GOLDEN ENERGY AND RESOURCES LIMITED

(formerly known as United Fiber System Limited)
(Incorporated in the Republic of Singapore)
(Registration no. 199508589E)

Unaudited Financial Statements for the Period Ended 30 September 2015

Introduction

On 20 April 2015, the Company (formerly known as United Fiber System Limited) completed the reverse acquisition ("RTO" or the "Acquisition") of PT Golden Energy Mines Tbk ("GEMS") and its subsidiaries (the "GEMS Group") as set out in the circular to Shareholders dated 30 January 2015 ("Circular"), following which the Company:-

(a) consolidated every fifty (50) existing shares into one (1) consolidated share;

(b) allotted and issued (i) 1,978,327,436 new consolidated shares to PT Dian Swastatika Sentosa Tbk ("DSS") to satisfy the consideration for the Acquisition and (ii) 65,818,033 new consolidated compensation shares;

(c) allotted and issued 48,689,607 MCB conversion shares to the Company's unsecured creditors;

(d) appointed new directors in the Company;

(e) changed its name from "United Fiber System Limited" to "Golden Energy and Resources Limited" ("GEAR"); and

(f) amended the Memorandum and Articles of Association of the Company.

Following the completion of the RTO and the disposal of Poh Lian Construction (Pte.) Ltd. (In Liquidation) on 20 April 2015, the core business of the Company and its subsidiaries is that of the GEMS Group, which is in the business of coal mining and coal trading. The Group's principal activities are principally engaged in coal mining, coal trading and forestry.

Basis of preparation of the financial statements

At Group Level

Subsequent to the completion of the Acquisition, the major shareholder of GEMS became the major shareholder of the Company. As a result, the Acquisition has been accounted for as reverse acquisition in accordance with FRS 103 "Business Combinations" and IFRS 3 "Business Combinations", and the legal subsidiary, GEMS is deemed to be the accounting acquirer for accounting purposes.

Accordingly, the Group's Consolidated Income Statement and Statement of Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the nine months ended 30 September 2015 and 30 September 2014 and Consolidated Statement of Financial Position as at 30 September 2015 and 31 December 2014, have been presented as a continuation of GEMS Group's financial results, operations and financial position, in accordance with the following:

(a) the assets and liabilities of the GEMS Group are recognised and measured at their precombination carrying amounts;

(b) the assets and liabilities of the legal parent, the Company and its existing subsidiaries, are recognised and measured at the estimated fair values as at acquisition date;

(c) the retained earnings and other equity balances are those of GEMS Group before the business combination;

(d) the amount recognised as issued equity interest in the consolidated financial statements of the Group is determined by adding the issued equity interest of GEMS, outstanding immediately before the Acquisition, to the fair value of the share price of GEMS at the acquisition date which amounted to US$35,039,268. However, the equity structure (i.e the number and type of equity interests issued of GEAR) reflects the equity structure of GEAR, including the equity interests issued to DSS to effect the Acquisition;

Accordingly, the equity structure of GEMS is restated using the exchange ratio established in the acquisition agreement to reflect the number of shares of GEAR issued in the reverse acquisition.

(e) earnings per share has been restated and reflects the results of GEMS Group till the date of the Acquisition, and the results of the Group from the date of the Acquisition onwards.

In calculating the weighted average number of ordinary shares outstanding (the denominator of the earnings per share calculation) during the period in which the reverse acquisition occurs:

(1) the number of ordinary shares outstanding from the beginning of that period to the acquisition date shall be computed on the basis of the weighted average number of ordinary shares of GEMS outstanding during the period multiplied by the exchange ratio established in the acquisition agreement; and

(2) the number of ordinary shares outstanding from the acquisition date to the end of that period shall be the actual number of ordinary shares of the Group outstanding during that period;

(f) the non-controlling interest's proportionate share of GEMS's precombination carrying amounts of retained earnings and other equity interests; and

(g) the comparative figures presented in these consolidated financial statements are those of the GEMS Group.

