAMEWORK

GEAR's strategic intent is defined through our vision statement.

The Sustainability Framework, in Figure 1 below, establishes four strategic thrusts, also known as impact areas, through which GEAR intends to create and deliver positive impacts across the economy, environment and society.

Figure 1: Sustainability Framework

GEAR's Sustainability Framework has been developed with the aim to provide an overall strategic sustainability direction. We are driven by our core purpose 'To be a globally diversified energy and resources company, leading in innovation and sustainability'. The four impact areas address key issues across Economy, Environment, Social and Governance and help us in achieving positive impacts. We have five material matters, supported by 13 sub-matters, that will help us achieve our intended impacts. We have mapped our material matters and associated targets with UN Sustainable Development Goals (UNSDGs). While our core purpose and impact areas are strategic and long-term, our material matters are dynamic and will change based on internal and external factors.

For more information on our material matters, please refer to the section on "Focusing on What Matters Most" in GEAR's FY2020 Sustainability Report.

SUSTAINABILITY OVERVIEW

Sustainable growth has become increasingly important as we continue to grow and expand our business. In the long-term, we believe that our focus on sustainability will place us in a better position to enhance value for our shareholders while looking after the needs of the broader stakeholder community.

A detailed sustainability report ("**Sustainability Report**") has been prepared with reference to the Global Reporting Initiative ("**GRI**") Standards and GRI Mining and Metals sector supplement. We have chosen GRI Standards for our reporting framework, due to its internationally recognised, robust guidance and universal application, which enables comparability of our performance. We have not yet sought external assurance on the disclosure made in the Sustainability Report but will consider doing it as our reporting matures over time. Our Sustainability Report is focused on the energy coal mining operations of our core subsidiary, PT Borneo Indobara ("**BIB**") with its production volume accounting for more than 87% of our Group's total energy and metallurgical coal production volume.

In line with the Group's sustainability efforts, FY2020 Sustainability Report is published exclusively online and is available for download from 31 May 2021 from our corporate website at https://gear.com.sg/sustainability/.

STAKEHOLDER ENGAGEMENT

At the heart of our business is our vision to enhance value for all our stakeholders. At the same time, we believe in forging collaborative partnerships with our stakeholders to achieve sustainable development. For these reasons, we place great emphasis on effective stakeholder engagement, as summarised in Figure 2.

Figure 2: GEAR's approach towards stakeholder engagement

Stakeholder group	Stakeholder's expectations	Stakeholder management/ Response(s) to stakeholder's expectations	Engagement platform(s)	Frequency of engagement
Shareholders	• GEAR's financial health	• Formulation of strategies to enhance GEAR's financial performance	• Regular updates and announcements on financial performance • Annual and Sustainability Reports • Meetings with shareholders • Communications through "Investor Relations" section on GEAR's company website	• Half-yearly[1] • Annual • At least once per year • As necessary
	• Accountability of Environmental, Social and Governance ("**ESG**") performance	• Implementation of sustainable business practices		
Employees and workers	• Fair employment practices	• Implementation of fair employment practices based on meritocracy	• Electronic updates through e-mail and intranet • Townhalls and meetings with the management	• Periodic for all engagements
	• Training and development	• Provision of in-house and external training opportunities		
	• Occupational health and safety	• Establishment of Health, Safety and Environment ("**HSE**") system, regular safety briefings, emergency drills, provision of personal protective equipment	• Training programmes, including intensive coaching to identify potential leaders • HSE campaign involving all employees to create safe work condition • Performance appraisal	

[1] *GEMS' releases its financial performance to IDX quarterly.*

Stakeholder group	Stakeholder's expectations	Stakeholder management/ Response(s) to stakeholder's expectations	Engagement platform(s)	Frequency of engagement
Customers	• Product and service quality	• Implementation of quality control processes • Provide transparent information about our product to customers • Regular engagement with customers to understand their satisfaction level	• Meetings • Annual Reports • Tours to site	• Periodic • Annual • As necessary
	• Sustainable business practices	• Implementation of sustainable business practices and transparent reporting	• Sustainability Reports	• Annual
Local communities	• Socioeconomic development • Management of negative economic, environmental and social impact	• Local employment opportunities • Provision of trainings to enable the local community to earn their livelihood • Implementation of Corporate Social Responsibility ("**CSR**") Programmes • Management and monitoring of pre-agreed environmental parameters which are affected by our mining as stated in our Environmental Impact Assessment ("**EIA**") report • Engage experts to establish blueprint and evaluation criteria for long-term CSR programmes • Engaging local entrepreneurs and local enterprises to support our mining activities	• Dialogues with the local community • CSR programmes • Training programmes • Engagement with experts from Indonesia's top universities (Institut Pertanian Bogor and Universitas Indonesia) • Consultation with the local community for inputs to the EIA report • Local hiring • Engagement with third party specialists and the local government to take samples and monitor our environmental parameters	• Periodic • Periodic • Periodic • As necessary • As necessary • Every time • Every time
Regulatory authorities	• Regulatory compliance	• Keeping abreast of regulatory requirements and ensuring compliance to all	• Statutory reporting • Public consultation forums/events • On-site inspections	• Periodic • Periodic • As necessary
	• Community empowerment	• Implementation of CSR programmes		
Contractors and suppliers	• Fair procurement practices • Business opportunities	• Administration of open and fair tender process	• Tender process	• As necessary
	• Safe working environment	• Implementation of occupational health and safety initiatives	• Performance Review	• Periodic
	• Feedback on performance	• Review of suppliers' performance		

For more information on our stakeholder engagement, please refer to the section on "Engaging Our Stakeholders" in GEAR's FY2020 Sustainability Report.

SUSTAINABILITY OVERVIEW

MATERIALITY ASSESSMENT

GEAR's future sustainability growth is dependent on identifying ESG materiality matters pertaining to our stakeholders' interests. We achieved this by conducting a formal materiality assessment in 2017 with key personnel from respective departments, internal and external stakeholders, with the help of independent sustainability consultants. Through a workshop, we narrowed down these factors by determining what are considered to be our greatest impacts. In FY2020, we have determined the materials reported from FY2017 to FY2019 to be still relevant to our business today. Although we re-look into our material matters every year, we intend to perform a formal materiality reassessment in the future.

Figure 3: GEAR's materiality matrix

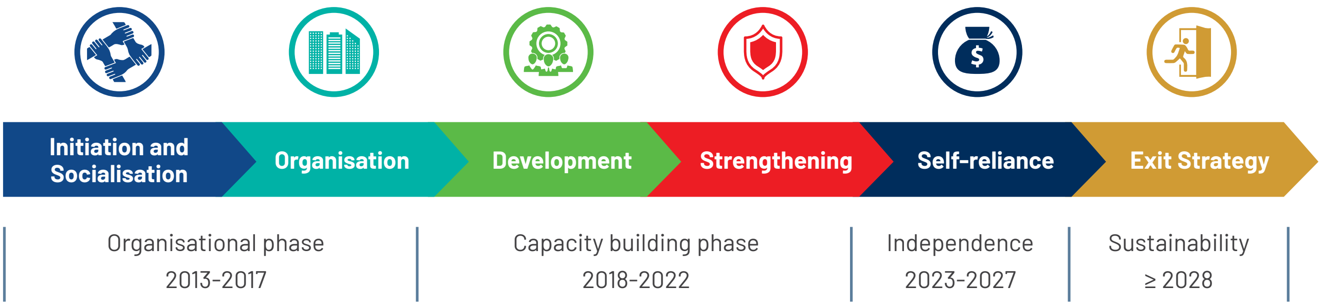
No.	Material matters	Sub-matters
1	Safety	Emergency preparedness
		Occupational health & safety
2	Environment	Air quality management
		Energy management
		GHG emissions
		Land management (pre-and post-mining)
		Solid waste management
		Water resource management
3	Community Management	Empowering local communities
4	Labour Relations	Employee welfare and benefits
		Labour relations management
5	Governance	Corporate Code of Conduct[2]
		Anti-fraud

For more information on our materiality assessment, please refer to the section on "Focusing on What Matters Most" in GEAR's FY2020 Sustainability Report.

CORPORATE SOCIAL RESPONSIBILITIES ("CSR")

We are aligned with Regulation 1824 (year 2018) regarding local community development surrounding BIB, and our CSR initiatives are in accordance with the local government's CSR blueprint, with a focus on the 8 pillars. To make any CSR initiatives meaningful, it is important for us to understand the needs of the local communities. We use a three-pronged approach that covers social needs assessments, aligns our CSR with the region's strategic plans, and collaborates with the local community and the government. Our milestone targets, as summarised in Figure 4 below, are in line with BIB's mine closure plans submitted to the mining regulators.

Figure 4: Milestone model



[2]*The previous sub-matter "Anti-Corruption" has been renamed to "Corporate Code of Conduct".*

We will continue to strive relentlessly in our endeavour of nation-building, sustainable development, inclusive growth and social equity through local community investment. Pursuant to that, in FY2020, we implemented various CSR initiatives to meet the needs of local communities where we have presence in. Overall, our various initiatives have benefitted more than 680,000 members of our communities that BIB and GEAR operate in.

Figure 5: Key community investment activities at BIB

CSR Blueprint Pillars	Community investments and initiatives in FY2020
Education	Provision of a 3-month graphic design certification course at the Community Learning Center to 3 young adults from 3 villages, namely Karang Indah, Mekarjaya and Banjarsari.
	Provision of a 3-month agriculture and animal husbandry certification course at the Community Learning Centre to 3 young adults from 3 villages, namely Sumber Baru, Mangkalapi and Binjai.
	In collaboration with Lembaga Rumah Pintar, provided two 12-month extracurricular activities to the senior high school in Angsana village. Some 169 high school students benefitted from the 12-month extracurricular activities learning basic reading and conversational English and basic computer skills.
	Donated 3 computers to Lembaga Rumah Pintar to facilitate computer lessons.
	Provided 3 units of water refilling machines to teach the high school students how to start and run a water refilling business. This entrepreneurship program is in collaboration with three schools, namely the SMP Negeri 2 Sungai Loban, MTS Nurul Hidayah and Yayasan Pondok Pesantren Daarul Ishlah Assya Fi'iyyah Kecamatan Sungai Loban.
Health	Provided an electricity generator set, various types of furniture, and medical equipment to the puskesmas inpatient (Public Health Centre) constructed by BIB in 2019.
	With the development of innovative water-treatment approaches and collaboration with the Local Government-Owned Water Utility ("**PDAM**"), reservoirs in Pit Andaru, in 2 villages, namely Banjarsari and Mekarjaya containing pit lake water and other sources of water such as surface-water reservoirs, were converted into clean water facilities for some 1,050 households in 3 villages for washing and commercially viable projects such as fish farming, tree farming and horticulture.
	Provided a polymerase chain reaction ("**PCR**") equipment and 2,000 test kits to the Public Health Centre and the COVID-19 PCR tests were made available to all villagers who require them.
Real economy, Self-reliance economy, Institution, Environment & Infrastructure	Provision of training to interested villagers from 19 villages for mushroom farming.
	Provision of initial capital to mushroom farmers in 2 villages, Mekarjaya and Mustika.
	In collaboration with a third party fishery, provision of training and initial capital to villagers from 4 villages to learn fish cultivation, spawning and making of fish seed feed.
	Provided training to some 28 village agents from 19 villages who will then return to their respective villages to retrain the remaining interested villagers. The trainings include fisheries, agriculture (including planting of vegetables, cassava and Cavendish banana), cow and goat farming, quail farming, animal husbandry, graphics design, composting, home industry, marketing through Tokopedia, hygienic food processing techniques, and etc. Hygienic food processed products include but are not limited to bitter gourd chips, eggplant chips, cassava chips, citrus drinks, etc. Village heads were encouraged to activate inactive land in their villages for agricultural purposes.
Social, culture and religious	Donated to underprivileged families in more than 19 villages during Hari Raya Haji.
	Donated 1,000 sets of groceries during Ramadhan to 19 villages.
	Donated 5,000 sets of COVID-19 Hygiene Kit comprising reusable face masks or face shields to 19 villages.
	Installed chambers, hand wash units, etc. at various locations in 19 villages.

SUSTAINABILITY OVERVIEW

GEAR IN SUPPORT OF THE FIGHT AGAINST COVID-19 IN SINGAPORE AND OTHER SOCIAL CAUSES

GEAR pledged donations in aggregate of S$220,000 to the TTSH Community Fund ("**TTSHCF**"), the charity arm of Tan Tock Seng Hospital ("**TTSH**"); NUHS Fund Limited ("**NUHSF**"), the charity arm of the National University Health System ("**NUHS**"); and Singapore Red Cross ("**SRC**"). Of the amount pledged, TTSHCF and NUHSF each received S$100,000 to help defray costs incurred by TTSH and NUHS during the COVID-19 outbreak as well as towards affected and needy patients. SRC received S$20,000 to deliver assistance and support to communities in China and Asia-Pacific.

FOOD RATION PACKING & DISTRIBUTION EXERCISE DURING PHASE TWO OF SINGAPORE'S RE-OPENING

For the third consecutive year, as part of our continued efforts to show care and support for the low income families and elderly, GEAR collaborated with Yong-en Care Centre in a Food Ration Packing and Distribution exercise on 12 November 2020 and 16 December 2020. The food rations were purchased, packed and distributed to 140 families residing at Banda Street in Chinatown, Singapore.

ENERGY COAL
MINING CONCESSIONS

Summary of reserves and resources as of 31 December 2020

Name of Asset/Country: BIB Coal Mining Concession / South Kalimantan, Indonesia

	GROSS ATTRIBUTABLE TO LICENSE[1]			NET ATTRIBUTABLE TO THE COMPANY		
Category	**Mineral Type**	**Tonnes (Millions)[4]**	**Grade**	**Tonnes (Millions)[4]**	**Grade**	**Change from previous update (%)[2]**
Reserves						
Proved	Coal	588.7	Bituminous A / Sub-bituminous B	386.9	Bituminous A / Sub-bituminous B	2.14%
Probable	Coal	105.2	Bituminous A / Sub-bituminous B	69.1	Bituminous A / Sub-bituminous B	21.65%
Total		**693.9**		**456.0**		**4.71%**
Resources [3]						
Measured	Coal	935	Bituminous A / Sub-bituminous B	615	Bituminous A / Sub-bituminous B	0.00%
Indicated	Coal	355	Bituminous A / Sub-bituminous B	233	Bituminous A / Sub-bituminous B	0.00%
Inferred	Coal	540	Bituminous A / Sub-bituminous B	355	Bituminous A / Sub-bituminous B	2.60%
Total		**1,830**		**1,203**		**0.75%**

Notes:
(1) CCoW license issued by the Government of the Republic of Indonesia which was represented by Ministry of Mining and Energy (formerly the Ministry of Energy and Mineral Resources)
(2) Previous coal resources and coal reserves estimates were reported as at 31 December 2019
(3) Coal resources are inclusive of coal reserves
(4) Individual totals may differ due to rounding

The increase in resources and reserves are mainly due to additional drillholes.

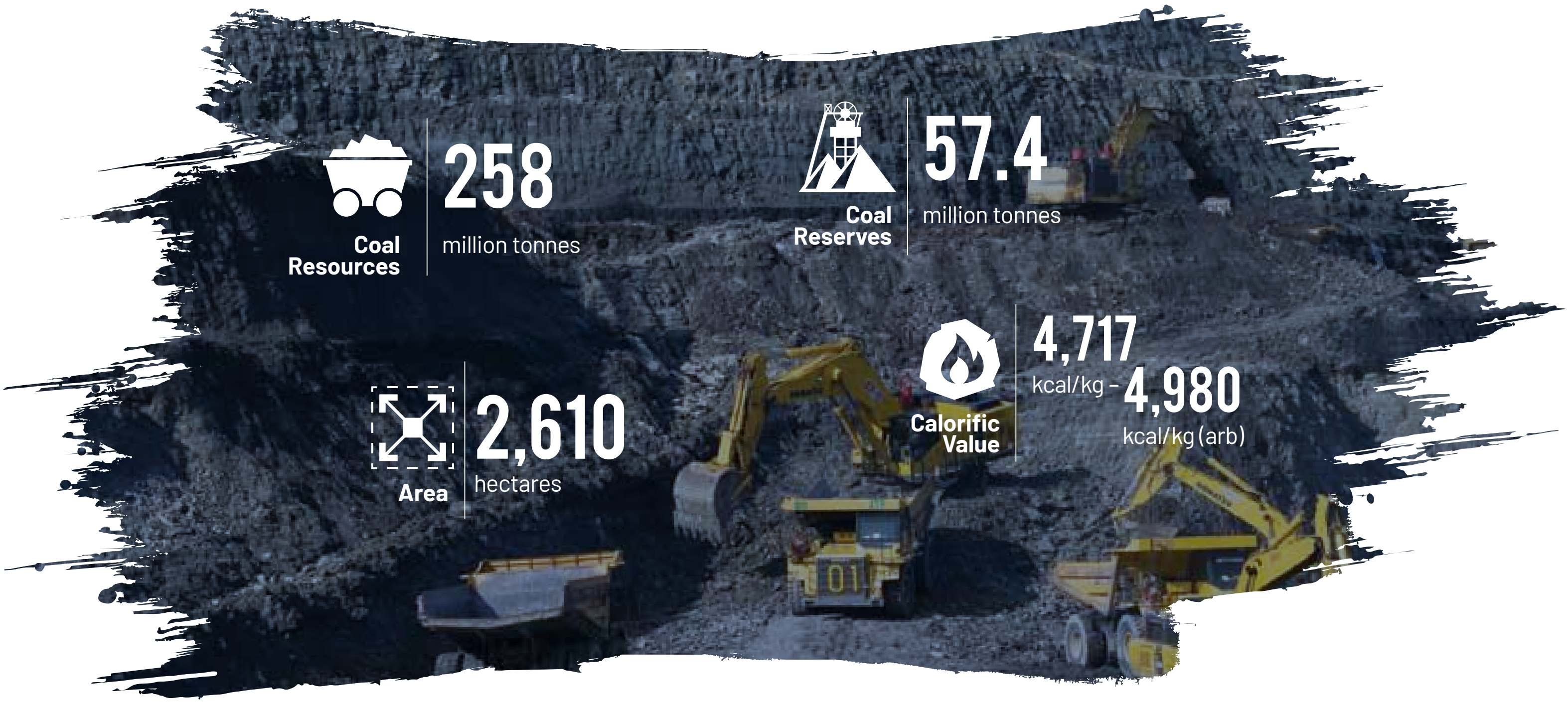
The movement in resources and reserves estimates are mainly due to production, coal prices, cost parameters and additional drillholes.

Name of Qualified Person: Manish Garg
Date: 31 January 2021
Professional Society Affiliation/Membership: B. Eng. (Hons), MAppFin, MAusIMM; MAICD

ENERGY COAL
MINING CONCESSIONS

Summary of reserves and resources as of 31 December 2020

Name of Asset/Country: KIM Coal Mining Concession / Jambi, Indonesia



		GROSS ATTRIBUTABLE TO LICENSE[1]		NET ATTRIBUTABLE TO THE COMPANY		
Category	**Mineral Type**	**Tonnes (Millions)[4]**	**Grade**	**Tonnes (Millions)[4]**	**Grade**	**Change from previous update (%)[2]**
Reserves						
Proved	Coal	44.4	Sub-bituminous B	29.7	Sub-bituminous B	-4.81%
Probable	Coal	13.0	Sub-bituminous B	8.7	Sub-bituminous B	-1.14%
Total		**57.4**		**38.5**		**-3.51%**
Resources [3]						
Measured	Coal	110	Sub-bituminous B	74	Sub-bituminous B	-1.33%
Indicated	Coal	56	Sub-bituminous B	37	Sub-bituminous B	0.00%
Inferred	Coal	92	Sub-bituminous B	62	Sub-bituminous B	0.00%
Total		**258**		**173**		**-0.57%**

Notes:
(1) IUP license issued by the Governor of Jambi
(2) Previous coal resources and coal reserve estimates were reported as at 31 December 2019
(3) Coal resources are inclusive of coal reserves
(4) Individual totals may differ due to rounding

The decrease in resources and reserves estimates are mainly due to production

The movement in resources and reserves estimates are mainly due to production, coal prices and cost parameters

Name of Qualified Person: Manish Garg
Date: 31 January 2021
Professional Society Affiliation/Membership: B. Eng. (Hons), MAppFin, MAusIMM; MAICD

ENERGY COAL
MINING CONCESSIONS

Summary of reserves and resources as of 31 December 2020

Name of Asset/Country: BSL Coal Mining Concession / South Sumatra Basin, Indonesia

	GROSS ATTRIBUTABLE TO LICENSE[1]			NET ATTRIBUTABLE TO THE COMPANY		
Category	**Mineral Type**	**Tonnes (Millions)[4]**	**Grade**	**Tonnes (Millions)[4]**	**Grade**	**Change from previous update (%)[2]**
Reserves						
Proved	Coal	140.3	Sub-bituminous B	94.00	Sub-bituminous B	-6.00%
Probable	Coal	49.6	Sub-bituminous B	33.20	Sub-bituminous B	-18.83%
Total		**189.9**		**127.20**		**-9.66%**
Resources [3]						
Measured	Coal	221	Sub-bituminous B	148	Sub-bituminous B	11.28%
Indicated	Coal	125	Sub-bituminous B	84	Sub-bituminous B	-5.62%
Inferred	Coal	80	Sub-bituminous B	53	Sub-bituminous B	-6.90%
Total		**427**		**286**		**1.79%**

Notes:

(1) Generation II CCoW license issued by the Government of the Republic of Indonesia which was presented by Ministry of Mining and Energy (formerly the Ministry of Energy and Mineral Resources)

(2) Previous coal resources and coal reserve estimates were reported as at 31 December 2019

(3) Coal resources are inclusive of coal reserves

(4) Individual totals may differ due to rounding

The increase in resources is mainly due to additional drilling while the decrease in reserves is due to longterm price forecast and production

The movement in resources and reserves estimates are mainly due to production, coal prices and cost parameters.

Name of Qualified Person: Manish Garg
Date: 31 January 2021
Professional Society Affiliation/Membership: B. Eng. (Hons), MAppFin, MAusIMM; MAICD

ENERGY COAL
MINING CONCESSIONS

Summary of reserves and resources as of 31 December 2020

Name of Asset/Country: TKS and TKS Ampah Blocks / Central Kalimantan, Indonesia

GROSS ATTRIBUTABLE TO LICENSE[1]				NET ATTRIBUTABLE TO THE COMPANY		
Category	**Mineral Type**	**Tonnes (Millions)[4]**	**Grade**	**Tonnes (Millions)[4]**	**Grade**	**Change from previous update (%)[2]**
Reserves						
Proved	Coal	0.2	Bituminous A	0.1	Bituminous A	0.00%
Probable	Coal	0.4	Bituminous A	0.2	Bituminous A	0.00%
Total		**0.6**		**0.3**		
Resources [3]						
Measured	Coal	27	Bituminous A and Sub-bituminous B	12	Bituminous A and Sub-bituminous B	0.00%
Indicated	Coal	29	Bituminous A and Sub-bituminous B	14	Bituminous A and Sub-bituminous B	0.00%
Inferred	Coal	26	Bituminous A and Sub-bituminous B	12	Bituminous A and Sub-bituminous B	0.00%
Total		**82**		**39**		**2.63%**

Notes:
(1) Two IUP Licenses issued by the Keputusan Bupati Barito Utara and one IUP license issued by Bupati Barito Timur
(2) Previous coal resource estimates were reported as at 31 December 2019
(3) Coal resources are inclusive of coal reserves
(4) Individual totals may differ due to rounding

The increase in resources is due to additional drilling while the reserves remain relatively stable

Name of Qualified Person: Manish Garg
Date: 31 January 2021
Professional Society Affiliation/Membership: B. Eng. (Hons), MAppFin, MAusIMM; MAICD

ENERGY COAL
MINING CONCESSIONS

Summary of reserves and resources as of 31 December 2020

Name of Asset/Country: WRL Mining Concession / South Sumatra Basin, Indonesia

GROSS ATTRIBUTABLE TO LICENSE[1]				NET ATTRIBUTABLE TO THE COMPANY		
Category	**Mineral Type**	**Tonnes (Millions)[4]**	**Grade**	**Tonnes (Millions)[4]**	**Grade**	**Change from previous update (%)[2]**
Reserves						
Proved	Coal	33.8	Sub-bituminous B	22.6	Sub-bituminous B	0.00%
Probable	Coal	53.4	Sub-bituminous B	35.8	Sub-bituminous B	0.00%
Total		**87.2**		**58.4**		**0.00%**
Resources [3]						
Measured	Coal	55	Sub-bituminous B	37	Sub-bituminous B	0.00%
Indicated	Coal	100	Sub-bituminous B	67	Sub-bituminous B	0.00%
Inferred	Coal	161	Sub-bituminous B	108	Sub-bituminous B	0.00%
Total		**316**		**212**		**0.00%**

Notes:
(1) IUPOP license issued by the provincial government of South Sumatra
(2) Previous coal resources and coal reserve estimates were reported as at 31 December 2019
(3) Coal resources are inclusive of coal reserves
(4) Individual totals may differ due to rounding

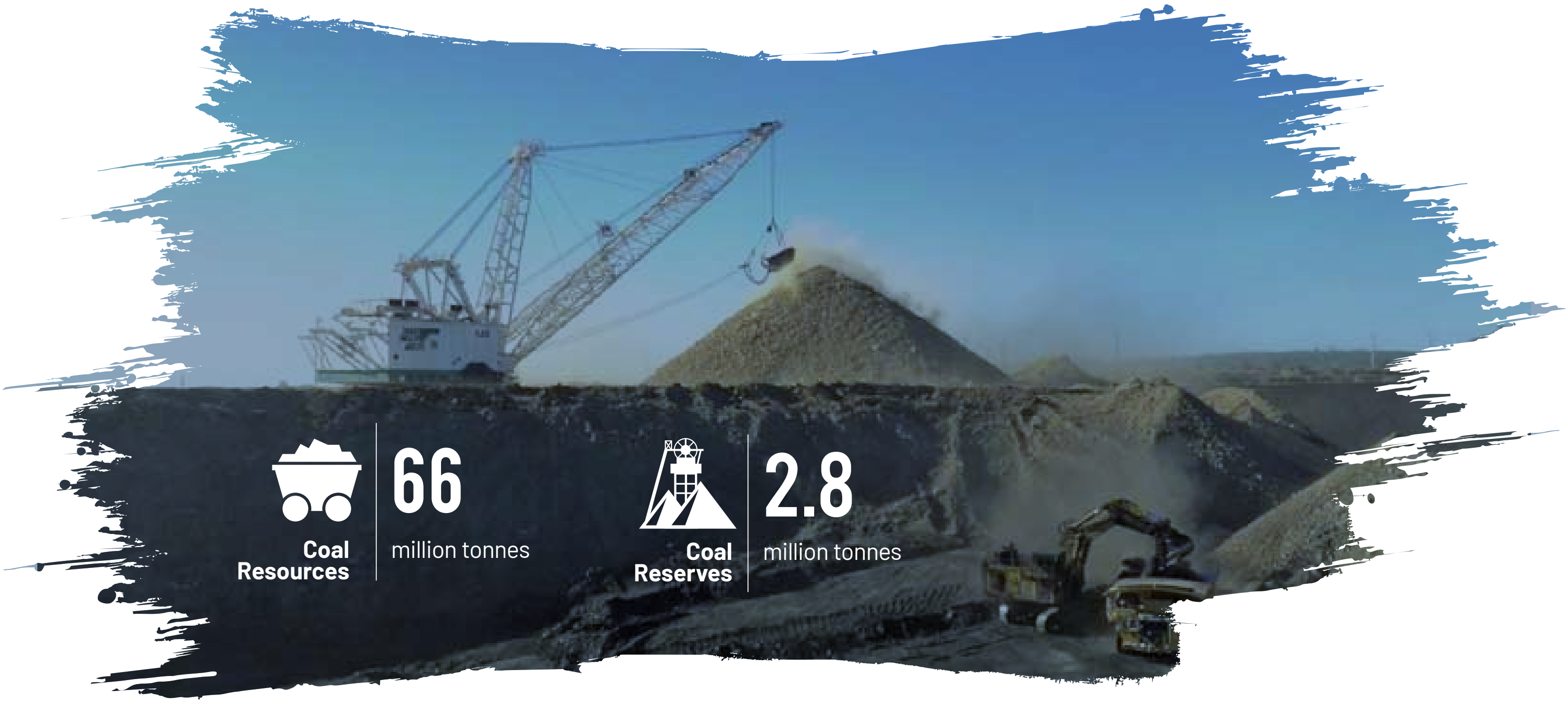
Name of Qualified Person: Manish Garg
Date: 31 January 2021
Professional Society Affiliation/Membership: B. Eng. (Hons), MAppFin, MAusIMM; MAICD

The resources and reserves estimates remain relatively stable

METALLURGICAL COAL MINING CONCESSIONS

Summary of reserves and resources as of 31 December 2020

Name of Asset/Country: Isaac Plains & Isaac Plains East / Queensland, Australia



	GROSS ATTRIBUTABLE TO LICENSE[1]			NET ATTRIBUTABLE TO THE COMPANY		
Category	**Mineral Type**	**Tonnes (Millions)[4]**	**Grade**	**Tonnes (Millions)[4]**	**Grade**	**Change from previous update (%)[2]**
Reserves						
Proved	Coal	2.3	C, T	1.4	C, T	NA
Probable	Coal	0.5	C, T	0.3	C, T	NA
Total		**2.8**		**1.7**		**NA**
Resources [3]						
Measured	Coal	33	C, T	20	C, T	NA
Indicated	Coal	24	C, T	14	C, T	NA
Inferred	Coal	9	C, T	5	C, T	NA
Total		**66**		**40**		**NA**

Notes:

(1) Mining Leases and Exploration Permits issued by the Queensland Government, Australia which was represented by Department of Natural Resources, Mines and Energy.

(2) No previous coal resources and coal reserve estimates were reported as at 31 December 2019

(3) Coal resources are inclusive of coal reserves

(4) Individual totals may differ due to rounding

(5) C - Coking Coal, semi-soft or greater potential; T - Export Thermal grade

Name of Qualified Person: Tony O'Connell
Date: 25 February 2021 and Stanmore announcement on 26 February 2021
Professional Society Affiliation/Membership: Member AusIMM

Name of Qualified Person: Troy Turner
Date: 5 January 2021 and Stanmore announcement on 26 February 2021
Professional Society Affiliation/Membership: Member AusIMM

METALLURGICAL COAL
MINING CONCESSIONS

Summary of reserves and resources as of 31 December 2020

Name of Asset/Country: Isaac Downs / Queensland, Australia

	GROSS ATTRIBUTABLE TO LICENSE[1]			NET ATTRIBUTABLE TO THE COMPANY		
Category	**Mineral Type**	**Tonnes (Millions)[4]**	**Grade**	**Tonnes (Millions)[4]**	**Grade**	**Change from previous update (%)[2]**
Reserves						
Proved	Coal	15.8	C, T	9.5	C, T	NA
Probable	Coal	2.1	C, T	1.3	C, T	NA
Total		**17.9**		**10.7**		**NA**
Resources [3]						
Measured	Coal	25	C, T	15	C, T	NA
Indicated	Coal	12	C, T	7	C, T	NA
Inferred	Coal	0	C, T	0	C, T	NA
Total		**36**		**22**		**NA**

Notes:

(1) Mining Leases and Exploration Permits issued by the Queensland Government, Australia which was represented by Department of Natural Resources, Mines and Energy.

(2) No previous coal resources and coal reserve estimates were reported as at 31 December 2019

(3) Coal resources are inclusive of coal reserves

(4) Individual totals may differ due to rounding

(5) C - Coking Coal, semi-soft or greater potential; T - Export Thermal grade

Name of Qualified Person: Michael Barker
Date: 30 July 2020 and Stanmore announcement on 26 February 2021
Professional Society Affiliation/Membership: Member AusIMM

Name of Qualified Person: Toby Prior
Date: 30 June 2020 and Stanmore announcement on 26 February 2021
Professional Society Affiliation/Membership: Member AusIMM

EXPLORATION (INCLUDING GEOPHYSICAL SURVEYS), DEVELOPMENT AND PRODUCTON ACTIVITIES

PT Golden Energy Mines Tbk is a 62.4998% subsidiary of Golden Energy and Resources Limited, and has three principal assets - the producing Block Borneo Mines, Block BSL Mines and Block KIM Mines ("Energy Coal Mines").

Stanmore Coal Limited is a 60.0154% indirect subsidiary of Golden Energy and Resources Limited, and has two principal assets - the producing Issac Plain Complex and Issac Down ("Metallurgical Coal Mines").

The Group has conducted infill exploration drilling including geophysical surveys during the financial year ended 31 December 2020 in BIB, BSL, TKS Ampah, Issac Plain Complex and Issac Down mines. The purpose of the drilling was to identify the subsurface geological conditions in detail and to improve the production planning.

