golden energy and resources

UNLOCKING POTENTIAL

ANNUAL REPORT 2022

CONTENTS

Stanmore's wildlife

VISION

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

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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

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 Resources 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.

GEMS

Ownership
62.5%

Coal Reserves over
993 m tonnes

Owns the right to mine more than
2.9 b tonnes

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

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

STANMORE

Ownership
64.01%

Coal Reserves (Marketable)
294 m tonnes

Coal Resources
4.1 b tonnes

7 Development mines
4 Operating projects

Coal Processing Facilities up to
21.6 mtpa

RAVENSWOOD

Ownership
50%

Gold Resources
4.9 m ounces

Gold Reserves
2.5 m ounces

Gold Processing Facilities up to 5.0 mtpa

2022 MILESTONES

NOV 22

COMPLETION OF EXCHANGE OFFER OF EXISTING US$375M NOTES DUE 2026

New 8.5% Senior Secured Notes of US$346.308M due 2027

OCT 22

COMPLETION OF STANMORE'S ACQUISITION OF REMAINING 20% INTEREST IN SMC FROM MITSUI

SMC is now a wholly-owned subsidiary of Stanmore

AUG 22

EXECUTED DEFINITIVE SHARE SALE AGREEMENT TO ACQUIRE 20% IN SMC

For Stanmore to acquire remaining 20% interest in SMC held by Mitsui & Co. (Australia) Ltd and Mitsui & Co., Ltd (together, “Mitsui”)

MAY 22

COMPLETION OF STANMORE'S ACQUISITION OF 80% INTEREST IN BHP MITSUI COAL PTY LTD

(now known as Stanmore SMC Pty Ltd (“SMC”))

MAR 22

BOND RETAP OF US$90M IN ADDITION TO EXISTING US$285M

8.5% Senior Secured Notes due 2026

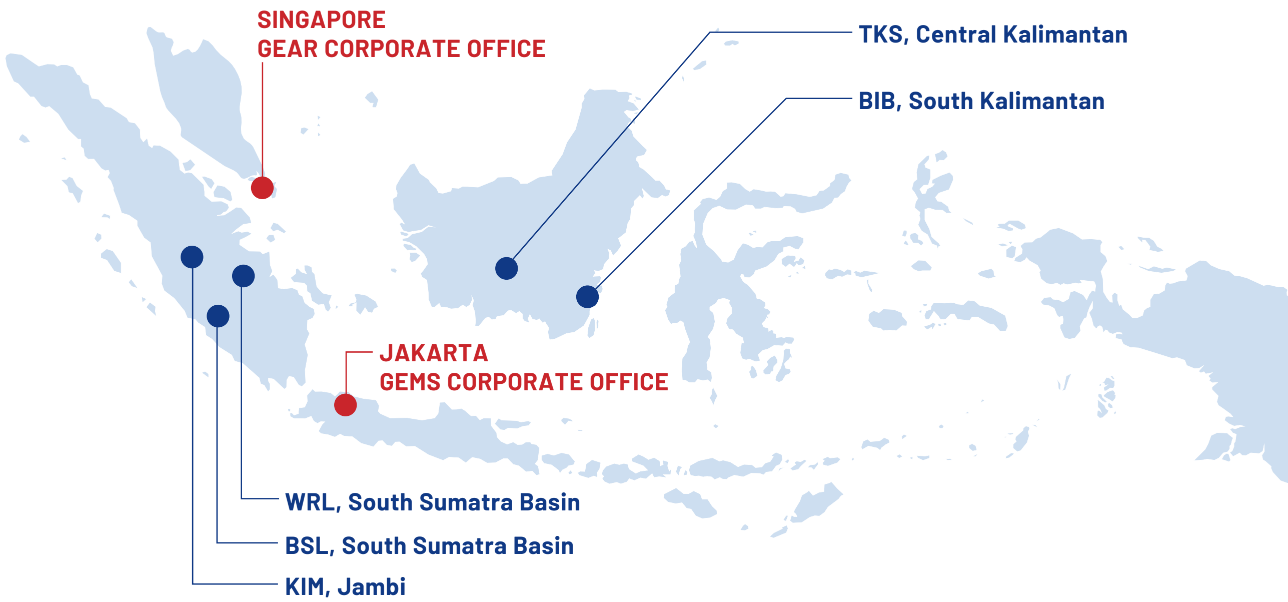
MAR 22

RAISED EQUITY NET PROCEEDS OF S$86.4M

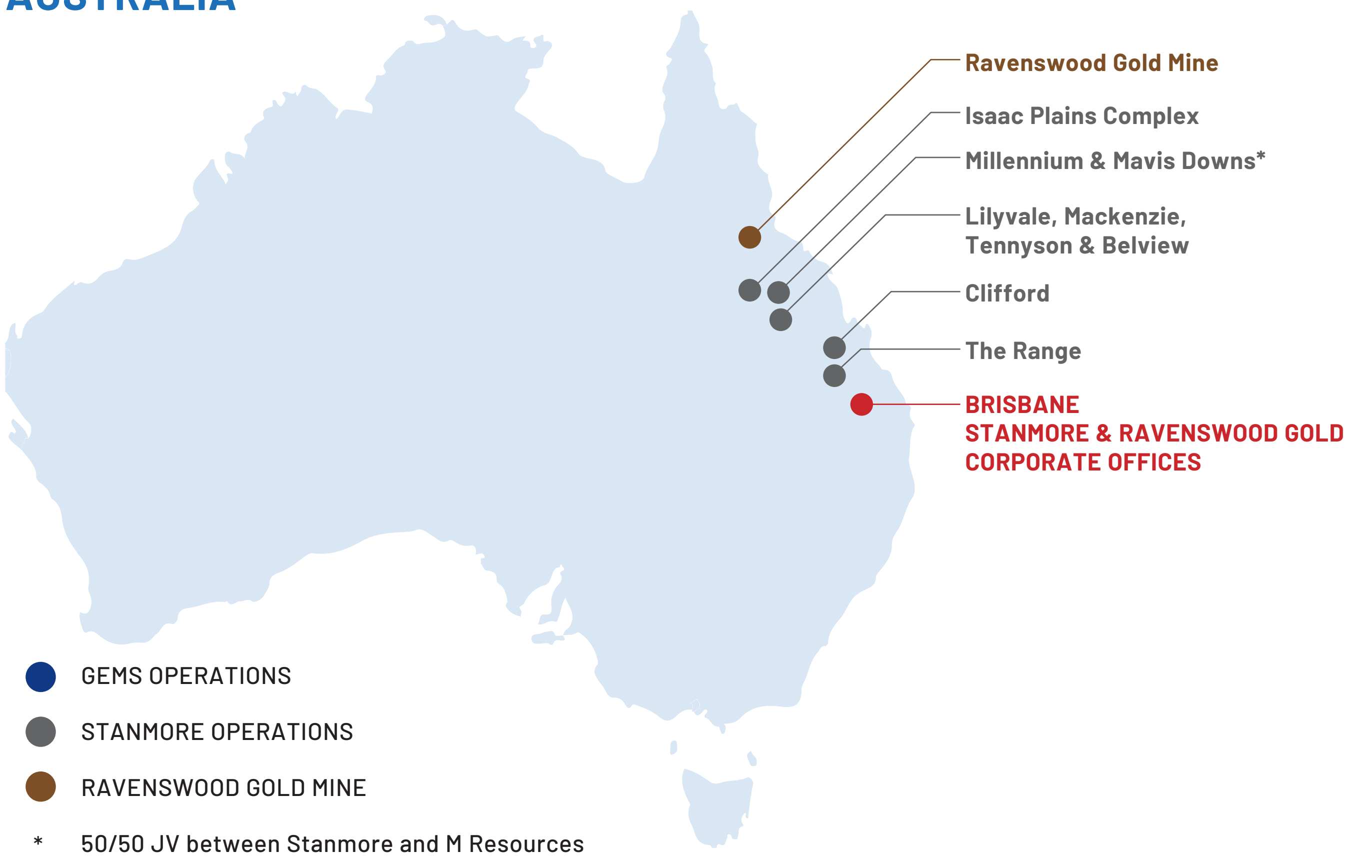
With placement of 285 million new ordinary shares at S$0.305 each

OUR AREAS OF OPERATIONS

INDONESIA & SINGAPORE



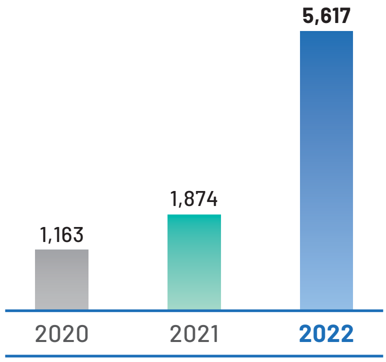
AUSTRALIA



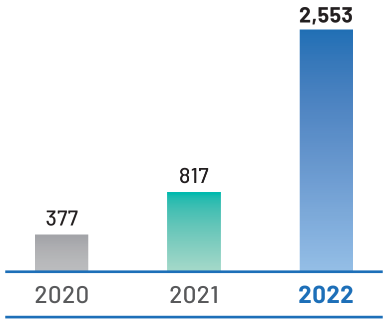
ASSETS OF STANMORE

FINANCIAL HIGHLIGHTS

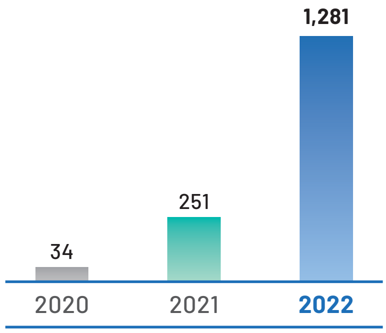
CONSOLIDATED INCOME STATEMENT (US$M)



REVENUE

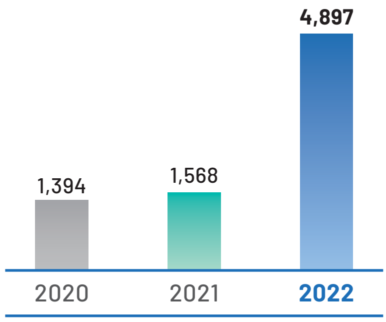


GROSS PROFIT

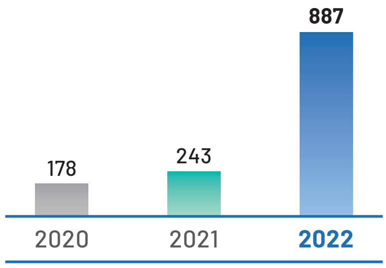


NET PROFIT AFTER TAX

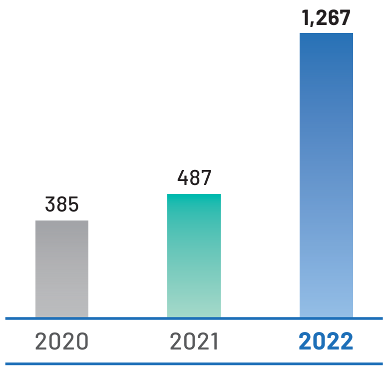
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (US$M)



TOTAL ASSETS

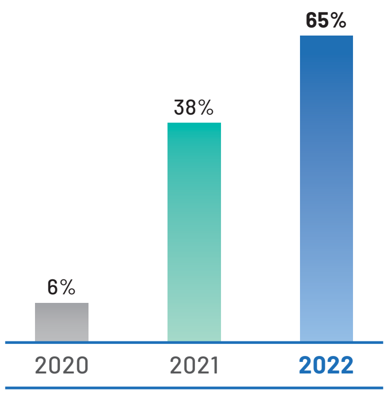


NET TANGIBLE ASSETS

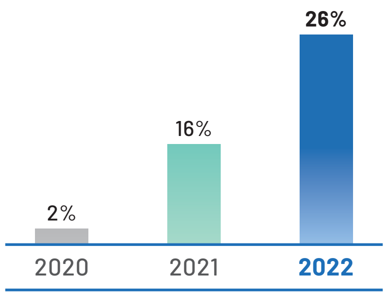


EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY

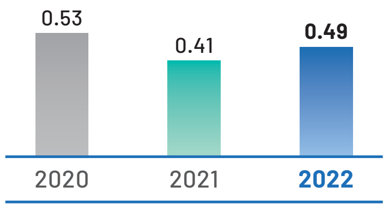
RATIOS



RETURN ON EQUITY[1]



RETURN ON ASSETS[2]

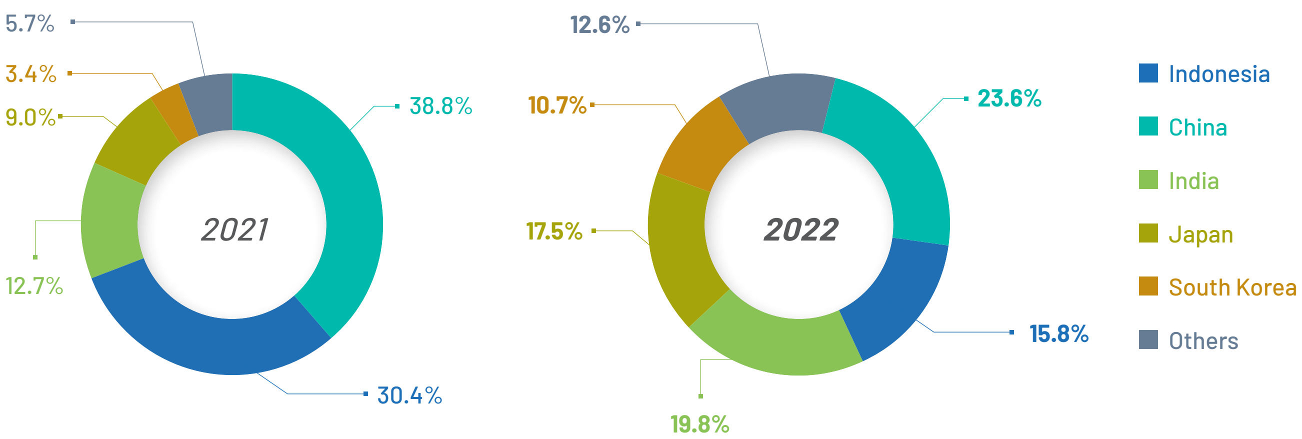


GEARING[3] (TIMES)

Notes:
(1) Return on equity = net profit after tax / total equity
(2) Return on assets = net profit after tax / total assets
(3) 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)

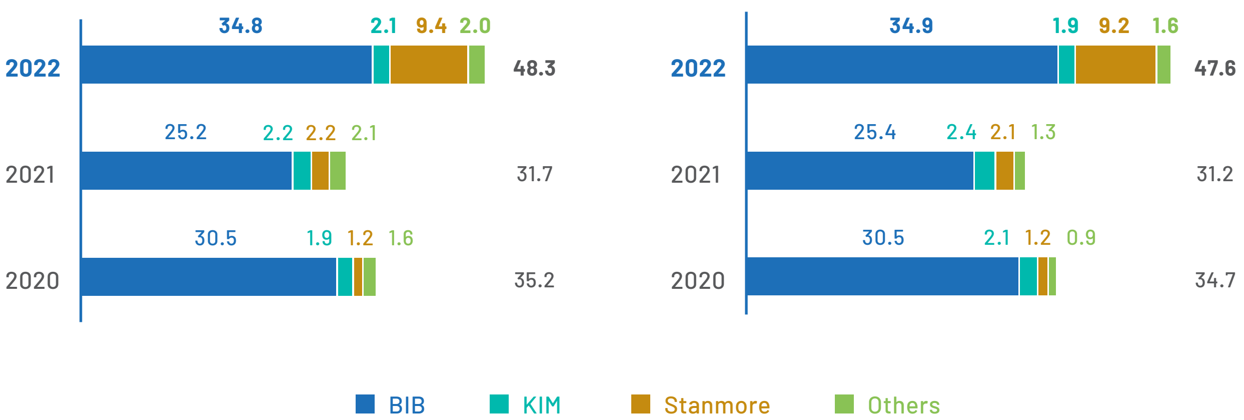
FINANCIAL HIGHLIGHTS

REVENUE MIX GEOGRAPHICAL SEGMENT

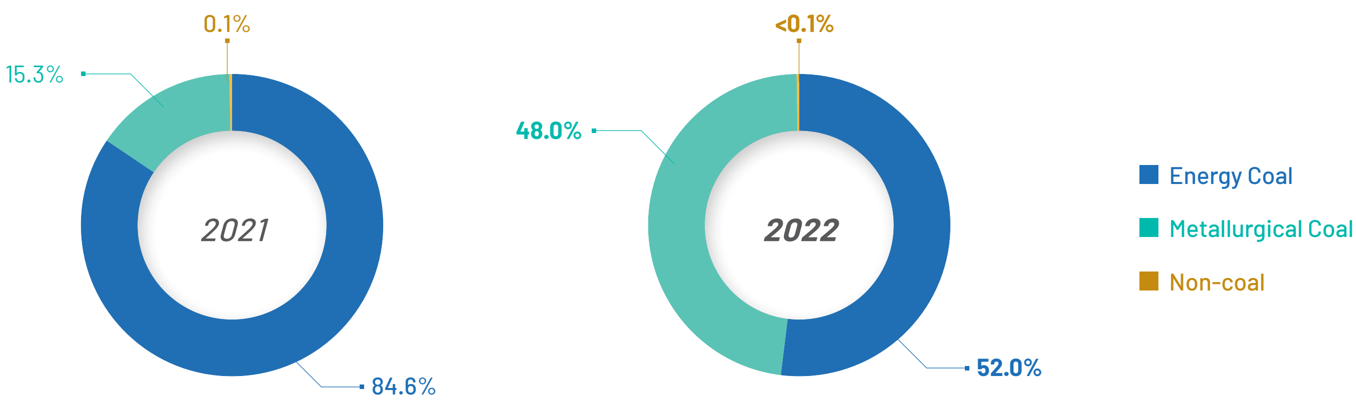


SALES VOLUME (MILLION TONNES)

PRODUCTION VOLUME (MILLION TONNES)



REVENUE MIX BUSINESS SEGMENT



CHAIRMAN'S MESSAGE

Dear Shareholders

FY2022 was an eventful year for Golden Energy and Resources Limited (the "Company" or "GEAR" and together with its subsidiaries, the "Group"). The Group was able to navigate through the ongoing economic and political uncertainty driven by inflationary pressures, supply chain disruptions, and geo-political tensions. Higher turnover in both Energy Coal and Metallurgical Coal segments lifted the Group's total revenue to US$5.6 billion in the financial year ended 31 December 2022 ("FY2022"), driven by high coal prices and sales volume in the year. As the Chairman, it is my pleasure to present the Company's annual report for FY2022.

CORPORATE DEVELOPMENTS

In 2022, GEAR's subsidiary, Stanmore Resources Limited ("Stanmore"), completed its acquisition of 100% of Stanmore SMC Pty Ltd ("SMC") (formerly known as BHP Mitsui Coal Pty Ltd). The acquisition was by way of initially aquiring 80% of SMC in May 2022 from the BHP Group for a total consideration of up to US$1,350 million and subsequently, in October 2022, the remaining 20% of SMC was acquired from Mitusi for US$380 million. This acquisition is expected to complement the Group's current metallurgical coal operations in Australia.

November 2022 also marked the successful completion of our Bond Exchange Offer to exchange our US$375,000,000 Senior Secured Notes due in 2026 with US$346,308,000 Senior Secured Notes due in 2027. All the conditions of the exchange offer were fulfilled in a timely manner.

PROPOSED TRANSACTIONS

On 10 October 2022, GEAR released a holding announcement informing that it is in discussions with certain shareholders regarding a possible acquisition of the Company. This was followed by an announcement on 9 November 2022 of the Proposed Distribution In-Specie of shares held by GEAR in its Indonesian energy coal subsidiary PT Golden Energy Mines Tbk to GEAR shareholders ("Proposed Distribution"), as well as the Proposed Delisting and Exit Offer of GEAR (collectively, the "Proposed Transactions"). On 18 March 2023, GEAR and the Offeror (being, Duchess Avenue Pte. Ltd.) jointly announced a revision to the terms of the Proposed Transactions. Shareholders are advised to read the aforesaid announcements for further details.

As at the date of this annual report, the Proposed Transactions have yet to be completed, and the Company will provide updates to Shareholders when there are material developments.

CHAIRMAN'S MESSAGE

SUSTAINABLE DEVELOPMENT

In a step forward towards improving its sustainability efforts, GEAR established a Sustainability Committee ("SC") in June 2022. Chaired by our Independent Director, Ms. Noormaya Muchlis, who is highly experienced in this area, the SC shall assist the Board in the formulation of the Group's sustainability strategy and assist with all ESG matters. Our goal is to integrate sustainable development in all aspects of our operations and business strategy. In line with this, all our directors attended the requisite courses on sustainability in 2022 in order to be able to contribute strategically in this aspect.

ACKNOWLEDGEMENTS

On behalf of the Board, I would like to thank the late Mr Djuangga Mangasi Mangunsong, who sadly passed away on 23 January 2023, for his invaluable contribution as an Independent Director of the Company since 2018. I would like to extend my sincere appreciation to our Board and the management team for their leadership, resilience and adaptability. Additionally, I am grateful to our valued shareholders, business partners, our staff and all other stakeholders for their unconditional faith in our business and its ability to generate value. We look forward to your continued support and cooperation.

Fuganto Widjaja
Executive Chairman

CEO & DIRECTOR'S MESSAGE

Dear Shareholders

It is our pleasure to present the operational and financial highlights of the Company and the Group for FY2022. This was a year characterised by rising geopolitical tensions, economic uncertainty, and a hawkish monetary policy by the Federal Reserve amidst high inflationary pressures. These hampered the push for economic recovery post the pandemic. Notwithstanding these challenges, the team showcased resilience and adaptability as the Group reported a strong financial performance for FY2022.

We also continue to look for avenues to expand our business operations to improve our earnings sustainability as well as reduce reliance on energy coal.

FINANCIAL PERFORMANCE

In FY2022, the Group recorded a revenue of US$5.6 billion, as compared to US$1.9 billion in FY2021. The increase was mainly attributable to the consolidation of the results of Stanmore SMC Pty Ltd ("SMC") as well as an increase in the average selling prices ("ASP") and sales volumes across both the Energy and Metallurgical Coal segments in FY2022. The ASP of coal are materially influenced by factors discussed below on the outlook for energy and metallurgical coal.

In line with the increase in revenue, the Group recorded gross profit of US$2.6 billion in FY2022 (FY2021: US$817.1 million) and net profit attributable to shareholders of US$711.6 million in FY2022 (FY2021: US$114.3 million).

The Group's financial position as of 31 December 2022 remained resilient with healthy cash and cash equivalents position (on consolidated basis) of US$972.8 million. The Group's total loans and borrowings increased to US$1,336.1 million as at 31 December 2022 (31 December 2021: US$409.4 million), mainly due to the acquisition finance facility for the SMC acquisition and the consolidation of SMC's results in the year. Gearing ratio also increased to 0.49 times as at 31 December 2022 (31 December 2021: 0.41 times). The Group also successfully completed its Bond Exchange Offer to exchange our US$375,000,000 Senior Secured Notes due in 2026 with US$346,308,000 Senior Secured Notes due in 2027.

CEO & DIRECTOR'S MESSAGE

ENERGY COAL

Revenue from the Energy Coal segment increased by 84.1% year-on-year ("yoy") to US$2.9 billion in FY2022, as compared to US$1.6 billion in FY2021. The increase was mainly driven by a 39.7% yoy increase in the ASP of energy coal to US$75.1 per metric tonne ("mt") in FY2022 (FY2021: US$53.8/mt), coupled with an increase in sales volume from 29.5 million tonnes ("Mt") in FY2021 to 38.9Mt in FY2022. The Group benefited from higher average Indonesia Coal Index 4 ("ICI4") in FY2022 of US$85.6/mt, as compared to US$65.3/mt in the previous year.

Production volume in the Energy Coal segment increased to 38.4Mt in FY2022, from 29.1Mt in FY2021. Cash cost for the segment also increased to US$33.1/mt in FY2022, as compared to US$26.9/mt in FY2021, mainly due to certain costs linked to movement in ICI4 Index and higher royalty following higher ASP realised. The Group remains committed to keeping production costs low going forward.

METALLURGICAL COAL

To reduce reliance on the Energy Coal segment, the Group has been investing in its Metallurgical Coal segment which was underpinned by the acquisition of Stanmore since 2018. In FY2022, Stanmore completed its acquisition of 100% of SMC (formerly known as BHP Mitsui Coal Pty Ltd).

In FY2022, revenue of the Metallurgical Coal segment increased to US$2.7 billion, from US$286.6 million in FY2021. This was mainly due to an increase in ASP of 121.5% yoy, to US$290.0/mt in FY2022 (FY2021: US$131.0/mt), and an increase in sales volume to 9.3Mt (FY2021: 2.2Mt).

The metallurgical coal market saw favourable pricing on average through the year with some volatility due to economic uncertainty as well as geopolitical and supply chain disruptions. The average Platts Premium Low Vol ("PLV") index price increased to US$364.7/mt in FY2022 (FY2021: US$224.0/mt). Production volume in the Metallurgical Coal segment increased from 2.1Mt in FY2021 to 9.2Mt in FY2022, largely due to the inclusion of SMC's results since May 2022.

REVENUE BREAKDOWN BY SEGMENT FY2022

Energy Coal
52%

Metallurgical Coal
48%

Non-Coal Business
<0.1%

In 2022, the Queensland Government in Australia announced significant changes to the coal royalty regime, making the royalties paid by coal producers in Queensland the highest in the world. While gross profit from the Metallurgical Coal segment increased from US$49.8 million in FY2021 to US$1.2 billion in FY2022, these regimes which came into effect from 1 July 2022 had impacted the Group's profitability for the second half of FY2022, and the impact from these regimes is expected to continue into 2023.

OUTLOOK FOR ENERGY COAL

Price premiums for benchmark energy coal have fallen amid lower-than-expected demand in many regions and adequate inventory levels. In Europe, demand for coal was weaker than originally anticipated, resulting in a convergence in coal prices. Indonesian 4,200 kcal/kg GAR ("ICI4") price is expected to decline to an average of US$68.0 per tonne in 2023 compared to an average of US$85.9 per tonne in 2022.[1] As of 24 March 2023, the ICI4 was US$74.55/mt.[2]

[1] Source: Argus Seaborne Coal Outlook: 16 February 2023
[2] Source: Argus Indonesian Coal Index Report: 24 March 2023

CEO & DIRECTOR'S MESSAGE

While Chinese imports have not shown the anticipated levels of recovery post the recent lifting of COVID-related restrictions, it may recover gradually over FY2023[3] as the Government pushes for recovery in its economic growth momentum.

The current demand is being partially supported by steady supply from Indonesia and Australia as exports remain strong despite wet weather conditions.[3] Expected dissipation of earlier supply disruptions of Australian coal, softer consumption and adequate stocks will likely keep the pressure on pricing of energy coal in the short term[1].

OUTLOOK FOR METALLURGICAL COAL

Metallurgical coal prices recovered partially in the fourth quarter of 2022 ("4Q2022") on the back of stronger demand and constrained supply with the PLV standing at an average of US$278.3/mt for 4Q2022 versus US$249.4/mt for the third quarter of 2022.

While China dominated the metallurgical coal market in Asia due to the shift away from its Zero-COVID policies in December 2022, and the easing of import restriction on Australian coal in January 2023, the impact on demand will depend on the supply and pricing of domestic metallurgical coal, recovery of its domestic construction/real estate sector and the global growth outlook.

Despite near-term recovery, prices will likely be impacted by stronger supply from Australia as the wet season risk passes by the end of the second quarter of 2023, after the supply-driven headwinds witnessed in early 2023.[4]

3 Source: Argus Seaborne Coal Outlook: December 2022
4 Source: McCloskey Metallurgical Coal Market Briefing: January 2023

CEO & DIRECTOR'S MESSAGE

SUSTAINABILITY EFFORTS

GEAR strives for sustainable growth through high safety standards, meaningful community development programmes and environmental rehabilitation. As operators in the mining industry, we are aware of our impact on the environment and the community around us and are committed to mitigating the negatives by integrating sustainability in all our operations.

Our human capital is one of our most precious resources and consequently the health and safety of our employees is imperative to the ongoing success of our operations. We continue to provide regular trainings to our employees as part of our risk management initiative and take the necessary steps to ensure a safe working environment. In 2022, both GEMS' and Stanmore's safety incidence record were better than the industry average.

GOING FORWARD

In line with the Group's diversification strategy, on 9 November 2022, the Company announced the Proposed Transactions, as highlighted in the Chairman's Message. As at the date of this annual report, the Proposed Transactions have yet to be completed and the Company will update shareholders as appropriate when there are material developments to the Proposed Transactions.

APPRECIATION

GEAR's success was built with the hard work, commitment and diligence of our board of directors, management and staff. We would like to take this opportunity to express our gratitude to all parties and stakeholders who have made this possible and look forward to the continued support of all our stakeholders.

Dwi Suseno

Executive Director &
Group Chief Executive Officer

Mark Zhou

Executive Director &
Chief Investment Officer

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 and was re-designated as Executive Chairman of the Company 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 19 years of experience in general management and supervisory responsibilities in the coal industry. Mr. Widjaja was previously a Commissioner of GEMS and is currently a Commissioner of 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.

Present directorships in listed companies (other than the Group), and other principal commitments:
Directorships:
Nil

Other Principal Commitments:
PT Sinar Mas Multiartha Tbk

Past directorships in listed companies (other than the Group), and other principal commitments over the preceding three years (1 Jan 2020 - 31 Dec 2022):
Nil

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 of the Company on 8 February 2021. He is currently a member of the Sustainability 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. Suseno was re-elected to the Board on 29 April 2021.

Mr. Suseno has over 28 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 Resources Limited (listed on the ASX). He has previously been 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 Mainboard of the Singapore Exchange), 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.

Present directorships in listed companies (other than the Group), and other principal commitments:
Nil

Past directorships in listed companies (other than the Group), and other principal commitments over the preceding three years (1 Jan 2020 - 31 Dec 2022):
Directorships:
Malacca Straits Acquisition Company Ltd

Other Principal Commitments:
Nil

BOARD OF DIRECTORS

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 was re-elected to the Board on 29 April 2021.

Mr. Zhou has more than 14 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 Mainboard of the Singapore Exchange. Mr. Zhou's investment banking career was with Canaccord Genuity Singapore Pte. Ltd. (formerly known as Collins Stewart Pte. Limited) 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.

Present directorships in listed companies (other than the Group), and other principal commitments:
Nil

Past directorships in listed companies (other than the Group), and other principal commitments over the preceding three years (1 Jan 2020 - 31 Dec 2022):
Nil

MR. MOCHTAR SUHADI

Executive Director

Mr. Mochtar Suhadi was appointed as an Executive Director of the Company on 20 April 2015. Mr. Suhadi was previously a Non-executive director of the Company from January 2011 to August 2011. 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 2022.

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.

He is currently an Independent Commissioner of PT Aldiracita Sekuritas Indonesia, a Commissioner of PT Mitra Sejahtera Intiutama, PT Jaringan Komunitas Mitra Usaha and PT Ideaku Mitra Sukses Pratama.

Mr. Suhadi graduated with a Bachelor of Science from University of Michigan in 2004.

Present directorships in listed companies (other than the Group), and other principal commitments:
Nil

Past directorships in listed companies (other than the Group), and other principal commitments over the preceding three years (1 Jan 2020 - 31 Dec 2022):
Nil

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 a 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 2021.

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, a company listed on the Mainboard of the Singapore Exchange. 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.

Present directorships in listed companies (other than the Group), and other principal commitments:
Directorships:
China Everbright Water Limited

Other Principal Commitments:
SBI Ven Capital Pte. Ltd.

Past directorships in listed companies (other than the Group), and other principal commitments over the preceding three years (1 Jan 2020 - 31 Dec 2022):
Directorships:
Nippecraft Limited

Other Principal Commitments:
Nil

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. He is presently the Chairman of the Nominating Committee and the Remuneration Committee, and a 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 the Non-executive Chairman of Broadway Industrial Group Limited, a company listed on the Mainboard of the Singapore Exchange.

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.

Present directorships in listed companies (other than the Group), and other principal commitments:
Directorships:
Broadway Industrial Group Limited and 7 of its subsidiaries

Other Principal Commitments:
Nil

Past directorships in listed companies (other than the Group), and other principal commitments over the preceding three years (1 Jan 2020 - 31 Dec 2022):
Directorships:
Sinarmas Land Limited
Golden-Agri Resources Limited
SUTL Enterprise Limited.
Food Empire Holdings Limited

Other Principal Commitments:
Nil

BOARD OF DIRECTORS

MR. IRWANDY ARIF
Independent Director

Mr. Irwandy Arif was appointed as an Independent Non-executive Director of the Company on 20 April 2015. He is presently a member of the Sustainability 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. Arif was re-elected to the Board on 29 April 2022.

Mr. Arif has over 40 years of experience in the mining industry. He is a member of the Audit Committee of GEMS, a Commissioner of PT Bukit Asam Tbk and an Independent Commissioner of PT Indexim Coalindo. He was previously a member of the Audit Committee of PT Toba Bara Sejahtra Tbk, an Independent Commissioner of PT Vale Indonesia Tbk and GEMS, a member of the Audit Committee on the Board of Commissioners of PT Adaro Energy 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.

Present directorships in listed companies (other than the Group), and other principal commitments:
Directorships:
Nil

Other Principal Commitments:
PT Bukit Asam Tbk

Past directorships in listed companies (other than the Group), and other principal commitments over the preceding three years (1 Jan 2020 - 31 Dec 2022):
Directorships:
Nil

Other Principal Commitments:
Bandung Institute of Technology

MS. NOORMAYA MUCHLIS
Independent Director

Ms. Noormaya Muchlis was appointed as an Independent Non-executive Director of the Company on 17 December 2021. She is presently the Chairman of the Sustainability Committee and a member of the Audit Committee of the Company. She does not have any relationships including immediate family relationship with the Directors, the Company or its 5% shareholders as defined in the Code. Ms. Muchlis was re-elected to the Board on 29 April 2022.

Ms. Muchlis is the co-founder and Executive Director of Women in Mining & Energy (WiME) Indonesia and the CEO of Kitong Bisa Consultant. She has been an Environmental & Biodiversity Specialist in several mining companies in Indonesia, with an extensive global and national network among the stakeholders in the mining and energy sector. Currently, she is working closely with The World Bank and various energy companies as an ESG and Just Energy Transition Consultant. Her professional work is focused on sustainability development, as well as gender diversity in the mining and energy sector.

Ms. Muchlis's prior work experience includes being involved in several projects from the construction phase to the mine operations with PT Adaro Energy Tbk, IndoMet Coal Project BHP Billiton Indonesia, PT Indo Tambangraya Megah Tbk and PT Petrosea Tbk.

Ms. Muchlis graduated with a Bachelor of Engineering degree in Civil Engineering from Hasanuddin University and obtained her Master of Environmental Management and Sustainability from University of South Australia.

Present directorships in listed companies (other than the Group), and other principal commitments:
Directorships:
Nil

Other Principal Commitments:
Women In Mining & Energy (WiME) Indonesia
Kitong Bisa Consultant

Past directorships in listed companies (other than the Group), and other principal commitments over the preceding three years (1 Jan 2020 - 31 Dec 2022):
Nil

FINANCIAL AND OPERATIONS REVIEW

FINANCIAL AND OPERATIONS REVIEW

CONSOLIDATED INCOME STATEMENT (US$'000)	2022	2021	2020
Revenue	**5,616,803**	1,874,097	1,162,687
Gross profit	**2,552,686**	817,145	376,611
Net profit after tax[1]	**1,280,847**	251,260	34,468
PATMI[2]	**711,575**	114,323	8,085
Weighted average number of shares[3] ('000)	**2,587,347**	2,353,100	2,353,100
Earnings per share[3] (US cents)	**27.50**	4.86	0.34

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (US$'000)	2022	2021	2020
Total assets	**4,896,708**	1,568,053	1,394,485
Total current assets	**1,843,451**	734,998	576,535
Total current liabilities	**1,401,025**	463,712	404,335
Total non-current liabilities	**1,514,913**	451,296	412,621
Net tangible assets[4]	**886,613**	243,231	178,315
Non-controlling interests	**713,812**	166,338	192,657
Equity attributable to owners of the Company	**1,266,958**	486,707	384,872
Total equity	**1,980,770**	653,045	577,529
Total outstanding shares[5] ('000)	**2,638,100**	2,353,100	2,353,100

RATIOS	2022	2021	2020
Gross profit margin	**45%**	44%	32%
Net profit margin[1]	**13%**	6%	1%
Return on equity[6]	**65%**	38%	6%
Return on assets[7]	**26%**	16%	2%
Current ratio[8] (times)	**1.32**	1.59	1.43
Gearing ratio[9] (times)	**0.49**	0.41	0.53
Net tangible assets per share[10] (US cents)	**33.61**	10.34	7.58
Receivable turnover[11] (days)	**21**	28	37
Inventory turnover[12] (days)	**11**	19	22

Notes:

(1) Net profit after tax = profit before tax - income tax expense / (benefit)
(2) PATMI = net profit attributable to owners of the Company
(3) Refer to Note 9 to the Consolidated Financial Statements for explanation
(4) Net tangible assets = total assets - total liabilities - intangible assets
(5) Refer to Note 30 to the Consolidated Financial Statements
(6) Return on equity = net profit after tax[1] / total equity
(7) Return on assets = net profit after tax[1] / total assets
(8) Current ratio = current assets/current liabilities
(9) 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)
(10) Net tangible assets per share = Net tangible assets[4] / Number of shares in issue
(11) Receivable turnover = average trade receivables / revenue * 365 days
(12) Inventory turnover = average inventory / cost of sales * 365 days

FINANCIAL AND OPERATIONS REVIEW

In the financial year ended 31 December 2022 ("FY2022"), the Group recorded profits attributable to shareholders of US$711.6 million, as compared to US$114.3 million in FY2021. This was driven by higher turnover in both Energy Coal and Metallurgical Coal segments which lifted total revenue to US$5.6 billion in FY2022 from US$1.9 billion in FY2021, mainly due to higher sales volume, coal prices as well as the consolidation of Stanmore SMC Pty Ltd's ("SMC") results following its acquisition by the Group in May 2022.