At Company Level

Reverse acquisition accounting only applies to the consolidated financial statements at the Group level. At the Company's level, for accounting purposes, the investments in the legal subsidiaries are accounted for at cost.

Notes

(a) *The Consolidated Income Statement of the Group for the nine months ended 30 September 2015 includes (i) the results of GEMS Group from 1 January 2015 to 30 September 2015; and (ii) the results of the GEAR Group from 1 May 2015 to 30 September 2015.*

(b) *The Consolidated Income Statement of the Group for the nine months ended 30 September 2014 refers to the results of GEMS Group from 1 January 2014 to 30 September 2014.*

(c) *The Consolidated Income Statement of the Group for the period from 1 July 2015 to 30 September 2015 includes (i) the results of GEMS Group from 1 July 2015 to 30 September 2015; and (ii) the results of the GEAR Group from 1 July 2015 to 30 September 2015.*

(d) *The Consolidated Income Statement of the Group for the period from 1 July 2014 to 30 September 2014 refers to the results of GEMS Group from 1 July 2014 to 30 September 2014.*

(e) *The Consolidated Statement of Financial Position of the Group as at 30 September 2015 includes the assets and liabilities of (i) the GEMS Group; and (ii) the GEAR Group, as at 30 September 2015.*

(f) *The Consolidated Statement of Financial Position of the Group as at 31 December 2014 refers to the Statement of Financial Position of the GEMS Group as at 31 December 2014.*

(g) *The Consolidated Statement of Cash Flows of the Group for the nine months ended 30 September 2015 includes the cash flows of (i) the GEMS Group for the period from 1 January 2015 to 30 September 2015; and (ii) the GEAR Group for the period from 1 May 2015 to 30 September 2015.*

(h) *The Consolidated Statement of Cash Flows of the Group for the nine months ended 30 September 2014 refers to the cash flows of the GEMS Group.*

(i) *The Consolidated Statement of Cash Flows of the Group for the period from 1 July 2015 to 30 September 2015 includes the cash flows of (i) the GEMS Group from 1 July 2015 to 30 September 2015; and (ii) the GEAR Group from 1 July 2015 to 30 September 2015.*

(j) *The Consolidated Statement of Cash Flows of the Group for the period from 1 July 2014 to 30 September 2014 refers to the results of GEMS Group from 1 July 2014 to 30 September 2014.*

(k) *The Statement of Financial Position of the Company as at 30 September 2015 refers to that of Golden Energy and Resources Limited.*

(l) *The Statement of Financial Position of the Company as at 31 December 2014 refers to that of United Fiber System Limited (now known as Golden Energy and Resources Limited)*

