

**GOLDEN ENERGY AND RESOURCES LIMITED**  
(Incorporated in the Republic of Singapore)  
Company Registration Number: 199508589E  
(the “**Company**”)

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**PROPOSED PLACEMENT OF UP TO 285,000,000 ORDINARY SHARES IN THE CAPITAL OF  
THE COMPANY FOR THE PURPOSE OF RAISING ADDITIONAL FUNDS**

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**1. INTRODUCTION**

The board of directors of the Company (the “**Board**”) wishes to announce that the Company has on 25 February 2022 entered into a placement agreement (“**Placement Agreement**”) with KGI Securities (Singapore) Pte. Ltd. as the placement agent (“**Placement Agent**”).

Pursuant to the Placement Agreement, the Company has agreed to offer, by way of placement, and the Placement Agent has agreed to procure subscriptions on a best endeavours basis for up to an aggregate of 285,000,000 new ordinary shares in the capital of the Company (the “**Placement Shares**”) at an issue price of S\$0.305 for each Placement Share (“**Placement Price**”) (the “**Proposed Placement**”) amounting to an aggregate consideration of approximately S\$86,925,000.

The Proposed Placement will not be underwritten by the Placement Agent. The Proposed Placement will be undertaken by way of an exempt offering in Singapore in accordance with Section 272B(1), 274 and/or 275 of the Securities and Futures Act 2001, Rev Ed 2020 (“**SFA**”). Accordingly, no prospectus or offer information statement will be issued by the Company in connection with the Proposed Placement

**2. THE PROPOSED PLACEMENT**

**2.1 The Placement Price**

The Placement Price represents a discount of approximately 4.7% to the volume weighted average price of S\$0.3199 per ordinary share in the capital of the Company (“**Share**”) for trades done on the Mainboard of the Official List of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the full market day on 25 February 2022, being the last full market on which the Placement Agreement was signed.

The discount of approximately 4.7% is within the 10% discount limit as stated in Rule 811(1) of the Listing Manual of the SGX-ST (“**Listing Manual**”).

**2.2 The Placement Shares**

As at the date of this Announcement, the Company has in aggregate 2,353,100,380 issued Shares. The Company has no treasury shares, existing warrants or other convertible securities.

Assuming that the Proposed Placement is fully subscribed, the allotment and issue of the Placement Shares will increase the total number of the Company’s issued Shares to 2,638,100,380 Shares. The Placement Shares will represent approximately:

- (a) 12.1% of the issued and paid-up share capital of the Company as at the date of this Announcement comprising 2,353,100,380 Shares; and
- (b) 10.8% of the enlarged issued and paid-up share capital of the Company immediately following completion of the allotment and issuance of the Placement Shares pursuant to the Proposed Placement (“**Completion**”) comprising 2,638,100,380 Shares.

The Placement Shares will be issued free from all claims, pledges, mortgages, charges, liens and encumbrances and will rank in all respects pari passu with the then existing issued Shares at the time of the issue, except that the Placement Shares will not be entitled to any dividends,

rights, allotments or other distributions for which the record date falls on or before the date of the issue of the Placement Shares.

## 2.3 Placees

The Placement Shares will not be placed to an interested person as defined in Chapter 9 of the Listing Manual or any of the persons in the categories set out in Rule 812(1) of the Listing Manual unless such subscription is otherwise agreed to by the SGX-ST.

The allotment and issuance of the Placement Shares will not result in the transfer of a “controlling interest” which would require specific shareholders’ approval pursuant to Rule 803 of the Listing Manual. The number of Placement Shares to be placed to any end-peece is not expected to result in the end-peece becoming a substantial shareholder of the Company (“**Substantial Shareholder**”). In the event that any end-peece becomes a Substantial Shareholder as a result of the Proposed Placement, a further announcement will be released in accordance with the applicable rules and guidelines of the SGX-ST.