Revenue from the Energy Coal segment increased 84.1% (or US$1,334.0 million) to US$2,920.0 million in FY2022, from US$1,586.0 million in FY2021. The increase in revenue was mainly attributable to higher average selling price ("ASP") of energy coal of 39.7%, from US$53.77/metric tonne ("mt") in FY2021 to US$75.13/mt in FY2022, coupled with an increase in sales volume from 29.49 million tonnes in FY2021 to 38.87 million tonnes in FY2022. The average ICI4 in FY2022, a better proxy for the majority of the Group's coal quality, was US$85.55/mt (FY2021: US$65.27/mt).

Cost of sales for the Energy Coal Segment was higher at US$1,597.4 million in FY2022, as compared to US$818.8 million in FY2021. The increase of US$778.6 million (or 95.1%) was mainly driven by higher production volume. Production volume in the Energy Coal segment increased from 29.11 million tonnes in FY2021 to 38.40 million tonnes in FY2022. Cash cost (excluding royalty) increased from US$26.93/mt in FY2021 to US$33.12/mt in FY2022 primarily as a result of higher strip ratio and increase in contractor rates which have certain elements linked to movement in ICI4 index.

Revenue from the Metallurgical Coal segment seen a significant increase from US$286.6 million in FY2021 to US$2,695.8 million in FY2022. The increase was contributed by the increase in sales volume resulted from the inclusion of SMC's results from May 2022, coupled with an increase in realised ASP of 121.5%, from US$130.96/mt in FY2021 to US$290.04/mt in FY2022. The sales volume increased from 2.17 million tonnes in FY2021 to 9.29 million tonnes in FY2022. The average Platts Premium Low Vol ("PLV") and Pulverized Coal Injection ("PCI") index price increased from US$223.95/mt and US$162.28/mt in FY2021 to US$364.74/mt and US$330.88/mt in FY2022, respectively.

Cost of sales for the Metallurgical Coal segment increased by US$1,229.0 million (or 519.1%), from US$236.8 million in FY2021 to US$1,465.7 million in FY2022. Production volume in Metallurgical Coal segment increased from 2.07 million tonnes in FY2021 to 9.17 million tonnes in FY2022, due to the inclusion of SMC's results in FY2022. The higher cost of sales was primarily due to higher cash cost (excluding royalty) of US$82.64/mt in FY2022 (compared to US$77.71/mt in FY2021) and higher royalty of US$49.97/mt in FY2022 (compared to US$14.18/mt in FY2021), as a result of the significant changes to the coal royalty regime announced by the Queensland Government in Australia effective 1 July 2022.

Selling and distribution expenses increased to US$469.7 million for FY2022 from US$225.8 million a year ago, mainly due to the inclusion of SMC's results, as well as higher sales volume in the Energy Coal segment. Administrative expenses increased to US$324.3 million (FY2021: US$113.5 million) mainly due to the inclusion of SMC's results and one-off transaction cost incurred in relation to the SMC acquisition. Other operating expenses increased 39.0% to

FINANCIAL AND OPERATIONS REVIEW

US$39.1 million, mainly due to higher provision of impairment loss on goodwill, partially offset by foreign exchange gain as the US Dollar strengthened against the Australian Dollar.

The Group recorded fair value gains of US$10.7 million in FY2022 which arose from the fair value re-measurement on the forward currency contracts the Group entered into during the financial year.

Finance costs increased by US$84.8 million (or 153.3%), from US$55.3 million in FY2021 to US$140.0 million in FY2022, mainly due to the increase in (i) interest expense from SMC Acquisition loan of US$625.0 million; (ii) interest expense from lease liabilities, which arose from SMC Acquisition; and (iii) higher notional interest on provision and contingent consideration, which were partially offset by the lower expenses incurred on early redemption of Notes in FY2022.

The Group recorded lower share of loss of joint ventures (net of tax) of US$8.1 million in FY2022, as compared to US$22.7 million in FY2021. This was mainly due to the higher share of loss from the Ravenswood Gold project with its sub-optimal cost structure as the mine is undergoing capacity expansion, partially offset by the improved performance of MetRes Pty Ltd which resulted from the higher realised ASP in Metallurgical coal and better operational performance.

Income tax expenses increased by US$194.0 million (or 148.5%) from US$130.7 million in FY2021 to US$324.7 million in FY2022, mainly due to higher profit generated from both Energy Coal and Metallurgical Coal segments, and withholding tax expense in relation to higher dividends received from an overseas subsidiary, partially offset by the higher deferred tax credit recorded during the financial year.

The Group's other comprehensive income (net loss) decreased by US$18.2 million (or 40.7%) from US$44.6 million in FY2021 to US$26.4 million in FY2022. The net loss arose from the fair value loss from the investment in quoted shares and share of other comprehensive income from a joint venture, which relates to the fair value loss arising from the hedging contracts, partially offset by the foreign currency translation gains.

The Group's financial position improved with net asset value of US$2.0 billion as at 31 December 2022, compared to US$653.0 million as at 31 December 2021. The increase was primarily attributed to higher profits generated during the financial year. Cash balances stood at US$972.8 million as at 31 December 2022, as compared to US$379.8 million a year ago. The net cash inflows of US$598.8 million in FY2022 were contributed by (i) net cash generated from operating activities of US$1,732.8 million, and (ii) net cash flows from financing activities of US$295.8 million arising from issuance of debt (net of repayment) of US$625.1 million and issuance of equity (net of expenses) of US$268.6 million, partially offset by payment of dividends to non-controlling interests ("NCI") of US$327.5 million and acquisition of NCI without change in control of US$270.4 million. This was further offset by net cash flows used in investing activities of US$1,429.8 million, of which US$1,223.4 million was used in SMC acquisition.

In the year ahead, coal prices may soften amid weaker demand in many regions, adequate inventory levels, easing of earlier coal supply disruptions and uncertainty about global outlook and China's economic recovery[1]. Furthermore, the coal industry continues to see elevated pressure on costs, driving rising input prices on diesel, explosives, tyres, parts as well as labour and general services.

[1] Source: Argus Seaborne Coal Outlook: February 2023

ACCOLADES

TOP CSR AWARDS

Awarded by TOP Business and the National Committee on Governance Policy to GEMS & BIB on 30 March 2022

1. TOP CSR Awards 2022 # Star 5 (Outstanding) – BIB
2. TOP CSR Golden Trophy 2022 – BIB
3. TOP Leader on CSR Commitment 2022 – Mr. Bonifasius H, President Director of GEMS

KATADATA

Awarded by Katadata to GEMS on 24 August 2022

4. Katadata Corporate Sustainability Awards

INSPIRING GREEN LEADERSHIP

Awarded by Ministry of Environment and Forestry to Mr. Bonifasius H, President Director of GEMS on 29 December 2022

5. Inspiring Green Leadership

SUBROTO AWARD

Awarded by Ministry of Energy and Mineral Resources to BIB on 4 October 2022

6. Most Innovative Coal Community Development and Empowerment Program (PPM) category

ACCOLADES

PROPER AWARD

Awarded by Ministry of Environment and Forestry for the period 2021-2022

7. “Green” PROPER Award for Company Performance Rank Assessment Program on Environmental Management – BIB

8. “Blue” PROPER Award for Company Performance Rank Assessment Program on Environmental Management – KIM

GOOD MINING PRACTICE AWARDS

Awarded by Ministry of Energy and Mineral Resources to BIB on 29 September 2022 in the following categories:

9. Trophy Award - The Best Overall Aspects of Good Mining Practice (GMP)

10. ADITAMA - Coal Mining Engineering Management

11. ADITAMA – Mining Environmental Management

12. UTAMA – Mining Safety Management

13. UTAMA – Standardisation and Business of Mineral and Coal Mining Service

14. UTAMA – Implementation of Mineral and Coal Conservation

SUSTAINABILITY OVERVIEW

This section provides a broad overview of GEAR's progress and development in sustainability-related matters for FY2022. The scope of reporting is the Company's operations in Singapore, Stanmore's operations in Australia and GEMS' operations at PT Borneo Indobara ("BIB"). More details on specific initiatives and strategies can be found in our Sustainability Report. This Report is prepared with reference to the Global Reporting Initiative ("GRI") 2021 Universal Standards and GRI 12: Coal sector standards. For our GRI content indices, please refer to our full Sustainability Report for FY2022.

SUSTAINABILITY OVERVIEW

As the world transitions to a low-carbon economy, mining will remain vital in providing the materials required for continued investment in green infrastructure. GEAR's strategy is to become a responsible and reliable supplier of such commodities. Our investment into the metallurgical coal business represents our belief that a stable supply of steel – a key component to green infrastructure such as transmission lines, wind turbines and electric vehicles – is required for a successful energy transition. We are also closely monitoring the decarbonisation efforts of the steelmaking industry, and endeavour to stay relevant in that journey.

GEAR recognises that managing the emissions of our operations is necessary to ensure that we continue contributing to the triple bottom line – People, Planet and Profit. As we witness the impact of climate change and the green transition, we have increasingly considered environmental factors in our business decisions.

As part of the Group's broader strategy to reduce its exposure to energy coal, GEAR is proposing to segregate its existing energy coal business currently conducted by GEMS, leaving the Group principally engaged in the metallurgical coal business in Australia and other non-coal businesses in gold mining and renewable energy. Such segregation, if approved, will allow the Group to reposition itself away from the energy coal industry and focus on developing the other business lines with a more streamlined corporate structure.

SUSTAINABILITY SNAPSHOTS

12,980 TJ of energy consumed

1,034,019 tCO_2e of greenhouse gas emissions from energy use[1]

Air quality better than regulatory standards

Zero strikes and lockouts

Lost Time Injury Frequency Rate better than industry average

Workforce consists of 20% women

[1] Excludes fugitive emissions. Refer to the Sustainability Report for more details.

SUSTAINABILITY OVERVIEW

SUSTAINABILITY INITIATIVES

GEAR

Nanyang Technological University's International – Singapore Intergenerational National Games ("I-SING")

To promote active and healthy ageing in Singapore, GEAR committed to donating a total of S$1 million over three years to the Nanyang Technological University for the I-SING programme. I-SING is the first-of-its-kind exergaming competition for older adults that promotes digital inclusion and exercise through intergenerational exergames and bonding. The I-SING programme aims to provide practical implications and guidelines for policy makers and care providers in the employment of exergames to improve the physical, psychosocial and cognitive health of older adults.

Yong-en Shoot for the Moon Fundraiser

Since 2018, as part of GEAR's continuous collaboration with Yong-en care centre, GEAR donated S$14,000 via giving.sg in September 2022 to Yong-en's Shoot for the Moon Fundraiser.

This campaign is approved under Singapore Toteboard's Enhanced Fundraising scheme, where funds raised will be matched by a contribution from Toteboard of up to 40% of the funds raised. In addition, in support of active ageing, GEAR organised a Tea Dance session at Yong-en Active Hub (YEAH!). In this dance session, active seniors interacted with GEAR staff. Overall, the participants bonded through shared experiences of serving one another, the community and purposeful play. GEAR takes pride in its contribution to the local communities.

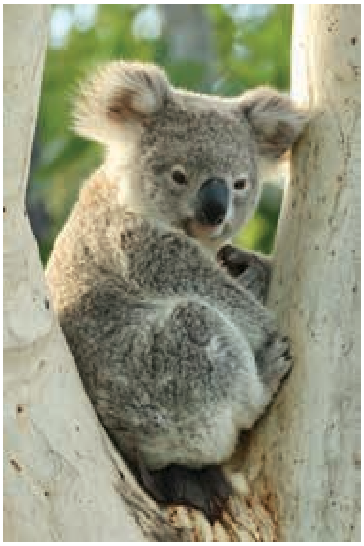
BreadWalk

In November 2022, GEAR conducted a BreadWalk in Chinatown. GEAR staff packed and distributed bread and food items to more than 100 beneficiaries. Through this activity, the GEAR staff were able to interact with the beneficiaries and check in on their well-being.

SUSTAINABILITY OVERVIEW

STANMORE

Koala Health Research Project



Stanmore currently supports a Koala Health Research Project, in collaboration with the Central Queensland University, Earthtrade and the Fitzroy Basin Association. Stanmore has committed A$30,000 over three years to provide one PhD scholar with a three-year Elevate Scholarship to complete a research project on the health status of koalas in Central Queensland. The research will provide a baseline on the health of koalas across the landscape.

Highlanders Indigenous Sports Club Incorporated

In February 2022, Stanmore supported the Highlanders Indigenous Sports Club by providing a grant of A$2,000 towards its participation in the Toowoomba Reconciliation Carnival. The Club went on to win the Men's Grand Final at the Carnival. The community grant contributed to helping players and coaches attend the much-anticipated carnival.

GEMS

Biodiversity Conservation

GEMS has allocated conservation areas that are enriched with plant species for animal feed as well as ponds to provide a source of water for animals. BIB has collaborated with consultants to conduct periodic monitoring of the presence of animals in the area.

In addition to establishing a conservation area within the mining concession, BIB has also designated a conservation area outside the mining concession in collaboration with the South Kalimantan Provincial Forestry Service – Tahura Sultan Adam, namely the Orchid Conservation Park (Paraphalaenopsis laycockii). The conservation of biospheres outside mining concessions is also carried out by BIB in coral reef conservation areas, where BIB continuously conducts coral reef transplantation and monitoring activities around BIB's port operations.

Community Development and Empowerment Programme – Kenari Jaya

The fishing industry experiences seasonal effects whereby fishermen can only go fishing for seven months (November to May) in a year, as the seas are too rough for the other five months, and this affects the income of the fishermen. Under the Kenari Jaya initiative which started in 2018, we use GPS technology together with upcycled haul-truck tyres to let fishermen know where to fish safely and avoid coal barges and ships. Other innovations in this initiative include using iron waste and palm leaf waste to act as a ballast to attract small nesting fish, as well as using tyres to increase coral reef growth, which in turn serves as a habitat for fish. Approximately 2,800 upcycled tyres were used to make more than 300 fish aggregating devices.

SUSTAINABILITY OVERVIEW

SUSTAINABILITY FRAMEWORK

GEAR's strategic intent is defined through our vision statement. GEAR's Sustainability Framework follows an integrated approach that encompasses GEAR's vision and provides guidance on our sustainability endeavours. The Board provides its full support and strategic oversight in the implementation of the Sustainability Framework.

The Sustainability Framework establishes four strategic impact areas set out below. GEAR intends to create and deliver positive impact to address key issues across Economy, Environment, Social and Governance.

- "Achieving sustainable growth through business resilience and operational excellence" drives GEAR's commitment towards good corporate governance thereby mitigating corporate risks. By strengthening resilience around business risks and diversification strategies, this impact area stimulates responsible economic growth and practices, while ensuring business continuity.
- "Nurturing and safeguarding our human capital" focuses on building positive relationships with our employees, ensuring their well-being and providing a safe and secure workplace for them to excel.
- "Minimising adverse environmental impact and strengthening climate resilience" emphasises our resolution to continue building a robust environmental management process, conserving biodiversity and rehabilitating the land. Through our long-term plan to be a sustainability-driven energy and resources company, GEAR strives to reduce carbon emissions and fortify our climate resilience.
- "Securing the livelihoods and protecting the rights of our communities" drives GEAR's commitment to have meaningful interactions with our local communities and ensure their long-term prosperity. By imparting the right skills and creating job opportunities, we intend to improve the economic status of the community and build self-reliance.

SUSTAINABILITY OVERVIEW

STAKEHOLDER ENGAGEMENT

The Group understands that stakeholder engagement is key to sustainable growth, and believes that open and transparent communication with our stakeholders allows us to further develop and refine our business strategies and respond quickly and effectively to their concerns and needs. Our stakeholders are groups that have a material impact on or are materially impacted by our operations. We have identified our stakeholders, which comprise customers, suppliers, employees, governments, regulators and shareholders, and we engage with them through various platforms and channels throughout the year. Apart from communicating important developments and updates about the Group, understanding our stakeholders' perspective and gathering their valuable feedback is imperative in helping the Group improve our services and ultimately contributing towards our sustainability goals.

The following table summarises our key stakeholders and engagement platforms, our stakeholders' key concerns, as well as how the Group has responded to those concerns.

Stakeholders	Issues of concern	Our responses	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	• Periodic
	• Accountability of ESG performance	• Implementation of sustainable business practices	• Annual and Sustainability Reports • Meetings with shareholders • Communications through GEAR's company website	• Annual
Employees and workers	• Fair employment practices	• Implementation of fair employment practices based on meritocracy	• Electronic updates through e-mail and intranet • Townhalls and management meetings	• Periodic
	• 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 workshops to identify potential leaders • HSE campaign involving all employees to create safe work conditions • Performance appraisal	

SUSTAINABILITY OVERVIEW

Stakeholders	Issues of concern	Our responses	Engagement platform(s)	Frequency of engagement
Customers	• Product and service quality	• Quality control processes • Provide transparent information about our product to customers • Regular engagement with customers to understand their satisfaction level	• Meetings • Annual Report • 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	• Provision of local employment opportunities and training • Management and monitoring of environmental impacts • Engagement with experts to establish blueprint and evaluation criteria for long-term community investment programmes	• Community Dialogues • Community investment programmes • Training programmes • Local hiring • External environmental partnership	• Periodic
Regulatory authorities	• Regulatory compliance	• Keeping abreast of regulatory requirements and ensuring compliance with all	• Statutory reporting	• Periodic
	• Community empowerment	• Implementation of Corporate Social Responsibility ("CSR") programmes	• Public consultations • Forums and events • On-site inspections	• Periodic
Contractors and suppliers	• Fair procurement practices	• Administration of an 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		

SUSTAINABILITY OVERVIEW

OUR MATERIAL MATTERS

The scope and complexity of our business operations have significantly increased in FY2022 with the expansion of Stanmore's operations following its acquisition of SMC in FY2022. In light of the Group's diversified operations across multiple geographies and commodities, GEAR has engaged an external consultant to update our materiality assessment in October 2022.

The following steps were taken to present the relevant material topics in this Report:

1	**Identification** From the interview results of GEAR's key internal stakeholders and a review of material matters reported by other companies in the industry, a comprehensive list of potential material matters formed the basis for determining comparative materiality.
2	**Review** Review the relevance of previously identified material factors.
3	**Prioritise** The importance of each sustainability matter was ranked by an anonymous voting exercise, from the perspective of (a) External stakeholders; and (b) Internal stakeholders.
4	**Validate** The results were then presented to the Board, which has the overall responsibility of determining the material sustainability matters of GEAR. The Board validated and approved the material sustainability matters.

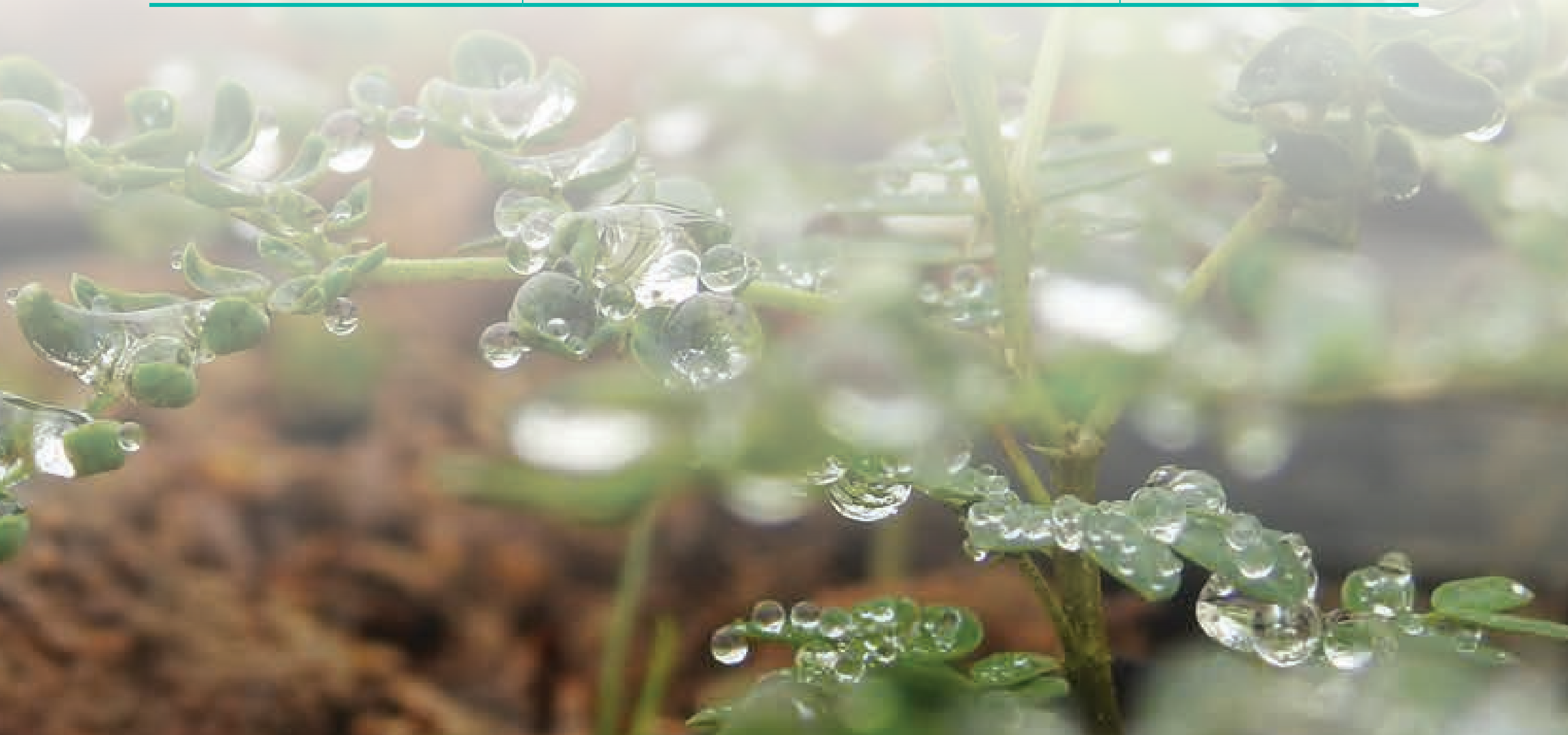
Our two principal subsidiaries, Stanmore and GEMS, have also completed their materiality assessments on their operations in FY2022. To better meet the expectations of our stakeholders, and to improve the comparability of our disclosures with peers in our industry, we have aligned our disclosure topics to those recommended by GRI 2021 Universal Standards and GRI 12: Coal sector standards. From the results of the materiality assessment, we have prioritised the material topics and categorised them into five key themes:

- Upholding Good Governance and Ethics
- Caring for the Environment
- Ensuring Health and Safety
- Developing Human Capital
- Empowering Local Communities

SUSTAINABILITY OVERVIEW

The material topics crucial to the Group's operation are listed in the following table.

Key Themes	Material Topics	Applicable Segment
Upholding Good Governance and Ethics	GRI 205: Anti-corruption	Across the Group
	GRI 207: Tax	
Caring for the Environment	GRI 302: Energy	
	GRI 303 Water & Effluents	
	GRI 304: Biodiversity	
	GRI 305: Emissions	
	GRI 306: Waste	
Ensuring Health and Safety	GRI 403: Occupational Health & Safety	
Developing Human Capital	GRI 401: Employment	
	GRI 402: Labour Relations	
	GRI 404: Training and Education	
	GRI 405: Diversity and Equal Opportunity	
	GRI 408: Child Labour	
	GRI 409: Forced or Compulsory Labour	
Empowering Local Communities	GRI 202: Market Presence	
	GRI 203: Indirect Economic Impacts	
	GRI 204: Procurement Practices	
	GRI 411: Rights of Indigenous Peoples	
	GRI 413: Local Communities	



ENERGY COAL MINING CONCESSIONS

Summary of reserves and resources as of 31 December 2022

Name of Asset/Country: BIB Coal Mining Concession / 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	561	Bituminous A / Sub-bituminous B	344	Bituminous A / Sub-bituminous B	-5.83%
Probable	Coal	103	Bituminous A / Sub-bituminous B	63	Bituminous A / Sub-bituminous B	-3.96%
Total		**665**		**407**		**-5.52%**
Resources[3]						
Measured	Coal	901	Bituminous A / Sub-bituminous B	552	Bituminous A / Sub-bituminous B	-3.66%
Indicated	Coal	374	Bituminous A / Sub-bituminous B	230	Bituminous A / Sub-bituminous B	-1.29%
Inferred	Coal	543	Bituminous A / Sub-bituminous B	333	Bituminous A / Sub-bituminous B	0.00%
Total		**1,818**		**1,115**		**-2.02%**

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 2021. The decrease in resources and reserves was mainly due to production.
(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 2023
Professional Society Affiliation/Membership: B. Eng. (Hons), MAppFin, MAusIMM; MAICD

ENERGY COAL MINING CONCESSIONS

Summary of reserves and resources as of 31 December 2022

Name of Asset/Country: KIM Coal Mining Concession / 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	40	Sub-bituminous B	25	Sub-bituminous B	-4.21%
Probable	Coal	12	Sub-bituminous B	8	Sub-bituminous B	-6.25%
Total		**52**		**33**		**-4.69%**
Resources[3]						
Measured	Coal	105	Sub-bituminous B	66	Sub-bituminous B	-1.49%
Indicated	Coal	55	Sub-bituminous B	35	Sub-bituminous B	0.00%
Inferred	Coal	92	Sub-bituminous B	57	Sub-bituminous B	0.00%
Total		**253**		**158**		**-1.26%**

Notes:
[1] IUP licenses issued by the Governor of Jambi
[2] Previous coal resources and coal reserve estimates were reported as at 31 December 2021. The decrease in resources and reserves estimates was mainly due to production.
[3] Coal resources are inclusive of coal reserves
[4] Individual totals may differ due to rounding

Name of Qualified Person: Manish Garg
Date: 15 January 2023
Professional Society Affiliation/Membership: B. Eng. (Hons), MAppFin, MAusIMM; MAICD

ENERGY COAL MINING CONCESSIONS

Summary of reserves and resources as of 31 December 2022

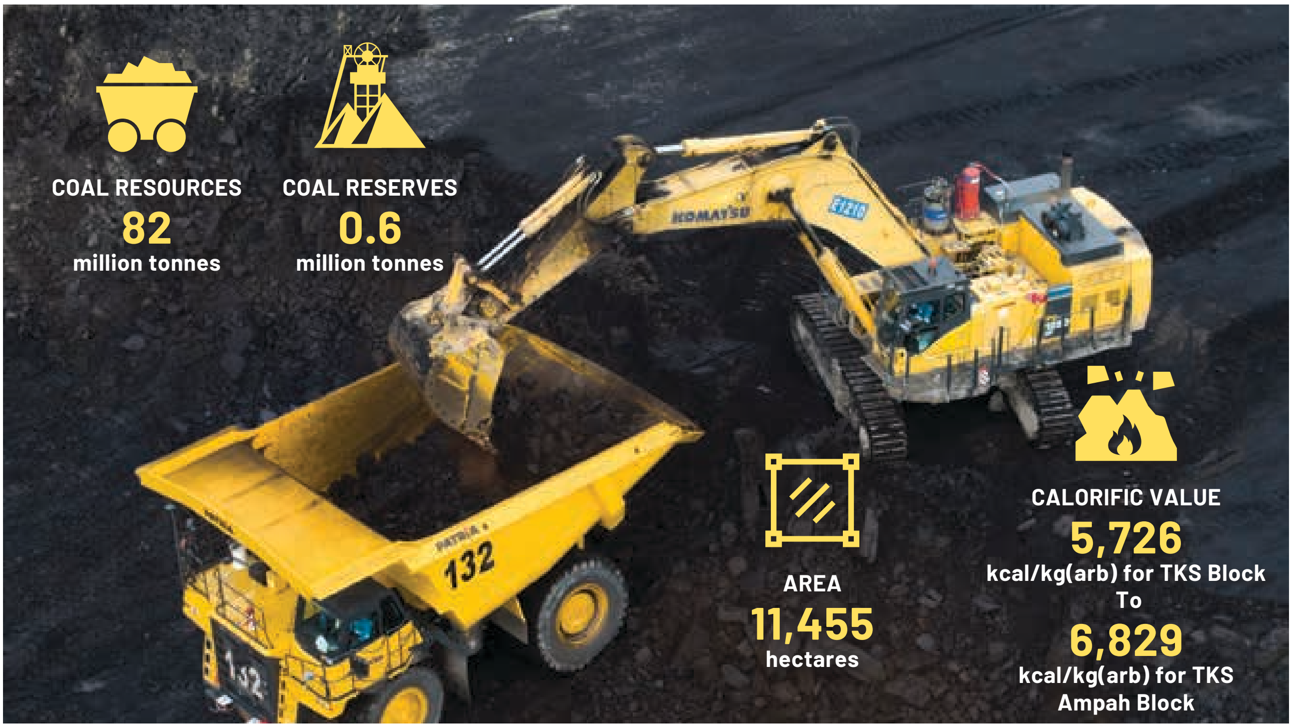
Name of Asset/Country: Bara Sentosa Coal Mining Concession / Indonesia

		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	138	Sub-bituminous B	86	Sub-bituminous B	-0.81%
Probable	Coal	51	Sub-bituminous B	32	Sub-bituminous B	2.90%
Total		**189**		**118**		**0.17%**
Resources[3]						
Measured	Coal	217	Sub-bituminous B	135	Sub-bituminous B	-0.73%
Indicated	Coal	150	Sub-bituminous B	94	Sub-bituminous B	11.90%
Inferred	Coal	88	Sub-bituminous B	55	Sub-bituminous B	-1.79%
Total		**455**		**284**		**2.53%**

Notes:
(1) Generation II 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 reserve estimates were reported as at 31 December 2021. The increase in resources was mainly due to additional drilling while the decrease in proved reserves was due to production.
(3) Coal resources are inclusive of coal reserves
(4) Individual totals may differ due to rounding

Name of Qualified Person: Manish Garg
Date: 15 January 2023
Professional Society Affiliation/Membership: B. Eng. (Hons), MAppFin, MAusIMM; MAICD

ENERGY COAL MINING CONCESSIONS



Summary of reserves and resources as of 31 December 2022

Name of Asset/Country: TKS Mines / 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**		**0.00%**
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	13	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**		**36**		**0.00%**

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 2021. The resources and reserves estimates remained relatively stable as the mines are currently under care and maintenance.
(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 2023
Professional Society Affiliation/Membership: B. Eng. (Hons), MAppFin, MAusIMM; MAICD

ENERGY COAL MINING CONCESSIONS

Summary of reserves and resources as of 31 December 2022

Name of Asset/Country: WRL Mining Concession / 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	34	Sub-bituminous B	21	Sub-bituminous B	0.00%
Probable	Coal	53	Sub-bituminous B	33	Sub-bituminous B	0.00%
Total		**87**		**54**		
Resources[3]						
Measured	Coal	55	Sub-bituminous B	34	Sub-bituminous B	0.00%
Indicated	Coal	100	Sub-bituminous B	62	Sub-bituminous B	0.00%
Inferred	Coal	161	Sub-bituminous B	101	Sub-bituminous B	0.00%
Total		**316**		**197**		**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 2021. The resources and reserves estimates remained relatively stable.
[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 2023
Professional Society Affiliation/Membership:
B. Eng. (Hons), MAppFin, MAusIMM; MAICD


stanmore

METALLURGICAL COAL MINING CONCESSIONS

SMC ASSETS

Summary of reserves and resources as of 31 December 2022

Name of Asset/Country: Poitrel / Queensland, Australia

	Gross attributable to license[(1)]			Net Attributable to the Company	
	Mineral type	Tonnes (millions)[(4)]	Grade[(5)]	Tonnes (millions)[(4)]	Change from previous update[(2)]
Reserves					
Proved	Coal	18	C, PCI	11	100%
Probable	Coal	12	C, PCI	8	100%
Total		**30**		**19**	
Resources[(3)]					
Measured	Coal	57	C, PCI	36	100%
Indicated	Coal	45	C, PCI	29	100%
Inferred	Coal	47	C, PCI	30	100%
Total		**149**		**95**	

Reserves Report
Name of Qualified Person: John Pala
Date of reserves report: Feb-23 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: AusIMM

Resources Report
Name of Qualified Person: Brad Willis
Date of resources report: Feb-23 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: AusIMM

Name of Asset/Country: South Walker Creek / Queensland, Australia

	Gross attributable to license[(1)]			Net Attributable to the Company	
	Mineral type	Tonnes (millions)[(4)]	Grade[(5)]	Tonnes (millions)[(4)]	Change from previous update[(2)]
Reserves					
Proved	Coal	127	PCI	81	100%
Probable	Coal	15	PCI	10	100%
Total		**142**		**91**	
Resources[(3)]					
Measured	Coal	254	PCI	162	100%
Indicated	Coal	303	PCI	194	100%
Inferred	Coal	123	PCI	79	100%
Total		**679**		**435**	

Reserves Report
Name of Qualified Person: John Pala
Date of reserves report: Feb-23 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: AusIMM

Resources Report
Name of Qualified Person: Brad Willis
Date of resources report: Feb-23 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: AusIMM

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) The changes were contributed by the newly acquired equity interest in Stanmore SMC Pty Ltd, an indirect subsidiary of the Company.
(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; PCI – Pulverised Coal Injection

METALLURGICAL COAL MINING CONCESSIONS

Summary of reserves and resources as of 31 December 2022

Name of Asset/Country: Bee Creek / Queensland, Australia

	Gross attributable to license[1]			Net Attributable to the Company	
	Mineral type	**Tonnes (millions)[4]**	**Grade[5]**	**Tonnes (millions)[4]**	**Change from previous update[2]**
Resources[3]					
Measured	Coal	0	PCI	0	100%
Indicated	Coal	9	PCI	6	100%
Inferred	Coal	13	PCI	8	100%
Total		**23**		**14**	

Name of Qualified Person: Rod Macpherson
Date of resources report: Jun-21 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: Member of the Australian Institute of Geoscientists (AIG)

Name of Asset/Country: Nebo West / Queensland, Australia

	Gross attributable to license[1]			Net Attributable to the Company	
	Mineral type	**Tonnes (millions)[4]**	**Grade[5]**	**Tonnes (millions)[4]**	**Change from previous update[2]**
Resources[3]					
Measured	Coal	0	PCI, A	0	100%
Indicated	Coal	0	PCI, A	0	100%
Inferred	Coal	71	PCI, A	45	100%
Total		**71**		**45**	

Name of Qualified Person: Rod Macpherson
Date of resources report: Jun-21 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: Member of the Australian Institute of Geoscientists (AIG)

Name of Asset/Country: Wards Well / Queensland, Australia

	Gross attributable to license[1]			Net Attributable to the Company	
	Mineral type	**Tonnes (millions)[4]**	**Grade[5]**	**Tonnes (millions)[4]**	**Change from previous update[2]**
Resources[3]					
Measured	Coal	547	C	350	100%
Indicated	Coal	769	C	492	100%
Inferred	Coal	101	C	65	100%
Total		**1,417**		**907**	

Name of Qualified Person: Brad Willis
Date of resources report: Nov-22 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: AusIMM

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) The changes were contributed by the newly acquired equity interest in Stanmore SMC Pty Ltd, an indirect subsidiary of the Company.
(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; PCI - Pulverised Coal Injection; A - Anthracite

METALLURGICAL COAL MINING CONCESSIONS

ISAAC PLAINS COMPLEX

Summary of reserves and resources as of 31 December 2022

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

	Gross attributable to license[1]			Net Attributable to the Company	
	Mineral type	Tonnes (millions)[4]	Grade[5]	Tonnes (millions)[4]	Change from previous update[2]
Reserves					
Proved	Coal	10	C, T	6	-15%
Probable	Coal	6	C, T	4	-15%
Total		**16**		**10**	**-15%**
Resources[3]					
Measured	Coal	24	C, T	16	-15%
Indicated	Coal	16	C, T	10	-15%
Inferred	Coal	5	C, T	3	-15%
Total		**45**		**29**	

The resources and reserves estimates remained relatively stable. The changes were contributed by the changes were equity interest in Stanmore Resources Limited.