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

(1)(a) An Income Statement and statement of comprehensive income or a statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Notes	Group			Group		
		3 Months Ended			9 Months Ended		
		30.09.2015	30.09.2014	+/(-) %	**30.09.2015**	30.09.2014	+/(-) %
		US$'000			US$'000		
Revenue	1	**82,697**	85,596	(3.4)	**250,952**	307,662	(18.4)
Cost of sales		**(56,754)**	(54,793)	3.6	**(159,341)**	(203,253)	(21.6)
Gross profit		**25,943**	30,803	(15.8)	**91,611**	104,409	(12.3)
Other income	2	**1,482**	2,136	(30.6)	**4,002**	3,982	0.5
Selling and distribution expenses		**(13,910)**	(20,449)	(32.0)	**(48,982)**	(66,515)	(26.4)
Administrative expenses		**(8,830)**	(9,044)	(2.4)	**(27,486)**	(27,219)	1.0
Other operating expenses		**(4,762)**	514	n.m	**(9,390)**	(541)	1635.7
Finance costs	3	**(3,796)**	(1,577)	140.7	**(7,334)**	(4,530)	61.9
(Loss)/profit before tax	4	**(3,873)**	2,383	(262.5)	**2,421**	9,586	(74.7)
Income tax expense	5	**(1,446)**	(557)	159.6	**(4,728)**	(3,069)	54.1
(Loss)/profit for the period		**(5,319)**	1,826	(391.3)	**(2,307)**	6,517	(135.4)
Other comprehensive income not to be reclassified profit or loss :							
Net actuarial loss on post employment benefits		**-**	(48)	(100.0)	**-**	(119)	(100.0)
Other comprehensive income to be reclassified profit or loss :							
Foreign currency translation		**618**	(4,314)	n.m	**886**	(703)	(226.0)
Total comprehensive income for the period		**(4,701)**	(2,536)	n.m	**(1,421)**	5,695	(125.0)
(Loss)/profit attributable to:							
Owners of the Company		**(4,586)**	1,826	n.m	**(3,450)**	6,523	(152.9)
Non-controlling interests		**(733)**	-	n.m.	**1,143**	(6)	n.m
		(5,319)	1,826	(391.3)	**(2,307)**	6,517	(135.4)
Total comprehensive income attributable to:							
Owners of the Company		**(5,756)**	(2,531)	n.m	**(2,651)**	5,703	(146.5)
Non-controlling interests		**1,055**	(5)	(21200.0)	**1,230**	(8)	n.m
		(4,701)	(2,536)	n.m	**(1,421)**	5,695	(125.0)

n.m. : denotes not meaningful

Notes to the Statement of Comprehensive Income

		Group			Group		
		3 Months Ended			9 Months Ended		
		30.09.2015	30.09.2014	+/(-) %	**30.09.2015**	30.09.2014	+/(-) %
		US$'000			US$'000		
1	**Revenue**						
	Coal Mining	**70,774**	61,976	14.2	219,194	182,749	19.9
	Coal Trading	**9,265**	23,433	(60.5)	26,920	123,869	(78.3)
	Forestry	**2,658**	-	n.m.	4,838	-	n.m.
	Others	**-**	187	(100.0)	-	1,044	(100.0)
		82,697	85,596	(3.4)	**250,952**	307,662	(18.4)
2	**Other Income**						
	Foreign exchange gain, net	**-**	528	(100.0)	**-**	528	(100.0)
	Interest income	**1,070**	1,196	(10.5)	**2,900**	3,029	(4.3)
	Compensation income	**350**	-	n.m.	**395**	-	n.m.
	Port income	**-**	318	(100.0)	**157**	318	(50.6)
	Miscellaneous income	**62**	94	(34.0)	**550**	107	414.0
		1,482	2,136	(30.6)	**4,002**	3,982	0.5
3	**Finance costs**						
	Interest expenses	**2,335**	35	6571.4	**3,965**	133	2881.2
	Trade financing charges	**1,181**	1,458	(19.0)	**2,898**	4,102	(29.4)
	Others	**280**	84	233.3	**471**	295	59.7
		3,796	1,577	140.7	**7,334**	4,530	61.9
4	**(Loss)/profit before tax is arrived after charging the following:**						
	Freight and stockpile	**12,267**	18,401	(33.3)	**43,545**	61,752	(29.5)
	Depreciation of property, plant and equipment	**1,749**	1,233	41.8	**4,595**	3,338	37.7
	Amortization expenses	**6,298**	4,173	50.9	**13,892**	9,861	40.9
	Foreign exchange loss/(gain), net	**3,940**	(1,413)	n.m.	**7,387**	(528)	(1499.1)
	Expenses in connection with DSS acquisition	**7**	-	n.m.	**41**	-	n.m.
	Inventories written down to net realisable value	**17**	-	n.m.	**44**	-	n.m.
5	**Income tax expenses/(benefit) can be analysed as follows:**						
	Current Income Tax	**2,140**	832	157.2	**6,407**	3,779	69.5
	Deferred Income Tax Benefit	**(694)**	(275)	152.4	**(1,679)**	(710)	136.5
		1,446	557	159.6	**4,728**	3,069	54.1
	Over provision in respect of previous years						
	Current Income Tax	**-**	-	n.m.	**-**	-	n.m.
	Deferred Income Tax	**-**	-	n.m.	**-**	-	n.m.
		1,446	557	159.6	**4,728**	3,069	54.1