## 2.4 Authority to Issue the Placement Shares

The Company will issue the Placement Shares pursuant to the general mandate (“**General Mandate**”) approved by shareholders of the Company (“**Shareholders**”) by way of an ordinary resolution at the annual general meeting of the Company held on 29 April 2021 (“**AGM**”). The General Mandate authorises the directors of the Company (“**Directors**”) to, *inter alia*, issue Shares at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit, provided that, among other things, the aggregate number of Shares to be issued shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) as at the date of the AGM, of which the aggregate number of Shares to be issued other than on a *pro rata* basis to the existing Shareholders must not exceed 20% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) as at the date of the AGM, 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 the resolution approving the General Mandate; and (c) any subsequent bonus issue, consolidation or subdivision of Shares.

As at the date of the AGM, the number of issued Shares was 2,353,100,380 Shares, and accordingly, the maximum number of new Shares that may be issued other than on a *pro rata* basis pursuant to the General Mandate is 470,620,076 Shares. As at the date of this Announcement, the maximum number of new Shares that may be issued other than on a *pro rata* basis pursuant to the General Mandate is 470,620,076 Shares.

## 2.5 Additional Listing Application

The Company will be applying to the SGX-ST for the dealing in, listing of and quotation for the Placement Shares on the Mainboard of the Official List of the SGX-ST (“**Additional Listing Application**”), and will make the necessary announcement upon receipt of the listing and quotation notice from the SGX-ST.

## 3. SALIENT TERMS OF THE PLACEMENT AGREEMENT

### 3.1 Placement Commission

Pursuant to the Placement Agreement, in consideration for the Placement Agent procuring subscribers on a best endeavours basis for the Placement Shares, the Company shall pay to the Placement Agent a placement commission equal to 0.375% of the Placement Price for each Placement Share which the Placement Agent has procured subscribers for as at the Completion Date (as defined below) (such Placement Share, a “**Placed Share**”). No part of the placement commission will be shared with or payable to any placee.

### 3.2 Completion of the Proposed Placement

Subject to the terms and conditions of the Placement Agreement, Completion shall take place:

- (a) no later than three market days after (i) the date on which the SGX-ST grants its in-principle approval for the listing and quotation of the Placement Shares on the Mainboard of the Official List of the SGX-ST (such date, the “**Listing Approval Date**”), or (ii) where in-principle approval for the listing and quotation of the Placement Shares is only obtained after 11.00 a.m., the first market day after the date such in-principle approval is obtained; or
- (b) on such other date as the Company and the Placement Agent may agree,  
(such date, the “**Completion Date**”).

### 3.3 Conditions Precedent

Completion pursuant to the Placement Agreement is conditional upon, *inter alia*, the following conditions:

- (a) in-principle approval for the Additional Listing Application having been obtained from the SGX-ST and not having been revoked or amended, and where such approval is subject to conditions and to the extent that any such conditions for the listing and quotation of the Placement Shares on the SGX-ST are required to be fulfilled on or before Completion Date, they are so fulfilled unless otherwise waived by the SGX-ST;
- (b) the exemption under Sections 272B(1), 274 and/or 275 (as applicable) of the SFA being applicable to the Placement under the Placement Agreement;
- (c) the allotment, issue and subscription of the Placement Shares not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Placement Agreement by any legislative, executive or regulatory body or authority of Singapore which is applicable to the Company or the Placement Agent;
- (d) since the date of the Placement Agreement, there not having occurred, in the reasonable opinion of the Placement Agent, any material adverse change, or any development reasonably likely to involve a prospective material adverse change, whether or not arising from transactions in the ordinary course of business, which is or is reasonably likely to be materially adverse in the context of the Proposed Placement or is reasonably likely to prejudice materially the success of the Proposed Placement or dealings in the Placement Shares in the secondary market; and
- (e) the representations and warranties of the Company under the Placement Agreement remaining true and correct in all material respects as at the Completion Date, and the Company having complied with its undertakings under the Placement Agreement and performed all of its obligations thereunder to be performed on or before the Completion Date.

The Placement Agent may, and upon such terms as it thinks fit, waive compliance with any of the conditions precedent set out in the Placement Agreement (“**Conditions**”) and any Condition so waived shall be deemed to have been satisfied provided always that any such waiver as aforesaid shall be without prejudice to its right to elect to treat any further or other breach, failure or event as releasing and discharging it from its obligations under the Placement Agreement.