Reserves Report
Name of Qualified Person: Benjamin Smith
Date of reserves report: Feb-21 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: AusIMM

Resources Report
Name of Qualified Person: Troy Turner
Date of resources report: Dec-21 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: AusIMM

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

	Gross attributable to license[1]			Net Attributable to the Company	
	Mineral type	Tonnes (millions)[4]	Grade[5]	Tonnes (millions)[4]	Change from previous update[2]
Reserves					
Proved	Coal	0.5	C, T	0.3	-35%
Probable	Coal	0.3	C, T	0.2	-55%
Total		**0.8**		**0.5**	**-44%**
Resources[3]					
Measured	Coal	6	C, T	4	-15%
Indicated	Coal	10	C, T	6	-15%
Inferred	Coal	18	C, T	12	-15%
Total		**34**		**22**	**-15%**

The movement in reserves estimates was mainly due to production. The resources estimates remained relatively stable. The changes were also contributed by the changes in equity interest in Stanmore Resources Limited.

Reserves Report
Name of Qualified Person: Tony O'Connell
Date of reserves report: Jan-23 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: AusIMM

Resources Report
Name of Qualified Person: Bronwyn Leonard
Date of resources report: Feb-23 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: AusIMM

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) Previous coal resources and coal reserve estimates were reported as at 31 December 2021
(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

METALLURGICAL COAL MINING CONCESSIONS

Summary of reserves and resources as of 31 December 2022

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

	Gross attributable to license[1]			Net Attributable to the Company	
	Mineral type	**Tonnes (millions)[4]**	**Grade[5]**	**Tonnes (millions)[4]**	**Change from previous update[2]**
Reserves					
Proved	Coal	11.4	C, T	7.3	-32%
Probable	Coal	0.3	C, T	0.2	-5%
Total		**11.7**		**7.5**	**-31%**
Resources[3]					
Measured	Coal	26	C, T	19	-24%
Indicated	Coal	3	C, T	2	-15%
Inferred	Coal	0	C, T	0	–
Total		**29**		**21**	**-23%**

The movement in reserves estimates was mainly due to production. The resources estimates remained relatively stable. The changes were also contributed by the changes in equity interest in Stanmore Resources Limited.

Reserves Report
Name of Qualified Person: Tony O'Connell
Date of reserves report: Jan-23 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: AusIMM

Resources Report
Name of Qualified Person: Toby Prior
Date of resources report: Feb-23 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: AusIMM

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

	Gross attributable to license[1]			Net Attributable to the Company	
	Mineral type	**Tonnes (millions)[4]**	**Grade[5]**	**Tonnes (millions)[4]**	**Change from previous update[2]**
Resources[3]					
Measured	Coal	12	C, T	8	-15%
Indicated	Coal	15	C, T	9	-15%
Inferred	Coal	25	C, T	16	-15%
Total		**52**		**33**	**-15%**

The resources and reserves estimates remained relatively stable. The changes were contributed by the changes in equity interest in Stanmore Resources Limited.

Name of Qualified Person: Mal Blaik
Date of resources report: Jun-18 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: AusIMM

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) Previous coal resources and coal reserve estimates were reported as at 31 December 2021
(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

METALLURGICAL COAL MINING CONCESSIONS

OTHERS

Summary of reserves and resources as of 31 December 2022

Name of Asset/Country: Clifford / Queensland, Australia

	Gross attributable to license[1]			Net Attributable to the Company	
	Mineral type	**Tonnes (millions)[4]**	**Grade[5]**	**Tonnes (millions)[4]**	**Change from previous update[2]**
Resources[3]					
Measured	Coal	0	T	0	–
Indicated	Coal	200	T	77	-15%
Inferred	Coal	430	T	165	-15%
Total		**630**		**242**	**-15%**

The resources estimates remained relatively stable. The changes were contributed by the changes in equity interest in Stanmore Resources Limited.

Name of Qualified Person: Troy Turner
Date of resources report: Aug-16 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: AusIMM

Name of Asset/Country: The Range / Queensland, Australia

	Gross attributable to license[1]			Net Attributable to the Company	
	Mineral type	**Tonnes (millions)[4]**	**Grade[5]**	**Tonnes (millions)[4]**	**Change from previous update[2]**
Reserves					
Proved	Coal	0	T	0	–
Probable	Coal	94	T	60	-15%
Total		**94**		**60**	**-15%**
Resources[3]					
Measured	Coal	18	T	11	-15%
Indicated	Coal	187	T	120	-15%
Inferred	Coal	81	T	52	-15%
Total		**286**		**183**	**-15%**

The resources and reserves estimates remained relatively stable. The changes were contributed by the changes in equity interest in Stanmore Resources Limited.

Reserves Report
Name of Qualified Person: Richard Hoskings
Date of reserves report: Jul-11 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: AusIMM

Resources Report
Name of Qualified Person: Troy Turner
Date of resources report: Oct-12 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: AusIMM

Name of Asset/Country: Mackenzie / Queensland, Australia

	Gross attributable to license[1]			Net Attributable to the Company	
	Mineral type	**Tonnes (millions)[4]**	**Grade[5]**	**Tonnes (millions)[4]**	**Change from previous update[2]**
Resources					
Measured	Coal	0	C, T	0	–
Indicated	Coal	26	C, T	16	-15%
Inferred	Coal	117	C, T	71	-15%
Total		**143**		**87**	-15%

The resources estimates remained relatively stable. The changes were contributed by the changes in equity interest in Stanmore Resources Limited.

Name of Qualified Person: Troy Turner
Date of resources report: Nov-11 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: AusIMM

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) Previous coal resources and coal reserve estimates were reported as at 31 December 2021
(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

METALLURGICAL COAL MINING CONCESSIONS

Summary of reserves and resources as of 31 December 2022

Name of Asset/Country: Belview / Queensland, Australia

	Gross attributable to license[1]			Net Attributable to the Company	
	Mineral type	Tonnes (millions)[4]	Grade[5]	Tonnes (millions)[4]	Change from previous update[2]
Resources[3]					
Measured	Coal	0	C, PCI	0	–
Indicated	Coal	50	C, PCI	32	-15%
Inferred	Coal	280	C, PCI	179	-15%
Total		**330**		**211**	**-15%**

The resources estimates remained relatively stable. The changes were contributed by the changes in equity interest in Stanmore Resources Limited.

Name of Qualified Person: Troy Turner
Date of resources report: Mar-15 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: AusIMM

Name of Asset/Country: Tennyson / Queensland, Australia

	Gross attributable to license[1]			Net Attributable to the Company	
	Mineral type	Tonnes (millions)[4]	Grade[5]	Tonnes (millions)[4]	Change from previous update[2]
Resources[3]					
Measured	Coal	0	T	0	–
Indicated	Coal	0	T	0	–
Inferred	Coal	140	T	90	-15%
Total		**140**		**90**	**-15%**

The resources estimates remained relatively stable. The changes were contributed by the changes in equity interest in Stanmore Resources Limited.

Name of Qualified Person: Troy Turner
Date of resources report: Nov-12 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: AusIMM

Name of Asset/Country: Lilyvale / Queensland, Australia

	Gross attributable to license[1]			Net Attributable to the Company	
	Mineral type	Tonnes (millions)[4]	Grade[5]	Tonnes (millions)[4]	Change from previous update[2]
Resources[3]					
Measured	Coal	0	C	0	–
Indicated	Coal	0	C	0	–
Inferred	Coal	33	C	18	-15%
Total		**33**		**18**	**-15%**

The resources estimates remained relatively stable. The changes were contributed by the changes in equity interest in Stanmore Resources Limited.

Name of Qualified Person: Troy Turner
Date of resources report: Feb-19 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: AusIMM

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] Previous coal resources and coal reserve estimates were reported as at 31 December 2021
[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; PCI – Pulverised Coal Injection

METALLURGICAL COAL MINING CONCESSIONS

MILLENNIUM COMPLEX

Summary of reserves and resources as of 31 December 2022

Name of Asset/Country: Millennium Opencut & Auger / Queensland, Australia

	Gross attributable to license[1]			Net Attributable to the Company	
	Mineral type	**Tonnes (millions)[4]**	**Grade[5]**	**Tonnes (millions)[4]**	**Change from previous update[2]**
Reserves					
Proved	Coal	0.2	C	0.1	-20%
Probable	Coal	0.0	C	0.0	-100%
Total		**0.2**		**0.1**	**-72%**
Resources[3]					
Measured	Coal	6.8	C	2.2	7%
Indicated	Coal	6.7	C	2.1	-11%
Inferred	Coal	7.0	C	2.2	49%
Total		**20.5**		**6.6**	**10%**

The movement in reserves estimates was mainly due to mining depletions. The movement in resources estimates was mainly due additional drillings.

Reserves Report
Name of Qualified Person: Sunil Kumar
Date of reserves report: Jan-23 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: AusIMM

Resources Report
Name of Qualified Person: Troy Turner
Date of resources report: Jan-23 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: AusIMM

Name of Asset/Country: Millennium Underground / Queensland, Australia

	Gross attributable to license[1]			Net Attributable to the Company	
	Mineral type	**Tonnes (millions)[4]**	**Grade[5]**	**Tonnes (millions)[4]**	**Change from previous update[2]**
Reserves					
Proved	Coal	2.0	C, PCI	0.6	3%
Probable	Coal	3.0	C, PCI	1.0	-24%
Total		**4.9**		**1.6**	**-16%**
Resources[3]					
Measured	Coal	11.7	C, PCI	3.7	42%
Indicated	Coal	5.1	C, PCI	1.6	-60%
Inferred	Coal	3.0	C, PCI	1.0	-15%
Total		**19.8**		**6.3**	**-19%**

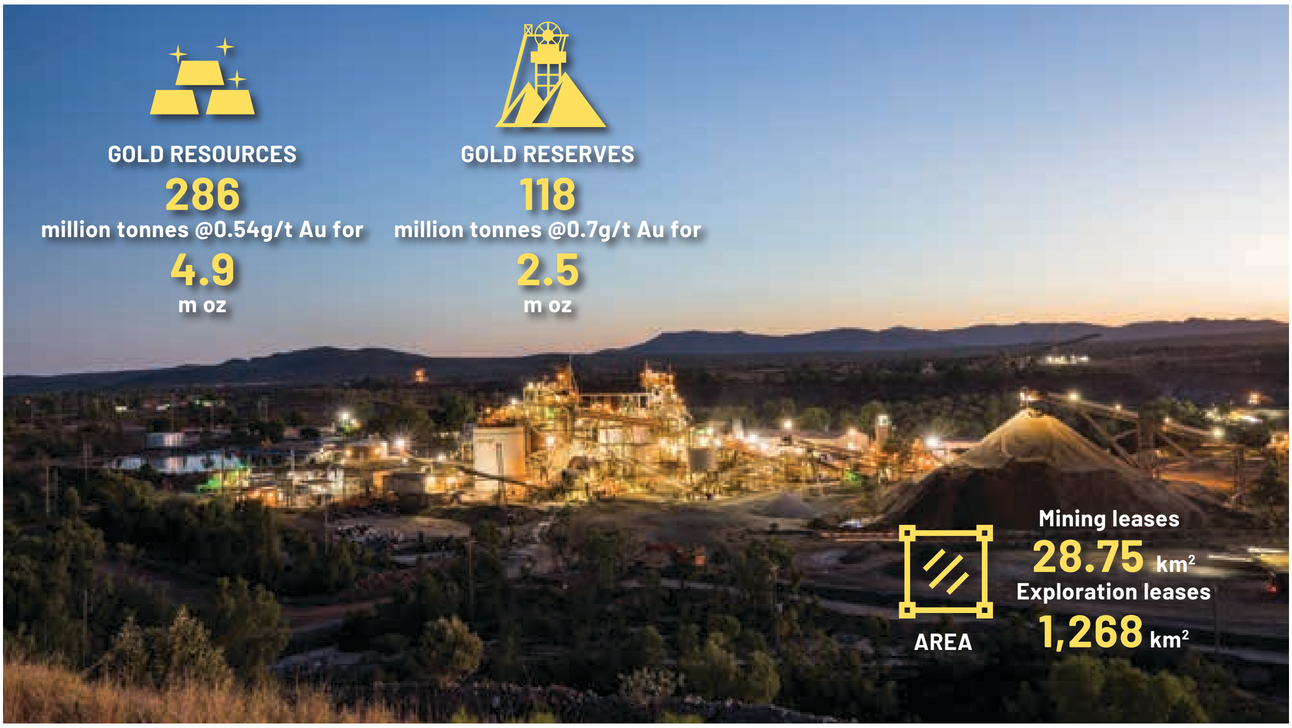
The movement in reserves estimates was mainly due to mining depletions. The movement in resources estimates was mainly due additional drillings.

Reserves Report
Name of Qualified Person: Benjamin Smith
Date of reserves report: Feb-23 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: AusIMM

Resources Report
Name of Qualified Person: Troy Turner
Date of resources report: Jan-23 and Stanmore announcement on 27 Feb 2023
Professional Society Affiliation/Membership: AusIMM

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) Previous coal resources and coal reserve estimates were reported as at 31 December 2021
(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; PCI – Pulverised Coal Injection

GOLD
MINING CONCESSIONS



Summary of reserves and resources as of 31 December 2022

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

		Gross Attributable to the License[1]			Net Attributable to the Company			
Category	**Mineral type**	**Tonnes (Millions)[4]**	**Grade (g/t AU)**	**Ounces ('000)[4]**	**Tonnes (Millions)[4]**	**Grade (g/t AU)**	**Ounces ('000)[4]**	**Change from previous update (%)[2]**
Reserves								
Proved	Gold	38	0.7	900	19.0	0.7	450	0.00%
Probable	Gold	80	0.6	1,700	40.0	0.6	850	-6.00%
Total		**118**	**0.7**	**2,500**	**59.0**	**0.7**	**1,300**	**0.00%**
Resources[3]								
Measured	Gold	47	0.65	980	24	0.65	490	14.02%
Indicated	Gold	166	0.53	2,810	83	0.53	1,405	11.53%
Inferred	Gold	73	0.49	1,150	37	0.49	575	48.66%
Total		**286**	**0.54**	**4,950**	**143**	**0.54**	**2,475**	**19.20%**

The increase in resources was mainly due to additional drilling while the decrease in reserves was due to production.

Reserves Report
Name of Qualified Person: John Wyche
Date of reserves report: 31 August 2022 and Ravenswood Statement on 13 January 2023
Professional Society Affiliation/Membership: AusIMM

Resources Report
Name of Qualified Person: Jason McNamara
Date of resources report: Nov 2022 and Ravenswood Statement on 31 December 2022
Professional Society Affiliation/Membership: AusIMM

Notes:
(1) Mining Leases and Exploration Permits issued by the Government of Australia which was represented by Department of Natural Resources, Mines and Energy
(2) Previous gold resources and gold reserve estimates were reported as at 31 December 2021
(3) Gold resources are inclusive of gold reserves
(4) Individual totals may differ due to rounding

CORPORATE INFORMATION

BOARD OF DIRECTORS
Mr. Fuganto Widjaja
Executive Chairman
Mr. Dwi Prasetyo Suseno
Executive Director & Group Chief Executive Officer
Mr. Mark Zhou You Chuan
Executive Director & Chief Investment Officer
Mr. Mochtar Suhadi
Executive Director
Mr. Lim Yu Neng Paul
Lead Independent Director
Mr. Irwandy Arif
Independent Director
Mr. Lew Syn Pau
Independent Director
Ms. Noormaya Muchlis
Independent Director

AUDIT COMMITTEE
Mr. Lim Yu Neng Paul (Chairman)
Mr. Lew Syn Pau
Ms. Noormaya Muchlis

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

SUSTAINABILITY COMMITTEE
Ms. Noormaya Muchlis (Chair)
Mr. Irwandy Arif
Mr. Dwi Prasetyo Suseno

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Fax: 6532 7662

AUDIT PARTNER-IN-CHARGE
Mr. Alvin Phua Chun Yen
(appointed with effect from financial year ended 31 December 2022)

COMPANY SECRETARY
Mr. Lai Kuan Loong, Victor

SHARE REGISTRAR AND SHARE TRANSFER OFFICE
Boardroom Corporate & Advisory Services Pte Ltd
1 Harbourfront Avenue
Keppel Bay Tower #14-07,
Singapore 098632
Tel: 6535 5355
Fax: 6535 1360

PRINCIPAL BANKERS
PT Bank Mandiri (Persero) Tbk
PT Bank Mandiri (Persero) Tbk, Singapore Branch
PT Bank Rakyat Indonesia (Persero) Tbk
PT Bank Central Asia Tbk
PT Bank Negara Indonesia (Persero) Tbk
PT Bank Danamon Indonesia Tbk
Bank of Singapore
Bank of China
Barclays Bank PLC, Singapore Branch
BNP Paribas Singapore Branch
Credit Suisse AG, Singapore Branch
CIMB Bank Berhad, Singapore Branch
Deutsche Bank AG, Sydney branch
Macquarie Bank Limited, Singapore Branch
National Australia Bank Limited
RHB Bank Berhad, Singapore Branch
Australia and New Zealand Banking Group Limited

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 Bungo Bara Utama**
PT Berkat Satria Abadi**
PT Trisula Kencana Sakti**
PT Kuansing Inti Makmur**
PT Berkat Nusantara Permai**
PT Bungo Bara Makmur**
GEMS Trading Resources Pte Ltd*
PT Karya Cemerlang Persada**
PT Tanjung Belit Bara Utama**
PT Kuansing Inti Sejatera**
PT Roundhill Capital Indonesia**
PT Bara Harmonis Batang Asam**
PT Wahana Rimba Lestari**
PT Barasentosa Lestari**

METALLURGICAL COAL

Golden Investments (Australia) Pte. Ltd.*

HELD THROUGH GOLDEN INVESTMENTS (AUSTRALIA) PTE. LTD.

Stanmore Resources Limited***

HELD THROUGH STANMORE RESOURCES LIMITED

Belview Coal Pty Ltd***
Comet Coal & Coke Pty Ltd***
Isaac Plains Coal Management Pty Ltd***
Kerlong Coking Coal Pty Ltd***
New Cambria Pty Ltd***
Stanmore Coal Custodian Pty Ltd***
Stanmore IP Coal Pty Ltd***
Stanmore SMC Holdings Pty Ltd***
Stanmore SMC Pty Ltd***
Stanmore Wotonga Pty Ltd***
Belview Expansion Pty Ltd***
Dampier Coal (Queensland) Pty Ltd***
Emerald Coal Pty Ltd***
Isaac Plains Sales & Marketing Pty Ltd***
Mackenzie Coal Pty Ltd***
Red Mountain Infrastructure Pty Ltd***
Stanmore Bowen Coal Pty Ltd***
Stanmore Green Pty Ltd***
Stanmore IP South Pty Ltd***
Stanmore Surat Coal Pty Ltd***
Theresa Creek Coal Pty Ltd***

HELD THROUGH KERLONG COKING COAL PTY LTD

MetRes Pty Ltd***

GOLD

Golden Investments (Australia) II Pte. Ltd.*

HELD THROUGH GOLDEN INVESTMENTS (AUSTRALIA) II PTE. LTD.

Ravenswood Gold Group Pty Ltd***
Ravenswood Gold Pty Ltd***
Ravenswood Gold Holdings Pty Ltd***

NON-COAL BUSINESSES

GEAR Innovation Network Pte. Ltd.*
PT Marga Buana Bumi Mulia**
Pacificwood Investment Ltd@
PT Mangium Anugerah Lestari **
Shinning Spring Resources Limited@@
PT Hutan Rindang Banua**
Able Advance Limited@@
GEAR Renewables Pte. Ltd.*
Anrof Singapore Limited@
Poh Lian (Cambodia) Ltd@@@

HELD THROUGH PT GOLDEN ENERGY MINES TBK

PT GEMS Energy Indonesia**
PT Unsoco**
PT Duta Sarana Internusa**
PT Dwikarya Sejati Utama**
PT Era Mitra Selaras**
PT Karya Mining Solutions**

*Singapore **Indonesia ***Australia @Mauritius @@BVI @@@Cambodia

CORPORATE GOVERNANCE REPORT

The Board of Directors ("Board") and Management of Golden Energy and Resources Limited ("Company") are committed to maintaining a high standard of corporate governance, transparency, business integrity and professionalism within the Company and its subsidiaries ("Group"), in line with the principles and provisions set out in the Code of Corporate Governance 2018 ("Code").

The Board is pleased to present this Corporate Governance Report ("Report") which outlines the corporate governance practices and procedures adopted by the Group with specific reference to the Code and the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") ("Listing Manual") for the financial year ended 31 December 2022 ("FY2022").

The Company has complied with the principles and provisions as set out in the Code and the Listing Manual and to the extent that there are deviations, explanations have been provided in this Report.

BOARD MATTERS

THE BOARD'S CONDUCT OF AFFAIRS

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Board Duties and Responsibilities

The Board is collectively responsible for providing effective leadership and direction to enhance the long-term value of the Group to its shareholders. It has oversight responsibility over the management of the business and affairs of the Group. The Board also sets the tone for the Group where ethics and values are concerned.

The Board has direct responsibility for decision-making in respect of various specific matters, including:

1. Ensuring that the long-term interests of shareholders are being served and safeguarding the Company's assets;
2. Assessing major risk factors relating to the Company and its performance, and reviewing measures, including internal controls, to address and mitigate such risks;
3. 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;
4. Monitoring the performance of Management against plans and goals;
5. Reviewing and approving significant corporate actions and major transactions, such as major changes to the Group's Management and control structure;
6. Material acquisitions and disposals of assets or investments; major funding proposals; financial reporting and dividends; and any other matter which requires Board or shareholders' approval pursuant to the Listing Manual, the Singapore Companies Act 1967 and other applicable rules and regulations;
7. Assessing the effectiveness of the Board;
8. Ensuring ethical behaviour (including ethical standards) and compliance with laws and regulations, auditing and accounting principles and the Company's own governing documents;
9. Identifying key stakeholder groups and recognising that their perceptions may affect the Company's reputation;
10. Considering sustainability issues, e.g. environmental, social and governance factors, as part of its strategic formulation; and
11. Performing such other functions as are prescribed by law or assigned to the Board in the Company's governing documents.

All Directors exercise due diligence and independent judgement in dealing with the business affairs of the Group and are obliged to act in good faith and to take objective decisions in the interest of the Group.

CORPORATE GOVERNANCE REPORT

Matters Requiring Board Approval

The Company has adopted internal guidelines which has been communicated to the Board in writing and setting forth matters that require the Board's approval. These internal guidelines are clearly communicated to Management. The Board approves transactions exceeding certain threshold limits, while delegating authority for transactions below those limits to Management via a structured GEAR Authority matrix, which is reviewed regularly and updated when necessary.

Material transactions which are specifically reserved for the Board's approval are as follows:

(a) material acquisitions and disposals of assets or investments;
(b) major changes to the Group's Management and control structure;
(c) corporate plans and budgets;
(d) corporate strategy;
(e) financial reporting;
(f) financial restructuring;
(g) share issuances, dividends and other returns to shareholders;
(h) major financial decisions such as investment and divestment proposals;
(i) interested party transactions; and
(j) any other matters as prescribed under the relevant legislation and regulations and the provisions of the Company's Constitution.

Management is responsible for the day-to-day operations of the Company and implementing the decisions of the Board. Where a subject has been reserved for the Board or a Board Committee's approval in its terms of reference, approval must be obtained before it is implemented.

Conflict of Interests

All Directors of the Company are required to act objectively in the best interests of the Company as fiduciaries at all times. Every Director is required to promptly disclose any conflict of interest, whether direct or indirect, in relation to a transaction or proposed transaction with the Company as soon as is practicable after the relevant facts have come to his/her knowledge. The AC (as defined below) is also tasked, under its terms of reference, to review any potential conflict of interests that may arise in respect of transactions between the Company and its subsidiaries, and a director, CEO, or controlling shareholder of the Company; or an associate of such director, CEO or controlling shareholder with the Company for the time being.

A Director who has an interest in a matter which may conflict with his/her duties to the Company must disclose his/her interests, recuse himself/herself from the discussion and abstain from voting on the matter.

CORPORATE GOVERNANCE REPORT

Board Committees

The responsibilities delegated by the Board to the Audit Committee ("AC"), Nominating Committee ("NC"), Remuneration Committee ("RC") and Sustainability Committee ("SC") are clearly set out in the respective Board Committee's written terms of reference, which are updated periodically as necessary.

Each of the Board Committees is chaired by an Independent Non-executive Director. The Board Committees have the authority to deliberate on any issue that arises in their specific areas of responsibilities within their respective terms of reference and report to the Board with their decisions and/or recommendations. The ultimate responsibility and authority for the decisions and actions on all matters rest with the Board.

A description of, among other things, composition and the terms of reference, and a summary of the activities of the respective Board Committees in FY2022 is set out in this Report.

Board Processes and Meeting Attendance

The number of meetings held, and attendance of the Directors at formal meetings, in FY2022 is set out in the table below.

	Membership	Board	AC	NC	RC	SC(1)	AGM
Number of meetings held in 2022		**7**	**3**	**1**	**2**	**1**	**1**
Attendance of Directors							
Mr. Fuganto Widjaja	Executive	4*(2)	-	1	2	-	1*
Mr. Dwi Prasetyo Suseno	Executive	7	-	-	-	1	1
Mr. Mark Zhou You Chuan	Executive	7	-	-	-	-	1
Mr. Mochtar Suhadi	Executive	6	-	-	-	-	1
Mr. Lim Yu Neng Paul	Independent	7	3*	1	2	-	1
Mr. Lew Syn Pau	Independent	6	3	1*	2*	-	1
Mr. Irwandy Arif	Independent	6	-	-	-	1	1
Mr. Djuangga Mangasi Mangunsong (deceased)(3)	Independent	6	3	-	-	-	1
Ms. Noormaya Muchlis	Independent	6	-	-	-	1*	1

** Denotes Chairman.*

Notes:

(1) The SC was established on 1 June 2022.

(2) Mr. Fuganto Widjaja had recused himself from attendance at three Board meetings due to a conflict of interests on the matters discussed.

(3) The late Mr. Djuangga Mangasi Mangunsong passed away on 23 January 2023.

Notwithstanding the Company is not performing quarterly reporting of its financial results, Management provides the Board with updates on the Group's business and operations and the financial performance in respect of the first and third quarters of the financial year, in addition to the half-yearly meetings which coincide with the announcement of the Group's half-year and full-year results respectively. The Board convenes a minimum of three scheduled meetings a year. The proposed schedule for the Board and Board Committee meetings and Annual General Meeting ("AGM") are tabled at the beginning of each financial year. Where necessary, additional Board and Board Committee meetings are convened to address significant transactions or issues that arise. Board papers and related materials (including, where appropriate, relevant background or explanatory information, financial analysis and/or external reports) are provided to the Directors in advance of the relevant Board or Board Committee meeting. This allows the Directors to prepare for the meetings and to enable discussions to focus on any questions or issues that they may have or identify. Non-executive Directors are also encouraged to communicate amongst themselves, and with the Company's auditors and legal advisors without the presence of the Executive Director(s) and Management.

CORPORATE GOVERNANCE REPORT

All draft agendas for meetings are prepared by the Company Secretary and reviewed by the Chairman of the Board or the Chairman of the respective Board Committees.

During the scheduled meetings, Management will provide the Board with updates on the Group's business and operations and the financial performance for that period, and any other significant matters or issues that may have arisen. The Board is apprised of the progress of the Group's business and operations as well as the issues and challenges facing the Group.

Unless a Director is required to recuse himself/herself from the deliberations and abstain from voting on any matter due to a potential conflict of interest, all Directors will participate in the discussions and deliberations at Board and Board Committee meetings. A Director who is not able to attend a Board or Board Committee meeting in person is permitted by the Company's Constitution to participate by way of telephone or video-conferencing.

Management will attend Board and Board Committee meetings to provide any other information required by the Board or the relevant Board Committee, and to answer any queries from the Directors. Management may also communicate with the Directors outside of formal Board and Board Committee meetings as appropriate through other means, such as electronic mail, telephone or video-conferencing, or separate physical meetings.

The Board and Board Committees may also make decisions by way of circular resolutions in writing in accordance with the Company's Constitution and the respective terms of reference of the Board Committees. Management will, where required, provide any additional information required for the Directors to deliberate on the matter before approving such written resolutions.

The Board requires Directors to be able to commit sufficient time and attention to the affairs of the Board and their relevant Board Committees. Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of the Company. More information on Directors' board representations is set out under Principle 4 in the section entitled, "Board Membership", of this Report.

Directors' Induction, Training and Development

On an ongoing basis, the Directors are provided with updates and briefings from time to time by professional advisers, the external auditors, the Company Secretary and Management on relevant practices, new laws, rules and regulations that are relevant to the performance of their duties and responsibilities as Directors. Management also keeps the Board apprised of pertinent developments in the Group's business and operations.

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

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 senior members of Management. Directors who do not have prior experience as a director of a Singapore-listed company are required to attend the relevant training courses as prescribed by SGX-ST.

Newly appointed Directors who are not familiar with the Group's business may, upon recommendation by the Chairman of the NC, be provided with orientation through overseas trips to where the Company's material operations are located in order to familiarise them with the Group's operations. Management will brief the new Directors on the Group's business as well as governance practices.

CORPORATE GOVERNANCE REPORT

With the objective of enhancing corporate performance and accountability, as well as protecting the interests of stakeholders, the Board has also taken adequate steps to ensure compliance with legislative and regulatory requirements, including rules under the Listing Manual, by establishing written policies where appropriate. The Independent Directors in consultation with Management will request for Management's consideration for the establishment of written policies for any particular matter that is deemed to be essential to form part of management control. The Board also reviews legislation and regulatory compliance reports from Management to ensure that the Group complies with the relevant regulatory requirements, including rules under the Listing Manual, with the assistance of the Group's legal advisors.

All Board members are encouraged to receive regular training, particularly on relevant new laws, regulations and changing commercial risks, from time to time. The Board is mindful of the best practice in the Code to initiate programmes for Directors to meet their relevant training needs. In this regard, the Company is supportive of the Directors' participation in industry conferences and seminars, and will fund the Directors' attendance at any course or training programme in connection with their duties as directors. In FY2022, the Directors attended training on sustainability as required under Rule 720(7) of the Listing Manual.

Access to Management, Advisors and Information

The Board has separate and independent access to Management, the internal and external auditors and the Company Secretary, and are entitled to request from Management and be provided with additional information as needed to make informed decisions.

The Board is provided with management reports and updates relating to the Group's business and operations and financial information on a quarterly basis. Any requests by Directors for additional information, briefings or informal discussions on any aspect of the Group's operations are attended to promptly by Management.

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 also seek independent professional advice or engage subject-matter experts at the Company's expense in the course of discharging their duties.

Company Secretary

The Company Secretary attends all Board and Board Committee meetings and is responsible for ensuring that Board procedures are followed. The Company Secretary advises the Board on governance and compliance matters and, together with other management staff, is responsible for ensuring that the Company complies with the applicable requirements, rules and regulations.

The appointment and the removal of the Company Secretary is a matter for the Board to decide as a whole.

Commitment to Sustainability

In FY2022, following the recommendation of the NC, the Board has established a Board-level SC to oversee, on behalf of the Board, Group level policies, processes, and strategies designed to manage safety, health, environment, and socio-political (together sustainable development) risks and opportunities, to achieve compliance with sustainable development responsibilities and commitments and strive to be leader in sustainable mining.

CORPORATE GOVERNANCE REPORT

The SC comprises the following three Directors, two of whom including the SC Chairman, are Independent Directors.

Ms. Noormaya Muchlis	– Chair
Mr. Irwandy Arif	- Member
Mr. Dwi Prasetyo Suseno	- Member

The Board, together with Management, considers environmental, social and governance ("ESG") matters in all aspects of its business strategy. The Board assesses opportunities and risks presented by material ESG topics, which helps the Board to determine the appropriate strategies, policies and practices that will provide the Company with the adaptability and flexibility to seize opportunities to deliver sustainable shared socio-economic value and progress to key stakeholders, while being well-supported by sound risk management.

Terms of Reference of the SC

The SC's roles and responsibilities, which are described in its terms of reference, are as follows:

1. Review Group level sustainability frameworks, policies, standards and guidelines relevant to the SC's scope;
2. Review and give a recommendation annually to the Board on the Group's most relevant and pertinent sustainability material matters;
3. Consider material regulatory and voluntary developments in sustainability;
4. Review significant sustainability issues and incidents and ensure appropriate management response;
5. Review the Company's performance in relation to the scope of the terms of reference;
6. Oversee significant management processes designed to ensure compliance with the policies falling within the SC's scope;
7. Review the effectiveness of the process for assessing and managing catastrophic health, safety, environment and social risks falling within the scope of the SC;
8. Advise the Board on the Company's risk appetite, tolerance and strategy with respect to health, safety, environment and social risks within the SC's scope;
9. Report to the Board on its work in discharging its responsibilities during the year and the outcomes of its formal annual review; and
10. Review and recommend to the Board on the adequacy of the reporting on sustainability opportunities, risks and issues in the Sustainability Report and other relevant public document.

The Company releases an annual standalone Sustainability Report. Please refer to the Company's Sustainability Report in respect of FY2022 for further details.

CORPORATE GOVERNANCE REPORT

BOARD COMPOSITION AND GUIDANCE

Principle 2: 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.

Board Composition and Size

In FY2022 and as at 31 December 2022, the Board comprised nine Directors, five of whom are Independent Non-executive Directors. 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 decision-making and that the Board has an appropriate balance of Independent Directors. Subsequent to FY2022, with the demise of the late Mr. Djuangga Mangasi Mangunsong (Independent Non-executive Director) on 23 January 2023, the Board now comprises eight Directors, four of whom are Independent Non-executive Directors. The Board intends to select and appoint a suitable candidate as Independent Non-executive Director in due course. However, in view of the Company's impending corporate actions in 2023 (as announced by the Company on 9 November 2022 which involves, among others, a potential delisting of the Company), the Board acknowledges the feasibility of attracting suitable candidates.

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, sustainability and management. The diversity of the Directors' experience allows for the useful exchange of ideas and views and for effective decision-making. Key information regarding the Directors is set out of the section entitled, "Board of Directors" of this Annual Report.

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.

Board and Director Independence

There is a strong and independent element on the Board with Independent Non-executive Directors comprising a majority of the Board in FY2022, and no individual or small group of individuals dominate the Board's decision-making. When required, the Independent Directors may meet without the presence of Management, and the chairman of such meetings will provide feedback to the Board and/or Chairman as appropriate.

In FY2022, the Company complies with Provision 2.2 of the Code, which requires Independent Directors to make up a majority of the Board where the Chairman is not independent; and Provision 2.3 of the Code, which requires Non-executive Directors to make up a majority of the Board. The Company also complies with Rule 210(5)(c) of the Listing Manual (which came into effect from 1 January 2022), which requires Independent Directors to consist of at least one-third of the Board.

Each year, the NC assists the Board to assess the independence of each Director in accordance with the guidance in the Code and the Listing Manual, as well as the disclosure of his/her other appointments and commitments, personal circumstances, and his/her conduct in the discharge of his/her duties.

CORPORATE GOVERNANCE REPORT

Based on the Code, the NC considers an "independent" director as one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the best interests of the Company. Each Independent Director is also required to complete a Confirmation of Independence form based on Principle 2 of the Code for the NC's review and recommendation to the Board. The independence of each Independent Director is also reviewed and determined by the NC annually with reference to Rule 210(5)(d)(i) and (ii) of the Listing Manual.

For FY2022, the NC had reviewed the independence of each of the current Directors and is satisfied that apart from the Executive Directors, all the other Directors are independent. The NC's assessment of Directors' independence and the bases of its assessment are set out in the table below. The Board concurs with the NC's assessment.

Independent Directors	
Mr. Lim Yu Neng Paul	Meets the independence criteria as set out in: • SGX-ST Listing Manual; and • 2018 Code of Corporate Governance
Mr. Lew Syn Pau	
Mr. Irwandy Arif	
Mr. Djuangga Mangasi Mangunsong (deceased)	
Ms. Noormaya Muchlis	
Executive Directors	
Mr. Fuganto Widjaja	• Executive Chairman • 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.
Mr. Dwi Prasetyo Suseno	• Executive Director & Group Chief Executive Officer
Mr. Mark Zhou You Chuan	• Executive Director & Chief Investment Officer
Mr. Mochtar Suhadi	• Executive Director

Each Independent Director had abstained from deliberating on his/her respective independence.