n.m. : denotes not meaningful

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

	Group		Company	
	As at **30.09.2015**	As at **31.12.2014**	As at **30.09.2015**	As at **31.12.2014**
	US$'000		US$'000	
Non-Current Assets				
Property, plant and equipment	**70,307**	54,951	**4**	6
Forestry concession [(i)]	**14,941**	-	**-**	-
Mining properties	**85,094**	87,005	**-**	-
Goodwill on consolidation [(ii)]	**95,701**	701	**-**	-
Restricted funds	**293**	1,425	**-**	-
Trade and other receivables	**695**	878	**-**	-
Investment in subsidiaries	**-**	-	**1,218,548**	31,387
Deferred tax assets	**6,753**	5,705	**-**	-
Other investments	**14**	14	**-**	-
Other non-current assets	**46,063**	23,658	**-**	-
	319,861	174,337	**1,218,552**	31,393
Current Assets				
Inventories	**14,196**	9,837	**-**	-
Amounts due from subsidiaries	**-**	-	**238**	224
Trade and other receivables	**99,983**	68,247	**54**	260
Cash and cash equivalents	**58,820**	63,218	**696**	383
	172,999	141,302	**988**	867
Current Liabilities				
Trade and other payables	**101,368**	58,067	**35,323**	69,603
Amount due to holding company	**862**	-	**862**	-
Amounts due to subsidiaries	**-**	-	**1,744**	1,855
Provision for taxation	**4,751**	967	**-**	-
Loans and borrowings	**52,427**	5,019	**49,000**	49,000
	159,408	64,053	**86,929**	120,458
Net Current Assets (Liabilities)	**13,591**	77,249	**(85,941)**	(119,591)
Non-Current Liabilities				
Trade and other payables	**1,395**	1,106	**-**	-
Deferred tax liabilities	**1,833**	505	**-**	-
Employment benefits reserve obligations	**2,060**	1,917	**-**	-
Loans and borrowings	**48,575**	-	**-**	-
	53,863	3,528	**-**	-
Net Assets (Liabilities)	**279,589**	248,058	**1,132,611**	(88,198)
Represented by:				
Equity attributable to equity holders of the Company				
Share capital	**232,076**	294,085	**1,546,171**	257,956
Reserves	**(34,985)**	(46,743)	**(413,560)**	(346,154)
	197,091	247,342	**1,132,611**	(88,198)
Non-controlling interests	**82,498**	716	**-**	-
Total Equity	**279,589**	248,058	**1,132,611**	(88,198)

Note (i) Forestry concession comprises:

	30.09.2015
	US$'000
(1) Biological asset - Forestry assets	**8,983**
(2) Concession land rent-use rights	
- Compensation income receivables	**5,958**
Total	**14,941**

Note (ii)

Goodwill arising from consolidating GEMS Group	**691**
Provisional goodwill arising from completion of acquisition	**95,010**
Total	**95,701**

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debts securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-

Amount repayable in one year or less, or on demand [1]				Amount repayable after one year [2]			
As at 30.09.2015		As at 31.12.2014		As at 30.09.2015		As at 31.12.2014	
Secured	Unsecured	Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
US$'000		US$'000		US$'000		US$'000	
48,427	**4,000**	5,019	-	**48,575**	**-**	-	-

[1] These represent aggregate balances of short term loans and borrowings.

[2] These represent aggregate balances of long term loans and borrowings.