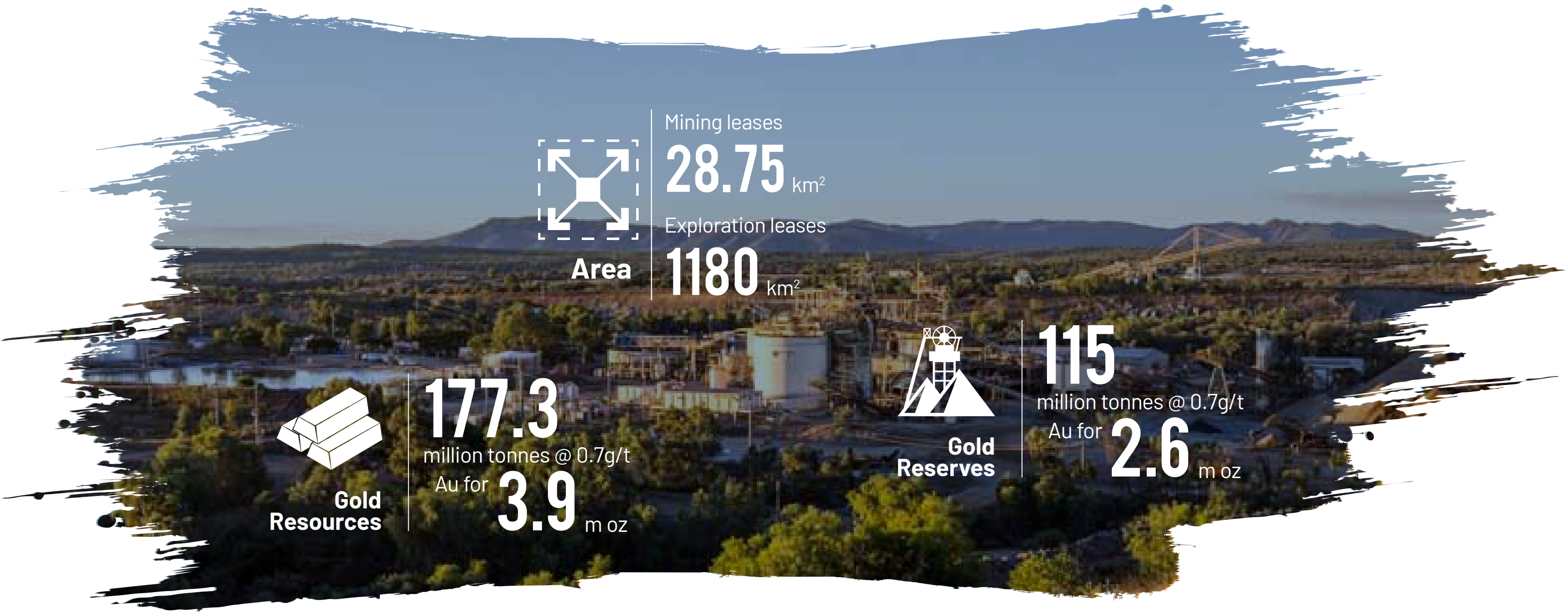
The Energy Coal Mines and Metallurgical Coal Mines had processed an amount of 33,464,126 and 1,228,196 metric tonnes of Sub-bituminous and Bituminous coal respectively for the financial year ended 31 December 2020 and no transfer of mines under construction to producing mines during the period under review.

The Group has capitalisation approximately US$3.5 million in exploration activities, and has expensed US$0.2 million in the ordinary course of regional exploration and US$537.4 million in production activities.

GOLD
MINING CONCESSIONS

Summary of reserves and resources as of 31 December 2020

Name of Asset/Country: Ravenswood Gold Deposits / Queensland, Australia



		GROSS ATTRIBUTABLE TO LICENSE			NET ATTRIBUTABLE TO THE COMPANY		
Category	**Mineral Type**	**Tonnes (Millions)**	**Grade g/t Au**	**Ounces (000s)**	**Tonnes (Millions)**	**Grade g/t Au**	**Ounces (000s)**
Reserves							
Proved	Gold	34	0.7	700	17	0.7	350
Probable	Gold	81	0.7	1,900	40.5	0.7	950
Total		**115**	**0.7**	**2,600**	**57.5**	**0.7**	**1,300**
Resources							
Measured	Gold	32.2	0.7	740	16.1	0.7	370
Indicated	Gold	96.5	0.8	2,346	48.3	0.8	1,173
Inferred	Gold	48.6	0.6	876	24.3	0.6	438
Total		**177.3**	**0.7**	**3,961**	**88.7**	**0.7**	**1,981**

Notes:
Open-Cut (O/C) Resources use a 0.3 g/t Au cut-off grade and sit within AUD$3,800 put shell (1.5 X current gold price).
Underground (U/G) Resources use a 0.3 g/t Au cut-off grade and are within continuous zones >2m wide and >1,000m³.
Nolans Mineralised Waste remaining after depletion, 31 December 2020. Figure supplied by Mining team and is approximate. No cut-off grade used.

Mineral Resources are inclusive of Mineral Reserves

Name of Qualified Person: John Wyche
Date: 11 September 2020 and Ravenswood statement on 26 February 2021
Professional Society Affiliation/Membership: Member AusIMM

Name of Qualified Person: Scott Dunham
Date: 27 November 2020 and Ravenswood statement on 26 February 2021
Professional Society Affiliation/Membership: Member AusIMM

ACCOLADES

TOP CSR Awards 2020

Category: TOP Leader on CSR Commitment 2020
Awarded to: Bonifasius H, GEMS's President Director
Awarded by: Top Business and KNKG
Award Date: 29 July 2020

TOP CSR Awards 2020

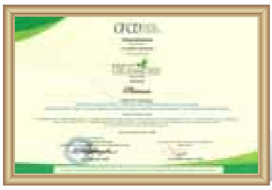
Category: TOP CSR AWARDS 2020 Star 5
Awarded to: BIB
Awarded by: Top Business and KNKG
Award Date: 29 July 2020

Proper Award "GREEN" Rating In Environmental Performance

Awarded to: BIB
Awarded by: Ministry of Environmental and Forestry
Period: 2019 - 2020

Indonesian CSR Awards 2020 - Platinum

Categories: 3 various categories
Awarded to: BIB
Awarded by: Corporate Forum For Community Development
Award Date: 06 November 2020



Indonesian CSR Awards 2020

Category: Grand Appreciation
Awarded to: BIB
Awarded by: Corporate Forum For Community Development
Award Date: 06 November 2020

Indonesian CSR Awards 2020 - Gold

Categories: 5 various categories
Awarded to: BIB
Awarded by: Corporate Forum For Community Development
Award Date: 06 November 2020

ADITAMA Award

Category: Environmental Management of Mineral and Coal Mining
Awarded to: BIB
Awarded by: Ministry of Energy and Mineral Resources
Award Date: 29 September 2020

UTAMA Award

Category: Safety Management of Mineral and Coal Mining for the Group's PKP2B license holders
Awarded to: BIB
Awarded by: Ministry of Energy and Mineral Resources
Award Date: 29 September 2020

Proper Award "BLUE" Rating In Environmental Performance

Awarded to: KIM
Awarded by: Ministry of Environmental and Forestry
Period: 2019 - 2020

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Fuganto Widjaja
Executive Chairman

Mr. Dwi Prasetyo Suseno
Executive Director, Group Chief Executive Officer

Mr. Mochtar Suhadi
Executive Director

Mr. Mark Zhou You Chuan
Executive Director, Chief Investment Officer

Mr. Lim Yu Neng Paul
Lead Independent Director

Mr. Irwandy Arif
Independent Director

Mr. Lew Syn Pau
Independent Director

Mr. Djuangga Mangasi Mangunsong
Independent Director

AUDIT COMMITTEE

Mr. Lim Yu Neng Paul
Chairman

Mr. Lew Syn Pau

Mr. Djuangga Mangasi Mangunsong

NOMINATING COMMITTEE

Mr. Lew Syn Pau
Chairman

Mr. Fuganto Widjaja

Mr. Lim Yu Neng Paul

REMUNERATION COMMITTEE

Mr. Lew Syn Pau
Chairman

Mr. Fuganto Widjaja

Mr. Lim Yu Neng Paul

GROUP COMPANY SECRETARY

Ms. Pauline Lee

EXTERNAL AUDITOR

Ernst & Young LLP
One Raffles Quay
North Tower, Level 18
Singapore 048583
Tel: 6535 7777
Fax: 6532 7662

AUDIT PARTNER-IN-CHARGE

Mr. Vincent Toong Weng Sum
(appointed with effect from financial year ended 31 December 2017)

REGISTERED OFFICE

20 Cecil Street
#05-05 PLUS
Singapore 049705
Tel: 6838 7500
Fax: 6284 0074

SHARE REGISTRAR AND SHARE TRANSFER OFFICE

Boardroom Corporate & Advisory Services Pte Ltd
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623
Tel: 6535 5355
Fax: 6535 1360

PRINCIPAL BANKERS

BNP Paribas, Singapore Branch
CIMB Bank Berhad, Singapore Branch
Credit Suisse AG, Singapore Branch
National Australia Bank
PT Bank Central Asia Tbk
PT Bank Danamon Indonesia Tbk
PT Bank Mandiri (Persero) Tbk
PT Bank Mandiri (Persero) Tbk, Singapore Branch
PT Bank Rakyat Indonesia (Persero) Tbk
RHB Bank Berhad, Singapore Branch

CORPORATE STRUCTURE

GOLDEN ENERGY AND RESOURCES LIMITED
(the "Company")

ENERGY COAL

GEAR Trading Enterprise Pte. Ltd.*

PT Golden Energy Mines Tbk**

HELD THROUGH PT GOLDEN ENERGY MINES TBK

PT Borneo Indobara**

PT Kuansing Inti Makmur**

PT Karya Cemerlang Persada**

PT Bara Harmonis Batang Asam**

PT Bungo Bara Utama**

PT Berkat Nusantara Permai**

PT Tanjung Belit Bara Utama**

PT Wahana Rimba Lestari**

PT Berkat Satria Abadi**

PT Bungo Bara Makmur**

PT Kuansing Inti Sejahtera**

PT Barasentosa Lestari**

PT Trisula Kencana Sakti**

GEMS Trading Resources Pte Ltd*

PT Roundhill Capital Indonesia**

METALLURGICAL COAL

Golden Investments (Australia) Pte. Ltd. *

HELD THROUGH GOLDEN INVESTMENTS (AUSTRALIA) PTE. LTD.

Stanmore Coal Limited***

HELD THROUGH STANMORE COAL LIMITED

Belview Coal Pty Ltd***

Belview Expansion Pty Ltd***

Comet Coal & Coke Pty Limited***

Emerald Coal Pty Ltd***

Isaac Plains Coal Management Pty Ltd***

Isaac Plains Sales & Marketing Pty Ltd***

Kerlong Coking Coal Pty Ltd***

Mackenzie Coal Pty Limited***

New Cambria Pty Ltd***

Stanmore Bowen Coal Pty Ltd***

Stanmore Coal Custodians Pty Ltd***

Stanmore IP Coal Pty Ltd***

Stanmore IP South Pty Ltd***

Stanmore Surat Coal Pty Ltd***

Stanmore Wotonga Pty Ltd***

Theresa Creek Coal Pty Ltd***

*Singapore
**Indonesia
***Australia

CORPORATE STRUCTURE

GOLD

Golden Investments (Australia) II Pte. Ltd.*

HELD THROUGH GOLDEN INVESTMENTS (AUSTRALIA) II PTE. LTD.
Ravenswood Gold Group Pty Ltd***

HELD THROUGH RAVENSWOOD GOLD GROUP PTY LTD
Ravenswood Gold Holdings Pty Ltd***

HELD THROUGH RAVENSWOOD GOLD HOLDINGS PTY LTD
Ravenswood Gold Pty Ltd***

NON-COAL BUSINESSES

GEAR Innovation Network Pte. Ltd.*

GEAR Renewables Pte. Ltd.*

PT Hutan Rindang Banua**

PT Mangium Anugerah Lestari **

PT Marga Buana Bumi Mulia**

Anrof Singapore Limited@

Able Advance Limited@@

Shinning Spring Resources Limited@@

Pacificwood Investment Ltd@

Poh Lian (Cambodia) Ltd@@@

HELD THROUGH PT GOLDEN ENERGY MINES TBK
PT GEMS Energy Indonesia**

PT Era Mitra Selaras**

PT Dwikarya Sejati Utama**

PT Duta Sarana Internusa**

PT Unsoco**

PT Karya Mining Solutions**

*Singapore
**Indonesia
***Australia

@Mauritius
@@BVI
@@@Cambodia

The Board of Directors and Management of Golden Energy and Resources Limited (the "**Company**") are committed to continually enhancing shareholders value by maintaining high standards of corporate governance, business integrity and professionalism in all its activities.

This Report sets out the corporate governance practices and procedures adopted by the Company and its subsidiaries (the "**Group**") with specific reference to the Code of Corporate Governance 2018 (the "**Code**") and the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") (the "**Listing Manual**"). The Company has complied with the principles and provisions as set out in the Code and the Listing Manual where appropriate, to the extent that there are deviations, explanations have been provided in this Report. For easy reference, the principles of the Code are set out in italics in this Report.

A. BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

The Board of Directors of the Company (the "**Board**") is responsible for providing effective leadership and direction to enhance the long-term value of the Group to its shareholders and other stakeholders to achieve sustainable and successful performance. The Board has the responsibility to fulfill its role which includes the following:

(a) ensuring that the long-term interests of the shareholders are being served and safeguarding the Company's assets;

(b) assessing major risk factors relating to the Company and its performance, and reviewing measures, including internal controls, to address and mitigate such risks;

(c) reviewing and approving Management's strategic and business plans, including developing a depth of knowledge of the business being served, understanding and questioning the assumptions upon which plans are based, and reaching an independent judgement as to the probability that the plans can be realised;

(d) monitoring the performance of Management against plans and goals;

(e) reviewing and approving significant corporate actions and major transactions, such as major changes to the Group's Management and control structure; material acquisitions and disposal of assets or investments; major funding proposals; financial reporting and dividends; and any other matters which requires Board or shareholders' approval pursuant to the Listing Manual, Singapore Companies Act, Cap. 50 ("**Companies Act**") or other applicable rules and regulations;

(f) assessing the effectiveness of the Board;

(g) ensuring ethical behaviour (including ethical standards) and compliance with laws and regulations, auditing and accounting principles and the Company's own governing documents;

(h) identifying key stakeholder groups and recognising that their perceptions may affect the Company's reputation;

(i) consider sustainability issues, e.g. environmental, social and governance factors, as part of its strategic formulation; and

(j) performing such other functions as are prescribed by law, or assigned to the Board in the Company's governing documents.

All Directors are expected to fulfill their duties to objectively take decisions in the interests of the Company. The Board currently consists of eight members, as shown below together with their membership on the Board committees of the Company (collectively, the "**Board Committees**" or individually, the "**Board Committee**") as of the date of this Report:

Name	Board Appointment	Board Committees Appointment(s)
Fuganto Widjaja *	Executive Chairman	Member of NC and RC
Dwi Prasetyo Suseno **	Executive Director and Group Chief Executive Officer ("**CEO**")	N.A.
Mochtar Suhadi	Executive Director	N.A.
Mark Zhou You Chuan #	Executive Director and Chief Investment Officer	N.A.
Lim Yu Neng Paul	Lead Independent Director	Chairman of AC and a member of NC and RC
Lew Syn Pau	Independent Director	Chairman of NC and RC and a member of AC
Irwandy Arif	Independent Director	N.A.
Djuangga Mangasi Mangunsong ##	Independent Director	Member of AC

Notes:

* Re-designated as Executive Chairman and appointed as a member of the NC on 8 February 2021.

** Promoted to Group CEO on 8 February 2021.

Appointed as an Executive Director on 8 February 2021.

Appointed as a member of the AC on 8 February 2021.

Abbreviation:	N.A.	:	Not Applicable
	AC	:	Audit Committee
	NC	:	Nominating Committee
	RC	:	Remuneration Committee

To assist the Board, the Board has delegated certain functions to the three Board Committees, namely, the AC, the NC and the RC, at the same time recognising that the ultimate responsibility on all matters rest with the Board. Each of the Board Committees has its own written terms of reference. Please refer to this Report for further information on the three Board Committees.

To facilitate Directors' attendance at meetings, the proposed schedule for the Board, Board Committees' meetings and Annual General Meeting ("**AGM**") are tabled at the beginning of each financial year and Directors' meetings scheduled to be held on half-yearly basis. In addition to the regular scheduled meetings, ad-hoc meetings are held whenever required. If a physical meeting is not possible, the Company's Constitution provides for the Board to conduct meetings by telephone conference and/or video conference. The Board and the Board Committees may also make important decisions concerning the Group by way of circular resolutions under the Company's Constitution and their respective terms of reference.

Details on the number of Board and Board Committees' meetings held in the financial year 2020 ("**FY2020**"), and the attendance of Directors and Board Committees, members respectively at those meetings are disclosed below:

Type of Meeting	Board	AC	NC	RC
Total number of meetings held	4	2	1	1
Name of Director	**Number of meetings attended**			
Lay Krisnan Cahya[(1)]	4	2	1	N.A.
Fuganto Widjaja[(2)]	1	N.A.	N.A.	1
Dwi Prasetyo Suseno	3	N.A.	N.A.	N.A.
Mochtar Suhadi	4	N.A.	N.A.	N.A.
Irwandy Arif	4	N.A.	N.A.	N.A.
Lew Syn Pau	4	2	1	1
Lim Yu Neng Paul	4	2	1	1
Djuangga Mangasi Mangunsong[(3)]	4	N.A.	N.A.	N.A.
Mark Zhou You Chuan[(4)]	N.A	N.A	N.A	N.A

Notes:

(1) Mr. Lay Krisnan Cahya resigned as Non-Executive Director and Non-Executive Chairman of the Company with effect from 8 February 2021.

(2) Mr. Fuganto Widjaja was appointed as a member of the NC with effect from 8 February 2021. As such, he has not attended as a member of the NC for the NC meetings conducted in FY2020.

(3) Mr. Djuangga Mangasi Mangunsong was appointed as a member of the AC with effect from 8 February 2021. As such, he has not attended as a member of the AC for the AC meetings conducted in FY2020.

(4) Mr. Mark Zhou You Chuan was appointed as an Executive Director of the Company with effect from 8 February 2021. As such, he has not attended as a Board Member for the Board meetings conducted in FY2020.

N.A.: Not Applicable

The Company has adopted and documented internal guidelines setting forth matters that require the Board's approval. Material transactions which are specifically reserved for the Board's approval are as follows:

- major changes to the Group's Management and control structure;
- material acquisitions and disposal of assets or investments;
- major funding proposals;
- financial reporting and dividends; and
- any other matters which requires the Board or shareholders' approval pursuant to the Listing Manual, Companies Act or other applicable rules and regulations.

The Company has adopted internal guidelines governing matters that require Board's approval for transactions exceeding certain threshold limits, while delegating authority for transactions below those prescribed limits to specific members of key management via a structured authority matrix, which is reviewed on a regular basis and accordingly revised when necessary.

Procedures are in place whereby newly appointed Directors are provided with a formal appointment letter setting out the terms of appointment, duties and obligations. They are also given the relevant governing documents of the Company and contact particulars of the Senior Management. Those who do not have prior experience as director of a Singapore listed company are required to attend and complete the trainings on their roles and responsibilities as a director of a listed company in Singapore as prescribed by the SGX-ST within one year from the date of appointment.

Newly appointed Non-Executive Directors who are not familiar with the Group's business may, upon recommendation of the Chairman of the NC, be provided with orientation through overseas trips such as Indonesia and Australia to familiarise them with the Group's operations. Management will brief the new Directors on the Group's business as well as governance practices.

Directors are provided with updates and briefings from time to time by professional advisers, auditors and Management on relevant practices, new laws, rules and regulations, Directors' duties and responsibilities, corporate governance, changes in accounting standards and risk management issues applicable or relevant to the performance of their duties and responsibilities as Directors.

Directors are also informed and encouraged to attend relevant training programmes organised by the Singapore Institute of Directors and/or the relevant regulators and may suggest training topics that are relevant to his duties as a Director. The training programmes are funded by the Company.

The members of the Board and Board Committees are provided with adequate and timely information prior to the Board and Board Committees meetings. In addition, Management provides the Board and Board Committees with proper information which includes meeting papers, disclosure documents, budgets and related materials, background or explanatory information relating to matters to be brought up before the Board and Board Committees.

Following the Company's adoption of the new risk-based approach for half-yearly reporting as implemented by SGXRegCo on 7 February 2020, Management provides the Board with financial statements and management reports of the Group on a half-yearly basis, and upon request as and when required. Explanations are given by Management for material variances. The adoption of the half-yearly reporting has enabled the Company to focus its resources and reduce its compliance costs.

The Board has separate and independent access to the Senior Management and the Group Company Secretary. The Group Company Secretary is responsible for, among other things, ensuring that Board procedures are observed and that the Company's Constitution, relevant rules and regulations including requirements of the Singapore Securities and Futures Act (Chapter 289), Companies Act and the Listing Manual, are complied with. The Group Company Secretary attends all Board and Board Committees meetings and prepares minutes of Board and Board Committees meetings and assists the Chairman of the Company in ensuring good information flows within the Board and Board Committees and between Management and Non-Executive Directors. The appointment and removal of the Group Company Secretary is subject to approval of the Board as a whole.

The Board takes independent professional advice as and when necessary to enable it to discharge its responsibilities effectively. Subject to the approval of the Chairman, the Directors, whether as a group or individually, may seek and obtain independent professional advice to assist them in their duties at the expense of the Company.

Principle 2: Board Composition and Guidance

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

The size and composition of the Board are reviewed from time to time by the NC which strives to ensure that the size of the Board is conducive to effective discussions and decision making and that the Board has an appropriate balance of Independent Directors.

As a group, the Directors bring with them a broad range of industry knowledge, expertise and experience in areas such as accounting, banking, finance, business and management. The diversity of the Directors' experience allows for the useful exchange of ideas and views as well as provide for effective decision-making. Key information regarding the Directors are set out in pages 18 to 21 and pages 52 to 54 of this Annual Report.

The Board comprises eight Directors, four of whom are Independent Directors. With at least half of the Board consisting of Independent Directors, there is a strong element of independence on the Board. Taking into account the scope and nature of the current operations of the Group, the Board considers that the current board size of eight Directors is appropriate to facilitate decision making.

The Company had complied with Guideline 2.1 of the Code of Corporate Governance 2012 which provides that at least one-third of the Board is made up of Independent Directors. The Company also complies with the Rule 210(5)(c) of the Listing Manual of the SGX-ST (which come into effect from 1 January 2022) which requires Independent Directors to consists of at least one-third of the Board.

Although the Chairman is not independent and the Independent Directors of the Company do not make up a majority of the Board pursuant to provision 2.2 of the Code, the Board and the NC are satisfied that the Board has substantial independent elements to ensure that objective judgement is exercised on the corporate affairs. The Company will comply with Provision 2.2 of the Code by 31 December 2021, whereby the Independent directors should make up majority of the Board as the Chairman is not independent.

The NC and Board have considered the following Directors as Independent Directors of the Company:

Mr. Irwandy Arif
Mr. Lew Syn Pau
Mr. Lim Yu Neng Paul
Mr. Djuangga Mangasi Mangunsong

The ensuing paragraphs set out the criteria for independence and processes to determine a Director's independence.

The Board has adopted guidelines as set out in the Code and the Listing Manual on relationships, the existence of which, would deem a Director not to be independent. A Director who has no relationship with the Company, its related corporations, officers or its shareholders with shareholdings of 5% or more in the voting shares of the Company, that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement with a view to the best interests of the Company, is considered to be independent. Each Independent Director is required to complete a Director's Independence Checklist annually to confirm his independence based on the guidelines as set out in the Code and the Listing Manual.

Mr. Mark Zhou You Chuan was the newly appointed director of the Company on 8 February 2021. He was appointed as an Executive Director and responsible for the Company and its Group's strategic planning, corporate management, mergers and acquisitions, capital raising activities, corporate finance and treasury as well as investor relations. Mr. Mark Zhou You Chuan joined the Company since September 2016 as the Head of Investments and is the Company's Chief Investment Officer prior to his appointment as Executive Director. Based on Mr. Mark Zhou You Chuan's past directorship, he had prior experience as a director in a Singapore-listed entity.

As at 31 December 2020, the Board comprises four Independent Non-Executive Directors and one Non-Executive Director. Following to the resignation of Mr. Lay Krisnan as a Non-Executive Chairman and appointment of Mr. Mark Zhou You Chuan on 8 February 2021, the number of Non-Executive Directors of the Company has been reduced from five to four. In view thereof, the Company has begun reviewing its Board composition to comply with Provisions 2.2 and 2.3 of the Code contemporaneously for the financial year commencing 1 January 2021 and 1 January 2022. The NC is tasked to determine on an annual basis and, as and when the circumstances require, whether or not a Director is independent, bearing in mind the Code, the Listing Manual and any other salient factors which would render a Director to be deemed not independent. In addition, consideration is given to Guideline 2.4 of the Code of Corporate Governance 2012 (continues to apply until 1 January 2022) which requires that the independence of any director who has served on the board beyond nine years, be subject to particularly rigorous review. Mr. Lim Yu Neng Paul has served on the Board as an Independent Non-Executive Director for more than nine years.

In reviewing the independence of Mr. Lim Yu Neng Paul who has been appointed as a Director of the Company since 2007, the NC considered that the Company had experienced changes in controlling shareholder and the management team after the reverse takeover in April 2015. Although Mr. Lim has served more than nine years from the date of his appointment, he has demonstrated independence in character and judgment in the discharge of his responsibilities as a Director of the Company, and has been forthcoming in expressing his independent views, debates issues and objectively scrutinises and challenges Management at the Board and Board Committees' meetings. Additionally, Mr. Lim confirmed not having any relationship that could interfere with his exercise of independent judgement in the best interest of the Company. During the review, Mr. Lim had excused himself and abstained from all deliberations and discussion.

The NC takes the view that a director's independence cannot be determined solely and arbitrarily on the basis of the length of tenure. A director's contribution in terms of experience, expertise, professionalism, integrity, objectivity and independent judgement in engaging and challenging the Management in the interests of the Group as he performs his duties in good faith, are more critical measures in ascertaining a director's independence than the number of years served on the Board. Having considered the factors, the NC and the Board are of the view that Mr. Lim continue to be considered as an Independent Director, notwithstanding that he has served on the Board for more than nine years.

The NC and the Board have conducted and deliberated the assessments such as the declaration of independence received from Mr. Lim Yu Neng Paul and performance assessment on Mr. Lim Yu Neng Paul, assessment if Mr. Lim Yu Neng Paul has any family relationship with the Executive Chairman; Directors; and the 5% substantial shareholders of the Company, the level of objectivity Mr. Lim Yu Neng Paul demonstrated at meetings, his character and attitude at the Board and Board Committees' meetings which were evaluated by the other Directors before arriving at the aforesaid conclusion.

Each Independent Director duly abstained from the NC and Board determination of his independence.

With effect from 1 January 2022, a director will not be independent if he has served for an aggregate of more than 9 years and his continued appointment as an independent director has not be sought and approved in separate resolutions by (a) all shareholders and (b) shareholders, excluding the directors and chief executive officer of the issuer, and associates of such directors and chief executive officer (the "**Two-Tier Voting**"). Such resolutions approved by a Two-Tier Voting may remain in force for three years from the conclusion of the annual general meeting following the passing of the resolutions or the retirement or resignation of the director, whichever the earlier.

Upon the NC's recommendation and the Board's approval, the approval of the shareholders be sought through a Two-Tier Voting process at the forthcoming AGM for Mr. Lim Yu Neng Paul to continue in office as a Lead Independent Director of the Company, notwithstanding that he has served as an Independent Non-Executive Director of the Company for an aggregate term of more than nine years.

The Company does not have a Board diversity policy. However, the Company is mindful that the Board and Board Committees should be of an appropriate balance and mix of skills, knowledge, experience, and other aspect of diversity such as gender and age, so as to avoid groupthink and foster constructive debate. During FY2020, the Company has embraced most aspects of diversity in the current Board composition save for the gender diversity. In this respect, the Board conducts an annual review to assess if the existing attributes and core competencies of the Board are complementary and contributes to the efficacy of the Board. This enables the Board to maintain or enhance balance and diversity within the Board. Nevertheless, the Board may, from time to time, seek to improve the aspects of its diversity and measure progress accordingly.

Independent and Non-Executive Directors are encouraged, in line with the corporate governance practice, to constructively challenge and help develop proposals on strategy; to review the performance of Management in meeting agreed goals and objectives; and to monitor the reporting of performance.

To facilitate a more effective check on the Management, the Independent and Non-Executive Directors shall meet at least annually without the presence of Management.

Principle 3: Chairman and Chief Executive Officer

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

There is a clear separation of the roles and responsibilities of the Chairman and the Group CEO. This is to ensure appropriate balance of power and authority, accountability and decision- making.

The positions of the Chairman and the CEO are kept separate and are held by Mr. Fuganto Widjaja and Mr. Dwi Prasetyo Suseno respectively. Mr. Fuganto Widjaja was the Group CEO of the Company from 20 April 2015 to 8 February 2021 and he was re-designated as the Executive Chairman following the resignation of Mr. Lay Krisnan Cahya as Director and Non-Executive Chairman on 8 February 2021. Mr. Dwi Prasetyo Suseno was the Group Deputy CEO prior 8 February 2021 and promoted to Group CEO after the re-designation of Mr. Fuganto Widjaja. Both the Executive Chairman and Group CEO are not related to each other. Mr. Fuganto Widjaja is related to the ultimate controlling shareholders of the Company. The Group CEO is responsible for the day-to-day management of the affairs of the Company and is tasked to ensure that the Board is kept updated and informed of the Group's business operations. For further details of the change of the Directors, please refer to the Company's announcement released to SGX-ST on 8 February 2021.

The Chairman is responsible for:

(a) leading the Board to ensure its effectiveness on all aspects of its role;

(b) setting the agenda and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues;

(c) reviewing key proposals and Board papers before they are presented to the Board and ensuring that Board members are provided with accurate and timely information;

(d) promoting a culture of openness and encouraging Board members to engage Management in constructive debate on various matters including strategic issues and business planning processes;

(e) encouraging constructive relations within the Board and between the Board and Management;

(f) facilitating the effective contribution of all Directors; and

(g) ensuring effective communication with shareholders.

The four Independent Directors continue to uphold good corporate governance at the Board level and their presence facilitates the exercise of independent and objective judgement on corporate affairs. Their participation and input also ensures that key issues and strategies are critically reviewed, constructively challenged, fully discussed and thoroughly examined, always taking into account the long-term interest of the Company and the Group, and its shareholders.

In view that the newly appointed Board Chairman is not independent and in order to ensure good corporate governance practice and to ensure that there is no concentration of power and authority vested in one individual, the Company has continued with the appointment of Mr. Lim Yu Neng Paul as the Lead Independent Director. Mr. Lim Yu Neng Paul was appointed as the Lead Independent Director since 20 April 2015 to the Company. The Lead Independent Director is available to shareholders when they have concerns which cannot be resolved through the normal channels of communication with the Chairman or Management, or where such contact is inappropriate or inadequate. The Lead Independent Director further plays an additional facilitative role within the Board; and where necessary, he may also facilitate communication between the Board and shareholders or other stakeholders of the Company; and providing a channel to Independent and Non-Executive Directors for confidential discussions on any concerns and to resolve conflicts of interest as and when necessary.

The Independent Directors will also meet periodically without the presence of the other Directors.

Principle 4: Board Membership

The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

The NC comprises the following three Directors, two of whom including the NC Chairman are Independent Directors. The Lead Independent Director is also a member of the NC:

Mr. Lew Syn Pau	(NC Chairman)
Mr. Lim Yu Neng Paul	(Member)
Mr. Fuganto Widjaja*	(Member)

* Appointed on 8 February 2021.

Following to the resignation of Mr. Lay Krisnan Cahya as Non-Executive Chairman and his cessation as a member of the NC on 8 February 2021, Mr. Fuganto Widjaja, Executive Chairman, was appointed as a member of the NC.

The NC's roles and responsibilities are described in the terms of reference.

The duties of the NC including reviewing and recommending to the Board, the following:

1. review and assess all candidates for directorships before making recommendation to the Board for appointment of Directors (including alternate directors, if any);

2. review and recommend to the Board the re-election of Directors retiring in accordance with the Company's Constitution and the Listing Manual at each AGM;

3. review the composition of the Board annually to ensure that the Board has appropriate balance of Independent Directors and to ensure an appropriate balance of expertise, skills, attributes and ability among the Directors;

4. review the independence of Directors annually;

5. review Board succession plans for Directors, in particular, Chairman and CEO;

6. evaluate the performance of the Board as a whole and the contribution and performance of each Director of the Board;

7. review the training and professional development programmes for the Board to keep the Board abreast of relevant new laws, regulations and changing of commercial risk and ensure incoming directors receive comprehensive and tailored induction on joining the Board;

8. decide whether a Director is able to and has adequately carried out his duties as a Director of the Company, in particular, where the Director concerned has multiple board representations; and

9. identify gaps in the mix of skills, experience and other qualities required in an effective board so as to better nominate or recommend suitable candidate(s) to fill these gaps.

The NC reviews and assesses candidates for directorship before making recommendations to the Board. In recommending new Directors to the Board, the NC takes into consideration the scope and nature of the operation of the Group, the requirements of the business, the skills and experience and the current composition of the Board, and strives to ensure that the Board has an appropriate balance of Independent Directors as well as Directors with the right profile of expertise, skills, attributes and ability. In evaluating a

Director's contribution and performance for the purposes of re-nomination, the NC takes into consideration a variety of factors such as attendance, preparedness, participation and candour. The NC makes recommendation for new Directors, retirement and re-election of Directors. The Directors submit themselves for re-nomination and re-election at regular intervals of at least once every three years. The Company's Constitution provides that one-third of the Board, or the number nearest to one-third is to retire by rotation at every AGM. In addition, the Company's Constitution also provides that newly appointed Directors are required to submit themselves for re-nomination and re-election at the next AGM of the Company.