Nine-year Rule

With effect from 1 January 2022, Rule 210(5)(d)(iii)[1] of the Listing Manual provides that a Director will not be independent if he/she has been a Director for an aggregate period of more than nine years and his/her 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 ("Two-tier Voting").

1 On 11 January 2023, the SGX amended the Listing Manual to prescribe a nine-year tenure limit for independent directors. Rule 210(5)(d)(iii) was deleted on 11 January 2023 and Rule 210(5)(d)(iv) was inserted and which takes effect from an issuer's annual general meeting for the financial year ending on or after 31 December 2023.

CORPORATE GOVERNANCE REPORT

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

Name of Director	Position	Date of Initial Appointment	Date of Last Re-election
Mr. Fuganto Widjaja	Executive Chairman	20 April 2015	25 June 2020
Mr. Dwi Prasetyo Suseno	Executive Director & Group Chief Executive Officer	26 October 2015	29 April 2021
Mr. Mark Zhou You Chuan	Executive Director & Chief Investment Officer	08 February 2021	29 April 2021
Mr. Mochtar Suhadi	Executive Director	20 April 2015	29 April 2022
Mr. Lim Yu Neng Paul	Lead Independent Director	03 August 2007	29 April 2021[1]
Mr. Lew Syn Pau	Independent Director	20 April 2015	25 June 2020
Mr. Irwandy Arif	Independent Director	20 April 2015	29 April 2022
Mr. Djuangga Mangasi Mangunsong (deceased)[2]	Independent Director	18 January 2018	25 June 2020
Ms. Noormaya Muchlis	Independent Director	17 December 2021	29 April 2022

Notes:
(1) Two-tier voting.
(2) The late Mr. Djuangga Mangasi Mangunsong passed away on 23 January 2023.

Mr. Lim Yu Neng Paul, the Company's Lead Independent Director, has served as an Independent Director of the Board for more than nine years. During the AGM on 29 April 2021, the Company had sought and obtained the requisite approval from shareholders for Mr. Lim Yu Neng Paul's continued appointment as an Independent Director via the Two-Tier Voting process, for a three-year term.

The NC and the Board are of the view that a Director's independence cannot be determined solely and arbitrarily on tenure. A Director's contribution in terms of experience, expertise, professionalism, integrity, objectivity and independent judgement in engaging and challenging Management in the interests of the Group as he/she performs his/her duties, are more critical measures in ascertaining a Director's independence than the number of years served on the Board. The Board notes the recent changes in the Listing Manual on 11 January 2023 with regards to the tenure limit of independent directors, and will ensure compliance with the amended rules in the Listing Manual.

Board Diversity

At the recommendation of the NC, the Board adopted a formal Board Diversity Policy in 2021, setting out its policy and framework for promoting diversity on the Board. The Board recognises that a diverse Board will enhance the decision-making process by utilising a variety in skills, industry and business experience, gender, age and other distinguishing qualities of the members of the Board.

CORPORATE GOVERNANCE REPORT

The Board, supported by the NC, reviews the Board's diversity, covering aspects ranging from skills, experience, background, gender, age, ethnicity, independence and other competencies and is of the view that the Board provides an appropriate balance and diversity of skills, experience, background, age and knowledge. As such, the Board is of the view that there is diversity in its composition.

The final decision on selection of Directors will be based on merit against the objective criteria set and after giving due regard for the benefits of diversity on the Board. The NC is reviewing the setting of targets for various aspects of diversity but the fundamental principle is that the candidate must be of right fit and meet the relevant needs and vision of the Company. Diversity will be considered in determining the optimum composition of the Board as a whole.

As and when there is a need for Board renewal, the Board will abide by the Board Diversity Policy in its search of the new Director candidate.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: 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.

Chairman and Group CEO

The positions of Chairman and Group CEO are separate; and the Company has a clear separation of the roles and responsibilities of the Chairman and the Group CEO to ensure an appropriate balance of power and authority, accountability and decision-making.

Role of Chairman

The Chairman, Mr. Fuganto Widjaja, is responsible for the following:

1. Leading the Board to ensure its effectiveness on all aspects of its role;
2. Setting the agenda and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues;
3. 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;
4. 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;
5. Encouraging constructive relations within the Board and between the Board and Management;
6. Facilitating the effective contribution of all Directors; and
7. Ensuring effective communication with shareholders.

The Chairman is related to the ultimate controlling shareholders of the Company. He has no familial or other close ties with the Group CEO.

CORPORATE GOVERNANCE REPORT

Role of Group CEO

As the Group CEO, Mr. Dwi Prasetyo Suseno is responsible for the following:

1. Overseeing the day-to-day management of the affairs of the Group in accordance with the business plans, approved budgets, policies, practices, procedures and values adopted by the Board;
2. Communicating with the Chairman on a regular basis to review key developments, issues, opportunities and concerns;
3. Implementing the strategies and policies approved by the Board; and
4. Providing timely updates, reports and information on the Group's business operations to the Board.

Lead Independent Director

Mr. Lim Yu Neng Paul is the Company's Lead Independent Director.

The Lead Independent Director will provide leadership in situations where the Chairman is conflicted. He 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 Directors for confidential discussions on any concerns and to resolve conflicts of interest as and when necessary.

When required, the Independent Directors will meet without the presence of the other Directors.

BOARD MEMBERSHIP

Principle 4: 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	– Chair
Mr. Lim Yu Neng Paul	- Member
Mr. Fuganto Widjaja	- Member

Terms of Reference of the NC

The NC's roles and responsibilities, which are described in its terms of reference, are as follows:

1. Reviewing and assessing all candidates for directorships before making recommendation to the Board for appointment of Directors (including alternate directors, if any);
2. Reviewing and recommending to the Board the re-election of the Directors retiring in accordance with the Company's Constitution and the Listing Manual at each AGM;

3. Reviewing the composition of the Board annually to ensure that the Board has an appropriate balance of Independent Directors and an appropriate balance of expertise, skills, attributes and ability among the Directors;
4. Reviewing the independence of Directors annually;
5. Reviewing Board succession plans for Directors, in particular, the Chairman and Group CEO;
6. Evaluating the performance of the Board as a whole and the contribution and performance of each Director of the Board;
7. Reviewing the training and professional development programmes for the Board to keep the Board apprised of relevant new laws, regulations and changing of commercial risk and ensure incoming Directors receive comprehensive and tailored induction on joining the Board;
8. Deciding 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. Identifying 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.

In FY2022, the NC carried out the following:

1. Reviewed and recommended the establishment of a Board-level SC;
2. Conducted the annual performance evaluations for the Board and Board Committees (excluding the SC, which was established on 1 June 2022) and individual Director self-appraisal exercise;
3. Reviewed and recommended the nomination of retiring Directors for re-appointment; and
4. Assessed the independence of the Directors.

Procedure for Selection and Appointment of New Directors

In the selection and nomination of new Directors, the NC identifies the key attributes that an incoming director should have, based on the attributes of the existing Board members and the requirements of the Group. As a whole, the selection and appointment process is based primarily on merit, with due and conscious consideration for the benefits of diversity as set out in the Board Diversity Policy. The NC, in consultation with Management and the Board, considers various aspects of diversity to address gaps and to maintain an appropriate range and balance of skills, experience, independence and knowledge of Directors, diversity representation on the Board and other relevant factors against the current and future needs of the Board.

Prospective Board candidates are sourced through recommendations from Board members, business associates, advisors, professional bodies and other industry players. These candidates are then reviewed by the NC.

The criteria for assessing the suitability of any candidate are determined by the NC. The NC, in evaluating the suitability of the candidate, will take into account his/her qualifications, business and related experience and ability to contribute effectively to the Board. The NC will also determine if the candidate would be able to commit time to his/her appointment having regard to his/her other Board appointments and principal commitments, and his/her independence. The evaluation process will also involve an interview or meeting with the candidate. Appropriate background and confidential searches will also be made. Recommendations of the NC are then put to the Board for consideration.

Important issues to be considered as part of the process for the selection, appointment and re-appointment of Directors include the composition and progressive renewal of the Board and each Director's competencies, commitment, contribution and performance (e.g. attendance, preparedness, participation and candour) including, if applicable, as an Independent Director.

CORPORATE GOVERNANCE REPORT

The Company may, if required, appoint professional search firms and recruitment consultants to assist in the selection and evaluation process if the appointment involves specific skill sets or industry specialisation.

Please refer to our disclosures in respect of Principle 1 above under the heading "Directors' Induction, Training and Development" regarding new Directors' induction into the Board, briefing on their duties and the receipt of mandatory training as prescribed by the SGX-ST.

Retirement and Re-election of Directors

The Company's Constitution requires all Directors to submit themselves for re-nomination and re-election at least once every 3 years; and at least one-third of the Directors for the time being to retire from office by rotation. New Directors appointed during the year are subject to retirement and re-election at the following AGM of the Company.

In its deliberation on the nomination of retiring Directors for re-election, the NC takes into consideration the Directors' contribution and performance during the year. At the forthcoming AGM, Mr. Fuganto Widjaja, Mr. Mark Zhou You Chuan and Mr. Lew Syn Pau will retire pursuant to Regulation 107 of the Company's Constitution. At the recommendation of the NC and with the concurrence of the Board, Mr. Fuganto Widjaja, Mr. Mark Zhou You Chuan and Mr. Lew Syn Pau will be seeking re-election at the forthcoming AGM.

The relevant details of Mr. Fuganto Widjaja, Mr. Mark Zhou You Chuan and Mr. Lew Syn Pau, as required to be disclosed pursuant to Rule 720(6) of the Listing Manual, is disclosed in the section entitled, "Additional Information on Directors Seeking Re-Election" of this Annual Report.

Alternate Directors

Consistent with the principle that each Director is expected to be able to, and to adequately, carry out his or her duties as a Director, the Board does not encourage the appointment of alternate directors. No alternate director was appointed to the Board during FY2022.

NC's Determination of Director Independence

The NC is charged with determining the independence of the Directors as well as the relationships or circumstances which would deem a Director not to be independent.

As noted under the section on Principle 2 under "Board Independence", the NC assesses annually whether a Director is independent in accordance with the guidance in the Code and the Listing Manual. To facilitate this process, Directors are required to disclose, among other things, their relationships with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent business judgement in the best interests of the Company.

An Independent Director shall notify the NC immediately, if as a result of a change in circumstances, he/she no longer meets the criteria for independence. The NC shall review the change in circumstances and make its recommendations to the Board.

The NC notes the recent changes in the Listing Manual on 11 January 2023 with regards to the tenure limit of independent directors, and will ensure compliance with the amended rules in the Listing Manual.

CORPORATE GOVERNANCE REPORT

Board Representations

Where a Director has multiple board representations, the NC will determine if the Director has been able to devote sufficient time and attention to the Company's affairs and if he/she has been adequately carrying out his/her duties as a Director. Such assessment is performed on an annual basis or from time to time when the need arises.

The NC is of the view that the number of directorships a Director can hold and his/her principal commitments should not be prescriptive as the time commitment for each board membership will vary. The NC assesses holistically, and on a case-by-case basis, whether a Director is able to carry out, and has been adequately carrying out, his or her duties and responsibilities as a Director taking into account, among other things, the factors mentioned above.

The NC believes that it would not be necessary to prescribe a maximum number of listed company board representations a Director may hold. The Board affirms and supports this view.

The NC reviews the directorships and principal commitments disclosed by each Director and is of the view that the existing directorships and principal commitments of the respective Directors have not impinged on their abilities to discharge their duties. The Board concurs with the NC.

BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committee and individual directors.

The NC has an annual performance evaluation exercise for (1) the Board as a whole; (2) for each of the Board Committees; and (3) individual Director self-appraisal. The aforesaid performance evaluations are carried out with questionnaires. The results are collated and anonymised. The findings are analysed and discussed by the NC, and reported to the Board.

The performance criteria for Board evaluation are based on quantitative and qualitative 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 performance in relation to discharging its principal functions, communication with 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 Board Committees' performance evaluation questionnaires take into consideration the extent of how effectively each respective Board Committee has carried out its duties and responsibilities.

Each year, every Director performs a self-appraisal, based on a set of qualitative criteria to evaluate his/her contribution to the effectiveness of the Board.

The results of the Board and Board Committee evaluations and Director self-assessment are compiled and presented to the NC. This exercise provides a platform for the Board members to exchange feedback on the Board's strengths and shortcomings with a view to strengthening the effectiveness of the Board. Areas where the Board's performance and effectiveness could be enhanced and recommendations for improvement will be discussed by the Board and, where appropriate, implemented.

The NC had conducted the aforesaid performance evaluations in respect of FY2022. No external facilitator was engaged for the purpose of these evaluations as the NC and the Board are of the view that the current evaluation process is adequate.

CORPORATE GOVERNANCE REPORT

REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6: ***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	– Chair
Mr. Lim Yu Neng Paul	– Member
Mr. Fuganto Widjaja	– Member

The Board recognises that the composition of the RC constitutes a variation from Provision 6.2 of the Code, which requires the RC to be made up entirely of Non-executive Directors. The Board is of the view that the composition of the RC is sufficiently independent as a majority of its members are independent and the RC Chairman is independent. Mr. Fuganto Widjaja, as the sole Executive Director in the RC, provides a better understanding of the Group's operations and industry and is in an appropriate position to advise and recommend remuneration packages that commensurate with the level of responsibility and skillset of each key executive.

Terms of Reference of the RC

The terms of reference of the RC include the review and recommendation of the following matters by the RC to the Board:

1. Policies and general framework of remuneration for the Board and key management personnel ("KMP");
2. The specific remuneration package for each Executive Director and KMP, taking into account factors including remuneration packages of Executive Directors and/or KMP in comparable industries as well as the performance of the Company and that of the Executive Directors and/or KMP;
3. The fees of Independent Directors;
4. The remuneration of employees who are related to Directors or substantial shareholders of the Group, if any;
5. The cost and benefits of any long-term incentive schemes, if any, for Executive Directors and KMP;
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 KMP's contracts of service, to ensure such contracts of service contain fair and reasonable termination clauses which are not overly generous.

No Director, including the members of the RC, are involved in discussions concerning his/her own remuneration. The RC's recommendations are submitted to the Board for endorsement.

CORPORATE GOVERNANCE REPORT

In FY2022, the RC carried out the following:

1. Reviewed and recommended the Proposed Directors' fee framework for the SC;
2. Reviewed and recommended the Directors' fees; and
3. Reviewed the remuneration packages of the Executive Directors.

As disclosed under Principle 8 under the section entitled "Remuneration of KMP", all of the top five KMP (who are not Directors or the Group CEO) are executives of the Company's respective subsidiaries, PT Golden Energy Mines Tbk ("GEMS") and Stanmore Resources Limited ("SMR"), listed on the Indonesia Stock Exchange and Australian Securities Exchange Ltd respectively. As public listed companies, GEMS and SMR have remuneration committees and boards of directors that review and approve executive compensation. GEMS and SMR are also subject to different disclosure requirements on executive compensation in their respective jurisdictions. As the top five KMP are executives from GEMS and SMR, they are remunerated directly by GEMS and SMR and do not receive any payments from the Company, and accordingly, the remuneration packages are not subject to the review and approval of the RC.

Notwithstanding the above, the RC has taken note of the remuneration packages of these top five KMP in FY2022.

Remuneration Framework

Broadly, the framework for fixing Directors' fees, Executive Directors and KMP remuneration adopted by the Company are designed with a view to paying competitive remuneration to attract, retain and motivate the Directors to provide good stewardship of the Company and the KMP to successfully manage the Company for the long-term.

The Non-executive Directors do not have service contracts or consultancy arrangements with the Company. They are paid Directors' fees based on a structured fee framework reflecting the responsibilities and time commitment of each Director. The fee framework comprises a base fee, and additional fees for holding appointment as Chairman of the Board or Chair/member of Board Committees. The annual quantum of Directors' fees to be paid is also reviewed by the RC and the Board before submission to shareholders for approval at the Company's AGM.

In reviewing remuneration packages, the RC will look at the total remuneration provided which comprises a fixed salary, variable bonus and/or other benefits. The variable bonus component is linked to the performance of the Group and the individual's performance. The RC ensures that there is a strong correlation between bonuses payable, and the achievement and performance of the Group and individual staff.

The termination clauses and use of clawback provisions in the remuneration contracts of Executive Directors and KMP are subject to further consideration by the Company.

RC access to expert professional advice

The RC may, during its annual review of remuneration of Directors and KMP, seek advice from external professional consultants as and when it deems necessary. The expenses incurred from such advice is borne by the Company.

In FY2022, the RC did not appoint any remuneration consultants.

CORPORATE GOVERNANCE REPORT

LEVEL AND MIX OF REMUNERATION

Principle 7: 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.

The Company's remuneration framework is designed to encourage behaviours that contribute to the Group's long-term success while keeping remuneration competitive to attract, to retain and to motivate employees and highly-skilled individuals. Remuneration is commensurate with the performance of the Company, an employee's business unit or function, individual performance and contributions, competencies and alignment of behaviour to Company values. The remuneration package consists of fixed pay, variable bonus and/or benefits.

Performance-based Compensation

In reviewing the remuneration packages of individual Directors, the RC ensures that the remuneration of the Executive Directors are commensurate with their performance and that of the Company.

The remuneration packages of the Executive Directors and KMP comprise primarily a mix of a fixed component and a variable component (variable bonus). A significant and appropriate portion of remuneration of Executive Directors and KMP are structured as a variable component with a view to aligning Management remuneration with the interests of shareholders and other stakeholders, and to link rewards to corporate and individual performance so as to promote the long-term sustainability and success of the Group.

Remuneration of Non-executive Directors

The RC reviews the Directors' fees paid to Non-executive Directors, which is based on a structured fee framework, to ensure that it is appropriate to the level of contribution and responsibilities. The RC will ensure that the Non-executive Directors are not over-compensated to the extent that their independence may be compromised.

The RC has recommended to the Board a total amount of up to S$371,946 for the financial year ending 31 December 2023 ("FY2023"). The Board concurred with the RC that the aforesaid proposed Directors' fees is appropriate, taking into consideration the level of contributions by the Directors, their responsibilities and obligations. The proposed Directors' Fees will be separately tabled at the forthcoming AGM for shareholders' approval.

Long-term Incentive Scheme

The RC will look into implementing appropriate long-term incentive plans to encourage alignment of Management's interests with that of shareholders.

CORPORATE GOVERNANCE REPORT

DISCLOSURE ON REMUNERATION

Principle 8: ***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.***

Remuneration of Directors

The breakdown of remuneration of Directors (including the Group CEO) for FY2022 is set out in the table below:

Name of Director	Remuneration Band[1]	Fixed Salary	Variable Bonus	Directors' Fees
Mr. Fuganto Widjaja	Band B	92%	8%	-
Mr. Dwi Prasetyo Suseno	Band D	6%	94%[2]	-
Mr. Mark Zhou You Chuan	Band E	10%	90%[2]	-
Mr. Mochtar Suhadi	Band C	23%	77%	-
Mr. Irwandy Arif	Band A	–	-	100%
Mr. Lew Syn Pau	Band A	-	-	100%
Mr. Lim Yu Neng Paul	Band A	-	-	100%
Mr. Djuangga Mangasi Mangungsong (deceased)[3]	Band A	-	-	100%
Ms. Noormaya Muchlis	Band A	-	-	100%

Notes:

(1) Remuneration Bands as follows:

Band A	:	S$250,000 and below
Band B	:	S$250,001 to S$500,000
Band C	:	S$750,001 to S$1,000,000
Band D	:	S$3,000,001 to S$3,250,000
Band E	:	S$4,000,001 to S$4,250,000

(2) Includes variable bonus payable in FY2023, subject to satisfaction of certain condition by the respective Executive Directors.

(3) The late Mr. Djuangga Mangasi Mangunsong passed away on 23 January 2023.

The aforesaid disclosure is a variation from Provision 8.1(a) of the Code, which provides that the amount of remuneration of each individual Director and the Group CEO are disclosed in the annual report.

Each Director's remuneration is expressed in bands of S$250,000 with a percentage breakdown of remuneration components. The disclosure of the Directors' remuneration in bands of S$250,000, together with a breakdown of the level and mix of the remuneration in the above table, provide shareholders with sufficient insight into the compensation of the Directors and is consistent with the intent of Principle 8.

CORPORATE GOVERNANCE REPORT

Remuneration of KMP

For FY2022, the top five KMP (who are not Directors or the Group CEO) of the Company and their remuneration falling in bands of S$250,000, are as follows:

Mr. Bonifasius
Mr. Kumar Krishnan
Mr. Riadi Pinem
Mr. Marcelo Matos
Mr. Shane Young

KMP's Remuneration Band	Number of KMP
S$2,000,001 and above	3
S$1,500,001 to S$1,750,000	1
S$1,250,001 to S$1,500,000	1

The aggregate remuneration paid to the top five KMP in FY2022 was approximately US$12.2 million.

As highlighted above, all of the top five KMP (who are not Directors or the Group CEO) are executives at GEMS and SMR which are public listed companies in Indonesia and Australia respectively. Accordingly, GEMS and SMR have remuneration committees and boards of directors that review and approve executive compensation and GEMS and SMR are also subject to different disclosure requirements on executive compensation in their respective jurisdictions. Given the confidentiality and sensitive nature of the subject, as well as the differences in disclosure requirements for GEMS and SMR, the Company is of the view that it is not in the best interest of the Group to disclose the specific remuneration of the KMP as such disclosure may adversely affect the Group's talent retention.

The Company is of the view that the current disclosure provides sufficient overview of the remuneration of the KMP while maintaining confidentiality of staff remuneration matters, and is consistent with the intent of Principle 8. Annual variable bonuses would be linked to achievement of financial and non-financial key performance indicators such as competencies, key result areas, performance rating, and potential of the employees.

No termination, retirement and post-employment benefits were granted to the Directors, Group CEO and the KMP in FY2022.

Employees who are Substantial Shareholders, Immediate Family Members of a Director or the CEO or a Substantial Shareholder

Save as disclosed, there are no employees who are substantial shareholders of the Company or immediate family members of a Director, the CEO or a substantial shareholder, and whose remuneration exceeds S$100,000 in FY2022.

Employee Share Option Scheme

The Company currently does not have any employee share option scheme in place.

CORPORATE GOVERNANCE REPORT

ACCOUNTABILITY AND AUDIT

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9: 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.

Implementation and Monitoring of Risk Management and Internal Control Systems

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 is assisted by the AC, which conducts reviews of the adequacy and effectiveness of the Group's internal controls and risk management systems. The reviews consider 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.

Risk Management Policies and Processes

An Enterprise Risk Management framework is in place to formalise and document the Group's internal processes to enable significant strategic, financial, operational, compliance and information technology risks within the relevant Group companies to be identified, assessed, monitored, managed and evaluated.

The main risks arising from the Group's operations are weather risk, operation disruption risk, health and safety risk and increased product cost risk. These risks are monitored by the AC and the Board.

The risk management and internal control system is intended to provide reasonable but not absolute assurance against material misstatements or loss, and to safeguard assets and ensure maintenance of proper accounting records, reliability of financial information, compliance with relevant legislation, regulations and best practices, and the identification and containment of business risks.

CORPORATE GOVERNANCE REPORT

Adequacy and Effectiveness of Risk Management and Internal Control Systems

The AC and the Board review the adequacy and effectiveness of the risk management and internal controls systems and procedures at least annually.

For FY2022, the Board has received written assurances from the Group CEO and the Acting Head of Finance and Reporting that in FY2022:

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

(b) the Group's risk management and internal control systems to address the key financial, operational, compliance and information technology risks affecting the operations are adequate and effective to meet the needs of the Group in its current business environment.

Based on the internal controls established and maintained by the Company, work performed by the internal and external auditors, reviews performed by Management and the written assurances from Management, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls and risk management systems were adequate and effective in FY2022 to address financial, operational, compliance, and information technology risks. Accordingly, the Company has complied with Listing Rule 1207(10) of the Listing Manual.

AUDIT COMMITTEE

Principle 10: The Board has an Audit Committee ("AC") which discharges its duties objectively.

In FY2022, the AC comprises the following three Independent Non-executive Directors:

Mr. Lim Yu Neng Paul	- Chair
Mr. Lew Syn Pau	- Member
Mr. Djuangga Mangasi Mangunsong	- Member

Subsequent to FY2022, with the demise of the late Mr. Djuangga Mangasi Mangunsong (Independent Non-Executive Director) on 23 January 2023, Ms. Noormaya Muchlis (Independent Non-executive Director) was appointed as a member of the AC with effect from 1 February 2023.

The Board is of the view that the AC members, having accounting and related financial management expertise and experience, are appropriately qualified to discharge their responsibilities. All members of the AC have many years of experience in senior management positions in both financial and/or industrial sectors.

The external auditors provide regular updates and periodic briefings to the AC on changes or amendments to accounting standards to enable the AC to keep abreast of such changes and their corresponding impact on the financial statements, if any.

The AC's terms of reference provide that the members of the AC shall not comprise former partners or directors of the Company's existing auditing firm or auditing corporation: (a) within a period of 2 years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation. None of the AC members fall into any of the above categories.

Terms of Reference of the AC

The duties of the AC as set out in its terms of reference include:

1. Reviewing significant financial reporting issues and judgement to ensure the integrity of the financial statements and any formal announcements relating to financial performance;
2. 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);
3. Reviewing the assurance from the Group CEO and the chief financial officer or its equivalent on the financial records and financial statements;
4. Reviewing the adequacy and effectiveness of the Company's internal audit function;
5. Recommending to the Board the appointment/re-appointment of the external auditors including their remuneration and terms of engagement;
6. 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;
7. 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, compliance and information technology controls as well as risk management of the Group;
8. Reviewing the half-year and 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;
9. Reviewing any significant audit findings and recommendations of the internal and external auditors together with Management's responses thereto;
10. Reviewing interested party transactions as defined in the Listing Manual;
11. Reviewing the Company's accounting policies and reporting requirements in consultation with the external auditors and assessing the adequacy of management reporting;
12. 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
13. 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.

In FY2022, the AC carried out the following:

1. Reviewed the half-year and full year financial statements;
2. Reviewed and approved the audit plan, scope and results of the external audit, the independence and objectivity of the external auditors;
3. Reviewed and approved the respective internal audit plans of the Group as well as the scope and results thereof, the independence and adequacy of resources of the Internal Auditors;
4. Reviewed the adequacy and effectiveness of the Company's internal controls and risk management systems to address financial, operational, compliance and information technology risks; and
5. Reviewed interested person transactions, including transactions conducted under the Sinar Mas IPT Mandate.

Authority of the AC

The AC has the authority to investigate any matter relating to the Company's accounting, auditing, internal controls and financial practices brought to its attention with full access to records, resources, and personnel to enable it to discharge its functions properly; and has full access to and cooperation of Management and the discretion to invite any Director or officer to attend its meetings. The external and internal auditors have unrestricted access to the AC.

CORPORATE GOVERNANCE REPORT

External Auditors

The AC confirms that the Company has complied with Listing Rule 712 in that Ernst & Young LLP is registered with the Accounting and Corporate Regulatory Authority. The AC is satisfied that the resources and experience of Ernst & Young LLP, the audit engagement partner and the team assigned to the audit of the Group are adequate to meet their audit obligations, given the size, nature, operations and complexity of the Group.

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.

The AC assesses the external auditors based on the requirements of the Listing Manual as well as other factors such as the performance and quality of its audit and the independence and objectivity of the auditors, and recommends its appointment to the Board.

The AC has undertaken a review of the nature and value of all non-audit services provided to the Group by the current external auditors during FY2022 and is satisfied that the independence of the external auditors has not been affected by the provision of these services. The external auditors have confirmed their independence in this respect.

In accordance with Rule 1207(6) of the Listing Manual, the audit fees and non-audit fees paid or payable to Ernst & Young LLP for their services for FY2022 are found in Note 7 of the Consolidated Financial Statements of this Annual Report.

The AC has recommended to the Board the nomination of Ernst & Young LLP for re-appointment at the forthcoming AGM. The Board has concurred with the recommendation. This will be tabled at the forthcoming AGM for shareholders' approval.

Internal Auditors

The Company has established and maintains, on an ongoing basis, an effective internal audit function that is adequately resourced and independent of the activities it audits, as required under Rule 719(3) of the Listing Manual.

In FY2022, the Company outsourced its internal audit function to the respective RSM network firms in Singapore and Australia, to review the key business processes of the Company and its subsidiary, SMR, and the adequacy and effectiveness of the Company's internal controls, financial, operational and compliance controls as well as risk management. The internal auditors ("IA") reports primarily to the Chairman of the AC, and administratively to the Group CEO. The AC is responsible for the appointment, termination and remuneration of the IA. The AC approves the respective internal audit plans of the Group annually and reviews the adequacy and effectiveness of the Group internal audit function.

The Company's subsidiary, GEMS, has an in-house internal audit department ("GEMS IA"). The GEMS IA reports administratively to the President Director of GEMS, and functionally to the AC of GEMS and the in-house Internal Audit department of the Company ("GEAR IA"). The role of the GEMS IA is to assist the AC of GEMS and AC of the Company to ensure that GEMS maintains a sound system of internal controls. GEMS IA conducts regular audits of GEMS and reports to the AC of the Company on a quarterly basis.

Both the IA and GEMS IA are staffed with persons with the relevant qualifications and experience and carries out its function according to the standards set by nationally or internationally recognised professional bodies including the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. As public listed companies, each of GEMS and SMR has an audit committee that reviews the adequacy and effectiveness of their respective internal audit functions, which is also subject to different disclosure requirements in the respective jurisdictions.

CORPORATE GOVERNANCE REPORT

The IA and GEMS IA support the AC in ensuring that the Group, as a whole, maintains a sound system of internal controls by highlighting any weaknesses in the current processes, ascertaining that operations were conducted in accordance with established policies and procedures, and identifying areas for improvement where controls can be strengthened. If any non-compliance or internal control weaknesses are noted during the internal audits, the corresponding recommendations and Management's responses are reported to the AC. The internal audit function provides an independent assurance to the AC and the Board on the adequacy, effectiveness and integrity of the Group's internal controls and risk management systems. The IA and GEMS IA have unfettered access to the respective Group entities' documents, records, properties and personnel, including access to the AC.

Pursuant to Rule 1207(10C) of the Listing Manual, the AC had assessed and is satisfied with the adequacy, effectiveness, independence, scope and results of the Company's internal audit function, and the AC is of the view that the internal audit function is adequately resourced and has the appropriate standing within the Group.

As part of the Company's ongoing efforts to enhance the security of personal data protection, the Company has in place a privacy policy and cookies policy to safeguard customers' and/or stakeholders' personal data so as to ensure the Group's compliance with all applicable laws such as the Personal Data Protection Act 2012 (as amended and updated from time to time).

Meeting with External Auditors and Internal Auditors

The AC meets with the external and internal auditors without the presence of Management, at least annually, to discuss any issues they may have (including suspected fraud or irregularity, or suspected infringement of any applicable law, rules or regulations, which has or is likely to have a material impact on the Company and Group's operating results or financial position), and Management's response thereof.

Both sets of auditors had confirmed that they had access to and received full co-operation and assistance from Management and no restrictions were placed on the scope of their audit for FY2022.

Whistle-blowing Policy

The AC is responsible for oversight and monitoring arrangements by which Group employees or external parties may, in confidence, raise concerns about possible improprieties in financial reporting or other matters. The Company has in place a whistle-blowing policy to ensure independent investigations of such matters and for appropriate follow up action. Such concerns include dishonesty, fraudulent acts, corruption, legal breaches and other serious improper conduct; unsafe work practices and any other conduct that may cause financial or non-financial loss to the Company or damage to the Company's reputation.

The policy is aimed at encouraging the reporting of such matters in good faith, with the confidence that persons making such reports will be treated fairly. Every effort will be made to protect the identity of the employee who files the complaint or expresses his/her concerns, except in very limited circumstances, such as where disclosure of the person's identity is required by law or other regulatory body; or the identity of the person is material to the investigations.

The Company will not tolerate any reprisals, discrimination, harassment or victimisation of any person raising a genuine concern. All reported whistle-blowing incidents or concerns will be independently investigated under the directives of the AC, and remedial actions will be taken.

Details of the policy are made available to all employees (including permanent full time, part-time and contract employees) and the public via the Company's website. Employees and external parties may raise concerns, if any, directly to the Chairman of the AC.

CORPORATE GOVERNANCE REPORT

The Group internal auditors, under the directive of the Chairman of the AC, maintains a register for recording all complaints/feedback received under the policy.

Accordingly, the Company has complied with Rules 1207(18A) and (18B) of the Listing Manual (which came into effect on 1 January 2022).

There were no whistle-blowing incidents reported in FY2022.

Key Audit Matters

In the review of the financial statements, the AC had discussed with Management the accounting principles that were applied and their judgement of items that might affect the integrity of the financial statements and considered the clarity of key disclosures in the financial statements.

The AC reviewed, amongst other matters, the following key audit matters reported by the external auditors for FY2022:

Key audit matters	How these matters were addressed by the AC
Acquisition of subsidiaries	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 external valuation specialist. The AC is satisfied with the appropriateness of the methodology applied and the reasonableness of the key assumptions used. 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 2022. Please refer to The Independent Auditor's Report contained in this Annual Report.
Impairment assessment of non-financial assets from forestry business	The AC considered the approach and methodology applied by Management on the impairment assessment of goodwill and intangible assets attributable to the forestry and pulp cash-generating unit ("CGU") and impairment assessment on the carrying amount of investment in Anrof Singapore Limited. In addition to considering the opinion from 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 auditors. The external auditors has included this item as a key audit matter in its audit report for the financial year ended 31 December 2022. Please refer to The Independent Auditor's Report contained in this Annual Report.

CORPORATE GOVERNANCE REPORT

SHAREHOLDER RIGHTS AND ENGAGEMENT

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11: 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.

Shareholder Rights

The Company recognises the importance of maintaining transparency and accountability to its shareholders. The Board ensures that all shareholders are treated fairly and equitably, and information is communicated to shareholders on a timely basis through annual reports, half-year and full year financial results and announcements of significant transactions that are released on SGXNet.

Shareholders are also able to access investor-related information on the Group from the Company's corporate website at www.gear.com.sg.

Shareholder Participation at General Meetings

The Company welcomes the views of shareholders on matters concerning the Company and encourages shareholders' participation at general meetings. All shareholders are entitled to attend the general meetings and are given ample opportunity and time to participate effectively and vote at the meetings. All Notices of general meetings, along with the related information, is sent to every shareholder. The Notices of general meetings are also published in the press.

Shareholder Participation During the COVID-19 Pandemic

Under the exceptional circumstances and in compliance with regulatory guidance, the Company convened its AGM by electronic means in 2022 while adhering to the various advisories and guidance issued by the authorities on holding meetings amidst the COVID-19 pandemic. Shareholders were notified to pre-register to participate at the Company's general meetings by (a) observing and/or listening to the proceedings via live audio-visual webcast or live audio-only stream; (b) submitting questions in advance of the general meetings; and (c) appointing the Chairman of the Meeting as proxy to attend, speak and vote on their behalf. Shareholders were also invited to submit to the Company in advance, any questions related to the resolutions tabled for approval. The votes by poll were counted and verified by an independent scrutineer before the results were announced at the virtual general meetings, and broadcast on SGXNet on the same day.

The 2023 AGM will continue to be held via electronic means pursuant to regulatory guidance for the conduct of general meetings. Alternative arrangements have been put in place to allow shareholders to participate at the 2023 AGM by:

(a) observing and/or listening to the proceedings via live audio-visual webcast or live audio-only stream;
(b) submitting questions in advance of the general meeting, or 'live' at the AGM; and/or
(c) (i) voting at the AGM 'live' via electronic means; (ii) appointing a proxy(ies) (other than Chairman of the Meeting) to vote 'live' via electronic means on their behalf at the AGM; or (iii) appointing Chairman of the AGM as proxy to vote on their behalf at the AGM.

CORPORATE GOVERNANCE REPORT

Details of the steps for pre-registration, submission, submission of questions and voting at the 2023 AGM are set out in a separate announcement to be released on SGXNet together with the Notice of AGM.

The Notice of AGM is published on SGXNet and the Company's website at least 14 calendar days before the date of the AGM. Shareholders will have at least seven calendar days from the publication of the Notice of AGM to submit their questions.

Separate Resolutions at General Meetings on Each Substantially Separate Issue

The Company does not practice bundling of resolutions at general meetings. Each proposal is tabled as a separate and distinct resolution and not bundled or made conditional to other resolutions. Relevant information relating to each resolution is provided in the notice of general meeting. In the event where the nature of the resolutions have to be "bundled", the Company will explain the reasons and material implications.

Attendance at General Meetings

All Directors, including the Chairman of the Board and the respective Chair of the AC, NC, RC and SC, as well as the external auditors and the Company Secretary, are present at general meetings to address shareholders' queries. The Directors' attendance at general meetings held in FY2022 is disclosed in Principle 1 above under the heading "Board Processes and Meeting Attendance".