Details of any collateral

The following sets out the details of the collateral for the Group's borrowings :

(a) Charge on the woodchip mill of a subsidiary; and
(b) Pledge on the entire issued and paid-up share capital of certain subsidiaries; and
(c) Pledge on the trade receivables and/or inventories for a minimum amount and a fixed margin deposit of a subsidiary; and
(d) The collaterals include certain property and equipment, and pledge of shares and corporate guarantee from certain subsidiaries.

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

	Group		Group	
	3 Months Ended		9 Months Ended	
	30.09.2015	30.09.2014	**30.09.2015**	30.09.2014
	US$'000		US$'000	
Cash flows from operating activities:				
(Loss)/profit before tax	**(3,873)**	2,383	**2,421**	9,586
Adjustments for:				
Depreciation of property, plant and equipment	**1,749**	1,233	**4,595**	3,338
Defined post-employment benefit expense	**120**	152	**378**	362
Amortization of mining properties & non current assets	**6,298**	4,173	**13,892**	9,861
Provision of mine closure	**101**	18	**309**	55
Other income	**-**	-	**-**	(6)
Allowance for decline in value of coal inventory	**-**	(1)	**-**	-
Inventories written down to net realisable value	**17**	-	**44**	-
Interest and other financial charges	**3,752**	1,493	**7,113**	4,235
Interest income	**(1,070)**	(1,196)	**(2,900)**	(3,029)
Expenses in connection with DSS acquisition	**7**	-	**41**	-
Gain on disposal of property, plant and equipment	**-**	66	**22**	58
Net exchange differences	**3,188**	(1,084)	**7,084**	(966)
Operating cash inflows before changes in working capital	**10,289**	7,237	**32,999**	23,494
Changes in mining properties	**(1,669)**	(8,010)	**(11,082)**	(14,885)
Decrease in inventories	**(6,014)**	(4,045)	**(2,325)**	(2,621)
(Increase)/Decrease in trade and other receivables	**(5,580)**	7,996	**(1,289)**	36,815
Increase/(Decrease) in trade and other payables	**171**	4,141	**(1,578)**	(22,024)
Cash flows (used in)/generated from operations	**(2,803)**	7,319	**16,725**	20,779
Income taxes paid	**(1,232)**	(1,188)	**(4,636)**	(5,470)
Income taxes refunded	**-**	-	**-**	3,606
Interest and other financial charges paid	**(1,815)**	(1,481)	**(4,563)**	(4,236)
Interest income received	**371**	1,276	**2,332**	3,185
Net cash flows (used in)/generated from operating activities	**(5,479)**	5,926	**9,858**	17,864
Cash flows from investing activities				
Net cash inflows on completion of the Acquisition	**-**	-	**1,451**	-
Change in restricted funds	**475**	810	**1,048**	(426)
Additions to forestry assets	**(382)**	-	**(866)**	-
Proceeds from disposal of property, plant and equipment	**-**	271	**-**	302
Purchase of property, plant and equipment	**(1,712)**	(629)	**(4,151)**	(2,767)
Payment of mines under construction	**(25)**	(335)	**(74)**	(1,477)
Payments for loan to third parties	**(29,983)**	75	**(29,973)**	188
Increase in other non-current assets	**(1,593)**	(521)	**(24,620)**	(1,027)
Net cash flows used in investing activities	**(33,220)**	(329)	**(57,185)**	(5,207)
Cash flows from financing activities				
Payment of dividend	**(495)**	-	**(2,024)**	-
Payment of dividend to NCI of subsidiaries	**(21)**	-	**(52)**	-
Proceeds from loans and borrowings	**32,670**	5,000	**55,066**	9,652
Repayment of loans and borrowings	**(856)**	(101)	**(7,496)**	(9,402)
Payment of expenses for DSS acquisition	**(206)**	-	**(206)**	-
Net cash flows from financing activities	**31,092**	4,899	**45,288**	250
Net (decrease)/increase in cash and cash equivalents	**(7,607)**	10,496	**(2,039)**	12,907
Effect of exchange rate changes on cash and cash equivalents	**(996)**	(1,500)	**(2,359)**	322
Cash and cash equivalents at beginning of the period	**67,423**	68,307	**63,218**	64,074
Cash and cash equivalents at end of the period	**58,820**	77,303	**58,820**	77,303