If any of the Conditions is not satisfied and/or waived (as the case may be) on or before the date falling four weeks after the date of the Placement Agreement (or such other date as the Company and Placement Agent may mutually agree), the Placement Agreement shall terminate and shall be of no further effect and neither the Company nor the Placement Agent shall be under any liability to the other in respect of the Placement Agreement, save that the Company shall remain liable: (i) for any liability that has accrued under the indemnity provided by the Company under the Placement Agreement; and (ii) for the reimbursement of costs and

expenses reasonably incurred by the Placement Agent in respect of the Placement and in accordance with the terms of the Placement Agreement, in each case up to the date of such termination.

#### 4. RATIONALE FOR THE PROPOSED PLACEMENT AND USE OF PROCEEDS

##### 4.1 Rationale

The Company is undertaking the Proposed Placement to raise funds and strengthen its financial and liquidity position. The Proposed Placement will improve the cash flows of the Company to pursue the expansion of its existing core businesses and/or meet its general working capital requirements. The Company hopes to strengthen its balance sheet, capital structure and enhance the Group's financial flexibility through the Proposed Placement.

##### 4.2 Use of Proceeds

Assuming the Proposed Placement is fully subscribed, the net proceeds from the Proposed Placement (after deducting estimated commission, costs and expenses of approximately S\$500,000<sup>(1)</sup>) will be approximately S\$86.4 million (equivalent to US\$63.9 million<sup>(2)</sup>) (the "**Net Proceeds**"), and will be used for expansions of its existing core businesses, potential business investments and/or acquisitions, and general working capital purposes, in the following estimated proportions:

Proposed use of Net Proceeds	Estimated Amount Allocated (\$m)	Amount Allocated as a Percentage of Net Proceeds (%)
Expansions of its existing core businesses, potential business investments and/or acquisitions (including through investments in subsidiaries and associated companies)	32.6 to 54.1	38% to 63%
General working capital purposes (including meeting general overheads, operating expenses and debt servicing (including but not limited to interest payments and principal repayments on Company's outstanding debt facilities))	53.8 to 32.3	62% to 37%

**Notes:**

- (1) Assuming: (i) a placement commission equal to 0.375% of the Placement Price for each Placed Share and that the Proposed Placement is fully subscribed, such that the aggregate commission payable to the Placement Agent is S\$325,968.75; and (ii) professional fees, additional listing fees and other expenses of approximately S\$165,276. In the event that the actual commission, costs and expenses is lower, the difference will be used for working capital purposes.
- (2) Converted based on an exchange rate of US\$1: S\$1.3522 as of 25 February 2022 (Source: MAS).

Pending the specific deployment of the Net Proceeds for the purposes mentioned above, the Net Proceeds may be placed as deposits with financial institutions, added to the working capital, or used for investment in short-term money market instruments or for any other purpose of a short-term basis as may be determined by the Board in its absolute discretion.

Pursuant to Rule 704(30) and Rule 1207(20) of the Listing Manual, the Company will make periodic announcements on the utilisation of the Net Proceeds as and when such funds are materially disbursed and whether such use is in accordance with the stated use and in accordance with the percentage allocated in this Announcement. Where the Net Proceeds are to be used for working capital purposes, the Company will provide a breakdown with specific details on how such proceeds have been applied in its announcement(s) and annual report(s). Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation.

## 5. SHARE CAPITAL AND FINANCIAL EFFECTS

### 5.1 Illustrative Nature of Financial Effects

The pro forma financial effects of the Proposed Placement are presented solely for illustrative purposes and are not intended to be indicative or reflective of the actual future financial situation of the Company and the Group after the completion of the Proposed Placement.