Absentia Voting

If any shareholder is unable to attend a shareholders' meeting, he/she is allowed to appoint up to two proxies to vote on his/her/its behalf at the meeting through proxy forms which are sent together with the Annual Reports or Circulars (as the case may be). As the authentication of shareholder identity information and other related security issues still remain a concern, the Company has decided, for the time being, not to implement voting in absentia.

Minutes of General Meetings

The Company Secretary prepares minutes of general meetings which include substantial and relevant comments or queries from shareholders, and responses from the Board and Management. The Company releases its minutes of general meetings via its corporate website and SGXNet as soon as practicable.

Dividend Policy

The Company does not have a formal dividend policy, which constitutes a variation from Provision 11.6 of the Code. Additionally, the covenants under the Company's bond issuance regulate any dividend payout that the Company may declare to its shareholders. The amount and frequency of dividend payments would depend on, *inter alia*, meeting the covenants under the bond issuance, the Group's financial performance and financial position, its expansion plans and working capital needs, and other factors as the Board may deem appropriate.

The Company had announced on 9 November 2022, *inter alia*, to undertake a proposed distribution (the "Proposed Distribution") through a combination and concurrent implementation of a dividend in specie and a capital reduction. The Proposed Distribution is however conditional upon the satisfaction of various conditions, including the approval of shareholders, by way of a special resolution, for the Proposed Distribution at an extraordinary general meeting to be convened. Currently, none of the conditions to the Proposed Distribution has been satisfied.

Save as disclosed above, the Company will not be declaring any dividend payment in respect of FY2022.

CORPORATE GOVERNANCE REPORT

ENGAGEMENT WITH SHAREHOLDERS

Principle 12: 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.

Shareholder Engagement

The Company recognises that effective communication leads to transparency and enhances accountability. Shareholders are invited to ask questions and seek a better understanding of the Group's business operations, performance, strategies and outlook at general meetings. The Company regularly conveys pertinent information, gathers shareholders' views and addresses shareholders' concerns. The Company provides timely information to its shareholders via SGXNet announcements and news releases. The Company does not practice selective disclosure.

Investor Relations

The Company has put in place an investor relations policy to ensure effective communications with shareholders. The policy is updated and amended (as appropriate) to reflect best practices in communications with 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 manner.

The Company's outreach includes briefings conducted by members of 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.

MANAGING STAKEHOLDER RELATIONS

ENGAGEMENT WITH STAKEHOLDERS

Principle 13: 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 the best interests of the company are served.

Managing Stakeholder Relations

The Company has arrangements in place to engage with its material stakeholder groups and to manage its relationships with such groups, which forms parts of its sustainability practices. The Company's material stakeholders include its shareholders, employees and workers, customers, local communities, regulatory authorities, contractors and suppliers. The Company engages its key stakeholders through various formal and informal 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 its stakeholders and its approach to material topics will be detailed in the Company's Sustainability Report 2022.

CORPORATE GOVERNANCE REPORT

Corporate Website

The Company maintains a corporate website at www.gear.com.sg, to communicate and engage with key stakeholders. The corporate website contains various information pertaining to the Group and the Company which serves as an important resource for investors and all key stakeholders. The website is updated from time to time. Shareholders and investors may also communicate with the Company and, as the case may be, submit any request for information or questions, via the website.

INTERESTED PERSON TRANSACTIONS ("IPTs")

The Company monitors all its IPTs closely and all IPTs are subject to review by the AC. The Company currently has in place the Sinar Mas IPT Mandate. The aggregate value of IPTs entered into in FY2022 which falls under Chapter 9 of the Listing Manual are as follows:

Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions in FY2022 (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted in FY2022 under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
Sales:		**US$'000**	**US$'000**
PT Indah Kiat Pulp & Paper Tbk	*	-	114,044
PT Sinar Mas Agro Resources and Technology Tbk	^	-	15,608
PT Pabrik Kertas Tjiwi Kimia Tbk	*	-	9,675
PT SOCI Mas	^	-	8,260
PT Ivo Mas Tunggal	^	-	4,073
PT Lontar Papyrus Pulp and Paper Industry	*	-	24,579
PT Sinarmas Bio Energy	^	-	4,013
Interest income:			
PT Bank Sinarmas Tbk	^	-	150
Purchases:			
PT Rolimex Kimia Nusamas	^	-	1,217

CORPORATE GOVERNANCE REPORT

Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions in FY2022 (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted in FY2022 under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
		US$'000	**US$'000**
Rental expenses:			
PT Royal Oriental	^	-	959
Freight & Demurrage:			
PT Wirakarya Sakti	^	-	936
Insurance expenses:			
PT Asuransi Sinar Mas	^	-	207

^ An associate of the Ultimate Controlling Shareholders[1]

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

Notes:

(1) Ultimate Controlling Shareholders means Messrs Franky Oesman Widjaja, Indra Widjaja and Muktar Widjaja, who collectively indirectly owns more than 30% controlling interest in these companies and DSS[2].

(2) DSS means PT Dian Swastatika Sentosa Tbk, the immediate parent company of Golden Energy and Resources Limited. DSS directly owns more than 30% controlling interest in these companies.

DEALINGS IN SECURITIES

The Company has adopted a Securities Trading Policy with regard to dealings in securities to provide guidance to its Directors and employees in compliance with Rule 1207(19) of the Listing Manual.

The Securities Trading Policy provides that Directors and executive officers 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 executive officers are also required to observe at all times the insider trading rules stipulated in the Securities and Futures Act 2001 and are discouraged from dealing in the Company's securities on short-term considerations or when they are in possession of material unpublished price-sensitive information.

CORPORATE GOVERNANCE REPORT

MATERIAL CONTRACTS

Except as disclosed in this Annual Report, there were no material contracts of the Group involving the interests of the Executive Chairman, Group CEO, each Director or controlling shareholders in FY2022.

USE OF PROCEEDS

On 7 March 2022, the Company raised S$86.925 million (or net proceeds of approximately S$86.4 million) from the placement of 285,000,000 new ordinary shares at S$0.305 each in the capital of the Company (the "Placement"). The use of net proceeds from the Placement as announced by the Company up to 14 November 2022 is as follows:

Use of Net Proceeds	Amount allocated pursuant to the Placement Announcements (S$m)	Amount utilised (S$m)	Balance (S$m)
Expansion of its existing core businesses, potential business investments and/or acquisitions (including through investments in subsidiaries and associated companies)	32.6 to 54.1	33.7[1]	–
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))	32.3 to 53.8	52.7[2]	–
Total	86.4	86.4	–

Notes:

(1) A total of approximately S$33.7 million has been utilised for capital injection, with S$15.7 million into Stanmore Resources Limited and S$18.0 million into Ravenswood Gold Group Pty Ltd.

(2) Comprises (i) interest payments of S$43.5 million (in respect of senior secured notes due 2026) and S$0.7 million (in respect of term loan); (ii) principal repayment of term loan of S$8.2 million; and (iii) operating expenses of S$0.3 million.

All net proceeds from the Placement have been fully utilised, and such utilisation is consistent with the intended use as disclosed in the placement announcements made by the Company between 25 February 2022 and 14 November 2022.

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 2022.

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 and statement of changes in equity 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 2022 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company 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 are:

Fuganto Widjaja
Dwi Prasetyo Suseno
Mark Zhou You Chuan
Mochtar Suhadi
Lim Yu Neng Paul
Lew Syn Pau
Irwandy Arif
Noormaya Muchlis

In accordance with Regulation 107 of the Company's Constitution, Messrs Fuganto Widjaja, Mark Zhou You Chuan and Lew Syn Pau will retire and being eligible, offer themselves 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.

DIRECTORS' STATEMENT

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 1967 (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 2023.

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

There are no options granted by the Company and its subsidiaries to take up unissued shares in the Company and its related corporations.

6. Audit Committee

The Audit Committee ("AC") carried out its functions in accordance with Section 201B (5) of the Act, 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;

DIRECTORS' STATEMENT

6. Audit Committee (cont'd)

- 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 three 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,

Dwi Prasetyo Suseno Director	Mark Zhou You Chuan Director

10 March 2023

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GOLDEN ENERGY AND RESOURCES LIMITED

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 statements of financial position of the Group and the Company as at 31 December 2022, the statements of changes in equity of the Group and the Company and the consolidated statement of comprehensive income and consolidated statement of cash flow of the Group 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, the statement of financial position and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (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 2022 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flow of the Group and changes in equity of the Company 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GOLDEN ENERGY AND RESOURCES LIMITED

Key Audit Matters (cont'd)

1. Acquisition of subsidiaries

On 3 May 2022, a subsidiary of the Group, Stanmore Resources Limited ("Stanmore" or "SMR"), completed the acquisition of 80% equity interest of Stanmore SMC Pty Ltd (formerly known as BHP Mitsui Coal Pty Ltd) ("SMC") and its controlled entity through the acquisition of Dampier Coal (Queensland) Pty Ltd ("Dampier") for a consideration of US$1,526,336,000. The transaction constitutes a business combination under SFRS(I) 3 *Business Combinations* and SMR was determined to be the acquirer for accounting purposes. In undertaking the business combination accounting, SMR is required to measure the consideration transferred and the fair value of identifiable assets, liabilities and contingent liabilities acquired at the acquisition date and assess the existence of any goodwill. Management has engaged external valuation specialists to assist them with the allocation of purchase consideration to identify acquired assets and liabilities, and the measurement of their fair value at acquisition date.

On 7 October 2022, the Group, through Dampier, acquired the remaining 20% interest in SMC for a consideration of US$270,000,000. As a result, SMC became a wholly owned subsidiary of SMR. Upon becoming wholly owned subsidiaries of SMR, the entities were required to irrevocably join Stanmore's pre-existing tax consolidation group. Australian tax legislation requires the Group to perform an allocable cost amount assessment whereby the tax bases of the entities entering the Group are reset. In measuring the tax bases of non-current assets such as property, plant and equipment and mine properties, it required the use of third-party valuation specialists on the date of joining the tax consolidation group, in order to estimate the updated tax bases.

The fair value measurement of identifiable assets, liabilities, and contingent liabilities requires significant judgement and complex estimation, including:

- The identification and measurement of all assets, liabilities and contingent liabilities.
- The fair valuation of non-current assets, including property, plant and equipment, mineral rights (including coal reserves and resources) and exploration and evaluation assets which are dependent upon, amongst other factors, the existence and extent of underlying coal reserves and resources and key forecast assumptions such as discount rates, commodity prices and operating and capital costs.
- The valuation of restoration and rehabilitation liabilities, which in turn are dependent upon the extent of environmental disturbances at the acquisition date, the timing of proposed rehabilitation and decommissioning activities and applicable regulatory and compliance requirements.
- The measurement of deferred tax assets and liabilities recognised on initial acquisition of SMC.
- Treatment of non-controlling interest, which was subsequently acquired in October 2022.

Due to the significant management judgement and estimates involved in the identification of assets and liabilities and their respective fair values, we identified accounting for business combination to be a key audit matter. Information on the acquisition are disclosed in Notes 16(d) and 16(e) of the financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GOLDEN ENERGY AND RESOURCES LIMITED

Key Audit Matters (cont'd)

1. Acquisition of subsidiaries (cont'd)

Our audit procedures included the following:

- Assessed the Group's determination of the acquisition date of the business combination and the conclusion that the Group was the acquirer in the transaction.
- Evaluated the Group's determination of the purchase consideration with reference to SFRS(I) including contingent consideration payable.
- Evaluated the competence and objectivity of the Group's experts used to determine SMC's coal reserves and resources quantities and the fair value allocated to the acquired property, plant and equipment, mining rights, exploration and evaluation assets, and restoration liabilities.
- In conjunction with EY's valuation specialists, we:
  - Considered whether the valuation methodology, used by the Group's external experts to measure fair value, was in accordance with the requirements of SFRS(I) and relevant tax legislation.
  - Evaluated the reasonableness of the key input assumptions including discount rates and forecast commodity prices with reference to a variety of third-party forecasts, peer information and market data.
  - Performed valuation cross checks on the acquired property, plant and equipment, mining rights and exploration and evaluation assets with reference to reserve and resource transaction and trading multiples.
  - Assessed decommissioning and restoration liability amounts recognised with reference to internal and third-party restoration cost estimates. We considered the composition of the cost estimates and methodologies used as well as the appropriateness of contingency rates and the other market inputs applied, such as inflation and discount rates.

* Tested the working capital balances, including cash, inventory, trade receivable and payables at the acquisition date.
* Tested transaction costs associated with business combination were recorded in profit and loss for the year.
* Tested the non-controlling interest recognised directly within equity for the 20% minority interest in SMC not held by the Group.
* Involved EY's taxation specialists to evaluate the impact of the entities entering the Stanmore tax consolidated group and the application of the relevant tax legislation in determining the allocable cost amount used to reset tax bases of the subsidiaries.
* Tested the changes in tax bases agreed to the movement in the Group's deferred tax assets and deferred tax liabilities and the consequential impact on the Group's consolidated income tax expense.

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

INDEPENDENT AUDITOR'S REPORT

Key Audit Matters (cont'd)

2. Impairment assessment of non-financial assets from forestry business

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.

Management determines 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.

As part of our audit, we obtained an understanding of management's impairment assessment process and, together with our internal valuation specialists, we reviewed the appropriateness of the methodology used and reasonableness of the key assumptions used. The key assumptions in respect of future market and economic conditions such as discount rates, selling prices, production costs, planting areas and yield of trees, amongst others. We evaluated the robustness of Management's forecasting process by comparing previous forecasts to actual results.

Further, we assessed the adequacy of the Group's disclosures in Note 15 and Note 16 to the financial statements concerning the goodwill and investment in subsidiaries respectively.

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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GOLDEN ENERGY AND RESOURCES LIMITED

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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GOLDEN ENERGY AND RESOURCES LIMITED

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

- 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.

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 Alvin Phua Chun Yen.

Ernst & Young LLP
Public Accountants and
Chartered Accountants

Singapore
10 March 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

(In United States Dollars)

	Note	2022 US$'000	2021 US$'000
Revenue	4	**5,616,803**	1,874,097
Cost of sales		**(3,064,117)**	(1,056,952)
Gross profit		**2,552,686**	817,145
Other income	5	**23,374**	13,664
Selling and distribution expenses		**(469,659)**	(225,802)
Administrative expenses		**(324,311)**	(113,498)
Fair value gains/(losses)		**10,676**	(3,510)
Finance costs	6	**(140,047)**	(55,282)
Other operating expenses		**(39,120)**	(28,148)
Share of loss of joint ventures (net of tax)		**(8,078)**	(22,658)
Profit before tax	7	**1,605,521**	381,911
Taxation	8	**(324,674)**	(130,651)
Profit for the year		**1,280,847**	251,260
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Net actuarial loss on post-employment benefits	28	**(146)**	(421)
Net loss on equity instruments fair value through other comprehensive income		**(21,256)**	(1,823)
		(21,402)	(2,244)
Items that may be reclassified subsequently to profit or loss			
Share of other comprehensive income of a joint venture	17	**(19,416)**	(35,864)
Foreign currency translation		**14,408**	(6,457)
		(5,008)	(42,321)
Other comprehensive income for the year, net of tax		**(26,410)**	(44,565)
Total comprehensive income for the year		**1,254,437**	206,695
Profit for the year attributable to:			
Owners of the Company		**711,575**	114,323
Non-controlling interests		**569,272**	136,937
		1,280,847	251,260
Total comprehensive income for the year attributable to:			
Owners of the Company		**689,471**	72,036
Non-controlling interests		**564,966**	134,659
		1,254,437	206,695
Earnings per share attributable to owners of the Company (US cents per share)			
Basic and diluted	9	**27.50**	4.86

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

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

(In United States Dollars)

	Note	Group		Company	
		2022 US$'000	2021 US$'000	2022 US$'000	2021 US$'000
Non-current assets					
Biological assets	10	**9,059**	7,376	**–**	–
Property, plant and equipment	11	**920,988**	134,250	**39**	33
Mining properties	12	**1,553,589**	414,001	**–**	–
Intangible assets	13	**10,267**	11,140	**–**	–
Right-of-use assets	14	**273,269**	4,438	**702**	275
Goodwill	15	**50,098**	84,798	**–**	–
Investment in subsidiaries	16	**–**	–	**1,317,801**	1,384,239
Investment in joint ventures	17	**82,029**	34,310	**–**	–
Deferred tax assets	18	**7,654**	7,599	**–**	–
Other receivables	19	**8,218**	16,025	**324**	307
Restricted funds	20	**31,057**	24,113	**16,235**	12,676
Other non-current assets	21	**63,309**	65,676	**–**	–
Investment securities	22	**43,720**	29,329	**14,358**	24,832
		3,053,257	833,055	**1,349,459**	1,422,362
Current assets					
Trade and other receivables	19	**579,760**	213,746	**511,787**	246,308
Other current assets	21	**133,186**	86,079	**248**	238
Investment securities	22	**672**	16,519	**672**	16,519
Inventories	23	**150,528**	38,833	**–**	–
Derivative financial instruments	26	**6,487**	–	**–**	–
Cash and cash equivalents	24	**972,818**	379,821	**204,198**	135,738
		1,843,451	734,998	**716,905**	398,803
Current liabilities					
Trade and other payables	25	**727,274**	308,029	**17,987**	21,377
Derivative financial instruments	26	**–**	4,437	**–**	–
Loans and borrowings	27	**419,908**	75,706	**59**	12,220
Provision for taxation		**250,554**	73,399	**5,504**	58
Other provisions	29	**3,289**	2,141	**–**	–
		1,401,025	463,712	**23,550**	33,655
Net current assets		**442,426**	271,286	**693,355**	365,148

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

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

(In United States Dollars)

		Group		Company	
	Note	2022 US$'000	2021 US$'000	2022 US$'000	2021 US$'000
Non-current liabilities					
Deferred tax liabilities	18	**240,723**	75,163	**–**	–
Other payables	25	**148,087**	4,931	**–**	–
Loans and borrowings	27	**916,229**	333,726	**338,877**	274,488
Post-employment benefits	28	**3,115**	5,007	**–**	–
Other provisions	29	**206,759**	32,469	**47**	23
		1,514,913	451,296	**338,924**	274,511
Net assets		**1,980,770**	653,045	**1,703,890**	1,512,999
Equity attributable to equity holders of the Company					
Share capital	30	**357,880**	292,295	**1,315,340**	1,230,107
Reserves	31	**(91,510)**	(58,019)	**(15,050)**	53,536
Retained earnings		**1,000,588**	252,431	**403,600**	229,356
		1,266,958	486,707	**1,703,890**	1,512,999
Non-controlling interests		**713,812**	166,338	**–**	–
Total equity		**1,980,770**	653,045	**1,703,890**	1,512,999

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

(In United States Dollars)

Group 2022	Share capital (Note 30) US$'000	Foreign currency translation reserves (Note 31) US$'000	Hedging reserves (Note 31) US$'000	Other reserves (Note 31) US$'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 2022	**292,295**	**(27,242)**	**(35,864)**	**5,087**	**252,431**	**194,412**	**166,338**	**653,045**
Profit for the year	–	–	–	–	711,575	711,575	569,272	1,280,847
Other comprehensive income								
Net loss on equity instruments fair value through other comprehensive income	–	–	–	(21,256)	–	(21,256)	–	(21,256)
Net actuarial loss on post-employment benefits	–	–	–	(91)	–	(91)	(55)	(146)
Share of other comprehensive income of a joint venture	–	–	(19,416)	–	–	(19,416)	–	(19,416)
Foreign currency translation	–	18,659	–	–	–	18,659	(4,251)	14,408
Other comprehensive income for the year	–	18,659	(19,416)	(21,347)	–	(22,104)	(4,306)	(26,410)
Total comprehensive income for the year	–	18,659	(19,416)	(21,347)	711,575	689,471	564,966	1,254,437
Contributions by and distributions to owners								
Issuance of new ordinary shares	62,996	–	–	–	–	–	–	62,996
Share issue expenses	(303)	–	–	–	–	–	–	(303)
Issuance of share capital by a subsidiary company	–	–	–	–	–	–	205,936	205,936
Dividends paid to non-controlling interests by subsidiaries	–	–	–	–	–	–	(286,280)	(286,280)
Dividends declared to non-controlling interests by subsidiaries	–	–	–	–	–	–	(995)	(995)
Total contributions by and distributions to owners	62,693	–	–	–	–	–	(81,339)	(18,646)
Changes in ownership interests in subsidiaries								
Acquisition of subsidiaries (Note 16(d))	–	–	–	–	–	–	381,584	381,584
Acquisition of non-controlling interests of a subsidiary without a change in control (Note 16(e))	–	–	–	–	38,181	38,181	(308,578)	(270,397)
Changes in ownership interests of a subsidiary without a change in control	–	–	–	–	2,284	2,284	(2,284)	–
Total changes in ownership interests in subsidiaries	–	–	–	–	40,465	40,465	70,722	111,187
Total transactions with owners in their capacity as owners	62,693	–	–	–	40,465	40,465	(10,617)	92,541
Others								
Transfer of fair value reserves of equity instruments at FVOCI upon disposal	–	–	–	(116)	116	–	–	–
Effects of change in functional currency	2,892	(11,726)	–	455	(3,999)	(15,270)	(6,875)	(19,253)
At 31 December 2022	357,880	(20,309)	(55,280)	(15,921)	1,000,588	909,078	713,812	1,980,770

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

(In United States Dollars)

Group 2021	Share capital (Note 30) US$'000	Foreign currency translation reserves (Note 31) US$'000	Hedging reserves (Note 31) US$'000	Other reserves (Note 31) US$'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 2021	305,528	(28,470)	–	7,265	100,549	79,344	192,657	577,529
Profit for the year	–	–	–	–	114,323	114,323	136,937	251,260
Other comprehensive income								
Net loss on equity instruments fair value through other comprehensive income	–	–	–	(1,823)	–	(1,823)	–	(1,823)
Net actuarial loss on post-employment benefits	–	–	–	(269)	–	(269)	(152)	(421)
Share of other comprehensive income of a joint venture	–	–	(35,864)	–	–	(35,864)	–	(35,864)
Foreign currency translation	–	(4,331)	–	–	–	(4,331)	(2,126)	(6,457)
Other comprehensive income for the year	–	(4,331)	(35,864)	(2,092)	–	(42,287)	(2,278)	(44,565)
Total comprehensive income for the year	–	(4,331)	(35,864)	(2,092)	114,323	72,036	134,659	206,695
Contributions by and distributions to owners								
Dividends paid to non-controlling interests by subsidiaries	–	–	–	–	–	–	(108,924)	(108,924)
Dividends declared to non-controlling interests by subsidiaries	–	–	–	–	–	–	(41,250)	(41,250)
Share-based payment transactions	–	–	–	6	–	6	–	6
Total contributions by and distributions to owners	–	–	–	6	–	6	(150,174)	(150,168)
Changes in ownership interests in subsidiaries								
Disposal of ownership interest in a subsidiary without a change in control (Note 30)	(13,233)	3,551	–	(91)	43,377	46,837	15,596	49,200
Acquisition of non-controlling interests of a subsidiary without a change in control	–	2,008	–	(1)	(5,818)	(3,811)	(26,400)	(30,211)
Total changes in ownership interests in subsidiaries	(13,233)	5,559		(92)	37,559	43,026	(10,804)	18,989
Total transactions with owners in their capacity as owners	(13,233)	5,559	–	(86)	37,559	43,032	(160,978)	(131,179)
At 31 December 2021	292,295	(27,242)	(35,864)	5,087	252,431	194,412	166,338	653,045

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

(In United States Dollars)

Company 2022	Share capital (Note 30) US$'000	Foreign currency translation reserves (Note 31) US$'000	Other reserves (Note 31) US$'000	Retained earnings US$'000	Total reserves US$'000	Total equity US$'000
At 1 January 2022	**1,230,107**	**49,417**	**4,119**	**229,356**	**282,892**	**1,512,999**
Profit for the year	**–**	**–**	**–**	**176,470**	**176,470**	**176,470**
Other comprehensive income						
Net loss on equity instruments fair value through other comprehensive income	**–**	**–**	**(20,585)**	**–**	**(20,585)**	**(20,585)**
Other comprehensive income for the year	**–**	**–**	**(20,585)**	**–**	**(20,585)**	**(20,585)**
Total comprehensive income for the year	**–**	**–**	**(20,585)**	**176,470**	**155,885**	**155,885**
Contributions by and distributions to owners						
Issuance of new ordinary shares	**62,996**	**–**	**–**	**–**	**–**	**62,996**
Share issue expenses	**(303)**	**–**	**–**	**–**	**–**	**(303)**
Total contributions by and distributions to owners	**62,693**	**–**	**–**	**–**	**–**	**62,693**
Total transactions with owners in their capacity as owners	**62,693**	**–**	**–**	**–**	**–**	**62,693**
Others						
Transfer of fair value reserves of equity instruments at FVOCI upon disposal	**–**	**–**	**(116)**	**116**	**–**	**–**
Effects of change in functional currency	**22,540**	**(49,417)**	**1,532**	**(2,342)**	**(50,227)**	**(27,687)**
At 31 December 2022	**1,315,340**	**–**	**(15,050)**	**403,600**	**388,550**	**1,703,890**

Company 2021	Share capital (Note 30) US$'000	Foreign currency translation reserves (Note 31) US$'000	Other reserves (Note 31) US$'000	Retained earnings US$'000	Total reserves US$'000	Total equity US$'000
At 1 January 2021	1,230,107	80,877	5,826	102,572	189,275	1,419,382
Profit for the year	–	–	–	126,784	126,784	126,784
Other comprehensive income						
Net loss on equity instruments fair value through other comprehensive income	–	–	(1,707)	–	(1,707)	(1,707)
Foreign currency translation	–	(31,460)	–	–	(31,460)	(31,460)
Other comprehensive income for the year	–	(31,460)	(1,707)	–	(33,167)	(33,167)
Total comprehensive income for the year	–	(31,460)	(1,707)	126,784	93,617	93,617
At 31 December 2021	1,230,107	49,417	4,119	229,356	282,892	1,512,999

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 2022

(In United States Dollars)

	2022 US$'000	2021 US$'000
Cash flows from operating activities		
Profit before tax	**1,605,521**	381,911
Adjustments for:		
Provision for/(reversal of provision for) mining activities	**162**	(1,041)
Depreciation of property, plant and equipment	**116,861**	21,370
Depreciation of right-of-use assets	**47,967**	2,663
Loss on disposal on investment securities	**–**	20
(Reversal of)/defined post-employment benefit expense	**(577)**	862
Fair value gain on biological assets	**(1,006)**	(484)
Fair value loss/(gain) on remeasurement of contingent consideration	**501**	(1,617)
Fair value (gain)/loss on derivatives	**(10,924)**	5,038
Fair value loss on investment securities	**753**	573
Write off of property, plant and equipment	**–**	23
Write off of inventories	**128**	197
Impairment loss on goodwill	**34,700**	13,400
Impairment loss on property, plant and equipment	**–**	883
Impairment loss on trade receivables	**–**	29
Amortisation of mining properties	**85,768**	25,557
Amortisation of land exploitation	**2,072**	1,313
Amortisation of intangible assets	**855**	883
Amortisation of software	**36**	46
Amortisation of discounted loans and borrowings	**811**	703
Early redemption of Notes expenses	**3,098**	9,420
Notional interest on provisions and contingent consideration	**7,783**	1,179
Interest and other financial charges	**127,805**	42,584
Interest income	**(15,506)**	(8,730)
Dividend income from investment securities	**(1,350)**	(261)
Equity-settled on share-based payment transactions	**–**	11
Share of loss of joint ventures, net of tax	**8,078**	22,658
Net exchange differences	**(14,967)**	4,074
Operating cash flows before changes in working capital	**1,998,569**	523,264
Changes in working capital:		
Decrease in inventories	**202,872**	30,986
Increase in trade, other receivables and prepayments	**(66,968)**	(78,632)
Increase/(decrease) in trade and other payables	**80,530**	(4,249)
Decrease in provisions	**(20,134)**	(1,316)
Cash flows generated from operations	**2,194,869**	470,053
Interest and other financial charges paid	**(110,259)**	(44,338)
Interest income received	**12,052**	5,761
Income taxes paid	**(363,828)**	(53,806)
Net cash flows generated from operating activities	**1,732,834**	377,670

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 2022

(In United States Dollars)

	2022 US$'000	2021 US$'000
Cash flows from investing activities		
Proceeds from disposal of other investment	**15,000**	–
Net cash outflows on acquisition of subsidiaries	**(1,223,352)**	–
Investment in joint ventures	**(79,238)**	(46,791)
Additions to biological assets	**(677)**	(305)
Purchase of investment securities	**(10,925)**	(41,539)
Dividend received from investment securities	**1,350**	–
Purchase of property, plant and equipment	**(84,794)**	(18,512)
Additions to mining properties	**(43,709)**	(36,681)
Changes in other non-current assets	**3,521**	563
Changes in restricted fund	**(6,944)**	(2,674)
Net cash flows used in investing activities	**(1,429,768)**	(145,939)
Cash flows from financing activities		
Payment of dividend to NCI of subsidiaries	**(327,530)**	(118,824)
Issuance of share capital by a subsidiary company	**205,936**	–
Proceeds from issuance of shares, net of expenses	**62,693**	–
Early redemption of Notes	**(31,109)**	(156,750)
Proceeds from issuance of Notes, net of transaction costs	**89,663**	275,881
Proceeds from loans and borrowings	**921,702**	50,225
Repayment of loans and borrowings	**(298,317)**	(151,373)
Principal payment of lease liability	**(56,880)**	(3,379)
Payment of other payable to related party	**–**	(26,260)
Proceeds from disposal of ownership interest in a subsidiary without a change in control	**–**	50,000
Acquisition of NCI of a subsidiary without a change in control	**(270,396)**	(30,000)
Net cash flows generated from/(used in) financing activities	**295,762**	(110,480)
Net increase in cash and cash equivalents	**598,828**	121,251
Effect of exchange rate changes on cash and cash equivalents	**(5,831)**	(4,229)
Cash and cash equivalents at 1 January	**379,821**	262,799
Cash and cash equivalents at 31 December (Note 24)	**972,818**	379,821

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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 listed on the Indonesia Stock Exchange, 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 entities within the Group. The principal activities of the subsidiaries are set out in Note 16.

2. Summary of significant accounting policies

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.

2.2 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 2022. The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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

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
Amendments to SFRS(I) 1-1 *Classification of Liabilities as Current or Non-current*	1 January 2023
Amendments to SFRS(I) 1-1 *Practice Statement 2: Disclosure of Accounting Policies*	1 January 2023
Amendments to SFRS(I) 1-8 *Definition of Accounting Estimates*	1 January 2023
Amendments to SFRS(I) 1-12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	1 January 2023
Amendments to SFRS(I) 16 *Lease Liability in a Sale and Leaseback*	1 January 2024
Amendments to SFRS(I) 1-1 *Non-current Liabilities with Covenants*	1 January 2024
Amendments to SFRS(I) 10 and SFRS(I) 1-28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	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. Control is achieved when the Group 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. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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

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

(a) Basis of consolidation (cont'd)

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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 derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

<u>Reverse Acquisition</u>

In 2015, the Company completed a reverse acquisition in which it acquired PT Golden Energy Mines Tbk ("GEMS") and its subsidiaries, resulting in the acquired company becoming the accounting acquirer. The consolidated financial statements reflect this transaction as a reverse acquisition, with GEMS recognised as the accounting acquirer and the Company as the accounting acquiree. The consolidated financial statements for the current financial year have been prepared on the same basis as the previous year, with no changes to the reverse acquisition accounting policy.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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

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

(b) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of SFRS(I) 9 *Financial Instruments*, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with SFRS(I) 9. Other contingent consideration that is not within the scope of SFRS(I) 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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)

After 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 unit ("CGU") that is expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a CGU and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the CGU retained.

(c) Investment in joint ventures

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.

The aggregate of the Group's share of profit or loss of joint ventures 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 ventures 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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

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

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

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint ventures. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint ventures 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 loss of joint ventures' 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 consolidated financial statements are presented in US$. 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.

Change in functional currency

During the financial year, the Company had, having reviewed the business and operating environment of the Company, changed its functional currency from Singapore Dollars ("S$") to US$. The change in functional currency of the Company was applied prospectively from the date of change in accordance with SFRS(I) 1-21 *The Effects of Changes in Foreign Exchange Rates*.

During the financial year, indirect subsidiaries of the Company, Stanmore Resources Limited and its subsidiaries ("SMR Group") changed its functional currency from Australian dollar ("A$") to US$.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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 US$ 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 comprise 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 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
Office equipment, 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 depreciated 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 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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 cover over the period of the concession tenure.

Impairment losses are recognised in profit or loss.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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 ("FVTPL")

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt instruments that is subsequently measured at FVTPL 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. Gains and losses on these financial assets are never recycled to profit or loss. Equity instruments designated at FVOCI are not subject to impairment assessment.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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

2.13 Financial Instruments (cont'd)

(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 FVTPL, directly attributable transaction costs.

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 Derivative financial instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward foreign currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value at each balance sheet date. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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

2.15 Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. 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.

2.16 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at banks and short-term investments which are deposits with original maturities of three months or less, that are readily convertible to known amount of cash and are subject to an insignificant risk of changes in value. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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

2.17 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.

Warehouse inventories consists of spare parts/consumables and fuel which are stated at the lower of cost and net realisable value.

(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.

2.18 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.

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 Provisions (cont'd)

Provision for mine rehabilitation and closure

The provision for rehabilitation closure costs relates to areas disturbed during the operation of the mine up to reporting date and not yet rehabilitated. Provision has been made to rehabilitate all areas of disturbance including surface infrastructure, contouring, topsoiling and revegetation, using internal and external expert assessment of each aspect to calculate anticipated cash outflow discounted to a net present value. At each reporting date, the rehabilitation liability is re-measured in line with the then-current level of disturbance, cost estimates and other key inputs. The amount of provision relating to rehabilitation of areas caused by mining disturbance is capitalised against Mine Properties as incurred, to the extent there is a future economic benefit, otherwise the re-measurement is recognised in the profit or loss. Any unwinding discounting is recognised in the profit or loss.

Provision for onerous contracts

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.

2.19 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.

2.20 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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

2.20 Employee benefits (cont'd)

(b) Post-employment benefits (cont'd)

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.

2.21 Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

2.22 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.

(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.

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

2.22 Leases – as lessee (cont'd)

(a) Right-of-use assets (cont'd)

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
Plant and equipment	2 to 6 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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

2.23 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.

(c) Dividend income

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

(d) Interest income

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

2.24 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.

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

2.24 Taxes (cont'd)

(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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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

2.24 Taxes (cont'd)

(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.

2.25 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.

2.26 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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 has made the following judgements which have the most significant effect on the amounts recognised in the consolidated financial statements:

(a) Accounting for business combination

The initial accounting on the acquisition of subsidiaries and the remeasurement of tax base upon acquisition of the remaining 20% of Stanmore SMC Pty Ptd ("SMC") involves identifying and determining the fair values to be assigned to the identifiable assets and liabilities and the deferred consideration of the acquired entities. The fair value of the identified assets and liabilities are determined by independent, professionally qualified valuers by reference to present value of expected net cash flows from the assets. This involved significant management estimation and judgement on the various assumptions used in the cash flow forecasts. Any changes in the assumption used and estimates made in determining the fair values, and management's ability to measure reliably the deferred consideration of the acquired entity will impact the carrying amount of these assets and liabilities.

(b) Determination of functional currency

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgment is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on Management's assessment of the economic environment in which the entities operate. Management has assessed that prices are mainly denominated and settled in the respective local currency of the entities of the Group. Management concluded that the functional currency of the entities of the Group is their respective local currency.

As disclosed in Note 16(d), the Group, through the subsidiary SMR, acquired 80% equity interest of SMC. SMR entered into US$ denominated borrowings to fund the acquisition and the significant increase in revenue contribution from SMC is expected to be predominantly in US$. Consequently, SMR changed its functional currency from A$ to US$ to reflect the economic substance of the underlying events and circumstances.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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

3.1 Judgements made in applying accounting policies (cont'd)

(b) Determination of functional currency (cont'd)

Due to the change in the functional currency of SMR and the significance of the contributions from the SMR Group, the Company had reviewed the business and operating environment, changed its functional currency from S$ to US$.

The change in functional currency of the Company and SMR were applied prospectively from the date of change in accordance with SFRS(I) 1-21.

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 non-financial assets and investment in subsidiaries

The recoverable amounts of the CGUs to which goodwill and intangible assets have been allocated to, the investment in subsidiaries and other non-financial assets with indications of impairment 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 and Note 16 to the financial statements.