In its deliberation on the re-election/re-appointment of retiring Directors, the NC takes into consideration the Directors' contribution and performance during the past year. Mr. Dwi Prasetyo Suseno and Mr. Lim Yu Neng Paul will retire from office by rotation at the forthcoming AGM under Regulation 107 of the Constitution and, being eligible, have offered themselves for re-election. The re-election of Mr. Lim Yu Neng Paul as Independent Director of the Company is subject to the Two-Tier Voting process. Mr. Mark Zhou You Chuan will retire from office at the forthcoming AGM under Regulation 117 of the Constitution, and, being eligible, has offered himself for re-election. The NC has recommended their re-election at the forthcoming AGM. Key information regarding these Directors is set out in pages 173 to 182 of this Annual Report.

Subject to Two-Tier Voting re-election process, Mr. Lim Yu Neng Paul will continue to serve as the Lead Independent Director, chairman of AC and a member of the NC and the RC upon his re-election.

The Board is of the view that setting a maximum number of listed company board representations would not be meaningful as the contributions of the Directors would depend on many factors such as whether they are in full time employment and their other responsibilities. The NC monitors and assesses each Director relative to his abilities and known commitments and responsibilities, is able to give sufficient time and attention to the affairs of the Company and diligently discharge his duties.

The Board has not engaged any external facilitator to conduct the assessment of the performance of the Board and each individual Director.

There are no alternate Directors appointed to the Board and the Board does not encourage the appointment of alternate Directors to the Board.

The dates of initial appointment and last re-election of each Director are set out as follows:

Name of Director	Appointment	Date of initial appointment	Date of last re-election
Fuganto Widjaja(1)	Executive Chairman	20 April 2015	25 June 2020
Dwi Prasetyo Suseno(2)	Executive Director and Group CEO	26 October 2015	30 April 2018
Mochtar Suhadi	Executive Director	20 April 2015	29 April 2019
Mark Zhou You Chuan(3)	Executive Director and Chief Investment Officer	8 February 2021	N.A.
Lim Yu Neng Paul(4)	Lead Independent Director	3 August 2007	29 April 2019
Irwandy Arif	Independent Director	20 April 2015	29 April 2019
Lew Syn Pau	Independent Director	20 April 2015	25 June 2020
Djuangga Mangasi Mangunsong	Independent Director	18 January 2018	25 June 2020

Notes:

(1) Mr. Fuganto Widjaja was re-designated as Executive Chairman on 8 February 2021.
(2) Mr. Dwi Prasetyo Suseno was promoted to Group CEO on 8 February 2021.
(3) Mr. Mark Zhou You Chuan was appointed as an Executive Director on 8 February 2021.
(4) Mr. Lim Yu Neng Paul was re-designated as an Independent Director on 26 February 2009.
N.A.: Not Applicable

All Directors have declared their board representations and principal commitments including their directorships in other listed companies both current and those held in the preceding three (3) years from 1 January 2018 to 31 December 2020 as follows:

Mr. Fuganto Widjaja	Mr. Dwi Prasetyo Suseno
Current Directorships in other Listed Companies/ Principal Commitments – PT Golden Energy Mines Tbk – PT Sinar Mas Multiartha Tbk – PT Super Wahana Tehno – PT Roundhill Capital Indonesia – PT Borneo Indobara	**Current Directorships in other Listed Companies/ Principal Commitments** – Stanmore Coal Limited – Malacca Straits Acquisition Company Ltd – Ravenswood Gold Group Pty Ltd – Ravenswood Gold Holdings Pty Ltd – Ravenswood Gold Pty Ltd – GEAR Trading Enterprise Pte. Ltd. – GEAR Renewables Pte. Ltd.
Past Directorships in other Listed Companies/ Principal Commitments – PT DSSP Power Sumsel – PT Karya Mining Solutions (f.k.a. PT Bumi Anugerah Semesta)	**Past Directorships in other Listed Companies/ Principal Commitments** – Nil
Mr. Mochtar Suhadi	**Mr. Mark Zhou You Chuan***
Current Directorships in other Listed Companies/ Principal Commitments – PT Pelayaran Sanditia Perkasa Maritim – PT Aldiracita Sekuritas Indonesia – PT Starindo Kencana Sejahtera – PT Starindo Prima Persada – PT Mitra Sejahtera Intiutama – PT Jaringan Komunitas Mitra Usaha – PT Ideaku Mitra Sukses Pratama	**Current Directorships in other Listed Companies/ Principal Commitments** – GEAR Trading Enterprise Pte. Ltd. – Golden Investments (Australia) Pte. Ltd. – Golden Investments (Australia) II Pte. Ltd. – GEAR Renewables Pte. Ltd. – Ravenswood Gold Group Pty Ltd – Ravenswood Gold Holdings Pty Ltd – Ravenswood Gold Pty Ltd
Past Directorships in other Listed Companies/ Principal Commitments – PT Mutiara Tanjung Lestari – PT Golden Energy Mines Tbk – PT Trisula Kencana Sakti – PT GEMS Energy Indonesia – PT Karya Mining Solutions – PT Era Mitras Selaras – PT Wahana Rimba Lestari – PT Berkat Satria Abadi	**Past Directorships in other Listed Companies/ Principal Commitments** – Nil
Mr. Lim Yu Neng Paul	**Mr. Lew Syn Pau**
Current Directorships in other Listed Companies/ Principal Commitments – China Everbright Water Limited – Nippecraft Limited – SBI Ven Capital Pte Ltd	**Current Directorships in other Listed Companies/ Principal Commitments** – Sinarmas Land Limited – SUTL Enterprise Ltd – Golden-Agri Resources Ltd – Broadway Industrial Group Ltd
Past Directorships in other Listed Companies/ Principal Commitments – Nil	**Past Directorships in other Listed Companies/ Principal Commitments** – Food Empire Holdings Ltd – Poh Tiong Choon Logistics Limited

Mr. Irwandy Arif	Mr. Djuangga Mangasi Mangunsong
Current Directorships in other Listed Companies/ Principal Commitments – PT Bukit Asam Tbk – PT Indexim Coalindo – Bandung Institute of Technology	**Current Directorships in other Listed Companies/ Principal Commitments** – Nil
Past Directorships in other Listed Companies/ Principal Commitments – PT Golden Energy Mines Tbk – PT Tobabara Sejahtera Tbk – PT Adaro Energy Tbk – PT Vale Indonesia Tbk	**Past Directorships in other Listed Companies/ Principal Commitments** – Nil

Note:

* Mr. Mark Zhou You Chuan was appointed an Executive Director on 8 February 2021.

Principle 5: Board Performance

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The NC has established a formal assessment process to assess the effectiveness of the Board as a whole and the Board Committees where a performance evaluation questionnaire will be circulated and completed by each Director. The performance criteria for Board evaluation are based on financial and non-financial indicators such as an evaluation of the size and composition of the Board, the Board's access to information, Board processes, strategy and planning, risk management, accountability, Board's performance in relation to discharging its principal functions, communication with Senior Management and standards of conduct of the Directors. The performance criteria do not change from year to year, unless the NC is of the view that it is necessary to change the performance criteria, for example, in order to align with any changes to the Code. The Company has also established a set of qualitative criteria to evaluate the contribution of each individual Director to the effectiveness of the Board.

The objective of such evaluation is to ensure that the Board, the Chairman of the Company and the individual Directors continue to act effectively in fulfilling the duties and responsibilities expected of them. The NC has reviewed and is satisfied that the Board, the Chairman of the Company and the individual Directors have met their performance objectives. A summary report will be compiled by the Chairman of NC and submitted to the Chairman of the Board for analysis and discussion with a view to implement certain recommendations to further enhance the effectiveness of the Board. The Board has strived to ensure that Directors appointed to the Board possess the experience, knowledge and skills critical to the Group's business to enable the Board to make sound and well-considered decisions.

The Chairman, in consultation with the NC, will, if necessary, propose new members to be appointed to the Board or seek the resignation of Directors.

The Board has not engaged any external facilitator to conduct the assessment of the performance of the Board and each individual Director.

B. REMUNERATION MATTERS

Principle 6: Procedures for Developing Remuneration Policies

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

The RC comprises the following three Directors, two of whom including the RC Chairman are Independent Directors:

Mr. Lew Syn Pau	(RC Chairman)
Mr. Lim Yu Neng Paul	(Member)
Mr. Fuganto Widjaja	(Member)

The RC has written terms of reference that describe the responsibilities of its members. The Board recognises that the composition of the RC is not in accordance with the Code that requires the RC to be made up entirely of Non-Executive Directors. However, the Board is of the view that the composition of the RC is adequate as a majority of its members are independent and the RC Chairman is non-executive and independent. The Board is also of the view that the composition of the RC is able to provide the necessary objective inputs to the various decisions made by the Board. In addition, Mr. Fuganto Widjaja has a better understanding of the Group's operations and therefore, is in an appropriate position to advise and recommend on the remuneration packages commensurate with the level of responsibilities of each key executive. Mr. Widjaja, a member of the RC and Executive Director and Executive Chairman, shall abstain from all discussions, deliberations and decision of his own remuneration.

The RC's roles and responsibilities are described in the terms of reference.

The duties of the RC include reviewing and recommending to the Board, the following:

1. policies and general framework of remuneration for the Board and key management personnel;

2. the specific remuneration package for each Executive Director and key management personnel, taking into account factors including remuneration packages of Executive Directors and/or key management personnel in comparable industries as well as the performance of the Company and that of the Executive Directors and/or key management personnel;

3. the fees of Independent Directors;

4. the remuneration of employees who are related to Directors or substantial shareholders of the Group;

5. the cost and benefits of any long term incentive schemes, if any, for Executive Directors and key management personnel;

6. the remuneration policies and framework of the Group to support its objectives and strategies; and

7. the Company's obligations in the event of termination of Executive Directors' and key management personnel's contracts of service, to ensure such contracts of service contain fair and reasonable termination clauses which are not overly generous.

The RC may, during its annual review of remuneration of Directors and key management personnel, seek advice from external professional consultants as and when it deems necessary.

None of the members of the RC is involved in deliberations in respect of any remuneration, compensation, incentive or any form of benefits to be granted to him.

Principle 7: Level and Mix of Remuneration

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

In designing the compensation structure, the Company seeks to ensure that the level and mix of remuneration is competitive, relevant and appropriate.

The remuneration structure for Executive Directors and key management personnel consists of (a) fixed remuneration, (b) variable bonus and/or (c) other benefits.

The use and application of clawback provisions in remuneration contracts of Executive Directors and key management personnel is subject to further consideration by the Company.

The Independent Directors receive Directors' fees, which are subject to shareholders' approval at AGMs.

Principle 8: Disclosure on Remuneration

The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

The Directors' remuneration for the year ended 31 December 2020 ("**FY2020**") is set out in the table below:

Name of Directors	Fixed Salary	Variable Bonus	Allowance	Directors' Fees	Total
S$500,001 to below S$750,000					
Dwi Prasetyo Suseno	28%	72%	–	–	100%
Mochtar Suhadi	24%	66%	10%	–	100%
Mark Zhou You Chuan**	–	–	–	–	–
S$250,001 to below S$500,000					
Fuganto Widjaja	92%	8%	–	–	100%
Below S$250,000					
Lay Krisnan Cahya*	–	–	–	–	–
Irwandy Arif	–	–	–	100%	100%
Lew Syn Pau	–	–	–	100%	100%
Lim Yu Neng Paul	–	–	–	100%	100%
Djuangga Mangasi Mangungsong	–	–	–	100%	100%

Notes:

* Mr. Lay Krisnan Cahya received remuneration from related companies outside of the Group. He resigned on 8 February 2021.

** Mr. Mark Zhou You Chuan was appointed as an Executive Director on 8 February 2021, and was a KMP in FY2020.

Variable bonus is based on Company and individual performance.

Each Director's remuneration is expressed in bands of S$250,000 with a percentage breakdown.

The Company believes that rather than disclosing to the nearest dollar, the current format of disclosure is good indication, of each Director's remuneration package, as remuneration continues to be a sensitive subject.

The top 5 key management personnel who are not Directors or the CEO of the Company ("**KMP**") for FY2020 and their remuneration falling in bands of S$250,000, are as follows:

Bonifasius
Kumar Krishnan
Retno Nartani
Mark Zhou You Chuan*
Pauline Lee

KMP's Remuneration Band	Number of KMP
S$1,000,001 to S$1,250,000	2
S$500,001 to S$750,000	2
S$250,001 to S$500,000	1

Note:

* Mr. Mark Zhou You Chuan was a KMP in FY2020 and was appointed as an Executive Director on 8 February 2021.

The total remuneration paid to the top 5 KMPs for FY2020 amounted to US$2,941,222.

The Company believes that it is not in the Group's interest to disclose the remuneration of the KMPs to the full extent recommended, due to continuing confidentiality and sensitivity of executives' remuneration and, moreover, such disclosure may hamper its ability to retain the Group's talent pool in a competitive environment.

Save as disclosed, there are no employees within the Group who are immediate family members of a Director and/or CEO and/or a substantial shareholder and whose remuneration exceeds S$100,000 during FY2020.

Currently, the Company does not have any employee share option scheme in place.

C. ACCOUNTABILITY AND AUDIT

Principle 9: Risk Management and Internal Controls

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

The Board and the AC are responsible for the governance of risk by ensuring that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Group's assets. They also determine the nature and extent of the significant risks which the Board is willing to take in achieving strategic objectives.

Management is responsible for designing, implementing and monitoring the risk management and internal control systems of the Group. The Board with the assistance of the AC, annually, review the adequacy and effectiveness of the Group's internal control including financial, operational, compliance and information technology controls, and risk management systems. The review and assessment considered the Group's business and operational environment in order to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks.

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, and reviews performed by Management, various Board Committees and the Board, the Board (with concurrence of the AC) is of the opinion that the Group's internal controls including financial, operational, compliance and information technology controls, and risk management systems, were adequate and effective as at 31 December 2020.

The system of internal controls and risk management established by the Company provides reasonable, but not absolute, assurance that the Company will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

The Board has received assurance from the Group CEO and the CFO or its equivalent:

(a) that the financial records have been properly maintained and the financial statements FY2020 give a true and fair view of the Group's operations and finances; and

(b) the Company's risk management and internal control systems are adequate and effective for FY2020.

In addition, the Board has also received assurance from key management personnel who are responsible, regarding the adequacy and effectiveness of the Group's risk management and internal control systems, that the risk management and internal control systems are adequate and effective.

Principle 10: Audit Committee

*The Board has an Audit Committee ("**AC**") which discharges its duties objectively.*

The AC comprises the following three Independent Non-Executive Directors:

Mr. Lim Yu Neng Paul	(AC Chairman)
Mr. Lew Syn Pau	(Member)
Mr. Djuangga Mangasi Mangunsong*	(Member)

Note:

* Appointed on 8 February 2021.

Following to the resignation of Mr. Lay Krisnan Cahya as Non-Executive Chairman and his cessation as a member of the AC on 8 February 2021, Mr. Djuangga Mangasi Mangunsong, Independent Non-Executive Director, was appointed as a member of the AC. As at the date of this Report, the Board considers that the members of the AC are appropriately qualified to discharge the responsibilities of the AC, having relevant accounting and related financial management expertise and experience.

The AC has explicit authority to investigate any matter within its terms of reference. In addition, the AC has full access to and co-operation by Management and full discretion to invite any Director or executive officer to attend its meetings. Reasonable resources are made available to enable the AC to discharge its functions properly.

In addition to the statutory functions, the AC considers and reviews any other matters as may be agreed to by the AC and the Board. In particular, the duties of the AC as set out in its terms of reference include:

a. reviewing significant financial reporting issues and judgement to ensure the integrity of the financial statements and any formal announcements relating to financial performance;

b. reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Company's systems of risk management and internal controls (including financial, operational, compliance and information technology controls);

c. reviewing the assurance from the CEO and the CFO or its equivalent on the financial records and financial statements;

d. reviewing the adequacy and effectiveness of the Company's internal audit function;

e. recommending to the Board the appointment/re-appointment of the external auditors including their remuneration and terms of engagement;

f. reviewing the scope and results of the external audit including the examination of the financial statements and evaluation of the system of financial controls of the Company; and the independence and objectivity of the external auditors;

g. reviewing with the internal auditors their audit plans, the adequacy of the internal audit procedures and their evaluation of the effectiveness of the overall internal control systems including financial, operational and compliance control as well as risk management of the Group;

h. reviewing half yearly and/or full year results announcements and annual financial statements and the auditor's report on the annual financial statements of the Company before submission to the Board for approval;

i. reviewing any significant audit findings and recommendations of the internal and external auditors together with Management's responses thereto so as to ensure the integrity of the financial statements and any formal announcements relating to financial performance;

j. reviewing interested party transactions as defined in the Listing Manual;

k. reviewing the Company's accounting policies and reporting requirements in consultation with the external auditor and assessing the adequacy of management reporting;

l. undertaking such other reviews and projects as may be requested by the Board, and reporting to the Board its findings from time to time on matters arising and requiring the attention of the AC; and

m. generally undertaking such other functions and duties as may be required by statute or the Listing Manual, and by such amendments made thereto from time to time.

The AC meets with the external auditors and the internal auditors, at least annually without the presence of Management.

The AC has conducted an annual review of all non-audit services provided by the external auditors to satisfy itself that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors.

The AC is satisfied with the independence and objectivity of the external auditors and recommends to the Board the nomination of the external auditors for re-appointment. The AC has conducted an annual review of all non-audit services provided by the independent auditors and is satisfied that the nature and extent of such services do not affect the independence of the independent auditors.

After taking into consideration the adequacy of the resources and experience of Ernst & Young LLP (including the audit partner in charge of auditing the Company), the other audit engagements of Ernst & Young LLP, the number and experience of supervisory and professional staff assigned to review the Group as well as the Group's size and structure, the AC and the Board are of the view that Ernst & Young LLP has been able to assist the Company in meeting its audit obligations and the Company is in compliance with Rule 712 of the Listing Manual.

The Group engages Ernst & Young LLP to audit its Singapore-incorporated subsidiaries and member firms of Ernst & Young Global in the respective countries for its significant foreign-incorporated subsidiaries. Accordingly, the Company is in compliance with Rule 715 (when read with Rule 716) and Rule 717 of the Listing Manual.

In accordance with Rule 1207(6) of the Listing Manual, the fees paid to Ernst & Young LLP for their audit and non-audit services for the financial year under review are found in Note 7 "Profit before tax" to the Consolidated Financial Statements of this Report. Ernst & Young LLP is an audit firm registered with the Singapore Accounting and Corporate Regulatory Authority and its appointment as the Company's external auditors have been approved by the Company's shareholders.

The Company's core subsidiary, PT Golden Energy Mines Tbk ("**GEMS**") has an in-house internal audit department and the Company also has a Head of Internal Audit to oversee the work of GEMS in-house internal audit department. The role of the internal auditors is to assist the AC of GEMS and AC of the Company to ensure that the subsidiaries maintain a sound system of internal controls.

The Head of Internal Audit Work Unit of GEMS ("**HIAWU**"), reports to AC of GEMS and Head of Internal Audit Function ("**HIAF**") of the Company. The HIAF, in turns, reports to the AC of the Company. On administrative matters, the HIAWU reports to the President Director of GEMS and HIAF to the CEO of the Company. The Internal Audit Work Units of both GEMS and the Company (collectively, "**IAWU**") are staffed with persons with the relevant qualifications and experience. Members of the IAWU regularly attend relevant public trainings as part of the continuing professional education requirements. Collectively, the IAWU carries out its function according to the standards set by nationally or internationally recognised professional bodies including the International Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors. The IAWU has unfettered access to the Group's documents, records, properties and personnel, including access to the AC.

The Company has adopted the announcement of half-yearly reporting. The AC and Management review and discuss GEMS internal audit findings, recommendations and status of remediation, on half-yearly basis or as and when necessary, through email or at the AC meetings. The HIAWU and HIAF, in the course of its audit, review the adequacy and effectiveness of Group's material internal controls, including financial, operational, compliance and information technology controls system, and risk management. Material non-compliance, internal control weaknesses and key business risks noted during its audit and alignment plans to address these risks and weaknesses are communicated to Management accordingly and tabled for discussion at AC meetings with updates by Management on the status of these action plans. The AC has reviewed and is satisfied that the internal audit functions are independent and are adequately resourced and have appropriate standing within the Group to perform its functions properly and effectively. The Internal audit function has no direct operational responsibility or authority over any of the activities it audited. Where there are any functions over which the HIAF has management responsibilities, the Audit Committee will commission other internal auditors (who shall not be the HIAF or her internal audit team) to provide the necessary advisory services, and report directly to the Audit Committee.

The IAWU collectively comprises personnel based in Singapore and Indonesia who have in-depth knowledge and skills of internal audit standards and best practices, risks and controls of the business processes; professional certification; knowledge of IT General and Application Controls and the organisation's industry; and good communication and presentation skills. The HIAF is professionally qualified as a Fellow of Chartered Certified Accountants (United Kingdom) and a Fellow Chartered Accountant (Singapore), and holds a Master of Finance from RMIT. She is a member of the Institute of Internal Auditors ("**IIA**") and is currently in the process of obtaining her IIA certification. The HIAF has had experience in implementing the internal audit function for the Group in her prior role as the Chief Financial Officer of the Company from 2011 to 2019.

The Company has in place a whistle-blowing framework where staff of the Company and another person can raise concerns about improprieties in matters of financial reporting or other matters to the AC. The objective for such arrangement is to ensure independent investigation of such matters and for appropriate follow-up action. The AC is responsible for the review of the whistle-blowing policy and any concern raised through the whistle-blowing arrangements. All whistle-blower complaints, if any, will be reviewed by the AC at its half-yearly meetings. Details of the policy have been made available to all employees and public via the Company's website, who may raise concerns, if any directly to the Chairman of the AC.

As part of the Company's ongoing efforts to enhance the security of personal data protection, the Company has in place each of the privacy policy and cookies policy to safeguard the customer and/or stakeholders personal data which collects, uses, manages and/or disclose personal data by the Company so as to ensure the Company and its Group's compliance with all applicable laws such as Personal Data Protection Act 2012.

The AC has reviewed with Management, and where relevant, the auditors, the half-yearly and full year results announcements, annual report and financial statements as well as the auditor's report thereon, interested person transactions and corporate governance report, before submission to the Board for approval and adoption.

The following significant matters impacting the financial statements were discussed with Management and the external auditors and were reviewed by the AC.

Significant matters	**How the AC reviewed these matters and what decisions were made**
Impairment assessment of assets from coal mining and coal trading segments and the cost of investment in a subsidiary (PT Golden Energy Mines Tbk or "**GEMS**")	The AC considered the approach and methodology applied by the Management on both the assessment for impairment indicators and the impairment assessment of assets from coal mining and coal trading segments and the cost of investment in GEMS. In addition to considering opinion and findings from the Management and the external auditors, the AC also reviewed the reasonableness of the approach, key assumptions and discount rate used in the valuation model. The AC is satisfied with the appropriateness of the methodology applied and the reasonableness of the key assumptions used. The impairment review was also an area of focus for the external auditor. The external auditor has included this item as a key audit matter in its audit report for the financial year ended 31 December 2020. Please refer to The Independent Auditor's Report contained in this Report.
Impairment assessment of goodwill, intangible assets and an investment in a subsidiary other than coal mining and coal trading segments	The AC considered the approach and methodology applied by the Management on both the assessment for impairment indicators and the impairment assessment of goodwill, intangible assets and an investment in a subsidiary other than coal mining and coal trading segments. In addition to considering opinion and findings from the Management and the external auditors, the AC also reviewed the reasonableness of the approach, key assumptions and discount rate used in the valuation model. The AC is satisfied with the appropriateness of the methodology applied and the reasonableness of the key assumptions used. The impairment review was also an area of focus for the external auditor. The external auditor has included this item as a key audit matter in its audit report for the financial year ended 31 December 2020. Please refer to The Independent Auditor's Report contained in this Report.

Accounting for business combinations	The AC considered the approach and methodology applied to the accounting for business combinations. The AC received confirmation from the Management that consistent accounting policy was applied for the accounting for business combination. The AC also assessed the competency, capability and objectivity of the independent accountant. The AC also considered the valuation methodologies and certain key assumptions used by the external valuation specialist in the valuation of acquired assets and liabilities assumed. The accounting for business combinations review was also an area of focus for the external auditor. The external auditor has included this item as a key audit matter in its audit report for the financial year ended 31 December 2020. Please refer to The Independent Auditor's Report contained in this Report.
Vendor royalties – contingent consideration	The AC considered the approach and methodology applied to the valuation of vendor royalties arising from the acquisition of Stanmore Coal Ltd. The AC reviewed the key assumptions and discount rate used in the valuation models for the determination of the fair value of the vendor royalties. The AC received confirmation from the Management that the valuation of the vendor royalties is consistent with the relevant financial reporting standards. The AC is satisfied with the appropriateness of the methodology applied and the reasonableness of the key assumptions used. The review of vendor royalties was also an area of focus for the external auditor. The external auditor has included this item as a key audit matter in its audit report for the financial year ended 31 December 2020. Please refer to The Independent Auditor's Report contained in this Report.
Provision for rehabilitation	The key area reviewed by the AC on provision for rehabilitation of the Group's mining sites was the appropriateness of the recognition of the provision. In addition to considering opinion and findings from the Management and the external auditors, the AC also reviewed the approach used in the cashflow model and the reasonableness of key assumptions used based on the knowledge of the business of the Group and the industry. The AC is satisfied with the appropriateness of the methodology applied and the reasonableness of the key assumptions used. The review of vendor royalties was also an area of focus for the external auditor. The external auditor has included this item as a key audit matter in its audit report for the financial year ended 31 December 2020. Please refer to The Independent Auditor's Report contained in this Report.

Following the review and discussions, the AC recommended to the Board to approve the full year financial statements.

In performing its functions, the AC met with the internal and external auditors, and reviewed the audit plans and overall scope of both internal and external audits, and the co-operation and assistance given by Management.

The AC takes measures to keep abreast of the changes to accounting standards and issues which have direct impact on financial statements with updates from the external auditors on a regular basis.

None of the members nor the Chairman of the AC is a former partner or director of the Group's auditing firm.

D. SHAREHOLDER RIGHTS AND ENGAGEMENT

Principle 11: Shareholder Rights and Conduct of General Meeting

The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

The Company strives for timeliness and consistency in its disclosure to shareholders. It is the Company's policy to keep all shareholders informed of developments or changes that will have a material impact on the Company's share price through announcements via SGXNet. Such announcements are communicated on an immediate basis, or as soon as possible where immediate disclosure is not practicable.

This section describes the Company's usual practice for the conduct of general meetings prior to the onset of the COVID-19 pandemic in early 2020.

Shareholders are informed of general meetings through notices sent to all shareholders or at the shareholders election, made available electronically. Shareholders may download the reports, notices, circulars and any documents related to general meeting at the Company website. The foregoing documents would also be released to the public via SGXNet. The Company encourages shareholders' participation during the general meetings. Resolutions are passed through a process of voting and shareholders are also informed of voting procedures governing general meetings.

All shareholders of the Company receive the notices, proxy forms and request forms of the general meetings. The notices will also be advertised in a local newspaper and be made available on SGXNet. The Company encourages shareholders' participation at general meetings, and all shareholders are given the opportunity to voice their views and to direct queries regarding the Group to Directors, including the chairperson of each of the Board Committees. The Company's external auditors are also present to assist the Board in addressing any relevant queries from shareholders. The Company also ensures that there are separate resolutions at general meetings on each distinct issue. The Company Secretary prepares minutes of general meetings, including relevant substantial comments or queries from shareholders relating to the agenda of the general meeting and responses from the Board or the Management thereto. These minutes are published on the Company's corporate website as soon as practicable.

The Board supports the Code's principle of encouraging shareholder participation. Shareholders are given opportunities to vote at general meetings. As the authentication of shareholder identity and other related integrity issues remain a concern, the Company will not implement voting in absentia by mail or electronic means for the time being. The Company has implemented electronic poll voting for all resolutions passed at general meetings for greater transparency in the voting process. Before commencement of the proceedings at the general meetings, the independent scrutineer appointed by the Company will disclose the voting and vote tabulation procedures. Votes cast for, or votes cast against, or abstain from voting for each resolution will be tallied and displayed live-on-screen to shareholders at the meeting. The total numbers and percentage of votes cast for or votes cast against or abstain from voting the resolutions are announced at the meetings. The same information is also included in the announcement on SGXNet after the conclusion of the general meeting. Barring further changes to be made in respect of the conduct of the general meeting, the Company will continue to use the electronic poll voting system at the general meeting.

The Constitution of the Company allows a member of the Company to appoint up to two proxies to attend and vote at general meetings. A shareholder who is a relevant intermediary (as defined in the Companies Act) may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such shareholder.

The covenants under the Company's bond regulate the dividend amount that the Company can declare to its shareholders. The amount and frequency of dividends will depend on, inter alia, meeting the covenants under the bond, the Group's financial performance and financial position, its expansion plans and working capital needs, and other factors as the Board may deem appropriate.

Conduct of AGM in 2020 amidst current COVID-19 pandemic

Due to the COVID-19 pandemic situation, the Singapore government issued an order on 24 March 2020 requiring all events and mass gatherings to be deferred. In view thereof, the Company held its 2020 AGM by way of electronic means on 25 June 2020, pursuant to the relevant legislation/regulations in relation to the conduct of its AGM such as the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 and/ or the prevailing statements/joint statements issued by the Accounting and Corporate Regulatory Authority, SGX and Monetary Authority of Singapore from time to time. Shareholders were invited to participate in the virtual 2020 AGM by (a) observing and/or listening to the AGM proceedings via live audio-visual webcast or live audio-only stream; (b) submitting questions in advance of the 2020 AGM; and (c) appointing the Chairman of the Meeting as proxy to attend, speak and vote on their behalf at the 2020 AGM. The Company has disclosed, on its website and SGXNET, the names of the Directors and senior executives who attended the 2020 AGM held by way of electronic means as well as detailed records of the proceeding. The Company did not receive any questions from shareholders by the submission deadline on 22 June 2020 at 10.30 a.m..

Conduct of 2021 AGM

Due to prevailing COVID-19 restrictions, shareholders will not be able to attend the Company's 2021 AGM in person. Instead, the Company will be holding its 2021 AGM by way of electronic means on 29 April 2021 and shareholders are invited to participate at the Company's virtual 2021 AGM by (a) observing and/or listening to the 2021 AGM proceedings via live audio-visual webcast or live audio-only stream; (b) submitting questions in advance of the 2021 AGM; and (c) appointing the Chairman of the Meeting as proxy to attend, speak and vote on their behalf at the 2021 AGM. Details of the steps for pre-registration, submission of questions and voting at the 2021 AGM by shareholders, including CPF and SRS investors, are set out in a separate announcement released on SGXNET on 14 April 2021. In view of the constantly evolving COVID-19 situation in Singapore, the Company may be required to change its arrangements for the AGM at short notice and shareholders should check SGXNET or the Company's website at URL: http//investor.gear.com.sg/ar.html for the latest updates on the status of the 2021 AGM.

Principle 12: Engagement with Shareholders

The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

The Company recognises that effective communication leads to transparency and enhances accountability. The Company regularly conveys pertinent information, gathers views or input, and addresses shareholders' concerns. In this regard, the Company provides timely information to its shareholders via SGXNet announcements and news releases and ensures that price-sensitive information is announced within the mandatory period. The Company does not provide selective disclosure. The views of shareholders are gathered at shareholder meetings where shareholders are permitted to ask questions and seek a better understanding of the Group's business operations, performance, strategies and outlook going forward.

The Company has put in place an investor relations policy to ensure effective communications with shareholders. Updates and amendments (as appropriate) will be made to reflect best practices in our communication with shareholders and the investment community. The Company also has a dedicated investor relations team which focuses on facilitating communications with shareholders and analysts on a regular basis and attending to their queries or concerns in a timely basis.

The Company's outreach includes briefings conducted by Senior Management in connection with the release of financial results, as well as one-on-one investor meetings and/or seminars, and participation at investment conferences and non-deal roadshows. This is in addition to the Company providing timely information to stakeholders via SGXNet announcements, comprising news releases and presentations, among others.

Due to COVID-19 pandemic situations, the forthcoming AGM of the Company on 29 April 2021 will be held via electronic means pursuant to the COVID-19 (Temporary Measures) Act 2020. The Annual Report for FY2020, Notice of AGM, Proxy Form, Company's Summary Independent Qualified Person's Reports ("**Summary IQP Reports**") and the Appendix to the Proposed Renewal of Sinar Mas IPT Mandate ("**Appendix for IPT Mandate**"), are released to the SGX-ST via SGXNet and are published on the Company corporate website at http://investor.gear.com.sg/ar.html.

E. MANAGING STAKEHOLDERS RELATIONSHIPS

Principle 13: Engaging with Stakeholders

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Company recognises the vitality on stakeholders' engagement for the Company's long-term sustainability. The Company engages with key stakeholders such as shareholders, employees and workers, customers, local communities, regulatory authorities, contractors and suppliers, to align the Company's sustainable approach with their expectations. The Company engages its stakeholders through various channels to ensure that the business interests of the Group are balanced against the needs and interests of its materials stakeholders. Further information on how the Company engages the stakeholders and approach to materials topics will be detailed in the sustainability report 2020 which will be published in May 2021.

INTERESTED PERSON TRANSACTIONS

The Company monitors all its interested person transactions closely and all interested person transactions are subject to review by the AC.