The financial effects of the Proposed Placement on the Company's share capital, net tangible assets ("NTA") per Share and earnings per Share ("EPS") of the Group have been prepared based on the Group's unaudited consolidated financial statements for the financial year ended 31 December 2021 ("FY2021"), and on the basis of the following assumptions:

- (a) that the Proposed Placement is fully subscribed;
- (b) a placement commission equal to 0.375% of the Placement Price for each Placed Share is payable to the Proposed Placement, and accordingly, the aggregate commission payable to the Placement Agent is S\$325,968.75;
- (c) in addition to the placement commission payable to the Placement Agent, the professional fees, additional listing fees and other expenses to be incurred in connection with the Proposed Placement is approximately S\$165,276;
- (d) the Proposed Placement was effected on 31 December 2021 (being the end of the most recently completed FY2021), for the purposes of illustrating the financial effects on the NTA per Share; and
- (e) the Proposed Placement was effected on 1 January 2021 (being the beginning of the most recently completed FY2021), for the purposes of illustrating the financial effects on the EPS.

### 5.2 Share Capital

	Before Proposed Placement	On Completion
Number of Shares (excluding treasury shares and subsidiary holdings)	2,353,100,380	2,638,100,380
Share Capital (US\$'000)	1,230,107	1,294,415 <sup>(1)</sup>

**Notes:**

- (1) Additional share capital from completion of the Proposed Placement is converted based on an exchange rate of US\$1: S\$1.3517 as of 31 December 2021 (Source: MAS).

### 5.3 NTA per Share

Assuming that the Proposed Placement was effected on 31 December 2021 (being the end of the most recently completed FY2021), the effects of the Proposed Placement on the NTA per Share would be as follows:

	Before Proposed Placement	On Completion
NTA of the Group (US\$'000) <sup>(1)</sup>	243,231	307,175
Number of issued Shares	2,353,100,380	2,638,100,380
NTA per Share (US cents) <sup>(1)</sup>	10.34	11.64

**Notes:**

- (1) Converted based on an exchange rate of US\$1: S\$1.3517 as of 31 December 2021 (Source: MAS). The NTA per Share on Completion is higher due to the net proceeds received from the Proposed Placement, amounting to approximately US\$63.9 million.

## 5.4 EPS

Assuming that the Proposed Placement was effected on 1 January 2021 (being the beginning of the most recently completed FY2021), the effects of the Proposed Placement on the EPS would be as follows:

	<b>Before Proposed Placement</b>	<b>On Completion</b>
Earnings attributable to Shareholders (US\$'000) <sup>(1)</sup>	114,323	113,960
Number of issued Shares	2,353,100,380	2,638,100,380
EPS (US cents) <sup>(2)</sup>	4.86	4.32

**Notes:**

- (1) Converted based on an exchange rate of US\$1: S\$1.3517 as of 31 December 2021 (Source: MAS). The earnings attributable to Shareholders on Completion is lower due to placement commission and other professional fees and expenses incurred for the Proposed Placement.
- (2) The EPS on Completion is lower due to increase in number of issued Shares and lower earnings attributable to Shareholders.

## 6. CONFIRMATION BY THE DIRECTORS

The Directors are of the opinion that, after taking into consideration the present bank facilities of the Group, the Net Proceeds, and the internal resources and operating cash flows of the Group, the working capital available to the Group is sufficient to meet its present requirements.

## 7. CONFIRMATIONS BY THE PLACEMENT AGENT

The Placement Agent has confirmed, amongst other things, that:

- (a) each of the end-places will be identified by the Placement Agent, its appointed sub-placement agent(s) (if any) or their respective affiliates and/or associated or related corporations, and/or their respective directors, officers, employees and/or agents;
- (b) the commission payable by the Company to the Placement Agent in respect of the Placement Shares which the Placement Agent has procured subscribers for will not be shared with any of the end-places;
- (c) to the best of the Placement Agent's knowledge and belief, the Placement Shares will not be placed to any person who is a Director or a Substantial Shareholder or any other persons in the categories set out in Rule 812(1) of the Listing Manual unless such subscription is otherwise agreed to by the SGX-ST, or any interested person as defined in Chapter 9 of the Listing Manual;
- (d) in the event the number of Placement Shares placed to the end-places results in any end-places becoming a Substantial Shareholder, the Placement Agent will inform the Company so that the Company can make the necessary announcement(s) in a timely manner;
- (e) to the best of the Placement Agent's knowledge and belief, the end-places will not acquire a controlling interest consequent to the subscription of the Placement Shares (which would otherwise require the Company to obtain specific shareholders' approval pursuant to Rule 803 of the Listing Manual);

- (f) there are no share borrowing arrangements entered into to facilitate the Proposed Placement; and
- (g) each of the end-placees has represented to the Placement Agent that each of them and its directors and substantial shareholders (to the extent applicable) do not have any connections (including any business relationship) with the Company, the Directors and/or the Substantial Shareholders.