(b) Leases – Estimating the incremental borrowing rate

In the event that the Group and the Company cannot readily determine the interest rate implicit in the lease, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group and the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group and the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group and the Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating). The carrying amounts of lease liabilities and information about the weighted average effective interest rate are disclosed in Note 14.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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

3.2 Key sources of estimation uncertainty (cont'd)

(c) 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

- 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

4. Revenue

	Group	
	2022	2021
	US$'000	US$'000
Energy Coal	**2,919,964**	1,585,954
Metallurgical Coal	**2,695,770**	286,596
Non-coal businesses	**1,069**	1,547
Total revenue recognised at a point in time	**5,616,803**	1,874,097

5. Other income

	Group	
	2022	2021
	US$'000	US$'000
Interest income	**15,506**	8,730
Dividend income	**1,350**	261
Others	**6,518**	4,673
	23,374	13,664

6. Finance costs

	Group	
	2022	2021
	US$'000	US$'000
Interest expense on bank loans and trade financing (including amortisation of transactions costs)	**117,199**	42,234
Interest expense on lease liabilities	**10,605**	350
Amortisation of discounted loans and borrowings	**811**	703
Notional interest on provisions (Note 29)	**4,635**	438
Notional interest on contingent consideration (Note 34(d))	**3,148**	741
Early redemption of Notes expenses	**3,098**	9,420
Others	**551**	1,396
	140,047	55,282

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

7. Profit before tax

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

	Group	
	2022	**2021**
	US$'000	**US$'000**
Mining services and overheads	**1,339,639**	609,479
Freight and stockpile expenses	**533,925**	299,877
Inventories recognised as an expense in cost of sales	**308,946**	68,565
Royalty fees	**1,013,528**	230,911
Legal and professional fees	**55,708**	17,609
Land exploitation expenses	**26,770**	14,930
Provision for/(reversal of provision for) mining activities	**162**	(1,041)
Depreciation of property, plant and equipment	**116,861**	21,370
Depreciation of right-of-use assets	**47,967**	2,663
Amortisation of:		
– mining properties	**85,768**	25,557
– land exploitation	**2,072**	1,313
– intangible assets	**855**	883
– software	**36**	46
Audit fees:		
- Auditors of the Company		
- Statutory audit	**212**	222
- Non-statutory audit	**930**	–
- Affiliate of auditor of the Company	**797**	437
- Other auditors	**28**	27
Non-audit fees:		
- Auditors of the Company	**214**	10
- Affiliate of auditor of the Company	**225**	–
Directors' fees	**298**	261
Staff costs:		
- Salaries, wages, bonuses and other costs	**141,641**	53,368
- Contributions to defined contribution plans	**7,165**	497
(Reversal of)/defined post-employment benefits expenses	**(577)**	862
Loss on disposal of investment securities	**–**	20
Fair value gain on biological assets	**(1,006)**	(484)
Fair value loss/(gain) on remeasurement of contingent consideration	**501**	(1,617)
Fair value loss on investment securities	**753**	573
Fair value (gain)/loss on derivatives	**(10,924)**	5,038
Write off of property, plant and equipment	**–**	23
Write off of inventories	**128**	197
Impairment loss on goodwill	**34,700**	13,400
Impairment loss on property, plant and equipment	**–**	883
Impairment loss on trade receivables	**–**	29
Foreign exchange (gain)/loss, net	**(1,743)**	8,861

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

8. Taxation

Major components of income tax expense

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

	Group	
	2022	**2021**
	US$'000	**US$'000**
Consolidated statement of comprehensive income		
Current income tax		
- Current year's income tax	**(492,422)**	(112,897)
- (Under)/over provision in respect of previous years	**(698)**	3,939
Deferred income tax benefit (Note 18)	**197,105**	2,942
Withholding tax expense	**(28,659)**	(24,635)
Taxation	**(324,674)**	(130,651)
Other comprehensive income		
Deferred tax related to other comprehensive income:		
- Net actuarial loss on post-employment benefits	**41**	119

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:

Profit before tax	**1,605,521**	381,911
Add: Share of results of joint ventures	**8,078**	22,658
	1,613,599	404,569
Tax expenses at the domestic rates applicable in the countries where the Group operates	**(421,276)**	(88,600)
Adjustments:		
Income not subject to tax	**10,224**	1,512
Expenses not deductible for tax purposes	**(27,270)**	(21,859)
Deferred tax assets not recognised	**(351)**	(1,464)
Deferred tax credit upon tax base reset (Note 16(f))	**151,300**	–
Utilisation of previously unrecognised deferred tax assets	**–**	1,561
(Under)/over provision in respect of previous years	**(698)**	3,939
Deferred tax on undistributed profits of foreign subsidiaries	**(7,270)**	(964)
Withholding tax expense	**(28,659)**	(24,635)
Others	**(674)**	(141)
Taxation	**(324,674)**	(130,651)

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction. The statutory tax rate applicable to the companies incorporated in Singapore, Indonesia and Australia were 17%, 22% and 30% respectively for the financial year 2022 (2021: 17%, 22%, 30%).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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	
	2022	**2021**
	US$'000	**US$'000**
Profit for the year attributable to owners of the Company	**711,575**	114,323
Weighted average number of ordinary shares for basic and diluted earnings per share ('000)	**2,587,347**	2,353,100
Basic and diluted earnings per share attributable to owners of the Company (US cents per share)	**27.50**	4.86

10. Biological assets

	Group	
	2022	**2021**
	US$'000	**US$'000**
Movement in biological assets:		
At 1 January	**7,376**	6,587
Costs incurred during the year	**677**	305
	8,053	6,892
Net change in fair value less estimated costs to sell	**1,006**	484
At 31 December	**9,059**	7,376

	Group			
	2022		**2021**	
	Hectares	**US$'000**	**Hectares**	**US$'000**
Existing Plantation Forest	**10,393**	**9,048**	9,647	7,307
Utilisable Natural Forest	**276**	**11**	715	69
	10,669	**9,059**	10,362	7,376

Biological assets relate to Acacia, Jabon 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 5,287m^3 (2021: 5,907 m^3) of logs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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% (2021: 10%)	The higher the discount rate, the lower the fair value
Average plantations yield, in metre cube per hectare (m^3/ha)	9.6 m^3/ha to 132.6 m^3/ha (2021: 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$37.1/$m^3$ to US$52.2/$m^3$ (2021: US$38.4/$m^3$ to US$54.0/$m^3$)	The higher the selling price, the higher the fair value
– Pulpwood	US$54.6/$m^3$ to US$60.0/$m^3$ (2021: US$47.8/$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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

11. Property, plant and equipment

Group	Infrastructure and buildings US$'000	Plant and machinery US$'000	Motor vehicles US$'000	Office equipment, furniture and fittings US$'000	Bearer Plants US$'000	Construction in progress US$'000	Total US$'000
Cost							
At 1 January 2021	66,957	111,713	3,509	9,799	2,996	4,622	199,596
Additions	51	378	629	697	64	16,693	18,512
Disposals	–	–	–	(4)	–	–	(4)
Written off	–	–	–	–	–	(23)	(23)
Reclassification	3,401	4,895	734	169	–	(9,199)	–
Exchange differences	(332)	(2,778)	–	(19)	–	(283)	(3,412)
At 31 December 2021 and 1 January 2022	70,077	114,208	4,872	10,642	3,060	11,810	214,669
Additions	9	32	313	833	48	83,559	84,794
Disposals	–	–	–	(169)	–	–	(169)
Acquisition of subsidiaries (Note 16(d))	256,931	497,802	–	–	–	55,836	810,569
Reclassification	(4,620)	17,367	196	1,015	–	(13,958)	–
Adjustment	–	10,658	–	–	–	–	10,658
Exchange differences	(94)	(2,249)	–	(21)	–	(816)	(3,180)
At 31 December 2022	**322,303**	**637,818**	**5,381**	**12,300**	**3,108**	**136,431**	**1,117,341**
Accumulated depreciation							
At 1 January 2021	26,207	22,753	2,286	7,630	43	–	58,919
Charge for the year	5,209	14,113	589	1,420	39	–	21,370
Impairment loss	–	883	–	–	–	–	883
Disposals	–	–	–	(4)	–	–	(4)
Reclassification	–	68	–	(68)	–	–	–
Exchange differences	(103)	(631)	–	(15)	–	–	(749)
At 31 December 2021 and 1 January 2022	31,313	37,186	2,875	8,963	82	–	80,419
Charge for the year	11,823	102,268	793	1,937	40	–	116,861
Disposals	–	–	–	(169)	–	–	(169)
Exchange differences	(178)	(529)	–	(51)	–	–	(758)
At 31 December 2022	**42,958**	**138,925**	**3,668**	**10,680**	**122**	**–**	**196,353**
Net carrying amount							
At 31 December 2021	38,764	77,022	1,997	1,679	2,978	11,810	134,250
At 31 December 2022	**279,345**	**498,893**	**1,713**	**1,620**	**2,986**	**136,431**	**920,988**

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

Bearer plants comprise of mature and immature rubber plantations. The rubber plantation presently consists of trees aged between 6 to 10 years as at 31 December 2022, the Group's total plantation area is approximately 931 hectares (2021: 931 hectares).

(a) Assets pledged as security

Certain property and equipment of the Group with carrying value of US$27,756,000 (2021: US$15,401,000) as at 31 December 2022 have been pledged as collateral for bank borrowings (Note 27).

(b) Depreciation charge

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

	Group	
	2022	**2021**
	US$'000	**US$'000**
Charged to profit or loss		
- Cost of sales	**109,012**	14,159
- Selling and distribution expenses	**3,100**	3,105
- Administrative expenses	**4,524**	3,761
- Other operating expenses	**225**	345
Depreciation for the financial year	**116,861**	21,370

In 2021, impairment loss on property, plant and equipment of US$883,000 was charged to profit or loss.

	Computers, office equipment, furniture and fittings	
	2022	**2021**
Company	**US$'000**	**US$'000**
Cost		
At 1 January	**411**	401
Additions	**33**	18
Disposal	**(19)**	–
Net exchange differences	**(7)**	(8)
At 31 December	**418**	411
Accumulated depreciation		
At 1 January	**378**	316
Charge for the financial year	**27**	69
Disposal	**(19)**	–
Net exchange differences	**(7)**	(7)
At 31 December	**379**	378
Net carrying amount		
At 31 December	**39**	33

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12. Mining properties

Group	Mines under construction US$'000	Exploration and evaluation assets US$'000	Producing mines US$'000	Stripping activity US$'000	Total US$'000
Cost					
At 1 January 2021	9,397	73,330	337,089	100,744	520,560
Additions	177	35,503	10,906	–	46,586
Reclassification	29,643	–	(29,643)	–	–
Transfer to producing mines	(766)	–	766	–	–
Net exchange differences	22	(4,902)	(8,853)	–	(13,733)
At 31 December 2021 and 1 January 2022	38,473	103,931	310,265	100,744	553,413
Additions	–	22,613	2,348	18,748	43,709
Acquisition of subsidiaries (Note 16(d))	–	38,750	1,114,711	21,808	1,175,269
Transfer to producing mines	–	(85,949)	85,949	–	–
Net exchange differences	(177)	(2,268)	9,031	3,831	10,417
At 31 December 2022	**38,296**	**77,077**	**1,522,304**	**145,131**	**1,782,808**
Accumulated amortisation					
At 1 January 2021	–	–	51,338	66,377	117,715
Charge for the year	–	–	22,129	3,428	25,557
Net exchange differences	–	–	(3,860)	–	(3,860)
At 31 December 2021 and 1 January 2022	–	–	69,607	69,805	139,412
Charge for the year	–	–	80,331	5,437	85,768
Net exchange differences	–	–	(216)	4,255	4,039
At 31 December 2022	**–**	**–**	**149,722**	**79,497**	**229,219**
Net carrying amount					
At 31 December 2021	38,473	103,931	240,658	30,939	414,001
At 31 December 2022	**38,296**	**77,077**	**1,372,582**	**65,634**	**1,553,589**

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

	Group 2022 US$'000	Group 2021 US$'000
Charged to profit or loss		
- Cost of sales	**85,155**	25,052
- Other operating expenses	**613**	505
Amortisation expenses for the financial year	**85,768**	25,557

There was no provision arising from rehabilitation of areas caused by mining disturbance during the year. In 2021, provision relating to rehabilitation of areas caused by mining disturbance amounted to US$9,905,000 was capitalised in mining properties.

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13. Intangible assets

Group	Forest concession license (Note a) US$'000	Rail loop benefit (Note b) US$'000	Total US$'000
Cost			
At 1 January 2021	13,046	2,166	15,212
Net exchange difference	–	(110)	(110)
At 31 December 2021, 1 January 2022 and 31 December 2022	**13,046**	**2,056**	**15,102**
Accumulated amortisation			
At 1 January 2021	2,862	242	3,104
Charge for the year	505	378	883
Net exchange difference	–	(25)	(25)
At 31 December 2021 and 1 January 2022	3,367	595	3,962
Charge for the year	505	350	855
Net exchange difference	–	18	18
At 31 December 2022	**3,872**	**963**	**4,835**
Net carrying amount			
At 31 December 2021	9,679	1,461	11,140
At 31 December 2022	**9,174**	**1,093**	**10,267**

(a) Forest concession license

Forest concession license was acquired as a result of the Reverse Acquisition of the Company in 2015. Forest concession license has remaining period of 19 years (2021: 20 years).

The Group owns forestry concession rights of 247,713 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.

(b) Rail loop benefit

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 3 years (2021: 4 years).

14. Leases – as lessee

The Group has lease contracts for various items of properties, vehicles, plant and equipment used in its operations. Leases of properties, vehicles, plant and equipment generally have lease terms between 2 and 6 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.

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.

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**	**Plant and equipment US$'000**	**Total US$'000**
Cost				
At 1 January 2021	4,690	2,850	15	7,555
Additions	2,204	2,390	–	4,594
Exchange difference	(142)	(109)	–	(251)
At 31 December 2021 and 1 January 2022	6,752	5,131	15	11,898
Additions	4,165	192	56,115	60,472
Acquisition of subsidiaries (Note 16(d))	–	–	256,823	256,823
Disposal	(486)	–	(14)	(500)
Exchange difference	(146)	(77)	(117)	(340)
At 31 December 2022	**10,285**	**5,246**	**312,822**	**328,353**
Accumulated depreciation				
At 1 January 2021	2,568	2,218	6	4,792
Charge for the year	1,423	1,237	3	2,663
Exchange difference	(11)	16	–	5
At 31 December 2021 and 1 January 2022	3,980	3,471	9	7,460
Charge for the year	1,519	850	45,598	47,967
Disposal	(162)	–	(11)	(173)
Exchange difference	(151)	(75)	56	(170)
At 31 December 2022	**5,186**	**4,246**	**45,652**	**55,084**
Net carrying amount				
At 31 December 2021	2,772	1,660	6	4,438
At 31 December 2022	**5,099**	**1,000**	**267,170**	**273,269**

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14. Leases – as lessee (cont'd)

Company	Properties US$'000	Equipment US$'000	Total US$'000
Cost			
At 1 January 2021	892	9	901
Exchange difference	(19)	–	(19)
At 31 December 2021 and 1 January 2022	873	9	882
Additions	634	11	645
Disposal	–	(9)	(9)
Exchange difference	(16)	–	(16)
At 31 December 2022	**1,491**	**11**	**1,502**
Accumulated depreciation			
At 1 January 2021	392	4	396
Charge for the year	219	2	221
Exchange difference	(10)	–	(10)
At 31 December 2021 and 1 January 2022	601	6	607
Charge for the year	209	2	211
Disposal	–	(7)	(7)
Exchange difference	(11)	–	(11)
At 31 December 2022	**799**	**1**	**800**
Net carrying amount			
At 31 December 2021	272	3	275
At 31 December 2022	**692**	**10**	**702**

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

	Group		Company	
	2022 US$'000	2021 US$'000	2022 US$'000	2021 US$'000
At 1 January	**4,122**	2,827	**278**	498
Additions	**59,949**	3,973	**621**	–
Acquisition of subsidiaries (Note 16(d))	**256,823**	–	**–**	–
Disposal	**(327)**	–	**(2)**	–
Accretion of interest	**10,605**	350	**8**	19
Payments	**(67,485)**	(3,729)	**(224)**	(230)
Exchange difference	**(265)**	701	**29**	(9)
At 31 December	**263,422**	4,122	**710**	278
Current (Note 27)	**63,488**	1,798	**59**	220
Non-current (Note 27)	**199,934**	2,324	**651**	58

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14. Leases – as lessee (cont'd)

The followings are the amounts recognised in profit or loss:

	Group	
	2022	**2021**
	US$'000	**US$'000**
Depreciation expense of right-of-use assets	**47,967**	2,663
Interest expense on lease liabilities (included in finance costs)	**10,605**	350
Expenses relating to lease of low-value assets (included in cost of sales and administrative expenses)	**4,962**	157

15. Goodwill

	2022	**2021**
	US$'000	**US$'000**
Group		
At 1 January	**84,798**	98,198
Impairment loss	**(34,700)**	(13,400)
At 31 December	**50,098**	84,798

Impairment testing of goodwill and forest concession license

Goodwill acquired through business combinations and other intangible assets have been allocated to the following cash generating units ("CGUs") for impairment testing as follows:

	Forestry and pulp CGU		Coal mining CGUs	
	2022	**2021**	**2022**	**2021**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Goodwill	**27,722**	62,422	**22,376**	22,376
Forest concession license	**9,174**	9,679	**–**	–

The recoverable amounts of the forestry and pulp CGU and coal mining CGUs have been determined based on value-in-use ("VIU") calculations using cash flow projections (that are greater than five years) which are representing the respective concession tenures for forestry (up to 2041) and coal mining (up to 2036 to 2041) operations from financial budgets approved by Management.

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15. Goodwill (cont'd)

Key assumptions used in the VIU calculations

	Forestry and pulp CGU		Coal mining CGUs	
	2022	**2021**	**2022**	**2021**
Projected logs/coal prices	**US$39 – US$78/m^3**	US$40 – US$84/m^3	**US$11 – US$83/tonne**	US$11 – US$71/tonne
Pre-tax discount rates	**17.0%**	14.2%	**13.7%**	11.0%

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

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.

Sensitivity to changes in assumptions

On the assessment of VIU for the coal mining CGUs, Management believes that no reasonably possible changes in any of the above key assumptions would cause the recoverable amount to be lower than its carrying value.

For the forestry and pulp CGU, an impairment loss on goodwill of US$34,700,000 (2021: US$13,400,000) was recognised to write down the carrying value to the recoverable amount. Any adverse change in any key assumption would result in further impairment loss.

16. Investment in subsidiaries

	Company	
	2022	**2021**
	US$'000	**US$'000**
Shares, at cost	**1,423,289**	1,449,819
Impairment loss	**(105,488)**	(65,580)
	1,317,801	1,384,239

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16. Investment in subsidiaries (cont'd)

As at 31 December 2022, certain investments in subsidiaries were tested for impairment as the carrying amount of the investment in subsidiaries exceeded 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 amount. The recoverable amounts of the subsidiaries have been determined based on a VIU calculation using cash flow projections based on a financial budget approved by Management covering up to the end of the forest concession tenure and fair value of net assets held by the subsidiaries. The VIU is measured by Management using key assumptions which are similar to those disclosed in Note 15.

During the financial year ended 31 December 2022, the Company recognised impairment of investment in subsidiaries in profit or loss of US$41,108,000 (2021: No impairment loss was recognised).

(a) Composition of the Group

Details of the subsidiaries are as follows:

Name	Country of incorporation	Principal business activities	Proportion (%) of ownership interest 2022	2021
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]	Indonesia	Investment holding	**62.4998**	62.4998
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][6]	Singapore	Investment holding	**100.0000**	100.0000
Golden Investments (Australia) II Pte Ltd[1]	Singapore	Investment holding	**100.0000**	100.0000

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16. Investment in subsidiaries (cont'd)

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

Name	Country of incorporation	Principal business activities	Proportion (%) of ownership interest 2022	Proportion (%) of ownership interest 2021
Held by the Company (cont'd)				
GEAR Renewables Pte Ltd(1)	Singapore	Generation of electricity by other sources	**100.0000**	100.0000
PT Marga Buana Bumi Mulia(5)	Indonesia	Dormant	**97.2300**	97.2300
PT Mangium Anugerah Lestari(5)	Indonesia	Dormant	**36.5740**	36.5740
PT Hutan Rindang Banua(2)	Indonesia	Forestry operation	**51.8204**	51.8204
Held through Anrof Singapore Limited				
PT Marga Buana Bumi Mulia(5)	Indonesia	Dormant	**2.7700**	2.7700
PT Mangium Anugerah Lestari(5)	Indonesia	Dormant	**63.4236**	63.4236
PT Hutan Rindang Banua(2)	Indonesia	Forestry operation	**48.1796**	48.1796
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

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16. Investment in subsidiaries (cont'd)

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

Name	Country of incorporation	Principal business activities	Proportion (%) of ownership interest 2022	Proportion (%) of ownership interest 2021
Held through PT Golden Energy Mines Tbk ("GEMS")				
PT Roundhill Capital Indonesia[2][6]	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[4]	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

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16. Investment in subsidiaries (cont'd)

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

Name	Country of incorporation	Principal business activities	Proportion (%) of ownership interest 2022	Proportion (%) of ownership interest 2021
Held through PT Golden Energy Mines Tbk ("GEMS") (cont'd)				
PT Kuansing Inti Sejahtera[4]	Indonesia	Coal mining	**99.9998**	99.9998
PT Bungo Bara Makmur[2]	Indonesia	Coal mining	**99.9998**	99.9998
PT Dwikarya Sejati Utama[2]	Indonesia	Management consulting	**100.0000**	100.0000
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 Resources Limited[2]	Australia	Investment holding	**64.0100**	75.3300
Held through Stanmore Resources Limited ("Stanmore")				
Mackenzie Coal Pty Limited[7]	Australia	Coal exploration	**100.0000**	100.0000
Comet Coal & Coke Pty Limited[7]	Australia	Coal exploration	**100.0000**	100.0000
Belview Coal Pty Ltd[7]	Australia	Coal exploration	**100.0000**	100.0000
Belview Expansion Pty Ltd[7]	Australia	Coal exploration	**100.0000**	100.0000
Stanmore Coal Custodians Pty Ltd[7]	Australia	Trustee of Stanmore Employee Share Trust	**100.0000**	100.0000
Emerald Coal Pty Ltd[7]	Australia	Coal exploration	**100.0000**	100.0000
New Cambria Pty Ltd[7]	Australia	Coal exploration	**100.0000**	100.0000

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16. Investment in subsidiaries (cont'd)

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

Name	Country of incorporation	Principal business activities	Proportion (%) of ownership interest 2022	2021
Held through Stanmore Resources Limited ("Stanmore") (cont'd)				
Kerlong Coking Coal Pty Ltd(7)	Australia	Coal exploration	**100.0000**	100.0000
Stanmore Surat Coal Pty Ltd(7)	Australia	Coal exploration	**100.0000**	100.0000
Theresa Creek Coal Pty Ltd(7)	Australia	Coal exploration	**100.0000**	100.0000
Stanmore Wotonga Pty Ltd(7)	Australia	Coal exploration & mining	**100.0000**	100.0000
Stanmore IP Coal Pty Ltd(7)	Australia	Coal mining	**100.0000**	100.0000
Stanmore IP South Pty Ltd(7)	Australia	Coal exploration	**100.0000**	100.0000
Stanmore Bowen Coal Pty Ltd(7)	Australia	Coal exploration & mining	**100.0000**	100.0000
Isaac Plains Coal Management Pty Ltd(7)	Australia	Coal exploration & mining	**100.0000**	100.0000
Isaac Plains Sales & Marketing Pty Ltd(7)	Australia	Coal exploration & mining	**100.0000**	100.0000
Stanmore SMC Holdings Pty Ltd(2)	Australia	Coal exploration & mining	**100.0000**	100.0000
Stanmore Green Pty Ltd(7)	Australia	Renewable energy	**100.0000**	100.0000
Dampier Coal (Queensland) Pty Ltd(7)	Australia	Investment holding	**100.0000**	–
Stanmore SMC Pty Ltd (formerly known as BHP Mitsui Coal Pty Ltd)(2)(6)	Australia	Coal mining	**100.0000**	–
Red Mountain Infrastructure Pty Ltd(7)	Australia	Coal handling and preparation plant	**100.0000**	–

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16. Investment 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 27).
(7) Not required to be individually audited by the law of its country of incorporation but included as part of the audited consolidated financial statements of the holding company.

(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 financial year US$'000	Accumulated NCI at the end of financial year US$'000	Dividends paid to NCI US$'000
2022					
PT Golden Energy Mines Tbk	Indonesia	**37.5002%**	**270,560**	**213,494**	**177,275**
Stanmore Resources Limited	Australia	**35.9900%***	**298,712**	**500,318**	**110,000**
2021					
PT Golden Energy Mines Tbk	Indonesia	37.5002%	136,639	119,432	150,174
Stanmore Resources Limited	Australia	24.6700%	(152)	46,906	–

* In March 2022, the Company (through its wholly-owned subsidiary, Golden Investments (Australia) Pte Ltd ("GIAPL")) subscribed for 373,317,737 new ordinary shares in the capital of Stanmore for cash consideration of US$300.0 million, pursuant to Stanmore's entitlement offer of US$506.0 million to fund the SMC Acquisition. Upon the completion of the Stanmore's entitlement offer, the Company's effective interest in Stanmore changed from 75.33% to 64.01%, thus NCI interest changed from 24.67% to 35.99%.

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16. Investment 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 statements of financial position

	PT Golden Energy Mines Tbk		Stanmore Resources Limited	
	2022	**2021**	**2022**	**2021**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Current				
Assets	**652,147**	435,323	**899,608**	136,106
Liabilities	**(473,259)**	(425,226)	**(939,266)**	(145,941)
Net current assets/(liabilities)	**178,888**	10,097	**(39,658)**	(9,835)
Non-current				
Assets	**476,940**	393,712	**2,492,913**	270,376
Liabilities	**(97,583)**	(87,481)	**(1,063,097)**	(81,697)
Net non-current assets	**379,357**	306,231	**1,429,816**	188,679
Net assets	**558,245**	316,328	**1,390,158**	178,844

Summarised statements of comprehensive income

	PT Golden Energy Mines Tbk		Stanmore Resources Limited	
	2022	**2021**	**2022**	**2021**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Revenue	**2,919,964**	1,585,954	**2,695,770**	286,596
Profit/(loss) before tax	**898,693**	460,841	**802,271**	(230)
Taxation	**(203,091)**	(106,510)	**(80,017)**	(388)
Profit/(loss) after tax	**695,602**	354,331	**722,254**	(618)
Other comprehensive income	**1,713**	282	**3,727**	–
Total comprehensive income	**697,315**	354,613	**725,981**	(618)

Other summarised information

	PT Golden Energy Mines Tbk		Stanmore Resources Limited	
	2022	**2021**	**2022**	**2021**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Cash flows generated from operating activities	**698,743**	375,481	**1,181,700**	95,700
Acquisition of significant property, plant and equipment	**(9,858)**	(6,837)	**(74,781)**	(11,500)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

16. Investment in subsidiaries (cont'd)

(d) Acquisition of subsidiaries

Acquisition of Dampier Coal (Queensland) Pty Ltd and its subsidiaries

On 3 May 2022, the Group completed the acquisition of 80% equity interest of Stanmore SMC Pty Ltd (formerly known as BHP Mitsui Coal Pty Ltd) ("SMC") through the acquisition of all of the shares in Dampier Coal (Queensland) Pty Ltd ("Dampier") by a subsidiary of the Group, Stanmore Resources Limited ("SMR"). SMC operates in the same geographic area as SMR's current operating business.

The Group has elected to measure the non-controlling interest at the non-controlling interest's proportionate share of SMC's net identifiable assets.

The provisional fair value of the identifiable assets and liabilities of SMC as at the acquisition date were:

	Provisional fair value US$'000
Mining properties	1,175,269
Property, plant and equipment	810,569
Right-of-use assets	256,823
Investment securities	25,036
Inventories	314,696
Trade and other receivables	361,755
Other assets	1,003
Cash and cash equivalents	62,984
Trade and other payables	(271,985)
Rehabilitation provisions	(190,799)
Lease liabilities	(256,823)
Provision for taxation	(16,146)
Deferred tax liabilities	(364,462)
Total identifiable net assets at fair value	1,907,920
Less: Non-controlling interest at fair value	(381,584)
Total consideration	1,526,336
Effect of the acquisition of SMC	
Total consideration	1,526,336
Less:	
Cash and cash equivalents of subsidiary acquired	(62,984)
Deferred consideration	(100,000)
Contingent consideration	(140,000)
Net cash outflow on acquisition	1,223,352

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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16. Investment in subsidiaries (cont'd)

(d) Acquisition of subsidiaries (cont'd)

Contingent consideration

The cost of acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. With a potential payment of up to US$150 million after two years, the value of which is dependent on the prevailing coal price exceeding certain target.

As of 31 December 2022, it is management's expectation that those conditions will be met, and as such have recognised the expected discounted cashflows of the contingent consideration in full.

Deferred consideration

The deferred consideration of US$100 million in relation to the SMC Acquisition was subsequently paid on 3 November 2022.

Provisional accounting of the acquisition of SMC

The provisional amount of assets and liabilities recognised as at 31 December 2022 may change upon new information obtained during the measurement period as a result of the finalisation of the valuation of the assets and liabilities. The measurement period shall not exceed one year from the acquisition date.

Revenue and profit contribution

From the completion date of the SMC Acquisition (on 3 May 2022) up to the end of current period (being, 31 December 2022), SMC group (comprising Stanmore SMC Holdings Pty Ltd ("SMCH"), Dampier and SMC) contributed revenue of US$2,103,900,000 and profit of US$447,300,000 to the Group's results in the year ended 31 December 2022. If the SMC Acquisition had occurred on 1 January 2022, Management estimates that consolidated revenue and consolidated profit for the year ended 31 December 2022 would have been US$6,925,263,000 and US$1,856,860,000 respectively.

Transaction Costs

Transaction costs related to the acquisition of US$70,400,000 have been recognised in the "Administrative expenses" line item in the Group's profit or loss for the year ended 31 December 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

16. Investment in subsidiaries (cont'd)

(e) Acquisition of non-controlling interests in SMC

On 7 October 2022, the Group through Dampier acquired the remaining 20% interest in SMC. Consequently, SMC became a wholly-owned subsidiary of SMR. The final price of US$270 million for the acquisition was paid in full at the time of acquisition.

As the changes in ownership interests did not result in change of control, the transaction was accounted for as an equity transaction (transaction with owners in their capacity as owners) and any difference between the consideration paid and the carrying amount of the non-controlling interests is recognised in the "Retained Earnings" within the Statement of Changes in Equity.

(f) Tax base reset resulted from SMC Acquisition

As a result of the Group obtaining 100% ownership in SMC, SMC and its subsidiary joined the SMR's consolidated tax group with effect from 7 October 2022. This resulted in a resetting of the tax base of those assets and liabilities, with an overall reduction in the deferred tax liabilities recognised (Note 8).

In assessing the reset of the tax bases of these subsidiaries, judgement has been applied in developing the estimated values used to determine the tax bases and the accounting for the reset. On the basis that the reset of the tax bases is not a direct consequence of the acquisition of the NCI but indirect, the tax effects of the adjustment of the tax base have been recognised in the profit or loss through income tax expense.

17. Investment in joint ventures

	Group	
	2022	**2021**
	US$'000	**US$'000**
Redeemable Preference Shares in a joint venture	**28,804**	31,044
Interest in joint ventures	**53,225**	3,266
	82,029	34,310

During the year ended 31 December 2022, the Group made additional investments of US$79,238,000 (31 December 2021: US$30,030,000) in Ravenswood Gold Group Pty Ltd ("RWG"). There was no additional investment in Redeemable Preference Shares included in the additional investment in RWG during the year ended 31 December 2022 (31 December 2021: US$15,015,000).

17. Investment in joint ventures (cont'd)

Name of entity	Place of business/country of incorporation	Proportion (%) of ownership interest	
		2022	**2021**
Held through Golden Investments Australia (II) Pte Ltd			
Ravenswood Gold Group Pty Ltd[(1)]	Australia	**50**	50
Held through Stanmore Resources Limited			
MetRes Pty Ltd[(1)]	Australia	**50**	50

(1) Audited by member firms of Ernst & Young Global in the respective countries.

The carrying amounts of the investments are as follows:

	Group	
	2022	**2021**
	US$'000	**US$'000**
Ravenswood Gold Group Pty Ltd	**62,730**	34,310
MetRes Pty Ltd	**19,299**	–
	82,029	34,310

Terms and conditions of the Redeemable Preference Shares ("RPS") in RWG:

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 RPS; 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 nor do RPS holders have the rights to participate in the RWG's business operations or management; and

6. The RPS is denominated in Australia dollar.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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17. Investment in joint ventures (cont'd)

The Group's exposure to credit risks for RPS in a joint venture, are disclosed in Note 35(c).

As of 31 December 2022, the Group is committed to make an additional investment of A$7,000,000 in RWG as part of its investment interest in a joint venture. This commitment has been fulfilled on 25 January 2023.

The summarised financial information in respect of RWG, which is material to the Group, is as follows:

Summarised statement of financial position:

	2022 US$'000	2021 US$'000
Current assets, including cash and cash equivalents US$7,306 (2021: US$18,843)	**45,352**	49,125
Non-current assets	**624,492**	490,482
Current liabilities, including trade and other payables and provisions US$58,825 (2021: US$42,039)	**(154,065)**	(116,788)
Non-current liabilities, including trade and other payables and provisions US$29,777 (2021: US$41,343)	**(447,927)**	(416,288)
Equity	**67,852**	6,531
Group's share in equity – 50%	**33,926**	3,266
Group's share in redeemable preference shares – 50%	**28,804**	31,044
Group's carrying amount of the investment	**62,730**	34,310

Summarised statement of comprehensive income:

	2022 US$'000	2021 US$'000
Revenue	**202,423**	136,241
Interest income	**3**	10
Expenses, including depreciation and amortisation US$38,409 (2021: US$16,532) and interest expense US$21,544 (2021: US$17,924)	**(276,417)**	(195,632)
Loss before tax	**(73,991)**	(59,381)
Taxation	**18,148**	17,680
Loss for the year	**(55,843)**	(41,701)
Other comprehensive income	**(38,831)**	(71,727)
Total comprehensive income for the year	**(94,674)**	(113,428)
Group's share of loss for the year	**(27,921)**	(20,850)
Group's share of other comprehensive income for the year	**(19,416)**	(35,864)

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18. Deferred tax

The deferred tax as at 31 December relates to the following:

	Group				Company	
	Statement of financial position		Consolidated statement of comprehensive income		Statement of financial position	
	2022 US$'000	2021 US$'000	2022 US$'000	2021 US$'000	2022 US$'000	2021 US$'000
Deferred tax assets:						
Unutilised tax losses	**4,564**	4,213	**351**	2	**–**	–
Stripping activity asset	**726**	726	**–**	–	**–**	–
Post-employment benefits liability	**598**	1,014	**(764)**	172	**–**	–
Provisions	**1,275**	1,209	**66**	66	**–**	–
Others	**491**	437	**54**	(86)	**–**	–
	7,654	7,599			**–**	–
Deferred tax liabilities:						
Mining properties	**(166,140)**	(69,323)	**88,391**	(5,562)	**–**	–
Property, plant and equipment	**(217,477)**	(11,366)	**48,331**	(7,788)	**–**	–
Lease liabilities	**85,787**	–	**7,087**	–	**–**	–
Biological assets	**(1,301)**	(1,079)	**(222)**	(106)	**–**	–
Intangible assets	**(1,998)**	(2,083)	**85**	200	**–**	–
Undistributed profit of foreign subsidiaries	**(8,080)**	(810)	**(7,270)**	964	**–**	–
Inventory – overburden in advance	**–**	–	**–**	11,093	**–**	–
Contingent liability – vendor royalties	**1,896**	1,894	**–**	(1,160)	**–**	–
Provisions	**54,902**	5,863	**(8,166)**	(657)	**–**	–
Others	**11,688**	1,741	**69,162**	5,804	**–**	–
	(240,723)	(75,163)			**–**	–
			197,105	2,942		

Unutilised tax losses

At the end of financial year, the Group has tax losses of approximately US$3,838,600 (2021: US$1,156,000) for which no deferred tax asset has been recognised due to uncertainty of its recoverability. These tax losses are available to offset future taxable income generated by a subsidiary in Singapore and subsidiaries in Indonesia, over a maximum 5 year period allowed under Indonesian tax regulations. These tax losses are subject to approval by the respective tax authorities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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18. Deferred tax (cont'd)

Recognised temporary differences relating to investment in subsidiaries

As at 31 December 2022, the Group recognised a deferred tax liability of US$8,080,000 (2021: US$810,000) for taxes that would potentially be payable on the undistributed earnings of certain subsidiaries if these are to be distributed in the future.