The aggregate value of interested person transactions entered into during the financial year under review which fall under Chapter 9 of the Listing Manual are as follows:

Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (US$'000)	Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000) (US$'000)
Sales:			
PT Indah Kiat Pulp & Paper Tbk	*	–	92,384
PT Sinar Mas Agro Resources and Technology Tbk	^	–	7,004
PT Pabrik Kertas Tjiwi Kimia Tbk	*	–	13,680
PT SOCI Mas	^	–	5,528
PT Ivo Mas Tunggal	^	–	1,713
PT Energi Sejahtera Mas	^	–	901
PT Pindo Deli Pulp and Paper Mills	*	–	6,828
PT DSSP Power Kendari	#	–	19,892
PT Lontar Papyrus Pulp & Paper Industry	*	–	18,719
PT Sinarmas Bio Energy	^	–	2,705
Interest income:			
PT Bank Sinarmas Tbk	^	–	18
Purchases:			
PT Rolimex Kimia Nusamas	^	–	592
Rental expenses:			
PT Royal Oriental	^	–	447
Freight & Demurrage:			
PT Wirakarya Sakti	^	–	1,030
Office Consumption:			
PT Sinarmas Distribusi Nusantara	^	–	11
Telecommunication:			
PT Smart Telecom	^	–	1
PT Smartfren Telecom Tbk	^	–	10
Insurance expenses:			
PT Asuransi Sinar Mas	^	–	6,079
Bank Charges:			
PT Bank Sinarmas Tbk	^	–	1

Notes:

^ An associate of each of the Ultimate Controlling Shareholders[1].

* An associate of a sibling of each of the Ultimate Controlling Shareholders[1].

An associate of each of the Ultimate Controlling Shareholders[1] and DSS[2].

1 Ultimate Controlling Shareholders mean Messrs Franky Oesman Widjaja, Indra Widjaja and Muktar Widjaja, who collectively indirectly owns more than 30% controlling interest in these companies and DSS.

2 DSS means PT Dian Swastatika Sentosa Tbk, the immediate parent company of the Company. DSS directly owns more than 30% controlling interest in these companies.

DEALINGS IN SECURITIES

The Company has adopted an internal policy ("**Policy**") with regard to dealings in securities to provide guidance for its Directors and employees in compliance with Rule 1207(19) of the Listing Manual of the SGX-ST.

The Policy provides that Directors and employees are prohibited from dealing in the securities of the Company whenever they are in possession of unpublished price-sensitive information on the Group and during the period commencing one month before the announcement of the Company's half-year and full year results and ending on the date of the announcements of the relevant results.

Directors and employees are also required to observe insider trading laws at all times even when dealing in securities within the permitted trading period. In addition, the Directors and employees are expected not to deal in the Company's securities for short-term considerations.

MATERIAL CONTRACTS

There were no material contracts of the Group involving the interests of the Non-Executive Chairman, CEO, each Director or controlling shareholders, either still subsisting at the end of FY2020 or, if not then subsisting, entered into since the end of the previous financial year except for Directors' remuneration as disclosed in the Notes to the Consolidated Financial Statements in this Annual Report.

USE OF PROCEEDS

There have been no proceeds raised in FY2020, being the financial year under review and no outstanding proceeds from the Group's previous fund raising.

DIRECTORS' STATEMENT

The Directors are pleased to present their statement to the members together with the audited consolidated financial statements of Golden Energy and Resources Limited (the "Company") and its subsidiaries (collectively, the "Group") and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2020.

1. Opinion of the directors

In the opinion of the directors,

(i) the consolidated financial statements of the Group and the statement of financial position of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2020 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date; and

(ii) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Directors

The Directors of the Company in office at the date of this statement or during the year are:

Fuganto Widjaja	
Dwi Prasetyo Suseno	
Mochtar Suhadi	
Mark Zhou You Chuan	(Appointed on 8 February 2021)
Lim Yu Neng Paul	
Lew Syn Pau	
Irwandy Arif	
Djuangga Mangasi Mangunsong	
Lay Krisnan Cahya	(Resigned on 8 February 2021)

In accordance with Regulation 107 of the Company's Constitution, Messrs Dwi Prasetyo Suseno and Lim Yu Neng Paul will retire and being eligible, offer themselves for re-election.

In accordance with Regulation 117 of the Company's Constitution, Mr. Mark Zhou You Chuan will retire and being eligible, offer himself for re-election.

3. Arrangements to enable Directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the Directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

4. Directors' interest in shares and debentures

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act, Cap. 50 (the "Act"), an interest in shares and share options of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

	Direct interest		Deemed interest	
	At the beginning of financial year	At the end of financial year	At the beginning of financial year	At the end of financial year
Name of Director				
Fuganto Widjaja *	–	–	–	–
Lim Yu Neng Paul **	–	–	320,000	320,000

* Mr. Fuganto Widjaja is the son of Mr. Indra Widjaja and the nephew of Messrs Franky Oesman Widjaja and Muktar Widjaja.

** The 320,000 ordinary shares of the Company are held in the name of a nominee account.

Messrs Indra Widjaja, Franky Oesman Widjaja and Muktar Widjaja, by virtue that each of them has a direct interest in more than 20% of the voting shares in PT Sinarindo Gerbangmas, are deemed to be interested in the shares held by PT Dian Swastatika Sentosa Tbk, the immediate holding company of the Company pursuant to Section 7 of the Act.

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 January 2021.

Except as disclosed in this report, no director who held office at the end of the financial year had interests in any shares, share options, warrants or debentures of the Company, or of any related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

5. Options and Rights

There are no options granted by the Company to take up unissued shares in the Company.

Stanmore Coal Limited ("Stanmore"), an indirect subsidiary of the Company at the end of the financial year, there were 144,898 potential unissued ordinary shares of Stanmore under Rights as follow:

- 108,556 unlisted Rights vesting subject to various performance hurdles in 2021 or in the event that no vesting at all occurs, the Rights may be retested vesting in 2022 subject to escalated performance hurdles and other agreed conditions.

- 36,342 unlisted Rights vesting subject to various performance hurdles in 2022 or in the event that no vesting at all occurs, the Rights may be retested vesting in 2023 subject to escalated performance hurdles and other agreed conditions.

Details and terms of the Rights has been disclosed in the Directors' Report and financial statements of Stanmore Coal Limited.

Except as disclosed above, there were no unissued shares of the Company or its subsidiaries under options granted by the Company or its subsidiaries at the end of the financial year.

6. Audit committee

The Audit Committee ("AC") carried out its functions in accordance with section 201B (5) of the Singapore Companies Act, Chapter 50, including the following:

- Reviewed the audit plans of the internal and external auditors of the Group and the Company, and reviewed the internal auditor's evaluation of the adequacy of the Company's system of internal accounting controls and the assistance given by the Group and the Company's management to the external and internal auditors;

- Reviewed the half-yearly and annual financial statements and the auditor's report on the annual financial statements of the Group and the Company before their submission to the Board of Directors;

- Reviewed effectiveness of the Group and the Company's material internal controls, including financial, operational and compliance controls and risk management via reviews carried out by the internal auditor;

- Met with the external auditor, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC;

- Reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;

- Reviewed the cost effectiveness and the independence and objectivity of the external auditor;

- Reviewed the nature and extent of non-audit services provided by the external auditor;

- Recommended to the Board of Directors the external auditor to be nominated, approved the compensation of the external auditor, and reviewed the scope and results of the audit;

- Reported actions and minutes of the AC to the Board of Directors with such recommendations as the AC considered appropriate; and

- Reviewed interested person transactions in accordance with the requirements of the Singapore Exchange Securities Trading Limited's Listing Manual.

The AC, having reviewed all non-audit services provided by the external auditor to the Group, is satisfied that the nature and extent of such services would not affect the independence of the external auditor. The AC has also conducted a review of interested person transactions.

The AC convened two meetings during the year with full attendance from all members. The AC has also met with internal and external auditors, without the presence of the Company's management, at least once a year.

Further details regarding the AC are disclosed in the Corporate Governance Report.

7. Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the Board of Directors,

Fuganto Widjaja Director	Dwi Prasetyo Suseno Director

26 March 2021

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Golden Energy and Resources Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the statement of financial position of the Group and the Company as at 31 December 2020, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2020 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flow of the Group for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key Audit Matters (cont'd)

1. **Impairment assessment of goodwill and assets from the coal mining and coal trading segments and the cost of investment in a subsidiary (PT Golden Energy Mines Tbk)**

   The Group performed impairment assessments for 1) the goodwill attributable to the coal mining and coal trading cash-generating unit ("CGU") and 2) the mining properties and property, plant and equipment held by loss making subsidiaries. In addition to the above, the Company also performed an impairment assessment on the cost of investment in PT Golden Energy Mines Tbk, its Indonesian listed subsidiary.

   Discounted cash flows analysis was prepared by the Group and the Company, to determine the recoverable amount of these assets using the value-in-use ("VIU") method. We have determined these to be key audit matters because the assessment process involves management exercising significant judgment and making assumptions of future market and economic conditions.

   We have obtained the projected discounted cashflows prepared by management and, together with our internal valuation specialists, we reviewed them for appropriateness of the methodology used and reasonableness of the key assumptions used. The key assumptions include the discount rates, selling prices, production costs and growth rate. We agreed the coal reserves estimates to the independent qualified person's report and obtained an understanding on the reasons for change in estimates as compared to last year. We evaluated the robustness of management's forecasting process by comparing previous forecasts to actual results.

   We also considered the adequacy of the disclosures made on these impairment assessments.

2. **Impairment assessment of goodwill, intangible assets and an investment in a subsidiary other than coal mining and coal trading segments**

   The Group performed impairment assessments for the goodwill and intangible assets attributable to the forestry and pulp cash-generating unit ("CGU"). The Company also performed impairment assessment on the carrying amount of investment in Anrof Singapore Limited.

   Discounted cash flows analysis was prepared by the Group and the Company, to determine the recoverable amount of these assets using the value-in-use ("VIU") method. We have determined these to be key audit matters because the assessment process involves management exercising significant judgment and making assumptions of future market and economic conditions.

   We have obtained the projected discounted cashflows prepared by management and, together with our internal valuation specialists, we reviewed them for appropriateness of the methodology used and reasonableness of the key assumptions used. The key assumptions include the discount rates, selling price, production costs, planting areas and yield of trees. We evaluated the robustness of management's forecasting process by comparing previous forecasts to actual results.

   We also considered the adequacy of the disclosures made on these impairment assessments.

Key Audit Matters (cont'd)

3. Accounting for business combinations

During the year, the Group established a joint venture company to jointly acquire and operate the Ravenswood gold mine ("Ravenswood"). The acquisition of the Ravenswood was completed on 31 March 2020. In a separate transaction, the Group made an unconditional on-market takeover offer for all the shares in Stanmore Coal Limited ("Stanmore"). At the close of the offer on 18 May 2020, the Group held 75.33% of the issued shares over Stanmore.

The Stanmore and Ravenswood transactions were accounted for using the acquisition method. The Group engaged external valuation specialists to assist them with the allocation of the purchase consideration to the acquired assets and liabilities, and the measurement of their respective fair values at acquisition date. Given the significance of the acquisitions and significant management judgement required in accounting for the acquisitions, we considered this to be a key audit matter.

In auditing the accounting of the acquisitions, we assessed the appropriateness of the identifiable assets acquired and liabilities assumed at the acquisition date by reading and analysing the key terms in the sale and purchase agreements and making enquiries with the Group management on the reasons for the acquisitions. We also engaged our internal specialists to assist us in reviewing the valuation methodologies and certain key assumptions used by the external valuation specialist in the valuation of acquired assets and liabilities assumed, and considered the objectivity, independence and capabilities of the external valuation specialist.

Furthermore, we assessed the adequacy of the disclosures in Note 16(d) and 17 of the financial statements concerning the acquisition.

4. Vendor royalties - contingent consideration

Upon obtaining control over Stanmore, the Group also acquired the Isaac Plains and Isaac Downs mines from the certain vendors. The Group agreement with these vendors requires the payment of additional consideration should the coal produced and sold from these mines exceed a certain set benchmark Hard Coking Coal price. The amounts payable by the Group to the vendors are capped at the level of cash and cash received from each of the vendors under the sale and purchase agreement for the Isaac Plains mine and capped at a fixed amount over the life of the production from the Isaac Downs mine. The Group recognised a contingent consideration of US$10.6 million as at 31 December 2020 in relation to these arrangements.

The valuation of the contingent consideration is based on forecasts and assumptions within a cash flow model developed by the management. Given the significance of the contingent consideration and significant management judgement involved in estimating expected selling prices of coal in future periods, we considered this to be a key audit matter.

We have reviewed the cashflow model prepared by management and with the assistance of our internal valuation specialists, we evaluated the appropriateness of the methodology used and reasonableness of the key assumption applied in the cashflow model which is the estimated future selling prices of coal produced. We have checked the mathematical accuracy of the cashflow model and agreed the underlying inputs used within the cashflow model to external market data.

We have also assessed the adequacy of the disclosures in Note 32(d) of the financial statements concerning the contingent consideration.

Key Audit Matters (cont'd)

5. Provision for rehabilitation

The Group has recognised a provision for rehabilitation of its mining sites as at 31 December 2020 for US$25.5 million. The provision for rehabilitation relates to the estimated amount of work to be performed to reinstate mining sites once the mineral resources have been exhausted.

The provision for rehabilitation is based on the management's estimation of the amount of work to be performed and the expect costs to reinstate the mining sites. Given the significance of this provision and significant management judgement involved in estimating the expected timing and costs to rehabilitate the disturbed areas in the future periods, we considered this to be a key audit matter.

We have obtained the cashflow model prepared by management and with the assistance of our internal valuation specialists, we evaluated the appropriateness of the methodology used and reasonableness of management's key assumptions applied in the model, including the future costs to rehabilitate the disturbed areas. We have checked the mathematical accuracy of the cashflow model and agreed the underlying inputs used within the model to external market data.

We also considered the adequacy of the disclosures in Note 28(a) of the financial statements concerning the provision for rehabilitation.

Other Information

Management is responsible for other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Consolidated Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (cont'd)

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Vincent Toong Weng Sum.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore
26 March 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2020

(In United States Dollars)

	Note	2020 US$'000	2019 US$'000
Revenue	4	**1,162,687**	1,115,815
Cost of sales		**(786,076)**	(751,324)
Gross profit		**376,611**	364,491
Other income	5	**20,297**	16,747
Selling and distribution expenses		**(201,383)**	(185,416)
Administrative expenses		**(79,337)**	(74,055)
Fair value gains		**7,683**	2,543
Finance costs	6	**(37,399)**	(34,584)
Other operating expenses		**(14,845)**	(19,409)
Share of loss of a joint venture (net of tax)		**(4,903)**	–
Profit before tax	7	**66,724**	70,317
Income tax expense	8	**(32,256)**	(37,429)
Profit for the year		**34,468**	32,888
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Net actuarial gain/(loss) on post-employment benefits	27	**189**	(339)
Net (loss)/gain on equity instruments fair value through other comprehensive income		**(3,432)**	35,837
		(3,243)	35,498
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		**24,248**	(1,103)
Other comprehensive income for the year, net of tax		**21,005**	34,395
Total comprehensive income for the year		**55,473**	67,283
Profit for the year attributable to:			
Owners of the Company		**8,085**	9,947
Non-controlling interests		**26,383**	22,941
		34,468	32,888
Total comprehensive income for the year attributable to:			
Owners of the Company		**25,543**	44,750
Non-controlling interests		**29,930**	22,533
		55,473	67,283
Earnings per share attributable to owners of the Company (cents per share)			
Basic and diluted	9	**0.34**	0.42

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

(In United States Dollars)

	Note	Group 2020 US$'000	Group 2019 US$'000	Company 2020 US$'000	Company 2019 US$'000
Non-current assets					
Biological assets	10	**6,587**	6,059	**–**	–
Property, plant and equipment	11	**140,677**	92,114	**85**	153
Mining properties	12	**402,845**	231,908	**–**	–
Intangible assets	13	**12,108**	10,689	**–**	–
Right-of-use assets	14	**2,763**	3,285	**505**	52
Goodwill	15	**98,198**	106,751	**–**	–
Investment in subsidiaries	16	**–**	–	**1,462,696**	1,382,271
Investment in a joint venture	17	**48,012**	–	**–**	–
Deferred tax assets	18	**6,867**	7,133	**–**	–
Other receivables	19	**2,072**	8,975	**290**	5,583
Restricted funds	20	**19,255**	18,585	**10,679**	8,599
Other non-current assets	21	**73,923**	53,134	**–**	–
Investment securities	23	**4,643**	115,109	**–**	57,757
		817,950	653,742	**1,474,255**	1,454,415
Current assets					
Trade and other receivables	19	**139,636**	136,103	**97,953**	11,229
Other current assets	21	**100,989**	115,147	**33,081**	32,473
Inventories	22	**71,186**	23,279	**–**	–
Investment securities	23	**1,925**	–	**1,925**	–
Cash and cash equivalents	24	**262,799**	177,757	**53,543**	40,194
		576,535	452,286	**186,502**	83,896
Current liabilities					
Trade and other payables	25	**278,227**	237,608	**19,263**	7,272
Loans and borrowings	26	**113,515**	62,451	**34,229**	10,264
Provision for taxation		**10,697**	3,008	**38**	74
Provisions	28	**1,896**	–	**–**	–
		404,335	303,067	**53,530**	17,610
Net current assets		**172,200**	149,219	**132,972**	66,286

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2020

(In United States Dollars)

	Note	Group 2020 US$'000	Group 2019 US$'000	Company 2020 US$'000	Company 2019 US$'000
Non-current liabilities					
Deferred tax liabilities	18	**80,400**	31,354	**–**	102
Other payables	25	**32,561**	25,707	**–**	–
Loans and borrowings	26	**268,477**	257,242	**187,821**	169,992
Post-employment benefits	27	**5,029**	4,437	**–**	–
Provisions	28	**26,154**	5,100	**24**	–
		412,621	323,840	**187,845**	170,094
Net assets		**577,529**	479,121	**1,419,382**	1,350,607
Equity attributable to equity holders of the Company					
Share capital	29	**305,528**	305,528	**1,230,107**	1,230,107
Reserves		**79,344**	53,807	**189,275**	120,500
		384,872	359,335	**1,419,382**	1,350,607
Non-controlling interests		**192,657**	119,786	**–**	–
Total equity		**577,529**	479,121	**1,419,382**	1,350,607

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

(In United States Dollars)

Group 2020	Share capital (Note 29) US$'000	Foreign currency translation reserves (1) US$'000	Other reserves (2) US$'000	Retained earnings US$'000	Total reserves US$'000	Non-controlling interests US$'000	Total equity US$'000
	Attributable to owners of the Company						
At 1 January 2020	305,528	(49,234)	14,805	88,236	53,807	119,786	479,121
Profit for the year	–	–	–	8,085	8,085	26,383	34,468
Other comprehensive income							
Net loss on equity instruments fair value through other comprehensive income	–	–	(3,432)	–	(3,432)	–	(3,432)
Net actuarial loss on post-employment benefits	–	–	126	–	126	63	189
Foreign currency translation	–	20,764	–	–	20,764	3,484	24,248
Other comprehensive income for the year	–	20,764	(3,306)	–	17,458	3,547	21,005
Total comprehensive income for the year	–	20,764	(3,306)	8,085	25,543	29,930	55,473
Transfer of fair value reserves of equity instruments at FVOCI upon disposal	–	–	(4,228)	4,228	–	–	–
Capital contribution from non-controlling interest of a subsidiary	–	–	–	–	–	27,467	27,467
Acquisition of subsidiaries with non-controlling interests	–	–	–	–	–	50,938	50,938
Dividends paid to non-controlling interests by subsidiaries	–	–	–	–	–	(25,561)	(25,561)
Dividends declared to non-controlling interests by subsidiaries	–	–	–	–	–	(9,900)	(9,900)
Share-based payment transactions	–	–	(6)	–	(6)	(3)	(9)
At 31 December 2020	305,528	(28,470)	7,265	100,549	79,344	192,657	577,529

(1) Foreign currency translation reserves are used to record exchange differences arising from the translation of the financial statements of the Group's foreign operations whose functional currencies are different from that of the Group's presentation currency.

(2) Other reserves pertains to reserves that arose from movements in non-controlling interest ("NCI") of certain subsidiaries, net actuarial gain/(loss) in post-employment benefits and net gain/(loss) on equity instruments fair value through other comprehensive income.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

For the financial year ended 31 December 2020

(In United States Dollars)

Group 2019	Share capital (Note 29) US$'000	Foreign currency translation reserves [(1)] US$'000	Other reserves [(2)] US$'000	Retained earnings US$'000	Total reserves US$'000	Non-controlling interests US$'000	Total equity US$'000
	Attributable to owners of the Company						
At 1 January 2019	305,528	(48,429)	(27,135)	83,291	7,727	105,020	418,275
Profit for the year	–	–	–	9,947	9,947	22,941	32,888
Other comprehensive income							
Net gain on equity instruments fair value through other comprehensive income	–	–	35,837	–	35,837	–	35,837
Net actuarial loss on post-employment benefits	–	–	(229)	–	(229)	(110)	(339)
Foreign currency translation	–	(805)	–	–	(805)	(298)	(1,103)
Other comprehensive income for the year	–	(805)	35,608	–	34,803	(408)	34,395
Total comprehensive income for the year	–	(805)	35,608	9,947	44,750	22,533	67,283
Deemed capital contribution from non-controlling interest of a subsidiary	–	–	6,332	–	6,332	–	6,332
Dividends paid to non-controlling interests by subsidiaries	–	–	–	–	–	(7,767)	(7,767)
Dividend paid (Note 36)	–	–	–	(5,002)	(5,002)	–	(5,002)
At 31 December 2019	305,528	(49,234)	14,805	88,236	53,807	119,786	479,121

(1) Foreign currency translation reserves are used to record exchange differences arising from the translation of the financial statements of the Group's foreign operations whose functional currencies are different from that of the Group's presentation currency.

(2) Other reserves pertains to reserves that arose from movements in non-controlling interest ("NCI") of certain subsidiaries, net actuarial gain/(loss) in post-employment benefits and net gain/(loss) on equity instruments fair value through other comprehensive income.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

(In United States Dollars)

Company 2020	Share capital (Note 29) US$'000	Foreign currency translation reserves [1] US$'000	Other reserves [2] US$'000	Retained earnings US$'000	Total reserves US$'000	Total equity US$'000
At 1 January 2020	1,230,107	55,975	12,313	52,212	120,500	1,350,607
Profit for the year	–	–	–	45,535	45,535	45,535
Other comprehensive income						
Net loss on equity instruments fair value through other comprehensive income	–	–	(1,662)	–	(1,662)	(1,662)
Foreign currency translation	–	24,902	–	–	24,902	24,902
Other comprehensive income for the year	–	24,902	(1,662)	–	23,240	23,240
Total comprehensive income for the year	–	24,902	(1,662)	45,535	68,775	68,775
Transfer of fair value reserves of equity instruments at FVOCI upon disposal	–	–	(4,825)	4,825	–	–
At 31 December 2020	1,230,107	80,877	5,826	102,572	189,275	1,419,382

(1) Foreign currency translation reserves are used to record exchange differences arising from the translation of the financial statements of the Company whose functional currency is different from that of the Company's presentation currency.

(2) Other reserves pertains to reserves that arose from acquisition of subsidiary in 2002.

Company 2019	Share capital (Note 29) US$'000	Foreign currency translation reserves [1] US$'000	Other reserves [2] US$'000	Retained earnings US$'000	Total reserves US$'000	Total equity US$'000
At 1 January 2019	1,230,107	38,266	(22,736)	63,241	78,771	1,308,878
Loss for the year	–	–	–	(4,819)	(4,819)	(4,819)
Other comprehensive income						
Net gain on equity instruments fair value through other comprehensive income	–	–	33,841	–	33,841	33,841
Foreign currency translation	–	17,709	–	–	17,709	17,709
Other comprehensive income for the year	–	17,709	33,841	–	51,550	51,550
Total comprehensive income for the year	–	17,709	33,841	(4,819)	46,731	46,731
Dividends paid	–	–	–	(5,002)	(5,002)	(5,002)
Transfer of fair value reserves of equity instruments at FVOCI upon transfer to a subsidiary	–	–	1,208	(1,208)	–	–
At 31 December 2019	1,230,107	55,975	12,313	52,212	120,500	1,350,607

(1) Foreign currency translation reserves are used to record exchange differences arising from the translation of the financial statements of the Company whose functional currency is different from that of the Company's presentation currency.

(2) Other reserves pertains to reserves that arose from acquisition of subsidiary in 2002.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED
CASH FLOW STATEMENT

For the financial year ended 31 December 2020

(In United States Dollars)

	2020 US$'000	2019 US$'000
Cash flows from operating activities		
Profit before tax	**66,724**	70,317
Adjustments for:		
(Reversal of)/provision for mining activities	**(5,982)**	3,083
Depreciation of property, plant and equipment	**15,701**	8,307
Depreciation of right-of-use assets	**2,420**	2,531
Gain on disposal of short term investment	**(105)**	–
Defined post-employment benefit expense	**964**	915
Fair value gain on biological assets	**(321)**	(2,543)
Fair value gain on remeasurement of contingent consideration	**(6,846)**	–
Fair value gain on other investment	**(516)**	–
Impairment loss on goodwill	**8,553**	6,988
Impairment loss on property, plant and equipment	**–**	965
Impairment loss on trade receivables	**182**	–
Amortisation of mining properties	**14,988**	4,888
Amortisation of land exploitation	**1,046**	501
Amortisation of intangible assets	**723**	505
Amortisation of software	**133**	89
Amortisation of discounted loans and borrowings	**442**	441
Notional interest on provisions and contingent consideration	**1,557**	–
Interest and other financial charges	**34,453**	32,975
Interest income	**(8,618)**	(9,775)
Dividend income from investment securities	**(2,864)**	(5,413)
Equity-settled share-based payment transactions	**(6)**	–
Share of loss of a joint venture, net of tax	**4,903**	–
Net exchange differences	**2,993**	(882)
Operating cash flows before changes in working capital	**130,524**	113,892
Changes in working capital:		
Increase in inventories	**(5,182)**	(3,634)
Decrease in trade, other receivables and prepayments	**38,310**	12,020
(Decrease)/increase in trade and other payables	**(10,770)**	29,231
Increase in provisions	**1,194**	–
Cash flows generated from operations	**154,076**	151,509
Interest and other financial charges paid	**(30,754)**	(30,512)
Interest income received	**8,600**	9,011
Income taxes paid	**(21,860)**	(44,214)
Net cash flows generated from operating activities	**110,062**	85,794

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

(In United States Dollars)

	2020 US$'000	2019 US$'000
Cash flows from investing activities		
Proceeds from disposal of other investment	**54,824**	2,000
Net cash outflows on acquisition of subsidiaries	**(50,159)**	–
Investment in a joint venture	**(53,456)**	–
Additions to biological assets	**(207)**	(135)
Purchase of investment securities	**(1,000)**	(20,207)
Dividend received from investment securities	**–**	4,070
Proceeds from disposal of property, plant and equipment	**1**	–
Purchase of property, plant and equipment	**(14,725)**	(20,974)
Additions to mining properties	**(5,433)**	(8,914)
Increase in other non-current assets	**(5,416)**	(2,312)
Changes in restricted fund	**(147)**	(3,902)
Net cash flows used in investing activities	**(75,718)**	(50,374)
Cash flows from financing activities		
Payment of dividend	**–**	(5,002)
Payment of dividend to NCI of subsidiaries	**(25,561)**	(12,717)
Capital contribution from non-controlling interest of a subsidiary	**27,467**	–
Proceeds from loans and borrowings	**128,846**	185,539
Repayment of loans and borrowings	**(83,445)**	(134,613)
Principal payment of lease liability	**(1,573)**	(2,249)
Net cash flows generated from financing activities	**45,734**	30,958
Net increase in cash and cash equivalents	**80,078**	66,378
Effect of exchange rate changes on cash and cash equivalents	**4,964**	(1,734)
Cash and cash equivalents at 1 January	**177,757**	113,113
Cash and cash equivalents at 31 December (Note 24)	**262,799**	177,757

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. General

Golden Energy and Resources Limited ("GEAR" or the "Company") is a limited liability company, incorporated and domiciled in Singapore and it is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

The immediate holding company of the Company is PT Dian Swastatika Sentosa Tbk ("DSS"), incorporated in Republic of Indonesia, and its ultimate holding company is PT Sinarindo Gerbangmas.

The registered office of the Company is located at 20 Cecil Street, #05-05 PLUS, Singapore 049705.

The principal activities of the Company are those of an investment holding company and provision of management services to unrelated entities and entities within the Group. The principal activities of the subsidiaries are set out in Note 16.

2. Summary of significant accounting policies

COVID-19 commentary

The COVID-19 pandemic has affected almost all countries of the world, and resulted in border closures, workplace closures, movement controls and other measures imposed by the various governments. The Group's significant operations are in Singapore, Indonesia and Australia, all of which have been affected by the spread of COVID-19 in 2020.

Set out below are the impact of COVID-19 on the Group's financial performance reflected in this set of financial statements for the year ended 31 December 2020:

i. The Group has assessed that the going concern basis of preparation for this set of financial statements remains appropriate.

ii. The Group has considered the market conditions as at the reporting date, in making estimates and judgements on the recoverability of assets as at 31 December 2020. The significant estimates and judgement applied on impairment of assets are disclosed in Note 3.

As the global COVID-19 situation remains very fluid as at the date these financial statements were authorised for issuance, the Group cannot reasonably ascertain the full extent of the probable impact of the COVID-19 disruptions on its operating and financial performance for the financial year ending 31 December 2021. Management will continuously monitor and assess the impact of COVID-19 in the subsequent financial periods.

2.1 Basis of preparation

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in United States Dollars ("USD" or "US$") and all values in the tables are rounded to the nearest thousand (US$'000), except when otherwise indicated.

2. Summary of significant accounting policies (cont'd)

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and revised standards which are effective for annual periods beginning on or after 1 January 2020. The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Company.

2.3 Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Description	*Effective for annual periods beginning on or after*
SFRS(I) 17 *Insurance Contracts*	1 January 2021
Amendments to SFRS(I) 3 *Reference to the Conceptual Framework*	1 January 2022
Amendments to SFRS(I) 1-16 *Proceeds before Intended Use*	1 January 2022
Amendments to SFRS(I) 1-37 *Onerous Contracts – Cost of Fulfilling a Contract*	1 January 2022
Amendments to SFRS(I) 1-1 *Classification of Liabilities as Current or Noncurrent*	1 January 2023
Amendments to SFRS(I) 10 and SFRS(I) 1-28 *Sale or Contribution of Assets between an Investor and its Associates or Joint Venture*	Date to be determined

The directors expect that the adoption of the other standards above will have no material impact on the financial statements in the period of initial application.

2.4 Basis of consolidation and business combination

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

2. Summary of significant accounting policies (cont'd)

2.4 Basis of consolidation and business combination (cont'd)

(a) Basis of consolidation (cont'd)

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when controls is lost;
- De-recognises the carrying amount of any non-controlling interest;
- De-recognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss;
- Re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

(b) Business combinations and goodwill

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another SFRS(I).

2. Summary of significant accounting policies (cont'd)

2.4 Basis of consolidation and business combination (cont'd)

(b) Business combinations and goodwill (cont'd)

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates.

(c) Investment in joint venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investment in its joint venture are accounted for using the equity method.

Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of profit or loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

2. Summary of significant accounting policies (cont'd)

2.4 Basis of consolidation and business combination (cont'd)

(c) Investment in joint venture (cont'd)

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the joint venture.

The financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss within 'Share of profit of a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.5 Transactions with non-controlling interests

Non-controlling interests represent the equity in a subsidiary not attributable, directly or indirectly, to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributable to owners of the Company.

2.6 Foreign currency

The financial statements are presented in United States Dollar ("USD"). Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

The Company's functional currency is Singapore Dollar ("SGD"), which reflects the economic substance of the underlying events and circumstances of the Company.

2. Summary of significant accounting policies (cont'd)

2.6 Foreign currency (cont'd)

(a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

(b) Consolidated financial statements

For consolidation purpose, the assets and liabilities of local and foreign operations are translated into USD at the rate of exchange ruling at the end of the reporting date and their profit and loss are translated at the average exchange rate for the year. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

In the case of a partial disposal without loss of control of a subsidiary that includes a local and foreign operation, the proportionate share of the cumulative amount of the exchange differences are re-attributed to non-controlling interest and are not recognised in profit or loss. For partial disposals of associates or jointly controlled entities that are foreign operations, the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

2.7 Biological assets

Biological assets mainly include trees in a timber plantation.

Trees in a timber plantation comprise Acacia, Jabon and Sengon trees, which are stated at fair value less estimated point-of-sale costs at harvest, with any resultant gain or loss recognised in the profit or loss. The valuation of the biological assets is calculated by the independent professional valuer based on the discounted cash flow model whereby the fair value is calculated using cash flows from continuous operations, assuming sustainable forest management plans, taking into account the growth potential from their forest plantations. The yearly harvest made from the forecasted tree growth is multiplied by the actual wood pines and the cost of fertilizer, before the deduction of harvesting. The fair value is measured as the present value of the harvest from one growth cycle based on the productive forest lands.

2. Summary of significant accounting policies (cont'd)

2.8 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment and furniture and fixtures are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of an asset begins when it is available for use and is computed on a straight-line basis over the estimated useful lives as follows:

Infrastructure and buildings	–	3 to 20 years
Plant and machinery	–	4 to 20 years/unit of production
Motor vehicles	–	4 to 8 years
Computers and office equipment	–	3 to 8 years
Furniture and fittings	–	3 to 20 years
Bearer plants	–	25 years

Infrastructure and buildings include buildings, forestry and fire protection infrastructures. Plant and machinery includes field equipment. The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Bearer plants comprise rubber trees and are classified as immature and mature. Immature bearer plants are stated at cost, which consist mainly of the accumulated cost of land clearing, planting, fertilizing and up-keeping/maintaining the plantations and allocations of indirect overhead costs up to the time the trees become mature and available for harvest. Mature bearer plants are stated at cost, and are amortised using the straight-line method over their estimated useful lives.