## **8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

None of the Directors or Substantial Shareholders, and to the best of the Directors' knowledge, none of their or such Substantial Shareholders' respective associates, has any interest, direct or indirect, in the Proposed Placement (other than through their shareholdings in the Company, if any).

## **9. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Announcement constitutes full and true disclosure of all material facts about the Proposed Placement, and the Company and its subsidiaries which are relevant to the Proposed Placement, and the Directors are not aware of any facts the omission of which would make any statement in this Announcement misleading. Where information in this Announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Announcement in its proper form and context.

## **10. DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of the Placement Agreement is available for inspection during normal business hours at the registered office of the Company at 20 Cecil Street, #05-05, PLUS, Singapore 049705, for a period of three months commencing from the date of this Announcement.

Due to the mandatory safe distancing measures issued by the Singapore Ministry of Health in relation to the COVID-19 pandemic, please contact the Company at victor.lai@citadelcorppl.com prior to making any visits to arrange for a suitable time slot for the inspection.

## **11. CAUTIONARY STATEMENT**

Shareholders and potential investors of the Company are advised to exercise caution when dealing or in trading their Shares. The Proposed Placement is subject to certain conditions, and as at the date of this Announcement, there is no certainty or assurance that the Proposed Placement will be completed or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments. Shareholders and potential investors of the Company are advised to read this Announcement and any further announcements by the Company carefully. Where in any doubt as to the action they should take, Shareholders and potential investors of the Company should consult their stockbrokers, bank managers, financial, tax, legal or other professional advisors.

## **12. FURTHER ANNOUNCEMENTS**

The Company will continue to keep Shareholders updated and release further announcements as may be necessary and/or appropriate in relation to the Proposed Placement.

**BY ORDER OF THE BOARD  
GOLDEN ENERGY AND RESOURCES LIMITED**

Victor Lai  
Company Secretary  
25 February 2022

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**IMPORTANT NOTICE**

- (1) **Notification under Section 309B of the SFA:** The Placement Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).
- (2) This Announcement does not constitute or form part of any offer, or invitation, to subscribe for or to sell, or solicitation of any offer to subscribe for or to purchase securities of the Company, nor is it calculated to invite, nor does it permit the making of, offers by the public to subscribe for or purchase for cash or other consideration securities of the Company. Restrictions have been imposed on offers and sales of the Placement Shares and on distributions of documents relating thereto in Singapore and Indonesia.

***Singapore***

The Placement Shares are being offered or sold in Singapore without a prospectus or offer information statement on the basis of the exemption set out in Sections 272B(1), 274 and/or 275 (as applicable) of the SFA, and the offer is therefore subject to the Placement Shares being uniform in all respects with shares in the Company previously issued and listed for quotation on the SGX-ST.

***Indonesia***

No prospectus or offer information statement has been or will be registered with the Financial Services Authority (Otoritas Jasa Keuangan or OJK) in connection with the Proposed Placement.

The Placement Shares may not be offered or sold in Indonesia or to Indonesian citizens wherever they are domiciled, or to Indonesian residents, in a manner which constitutes a public offering under the laws and regulations of Indonesia, except through a private placement in Indonesia; provided that: (i) the Placement Shares are not being offered within the territory of the Republic of Indonesia or to Indonesian citizens through the public/mass media; and (ii) the Placement Shares are not being offered to more than 100 persons (including persons in Indonesia regardless of citizenship, and Indonesian citizens outside Indonesia) and/or sold to more than 50 persons (including persons in Indonesia regardless of citizenship, and Indonesian citizens outside Indonesia).

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