Unrecognised temporary differences relating to investment in subsidiaries

Temporary differences for which no deferred tax liability has been recognised is approximately US$127,926,000 (2021: US$50,124,000). The deferred tax liability related to this amount is estimated to be US$12,792,622 (2021: US$5,012,400). 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 dividends to the Company in the foreseeable future.

19. Trade and other receivables

	Group		Company	
	2022	**2021**	**2022**	**2021**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Current				
Trade receivables				
- Related parties	**18,879**	11,143	**–**	–
- Third parties	**459,713**	160,754	**–**	–
Amount due from subsidiaries	**–**	–	**511,419**	110,150
Other receivables				
- Related parties	**18**	–	**18**	–
- Third parties	**14,207**	5,335	**90**	22
Tax recoverable	**86,943**	29,094	**260**	26
Dividend receivable from a subsidiary	**–**	–	**–**	68,510
Loan to a subsidiary	**–**	–	**–**	67,600
Loan to a joint venture	**–**	7,420	**–**	–
	579,760	213,746	**511,787**	246,308

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19. Trade and other receivables (cont'd)

	Group		Company	
	2022	**2021**	**2022**	**2021**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Non-current				
Other receivables				
- Related parties	**7,493**	4,353	**–**	–
- Third parties	**725**	799	**–**	–
Amount due from subsidiaries	**–**	–	**324**	307
Loan to a joint venture	**–**	10,873	**–**	–
	8,218	16,025	**324**	307
Total trade and other receivables	**587,978**	229,771	**512,111**	246,615
Less:				
Tax recoverable	**(86,943)**	(29,094)	**(260)**	(26)
Add:				
Cash and cash equivalents (Note 24)	**972,818**	379,821	**204,198**	135,738
Deposits (Note 21)	**97,726**	52,872	**73**	59
Restricted funds (Note 20)	**31,057**	24,113	**16,235**	12,676
Total financial assets carried at amortised cost	**1,602,636**	657,483	**732,357**	395,062

Trade and other receivables denominated in foreign currencies, other than the respective functional currencies of the entities at year end are as follows:

	Group		Company	
	2022	**2021**	**2022**	**2021**
	US$'000	**US$'000**	**US$'000**	**US$'000**
IDR	**118,555**	85,033	**5**	68,515
AUD	**1,399**	1	**173,309**	103,247
SGD	**–**	–	**1,624**	–
USD	**–**	25,947	**–**	74,278

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 for certain Group's loan facilities (Note 27).

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.

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19. Trade and other receivables (cont'd)

The Company entered into a facility agreement with Stanmore on 2 November 2021, which was amended on 2 July 2022, in respect to a secured loan granted by the Company to Stanmore of US$70,000,000 up to 30 June 2022. Further amendment was made during the financial year ended 31 December 2022, for the maturity date of the facility agreement to be extended to 30 June 2023. The loan bears interest of 8.0% per annum on drawn funds, and 2.0% per annum on undrawn funds. Stanmore had fully repaid the outstanding loan balance as at 31 December 2022 (31 December 2021: US$67,600,000).

The loan to a joint venture is from a A$50,000,000 secured loan facility provided by Stanmore to MetRes Pty Ltd. The loan bears interest of 9.0% per annum on drawn funds and 3.0% per annum on undrawn funds, and it is fully secured against the underlying property, plant and equipment, and mine properties of the Joint Venture. The loan was fully repaid as at 31 December 2022 (2021: US$18,293,000, of which US$7,420,000 is included under current other receivables and US$10,873,000 under non-current other receivables).

Other receivables non-current due from related party of US$7,493,000 (2021: US$4,353,000) represent interest receivables ("Premium") from Redeemable Preference Shares in RWG (Note 17) and expected to be paid on redemption date.

Expected credit losses

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL are as follows:

	2022 US$'000	**2021** US$'000
Movement in allowance accounts:		
At 1 January	**305**	278
Charged to profit or loss	**–**	29
Write off during the year	**(29)**	–
Exchange differences	**(37)**	(2)
At 31 December	**239**	305

20. Restricted funds

Restricted funds pertain 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 Notes and certain loan facility (Note 27).

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20. Restricted funds (cont'd)

Restricted funds denominated in foreign currencies, other than the respective functional currencies of the entities at year end are as follows:

	Group		Company	
	2022 US$'000	2021 US$'000	2022 US$'000	2021 US$'000
IDR	**12,279**	8,748	**–**	–
AUD	**2,543**	–	**–**	–
USD	**–**	12,676	**–**	12,676

21. Other current and non-current assets

	Group		Company	
	2022 US$'000	2021 US$'000	2022 US$'000	2021 US$'000
Current				
Advances[1]	**36,026**	40,998	**–**	–
Prepayments	**20,616**	13,308	**175**	179
Deposits[2]	**75,126**	31,071	**73**	59
Others	**1,418**	702	**–**	–
	133,186	86,079	**248**	238
Non-current				
Land exploitation[3]	**31,580**	32,687	**–**	–
Estimated tax refund	**2,654**	5,451	**–**	–
Deposits[4]	**22,600**	21,801	**–**	–
Prepayment	**585**	624	**–**	–
Advances[1]	**5,155**	3,812	**–**	–
Software	**42**	70	**–**	–
Others	**693**	1,231	**–**	–
	63,309	65,676	**–**	–

(1) Advances mainly consist of advances for purchase of coal and other advances to third parties.

(2) The deposits (current) as at 31 December 2022 is mainly refundable deposits paid to third parties relate to mining services.

In 2021 was the refundable deposit of US$30 million paid by Stanmore in relation to the SMC Acquisition. During the financial year ended 31 December 2022, the deposit had been refunded.

(3) Land exploitation mainly consist of prepayment to third parties for the clearance of the mine concession areas.

(4) Deposits (non-current) are refundable and mainly consists of 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.

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21. Other current and non-current assets (cont'd)

Other current and non-current assets denominated in foreign currencies, other than the respective functional currencies of the entities at year end are as follows:

	Group		Company	
	2022 US$'000	2021 US$'000	2022 US$'000	2021 US$'000
IDR	**81,164**	23,251	**–**	–
AUD	**17,125**	–	**–**	–
USD	**–**	90	**–**	–
SGD	**126**	–	**73**	–

The movement in the software and land exploitation are as follows:

	Software		Land exploitation	
Group	2022 US$'000	2021 US$'000	2022 US$'000	2021 US$'000
Cost:				
At beginning of the year	**2,611**	2,599	**46,985**	44,824
Addition	**26**	12	**1,245**	2,056
Exchange difference	**–**	–	**(386)**	105
At end of the year	**2,637**	2,611	**47,844**	46,985
Accumulated amortisation:				
At beginning of the year	**2,541**	2,492	**14,298**	13,089
Amortisation	**36**	46	**2,072**	1,313
Exchange difference	**18**	3	**(106)**	(104)
At end of the year	**2,595**	2,541	**16,264**	14,298
Net carrying amount				
At 31 December	**42**	70	**31,580**	32,687

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22. Investment securities

	Group		Company	
	2022	**2021**	**2022**	**2021**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Current				
At fair value through profit or loss				
- Equity securities (quoted)	**672**	1,519	**672**	1,519
- Redeemable Preference Shares	**–**	15,000	**–**	15,000
	672	16,519	**672**	16,519
Non-current				
At fair value through other comprehensive income				
- Equity securities (quoted)	**14,358**	24,832	**14,358**	24,832
- Equity securities (unquoted)	**26,536**	1,000	**–**	–
- Redeemable Preference Shares	**2,826**	3,497	**–**	–
	43,720	29,329	**14,358**	24,832

The Group has elected to measure these non-current equity instruments at FVOCI due to its intention to hold these equity instruments for long-term strategic purpose.

The Group has elected to measure current equity instruments at FVTPL due to its intention to hold for short-term purpose.

23. Inventories

	Group	
	2022	**2021**
	US$'000	**US$'000**
Statement of financial position:		
Coal	**126,413**	38,252
Coal in transit	**179**	137
Warehouse inventories (i.e. fuel, spares, consumables)	**23,682**	256
Others	**254**	188
Total inventories at lower of cost and net realisable value	**150,528**	38,833
Consolidated statement of comprehensive income:		
Inventories recognised as an expense in cost of sales	**308,946**	68,565

Certain coal inventories owned by the Group was used as fiduciary collateral to guarantee the payment of Omnibus Trade Non-Cash Backed loan facility (Note 27).

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24. Cash and cash equivalents

	Group		Company	
	2022 US$'000	2021 US$'000	2022 US$'000	2021 US$'000
Cash on hand	**136**	109	**–**	–
Cash at banks	**806,427**	243,027	**47,100**	3,985
Short-term investments	**166,255**	136,685	**157,098**	131,753
	972,818	379,821	**204,198**	135,738

Cash and cash equivalents denominated in foreign currencies, other than the respective functional currencies of the entities at year end are as follows:

	Group		Company	
	2022 US$'000	2021 US$'000	2022 US$'000	2021 US$'000
IDR	**33,288**	35,201	**380**	716
AUD	**44,609**	9,438	**2,429**	9,438
SGD	**1,224**	158	**1,048**	–
USD	**54**	162,170	**–**	125,126

Short term investments are deposits made for varying periods of between one and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term investments rates. The interest rates per annum for the Group and the Company are as follows:

	Group		Company	
	2022 %	2021 %	2022 %	2021 %
USD	**0.20% to 7.15%**	0.10% to 6.14%	**2.17% to 7.15%**	0.10% to 6.14%
AUD	**2.92% to 7.20%**	0.20% to 3.40%	**2.92% to 7.20%**	0.25% to 3.40%

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25. Trade and other payables

	Group		Company	
	2022 US$'000	2021 US$'000	2022 US$'000	2021 US$'000
Current				
Trade payables:[1]				
- Related parties	**10,973**	2,037	**–**	–
- Third parties	**316,793**	176,730	**–**	–
Other payables:				
- Dividend payable[2]	**995**	42,297	**–**	–
- Related parties	**9**	10	**–**	–
- Subsidiaries[3]	**–**	–	**11,627**	9,510
- Third parties[4]	**32,640**	1,376	**169**	91
Accrued expenses[5]	**354,736**	62,071	**4,182**	4,716
Tax payables	**6,347**	17,606	**–**	6,994
Advances received[6]	**1,785**	3,875	**–**	–
Contingent consideration – vendor royalties (Note 34(d))	**987**	1,961	**–**	–
Others	**2,009**	66	**2,009**	66
	727,274	308,029	**17,987**	21,377
Non-current				
Guarantee deposits	**95**	105	**–**	–
Contingent consideration – vendor royalties (Note 34(d))	**147,242**	4,352	**–**	–
Others	**750**	474	**–**	–
	148,087	4,931	**–**	–
Total trade and other payables	**875,361**	312,960	**17,987**	21,377
Less:				
Tax payables	**(6,347)**	(17,606)	**–**	(6,994)
Advances received	**(1,785)**	(3,875)	**–**	–
Contingent consideration – vendor royalties (Note 34(d))	**(148,229)**	(6,313)	**–**	–
Add:				
Loans and borrowings (Note 27)	**1,336,137**	409,432	**338,936**	286,708
Total financial liabilities carried at amortised costs	**2,055,137**	694,598	**356,923**	301,091

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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 to third parties are generally non-interest bearing and repayable on demand.

(5) Accrued expenses to third parties are mainly related to mining services, bond and loan interest, professional fees, rental, royalty and employee benefits related expenses.

(6) Advances received from third parties are mainly related to plywood, logs and coal sales.

Trade and other payables denominated in foreign currencies, other than the respective functional currencies of the entities at year end are as follows:

	Group		Company	
	2022	**2021**	**2022**	**2021**
	US$'000	**US$'000**	**US$'000**	**US$'000**
AUD	**381,890**	133	**31**	133
IDR	**215,402**	171,117	**46**	370
SGD	**2,663**	144	**677**	–
USD	**–**	5,460	**–**	13,526

26. Derivative financial instruments

	Company	
	2022	**2021**
	US$'000	**US$'000**
Derivative financial instruments assets/(liabilities) – forwards currency contracts	**6,487**	(4,437)

As at 31 December 2022, the Group has outstanding forward currency contracts with notional amount totalling US$502,900,000 (31 December 2021: US$78,700,000).

During the financial year ended 31 December 2022, the Group recognised fair value gain on derivative financial instruments of US$10,924,000 (2021: loss of US$5,038,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

27. Loans and borrowings

	Group		Company	
	2022	**2021**	**2022**	**2021**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Current:				
Lease liabilities				
5.25% – 9.59% p.a Lease liabilities (Note 14)	**63,488**	1,798	**59**	220
Bank borrowings				
5.5% p.a fixed rate USD loan (2021: 5.5%)[(a)]	**3,327**	3,364	**–**	–
4.75% – 6.25% p.a fixed rate USD loan (2021: 4.75% – 5.25%)[(b)]	**31,000**	35,000	**–**	–
4.75% – 6.25% p.a fixed rate USD loan (2021: 4.75% – 5.25%)[(c)]	**15,958**	13,775	**–**	–
4.25% p.a + 3 months LIBOR USD loan (2021: 4.25% p.a + 3 months LIBOR)[(d)]	**7,500**	7,000	**–**	–
4.75% – 6.25% p.a fixed rate USD loan[(e)]	**8,000**	–	**–**	–
0.2095% p.a + 7.0% margin USD loan	**–**	12,000	**–**	12,000
4.55% p.a fixed rate AUD loan (2021: 4.55%)[(f)]	**1,099**	1,732	**–**	–
11.50% p.a fixed rate USD loan[(h)]	**291,982**	–	**–**	–
1.48% p.a fixed rate AUD loan	**–**	1,151	**–**	–
Insurance premium AUD loan[(g)]	**3,982**	–	**–**	–
Unamortised transaction costs	**(6,428)**	(114)	**–**	–
Total bank borrowings (current)	**356,420**	73,908	**–**	12,000
Total loans and borrowings (current)	**419,908**	75,706	**59**	12,220

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

27. Loans and borrowings (cont'd)

		Group		Company	
	Maturity	2022 US$'000	2021 US$'000	2022 US$'000	2021 US$'000
Non-Current:					
Lease liabilities					
5.25% – 9.59% p.a Lease liabilities (Note 14)	2024 – 2027	**199,934**	2,324	**651**	58
Bank borrowings					
4.75% – 6.25% p.a fixed rate USD loan (2021: 4.75% – 5.25%)[c]	2024	**20,871**	36,829	**–**	–
4.25% p.a + 3 months LIBOR USD loan (2021: 4.25% p.a + 3 months LIBOR)[d]	2024	**8,000**	15,500	**–**	–
4.75% – 6.25% p.a fixed rate USD loan[e]	2024 – 2026	**36,000**	–	**–**	–
4.55% p.a fixed rate AUD loan (2021: 4.55%)[f]	2024	**3,974**	4,872	**–**	–
11.50% p.a fixed rate USD loan[h]	2024 – 2026	**323,018**	–	**–**	–
8.5% p.a Senior Secured Notes[i]	2027	**346,308**	285,000	**346,308**	285,000
Unamortised discount on Senior Secured Notes		**(2,632)**	(3,594)	**(2,632)**	(3,594)
Unamortised transaction costs		**(19,244)**	(7,205)	**(5,450)**	(6,976)
Total bank borrowings (non-current)		**716,295**	331,402	**338,226**	274,430
Total loans and borrowings (non-current)		**916,229**	333,726	**338,877**	274,488
Total loans and borrowings		**1,336,137**	409,432	**338,936**	286,708

(a) 5.5% p.a (2021: 5.5%) fixed rate USD loan

This loan has been drawn down under the Omnibus Trade Non-Cash Backed loan facility which is used as Open Account Financing ("OAF"). The repayment period for this facility is a maximum of 90 days. This loan facility is secured by trade receivable balances and/or inventories of a minimum amount of US$11,000,000 and margin deposit of US$1,750,000. The loan includes financial covenants which requires the GEMS Group to maintain a minimum debt service coverage ratio of 1.2x, and a minimum interest coverage ratio of 2x.

(b) 4.75% – 6.25% p.a (2021: 4.75% – 5.25) fixed rate USD loan

This loan is secured by trade receivables, certain property and equipment of the GEMS Group and pledge of certain subsidiaries' 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%.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

27. Loans and borrowings (cont'd)

(c) 4.75% – 6.25% p.a (2021: 4.75% – 5.25%) fixed rate USD loan

This loan is secured by trade receivables, certain property and equipment of the GEMS Group and pledge of certain subsidiaries' 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 2022, accumulated amortisation of transaction costs amounted to US$573,000 (2021: US$458,000).

(d) 4.25% p.a + 3 months LIBOR (2021: 4.25% p.a + 3 months LIBOR) USD loan

This loan facility has cross collateral and cross default with the loan facilities of 4.25% p.a + 3 months LIBOR.

(e) 4.75% – 6.25% p.a fixed rate USD loan

This new facility has cross collateral and cross default with the loan facilities of 4.75% – 6.25% p.a. It is repayable on quarterly instalments due on 23 December 2026.

(f) 4.55% p.a (2021: 4.55%) fixed rate AUD loan

This loan is secured by certain equipment of Stanmore and is repayable on monthly instalments until 10 November 2024.

(g) Insurance premium AUD loan

This new facility of Stanmore Group is an unsecured short-term loan to finance annual insurance premiums of subsidiaries.

(h) 11.5% p.a fixed rate USD loan

This new facility of Stanmore Group is secured by pledge of certain subsidiaries' shares and matures 5 years from first utilisation with an annual sweep of residual excess cash mechanism.

The net carrying amount of the Loan was stated net of transaction costs totalling US$27,642,000. 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 2022, accumulated amortisation of transaction costs amounted to US$7,648,000 (31 December 2021: US$Nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

27. Loans and borrowings (cont'd)

(i) 8.5% p.a Senior Secured Notes

During the financial year ended 31 December 2022, the Group issued senior secured notes amounting to US$90,000,000 which carried fixed interest of 8.5% per annum due in 2026, which form a single series and rank pari passu with Group's US$285,000,000 8.5% senior secured notes due 2026 issued in May 2021 ("8.5% Notes").

On 28 November 2022, the Company exchanged its outstanding US$375,000,000 US$-denominated 8.5% Senior Secured Notes due 2026 (the "Existing Notes") for its US$-denominated 8.5% Senior Secured Notes due 2027 (the "New Notes") to be issued in connection with the Exchange Offer. The exchange involved US$346,308,000 in aggregate principal amount of Existing Notes for US$346,308,000 in aggregate principal amount of New Notes and made a cash payment equal to the aggregate Accrued Interest in accordance with the terms and conditions of the Exchange Offer. Following the exchange and cancellation of the Existing Notes, US$28,692,000 in aggregate principal amount of Existing Notes remained outstanding, which was subsequently redeemed at the Make-Whole Price in accordance with the terms of the Existing Notes Indenture on 28 December 2022. As a result of the redemption, expenses of US$3,098,000 were charged to the profit and loss including the unamortised discount and transaction costs (Note 6).

The net carrying amount of the 8.5% Notes are stated net of discounts and transaction costs totalling US$4,241,000 (31 December 2021: US$4,146,000) and US$8,509,000 (31 December 2021: US$7,922,000) respectively. Such discount and costs are amortised over the life of the 8.5% 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 2022, accumulated amortisation of discount and transaction costs amounted to US$1,609,000 (31 December 2021: US$552,000) and US$3,059,000 (31 December 2021: US$946,000) respectively.

A reconciliation of liabilities arising from financing activities is as follows:

				Non-cash changes	
2022	**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	**73,908**	**246,702**	**(271,542)**	**307,352**	**356,420**
- Lease liabilities	**1,798**	**–**	**(67,485)**	**129,175**	**63,488**
	75,706	**246,702**	**(339,027)**	**436,527**	**419,908**
Non-current					
- Bank borrowings	**56,972**	**675,000**	**(26,775)**	**(327,128)**	**378,069**
- Bond payable	**274,430**	**89,663**	**(31,109)**	**5,242**	**338,226**
- Lease liabilities	**2,324**	**–**	**–**	**197,610**	**199,934**
	333,726	**764,663**	**(57,884)**	**(124,276)**	**916,229**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

27. Loans and borrowings (cont'd)

2021	At beginning of the year US$'000	Cash Inflows US$'000	Cash outflows US$'000	Non-cash changes Others* US$'000	At end of the year US$'000
Current					
- Bank borrowings	111,915	35,227	(120,365)	47,131	73,908
- Lease liabilities	1,600	–	(3,729)	3,927	1,798
	113,515	35,227	(124,094)	51,058	75,706
Non-current					
- Bank borrowings	117,250	14,998	(31,008)	(44,268)	56,972
- Bond payable	150,000	275,881	(156,750)	5,299	274,430
- Lease liabilities	1,227	–	–	1,097	2,324
	268,477	290,879	(187,758)	(37,872)	333,726

* 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.

28. 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. The defined benefit pension plan of certain subsidiary is managed by Dana Pensiun Lembaga Keuangan (DPLK) Simas Jiwa, a related party.

The principal assumptions used in determining post-employment benefits as at reporting date were as follows:

	Group 2022	Group 2021
Normal retirement age	**55 years**	55 years
Salary increment rate per annum	**7.50%**	7.00%
Discount rate per annum	**7.25%**	6.75% – 7.00%
Mortality table	**Indonesian Mortality Table IV**	Indonesian Mortality Table IV
Percentage of disability	**10.0% from mortality rate**	10.0% from mortality rate
Resignation rate	**10.0% for employees aged 30 years and reducing linearly to 0.0% at age 52 years and thereafter**	10.0% for employees aged 25 years and reducing linearly to 1.0% at age 45 years and thereafter

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

28. Post-employment benefits (cont'd)

The amount recognised in the statement of financial position is determined as follows:

	Group	
	2022	**2021**
	US$'000	**US$'000**
Present value of defined benefit obligations and total post-employment benefits	**3,115**	5,007
Movements in the account are as follows:		
At 1 January	**5,007**	5,029
Remeasurement recognised in other comprehensive income	**187**	540
(Reversal of)/defined post-employment benefits expenses recognised in profit or loss	**(577)**	862
Benefits paid during the year	**(16)**	(145)
Transferred liability for transferred employees	**(149)**	(19)
Contribution during the year	**(921)**	(1,044)
Exchange difference	**(416)**	(216)
At 31 December	**3,115**	5,007

The components of post-employment benefits expenses recognised in profit or loss:

	Group	
	2022	**2021**
	US$'000	**US$'000**
Current service cost	**641**	690
Interest cost on defined benefit obligations	**196**	339
Past service cost and gain on settlement	**(1,033)**	(155)
Employment benefit directly paid during the year	**–**	(13)
Transferred liability for transferred employees	**–**	1
Adjustment due to change in benefit attribution period	**(381)**	–
(Reversal of)/defined post-employment benefits expenses	**(577)**	862

(Reversal of)/defined post-employment benefits expenses are 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	
	2022	**2021**
	US$'000	**US$'000**
Before tax	**(187)**	(540)
Tax charge	**41**	119
After tax	**(146)**	(421)

28. Post-employment benefits (cont'd)

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)	
	2022	**2021**
	US$'000	**US$'000**
Increase by 100 basis points	**1,176**	(511)
Decrease by 100 basis points	**1,903**	587

29. Other provisions

Group	Mine rehabilitation and closure (Note a) US$'000	Onerous contracts (Note b) US$'000	Reinstatement costs (Note c) US$'000	Total US$'000
Cost				
At 1 January 2021	25,492	2,513	45	28,050
Reversal charged to profit or loss	(147)	(894)	–	(1,041)
Additions charged to mine properties (Note 12)	9,905	–	–	9,905
Notional interest	258	180	–	438
Utilisation	(824)	(491)	–	(1,315)
Exchange difference	(1,341)	(86)	–	(1,427)
At 31 December 2021 and 1 January 2022	33,343	1,222	45	34,610
Addition/(reversal) charged to profit or loss	328	(166)	–	162
Addition	–	–	24	24
Acquisition of subsidiaries (Note 16(d))	190,799	–	–	190,799
Notional interest	4,635	–	–	4,635
Utilisation	(20,010)	(124)	–	(20,134)
Exchange difference	(94)	46	–	(48)
At 31 December 2022	**209,001**	**978**	**69**	**210,048**
At 31 December 2021				
Current	1,855	286	–	2,141
Non-current	31,488	936	45	32,469
At 31 December 2022				
Current	**2,997**	**292**	**–**	**3,289**
Non-current	**206,004**	**686**	**69**	**206,759**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

29. Other provisions (cont'd)

(a) Provision for mine rehabilitation and closure

This includes the extent and nature of rehabilitation activity to be undertaken, changes in technology and techniques, changes in discount rates and regulatory impacts. There may be differences between the future actual expenditure and the assessment made at balance date. The provision represents Management's best estimate of the present value of rehabilitation cost to completely rehabilitate the site.

(b) Provision for onerous contracts

This represents the net present value of long-term contracts acquired along with Stanmore's acquisition of the Isaac Plains Coal Mine in November 2015. It 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 2022, a number of onerous contracts have been settled through the ordinary course of business.

(c) Provision for reinstatement costs

This represents net present value of the costs expected to be incurred for reinstatement of the leased office premises.

30. Share capital

	Group		Company	
	Number of shares '000	**US$'000**	**Number of shares '000**	**US$'000**
Issued and fully paid:				
At 1 January 2021	2,353,100	305,528	2,353,100	1,230,107
Non-controlling interest pursuant to disposal without loss of control	–	(13,233)	–	–
At 31 December 2021	2,353,100	292,295	2,353,100	1,230,107
Issue of new shares	285,000	62,996	285,000	62,996
Share issue expenses	–	(303)	–	(303)
Effect of change in functional currency	–	2,892	–	22,540
At 31 December 2022	**2,638,100**	**357,880**	**2,638,100**	**1,315,340**

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. Share capital (cont'd)

The amount recognised as issued equity interest in the consolidated financial statements were determined by adding the issued equity interest of GEMS, outstanding immediately before reverse acquisition to the fair value of GEAR Group at the completion date of reverse acquisition on 20 April 2015. However, the equity structure appearing in the balance sheets (i.e. the number and type of equity interests issued) shall reflect the equity structure of GEAR, including the equity interests issued to DSS to effect the acquisition in 2015.

On 7 March 2022, the Company issued 285,000,000 ordinary shares (S$0.305 each) for a total consideration of US$62,996,000 (or S$86,925,000) for cash to provide funds for the expansion of the Company's operations and general working capital purposes. The newly issued shares rank pari passu in all aspects with the previously issued shares.

31. Reserves

Foreign currency translation reserves

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.

Hedging reserve

Hedging reserve represent hedges accounted for as cashflow hedges with the end of financial year losses recognised as a derivative liability with the corresponding entry recognised as hedge reserve and amortised in line with actual gold sales in Ravenswood Gold Group Pty Ltd, a 50% owned Joint Venture.

Other reserves

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

Other reserves of the Company pertains to reserves that arose from acquisition of subsidiary in 2002 and net gain/(loss) on equity instruments FVOCI.

32. Commitments and contingent liabilities

Commitments

The Group is committed to invest up to US$7,400,000 into Redeemable Preference Shares of an investee company. As at 31 December 2022, the Group had invested US$4,000,000 (2021: US$4,000,000) in the Redeemable Preference Shares, leaving a balance of US$3,400,000 (2021: US$3,400,000) to be invested.

The Group is committed to pay approximately US$480,000,000 within the next 5 years for ongoing operational commitments, primarily in relation to its long-term port and rail capacity requirements.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

32. Commitments and contingent liabilities (cont'd)

Contingent liabilities

Under its contractual performance obligations, the Group is required to provide total bank guarantees of US$80,200,000 to third parties through its available facilities.

Financial support

The Company has agreed to provide financial support to subsidiaries having current liabilities in excess of its current assets by US$483,791,000 (2021: US$121,248,000).

33. 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	
	2022	**2021**
	US$'000	**US$'000**
Sales	**203,614**	207,924
Interest income	**150**	9
Purchases	**(1,217)**	(990)
Rental expenses	**(959)**	(582)
Insurance expenses	**(207)**	(218)
Telecommunication expenses	**(14)**	(28)
Freight & demurrage expenses	**(936)**	(936)
Bank charges	**(1)**	(1)

Related parties are subsidiaries and associated companies of the Sinarmas Group and other related parties, excluding entities within the Group.

33. Related party disclosures (cont'd)

(b) Compensation of key management personnel

	Group	
	2022	**2021**
	US$'000	**US$'000**
Short-term employee benefits	**22,671**	16,741
Long-term employee benefits	**890**	–
Defined contributions/benefits	**977**	131
Other short-term benefits	**1,793**	870
	26,331	17,742
Comprises amounts paid and payable to:		
– directors of the Company	**6,674**	3,083
– other key management personnel	**19,657**	14,659
	26,331	17,742

Included in the compensation paid or payable to key management personnel are contributions to defined contributions/benefits amounted to US$977,000 (2021: US$131,000).

34. 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 assets or liabilities 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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34. Fair value of assets and liabilities (cont'd)

(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			
2022	**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)	–	–	9,059	9,059
Financial assets				
Equity securities at FVTPL				
Equity securities				
– Quoted (Note 22)	672	–	–	672
Equity securities at FVOCI				
Equity securities				
– Quoted (Note 22)	14,358	–	–	14,358
– Unquoted (Note 22)	–	–	26,536	26,536
Redeemable Preference Shares at FVOCI (Note 22)	–	–	2,826	2,826
Derivative financial instruments (Note 26)	–	6,487	–	6,487
Financial liabilities				
Contingent consideration				
– vendor royalties (Note 25)	–	–	(148,229)	(148,229)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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34. 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			
2021	**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)	–	–	7,376	7,376
Financial assets				
Equity securities at FVTPL				
Equity securities				
- Quoted (Note 22)	1,519	–	–	1,519
Redeemable Preference Shares (Note 22)	–	15,000	–	15,000
Equity securities at FVOCI				
Equity securities				
– Quoted (Note 22)	24,832	–	–	24,832
– Unquoted (Note 22)	–	–	1,000	1,000
Redeemable Preference Shares at FVOCI (Note 22)	–	–	3,497	3,497
Financial liabilities				
Contingent consideration				
– vendor royalties (Note 25)	–	–	(6,313)	(6,313)
Derivative financial instruments (Note 26)	–	(4,437)	–	(4,437)

There has been no transfer from Level 1 and Level 2 and Level 3 for the financial years ended 31 December 2022 and 2021 respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

34. Fair value of assets and liabilities (cont'd)

(c) Level 2 fair value measurements

The following is a description of the valuation techniques and inputs used in the fair value measurements for assets and liabilities that are categorised within Level 2 of the fair value hierarchy:

Derivatives

Forward currency contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include forward pricing models, using present value calculations. The models incorporate various inputs including the foreign exchange spot and forwards rates and forward price curve.

(d) Level 3 fair value measurements

(i) Movements in level 3 assets and liabilities measured at fair value

The following table presents the changes in Level 3 instruments:

	Unquoted equity securities (Note 22) US$'000	Redeemable preference shares (Note 22) US$'000	Contingent consideration – vendor royalties (Note 25) US$'000
2022			
At 1 January	**1,000**	**18,497**	**(6,313)**
Additions	**500**	**–**	**(987)**
Acquisition of subsidiaries (Note 16(d))	**25,036**	**–**	**(140,000)**
Disposals	**–**	**(15,000)**	**–**
Notional interest	**–**	**–**	**(3,148)**
Utilisation	**–**	**–**	**2,563**
Fair value losses recognised in			
- other comprehensive income	**–**	**(671)**	**–**
- profit or loss	**–**	**–**	**(501)**
Exchange differences	**–**	**–**	**157**
At 31 December	**26,536**	**2,826**	**(148,229)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

34. Fair value of assets and liabilities (cont'd)

(d) Level 3 fair value measurements (cont'd)

(i) Movements in level 3 assets and liabilities measured at fair value (cont'd)

	Unquoted equity securities (Note 22) US$'000	Redeemable preference shares (Note 22) US$'000	Contingent consideration – vendor royalties (Note 25) US$'000
2021			
At 1 January	1,030	3,613	(10,583)
Additions	–	15,000	–
Disposals	(30)	–	–
Notional interest	–	–	(741)
Utilisation	–	–	2,990
Fair value (losses)/gains recognised in			
- other comprehensive income	–	(116)	–
- profit or loss	–	–	1,617
Exchange differences	–	–	404
At 31 December	1,000	18,497	(6,313)

(ii) Information about significant unobservable inputs used in Level 3 fair value measurements

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. The unobservable inputs used in the valuation are plantation yield, logs selling price and discount rate.

Investment in unquoted ordinary shares of US$26,536,000 (31 December 2021: US$1,000,000) and investment in redeemable preference shares of US$2,826,000 (31 December 2021: US$18,497,000) were valued using the discounted cash flow technique and no significant change in value at year end. The unobservable inputs used in the valuation are the discount rate and the discount for lack of marketability.

Contingent consideration relates to a royalty stream payable to the vendors which arises from business combination of Isaac Plains by Stanmore in 2015 and the additional to be paid to the vendor amounting to US$150,000,000 arising from the SMC Acquisition (Note 16). Fair value of the contingent consideration payable has been determined based on valuation which was performed using discounted cash flows methodology.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

34. Fair value of assets and liabilities (cont'd)

(d) Level 3 fair value measurements (cont'd)

(ii) Information about significant unobservable inputs used in Level 3 fair value measurements (cont'd)

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.
- Coal sales since acquisition, plus expected future sales of SMC's operating assets, including South Walker Creek and Poitrel mines.

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. A significant change in the underlying assumption would result in a significantly higher/(lower) fair value measurement.

(iii) 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.

(e) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of trade and other receivables (Note 19), cash and cash equivalents (Note 24), restricted funds (Note 20), trade and other payables (Note 25), and loans and borrowings (Note 27) are reasonable approximation of fair values due to their short-term nature.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

35. 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 except the hedging reserve which arose from cashflow hedge from Group's share of its investment in Ravenswood (Note 31).

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.

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.

Sensitivity analysis for interest rate risk

At the end of the reporting period, if the interest rates had been 75 (2021: 75) basis points lower/higher with all other variables held constant, the Group's profit after tax would have been approximately US$195,000 (2021: US$543,000) higher/lower, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings.

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 30 days rolling projection. Net cash requirements are then compared to available cash and cash equivalents in order to determine the cash shortfalls.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

35. 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			
2022	**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	492,817	725	7,493	501,035
Restricted funds	–	31,057	–	31,057
Cash and cash equivalents	972,818	–	–	972,818
Redeemable Preference Shares (Note 22)	–	–	2,826	2,826
Derivative financial instruments	6,487	–	–	6,487
Other current assets	75,126	–	–	75,126
Other non-current assets	–	22,600	–	22,600
Total undiscounted financial assets	1,547,248	54,382	10,319	1,611,949
Financial liabilities:				
Trade and other payables	719,142	158,087	–	877,229
Lease liabilities	78,448	221,098	–	299,546
Bank borrowings	445,288	874,269	–	1,319,557
Total undiscounted financial liabilities	1,242,878	1,253,454	–	2,496,332
Total net undiscounted financial assets/(liabilities)	304,370	(1,199,072)	10,319	(884,383)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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35. Financial risk management objectives and policies (cont'd)

(b) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities (cont'd)

	Group			
2021	**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	185,694	12,651	4,353	202,698
Cash and cash equivalents	379,821	–	–	379,821
Restricted funds	–	24,113	–	24,113
Redeemable Preference Shares (Note 22)	15,000	–	3,497	18,497
Other current assets	31,071	–	–	31,071
Other non-current assets	–	21,801	–	21,801
Total undiscounted financial assets	611,586	58,565	7,850	678,001
Financial liabilities:				
Trade and other payables	288,590	10,040	–	298,630
Derivative financial instruments	4,437	–	–	4,437
Lease liabilities	2,048	2,487	–	4,535
Bank borrowings	103,717	428,267	–	531,984
Total undiscounted financial liabilities	398,792	440,794	–	839,586
Total net undiscounted financial assets/(liabilities)	212,794	(382,229)	7,850	(161,585)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

35. Financial risk management objectives and policies (cont'd)

(b) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities (cont'd)

		Company	
2022	**1 year or less US$'000**	**2 to 5 years US$'000**	**Total US$'000**
Financial assets:			
Trade and other receivables	**31,501**	**–**	**31,501**
Cash and cash equivalents	**204,198**	**–**	**204,198**
Restricted funds	**–**	**16,235**	**16,235**
Other current assets	**73**	**–**	**73**
Amounts due from subsidiaries	**480,376**	**324**	**480,700**
Total undiscounted financial assets	**716,148**	**16,559**	**732,707**
Financial liabilities:			
Trade and other payables	**17,987**	**–**	**17,987**
Lease liabilities	**83**	**684**	**767**
Bank borrowings	**29,436**	**461,436**	**490,872**
Total undiscounted financial liabilities	**47,506**	**462,120**	**509,626**
Total net undiscounted financial assets/(liabilities)	**668,642**	**(445,561)**	**223,081**

		Company	
2021	**1 year or less US$'000**	**2 to 5 years US$'000**	**Total US$'000**
Financial assets:			
Trade and other receivables	72,540	–	72,540
Cash and cash equivalents	135,738	–	135,738
Restricted funds	–	12,676	12,676
Redeemable Preference Shares (Note 22)	15,000	–	15,000
Other current assets	59	–	59
Amounts due from subsidiaries	108,873	307	109,180
Loan to a subsidiary	67,600	–	67,600
Total undiscounted financial assets	399,810	12,983	412,793
Financial liabilities:			
Trade and other payables	14,383	–	14,383
Lease liabilities	228	58	286
Bank borrowings	36,885	366,759	403,644
Total undiscounted financial liabilities	51,496	366,817	418,313
Total net undiscounted financial assets/(liabilities)	348,314	(353,834)	(5,520)

35. Financial risk management objectives and policies (cont'd)

(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.