Constructions in-progress are stated at cost, including capitalised borrowing costs and other charges incurred in connection with the financing of the said asset constructions. The accumulated costs will be reclassified to the appropriate "Property and Equipment" account when the construction is completed. Assets under construction are not depreciated as these are not yet available for use.

The residual value, useful life and depreciation method are reviewed at each financial year-end and adjusted prospectively if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the assets is included in profit or loss in the year the asset is derecognised.

2. Summary of significant accounting policies (cont'd)

2.9 Mining properties

Pre-license Costs

Pre-license costs relate to costs incurred before the Group has obtained legal rights to explore in a specific area. Such costs are expensed in the period in which they are incurred.

Exploration and Evaluation Expenditures

Exploration and evaluation expenditures are capitalised and recognised as "exploration and evaluation assets" for each area of interest when mining rights are obtained and still valid and;

(i) the costs are expected to be recouped through successful development and exploitation of the area of interest; or

(ii) where activities in the area of interest have not reached the stage that allow a reasonable assessment of the existence of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing. These expenditures include materials and fuel used, surveying costs, drilling and stripping costs before the commencement of production stage and payments made to contractors.

Exploration and evaluation assets are subsequently measured using cost model and classified as tangible assets, unless they are qualified to be recognised as intangibles.

The ultimate recoupment of deferred exploration expenditure is dependent upon successful development and commercial exploitation of the related area of interest. Exploration and evaluation assets shall be assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. In such case, an entity shall measure, present and disclose any resulting impairment loss in profit or loss.

Exploration and evaluation assets are transferred to "Mines under construction" in the "Mining properties" account after the mines are determined to be economically viable to be developed.

Expenditures for Mines under Construction

Expenditures for mines under construction and incorporated costs in developing an area of interest subsequent to the transfer from exploration and evaluation assets but prior to the commencement of production stage in the respective area are capitalised to "Mines under construction" as long as they meet the capitalisation criteria.

Producing Mines

Upon completion of mine construction and the production stage is commenced, the "Mines under construction" are transferred into "Producing mines" in the "Mining properties" account, which are stated at cost, less depletion and accumulated impairment losses.

Depletion of producing mines are based on using unit-of-production method from the date of commercial production of the respective area of interest over the lesser of the life of the mine and the remaining terms of the mining licenses.

2. Summary of significant accounting policies (cont'd)

2.9 Mining properties (cont'd)

Mining Tenements

Mining tenements have a finite useful life and are carried at cost less, where applicable, any accumulated amortisation and accumulated impairment losses. The carrying values of mining tenements are reviewed to ensure they are not in excess of their recoverable amounts. Amortisation of mining tenements commences from the date when commercial production commences or in the case of the acquisitions, from the date of acquisition and is charged to the profit or loss. Mining tenements are amortised over the life of the mine using units of production method.

The Group recognises the above intangibles in the "Producing mines" under "Mining properties" account.

Stripping Activity

Stripping activity relates to the costs of removing overburden from a mine. Stripping costs incurred in the development of a mine before production commences are capitalised as part of the cost of developing the mine, and are subsequently depreciated or amortised using a unit-of-production method on the basis of proven and probable reserves, once production starts.

Stripping activity conducted during the production phase may provide two benefits:

(i) Ore that is processed into inventory in the current period and

(ii) Improved access to the ore body in future periods.

To the extent that benefit from the stripping activity is realised in the form of inventory produced, the Group accounts for the costs of that stripping activity to "Inventories" account.

To the extent the benefit is improved access to ore, the Group recognises these costs as a stripping activity asset in the "Mining properties" account, if and only if, all the following criteria are met:

- it is probable that the future economic benefits (improved access to the ore body) associated with the stripping activity will flow to the entity;
- the entity can identify the component of the ore body for which access has been improved; and
- the costs relating to the stripping activity associated with that component can be measure reliably.

The stripping activity asset is initially measured at cost, which is the accumulation of costs directly incurred to perform the stripping activity that improves access to the identified component of ore body, plus an allocation of directly attributable overhead costs. If incidental operations are occurring at the same time as the production stripping activity, but are not necessary for the production stripping activity to continue as planned, the costs associated with these incidental operations are not included in the costs of the stripping activity asset.

2. Summary of significant accounting policies (cont'd)

2.9 Mining properties (cont'd)

Stripping Activity (cont'd)

When the costs of the stripping activity asset and the inventory produced are not separately identifiable, the Group allocates the production stripping asset by using an allocation basis that is based on a relevant production measure. This production measure is calculated for the identified component of the ore body, and is used as a benchmark to identify the extent to which the additional activity of creating a future benefit has taken place. The Group uses the actual versus expected volume of waste extracted.

Subsequently, the stripping activity asset is carried at cost less amortisation and any impairment losses, if any. The stripping activity asset is depreciated or amortised using the units of production method over the expected useful life of the identified component if the ore body that becomes more accessible as a result of the stripping activity unless another method is appropriate.

2.10 Intangible assets

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

Forest concession license

The forest concession license was acquired as a result of the Reverse Acquisition. The forest concession license has a finite useful life and is amortised on a straight line basis over the concession period until 2041.

2. Summary of significant accounting policies (cont'd)

2.10 Intangible assets (cont'd)

Rail Loop Benefit

The intangible asset relates to future rebates on the cost of coal railings based on an agreement with the below rail infrastructure owner. Receipts of coal railing rebates are recognised in profit or loss as a credit against the cost incurred. The estimated useful life of the asset is aligned with the term of the contractual agreement and is amortised on a straight-line basis over the life in accordance with the anticipated profile of benefits received.

2.11 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value-in-use ("VIU") and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit ("CGU") exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the VIU, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's CGU's to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses are recognised in consolidated statement of comprehensive income.

Except for goodwill, an assessment on the asset is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2. Summary of significant accounting policies (cont'd)

2.12 Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

2.13 Financial Instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

<u>Investments in debt instruments</u>

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

(i) Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

2. Summary of significant accounting policies (cont'd)

2.13 Financial Instruments (cont'd)

(a) Financial assets (cont'd)

Subsequent measurement (cont'd)

Investments in debt instruments (cont'd)

(ii) Fair value through other comprehensive income ("FVOCI")

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognised.

(iii) Fair value through profit or loss ("FVPL")

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income ("OCI"). Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in OCI, changes in fair value are recognised in profit or loss.

De-recognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

2. Summary of significant accounting policies (cont'd)

2.13 Financial Instruments (cont'd)

(b) Financial liabilities (cont'd)

Subsequent measurement

After initial recognition, other financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.14 Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a "12-month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a "lifetime ECL").

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when the contractual payments are more than 365 days past due.

The Group considers a financial asset in default when contractual payments are 365 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2. Summary of significant accounting policies (cont'd)

2.15 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at banks and demand deposits that are readily convertible to known amount of cash and are subject to an insignificant risk of changes in value.

2.16 Inventories

The inventories comprise coal and logs.

(a) Coal inventories

Coal inventories are stated at the lower of cost and net realisable value. The cost of inventories is determined using the moving average method. Cost of mining inventories consists of blasting, overburden removal, material, labour, depreciation and overhead cost related to mining activities. Allowances for inventory obsolescence and decline in values of inventories are provided to reduce the carrying values of inventories to their net realisable values.

(b) Logs and plywood inventories

Logs and plywood inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present locations and conditions are accounted for as follows:

- Raw materials refer to purchase cost

- Agricultural produce comprises logs. Agricultural produce at the point of harvest is measured on initial recognition at its fair value less estimated point-of-sale costs. Thereafter, the inventory is carried at the lower of cost and net realisable value. Cost is determined using weighted average method.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.17 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2. Summary of significant accounting policies (cont'd)

2.18 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they incur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.19 Employee benefits

(a) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Post-employment benefits

The post-employment pension benefit obligation is the present value of the defined benefit obligation at end of the reporting period less the fair value of plan assets, together with the adjustments for unrecognised past service costs. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are directly recognised in other comprehensive income and reported in other reserves.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the yield at the end of the reporting period of long term government bonds denominated in Indonesian Rupiah in which the benefits will be paid and that have terms to maturity similar to the related pension obligation.

2.20 Leases – as lessee

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all lease, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

2. Summary of significant accounting policies (cont'd)

2.20 Leases – as lessee (cont'd)

(a) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying assets is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the following:

- the amount of the initial measurement of lease liability variable lease payment that are based on an index or a rate
- any lease payments made at or before the commencement date less any lease incentives
- any initial direct costs, and
- restoration costs

The right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Properties	3 to 5 years
Vehicle	1 to 3 years
Other Equipment	5 years

If the ownership of the leased assets transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 2.11.

(b) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at net present value of the lease payments to be made over the lease term. The lease payments includes the following:

- fixed payments (including-in-substance fixed payments), less any lease incentives receivables
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payment of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

2. Summary of significant accounting policies (cont'd)

2.20 Leases – as lessee (cont'd)

(b) Lease liabilities (cont'd)

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

2.21 Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Sales of coal

Revenue is recognised when the customer obtains control of the good and all criteria for acceptance have been satisfied. Sales of coal are usually made on a "Free on Board" ("FOB") basis. Under FOB, the customer obtains control of the goods once the goods have been passed over the ship rail. The amount of revenue recognised is based on the selling price agreed and stated in the agreement.

(b) Sales of plywood and logs

Revenue is recognised when the goods are delivered to the customer and all criteria for acceptance have been satisfied.

2. Summary of significant accounting policies (cont'd)

2.21 Revenue (cont'd)

(c) Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

(d) Management fee income

Revenue from consulting services is recognised in the accounting period in which the services are rendered.

(e) Interest income

Interest income is accrued on a time proportion basis using the effective interest method.

2.22 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future.

2. Summary of significant accounting policies (cont'd)

2.22 Taxes (cont'd)

(b) Deferred tax (cont'd)

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

(i) Where the sales tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

(ii) Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2. Summary of significant accounting policies (cont'd)

2.23 Share capital and share issuance expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.24 Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

   (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

   (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the statement of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

3. Significant accounting judgements and estimates

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management is of the opinion that the instances of application of judgement are not expected to have a significant effect on the amounts recognised in the financial statements, apart from those involving estimates.

3. Significant accounting judgements and estimates (cont'd)

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Impairment of goodwill and intangible assets

The recoverable amounts of the CGUs to which goodwill and intangible assets have been allocated to are determined based on VIU calculations. The VIU calculations are based on a discounted cash flow models. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. The key assumptions applied in the determination of the VIU including a sensitivity analysis, are disclosed and further explained in Note 15 to the financial statement.

(b) Impairment of investment in subsidiaries

The Company assesses at each reporting date whether there is an indication that the investment in subsidiaries may be impaired. This requires an estimation of the VIU of the CGU. Estimating the VIU requires the Company to make an estimate of the expected future cash flows from the cash generating units and also to choose a suitable discount rates in order to calculate the present value of those cash flows. The recoverable amount of the investment in subsidiaries is sensitive to the valuation inputs such as log price, coal price and discount rate. The key assumptions applied in the determination of the VIU including a sensitivity analysis, are disclosed and further explained in Note 16 to the financial statement.

(c) Impairment of mining properties and property, plant and equipment

The Group assesses at the end of each reporting period whether there is any objective evidence that non-financial assets are impaired. Impairment review is performed when certain impairment indicators are present. Determining the fair value of assets requires the estimation of cash flows expected to be generated from the continued use and ultimate disposition of such assets. Any significant changes in the assumptions used in determining the fair value may materially affect the assessment of recoverable values and any resulting impairment loss could have a material impact on results of operations.

(d) Coal reserves and resources estimates

Coal reserves and resources estimates are estimates of the amount of coal that can be economically and legally extracted from the Group's mining properties. Such reserves and resources estimates and changes to these may impact the Group's reported financial position and results, in the following way:

- The carrying value of mining properties, property, plant and equipment, and goodwill may be affected due to changes in estimated future cash flows

- Amortisation charges in the statement of comprehensive income may change where such charges are determined using the Unit of Production ("UOP") method

3. Significant accounting judgements and estimates (cont'd)

3.2 Key sources of estimation uncertainty (cont'd)

(d) Coal reserves and resources estimates (cont'd)

- Capitalised stripping costs recognised in the statement of financial position as either part of mine properties or inventory or charged to profit or loss may change due to changes in stripping ratios

The Group estimates its coal reserves and resources based on information compiled by appropriately qualified persons relating to the geological and technical data on the size, depth, shape and grade of the coal body and suitable production techniques and recovery rates. Such an analysis requires complex geological judgements to interpret the data. The estimation of recoverable reserves is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements and production costs, along with geological assumptions and judgements made in estimating the size and grade of the coal body.

The Group determines and reports its coal reserves under the principles incorporated in the Code for Reporting of Mineral Resources and Ore Reserves of the Joint Ore Reserves Committee (the "JORC Code"), which is sponsored by the Australian mining industry and its professional organisations.

Consequently, management will form a view of forecast sales prices based on current and long-term historical average price trends. For example, if current prices remain above long-term historical averages for an extended period of time, management may assume that lower prices will prevail in the future. As a result, those lower prices would be used to estimate coal reserves and resources under the JORC Code. Lower price assumptions generally result in lower estimates of reserves.

The coal reserves and resources estimate may change as a result of changes in the economic assumptions used and as additional geological information is produced during the mining operations.

(e) Acquisition of subsidiaries

The fair value measurement of assets and liabilities acquired with business combinations is determined by the Directors at the date of acquisition using the acquisition method whereby identifiable assets acquired and liabilities assumed are measured at fair value at the date on which control is gained (Note16d). Management has engaged an external valuation specialist to assist them with the allocation of purchase consideration to the identified acquired assets and liabilities, and the measurement of their respective fair values at acquisition date.

4. Revenue

	Group 2020 US$'000	Group 2019 US$'000
Energy Coal	**1,064,230**	1,114,284
Metallurgical Coal	**97,234**	–
Non-coal business	**1,223**	1,531
	1,162,687	1,115,815

5. Other income

	Group 2020 US$'000	Group 2019 US$'000
Interest income	**8,618**	9,775
Dividend income	**2,864**	5,413
Compensation income	**–**	13
Others	**8,815**	1,546
	20,297	16,747

6. Finance costs

	Group 2020 US$'000	Group 2019 US$'000
Interest expense on bank loans and trade financing (including amortisation of transactions costs)	**34,263**	32,550
Interest expense on lease liabilities	**190**	425
Amortisation of discounted loans and borrowings	**442**	441
Notional interest on provisions (Note 28) and contingent consideration (Note 25)	**1,557**	–
Others	**947**	1,168
	37,399	34,584

7. Profit before tax

Profit before tax is derived after charging/(crediting) the following:

	Group	
	2020	**2019**
	US$'000	**US$'000**
Mining services and overheads	**489,120**	445,351
Freight and stockpile	**276,170**	264,817
Inventories recognised as an expense in cost of sales	**23,699**	45,003
Royalty fees	**139,147**	145,903
Legal and professional fees	**13,453**	12,428
Land exploitation expenses	**12,571**	8,707
(Reversal of)/provision for mining activities	**(5,982)**	3,083
Depreciation of property, plant and equipment	**15,701**	8,307
Depreciation of right-of-use assets	**2,420**	2,531
Amortisation of:		
- mining properties	**14,988**	4,888
- land exploitation	**1,046**	501
- intangible assets	**723**	505
- software	**133**	89
Audit fees:		
- Auditors of the Company	**149**	134
- Other auditors	**461**	316
Non-audit fees:		
- Auditors of the Company	**26**	11
Directors' fees	**238**	241
Staff costs:		
- Salaries, wages, bonuses and other costs	**31,159**	26,314
- Contributions to defined contribution plans	**334**	232
Post-employment benefits expenses	**964**	915
Gain on disposal of short term investment	**(105)**	–
Fair value gain on biological assets	**(321)**	(2,543)
Fair value gain on remeasurement of contingent consideration	**(6,846)**	–
Fair value gain on other investment	**(516)**	–
Impairment loss on goodwill	**8,553**	6,988
Impairment loss on property, plant and equipment	**–**	965
Foreign exchange loss, net	**5,508**	2,311

8. Income tax expense

Major components of income tax expense

The major components of income tax expense for the financial years ended 31 December are:

	Group	
	2020	2019
	US$'000	US$'000
Consolidated statement of comprehensive income		
Current income tax		
- Current year's income tax	**(19,851)**	(29,727)
- Under provision in respect of previous years	**(1,260)**	(4,600)
Deferred income tax (Note 18)		
- Current year	**(4,007)**	(965)
Withholding tax expense	**(7,138)**	(2,137)
Income tax expense	**(32,256)**	(37,429)
Other comprehensive income		
Deferred tax relate to other comprehensive income:		
- Net actuarial (gain)/loss on post-employment benefits	**(54)**	113

Relationship between tax expense and accounting profit

A reconciliation between the income tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the financial years ended 31 December is as follows:

	2020	2019
Profit before tax	**66,724**	70,317
Less: Share of results of joint venture	**(4,903)**	–
	71,627	70,317
Tax expenses at the domestic rates applicable in the countries where the Group operates	**(14,336)**	(20,274)
Adjustments:		
Income not subject to tax	**5,512**	1,385
Expenses not deductible for tax purposes	**(11,836)**	(8,931)
Deferred tax assets not recognised	**(3,322)**	(1,612)
Under provision in respect of previous years	**(1,260)**	(4,600)
Deferred tax on undistributed profits of foreign subsidiaries	**–**	(1,773)
Withholding tax expense	**(7,138)**	(2,137)
Others	**124**	513
Income tax expense	**(32,256)**	(37,429)

The corporate income tax rate applicable to the entities in Singapore is 17% (2019: 17%). The corporate income tax rate applicable to the subsidiaries in Indonesia is 22% (2019: 25%). The corporate income tax rate applicable to the subsidiaries in Australia is 30% (2019: NA).

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

9. Earnings per share

Basic and diluted earnings per share are calculated by dividing the profit for the financial year, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

The following reflects the earnings and share data used in the computation of basic and diluted earnings per share for the financial years ended 31 December:

	Group	
	2020 US$'000	2019 US$'000
Profit for the year attributable to owners of the Company	**8,085**	9,947
Weighted average number of ordinary shares for basic and diluted earnings per share ('000)	**2,353,100**	2,353,100
Basic and diluted earnings per share attributable to owners of the Company (cents per share)	**0.34**	0.42

10. Biological assets

	Group	
	2020 US$'000	2019 US$'000
Movement in biological assets:		
At 1 January	**6,059**	3,381
Costs incurred during the year	**207**	135
	6,266	3,516
Net change in fair value less estimated costs to sell	**321**	2,543
At 31 December	**6,587**	6,059

	Group			
	2020		2019	
	Hectares	US$'000	Hectares	US$'000
Existing Plantation Forest	**9,253**	**6,321**	7,721	5,646
Utilisable Natural Forest	**2,048**	**266**	2,313	413
	11,301	**6,587**	10,034	6,059

Biological assets relate to timber plantation, majority of which are Acacia Mangium and Sengon trees, which when mature will be harvested for timber and further processed into products such as sawn logs and pulpwood. The trees have an average lifespan of up to 15 years, and take up to 6 to 7 years to reach the maturity for harvesting. During the financial year, the Group harvested approximately 7,372 m^3 (2019: 13,064 m^3) of logs.

10. Biological assets (cont'd)

Fair value measurements

The fair value of biological assets is estimated with reference to an independent professional valuation using discounted cash flows of biological assets. The expected cash flows from the biological assets are determined using the market price and the estimated yield of the trees, net of maintenance and harvesting costs, and any costs required to bring the plantations to maturity. The estimated yield of the trees is dependent on the age of the trees, the location of the plantations and infrastructure. The market price of the produce is largely dependent on the prevailing market price. Point-of-sale costs include all costs that would be necessary to sell the assets.

The following table shows the key unobservable inputs used in the valuation models:

Key unobservable inputs	**Range of unobservable inputs (weighted average)**	**Inter-relationship between key unobservable inputs and fair value measurement**
Discount rate per annum	10% (2019: 10%)	The higher the discount rate, the lower the fair value
Average plantations yield, in metric tonne (m^3/ha)	16.8 m^3/ha to 175.5 m^3/ha (2019: 16.8 m^3/ha to 175.5 m^3/ha)	The higher the plantation yields, the higher the fair value
Selling price of: - Sawn logs	US$38.9/$m^3$ to US$54.9/$m^3$ (2019:US$39.3/$m^3$ to US$55.3/$m^3$)	The higher the selling price, the higher the fair value
- Pulpwood	US$48.5/$m^3$ (2019:US$51.0/$m^3$)	

Financial risk management strategies related to agricultural activities

The Group is exposed to financial risk in respect of its agricultural activities, which primarily arises due to length of time between expending cash planting trees, through the maintenance of the trees until maturity, harvesting of the trees, and ultimately receiving cash from the sale of the product. The Group plans for cash flow requirements for such activities and manage its debts actively.

11. Property, plant and equipment

Group	Infrastructure and buildings US$'000	Plant and machinery US$'000	Motor vehicles US$'000	Computers, office equipment, furniture and fittings US$'000	Bearer Plants US$'000	Construction in progress US$'000	Total US$'000
Cost							
At 1 January 2019	52,630	29,043	2,182	5,154	2,844	21,793	113,646
Reclassification	2,606	17,621	612	744	–	(21,583)	–
Additions	352	113	367	1,673	87	18,382	20,974
Written off	–	–	–	(6)	–	–	(6)
Exchange differences	62	1	–	19	–	1	83
At 31 December 2019 and 1 January 2020	55,650	46,778	3,161	7,584	2,931	18,593	134,697
Reclassification	7,326	21,141	117	592	–	(29,176)	–
Additions	110	136	233	1,412	65	12,769	14,725
Disposals	–	–	(2)	–	–	–	(2)
Acquisition of subsidiaries (Note 16d)	3,206	36,058	–	167	–	2,178	41,609
Exchange differences	665	7,600	–	44	–	258	8,567
At 31 December 2020	66,957	111,713	3,509	9,799	2,996	4,622	199,596
Accumulated depreciation							
At 1 January 2019	17,581	10,228	1,596	3,866	–	–	33,271
Charge for the year	3,942	2,321	277	1,767	–	–	8,307
Impairment loss	–	965	–	–	–	–	965
Written off	–	–	–	(6)	–	–	(6)
Exchange differences	37	1	–	8	–	–	46
At 31 December 2019 and 1 January 2020	21,560	13,515	1,873	5,635	–	–	42,583
Charge for the year	4,583	8,738	414	1,923	43	–	15,701
Reclassification	–	(57)	–	57	–	–	–
Disposals	–	–	(1)	–	–	–	(1)
Exchange differences	64	557	–	15	–	–	636
At 31 December 2020	26,207	22,753	2,286	7,630	43	–	58,919
Net carrying amount							
At 31 December 2019	34,090	33,263	1,288	1,949	2,931	18,593	92,114
At 31 December 2020	**40,750**	**88,960**	**1,223**	**2,169**	**2,953**	**4,622**	**140,677**

11. Property, plant and equipment (cont'd)

Included in property, plant and equipment is a wood chip mill valued at scrap value of US$2,579,000 (31 December 2019: US$2,579,000) as at 31 December 2020.

Bearer plants comprise of immature rubber plantations. The rubber plantation presently consists of trees aged between 4 to 8 years as at 31 December 2020, the Group's total plantation area is approximately 931 (2019: 925) hectares.

(a) Assets pledged as security

Certain property and equipment of the Group with carrying value of US$18,628,000 (2019: US$10,791,000) as at 31 December 2020 have been pledged as collateral for bank borrowings (Note 26).

(b) Depreciation charge

Details of the depreciation charge for the financial year ended are as follows:

	Group	
	2020	2019
	US$'000	US$'000
Charged to profit or loss		
- cost of sales	**8,818**	3,348
- selling and distribution expenses	**2,623**	1,363
- administrative expenses	**3,665**	2,668
- other operating expenses	**595**	928
Depreciation for the financial year	**15,701**	8,307

	Computers, office equipment, furniture and fittings	
	2020	2019
Company	US$'000	US$'000
Cost		
At 1 January	**389**	381
Additions	**6**	4
Written off	**–**	(1)
Net exchange differences	**6**	5
At 31 December	**401**	389
Accumulated depreciation		
At 1 January	**236**	156
Charge for the financial year	**73**	78
Written off	**–**	(1)
Net exchange differences	**7**	3
At 31 December	**316**	236
Net carrying amount		
At 31 December	**85**	153

12. Mining properties

	Mines under construction US$'000	Producing mines US$'000	Stripping activity US$'000	Total US$'000
Cost				
At 1 January 2019	9,030	220,888	91,834	321,752
Additions	8	–	8,906	8,914
Net exchange differences	102	125	7	234
At 31 December 2019 and 1 January 2020	9,140	221,013	100,747	330,900
Additions	4,300	1,133	–	5,433
Acquisition of subsidiaries (Note 16d)	58,064	94,901	–	152,965
Net exchange differences	11,223	20,042	(3)	31,262
At 31 December 2020	82,727	337,089	100,744	520,560
Accumulated amortisation				
At 1 January 2019	–	35,846	58,248	94,094
Charge for the year	–	677	4,211	4,888
Net exchange differences	–	5	5	10
At 31 December 2019 and 1 January 2020	–	36,528	62,464	98,992
Charge for the year	–	11,075	3,913	14,988
Net exchange differences	–	3,735	–	3,735
At 31 December 2020	–	51,338	66,377	117,715
Net carrying amount				
At 31 December 2019	9,140	184,485	38,283	231,908
At 31 December 2020	**82,727**	**285,751**	**34,367**	**402,845**

Details of the amortisation expenses for the financial year ended are as follows:

	Group	
	2020 US$'000	2019 US$'000
Charged to profit or loss		
- cost of sales	**14,518**	4,522
- other operating expenses	**470**	366
Amortisation expenses for the financial year	**14,988**	4,888

Includes in mining property is mining tenements arise from acquisition of subsidiaries amounting to US$78,744,000 as of acquisition date (Note 16d).

13. Intangible assets

	Group	
	2020	**2019**
	US$'000	**US$'000**
Forest concession license (Note a)	**10,184**	10,689
Rail loop benefit (Note b)	**1,924**	–
Net carrying amount	**12,108**	10,689

(a) Forest concession license

	2020	**2019**
	US$'000	**US$'000**
Cost:		
At 1 January and 31 December	**13,046**	13,046
Accumulated amortisation:		
At 1 January	**2,357**	1,852
Amortisation	**505**	505
At 31 December	**2,862**	2,357
Net carrying amount		
At 31 December	**10,184**	10,689

Forest concession license was acquired as a result of the Reverse Acquisition. Forest concession license has remaining period of 21 (2019: 22) years.

The Group owns forestry concession rights of 265,095 hectares, which includes 14,227 hectares of land rent-use rights.

Land rent-use rights represent the areas of overlapping mining permits with third parties, who have encroached onto the Group's forestry concession land to carry out mining activities. Based on the regulation issued by Indonesia Ministry of Forestry, the Group is allowed to be compensated for the estimated loss of existing plantations, infrastructure, increase in operational costs and loss of income from plantations over the remaining concession license period (opportunity costs) due to overlapping mining permits on the same forestry concession plantable area.

The Group has entered into an agreement with third parties, to compensate the Group based on their future mining production. As at reporting date, the compensation income was recognised as part of other income in the statement of comprehensive income.

13. Intangible assets (cont'd)

(b) Rail loop benefit

	2020 US$'000	2019 US$'000
Cost:		
At 1 January	–	–
Acquisition of subsidiaries (Note 16d)	1,830	–
Net exchange difference	336	–
At 31 December	2,166	–
Accumulated amortisation:		
At 1 January	–	–
Amortisation	218	–
Net exchange difference	24	–
At 31 December	242	–
Net carrying amount		
At 31 December	1,924	–

The rail loop benefit relates to future rebates on the cost of coal railings based on an agreement with the below rail infrastructure owner. Receipts of coal railing rebates are recognised in profit or loss as a credit against the cost incurred. The estimated useful life of the asset is aligned with the term of the contractual agreement and is amortised on a straight-line basis over the life in accordance with the anticipated profile of benefits received. The rail loop benefit has remaining period of 5 (2019: Nil) years.

14. Leases – as lessee

The Group has lease contracts for various items of properties, vehicles and other equipment used in its operations. Leases of properties, vehicles and other equipment generally have lease terms between 3 and 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios.

The Group also has certain leases of other equipment with low value. The Group applies the 'lease of low-value assets' recognition exemptions for these leases.

14. Leases – as lessee (cont'd)

Set out below are the carrying amount of right-of-use assets recognised and the movement during the year:

Group	Properties US$'000	Vehicles US$'000	Other equipment US$'000	Total US$'000
Cost				
At 1 January 2020	2,598	3,203	15	5,816
Additions	2,028	443	–	2,471
Disposals	–	(751)[1]	–	(751)
Exchange difference	64	(45)	–	19
At 31 December 2020	4,690	2,850	15	7,555
Accumulated depreciation				
At 1 January 2020	1,222	1,306	3	2,531
Charge for the year	1,311	1,106	3	2,420
Disposals	–	(211)	–	(211)
Exchange difference	35	17	–	52
At 31 December 2020	2,568	2,218	6	4,792
Net carrying amount				
At 31 December 2020	**2,122**	**632**	**9**	**2,763**

[1] The disposal relates to remeasurement against the Lease Liabilities.

Group	Properties US$'000	Vehicles US$'000	Other equipment US$'000	Total US$'000
Cost				
Upon adoption of SFRS(I) 16, under modified retrospective approach	394	1,666	–	2,060
Additions	2,204	1,537	15	3,756
At 31 December 2019	2,598	3,203	15	5,816
Accumulated depreciation				
At 1 January 2019	–	–	–	–
Charge for the year	1,222	1,306	3	2,531
At 31 December 2019	1,222	1,306	3	2,531
Net carrying amount				
At 31 December 2019	1,376	1,897	12	3,285

14. Leases – as lessee (cont'd)

	Properties US$'000	Other equipment US$'000	Total US$'000
Company			
Cost			
At 1 January 2020	220	9	229
Additions	642	–	642
Exchange difference	30	–	30
At 31 December 2020	892	9	901
Accumulated depreciation			
At 1 January 2020	175	2	177
Charge for the year	205	2	207
Exchange difference	12	–	12
At 31 December 2020	392	4	396
Net carrying amount			
At 31 December 2020	**500**	**5**	**505**

	Properties US$'000	Other equipment US$'000	Total US$'000
Company			
Cost			
Upon adoption of SFRS(I) 16, under modified retrospective approach	220	–	220
Additions	–	9	9
At 31 December 2019	220	9	229
Accumulated depreciation			
At 1 January 2019	–	–	–
Charge for the year	175	2	177
At 31 December 2019	175	2	177
Net carrying amount			
At 31 December 2019	45	7	52

14. Leases – as lessee (cont'd)

Set out below are the carrying amount of lease liabilities (included under loans and borrowings) and movement during the year:

	2020 Group US$'000	2020 Company US$'000
At 1 January 2020	**3,353**	**52**
Additions	**2,137**	**619**
Adjustment	**(1,092)**	**–**
Accretion of interest	**190**	**21**
Payments	**(1,743)**	**(213)**
Exchange difference	**(18)**	**19**
At 31 December 2020	**2,827**	**498**
Current (Note 26)	**1,600**	**214**
Non-current (Note 26)	**1,227**	**284**

	2019 Group US$'000	2019 Company US$'000
Upon adoption of SFRS(I) 16, under modified retrospective approach	2,060	220
Additions	3,542	9
Accretion of interest	425	6
Payments	(2,674)	(183)
At 31 December 2019	3,353	52
Current (Note 26)	2,086	47
Non-current (Note 26)	1,267	5

Set out below are the carrying amount of lease liabilities (included under loans and borrowings) and movement during the year:

The followings are the amounts recognised in profit or loss:

	2020 Group US$'000	2020 Company US$'000
Amortisation expense of right-of-use assets (included in administrative expenses and other operating expenses)	**2,420**	**207**
Interest expense on lease liabilities (included in finance costs)	**190**	**21**
Expenses relating to lease of low-value assets (included in other operating expenses)	**193**	**3**
Total amount recognised in profit or loss	**2,803**	**231**

14. Leases – as lessee (cont'd)

	2019 Group US$'000	2019 Company US$'000
Amortisation expense of right-of-use assets (included in administrative expenses and other operating expenses)	2,531	177
Interest expense on lease liabilities (included in finance costs)	425	6
Expenses relating to lease of low-value assets (included in other operating expenses)	161	23
Total amount recognised in profit or loss	3,117	206

In 2019, the Group's lease contracts on property include extension option for the period of 3 years. Management exercise significant judgement in determining whether this extension option are reasonably certain to be exercise. There was no extension option as at 31 December 2020.

The undiscounted potential future rental payments relating to periods following the exercise date of extension option that are not included in the lease term:

	2020 Within 5 years US$000	2019 Within 5 years US$000
Extension option expected not to be exercised	–	1,089

15. Goodwill

	2020 US$'000	2019 US$'000
Group		
At 1 January	**106,751**	113,739
Impairment loss	**(8,553)**	(6,988)
At 31 December	**98,198**	106,751

Impairment testing of goodwill and forest concession license

Goodwill acquired through business combinations and other intangible assets have been allocated to the following CGUs for impairment testing as follows:

	Forestry and pulp CGU		Coal mining CGUs	
	2020 US$'000	2019 US$'000	2020 US$'000	2019 US$'000
Goodwill	**75,822**	84,375	**22,376**	22,376
Forest concession license	**10,184**	10,689	–	–

15. Goodwill (cont'd)

The recoverable amount of the forestry and pulp CGU and coal mining CGUs have been determined based on value-in-use ("VIU") calculation using cash flow projections from financial budgets approved by management covering their concession tenure for forestry and coal mining operations.

Key assumptions used in the value-in-use calculations

	Forestry and pulp CGU		Coal mining CGUs	
	2020	**2019**	**2020**	**2019**
Projected logs / coal prices	**US$44 – US$90/m^3**	US$43 – US$98/m^3	**US$11 – US$62/tonne**	US$12 – US$74/tonne
Discount rates	**13.2%**	13.3%	**11.1%**	13.0%

Sensitivity to changes in assumptions

Projected logs/coal prices – prices are based on industry research and the Group's historical data.

A reduction by 0.5% in the logs prices in forestry and pulp CGU would results in further impairment. A reduction by 0.5% in the coal prices in coal mining CGUs would not result in impairment.

Discount rates - Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating CGU and is derived from its weighted average cost of capital ("WACC"). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investor. The cost of debt is based on the interest-bearing borrowings the Group obliged to service. CGU's specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate.

A rise in pre-tax discount rate to 13.7% (i.e, +0.5%) in forestry and pulp CGU would results in a further impairment. A rise in pre-tax discount rate to 11.6% (i.e, +0.5%) in coal mining CGUs would not result in impairment.

16. Investment in subsidiaries

Company	**2020 US$'000**	**2019 US$'000**
Shares, at cost	**1,529,733**	1,448,226
Impairment loss	**(67,037)**	(65,955)
	1,462,696	1,382,271

16. Investments in subsidiaries (cont'd)

As at 31 December 2020, certain investment in subsidiaries were tested for impairment as the subsidiaries were making losses or the carrying amount of the investment in subsidiaries exceeds the carrying amounts of the investee's net assets. An impairment loss is the amount by which the carrying amount of an asset or a CGU exceeds its recoverable amounts. The recoverable amounts of the subsidiaries have been determined based on a value-in-use calculation using cash flow projections based on a financial budget approved by management covering up to the end of the mining concession licenses or forest concession tenure. The VIU is measured by management using key assumptions which are similar to those disclosed in Note 15, and no impairment loss is required to be recognised during the year (2019: Nil).

(a) Composition of the Group

Details of the subsidiaries are as follows:

Name	Country of incorporation	Principal business activities	Proportion (%) of ownership interest 2020	2019
Held by the Company				
Anrof Singapore Limited[2]	Mauritius	Investment holding	**100.0000**	100.0000
Poh Lian (Cambodia), Ltd[3]	Cambodia	Dormant	**100.0000**	100.0000
Able Advance Limited[3]	British Virgin Islands	Dormant	**100.0000**	100.0000
PT Golden Energy Mines Tbk[2][6]	Indonesia	Investment holding	**66.9998**	66.9998
GEAR Trading Enterprise Pte. Ltd.[1]	Singapore	General commodities trading	**100.0000**	100.0000
GEAR Innovation Network Pte. Ltd.[1]	Singapore	R&D on engineering, software & programming for coal mining industry	**100.0000**	100.0000
Golden Investments (Australia) Pte. Ltd.[1]	Singapore	Investment holding	**79.6697***	99.9999
Golden Investments (Australia) II Pte. Ltd.[1]	Singapore	Investment holding	**100.0000**	–
GEAR Renewables Pte. Ltd.[1]	Singapore	Generation of electricity by other sources	**100.0000**	100.0000
PT Marga Buana Bumi Mulia[5]	Indonesia	Dormant	**100.0000**	100.0000
PT Hutan Rindang Banua[2]	Indonesia	Forestry operation	**33.8487**	–

* the shareholding of the Company was diluted as a result of changes in the subscription of shares in its subsidiary by non-controlling interest.

16. Investments in subsidiaries (cont'd)

(a) Composition of the Group (cont'd)

Name	Country of incorporation	Principal business activities	Proportion (%) of ownership interest 2020	Proportion (%) of ownership interest 2019
Held through Anrof Singapore Ltd				
PT Hutan Rindang Banua(2)	Indonesia	Forestry operation	**66.1513**	100.0000
PT Mangium Anugerah Lestari(5)	Indonesia	Dormant	**99.9976**	99.9976
Pacificwood Investment Ltd(2)	Mauritius	Investment holding and trading	**100.0000**	100.0000
Shinning Spring Resources Limited(3)	British Virgin Islands	Investment holding	**100.0000**	100.0000
Held through PT Golden Energy Mines Tbk				
PT Roundhill Capital Indonesia(2)	Indonesia	Holding company and trading	**99.0158**	99.0158
PT Kuansing Inti Makmur(2)	Indonesia	Coal mining	**99.9998**	99.9998
PT Trisula Kencana Sakti(2)	Indonesia	Coal mining	**70.0000**	70.0000
GEMS Trading Resources Pte Ltd(1)	Singapore	Trading	**100.0000**	100.0000
PT Karya Mining Solution(3)	Indonesia	Mining Services	**99.9999**	99.9999
PT Borneo Indobara(2)	Indonesia	Coal mining	**98.0951**	98.0951
PT Karya Cemerlang Persada(2)	Indonesia	Coal mining	**99.9998**	99.9998
PT Bungo Bara Utama(2)	Indonesia	Coal mining	**99.9998**	99.9998
PT Bara Harmonis Batang Asam(2)	Indonesia	Coal mining	**99.9998**	99.9998
PT Berkat Nusantara Permai(2)	Indonesia	Coal mining	**99.9998**	99.9998
PT Tanjung Belit Bara Utama(2)	Indonesia	Coal mining	**99.9998**	99.9998
PT GEMS Energy Indonesia(4)	Indonesia	Trading	**99.9902**	99.9902
PT Era Mitra Selaras(2)	Indonesia	Holding company	**100.0000**	100.0000
PT Wahana Rimba Lestari(2)	Indonesia	Coal mining	**100.0000**	100.0000
PT Berkat Satria Abadi(2)	Indonesia	Coal mining	**100.0000**	100.0000
PT Kuansing Inti Sejahtera(4)	Indonesia	Coal mining	**99.9998**	99.9998
PT Bungo Bara Makmur(4)	Indonesia	Coal mining	**99.9998**	99.9998
PT Dwikarya Sejati Utama(2)	Indonesia	Management consulting	**100.0000**	100.0000

16. Investments in subsidiaries (cont'd)

(a) Composition of the Group (cont'd)

Name	Country of incorporation	Principal business activities	Proportion (%) of ownership interest 2020	Proportion (%) of ownership interest 2019
Held through PT Golden Energy Mines Tbk (cont'd)				
PT Duta Sarana Internusa[2]	Indonesia	Management consulting	**100.0000**	100.0000
PT Barasentosa Lestari[2]	Indonesia	Coal mining and developing a mine-mouth power plant	**100.0000**	100.0000
PT Unsoco[2]	Indonesia	Management consulting	**99.9999**	99.9999
Held through Golden Investments (Australia) Pte. Ltd.				
Stanmore Coal Limited[2]	Australia	Investment holding	**75.3300**	–
Held through Stanmore Coal Limited				
Mackenzie Coal Pty Limited[2]	Australia	Coal exploration	**100.0000**	–
Comet Coal & Coke Pty Limited[2]	Australia	Coal exploration	**100.0000**	–
Belview Coal Pty Ltd[2]	Australia	Coal exploration	**100.0000**	–
Belview Expansion Pty Ltd[2]	Australia	Coal exploration	**100.0000**	–
Stanmore Coal Custodians Pty Ltd[2]	Australia	Trustee of Stanmore Employee Share Trust	**100.0000**	–
Emerald Coal Pty Ltd[2]	Australia	Coal exploration	**100.0000**	–
New Cambria Pty Ltd[2]	Australia	Coal exploration	**100.0000**	–
Kerlong Coking Coal Pty Ltd[2]	Australia	Coal exploration	**100.0000**	–
Stanmore Surat Coal Pty Ltd[2]	Australia	Coal exploration	**100.0000**	–
Theresa Creek Coal Pty Ltd[2]	Australia	Coal exploration	**100.0000**	–
Stanmore Wotonga Pty Ltd[2]	Australia	Coal exploration & mining	**100.0000**	–
Stanmore IP Coal Pty Ltd[2]	Australia	Coal mining	**100.0000**	–
Stanmore IP South Pty Ltd[2]	Australia	Coal exploration	**100.0000**	–
Stanmore Bowen Coal Pty Ltd[2]	Australia	Coal exploration & mining	**100.0000**	–
Isaac Plains Coal Management Pty Ltd[2]	Australia	Coal exploration & mining	**100.0000**	–
Isaac Plains Sales & Marketing Pty Ltd[2]	Australia	Coal exploration & mining	**100.0000**	–

16. Investments in subsidiaries (cont'd)

(a) Composition of the Group (cont'd)

(1) Audited by Ernst & Young LLP, Singapore.

(2) Audited by member firms of Ernst & Young Global in the respective countries.

(3) Exempted/not required to be audited by the law of its country of incorporation.

(4) Not audited since its incorporation as deemed not material to the Group.

(5) Audited by KAP Kosasih, Nurdiyaman, Mulyadi, Tjahjo & Rekan

(6) The shares were pledged to secure bank borrowings (Note 26).

During the year, the Company had subscribed ordinary shares of PT Hutan Rindang Banua, an indirect subsidiary of the Company held through Anrof Singapore Ltd.

In accordance to Rule 716 of the Singapore Exchange Securities Trading Limited – Listing Rules, the Audit Committee and the Board of Directors of the Company confirmed that they are satisfied that the appointment of different auditors for its subsidiary corporations would not compromise the standard and effectiveness of the audit of the consolidated financial statements.

(b) Interest in subsidiaries with material non-controlling interests ("NCI")

The Group has the following subsidiaries that has NCI that are material to the Group:

Name	Principal place of business	Proportion (%) of ownership interest held by NCI	Profit/(loss) allocated to NCI during the reporting period US$'000	Accumulated NCI at the end of reporting period US$'000	Dividends paid to NCI US$'000
2020					
PT Golden Energy Mines Tbk	Indonesia	33.0002%	32,923	117,243	25,561
Golden Investments (Australia) Pte. Ltd.	Singapore	20.3303%	(6,540)	75,414	–
2019					
PT Golden Energy Mines Tbk	Indonesia	33.0002%	22,942	119,796	12,717
Golden Investments (Australia) Pte. Ltd.	Singapore	0.0001%	–	(10)	–

16. Investments in subsidiaries (cont'd)

(c) Summarised financial information about subsidiaries with material NCI

Summarised financial information including consolidation adjustments but before company eliminations of subsidiaries are as follows:

Summarised statement of financial position

	PT Golden Energy Mines Tbk		Golden Investments (Australia) Pte. Ltd.	
	2020	2019	2020	2019
	US$'000	US$'000	US$'000	US$'000
Current				
Assets	**410,625**	367,569	**80,532**	462
Liabilities	**(331,222)**	(279,999)	**(62,769)**	(3,324)
Net current assets/ (liabilities)	**79,403**	87,570	**17,763**	(2,862)
Non-current				
Assets	**403,644**	416,054	**245,887**	53,548
Liabilities	**(133,660)**	(145,638)	**(82,883)**	–
Net non-current assets	**269,984**	270,416	**163,004**	53,548
Net assets	**349,387**	357,986	**180,767**	50,686

Summarised statement of comprehensive income

	PT Golden Energy Mines Tbk		Golden Investments (Australia) Pte. Ltd.	
	2020	2019	2020	2019
	US$'000	US$'000	US$'000	US$'000
Revenue	**1,061,410**	1,107,464	**97,234**	–
Profit/(loss) before tax	**127,133**	93,727	**(21,958)**	5,189
Income tax expense	**(31,275)**	(33,574)	**6,012**	(1)
Profit/(loss) after tax	**95,858**	60,153	**(15,946)**	5,188
Other comprehensive income	**(267)**	(1,134)	**1,343**	2,519
Total comprehensive income	**95,591**	59,019	**(14,603)**	7,707

Other summarised information

	PT Golden Energy Mines Tbk		Golden Investments (Australia) Pte. Ltd.	
	2020	2019	2020	2019
	US$'000	US$'000	US$'000	US$'000
Cash flows generated from operating activities	**142,830**	105,413	**(10,863)**	(253)
Acquisition of significant property, plant and equipment	**(5,983)**	(20,517)	**(8,591)**	–

16. Investment in subsidiaries (cont'd)

(d) Acquisition of subsidiaries

Acquisition of Stanmore Coal Limited and its subsidiaries (collectively "Stanmore")

On 18 May 2020, the Group's 79.6697% subsidiary company, Golden Investments (Australia) Pte. Ltd. ("GIA") acquired additional 46.91% equity interest to 75.33% in Stanmore Coal Limited and its subsidiaries (collectively "Stanmore").

The fair values of identifiable assets and liabilities as of acquisition date were as follows:

	Fair value recognised on acquisition US$'000
Mining properties	152,965
Property, plant and equipment	41,609
Intangible assets	1,830
Inventories	35,295
Trade and other receivables	26,317
Other assets	4,322
Restricted funds	262
Cash and cash equivalents	29,134
Trade and other payables	(31,545)
Contingent liability	(14,503)
Provisions	(23,512)
Borrowings	(8,130)
Provision for taxation	(2,237)
Deferred tax liabilities	(37,357)
Total identifiable net assets at fair value	174,450
Less: Non-controlling interest at fair value	(43,034)
Less: Fair value of pre-existing interest in Stanmore	(52,123)
Total consideration transferred	79,293

<u>Effect of the acquisition of Stanmore</u>

Consideration settled in cash	79,293
Less: Cash and cash equivalents of subsidiary acquired	(29,134)
Net cash outflow on acquisition	50,159

<u>Revenue and profit contribution</u>

From the Completion date up to the end of current year, Stanmore contributed revenue of US$97,234,000 and loss of US$15,726,000 to the Group's results. If the acquisition had occurred on 1 January 2020, management estimates that consolidated revenue would have been US$1,270,920,000 and consolidated profit for the year would have been US$42,939,000.

17. Investment in a joint venture

	Group 2020 US$'000
Redeemable Preference Shares in a joint venture	17,430
Interest in a joint venture	30,582
	48,012

Name of entity	Place of business/ country of incorporation	Proportion (%) of ownership interest 31 December 2020
Held through Golden Investments Australia (II) Pte. Ltd.		
Ravenswood Gold Group Pty Ltd*	Australia	50

* Audited by Ernst & Young, Brisbane

On 14 January 2020, the Company entered into a joint venture with Raven Gold Nominee Pty Ltd to establish a joint venture company, Ravenswood Gold Group Pty Ltd ("RWG")(previously known as Mining Gold Group Pty Ltd), to acquire the Ravenswood gold mine. The Company has representation on the board of directors and has significant influence over the policy-making processes, including participation on decisions about dividends or other distributions of RWG. RWG is accounted for using the equity method in the financial statements.

Terms and conditions of the Redeemable Preference Shares ("RPS")

1. Each RPS shall confer on the holder the right to receive dividends that are declared by the Board (in its absolute discretion) in respect of such class from time to time (any such dividend being an RPS dividend);

2. Each RPS have an aggregated redemption Premium calculated daily at 10% per annum of the issue price payable as if it had compounded on a quarterly basis from start of issue date;

3. Upon Redemption, RWG must pay to the RPS holder the Outstanding Amount. Outstanding Amount in relation to a RPS means (a) the Issue Price of the PRS; plus (b) the Redemption Premium: less (c) any amount paid by RWG in respect of the RPS from time to time, including RPS Dividends.

4. In the events of liquidation of RWG, the holder has priority in the repayment of capital together with any outstanding amount. In addition, the holder have no rights to participate in any further or other distribution of profits or assets of the RWG;

5. The RPS does not entitle its holders to vote at a general meeting of RWG except on any resolution to vary the rights attached to the RPS. RPS holders do not have the rights to participate in the RWG's business operations or management.

6. The RPS is denominated in Australia dollar.

The Group's exposure to credit risks for RPS in a joint venture, are disclosed in Note 33c.

17. Investment in a joint venture (cont'd)

Set out below is the summarised financial information for Ravenswood Gold Group Pty Ltd:

Summarised statement of financial position of Ravenswood Gold Group Pty Ltd:

	2020 US$'000
Current assets, including cash and cash equivalents US$30,757	59,110
Non-current assets	212,984
Current liabilities, including trade and other payables and provisions US$34,373	(56,283)
Non-current liabilities, including trade and other payables and provisions US$28,424	(154,648)
Equity	61,163
Group's share in equity - 50%	30,582
Group's share in redeemable preference shares - 50%	17,430
Group's carrying amount of the investment	48,012

Summarised statement of profit or loss of Ravenswood Gold Group Pty Ltd:

	2020 US$'000
Revenue	82,043
Interest income	31
Expenses, including depreciation and amortisation US$2,812 and interest expense US$4,800	(93,376)
Loss before tax	(11,302)
Income tax expense	1,497
Loss for the year (continuing operations)	(9,805)
Total comprehensive income for the year (continuing operations)	(9,805)
Group's share of loss for the year	(4,903)

18. Deferred tax

The deferred tax as at 31 December relates to the following:

	Group				Company	
	Statement of financial position		Consolidated comprehensive income		Statement of financial position	
	2020	2019	2020	2019	2020	2019
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Deferred tax assets:						
Unutilised tax losses	**3,831**	4,362	**(532)**	311	**–**	–
Stripping activity asset	**666**	733	**52**	(44)	**–**	–
Post-employment benefits liability	**934**	1,033	**65**	199	**–**	–
Provisions	**1,002**	805	**439**	275	**–**	–
Others	**434**	200	**306**	98	**–**	–
	6,867	7,133			**–**	–
Deferred tax liabilities:						
Mining properties	**(71,618)**	(26,740)	**(705)**	91	**–**	–
Property, plant and equipment	**(5,866)**	–	**113**	–	**–**	–
Biological assets	**(974)**	(903)	**(70)**	359	**–**	–
Intangible assets	**(2,304)**	(1,817)	**155**	(550)	**–**	–
Undistributed profit of foreign subsidiaries	**(1,773)**	(1,773)	**–**	(1,773)	**–**	–
Inventory – overburden in advance	**(9,213)**	–	**(1,763)**	–	**–**	–
Contingent liability – vendor royalties	**3,175**	–	**(1,779)**	–	**–**	–
Provisions	**7,578**	–	**(695)**	–	**–**	–
Others	**595**	(121)	**407**	69	**–**	(102)
	(80,400)	(31,354)			**–**	(102)
			(4,007)	(965)		

Unutilised tax losses

At the end of reporting year, the Group has tax losses of approximately US$358,000 (2019: US$1,690,000) for which no deferred tax asset is recognised due to uncertainty of its recoverability. These tax losses are available to offset future taxable income generated by the Group's subsidiaries over a maximum 5 year period allowed under Indonesian tax regulation and subject to the approval by the Indonesia tax authorities.

Unrecognised temporary differences relating to investment in subsidiaries

At the end of the reporting year, the Group recognised deferred tax liability of US$1,773,000 (31 December 2019: US$1,773,000) for taxes that would potentially be payable on the undistributed earnings of the certain Group's subsidiaries if these are to be distributed in the future.

Temporary differences for which no deferred tax liability had been recognised was US$66,584,000 (2019: US$73,330,000) and the deferred tax liability was estimated to be US$6,658,400 (2019: US$7,333,000). The management is of the view that no deferred tax liabilities should be recognised as the Group has no intention to distribute these earnings as dividend to the Company in the foreseeable future.

19. Trade and other receivables

	Group		Company	
	2020	2019	2020	2019
	US$'000	US$'000	US$'000	US$'000
Current				
Trade receivables				
- Related parties	**10,854**	10,818	**–**	–
- Third parties	**106,326**	107,742	**–**	184
Amount due from subsidiaries	**–**	–	**77,572**	10,272
Other receivables				
- Related parties	**–**	–	**20,353**	–
- Third parties	**22,456**	17,543	**28**	773
	139,636	136,103	**97,953**	11,229
Non-current				
Other receivables				
- Related parties	**1,390**	–	**–**	–
- Third parties	**682**	8,975	**–**	–
Amount due from subsidiaries	**–**	–	**290**	5,583
	2,072	8,975	**290**	5,583
Total trade and other receivables	**141,708**	145,078	**98,243**	16,812
Add:				
Cash and cash equivalents (Note 24)	**262,799**	177,757	**53,543**	40,194
Deposits (Note 21)	**59,398**	8,670	**32,911**	70
Redeemable Preference Shares in a joint venture (Note 17)	**17,430**	–	**–**	–
Total financial assets carried at amortised cost	**481,335**	331,505	**184,697**	57,076

Trade and other receivables denominated in foreign currencies as at year end are as follows:

	Group		Company	
	2020	2019	2020	2019
	US$'000	US$'000	US$'000	US$'000
IDR	**64,377**	76,051	**5**	3,568
USD	**–**	–	**15,409**	8,199
AUD	**7,319**	–	**61,881**	3,313
GBP	**190**	–	**190**	184

Trade receivables are non-interest bearing and are generally on 30 to 60 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The trade receivables of certain subsidiaries are used as fiduciary collateral to guarantee the payment of Omnibus Trade Non Cash Backed loan facility from PT Bank Danamon Indonesia Tbk and collateral as loan from PT Bank Mandiri (Persero) Tbk (Note 26).

19. Trade and other receivables (cont'd)

Amount due from subsidiaries (current) are non-trade related, unsecured, non-interest bearing, repayable upon demand.

Amount due from subsidiaries (non-current) are non-trade related, unsecured, non-interest bearing, and not expected to be repaid within the next twelve months. In 2019, included in the amount due from a subsidiary amounting to US$5,314,000, bear interest ranging from 5.28% to 10.00% and amount denominated in Indonesian Rupiah, Singapore dollars and United States dollars were US$3,563,000, US$1,311,000 and US$440,000 respectively.

Included in other receivables is a US$8,280,000 (2019: US$16,580,000) loan granted to Asia Coal Energy Ventures Limited ("ACEV") by the Group. The loan bears interest 7.5% + LIBOR per annum and to be settled in two half-yearly instalments from 16 February 2021. The loan is secured by a share charge over 10.0% of the entire issued shares in ACEV. On 16 February 2021, ACEV repaid US$4,130,000.

Expected credit losses

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL are as follows:

	2020 US$'000	2019 US$'000
Movement in allowance accounts:		
At 1 January	**88**	88
Charged to profit or loss	**182**	–
Exchange differences	**8**	–
At 31 December	**278**	88

20. Restricted funds

Restricted funds pertains to the collateral for river rehabilitation, landfill, transportation and reclamation guarantee, and an interest reserve account held in a bank for the Group's Senior Secured bonds (Note 26).

Restricted funds denominated in foreign currencies as at year end are as follows:

	Group	
	2020 US$'000	2019 US$'000
IDR	**7,948**	7,390
AUD	**3,816**	1,573

21. Other current and non-current assets

	Group		Company	
	2020	2019	2020	2019
	US$'000	US$'000	US$'000	US$'000
Current				
Advances[(1)]	**60,385**	103,800	**–**	31,955
Prepayments	**7,249**	11,234	**170**	448
Deposits	**33,355**	113	**32,911**	70
	100,989	115,147	**33,081**	32,473
Non-current				
Land exploitation[(2)]	**31,735**	30,990	**–**	–
Estimated tax refund	**10,456**	11,448	**–**	–
Deposits [(3)]	**26,043**	8,557	**–**	–
Prepayment	**664**	703	**–**	–
Advances	**3,913**	653	**–**	–
Software	**107**	69	**–**	–
Others	**1,005**	714	**–**	–
	73,923	53,134	**–**	–

(1) Advances mainly consist of advance paid to suppliers for the purchase of coal.

(2) Land exploitation mainly consist of payment to third parties for the clearance of the mine concession areas.

(3) Deposits mainly consist deposits paid to third parties to secure reclamation guarantee and mining services, and deposits for the holding of exploration and mining leases in connection with the Group's mining activities. Deposits are refundable.

The movement in the software and land exploitation are as follows:

	Software		Land exploitation	
Group	2020	2019	2020	2019
	US$'000	US$'000	US$'000	US$'000
Cost:				
At beginning of the year	**2,425**	2,370	**43,106**	40,843
Addition	**174**	55	**2,057**	2,386
Exchange difference	**–**	–	**(339)**	(123)
At end of the year	**2,599**	2,425	**44,824**	43,106
Accumulated amortisation:				
At beginning of the year	**2,356**	2,265	**12,116**	11,648
Amortisation	**133**	89	**1,046**	501
Exchange difference	**3**	2	**(73)**	(33)
At end of the year	**2,492**	2,356	**13,089**	12,116
Net carrying amount				
At 31 December	**107**	69	**31,735**	30,990

21. Other current and non-current assets (cont'd)

Other current and non-current assets denominated in foreign currencies as at year end are as follows:

	Group	
	2020	**2019**
	US$'000	**US$'000**
IDR	**36,770**	41,627
AUD	**48,996**	–

22. Inventories

	Group	
	2020	**2019**
	US$'000	**US$'000**
Statement of financial position:		
Coal	**32,493**	22,373
Coal in transit	**322**	78
Overburden in advance	**37,612**	–
Spare parts	**268**	101
Others	**491**	727
Total inventories at lower of cost and net realisable value	**71,186**	23,279
Consolidated Statement of Comprehensive Income:		
Inventories recognised as an expense in cost of sales	**23,699**	45,003

Coal inventories owned by the Group was used as fiduciary collateral to guarantee the payment of Omnibus Trade Non Cash Backed loan facility obtained by the Group from a bank (Note 26).

As at 31 December 2020, the coal inventory at our Group's port and concession mine was insured to third parties insurance companies, for a total of US$27,125,000 (2019: US$26,498,000). Management believes that the inventory is adequately insured to cover the risk of loss and damage.

23. Investment securities

	Group		Company	
	2020	2019	2020	2019
	US$'000	US$'000	US$'000	US$'000
Current				
At fair value through profit or loss				
- Equity securities (quoted)	**1,925**	–	**1,925**	–
Non-current				
At fair value through other comprehensive income				
- Equity securities (quoted)	**–**	111,305	**–**	57,757
- Equity securities (unquoted)	**1,030**	30	**–**	–
- Redeemable Preference Shares	**3,613**	3,774	**–**	–
	4,643	115,109	**–**	57,757

The Group has elected to measure these non-current equity instruments at FVOCI due to the Group's intention to hold these equity instruments for long-term strategic purpose.

The Group has elected to measure current equity instruments at FVTPL due to the Group's intention to hold for trading purpose.

24. Cash and cash equivalents

	Group		Company	
	2020	2019	2020	2019
	US$'000	US$'000	US$'000	US$'000
Cash on hand	**104**	154	**–**	1
Cash at banks	**205,054**	157,631	**1,300**	26,273
Short-term deposits	**57,641**	19,972	**52,243**	13,920
	262,799	177,757	**53,543**	40,194

Cash and cash equivalents denominated in foreign currencies as at year ended are as follows:

	Group		Company	
	2020	2019	2020	2019
	US$'000	US$'000	US$'000	US$'000
IDR	**8,073**	9,947	**17**	17
AUD	**1,565**	4,334	**633**	4,334

24. Cash and cash equivalents (cont'd)

Short term deposits are made for varying periods of between one and six months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. The effective interest rates, per annum, as at 31 December for the Group are as follows:

	Group		Company	
	2020	**2019**	**2020**	**2019**
	%	**%**	**%**	**%**
USD	**0.18% to 6.10%**	1.00% to 10.87%	**0.18% to 6.10%**	1.53% to 10.87%
AUD	**0.25% to 0.97%**	0.80% to 10.16%	**0.25% to 0.97%**	0.80% to 10.16%

25. Trade and other payables

	Group		Company	
	2020	**2019**	**2020**	**2019**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Current				
Trade payables: (1)				
- Related parties	**1,247**	965	**–**	–
- Third parties	**161,467**	169,972	**–**	–
Other payables:				
- Dividend payable (2)	**9,678**	–	**–**	–
- Related parties	**2,154**	4,466	**–**	–
- Subsidiaries (3)	**–**	–	**9,510**	986
- Third parties (4)	**1,387**	1,434	**274**	29
Accrued expenses (5)	**83,901**	49,755	**6,805**	5,847
Non-trade payables (4)	**9,852**	2,693	**2,610**	404
Advances received (6)	**3,121**	8,317	**–**	–
Contingent consideration – vendor royalties (Note 32d)	**5,356**	–	**–**	–
Others	**64**	6	**64**	6
	278,227	237,608	**19,263**	7,272
Non-current				
Guarantee deposits	**106**	108	**–**	–
Other payables - related parties (7)	**27,183**	25,599	**–**	–
Contingent consideration – vendor royalties (Note 32d)	**5,227**	–	**–**	–
Others	**45**	–	**–**	–
	32,561	25,707	**–**	–
Total trade and other payables	**310,788**	263,315	**19,263**	7,272
Less:				
Advances received	**(3,121)**	(8,317)	**–**	–
Contingent consideration – vendor royalties (Note 32d)	**(10,583)**	–	**–**	–
Add:				
Loans and borrowings (Note 26)	**381,992**	319,693	**222,050**	180,256
Total financial liabilities carried at amortised costs	**679,076**	574,691	**241,313**	187,528

25. Trade and other payables (cont'd)

(1) Trade payables are non-interest bearing and normally settled on 30 to 120 days' terms.

(2) Dividend payable to non-controlling interests.

(3) Other payables to subsidiaries are unsecured, non-interest bearing and repayable on demand.

(4) Other payables and non-trade payables to third parties are generally non-interest bearing and repayable on demand.

(5) Accrued expenses from third parties relate to bond and loan interest, professional fees, rental and royalty.

(6) Advances received from third parties relate to plywood, logs and coal sales.

(7) Other payables to related parties are non-interest bearing and repayable on the agreed term for working capital purpose.

Trade and other payables denominated in foreign currencies as at year ended are as follows:

	Group		Company	
	2020 US$'000	2019 US$'000	2020 US$'000	2019 US$'000
IDR	**167,792**	165,837	**2,051**	12
AUD	**56,149**	301	**1,032**	301

26. Loans and borrowings

		Group		Company	
	Maturity	2020 US$'000	2019 US$'000	2020 US$'000	2019 US$'000
Current:					
Lease liabilities					
5.25% - 9.59% p.a Lease liabilities (Note 14)	2021	**1,600**	2,086	**214**	47
Bank borrowings					
5.5% p.a fixed rate USD loan (2019: 5.5%)	2021	**1,164**	1,531	**–**	–
5.25% p.a fixed rate USD loan (2019: 6.5%)	2021	**57,400**	35,000	**–**	–
1.3% p.a + LIBOR USD loan	2020	**–**	1,500	**–**	–
5.25% - 6.25% p.a fixed rate USD loan (2019: 6.25% - 7.0%)	2021	**11,592**	8,231	**–**	–
4.25% p.a + 3 months LIBOR USD loan	2021	**5,000**	4,000	**–**	–
2.11% p.a + 7.0% margin AUD loan	2021	**15,273**	10,509	**15,273**	10,509
0.08% p.a + 7.0% margin AUD loan	2021	**19,549**	–	**19,549**	–
4.55% p.a fixed rate AUD loan	2021	**1,732**	–	**–**	–
2.30% p.a fixed rate AUD loan	2021	**1,126**	–	**–**	–
Unamortised transaction costs		**(921)**	(406)	**(807)**	(292)
Total bank borrowings (current)		**111,915**	60,365	**34,015**	10,217
Total loans and borrowings (current)		**113,515**	62,451	**34,229**	10,264

26. Loans and borrowings (cont'd)

	Maturity	Group 2020 US$'000	Group 2019 US$'000	Company 2020 US$'000	Company 2019 US$'000
Non-Current:					
Lease liabilities					
5.25% - 9.59% p.a Lease liabilities (Note 14)	2022 - 2025	**1,227**	1,267	**284**	5
Bank borrowings					
5.25% - 6.25% p.a fixed rate USD loan (2019: 6.25% - 7.0%)	2022 - 2024	**50,604**	58,945	**–**	–
4.25% p.a + 3 months LIBOR USD loan	2022 - 2024	**22,500**	27,500	**–**	–
2.11% p.a + 7.0% margin AUD loan	2022	**11,455**	24,521	**11,455**	24,521
0.08% p.a + 7.0% margin AUD loan	2022	**29,325**	–	**29,325**	–
4.55% p.a fixed rate AUD loan	2022 - 2024	**6,953**	–	**–**	–
9.0% p.a Senior Secured Notes (2019: 9.0%)	2023	**150,000**	149,999	**150,000**	149,999
Unamortised discount on Senior Secured Notes		**(919)**	(1,360)	**(919)**	(1,360)
Unamortised transaction costs		**(2,668)**	(3,630)	**(2,324)**	(3,173)
Total bank borrowings (non-current)		**267,250**	255,975	**187,537**	169,987
Total loans and borrowings (non-current)		**268,477**	257,242	**187,821**	169,992
Total loans and borrowings		**381,992**	319,693	**222,050**	180,256

5.5% p.a fixed rate USD loan

This loan has been drawn down under Omnibus Trade Non Cash Backed loan facility which is used as Open Account Financing ("OAF"). The repayment period for this facility is maximum 90 days.

This loan facility is secured by trade receivable balances and/or inventories for a minimum amount of US$11,000,000 and margin deposit of US$1,750,000. The loan includes financial covenants which requires GEMS Group to maintain a minimum debt service coverage ratio of 1.2x, and a minimum interest coverage ratio of 2x.

5.25% p.a fixed rate USD loan

This loan is secured by trade receivables, property and equipment of GEMS Group and pledge of a subsidiary's shares. GEMS Group is required to comply with certain covenants relating to its Articles of Association, the nature of the business, dividends, corporate actions, financing activities and other matters, and need to maintain a debt to equity ratio not exceeding 150%, and a minimum debt service coverage ratio of 150%.