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.

The Group determined that its financial assets are credit-impaired when:

- There is significant financial 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 2022 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

35. Financial risk management objectives and policies (cont'd)

(c) Credit risk (cont'd)

Trade receivables (cont'd)

Summarised below is the information about the credit risk exposure on the Group's trade receivables using provision matrix:

2022	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
Gross carrying amount	**416,447**	**61,547**	**469**	**368**	**478,831**
Loss allowance provision	**–**	**–**	**–**	**(239)**	**(239)**
	416,447	**61,547**	**469**	**129**	**478,592**
2021					
Gross carrying amount	164,537	6,353	667	645	172,202
Loss allowance provision	–	–	–	(305)	(305)
	164,537	6,353	667	340	171,897

Exposure to credit risk

The carrying amount of trade and other receivables, cash and bank balances, deposits, restricted fund and Redeemable Preference Shares represent the Group's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk.

35. 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, deposits and Redeemable Preference Shares on an on-going basis, and the credit risk concentration profile of the Group's at the reporting date is as follows:

	2022		2021	
	US$'000	% of total	US$'000	% of total
By country				
Singapore	**160,558**	**18%**	151,129	32%
Indonesia	**336,412**	**38%**	191,018	41%
Australia	**386,619**	**44%**	126,722	27%
Total	**883,589**		468,869	
By industry sector				
Energy Coal	**328,005**	**37%**	181,127	39%
Metallurgical Coal	**350,322**	**40%**	91,325	19%
Non-coal business	**205,262**	**23%**	196,417	42%
Total	**883,589**		468,869	

As at 31 December 2022 and 2021, the Group had no significant concentration of credit risk with any single customer.

(d) Foreign currency risk

The Group's revenue streams are denominated primarily in its functional currency, USD. The Group has transactional currency exposures arising from the sales and purchases in currencies other than the functional currency.

Currently, there is no specific policy to reduce currency exposure through forward currency contracts, derivatives transactions or other arrangements except for forward currency contracts entered by a subsidiary for hedging a portion of its currency risk (Note 26). However, the Group relies on its operational cash flow to hedge against the foreign currency exposure.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

35. Financial risk management objectives and policies (cont'd)

(d) Foreign currency risk (cont'd)

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	
			2022	**2021**
			US$'000	**US$'000**
IDR/USD	–	strengthened 7% (2021: 7%)	**1,752**	(2,771)
	–	weakened 7% (2021: 7%)	**(1,523)**	2,408
AUD/USD	–	strengthened 7% (2021: 7%)	**(47,755)**	835
	–	weakened 7% (2021: 7%)	**41,507**	(726)

(e) Commodity price risk

The Group is exposed to the risk of fluctuations in prevailing market commodity prices mainly 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% (2021: 5%) higher/lower with all other variables held constant, the Group's profit before tax would have been US$280,792,000 (2021: US$93,627,000) higher/lower.

36. 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 2022 and 2021 respectively.

The Group monitors its capital using gearing ratios.

36. 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.

	2022 US$'000	2021 US$'000
Loans and borrowings	**1,336,137**	409,432
Trade and other payables	**873,576**	309,085
Less: Cash and cash equivalents	**(972,818)**	(379,821)
Net debts	**1,236,895**	338,696
Equity attributable to equity holders of the Company	**1,266,958**	486,707
Capital and net debts	**2,503,853**	825,403
Gearing ratio	**49.40%**	41.03%

37. 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 manager's 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, gold mining 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.

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37. Segment information (cont'd)

	Energy Coal		Metallurgical Coal		Non-coal Business		Adjustments and Eliminations		Note	Consolidated	
	2022 US$'000	2021 US$'000	2022 US$'000	2021 US$'000	2022 US$'000	2021 US$'000	2022 US$'000	2021 US$'000		2022 US$'000	2021 US$'000
Revenue:											
Revenue from external customers	**2,919,964**	1,585,954	**2,695,770**	286,596	**1,069**	1,547	**-**	-		**5,616,803**	1,874,097
Inter segment revenue	**-**	5,139	**-**	-	**-**	-	**-**	(5,139)	A,B	**-**	-
	2,919,964	1,591,093	**2,695,770**	286,596	**1,069**	1,547	**-**	(5,139)		**5,616,803**	1,874,097
Results:											
Segment results	**923,422**	488,316	**887,037**	5,479	**(43,562)**	(51,161)	**(36,835)**	(14,171)	B	**1,730,062**	428,463
Interest income	**1,658**	2,719	**6,902**	1,353	**8,775**	8,449	**(1,829)**	(3,791)	B	**15,506**	8,730
Finance costs	**(15,282)**	(17,711)	**(91,667)**	(7,062)	**(36,095)**	(35,475)	**2,997**	4,966	B	**(140,047)**	(55,282)
Profit before tax										**1,605,521**	381,911
Taxation										**(324,674)**	(130,651)
Profit for the year										**1,280,847**	251,260
Compensation income	**-**	-	**-**	-	**4,800**	8,860	**(4,800)**	(8,860)	B	**-**	-
Depreciation expenses	**(11,668)**	(10,935)	**(152,450)**	(11,920)	**(710)**	(1,178)	**-**	-		**(164,828)**	(24,033)
Amortisation expenses	**(7,308)**	(6,975)	**(80,914)**	(20,306)	**(509)**	(518)	**-**	-		**(88,731)**	(27,799)
Share of profit/(loss) of joint ventures	**-**	-	**19,843**	(1,808)	**(27,921)**	(20,850)	**-**	-		**(8,078)**	(22,658)
Fair value gain on biological assets	**-**	-	**-**	-	**1,006**	484	**-**	-		**1,006**	484
Fair value loss on investment securities	**-**	-	**-**	-	**(753)**	(573)	**-**	-		**(753)**	(573)
Fair value (loss)/gain on remeasurement of contingent consideration	**-**	-	**(501)**	1,617	**-**	-	**-**	-		**(501)**	1,617
Fair value gain/(loss) on derivatives	**-**	-	**10,924**	(4,595)	**-**	(443)	**-**	-		**10,924**	(5,038)
Impairment loss on goodwill	**-**	-	**-**	-	**-**	-	**(34,700)**	(13,400)		**(34,700)**	(13,400)
Assets and Liabilities:											
Segment assets	**993,713**	694,793	**3,390,141**	405,870	**1,641,751**	1,146,372	**(1,128,897)**	(678,982)		**4,896,708**	1,568,053
Segment assets includes:											
Investment in joint ventures	**-**	-	**19,298**	-	**62,731**	34,310	**-**	-		**82,029**	34,310
Addition to non-current assets	**9,893**	6,830	**97,395**	47,218	**145**	156	**-**	-	C	**107,433**	54,204
Segment liabilities	**690,617**	554,991	**2,002,364**	227,638	**347,460**	365,598	**(124,503)**	(233,219)		**2,915,938**	915,008

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37. Segment information (cont'd)

A Inter-segment revenues are eliminated on consolidation.

B Elimination is relating to intra-group transactions which are eliminated on consolidation.

C 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	
	2022 US$'000	2021 US$'000	2022 US$'000	2021 US$'000
China	**1,324,322**	726,628	**–**	–
India	**1,113,553**	237,434	**–**	–
Japan	**981,207**	168,509	**–**	–
Indonesia	**886,548**	570,129	**448,418**	478,220
South Korea	**598,831**	63,260	**–**	–
Netherlands	**165,269**	43,835	**–**	–
Brazil	**103,285**	–	**–**	–
Malaysia	**88,963**	3,488	**–**	–
Philippines	**78,630**	33,501	**–**	–
Germany	**70,974**	–	**–**	–
Thailand	**55,344**	14,787	**–**	–
Australia	**36,096**	–	**2,446,898**	270,376
Spain	**33,053**	–	**–**	–
Finland	**25,930**	–	**–**	–
Others	**54,798**	12,526	**24,538**	13,221
	5,616,803	1,874,097	**2,919,854**	761,817

Non-current assets information presented above excludes deferred tax assets, investment securities and investment in joint ventures.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

37. Segment information (cont'd)

Major customer information

The Group's revenue derived from customers who individually account for 10% (2021: 10%) or more of the Group's revenue is detailed below:

	Energy Coal		Metallurgical Coal	
	2022	**2021**	**2022**	**2021**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Customer				
Top 1st	–	202,984	–	–

38. Dividends

No dividends were paid by the Company in respect of the financial year ended 31 December 2022 and 2021.

39. Other matters

On 9 November 2022, the Company proposed to undertake a distribution in specie of all of its shares in the capital of PT Golden Energy Mines Tbk ("GEMS", and such shares, the "GEMS Shares") (the "Proposed Distribution") to shareholders of the Company ("Shareholders") through a combination and concurrent implementation of:

- subject to the Capital Reduction becoming effective, a dividend in specie ("Dividend in Specie"); and
- a capital reduction ("Capital Reduction").

The Proposed Distribution shall be in proportion to Shareholders' respective shareholdings in the Company, on the basis of 1.3936 GEMS Shares for each issued and paid-up ordinary share of the Company as at such date and time to be determined by the Directors for the purposes of determining the entitlement of Shareholders to the GEMS Shares, and fractional entitlements (where applicable) to be disregarded, free of encumbrances and together with all rights attaching thereto on and from the date on which the Capital Reduction becomes effective in accordance with the Companies Act 1967 of Singapore.

Shareholders have the option to choose, to directly own GEMS Shares, or otherwise, receive an equivalent value represented by the Cash Alternative Price at approximately IDR5,500 for each GEMS Share.

In connection with the Proposed Distribution, the Company proposes to seek the voluntary delisting of its Shares from the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST") (the "Delisting") pursuant to Rules 1307 and 1309 of the listing manual of the SGX-ST.

In conjunction with the Delisting, the Board of Directors of the Company and the board of directors of Duchess Avenue Pte. Ltd. (the "Offeror") have jointly announced on 9 November 2022 that the Offeror will make a proposed conditional exit offer (the "Exit Offer") to acquire all the Shares (excluding treasury shares, if any) held by Shareholders at the cash consideration of S$0.160 (the "Joint Announcement"). The Exit Offer is conditional on the satisfaction of certain conditions.

39. Other matters (cont'd)

The Proposed Distribution and Delisting are conditional on the approval of Shareholders being obtained at an extraordinary general meeting of the Company to be convened to seek Shareholders' approval for the Distribution Resolution and the Delisting Resolution.

No adjustments have been recorded in the financial statements as at 31 December 2022.

40. Authorisation of financial statements

The financial statements for the financial year ended 31 December 2022 were authorised for issue in accordance with a resolution of the Directors dated on 10 March 2023.

STATISTICS OF SHAREHOLDINGS

AS AT 14 MARCH 2023

SHARE CAPITAL

Number of issued shares	2,638,100,380
Class of shares	Ordinary
Voting Rights	1 vote per ordinary share
Number of subsidiary holdings held	Nil
Treasury shares	Nil

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	2,650	30.28	97,023	0.00
100 – 1,000	3,496	39.95	1,526,169	0.06
1,001 – 10,000	2,059	23.53	7,708,960	0.29
10,001 – 1,000,000	530	6.06	27,732,769	1.05
1,000,001 and above	16	0.18	2,601,035,459	98.60
TOTAL	**8,751**	**100.00**	**2,638,100,380**	**100.00**

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	CITIBANK NOMINEES SINGAPORE PTE LTD	2,055,394,915	77.91
2	KGI SECURITIES (SINGAPORE) PTE. LTD.	282,754,700	10.72
3	DBS NOMINEES (PRIVATE) LIMITED	139,126,344	5.27
4	PHILLIP SECURITIES PTE LTD	43,206,200	1.64
5	ABN AMRO CLEARING BANK N.V.	14,062,400	0.53
6	RAFFLES NOMINEES (PTE.) LIMITED	11,799,459	0.45
7	MORGAN STANLEY ASIA (SINGAPORE) SECURITIES PTE LTD	10,455,594	0.40
8	DBSN SERVICES PTE. LTD.	7,924,098	0.30
9	SEAH SEOW CHER	6,740,000	0.26
10	MAYBANK SECURITIES PTE. LTD.	6,453,040	0.24
11	HSBC (SINGAPORE) NOMINEES PTE LTD	6,340,214	0.24
12	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	6,285,703	0.24
13	MERRILL LYNCH (SINGAPORE) PTE. LTD.	5,452,049	0.21
14	IFAST FINANCIAL PTE. LTD.	2,281,928	0.09
15	OCBC SECURITIES PRIVATE LIMITED	1,577,215	0.06
16	KUEK KIEN JOO	1,181,600	0.04
17	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	882,910	0.03
18	PLAPIED STEPHANE HUGUES	735,000	0.03
19	TAN AH PENG	700,000	0.03
20	LEE CHIEW ENG	700,000	0.03
	TOTAL	**2,604,053,369**	**98.72**

STATISTICS OF SHAREHOLDINGS

AS AT 14 MARCH 2023

SUBSTANTIAL SHAREHOLDERS

(as shown in the Company's Register of Substantial Shareholders as at 14 March 2023)

	Direct Interest		Deemed Interest	
Substantial Shareholders	**No. of Shares**	**%[4]**	**No. of Shares**	**%[4]**
PT Dian Swastatika Sentosa Tbk[1]	2,044,145,469	77.49%	-	-
PT Sinar Mas Tunggal[2]	–	–	2,044,145,469	77.49%
PT Sinar Mas[2]	–	–	2,044,145,469	77.49%
PT Sinar Mas Cakrawala[2]	–	–	2,044,145,469	77.49%
PT Sinarindo Gerbangmas[2]	–	–	2,044,145,469	77.49%
Franky Oesman Widjaja[3]	–	–	2,044,145,469	77.49%
Muktar Widjaja[3]	–	–	2,044,145,469	77.49%
Indra Widjaja[3]	–	–	2,044,145,469	77.49%

Notes:

(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.

(4) The percentage of shareholding above is computed based on the total number of issued voting shares of 2,638,100,380.

(5) The above information is based on the notifications received from the respective substantial shareholders as at 14 March 2023.

PUBLIC FLOAT

Based on information available to the Company as at 14 March 2023, approximately 22.50% of the Company's issued ordinary shares are held by the public and accordingly, Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited is complied with.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Golden Energy and Resources Limited (the "**Company**") will be convened and held by way of electronic means on Friday, 28 April 2023 at 11.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company and the Group for the financial year ended 31 December 2022 together with the Independent Auditor's Report thereon. **(Resolution 1)**

2. To re-elect Mr. Fuganto Widjaja, a Director retiring pursuant to Regulation 107 of the Constitution of the Company.
[See Explanatory Note (ii)] **(Resolution 2)**

3. To re-elect Mr. Mark Zhou You Chuan, a Director retiring pursuant to Regulation 107 of the Constitution of the Company.
[See Explanatory Note (iii)] **(Resolution 3)**

4. To re-elect Mr. Lew Syn Pau, a Director retiring pursuant to Regulation 107 of the Constitution of the Company.
[See Explanatory Note (iv)] **(Resolution 4)**

5. To approve the payment of Directors' fees of S$371,946 for the financial year ending 31 December 2023. (FY2022: S$412,100). **(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 1967 of Singapore 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

NOTICE OF ANNUAL GENERAL MEETING

(b) (even though 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 pursuant to 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 continues to be 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." **(Resolution 7)**

[See Explanatory Note (v)]

NOTICE OF ANNUAL GENERAL MEETING

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 falling within the types of interested person transactions described in the Appendix dated 6 April 2023 (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." **(Resolution 8)**

[See Explanatory Note (vi)]

By Order of the Board

Lai Kuan Loong, Victor
Company Secretary

Singapore, 6 April 2023

Explanatory Notes:

(i) For Ordinary Resolutions 2, 3 and 4, detailed information on the Directors who are proposed to be re-elected can be found under the sections entitled "Board of Directors" and "Additional Information on Directors Seeking Re-Election" in the Company's Annual Report 2022.

(ii) **Ordinary Resolution 2** is to re-elect Mr. Fuganto Widjaja pursuant to Regulation 107 of the Company's Constitution and if he is re-elected, he will continue to serve as an Executive Chairman of the Company.

(iii) **Ordinary Resolution 3** is to re-elect Mr. Mark Zhou You Chuan pursuant to Regulation 107 of the Company's Constitution and if he is re-elected, he will continue to serve as an Executive Director of the Company.

(iv) **Ordinary Resolution 4** is to re-elect Mr. Lew Syn Pau pursuant to Regulation 107 of the Company's Constitution and if he is re-elected, he will continue to serve as the Chairman of the Nominating Committee and the Remuneration Committee, and a member of the Audit Committee of the Company. Mr. Lew Syn Pau is considered independent pursuant to Rule 704(8) of the Listing Manual of the SGX-ST.

NOTICE OF ANNUAL GENERAL MEETING

(v) **Ordinary Resolution 7**, 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.

(vi) **Ordinary Resolution 8**, 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.

Notes:

1. The Annual General Meeting ("**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. **Members will not be allowed to attend the AGM in person**. Alternative arrangements have been provided to allow the members to participate and vote at the AGM via electronic means. Printed copies of this Notice, Proxy Form, Appendix in relation to the Proposed Renewal of the Sinar Mas IPT Mandate and Annual Report for the financial year ended 31 December 2022 (collectively the "**AGM Documents**") will not be sent to members. Instead, the AGM Documents will be sent to members by electronic means via publication on the Company's website at the URL http://investor.gear.com.sg/ar.html and SGXNet at the URL https://www.sgx.com/securities/company-announcements.

2. Members should refer to the Company's announcement dated 6 April 2023 relating to alternative arrangements for participation at the AGM at the Company's website and SGXNet at the URLs listed in Note 1 above relating to: (a) attendance at the AGM via electronic means (including arrangements by which the AGM can be electronically accessed via a "live" audio-visual webcast or a "live" audio-only stream); (b) submission of questions in advance of the AGM or "live" via text-based questions through the audio-visual webcast platform at the AGM; and (c) voting at the AGM (i) "live" by members themselves or their duly appointed proxy(ies) (other than the Chairman of the AGM) via electronic means; or (ii) by appointing the Chairman of the AGM as proxy to vote on their behalf at the AGM.

"Live" audio-visual webcast and "live" audio-only stream

3. Members or their duly appointed proxies will be able to observe and/or listen to the AGM proceedings through the "live" audio-visual webcast or "live" audio-only stream. To do so, members or their duly appointed proxies will need to pre-register at the URL https://conveneagm.sg/GEARAGM2023 ("**Registration Link**") by 11.00 a.m. on 25 April 2023 ("**Registration Deadline**") to enable the Company to verify their status.

4. Following verification, authenticated members or their duly appointed proxies will receive an email by 11.00 a.m. on 27 April 2023 containing instructions on how to access the "live" audio-visual webcast or "live" audio-only stream of the AGM proceedings. Members or their duly appointed proxies must not forward the abovementioned instructions to persons who are not members of the Company and who are not entitled to attend the AGM.

5. Members or, where applicable, appointed proxy(ies), who register by the Registration Deadline but do not receive an email response by 11.00 a.m. on 27 April 2023, should email support@conveneagm.com.

Voting at the AGM

6. Voting for the Ordinary Resolutions will be conducted by poll. Voting at the AGM may be carried out as set out below:

   (a) (where the member is an individual) vote "live" via electronic means at the AGM;

   (b) (where the member is an individual or a corporate) appoint a proxy(ies) (other than the Chairman of the AGM) to vote "live" via electronic means at the AGM on his behalf; or

   (c) (where the member is an individual or a corporate) submit a Proxy Form (in advance of the AGM) appointing the Chairman of the AGM to cast votes, or abstain from voting, on their behalf.

7. A proxy need not be a member of the Company.

8. The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:

   (a) if submitted by post, be lodged at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. ("**Boardroom**") at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632; or

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(b) if submitted electronically, be submitted

(i) via email to the Company's Share Registrar, Boardroom, at srs.teamd@boardroomlimited.com; or

(ii) via the online process through the Registration Link.

in either case by 11.00 a.m. on 25 April 2023 (being not less than seventy-two (72) hours before the time fixed for the holding of the AGM).

A member who wishes to submit an instrument appointing a proxy(ies) by post or via email must first download, complete and sign the proxy form before submitting it by post to the address provided above, or before submitting it via email (e.g. by enclosing a completed and signed PDF copy of the proxy form) to the email address provided above. A member may also appoint a proxy(ies) via the online process through the Registration Link. Members are strongly encouraged to submit completed instruments appointing a proxy(ies) electronically via email or via the Registration Link.

CPF or SRS investors:

(a) may vote "live" via electronic means at the AGM if they are appointed as proxies by their respective CPF agent banks or SRS operators, and should contact their respective CPF agent banks or SRS operators if they have any queries regarding their appointment as proxies; or

(b) may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM in which case they should approach their respective CPF agent banks or SRS operators to submit their votes by 11.00 a.m. on 18 April 2023.

9. In the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any Proxy Form submitted if such members are not shown to have shares entered against their names in the Depository Register (as defined in Part IIIAA of the Securities and Futures Act 2001 of Singapore), as at seventy-two (72) hours before the time appointed for holding the AGM as certified by The Central Depository (Pte) Limited to the Company.

Submission of questions

10. Members and, where applicable, appointed proxy(ies), who participate by way of observing the "live" audio-visual webcast or "live" audio-only stream of the AGM proceedings may ask text-based questions relating to the Ordinary Resolutions live and online (in real time) during the AGM, by typing in and submitting their questions via the "live" "Ask a Question" function via the online platform hosting the audio-visual webcast.

11. Alternatively, members (including CPF and SRS investors) may pre-submit questions relating to the Ordinary Resolutions

(a) by email to srs.teamd@boardroomlimited.com;

(b) via the Registration Link; or

(c) by post to the Company's Share Registrar, Boardroom, at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632.

12. For questions submitted by email or post, members are to provide their full name, address and the manner in which the member holds the shares in the Company (eg. via CDP, scrip, CPF or SRS). Answers to all substantial and relevant questions received by 11.00 a.m. on 18 April 2023 will be published on the Company's website and SGXNet at the URLs listed in Note 1 above by 21 April 2023, to facilitate members' votes and to allow members to make an informed decision on the Ordinary Resolutions to be tabled at the AGM.

Relevant intermediaries

13. Investors who hold shares through relevant intermediaries (as defined in section 181 of the Companies Act), including CPF and SRS investors, and who wish to participate in the AGM by (a) observing or listening to the AGM proceedings via "live" audio-visual webcast or "live" audio-only stream; (b) submitting questions live and online (in real time) during the AGM or in advance of the AGM; and/or (c) appointing the Chairman of the AGM as proxy to vote on their behalf at the AGM, should contact the relevant intermediary (which would include, in the case of CPF and SRS investors, their respective CPF agent banks and SRS operators) through which they hold such shares as soon as possible in order to make the necessary arrangements for them to participate in the AGM.

Personal data privacy:

Where a member of the Company completing the pre-registration in accordance with this notice or submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (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), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes.

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 and/or his proxy(ies) and/or representative(s) (such as his/her name and his/her presence at the AGM) may be recorded by the Company for such purpose.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr. Fuganto Widjaja, Mr. Mark Zhou You Chuan and Mr. Lew Syn Pau are the Directors seeking re-election at the forthcoming annual general meeting of the Company to be convened on 28 April 2023 ("**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. Fuganto Widjaja	**Mr. Mark Zhou You Chuan**	**Mr. Lew Syn Pau**
Date of Appointment	20 April 2015	8 February 2021	20 April 2015
Date of last re-appointment	25 June 2020	29 April 2021	25 June 2020
Age	41	39	69
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. Widjaja as a director of the company was recommended by the Nominating Committee and the Board has accepted the recommendation, after taking into consideration Mr. Widjaja's qualifications, expertise, past experiences and overall contribution since he was appointed as an Executive Chairman of the Company.	The re-election of Mr. Zhou as a director of the company was recommended by the Nominating Committee and the Board has accepted the recommendation, after taking into consideration Mr. Zhou's qualifications, expertise, past experiences and overall contribution since he was appointed as an Executive Director of the Company.	The re-election of Mr. Lew as a director of the company was recommended by the Nominating Committee and the Board has accepted the recommendation, after taking into consideration Mr. Lew's qualifications, expertise, past experiences and overall contribution since he was appointed as an Independent Director of the Company.
Whether appointment is executive and if so, the area of responsibility	Executive Mr. Fuganto is responsible for overseeing the overall management and operations of the Group.	Executive Mr. Zhou is responsible for strategic planning, corporate management, mergers and acquisitions, capital raising activities, corporate finance and treasury as well as investor relations.	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	• Executive Chairman • Member of the Nominating Committee and the Remuneration Committee	• Executive Director • Chief Investment Officer	• Independent non-executive Director • Chairman of the Nominating Committee and the Remuneration Committee • Member of Audit Committee
Professional qualifications	• Bachelor of Arts (Computer Science and Economics), Cornell University, USA • Master in Philosophy (Finance), University of Cambridge, United Kingdom	• Bachelor of Business in Banking & Finance and Business Law (Double Major), Nanyang Technological University, Singapore	• Bachelor (1977) and Master (1981) of Engineering, University of Cambridge, United Kingdom • Master of Business Administration, Stanford University, USA

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr. Fuganto Widjaja	Mr. Mark Zhou You Chuan	Mr. Lew Syn Pau
Working experience and occupation(s) during the past 10 years	• 2015 to present Commissioner, PT Sinar Mas Multiartha Tbk • 2018 to 2022 Commissioner, PT Borneo Indobora • 2016 to 2022 Commissioner, PT Golden Energy Mines Tbk • 2014 to 2018 President Commissioner, PT Borneo Indobora • 2013 to 2015 Director, PT Sinar Mas Multiartha Tbk • 2012 to 2016 President Director, PT Golden Energy Mines Tbk • 2011 to 2022 President Commissioner, PT Roundhill Capital Indonesia • 2011 to 2014 Commissioner, PT Borneo Indobara	• 2020 to present Chief Investment Officer, Golden Energy and Resources Limited • 2019 to 2020 Senior Head of Investments, Golden Energy and Resources Limited • 2016 to 2019 Head of Investments, Golden Energy and Resources Limited • 2014 to 2016 Chief Executive Officer, PSL Holdings Limited • 2013 to 2014 Chief Investment Officer, Geo Energy Resources Limited	Financial adviser and independent director of various entities.
Shareholding interest in the listed issuer and its subsidiaries	Nil	Nil	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	Mr. Widjaja is the son of Mr. Indra Widjaja and nephew of Mr. Franky Oesman Widjaja and Mr. Muktar Widjaja who are the ultimate controlling shareholders of the Company.	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

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr. Fuganto Widjaja	**Mr. Mark Zhou You Chuan**	**Mr. Lew Syn Pau**
Other Principal Commitments* Including Directorships#			
Past (for the last 5 years)	Directorships: King Albert Park Pte. Ltd. Other Principal Commitments: PT Golden Energy Mines Tbk PT Roundhill Capital Indonesia PT Borneo Indobora	Directorships: Nil Other Principal Commitments: Nil	Directorships: Sinarmas Land Limited Golden-Agri Resources Limited Food Empire Holdings Limited SUTL Enterprise Limited Capital Connections Pte Ltd Poh Tiong Choon Logistics Limited BIGL Technologies (Thailand) Co., Ltd. Beijing Ant Brothers Technology Co., Ltd. Other Principal Commitments: Nil
Present	Directorships: Golden Energy and Resources Limited Fu Foundation Ltd. Chestnut Avenue Pte. Ltd. Windsor Park Pte. Ltd. Other Principal Commitments: Nil	Directorships: Golden Energy and Resources Limited and 7 of its subsidiaries and associate companies Fu Foundation Ltd. Global Sustainable Minerals Pte. Ltd. Elementure Resources Pte. Ltd. Other Principal Commitments: Nil	Directorships: Golden Energy and Resources Limited Broadway Industrial Group Limited and 7 of its subsidiaries Oldham Alpha Investments Pte. Ltd. Oldham Sophia Investments Pte. Ltd Stanbridge Enterprise Limited Stanbridge International Investments Limited Other Principal Commitments: Nil
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			
Information required under items (a) to (k) of Appendix 7.4.1 of the SGX-ST Listing Manual	There is no change to the responses previously disclosed by Mr. Widjaja under items (a) to (k) of Appendix 7.4.1 of the SGX-ST Listing Manual. The Appendix 7.4.1 information in respect of Mr. Widjaja's appointment as Director was announced on 20 April 2015.	There is no change to the responses previously disclosed by Mr. Zhou under items (a) to (k) of Appendix 7.4.1 of the SGX-ST Listing Manual. The Appendix 7.4.1 information in respect of Mr. Zhou's appointment as Director was announced on 8 February 2021.	There is no change to the responses previously disclosed by Mr. Lew under items (a) to (k) of Appendix 7.4.1 of the SGX-ST Listing Manual. The Appendix 7.4.1 information in respect of Mr. Lew's appointment as Director was announced on 20 April 2015.

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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, Appendix in relation to the Proposed Renewal of the Sinar Mas IPT Mandate and Annual Report for the financial year ended 31 December 2022 (collectively, the "**AGM Documents**") will **NOT** be sent to members of the Company. Instead, the AGM Documents will be sent to members by electronic means via publication on the Company's website at the URL http://investor.gear.com.sg/ar.html and SGXNet at the URL https://www.sgx.com/securities/company-announcements.
2. **Members will not be able to attend the AGM in person.** Alternative arrangements relating to, among others, attendance, submission of questions in advance of, or "live" at the AGM and/or voting at the AGM (i) "live" by the members or his/her/its duly appointed proxy(ies) (other than the Chairman of the AGM) via electronic means, or (ii) by appointing the Chairman of the AGM as a proxy to vote on the member's behalf at the AGM, are set out in the Company's announcement dated 6 April 2023. This announcement may be accessed at the Company's website and SGXNet at the URLs listed in Note 1 above.
3. **This Proxy Form is not valid for use by 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 by 11.00 a.m. on 18 April 2023.
4. By submitting this Proxy Form, a member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 6 April 2023.
5. **Please read the notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the AGM (or any person other than 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:

Name	NRIC/Passport No.	Email Address^	Proportion of Shareholdings	
			No. of Shares	%
Address				

*and/or (delete as appropriate)

Name	NRIC/Passport No.	Email Address^	Proportion of Shareholdings	
			No. of Shares	%
Address				

^ Appointed proxy(ies) will be prompted via email (within 2 business days after the Company's receipt of a validly completed and submitted instrument appointing a proxy(ies)) to pre-register at the Registration Link at the URL https://conveneagm.sg/GEARAGM2023, in order to access the live audio-visual webcast or live audio-only stream of the AGM proceedings.

or if no proxy is named, the Chairman of the AGM as *my/our *proxy/proxies to vote for *me/us on *my/our behalf at the AGM to be held at by way of electronic means on 28 April 2023 at 11.00 a.m., and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given, the *proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they will on any other matter arising at the Meeting and at any adjournment thereof.

No.	Ordinary Resolutions	For**	Against**	Abstain**
	Ordinary Business			
1.	Adoption of Directors' Statement and Audited Financial Statements of the Company and the Group for the financial year ended 31 December 2022 together with the Independent Auditor's Report thereon			
2.	Re-election of Mr. Fuganto Widjaja as a Director			
3.	Re-election of Mr. Mark Zhou You Chuan as a Director			
4.	Re-election of Mr. Lew Syn Pau as a Director			
5.	Approval of Directors' fees of S$371,946 for the financial year ending 31 December 2023			
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			

* Delete where inapplicable.

** Voting will be conducted by poll. If you wish your proxy/proxies to cast all your votes "**For**" or "**Against**" a resolution, please indicate with a (✓) in the "**For**" or "**Against**" box provided in respect of that resolution. Alternatively, please indicate the number of votes "**For**" or "**Against**" in the "**For**" or "**Against**" box provided in respect of that resolution. If you wish your proxy/proxies to abstain from voting on a resolution, please indicate with a (✓) in the "**Abstain**" box provided in respect of that resolution. Alternatively, please indicate the number of shares your proxy/proxies is directed to abstain from voting in the "**Abstain**" box provided in respect of that resolution. In any other case, the proxy/proxies may vote or abstain as the proxy/proxies deem(s) fit on any of the above resolutions if no voting instruction is specified, and on any other matter arising at the AGM.

Dated this ________ day of ____________________ 2023.

	Total number of Shares:
(a) CDP Register	
(b) Register of Members	

____

Signature of Member(s)/Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

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 2001 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 a proxy(ies) shall be deemed to relate to all the shares held by you.

2. **Members will not be able to attend the AGM in person.** A member who wishes to exercise his/her/its voting rights at the AGM may:

   (a) (where the member is an individual) attend and vote "live" via electronic means at the AGM;

   (b) (where the member is an individual or a corporate) appoint proxy(ies) (other than the Chairman of the AGM) to attend and vote "live" via electronic means at the AGM on their behalf; or

   (c) (where the member is an individual or a corporate) appoint the Chairman of the AGM as proxy to vote on their behalf.

3. This Proxy Form may be accessed at the Company's website at the URL: http://investor.gear.com.sg/ar.html and SGXNet at the URL: https://www.sgx.com/securities/company-announcements. A member may also appoint a proxy(ies) via the online process through the Registration Link at the URL https://conveneagm.sg/GEARAGM2023 ("**Registration Link**").

4. A proxy need not be a member.

5. The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:

   (a) if submitted by post, be lodged at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. ("**Boardroom**") at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632; or

   (b) if submitted electronically, be submitted

      (i) via email to the Company's Share Registrar, Boardroom, at srs.teamd@boardroomlimited.com; or

      (ii) via the online process through the Registration Link.

   in either case by 11.00 a.m. on 25 April 2023 (being not less than seventy-two (72) hours before the time fixed for the holding of the AGM).

   A member who wishes to submit an instrument appointing a proxy(ies) by post or via email must first download, complete and sign the proxy form before submitting it by post to the address provided above, or before submitting it via email (e.g., by enclosing a completed and signed PDF copy of the proxy form) to the email address provided above. A member may also appoint a proxy(ies) via the online process through the Registration Link. Members are strongly encouraged to submit completed instruments appointing a proxy(ies) electronically via email or via the Registration Link.

6. (a) A member who is not a Relevant Intermediary is entitled to appoint not more than two proxies. Where such member's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument. If no proportion of the number of the members' shares is specified, the proxy whose name appears first shall be deemed to carry 100 per cent of the number of shares of his/her appointor and the proxy whose name appears second shall be deemed to be nominated as the alternate.

   (b) A member who is a Relevant Intermediary is entitled to 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 member. Where such member's instrument appointing a proxy(ies) appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument. If no proportion of the number of the members' shares is specified, the proxy whose name appears first shall be deemed to carry 100 per cent of the number of shares of his/her appointor and the proxy whose name appears second shall be deemed to be nominated as the alternate.

   "**Relevant Intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

7. Completion and return of the instrument appointing a proxy(ies) does not preclude a member from attending, speaking and voting at the AGM. A member who accesses the "live" audio-visual webcast or "live" audio-only stream of the AGM proceedings may revoke the appointment of a proxy(ies) at any time before voting commences and in such an event, the Company reserves the right to terminate the proxy(ies)' access to the "live" audio-visual webcast and "live" audio-only stream of the AGM proceedings.

8. The instrument appointing a proxy(ies) must, if submitted by post or electronically via email, be signed under the hand of the appointor or of his/her attorney duly authorised in writing, or if submitted electronically via the online process through the aforesaid Registration Link, be authorised by the appointor via the online process through the Registration Link. Where the instrument appointing a proxy(ies) is executed by a corporation, it must, if submitted by post or electronically via email, be executed either under its seal or under the hand of an officer or attorney duly authorised, or if submitted electronically via the online process through the aforesaid Registration Link, be authorised by the appointor via the online process through the Registration Link. Where an instrument appointing a proxy(ies) 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), if the instrument is submitted by post, be lodged with the instrument or, if the instrument is submitted electronically via email, be emailed with the instrument, failing which the instrument may be treated as invalid.

9. 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 AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy

By submitting this Proxy Form, the member of the Company accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 6 April 2023.

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golden energy and resources

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Incorporated in the Republic of Singapore
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