26. Loans and borrowings (cont'd)

5.25% - 6.25% p.a fixed rate USD loan

This loan is secured by trade receivables, property and equipment of GEMS Group and pledge of a subsidiary's shares and is repayable on quarterly instalments due on 23 December 2024. The loan includes financial covenants which requires GEMS Group to maintain a debt to equity ratio not exceeding 150%, and a minimum debt service coverage ratio of 150%.

The net carrying amount of the Loan was stated net of transaction costs totalling US$801,000. Such costs were amortised over the life of the Loan by charging the expenses to profit or loss and increasing the net carrying amount of the Loan with the corresponding amount. As of 31 December 2020, accumulated amortisation of transaction costs amounted to US$343,000 (2019: US$229,000).

4.25% p.a + 3 months LIBOR USD loan

This loan facility has cross collateral and cross default with the loan facility of 5.25% p.a fixed rate USD loan and 5.25% - 6.25% p.a fixed rate USD loan.

2.11% p.a + 7.0% margin AUD loan

This loan secured by pledge of a subsidiary's shares and an interest reserve account. This loan includes financial covenants that restricts the Group amongst other things to incur additional indebtedness and declare dividends subject to certain conditions and financial ratios. Subsequent to the end of the reporting period, the Group had repaid US$7,761,000.

The net carrying amount of the Loan was stated net of transaction costs totalling US$955,000 (2019: US$875,000). Such costs were amortised over the life of the Loan by charging the expenses to profit or loss and increasing the net carrying amount of the Loan with the corresponding amount. As of 31 December 2020, accumulated amortisation of transaction costs amounted to US$610,000 (2019: US$268,000).

0.08% p.a + 7.0% margin AUD loan

This loan secured by pledge of a subsidiary's shares and an interest reserve account. This loan includes financial covenants that restricts the Group amongst other things to incur additional indebtedness and declare dividends subject to certain conditions and financial ratios.

The net carrying amount of the Loan was stated net of transaction costs totalling US$1,222,000. Such costs were amortised over the life of the Loan by charging the expenses to profit or loss and increasing the net carrying amount of the Loan with the corresponding amount. As of 31 December 2020, accumulated amortisation of transaction costs amounted to US$366,000 (2019: Nil).

4.55% p.a fixed rate AUD loan

This loan is secured by equipment of Stanmore and is repayable on monthly instalments due on 10 November 2024.

2.30% p.a fixed rate AUD loan

This loan has been drawn down under short term facility.

26. Loans and borrowings (cont'd)

9.0% p.a Senior Secured Notes

The Notes are secured by pledge of a subsidiary's shares and an interest reserve account. The Notes include financial covenants that restricts the Group amongst other things to incur additional indebtedness and declare dividends subject to certain conditions and financial ratios.

The net carrying amount of the Notes was stated net of discounts and transaction costs totalling US$2,205,000 and US$4,633,000 respectively. Such discount and costs were amortised over the life of the Notes by charging the expenses to profit or loss and increasing the net carrying amount of the Notes with the corresponding amount. As of 31 December 2020, accumulated amortisation of discount and transaction costs amounted to US$1,286,000 and US$2,703,000 respectively (2019: US$845,000 and US$1,776,000 respectively).

A reconciliation of liabilities arising from financing activities is as follows:

				Non-cash changes	
2020	**At beginning of the year US$'000**	**Cash Inflows US$'000**	**Cash outflows US$'000**	**Others* US$'000**	**At end of the year US$'000**
Current					
- Bank borrowings	60,365	81,331	(58,306)	28,525	111,915
- Lease liabilities	2,086	–	(1,743)	1,257	1,600
	62,451	81,331	(60,049)	29,782	113,515
Non-current					
- Bank borrowings	255,975	47,515	(25,139)	(11,101)	267,250
- Lease liabilities	1,267	–	–	(40)	1,227
	257,242	47,515	(25,139)	(11,141)	268,477

				Non-cash changes	
2019	**At beginning of the year US$'000**	**Cash Inflows US$'000**	**Cash outflows US$'000**	**Others* US$'000**	**At end of the year US$'000**
Current					
- Bank borrowings	46,167	97,795	(96,815)	13,218	60,365
- Lease liabilities	–	–	–	2,086	2,086
	46,167	97,795	(96,815)	15,304	62,451
Non-current					
- Bank borrowings	219,076	87,744	(37,798)	(13,047)	255,975
- Lease liabilities	5,602	–	(2,674)	(1,661)	1,267
	224,678	87,744	(40,472)	(14,708)	257,242

* Others pertains to reclassification of non-current portion of bank borrowings and lease liabilities, acquisition of subsidiaries, foreign exchange from translation, discounts and transaction costs.

27. Post-employment benefits

The Group recognised liabilities for post-employment benefits based on the actuarial calculation by an independent actuary. The post-employment benefits arise from subsidiaries domiciled in Indonesia.

The present value of the defined post-employment benefit obligations, and the related current service cost and past service cost, were measured using the projected unit credit method. No funding has been made to this defined benefit scheme.

The principal assumptions used in determining post-employment benefits as at reporting date were as follows:

	Group	
	2020	**2019**
Normal retirement age	**55 years**	55 years
Salary increment rate per annum	**7.00%**	7.00%
Discount rate per annum	**7.50%**	7.50%
Mortality rate *	**TMI 2011**	TMI 2011
Disability level	**10.0% of TMI 2011**	10.0% of TMI 2011
Resignation level per annum	**10.0% up to age 25 reducing linearly to 1.0% at age 45 and thereafter**	10.0% up to age 25 reducing linearly to 1.0% at age 45 and thereafter

* Standard Ordinary Mortality table in Indonesia ("TMI").

The amount recognised in the statement of financial position is determined as follows:

	Group	
	2020	**2019**
	US$'000	**US$'000**
Present value of defined benefit obligations and total post-employment benefits	**5,029**	4,437
Movements in the account are as follows:		
At 1 January	**4,437**	2,979
Remeasurement recognised in other comprehensive income	**(243)**	452
Post-employment benefits expenses recognised in profit or loss	**964**	915
Benefits paid during the year	**(33)**	(129)
Transferred liability for transferred employees	**(25)**	(13)
Exchange difference	**(71)**	233
At 31 December	**5,029**	4,437

27. Post-employment benefits (cont'd)

The components of post-employment benefits expenses recognised in profit or loss:

	Group	
	2020	**2019**
	US$'000	**US$'000**
Current service cost	**664**	644
Interest cost on defined benefit obligations	**300**	264
Employment benefit directly paid during the year	**–**	(3)
Transferred liability for transferred employees	**–**	10
Post-employment benefits expenses	**964**	915

Post-employment benefits expenses is recognised in the "Administrative expenses" line item in the consolidated statement of comprehensive income.

The following table summarises the components of post-employment benefits expenses recognised in other comprehensive income:

	Group	
	2020	**2019**
	US$'000	**US$'000**
Before tax	**243**	(452)
Tax charge	**(54)**	113
After tax	**189**	(339)

The sensitivity analysis below has been determined based on reasonably possible changes of significant assumption on the post-employment benefits as of the end of the reporting period, assuming if all other assumptions were held constant.

	Increase/(decrease)	
	2020	**2019**
	US$'000	**US$'000**
Increase by 100 basis points	**(644)**	(389)
Decrease by 100 basis points	**226**	435

28. Provisions

	Group	
	2020	**2019**
	US$'000	**US$'000**
Provision for mine rehabilitation and closure (Note a)	**25,492**	5,079
Provision for onerous contracts (Note b)	**2,513**	–
Provision for reinstatement costs (Note c)	**45**	21
	28,050	5,100

28. Provisions (cont'd)

(a) Provision for mine rehabilitation and closure

This includes the net present value of the costs expected to be incurred for restoration and rehabilitation of mining areas.

	Group	
	2020 US$'000	2019 US$'000
At 1 January	**5,079**	1,996
Acquisition of subsidiaries (Note 16d)	**20,053**	–
Additions	**1,171**	3,083
Unwinding of discount	**176**	–
Reversal	**(4,326)**	–
Exchange difference	**3,339**	–
At 31 December	**25,492**	5,079
Current	**1,426**	–
Non-current	**24,066**	5,079

(b) Provision for onerous contracts

This represents the net present value relates to the transaction to acquire the Isaac Plains Coal Mine which completed in November 2015 by a subsidiary. The Group acquired various long-term contracts necessary for mining activities at Isaac Plains including rail haulage, port allocations, water supply, electricity supply and accommodation. In the period from acquisition through to 31 December 2020, a number of onerous contracts have been settled through the ordinary course of business.

	Group	
	2020 US$'000	2019 US$'000
At 1 January	**–**	–
Acquisition of subsidiaries (Note 16d)	**3,459**	–
Unwinding of discount	**232**	–
Reversal	**(1,656)**	–
Exchange difference	**478**	–
At 31 December	**2,513**	–
Current	**470**	–
Non-current	**2,043**	–

28. Provisions (cont'd)

(c) Provision for reinstatement costs

This represents net present value of the costs expected to be incurred for reinstating the leased office premises.

	Group	
	2020	**2019**
	US$'000	**US$'000**
At 1 January	**21**	–
Additions	**23**	21
Exchange differences	**1**	–
At 31 December	**45**	21
Current	**–**	–
Non-current	**45**	21

29. Share capital

	Group		Company	
	Number of shares '000	**US$'000**	**Number of shares '000**	**US$'000**
Issued and fully paid:				
At 31 December 2019 and 31 December 2020	2,353,100	305,528	2,353,100	1,230,107

The ordinary shares of the Company have no par value. The holders are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. All issued ordinary shares are fully paid.

30. Commitments and contingent liabilities

Commitments

The Group is committed to invest up to a maximum of US$7,400,000 into Redeemable Preference Shares of an investee company. During the reporting year, an investment of Nil (2019: US$4,000,000) was made, leaving a balance of US$3,400,000 (2019: US$3,400,000) to be invested subsequent to the year end.

Financial support

The Company has agreed to provide financial support to subsidiaries having current liabilities in excess of its current assets by US$67,824,000 (2019: US$18,016,000).

31. Related party disclosures

(a) Sale and purchase of goods and services

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

	Group	
	2020	**2019**
	US$'000	**US$'000**
Sales to related parties	**169,354**	141,425
Interest income from related parties	**18**	4
Purchases paid to related parties	**(592)**	(145)
Rental expenses paid to related parties	**(447)**	(587)
Insurance expenses paid to related parties	**(6,079)**	(5,993)
Telecommunication expenses paid to related parties	**(11)**	(10)
Office expenses paid to related parties	**(11)**	(10)
Freight & Demurrage paid to related parties	**(1,030)**	(1,030)
Dividend income from related parties	**–**	20
Bank charges	**(1)**	–

Related parties are subsidiaries and associated companies of Sinarmas Group and other related parties, excluding entities within the Group.

(b) Compensation of key management personnel

	Group	
	2020	**2019**
	US$'000	**US$'000**
Short-term employee benefits	**6,400**	6,134
Central Provident Fund contributions	**49**	50
Other short-term benefits	**545**	601
	6,994	6,785
Comprises amounts paid and payable to:		
- directors of the Company	**4,053**	4,022
- other key management personnel	**2,941**	2,763
	6,994	6,785

Included in the compensation paid or payable to key management personnel are contributions to defined contribution plan amounted to US$49,000 (2019: US$50,000).

32. Fair value of assets and liabilities

(a) Fair value hierarchy

The Group classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

Fair value measurement that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) Assets and liabilities measured at fair value

The following table shows an analysis of each class of assets and liabilities carried at fair value at the end of the reporting period:

	Group			
	Fair value measurements at the end of the reporting period using			
2020	**Quoted prices in active markets for identical instruments (Level 1) US$'000**	**Significant observable inputs other than quoted prices (Level 2) US$'000**	**Significant unobservable inputs (Level 3) US$'000**	**Total US$'000**
Assets				
Non-financial assets				
Biological assets (Note 10)	–	–	6,587	6,587
Financial assets				
Equity securities at fair value through profit or loss				
Equity securities				
– Quoted (Note 23)	1,925	–	–	1,925
Equity securities at FVOCI				
Equity securities				
– Quoted (Note 23)	–	–	–	–
– Unquoted (Note 23)	–	–	1,030	1,030
Redeemable Preference Shares at FVOCI (Note 23)	–	–	3,613	3,613
Financial liabilities				
– Contingent consideration – vendor royalties	–	–	(10,583)	(10,583)

32. Fair value of assets and liabilities (cont'd)

(b) Assets and liabilities measured at fair value (cont'd)

	Group			
	Fair value measurements at the end of the reporting period using			
2019	Quoted prices in active markets for identical instruments (Level 1) US$'000	Significant observable inputs other than quoted prices (Level 2) US$'000	Significant unobservable inputs (Level 3) US$'000	Total US$'000
Assets				
Non-financial assets				
Biological assets (Note 10)	–	–	6,059	6,059
Financial assets				
Equity securities at FVOCI				
Equity securities				
– Quoted (Note 23)	111,305	–	–	111,305
– Unquoted (Note 23)	–	–	30	30
Redeemable Preference Shares at FVOCI (Note 23)	–	–	3,774	3,774

There has been no transfer from Level 1 and Level 2 and Level 3 for the financial years ended 31 December 2020 and 2019 respectively.

Methods and assumption used to determine fair value

Fair value of biological assets has been determined based on valuations by an independent professional valuer using discounted cash flows of the underlying biological assets.

Valuation policies and procedures

The Group's Head of Finance and Reporting who reports to the Group's Audit Committee oversees the Group's financial reporting valuation process and is responsible for setting and documenting the Group's valuation policies and procedures. For all significant financial reporting valuations using valuation models and significant unobservable inputs, it is the Group's policy to engage external valuation experts who possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies, and SFRS(I) 13 fair value measurement guidance to perform the valuation.

For valuations performed by external valuation experts, the appropriateness of the valuation methodologies and assumptions adopted are reviewed along with the appropriateness and reliability of the inputs (including those developed internally by the Group) used in the valuations. These are reviewed by the Audit Committee for submission to the Board of Directors for approval. Significant changes in fair value measurements from period to period are evaluated for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources, or internal sources if necessary and appropriate.

32. Fair value of assets and liabilities (cont'd)

(c) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

Trade and other receivables (Note 19), cash and cash equivalents (Note 24), trade and other payables (Note 25), and loans and borrowings (Note 26).

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature.

(d) Level 3 fair value measurements

The following table presents the changes in Level 3 instruments:

	Unquoted equity securities (Note 23) US$'000	Redeemable preference shares (Note 23) US$'000	Contingent consideration – vendor royalties (Note 25) US$'000
2020			
At 1 January	30	3,774	–
Acquisition of subsidiaries	–	–	(14,503)
Additions	1,000	–	–
Unwinding of discounts	–	–	(1,149)
Utilisation	–	–	233
Fair value (losses)/gains recognised in			
- other comprehensive income	–	(161)	–
- profit or loss	–	–	6,846
Exchange differences	–	–	(2,010)
At 31 December	**1,030**	**3,613**	**(10,583)**
2019			
At 1 January	30	–	–
Additions	–	4,000	–
Fair value (losses)/gains recognised in			
- other comprehensive income	–	(226)	–
- profit or loss	–	–	–
At 31 December	30	3,774	–

32. Fair value of assets and liabilities (cont'd)

(d) Level 3 fair value measurements (cont'd)

Determination of fair value

Investments in an unquoted ordinary shares of US$30,000 (2019: US$30,000) representing equity ownership interest of below 20% are carried at cost as their fair values cannot be reliably measured.

Investments in an unquoted ordinary shares of US$1,000,000 (2019: Nil) and Investment in redeemable preference shares of US$3,613,000 (2019: US$3,774,000) which were valued using significant unobservable inputs, where the Group used net assets value report obtained from external party which is reviewed and approved by the Board of Directors.

Contingent consideration relates to a royalty stream payable to the vendors which arises from business combination of Isaac Plains by Stanmore in 2015. Fair value of the contingent consideration payable has been determined based on valuation which performed using discounted cash flows methodology. The following key unobservable inputs are used in its calculation:

- Hard Coking Coal forward price curve based on a compilation of short term (12 months) prices.
- A$/US$ Foreign exchange forward curve estimates are based on market consensus curves.
- Coal sales based on the current mining plans of the Isaac Plains Complex, including the Isaac Plains mine, the Isaac Plains East Mine (commenced July 2018), the Isaac Downs Mine and the Isaac Plains Underground.

Significant changes in fair value measurements from period to period are evaluated for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources, or internal sources if necessary and appropriate. The Group does not intend to dispose these investments in the foreseeable future.

33. Financial risk management objectives and policies

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include interest rate risk, liquidity risk, credit risk, foreign currency risk and commodity price risk. The Board of Directors reviews and agrees policies and procedures for the management of these risks. The Audit Committee provides independent oversight to the effectiveness of the risk management process. The Group does not apply hedge accounting.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

33. Financial risk management objectives and policies (cont'd)

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks except as described below.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from its floating interest rate loans and borrowings.

Currently the Group does not have an interest rate policy. At the reporting date, the Group and the Company has loans and borrowings of which majority of the loans carried fixed interest rate. The floating interest rate does not vary significantly with the movements in the market interest rates.

<u>Sensitivity analysis for interest rate risk</u>

At the end of the reporting period, if the interest rates had been 75 (2019: 75) basis points lower/higher with all other variables held constant, the Group's profit after tax would have been approximately US$3,141,000 (2019: US$3,304,000) higher/lower, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility in prior years.

Information relating to the Group's interest rate exposure is also disclosed in various notes to the financial statements.

(b) Liquidity risk

Liquidity risk, also referred to as funding risk, is the risk that the Group and the Company will encounter difficulty in meeting financial obligation due to shortage of funds. The Group and the Company is exposed to liquidity risk in respect of its cash flow management to fund its ongoing operations as well as settlement of its short-term loans and borrowings and all of its current liabilities. The Group's and the Company's objective is to maintain an appropriate level of liquid assets to meet its liquidity requirements in the short term.

The Group and the Company manage its liquidity needs by monitoring its forecasted cash inflows and outflows from its day to day operations. Liquidity needs are then monitored in various time bands such as daily, weekly as well as on a rolling of 30 days rolling projection. Net cash requirements are then compared to available cash and cash equivalents in order to determine the cash shortfalls.

33. Financial risk management objectives and policies (cont'd)

(b) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial assets used for managing liquidity risk and financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations:

	Group			
2020	**1 year or less US$'000**	**2 to 5 years US$'000**	**More than 5 years US$'000**	**Total US$'000**
Financial assets:				
Trade and other receivables	139,636	682	1,390	141,708
Cash and cash equivalent	262,799	–	–	262,799
Redeemable Preference Shares (Note 17, Note 23)	–	–	48,864	48,864
Other current assets	33,355	–	–	33,355
Other non-current assets	–	26,043	–	26,043
Total undiscounted financial assets	435,790	26,725	50,254	512,769
Financial liabilities:				
Trade and other payables	275,389	35,413	335	311,137
Lease Liabilities	1,746	1,338	–	3,084
Bank borrowings	137,272	298,593	–	435,865
Total undiscounted financial liabilities	414,407	335,344	335	750,086
Total net undiscounted financial assets/(liabilities)	**21,383**	**(308,619)**	**49,919**	**(237,317)**

33. Financial risk management objectives and policies (cont'd)

(b) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities (cont'd)

2019	Group 1 year or less US$'000	2 to 5 years US$'000	More than 5 years US$'000	Total US$'000
Financial assets:				
Trade and other receivables	136,103	8,975	–	145,078
Cash and cash equivalent	177,757	–	–	177,757
Redeemable Preference Shares (Note 23)	–	–	3,774	3,774
Other current assets	113	–	–	113
Other non-current assets	–	8,557	–	8,557
Total undiscounted financial assets	313,973	17,532	3,774	335,279
Financial liabilities:				
Trade and other payables	229,291	29,821	–	259,112
Lease Liabilities	2,310	1,318	–	3,628
Bank borrowings	84,138	311,765	–	395,903
Total undiscounted financial liabilities	315,739	342,904	–	658,643
Total net undiscounted financial (liabilities)/assets	(1,766)	(325,372)	3,774	(323,364)

2020	Company 1 year or less US$'000	2 to 5 years US$'000	Total US$'000
Financial assets:			
Trade and other receivables	20,381	–	20,381
Cash and cash equivalent	53,543	–	53,543
Other current assets	32,911	–	32,911
Amounts due from subsidiaries	77,572	290	77,862
Total undiscounted financial assets	184,407	290	184,697
Financial liabilities:			
Trade and other payables	19,263	–	19,263
Lease Liabilities	233	293	526
Bank borrowings	53,121	207,445	260,566
Total undiscounted financial liabilities	72,617	207,738	280,355
Total net undiscounted financial assets/ (liabilities)	**111,790**	**(207,448)**	**(95,658)**

33. Financial risk management objectives and policies (cont'd)

(b) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities (cont'd)

2019	Company 1 year or less US$'000	 2 to 5 years US$'000	 Total US$'000
Financial assets:			
Trade and other receivables	957	–	957
Cash and cash equivalent	40,194	–	40,194
Other current assets	70	–	70
Amounts due from subsidiaries	10,272	5,583	15,855
Total undiscounted financial assets	51,493	5,583	57,076
Financial liabilities:			
Trade and other payables	7,272	–	7,272
Lease Liabilities	48	6	54
Bank borrowings	26,721	204,829	231,550
Total undiscounted financial liabilities	34,041	204,835	238,876
Total net undiscounted financial assets/ (liabilities)	17,452	(199,252)	(181,800)

(c) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's exposure to credit risk arises primarily from trade and other receivables and compensation income expected to be receivable from mining licensees.

Credit risk is limited to the risk arising from the inability of a debtor to make payments when due. It is the Group's policy to provide credit terms to creditworthy customers. These debts are continually monitored and therefore, the Group does not expect to incur material credit losses.

The Group's objective is to seek continual revenue growth while minimizing losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties and are generally backed by Letter of credit ("LC"), with a reputable local and international financial institution with high credit ratings.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments when they fall due which are derived based on the Group's historical information.

33. Financial risk management objectives and policies (cont'd)

(c) Credit risk (cont'd)

The Group determined that its financial assets are credit-impaired when:

- There is significant difficulty of the counterparty
- A breach of contract, such as a default or past due event
- It is becoming probable that the counterparty will enter bankruptcy or other financial reorganisation

Trade receivables

The Group provides for lifetime expected credit losses for all trade receivables using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance to days past due by grouping of customers based on best available facts and circumstances, including but not limited to, the length of its relationship with the customer and the customer's current credit status based on third party credit reports and known market factors. The loss allowance provision as at 31 December 2020 is determined as follows, the expected credit losses below also incorporate forward looking information such as forecast of economic conditions where the gross domestic product will deteriorate over the next year, leading to an increased number of defaults.

Summarised below is the information about the credit risk exposure on the Group's trade receivables using provision matrix:

	Current US$'000	More than 30 days past due US$'000	More than 60 days past due US$'000	More than 90 days past due US$'000	Total US$'000
2020					
Gross carrying amount	**114,193**	**2,156**	**554**	**555**	**117,458**
Loss allowance provision	**–**	**–**	**–**	**(278)**	**(278)**
2019					
Gross carrying amount	118,194	6	173	275	118,648
Loss allowance provision	–	–	–	(88)	(88)

Exposure to credit risk

The carrying amount of trade and other receivables and cash and bank balances represent the Group's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk.

33. Financial risk management objectives and policies (cont'd)

(c) Credit risk (cont'd)

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade and other receivables and deposits on an on-going basis. The credit risk concentration profile of the Group's trade and other receivables, deposits and Redeemable Preference Shares (Note 17, Note 23) at the reporting date is as follows:

	2020		2019	
	US$'000	% of total	US$'000	% of total
By country				
Singapore	**90,218**	**32%**	27,525	16%
Indonesia	**136,338**	**49%**	149,969	84%
Australia	**53,234**	**19%**	–	0%
Total	**279,790**		177,494	
By industry sector				
Coal	**182,990**	**65%**	149,680	84%
Non-coal business	**96,800**	**35%**	27,814	16%
Total	**279,790**		177,494	

As at 31 December 2020 and 31 December 2019, there were no significant concentrate of credit risk with any single customer.

Cash and cash equivalents that are neither past due nor impaired are placed with reputable local or international banks with high credit ratings.

Other receivables and Redeemable Preference Shares are due from creditworthy counterparty, which are reviewed annually, and may be updated throughout the year subject to approval of the Group's finance committee.

The Group's maximum exposure to credit risk for the components of the statement of financial position at 31 December 2020 and 2019 is the carrying amounts presented in Note 19.

(d) Foreign currency risk

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Group entities, primarily IDR. Approximately 37% (2019: 31%) of the Group's sales are denominated in foreign currency. The Group's cash and cash equivalents (Note 24), trade and other receivables (Note19), trade and other payable (Note 25) and loans and borrowings (Note 26) balances at the reporting date have similar exposure. The foreign currency in which these transactions are denominated is mainly in IDR. Currently, there is no policy to reduce currency exposure through forward currency contracts, derivatives transactions or other arrangements. However, the Group relies on its operational cash flow to hedge against the foreign currency exposure.

33. Financial risk management objectives and policies (cont'd)

(d) Foreign currency risk (cont'd)

The Group is also exposed to currency translation risk arising from its net investments in foreign operations in countries such as Indonesia, Australia and Singapore. The Group does not hedge this currency exposure.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in the IDR and AUD against USD, with all other variables held constant.

		Group Profit net of tax	
		2020	**2019**
		US$'000	**US$'000**
IDR/USD	- strengthened 7% (2019: 7%)	**4,198**	2,526
	- weakened 7% (2019: 7%)	**(4,830)**	(2,906)
AUD/USD	- strengthened 7% (2019: 7%)	**7,712**	1,875
	- weakened 7% (2019: 7%)	**(8,873)**	(2,157)

(e) Commodity price risk

The Group is exposed to the risk of fluctuations in prevailing market commodity prices arising from changes in market value of coal.

The Group has mitigating controls in place to monitor the trend of coal price, mine plan and performance of coal production in addition to strategic direction and implementation plans.

Sensitivity analysis for commodity price risk

At the reporting date, if the coal price had been 5% (2019: 5%) higher/lower with all other variables held constant, the Group's profit before tax would have been US$58,081,000 (2019: US$55,714,000) lower/higher.

34. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and make adjustments to it, in light of changes in economic conditions. The Group is required to comply with financial covenants, if any, imposed by financial institutions. No changes were made in the objectives, policies or processes between the years ended 31 December 2020 and 2019 respectively.

The Group monitors its capital using gearing ratios.

34. Capital management (cont'd)

The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as loans and borrowings, trade and other payables, less cash and cash equivalents. Total capital includes equity attributable to the equity holders of the parent, capital reserves and other reserves plus net debt.

	2020 US$'000	2019 US$'000
Loans and borrowings	**381,992**	319,693
Trade and other payables	**307,667**	254,998
Less: Cash and cash equivalents	**(262,799)**	(177,757)
Net debts	**426,860**	396,934
Equity attributable to equity holders of the Company	**384,872**	359,335
Capital and net debts	**811,732**	756,269
Gearing ratio	**52.59%**	52.49%

35. Segment information

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Group who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are disclosed below including the factors used to identify the reportable segments and the measurement basis of segment information.

The following summary describes the operations in each of the Group's reportable segments:

- *Energy coal.* Includes exploration, mining, processing and marketing of energy coal from its coal mining concession areas, and procuring sales orders from customers and sourcing for domestic suppliers.

- *Metallurgical coal.* Includes exploration, mining, processing and marketing of metallurgical coal from its coal mining concession areas.

- *Non-coal Business.* Includes forestry, investment holding company and provision of management services.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group's income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

35. Segment information (cont'd)

	Energy Coal		Metallurgical Coal		Non-coal Business		Adjustments and Eliminations		Note	Consolidated	
	2020	2019	2020	2019	2020	2019	2020	2019		2020	2019
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000		US$'000	US$'000
Revenue:											
Revenue from external customers	**1,064,230**	1,114,284	**97,234**	–	**1,223**	1,531	**–**	–		**1,162,687**	1,115,815
Inter segment revenue	**–**	4,214	**–**	–	**–**	–	**–**	(4,214)	A	**–**	–
	1,064,230	1,118,498	**97,234**	–	**1,223**	1,531	**–**	(4,214)		**1,162,687**	1,115,815
Results:											
Segment results	**144,350**	108,941	**(19,038)**	–	**(18,059)**	12,331	**(11,748)**	(26,146)	B,C	**95,505**	95,126
Interest income	**4,133**	10,298	**32**	–	**9,140**	12,662	**(4,687)**	(13,185)	C	**8,618**	9,775
Finance costs	**(18,923)**	(21,949)	**(2,734)**	–	**(21,823)**	(20,422)	**6,081**	7,787	C	**(37,399)**	(34,584)
Profit before tax										**66,724**	70,317
Income tax expense										**(32,256)**	(37,429)
Profit for the year										**34,468**	32,888
Compensation income	**–**	–	**–**	–	**3,667**	580	**(3,667)**	(567)	C	**–**	13
Depreciation expenses	**(10,917)**	(9,164)	**(5,741)**	–	**(1,463)**	(1,674)	**–**	–		**(18,121)**	(10,838)
Amortisation expenses	**(5,790)**	(5,410)	**(10,489)**	–	**(611)**	(573)	**–**	–		**(16,890)**	(5,983)
Share of loss of a joint venture	**–**	–	**–**	–	**(4,903)**	–	**–**	–		**(4,903)**	–
Fair value gain on biological assets	**–**	–	**–**	–	**321**	2,543	**–**	–		**321**	2,543
Fair value gain on other investment	**–**	–	**–**	–	**516**	–	**–**	–		**516**	–
Fair value gain on remeasurement of contingent liability	**–**	–	**6,846**	–	**–**	–	**–**	–		**6,846**	–
Assets and Liabilities:											
Segment assets	**649,656**	669,375	**325,770**	–	**792,976**	701,588	**(373,917)**	(264,935)		**1,394,485**	1,106,028
Segment assets includes:											
Investment in a joint venture	**–**	–	**–**	–	**48,012**	–	**–**	–		**48,012**	–
Addition to non-current assets	**6,061**	20,774	**8,592**	–	**246**	264	**–**	–	D	**14,899**	21,038
Segment liabilities	**478,547**	498,553	**136,749**	–	**314,091**	217,023	**(112,431)**	(88,669)		**816,956**	626,907

35. Segment information (cont'd)

A Inter-segment revenues are eliminated on consolidation.

B The following items are added to/(deducted from) segment results net of intra-segment elimination to arrive at "Profit before tax" present in the consolidated statement of comprehensive income:

	Energy Coal US$'000	Metallurgical Coal US$'000	Non-coal Business US$'000	Total US$'000
2020				
Other income	**14,521**	**429**	**5,347**	**20,297**
Selling and distribution expenses	**(187,131)**	**(13,648)**	**(604)**	**(201,383)**
Administrative expenses	**(62,090)**	**(7,054)**	**(10,193)**	**(79,337)**
Other operating (expenses)/ income	**(2,044)**	**(114)**	**(12,687)**	**(14,845)**
2019				
Other income	11,101	–	5,646	16,747
Selling and distribution expenses	(184,451)	–	(965)	(185,416)
Administrative expenses	(58,255)	–	(15,800)	(74,055)
Other operating (expenses)/ income	(12,692)	–	(6,717)	(19,409)

C Elimination is relating to intra-group transactions which are eliminated on consolidation.

D Additions to non-current assets consist of additions to property, plant and equipment, deferred exploration and development costs and software.

Geographical information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets	
	2020 US$'000	2019 US$'000	2020 US$'000	2019 US$'000
Indonesia	**428,572**	353,624	**499,086**	519,972
China	**347,393**	436,606	**–**	–
India	**235,767**	250,554	**–**	–
Japan	**49,479**	–	**–**	–
Philippines	**21,775**	13,380	**–**	–
Malaysia	**18,072**	–	**–**	–
Cambodia	**18,025**	12,207	**–**	–
South Korea	**17,799**	29,522	**–**	–
Australia	**–**	–	**245,887**	–
Others	**25,805**	19,922	**13,455**	11,528
	1,162,687	1,115,815	**758,428**	531,500

35. Segment information (cont'd)

Geographical information (cont'd)

Non-current assets information presented above excludes deferred tax assets, investment securities, and investment in a joint venture.

Major customer information

The Group's revenue derived from customers who individually account for 10% (2019: 10%) or more of the Group's revenue is detailed below:

	Energy Coal		Metallurgical Coal	
	2020	2019	2020	2019
	US$'000	US$'000	US$'000	US$'000
Customer				
Top 1st	**180,567**	193,691	**–**	–
Top 2nd	**–**	116,074	**–**	–

36. Dividends

	Group and Company	
	2020	2019
	US$'000	US$'000
Declared and paid during the financial year:		
Dividends on ordinary shares:		
- 1st interim dividend for 2019 of S$0.0029 per share	**–**	5,002

37. Reclassification of accounts

Certain accounts in the consolidated statement of comprehensive income and statement of financial position as of 31 December 2019 have been reclassified to conform with the 31 December 2020 consolidated statement of comprehensive income and statement of financial position presentation. A summary of such accounts follows:

	Group	
	Before Reclassification	After Reclassification
	US$'000	US$'000
Revenue	1,121,208	1,115,815
Other income	11,354	16,747
Administrative expenses	(74,981)	(74,055)
Finance costs	(33,658)	(34,584)

37. Reclassification of accounts (cont'd)

	Group		Company	
	Before Reclassification US$'000	After Reclassification US$'000	Before Reclassification US$'000	After Reclassification US$'000
Non-current assets:				
Other non-current assets	56,599	53,134	3,465	–
Current liabilities:				
Trade and other payables	237,629	237,608	7,272	7,272
Loans and borrowings	62,743	62,451	10,556	10,264
Non-current liabilities:				
Loans and borrowings	260,415	257,242	173,165	169,992
Provisions	5,079	5,100	–	–

38. Subsequent events

On 12 March 2021, the Company entered into a share purchase agreement ("Agreement") with Ascend Global Investment Fund SPC - ADSP ("Ascend Global"). Pursuant to the terms of the Agreement, GEAR has agreed to sell and Ascend Global has agreed to purchase 264,705,885 shares in PT Golden Energy Mines Tbk ("GEMS"), representing an approximately 4.5% shareholding in GEMS, for a total cash consideration of US$50,000,000 ("Proposed Transaction"). Completion of the Proposed Transaction is subject to the receipt of the requisite consents of the holders of the 9.0% senior secured notes issued by the Company ("Notes") for the amendments to the indenture in relation to the issue of the Notes to permit the implementation of the Proposed Transaction, pursuant to the Company's consent solicitation statement dated 12 March 2021. The Company has been advised that, as of 5:00 p.m., Central European Time, on 25 March 2021 (the "Consent Expiration Deadline"), holders of not less than a majority of the aggregate principal amount of outstanding Notes, have validly consented to the amendments and the Company announced its acceptance of the consents and its intention to enter into a supplemental indenture to amend and supplement the indenture to effect the amendments. Settlement of the consent solicitation is expected to take place on or about 29 March 2021. Completion of the Proposed Transaction is expected to take place on 30 March 2021 (or such other date as may be deferred or otherwise agreed by the Company and Ascend Global). Following the completion of the Proposed Transaction, Company's shareholding in GEMS will decrease from approximately 67.0% to approximately 62.5%.

On 23 March 2021, the Company entered into a facility agreement with PT Bank Mandiri (Persero) TBK, Singapore Branch for a term loan facility amounting to US$15,000,000. The facility is secured by pledge of certain subsidiaries' shares on a pari passu basis and an interest reserve account. As of 26 March 2021, the Company had fully drawn the facility.

On 24 March 2021, shareholders' approval had been obtained during the Extraordinary General Meeting for an additional investment of up to A$75,000,000 into Ravenswood Gold Group Pty Ltd for the development of the Ravenswood gold mine.

39. Other matters

Pursuant to the Financial Reporting Surveillance Programme ("**FRSP**") conducted by Accounting & Corporate Regulatory Authority ("**ACRA**"), the Financial Statements of the Group for the year ended 31 December 2016 ("**FY2016 FS**") are in the process of being reviewed by ACRA for compliance with the Singapore Financial Reporting Standards (International) ("**Review**"). The Review has yet to be concluded by ACRA and any further action is subject to its finalisation.

40. Authorisation of financial statements

The financial statements for the financial year ended 31 December 2020 were authorised for issue in accordance with a resolution of the Directors dated on 26 March 2021.

SHARE CAPITAL

Number of issued shares*	2,353,100,380*
Class of shares	Ordinary
Voting Rights	1 vote per ordinary share

* The Company does not hold any treasury shares and there are no subsidiary holdings as at 15 March 2021.

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	2,635	26.43	96,101	0.00
100 - 1,000	3,816	38.27	1,696,445	0.07
1,001 - 10,000	2,566	25.73	10,002,252	0.43
10,001 - 1,000,000	930	9.33	54,985,380	2.34
1,000,001 and above	24	0.24	2,286,320,202	97.16
TOTAL	**9,971**	**100.00**	**2,353,100,380**	**100.00**

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	CITIBANK NOMINEES SINGAPORE PTE LTD	2,069,947,529	87.97
2	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	78,212,520	3.32
3	PHILLIP SECURITIES PTE LTD	71,778,825	3.05
4	DBS NOMINEES (PRIVATE) LIMITED	11,094,640	0.47
5	SEAH SEOW CHER	6,200,000	0.26
6	MS FIRST CAPITAL INSURANCE LIMITED - INSURANCE FUND A/C	6,181,381	0.26
7	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	5,294,229	0.22
8	OCBC SECURITIES PRIVATE LIMITED	4,655,905	0.20
9	NG WEE HAN	4,550,000	0.19
10	UOB KAY HIAN PRIVATE LIMITED	3,545,305	0.15
11	RHB BANK NOMINEES PTE LTD	3,389,616	0.14
12	HSBC (SINGAPORE) NOMINEES PTE LTD	3,355,794	0.14
13	RAFFLES NOMINEES (PTE.) LIMITED	3,355,221	0.14
14	TAY CHEW LAN	2,238,000	0.10
15	MAYBANK KIM ENG SECURITIES PTE. LTD.	1,559,609	0.07
16	KGI SECURITIES (SINGAPORE) PTE. LTD.	1,527,300	0.06
17	TAN WAI SEE	1,455,750	0.06
18	ASIAPAC COMMISSIONING SERVICES PTE LTD	1,330,100	0.06
19	GOH JUI HOO	1,198,300	0.05
20	KUEK KIEN JOO	1,181,600	0.05
	TOTAL	**2,282,051,624**	**96.96**

STATISTICS OF SHAREHOLDINGS

As at 15 March 2021

SUBSTANTIAL SHAREHOLDERS

(as shown in the Company's Register of Substantial Shareholders as at 15 March 2021)

	Direct Interest		Deemed Interest	
Substantial Shareholders	**No. of Shares**	**%***	**No. of Shares**	**%***
PT Dian Swastatika Sentosa Tbk (1)	2,044,145,469	86.87%	–	–
PT Sinar Mas Tunggal (2)	–	–	2,044,145,469	86.87%
PT Sinar Mas (2)	–	–	2,044,145,469	86.87%
PT Sinar Mas Cakrawala (2)	–	–	2,044,145,469	86.87%
PT Sinarindo Gerbangmas (2)	–	–	2,044,145,469	86.87%
Franky Oesman Widjaja (3)	–	–	2,044,145,469	86.87%
Muktar Widjaja (3)	–	–	2,044,145,469	86.87%
Indra Widjaja (3)	–	–	2,044,145,469	86.87%

Notes:

* The percentage of shareholding above is computed based on the total number of issued voting shares of 2,353,100,380.

(1) The 2,044,145,469 shares are held by Citibank Nominees Singapore Pte Ltd on behalf of PT Dian Swastatika Sentosa Tbk ("DSS") as bare trustee.

(2) PT Sinar Mas Tunggal is deemed interested in 2,044,145,469 shares held by DSS by virtue of its shareholding of no less than 20% of the issued share capital of DSS. PT Sinar Mas is deemed interested in 2,044,145,469 shares held by DSS by virtue of its shareholding of no less than 20% of the issued share capital of PT Sinar Mas Tunggal. PT Sinar Mas Cakrawala is deemed interested in 2,044,145,469 shares held by DSS by virtue of its shareholding of no less than 20% of the issued share capital of PT Sinar Mas. PT Sinarindo Gerbangmas is deemed interested in 2,044,145,469 shares held by DSS by virtue of its shareholding of no less than 20% of the issued share capital of PT Sinar Mas Cakrawala.

(3) Mr. Franky Oesman Widjaja, Mr. Muktar Widjaja and Mr. Indra Widjaja are deemed interested in 2,044,145,469 shares held by DSS by virtue of their individual shareholdings of no less than 20% of the voting shares in PT Sinarindo Gerbangmas.

PUBLIC FLOAT

Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") requires that at least 10% of the total number of issued shares excluding treasury shares (excluding preference shares and convertible equity securities) of a listed company in a class that is listed is at all times held by the public. The Company has complied with this requirement. As at 15 March 2021, approximately 13.11% of its shares listed on the SGX-ST were held in the hands of the public.

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Golden Energy and Resources Limited (the "**Company**" or "**GEAR**") will be convened and held by way of electronic means on Thursday, 29 April 2021 at 4.30 p.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements for the year ended 31 December 2020 together with the Independent Auditor's Report thereon. **(Resolution 1)**

2. To re-elect Mr. Dwi Prasetyo Suseno, retiring pursuant to Regulation 107 of the Constitution of the Company. [See Explanatory Note (i)] **(Resolution 2)**

3. To re-elect Mr. Lim Yu Neng Paul, retiring pursuant to Regulation 107 of the Constitution of the Company. [See Explanatory Note (ii)] **(Resolution 3)**

4. To re-elect Mr. Mark Zhou You Chuan, retiring pursuant to Regulation 117 of the Constitution of the Company. [See Explanatory Note (iii)] **(Resolution 4)**

5. To approve the payment of Directors' fees of S$348,000.00 for the year ending 31 December 2021 (previous year: S$328,600.00). **(Resolution 5)**

6. To re-appoint Ernst & Young LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 6)**

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

7. **Authority to issue new shares**

"That pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Directors of the Company be authorised and empowered to:

(a) (i) issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force, provided that:

(1) the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed fifty per centum (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to existing shareholders of the Company shall not exceed twenty per centum (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

(a) new Shares arising from the conversion or exercise of any convertible securities;

(b) new Shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and

(c) any subsequent bonus issue, consolidation or subdivision of Shares;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and

(4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting ("**AGM**") of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier."

[See Explanatory Note (iv)] **(Resolution 7)**

8. **Proposed Renewal of the Sinar Mas IPT Mandate for Interested Person Transactions**

"That:

(a) approval be and is hereby given, for the purpose of Chapter 9 of the Listing Manual of the SGX-ST, for the Company, its subsidiaries and associated companies or any of them to enter into any of the transactions failing within the types of interested person transactions described in the Appendix dated 14 April 2021 (the "**Appendix**") appended to the Annual Report, with any person who falls within the classes of interested persons described in the Appendix, provided that such transactions are made on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders and are in accordance with the review procedures for interested person transactions as set out in the Appendix (the "**Sinar Mas IPT Mandate**");

(b) the Sinar Mas IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the date that the next AGM of the Company is held or required by law to be held, whichever is the earlier; and

(c) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including, without limitation, executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the Sinar Mas IPT Mandate and/or this Resolution."

[See Explanatory Note (v)] **(Resolution 8)**

9. **Approval for the continued appointment of Mr. Lim Yu Neng Paul as an independent director for the purpose of Rule 210(5)(d)(iii)(A) of the Listing Manual of the SGX-ST by all shareholders**

To approve Mr. Lim Yu Neng Paul's continued appointment as an Independent Director by all shareholders present at the Meeting contingent upon the passing of Ordinary Resolution 3 above and pursuant to Rule 210(5)(d)(iii)(A) of the Listing Manual of the SGX-ST which will take effect from 1 January 2022. This Resolution to remain in force until the earlier of Mr. Lim Yu Neng Paul's retirement or resignation, or the conclusion of the third Annual General Meeting following the passing of this Resolution and Resolution 10 below.

[See Explanatory Note (vi)] **(Resolution 9)**

10. **Approval for the continued appointment of Mr. Lim Yu Neng Paul as an independent director for the purpose of Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST by all shareholders, excluding the Directors and the Chief Executive Officer of the Company and their respective associates**

To approve Mr. Lim Yu Neng Paul's continued appointment as an Independent Director by shareholders (excluding the Directors and Chief Executive Officer of the Company, and associates of such Directors and Chief Executive Officer) present at the Meeting contingent upon the passing of Resolution 3 and 9 above and pursuant to Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST which will take effect from 1 January 2022. This Resolution to remain in force until the earlier of Mr. Lim Yu Neng Paul's retirement or resignation of the Director; or the conclusion of the third Annual General Meeting following the passing of this Resolution.

[See explanatory note (vi)] **(Resolution 10)**

By Order of the Board

Pauline Lee
Group Company Secretary

Singapore, 14 April 2021

Explanatory Notes:

(i) Mr. Dwi Prasetyo Suseno ("**Mr. Suseno**") will, upon re-election as a Director of the Company, continue to serve as Executive Director and Group Chief Executive Officer of the Company. Mr. Suseno does not have any relationships including immediate family relationships with the Directors, the Company and its 5% shareholders. The detailed information on Mr. Suseno can be found under the section "Board of Directors" in the Annual Report for the financial year ended 31 December 2020 ("**Annual Report FY2020**") and as required under Rule 720(6) of the Listing Manual of the SGX-ST can be found under the section "Additional Information on Directors Seeking Re-election".

(ii) Mr. Lim Yu Neng Paul ("**Mr. Lim**") will, upon passing the Resolution 3 for his re-election as a Director of the Company and Resolutions 9 and 10 for his continued appointment as an Independent Director of the Company, continue to serve as the Lead Independent Director, Chairman of the Audit Committee and a member of both the Nominating Committee and the Remuneration Committee. Save for the holding of the Company's 320,000 ordinary shares held in the name of a nominee account, Mr. Lim does not have any relationships including immediate family relationships with the Directors, the Company and its 5% shareholders. The detailed information on Mr. Lim can be found under the section "Board of Directors" in the Annual Report FY2020 and as required under Rule 720(6) of the Listing Manual of the SGX-ST can be found under the section "Additional Information on Directors Seeking Re-election".

(iii) Mr. Mark Zhou You Chuan ("**Mr. Zhou**") will, upon re-election as a Director of the Company, continue to serve as Executive Director of the Company. Mr. Zhou does not have any relationships including immediate family relationships with the Directors, the Company and its 5% shareholders. The detailed information on Mr. Zhou can be found under the section "Board of Directors" in the Annual Report FY2020 and as required under Rule 720(6) of the Listing Manual of the SGX-ST can be found under the section "Additional Information on Directors Seeking Re-election".

(iv) The Ordinary Resolution 7 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to a number not exceeding, in total, 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company, of which up to 20% may be issued other than on a pro-rata basis to existing shareholders.

For determining the aggregate number of Shares that may be issued, the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) will be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of Shares.

(v) The Ordinary Resolution 8 above, if passed, will renew the Sinar Mas IPT Mandate to allow the Company, its subsidiaries and associated companies or any of them, to enter into the interested person transactions, as described in the Appendix. This authority will, unless previously revoked or varied by the Company in a general meeting, expire at the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.

(vi) The Ordinary Resolutions 9 and 10 above are in anticipation of Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST which will take effect from 1 January 2022.

With effect from 1 January 2022, Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST will provide that a director will not be independent if he has been a director for an aggregate period of more than nine years and his continued appointment as an Independent Director has not been sought and approved in separate resolutions by (A) all shareholders; and (B) shareholders, excluding the Directors and Chief Executive Officer of the Company, and associates of such Directors and Chief Executive Officer.

Mr. Lim is a Lead Independent Director who has served for more than nine years. Since Mr. Lim is seeking re-election as a director at this AGM, the Company is proposing to seek, at the same time, the requisite approval from shareholders for his continued appointment as an Independent Director via a two-tier voting process for a three-year term, with effect from the passing of these resolutions until the conclusion of the third AGM of the Company following the passing of these resolutions.

The Board considered Mr. Lim demonstrated independence in character and judgement in the discharge of his responsibilities as a Director of the Company, and he has been forthcoming in expressing his independent views, debates issues and objectively scrutinizes and challenges Management at the Board and Board Committees' meetings.

Having considered the factors a director's contribution in terms of experience, expertise, professionalism, integrity, objectivity and independent judgement in engaging and challenging the Management in the interest of the Group as he/she performs his/her duties in good faith, are more critical measures in ascertaining a Director's independence than the number of years served on the Board, the Nomination Committee and the Board have determined that Mr. Lim remains objective and independent-minded in Board's deliberations.

Notes:

1. The AGM is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of this Notice will **NOT** be sent to members. Instead, this Notice will be sent to members by electronic means via publication on SGXNet and the Company's Investor Relations ("**IR**") website at the URL: http://investor.gear.com.sg/ar.html and also be made available on SGXNet at the URL: https://www.sgx.com/securities/company-announcements.

2. Members should refer to the Company's announcement dated 14 April 2021 relating to attendance at the AGM via electronic means (including arrangements by which the AGM can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the AGM in advance of the AGM, addressing of substantial and relevant questions at the AGM and voting by appointing the Chairman of the AGM as proxy at the AGM ("**AGM Alternative Arrangements Announcement**"). The AGM Alternative Arrangement Announcement, Notice of AGM, Summary Independent Qualified Person's Reports, Appendix in relation to the Proposed Renewal of the Sinar Mas IPT Mandate and Annual Report for the financial year ended 31 December 2020 ("**Annual Report FY2020**") ("**Documents**") may be accessed at the Company's IR website at the URL: http://investor.gear.com.sg/ar.html and will also be made available on SGXNet at the URL: https://www.sgx.com/securities/company-announcements.

3. To minimise physical interactions and COVID-19 transmission risks, a member will **NOT** be able to attend the AGM in person. A member (whether individual or corporate) **MUST** appoint the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM. The accompanying Proxy Form for the AGM may be accessed at the Company's website at the URL: http://investor.gear.com.sg/ar.html and on the SGX website at the URL: https://www.sgx.com/securities/company-announcements.

4. Where a member (whether individual or corporate) appoints the Chairman of the AGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

5. Persons who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act, Cap. 50) should contact their relevant intermediaries through which they hold such shares as soon as possible in order for the necessary arrangements to be made for their participation in the AGM. CPF or SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 19 April 2021.

6. The Chairman of the AGM, as proxy, need not be a member of the Company. The instrument appointing the Chairman of the AGM as proxy must be submitted in the following manner:

   a. if submitted by post, be deposited at the office of the Company's appointed polling agent, Complete Corporate Services Pte. Ltd. ("**CCS**"), at 10 Anson Road #29-07 International Plaza, Singapore 079903; or

   b. if submitted electronically, via email to CCS at gear-agm@complete-corp.com.

   in either case, by 4.30 p.m. on 26 April 2021 (being not less than seventy-two (72) hours before the time appointed for holding the AGM).

   A member who wishes to submit an instrument of proxy by using abovementioned (6)(a) or (6)(b) must first download, print, complete and sign the Proxy Form, before scanning and submitting it to the email address or posting to the office address provided above.

   To minimise physical interactions and COVID-19 transmission risks, Shareholders of the Company are strongly encouraged to submit completed proxy forms electronically via email.

7. Due to the current COVID-19 situation, further measures and/or changes to the AGM arrangements may be made on short notice. Members are advised to check our corporate website at the URL: http://investor.gear.com.sg/ar.html for the latest updates on the status of the AGM.

8. The Company would like to thank all Members for their understanding and cooperation to hold the AGM in line with appropriate safe distancing measures amidst the COVID-19 pandemic.

9. Personal data privacy:

By pre-registering for the live audio-visual webcast or live audio-only stream, submitting a proxy form appointing the Chairman of the AGM as proxy to vote at the AGM and/or any adjournment thereof, and/or submitting questions relating to the resolutions to be tabled for approval at the AGM or the Company's businesses and operations, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the following purposes:

(i) processing and administration by the Company (or its agents) of proxy forms appointing the Chairman of the Meeting as a proxy for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof);

(ii) processing of the pre-registration for purpose of granting access to members (or their corporate representatives in the case of members which are legal entities) to the live audio-visual webcast or live audio-only stream to observe the proceedings of the AGM and providing them with any technical assistance where necessary;

(iii) addressing relevant and substantial questions from members received before the Meeting and if necessary, following up with the relevant members in relation to such questions;

(iv) preparation and compilation of the attendance list, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof); and

(v) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities.

Photographic, sound and/or video recordings of the AGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the AGM. Accordingly, the personal data of a member of the Company (such as his/her name and his/her presence at the Meeting) may be recorded by the Company for such purpose.

Mr. Dwi Prasetyo Suseno, Mr. Lim Yu Neng Paul and Mr. Mark Zhou You Chuan are the Directors seeking re-election in the forthcoming annual general meeting of the Company to be convened on 29 April 2021 (“**AGM**”) (collectively, the “**Retiring Directors**” and each a “**Retiring Director**”)

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST is set out below:

	Mr. Dwi Prasetyo Suseno	**Mr. Lim Yu Neng Paul**	**Mr. Mark Zhou You Chuan**
Date of Appointment	26 October 2015	3 August 2007	8 February 2021
Date of last re-appointment	30 April 2018	29 April 2019	N.A.
Age	46	58	37
Country of principal residence	Singapore	Singapore	Singapore
The Board’s comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr. Suseno as the Executive Director be/was recommended by the Nominating Committee and the Board has accepted the recommendation, after taking into consideration Mr. Suseno’s qualifications, expertise, past experiences and overall contribution since he was appointed as a Director of the Company.	The re-election of Mr. Lim as the Independent Director be/was recommended by the Nominating Committee and the Board has accepted the recommendation, after taking into consideration Mr. Lim’s qualifications, expertise, past experiences and overall contribution since he was appointed as a Director of the Company.	The re-election of Mr. Zhou as the Executive Director be/was recommended by the Nominating Committee and the Board has accepted the recommendation, after taking consideration Mr. Zhou’s qualifications, expertise, past experiences and overall contribution since he was appointed as a Director of the Company.
Whether appointment is executive and if so, the area of responsibility	Executive position responsible for overseeing the overall management and operations of the Group.	Non-Executive	Executive position responsible for strategic planning, corporate management, mergers and acquisitions, capital raising activities, corporate finance and treasury as well as investor relations.
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director and Group Chief Executive Officer	● Lead Independent Director ● Chairman of Audit Committee ● Member of Nominating Committee and Remuneration Committee	Executive Director and Chief Investment Officer

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr. Dwi Prasetyo Suseno	Mr. Lim Yu Neng Paul	Mr. Mark Zhou You Chuan
Professional qualifications	• Bachelor of Commerce degree, University of Western Australia • Postgraduate Diploma in Business degree, Curtin University, Western Australia • Executive MBA degree, Kellogg School of Management & HKUST • Graduate Diploma degree in Taxation Law Masters, University of Melbourne, Australia • Fellow Certified Public Accountant of CPA Australia • Chartered Accountant and member of Institute of Singapore Chartered Accountants	• Bachelor of Science in Computer Science • Master of Business Administration in Finance, University of Wisconsin, Madison, USA • Chartered Financial Analyst	Nil
Working experience and occupation(s) during the past 10 years	• July 2020 to Present Non-Executive Director, Malacca Straits Acquisition Company Ltd • May 2020 to Present Non-Executive Director and Chairman, Stanmore Coal Limited • January 2020 to Present Director, Ravenswood Gold Group Pty Ltd • January 2020 to Present Director, Ravenswood Gold Holdings Pty Ltd • January 2020 to Present Director, Ravenswood Gold Pty Ltd	• 2016 to Present Managing Director, SBI Venture Capital Pte. Ltd. • 2013 to 2015 President Commissioner, PT BNI Securities • 2013 to 2014 Advisor, Leafgreen Capital Partners Pte. Ltd. • 2012 to 2013 Managing Director, Leafgreen Capital Partners Pte. Ltd. • 2010 to 2013 Advisor, PT BNI Securities • 2010 to 2011 Interim Acting CEO, Hankore Environment Tech Group Limited	• December 2020 to present Chief Investment Officer, Golden Energy and Resources Limited • August 2019 to November 2020 Senior Head of Investments, Golden Energy and Resources Limited • September 2016 to July 2019 Head of Investments, Golden Energy and Resources Limited • November 2014 to August 2016 Chief Executive Officer, PSL Holdings Limited

	Mr. Dwi Prasetyo Suseno	Mr. Lim Yu Neng Paul	Mr. Mark Zhou You Chuan
	• October 2019 to Present Director, GEAR Renewables Pte. Ltd. • April 2018 to Present Director, GEAR Trading Enterprise Pte. Ltd. • 2010 to January 2015 Executive Director and Group CFO, Straits Corporation Group • 2010 to January 2015 Member of Board of Commissioner, PT Indo Straits Tbk, subsidiary of Straits Corporation Group • 2010 to January 2015 Executive Director, PT Geobara Indonesia, subsidiary of Straits Corporation Group • November 2010 to 2017 Director, Ricgold Pte Ltd • December 2011 to 2017 Director, Maharddhika Investments Pte Ltd • June 2013 to 2018 Director, Wombat Management Services Pty Ltd • February 2015 to 2016 Director, PT Golden Energy Mines Tbk • July 2015 to 2017 Director, Asia Resources Minerals Plc • August 2015 to 2017 Director, Vallar Investments UK Limited		• January 2013 to November 2014 Chief Investment Officer, Geo Energy Resources Limited • May 2009 to December 2012 Senior Manager, Canaccord Genuity Singapore Pte Ltd

	Mr. Dwi Prasetyo Suseno	Mr. Lim Yu Neng Paul	Mr. Mark Zhou You Chuan
	• August 2015 to December 2015 Director, Birch Funding Limited • August 2015 to December 2015 Director, Asia Coal Resources Limited • August 2015 to September 2015 Director, Vallar Limited • August 2015 to September 2015 Director, Vallar Holding Company Limited		
Shareholding interest in the listed issuer and its subsidiaries	Nil	320,000 ordinary shares of the Company held in the name of nominee account	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil	Nil	Nil
Conflict of interest (including any competing business)	Nil	Nil	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes

	Mr. Dwi Prasetyo Suseno	Mr. Lim Yu Neng Paul	Mr. Mark Zhou You Chuan
Other Principal Commitments* Including Directorships#			
Past (for the last 5 years)	Vallar Limited Vallar Holding Company Limited Vallar Investments UK Limited Ricgold Pte Ltd Maharddhika Investments Pte Ltd Wombat Management Services Pty Ltd PT Golden Energy Mines Tbk Asia Resource Mineral Plc Birch Funding Limited Asia Coal Resources Limited	Intrepid Mines Limited	Asia Star Fund (II) Ltd PSL Holdings Limited PSL Energy Resources Pte. Ltd. Resource Hardware & Trading Pte. Ltd. TSL Transport & Engineering Pte. Ltd. PSL Maritime Strategic Pte. Ltd. PT Jaya Sukses Investasi PT Selaras Sukses Selalu PT Momentum Indonesia Investama Zackery Capital Pte. Ltd.
Present	Stanmore Coal Limited Malacca Straits Acquisition Company Ltd Ravenswood Gold Group Pty Ltd Ravenswood Gold Holdings Pty Ltd Ravenswood Gold Pty Ltd GEAR Trading Enterprise Pte. Ltd. GEAR Renewables Pte. Ltd.	SBI Ven Capital Pte. Ltd. China Everbright Water Limited Nippecraft Limited TruPartners Asia Limited Fides Capital Partners Limited	GEAR Trading Enterprise Pte. Ltd. Golden Investments (Australia) Pte. Ltd. Golden Investments (Australia) II Pte. Ltd. GEAR Renewables Pte. Ltd. Bavarian Capital Pte. Ltd. Ravenswood Gold Group Pty Ltd Ravenswood Gold Holdings Pty Ltd Ravenswood Gold Pty Ltd
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given			
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No

	Mr. Dwi Prasetyo Suseno	Mr. Lim Yu Neng Paul	Mr. Mark Zhou You Chuan
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No

	Mr. Dwi Prasetyo Suseno	Mr. Lim Yu Neng Paul	Mr. Mark Zhou You Chuan
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No

	Mr. Dwi Prasetyo Suseno	Mr. Lim Yu Neng Paul	Mr. Mark Zhou You Chuan
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-			
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No

	Mr. Dwi Prasetyo Suseno	Mr. Lim Yu Neng Paul	Mr. Mark Zhou You Chuan
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No

	Mr. Dwi Prasetyo Suseno	Mr. Lim Yu Neng Paul	Mr. Mark Zhou You Chuan
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No
Disclosure applicable to the appointment of Director only			
Any prior experience as a director of an issuer listed on the Exchange?	N.A	N.A	N.A
If yes, please provide details of prior experience:	N.A	N.A	N.A
If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange:	N.A	N.A	N.A
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable):	N.A	N.A	N.A

GOLDEN ENERGY AND RESOURCES LIMITED

(Company Registration No. 199508589E)
(Incorporated in the Republic of Singapore)

PROXY FORM

IMPORTANT

1. The Annual General Meeting ("**AGM**" or the "**Meeting**") of Golden Energy and Resources Limited is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of the Notice of AGM, Proxy Form, the Summary Independent Qualified Person's Reports, Appendix in relation to the Proposed Renewal of the Sinar Mas IPT Mandate and Annual Report for the financial year ended 31 December 2020 ("**Annual Report FY2020**") ("**Documents**") will **NOT** be sent to members of the Company. Instead, the Documents will be sent to members by electronic means via publication on our corporate website at the URL: http://investor.gear.com.sg/ar.html and on the SGX website at the URL: https://www.sgx.com/securities/company-announcements.
2. Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of AGM in advance of the Meeting, addressing of substantial and relevant questions at the AGM and voting by appointing the Chairman of the Meeting as proxy at the AGM, are set out in accompanying Company's announcement dated 14 April 2021 in relation to the Conduct and Proceedings of the Company's AGM on Thursday, 29 April 2021 at 4.30 p.m. This announcement may be accessed at the Company's website at http://investor.gear.com.sg/ar.html and will also be made available at the SGX website at https://www.sgx.com/securities/company-announcements.
3. To minimise physical interactions and COVID-19 transmission risks, a member will **NOT** be able to attend the AGM in person. A member (whether individual or corporate) **MUST** appoint the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM. A copy of the Proxy Form for the AGM may also be accessed at the Company's website at http://investor.gear.com.sg/ar.html, and on the SGX website at https://www.sgx.com/securities/company-announcements.
4. This Proxy Form is not valid for use by such CPF or SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF or SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 19 April 2021.
5. By submitting this Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 14 April 2021.
6. **Please read the notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the AGM as a member's proxy to attend, speak and vote on his/her/its behalf at the AGM.**

*I/We ______________________ (Name) NRIC/Passport/Co. Reg. No. ______________

of ____ (Address)

being a *member/members of **GOLDEN ENERGY AND RESOURCES LIMITED** (the "**Company**") hereby appoint the **Chairman of the Annual General Meeting** as *my/our proxy to attend, speak and vote or abstain for *me/us on *my/our behalf at the Annual General Meeting ("**AGM**") of the Company to be convened and held by way of electronic means on Thursday, 29 April 2021 at 4.30 p.m. and at any adjournment thereof in the following manner:

*(Please indicate with an "✓" in the spaces provided whether you wish your vote(s) to be cast for or against or abstain from voting on the Resolutions as set out in the Notice of AGM. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the appointment of the Chairman of AGM as *my/our proxy will be treated as invalid)*

No.	Ordinary Resolutions	For**	Against**	Abstain**
	Ordinary Business			
1.	Adoption of Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2020 together with the Independent Auditor's Report thereon			
2.	Re-election of Mr. Dwi Prasetyo Suseno as a Director			
3.	Re-election of Mr. Lim Yu Neng Paul as a Director			
4.	Re-election of Mr. Mark Zhou You Chuan as a Director			
5.	Approval of Directors' fees amounting to S$348,000.00 for the year ending 31 December 2021			
6.	Re-appointment of Ernst & Young LLP as Auditors			
	Special Business			
7.	Authority to issue new shares			
8.	Proposed renewal of the Sinar Mas IPT Mandate for Interested Person Transactions			
9.	Approval for the continued appointment of Mr. Lim Yu Neng Paul, as an Independent Director, for purposes of Rule 210(5)(d)(iii)(A) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022)			
10.	Approval for the continued appointment of Mr. Lim Yu Neng Paul, as an Independent Director, for purposes of Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022)			

* Delete where inapplicable

** If you wish to exercise all your votes "**For**" or "**Against**", please tick (✓) in the "**For**" or "**Against**" box. Alternatively, please indicate the number of votes "**For**" or "**Against**" as appropriate in each resolution. If you wish to "**Abstain**" from voting on a resolution, please tick (✓) in the "**Abstain**" box. Alternatively, please indicate the number of shares which you wish to abstain from voting.

Dated this ________ day of ______________ 2021.

	Total number of Shares in:
(a) CDP Register	
(b) Register of Members	

____

Signature of Shareholder(s)
or, Common Seal of Corporate Shareholder

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing the chairman as proxy shall be deemed to relate to all the shares held by you.

2. To minimise physical interactions and COVID-19 transmission risks, a member will **NOT** be able to attend the AGM in person. A member (whether individual or corporate) **MUST** appoint the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/ her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM. The accompanying Proxy Form may be accessed at the Company's website at the URL: http://investor.gear.com.sg/ar.html and will also be made available at URL: https://complete-corp.com/gear-agm/ and on the SGX website at the URL: https://www.sgx.com/securities/company- announcements.

   Persons who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act, Cap. 50) should contact their relevant intermediaries through which they hold such shares as soon as possible in order for the necessary arrangements to be made for their participation in the AGM. CPF or SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 19 April 2021.

3. The Chairman of the AGM, as proxy, need not be a member of the Company.

4. The instrument appointing the Chairman of the AGM as proxy must be submitted in the following manner:

   a. if submitted by post, be deposited at the office of the Company's appointed polling agent, Complete Corporate Services Pte. Ltd. ("**CCS**"), at 10 Anson Road #29-07 International Plaza, Singapore 079903; or

   b. if submitted electronically, via email to CCS at gear-agm@complete-corp.com.

   in either case, by 4.30 p.m. on 26 April 2021 (being not less than seventy-two (72) hours before the time appointed for holding the AGM).

   A member who wishes to submit an instrument of proxy by using abovementioned (4)(a) or (4)(b) must first download, print, complete and sign the Proxy Form, before scanning and submitting it to the email address or posting to the office address provided above.

   To minimise physical interactions and COVID-19 transmission risks, Shareholders of the Company are strongly encouraged to submit completed proxy forms electronically via email.

5. The instrument appointing the Chairman of the AGM as proxy must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing the Chairman of the AGM as proxy is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where an instrument appointing the Chairman of the AGM as proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

6. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act (Chapter 50) of Singapore.

7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy

By submitting an instrument appointing the Chairman of the meeting as a proxy to vote at the Meeting and/or any adjournment thereof, a member of the Company accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 14 April 2021.

golden energy and resources

GOLDEN ENERGY AND RESOURCES LIMITED

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