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

(i) Statement of Comprehensive Income for the 9 months ended 30 September 2015 and 30 September 2014

	Group		Company	
	9 Months Ended		9 Months Ended	
	30.09.2015	30.09.2014	30.09.2015	30.09.2014
	US$'000		US$'000	
(Loss) Profit for the period	**(2,307)**	6,517	**(3,465)**	(35,968)
Other comprehensive income not to be reclassified to profit & loss:				
Net actuarial loss on post employment benefits	**-**	(119)	**-**	-
Other comprehensive income to be reclassified to profit & loss:				
Foreign currency translation	**886**	(703)	**(63,941)**	721
Total comprehensive income for the period	**(1,421)**	5,695	**(67,406)**	(35,247)
Total comprehensive income attributable to:				
Owners of the Company	**(2,651)**	5,703	**(67,406)**	(35,247)
Non-controlling interests	**1,230**	(8)	**-**	-
	(1,421)	5,695	**(67,406)**	(35,247)

(ii) Consolidated statement of changes in equity for the 9 months ended 30 September 2015 and 30 September 2014

	<---------- Attributable to owners of the Company ---------->						
	Share Capital	**Foreign Currency Translation**	**Other Reserves**	**Retained earnings**	**Total Reserves**	**Non-controlling Interests**	**Total Equity**
GROUP	**US$ '000**	**US$ '000**	**US$ '000**	**US$ '000**	**US$ '000**	**US$ '000**	**US$ '000**
Balance as at 1 January 2015	**294,085**	**(75,826)**	**1,927**	**27,156**	**(46,743)**	**716**	**248,058**
Loss for the period	**-**	**-**	**-**	**(3,450)**	**(3,450)**	**1,143**	**(2,307)**
Other comprehensive income							
Foreign currency translation	**-**	**799**	**-**	**-**	**799**	**87**	**886**
Total comprehensive income for the period	**-**	**799**	**-**	**(3,450)**	**(2,651)**	**1,230**	**(1,421)**
Difference arising from disposal of subsidiary	**-**	**-**	**13**	**-**	**13**	**(13)**	**-**
Effects of Reverse Acquisition in accordance with FRS 103	**(62,009)**	**25,023**	**(641)**	**(7,962)**	**16,420**	**80,624**	**35,035**
Dividends paid	**-**		**-**	**(2,024)**	**(2,024)**	**(59)**	**(2,083)**
Balance as at 30 September 2015	**232,076**	**(50,004)**	**1,299**	**13,720**	**(34,985)**	**82,498**	**279,589**
Balance as at 1 January 2014	294,085	(71,232)	2,050	16,365	(52,817)	530	241,798
Profit (Loss) for the period	**-**	-	-	6,523	6,523	(6)	6,517
Other comprehensive income							
Net actuarial loss on post employment benefits	**-**	-	(118)	-	(118)	(1)	(119)
Foreign currency translation	-	(702)	-	-	(702)	(1)	(703)
Other comprehensive income for the period	-	(702)	(118)	-	(820)	(2)	(822)
Total comprehensive income for the period	**-**	**(702)**	**(118)**	**6,523**	**5,703**	**(8)**	**5,695**
Difference arising from disposal of subsidiary	**-**	-	32	-	32	(32)	-
Disposal of subsidiary	-	-	-	-	-	195	195
Balance as at 30 September 2014	294,085	(71,934)	1,964	22,888	(47,082)	685	247,688

(iii) Statement of changes in equity of the Company for the 9 months ended 30 September 2015 and 30 September 2014

	<---------- Attributable to owners of the Company ---------->					
	Share Capital	**Foreign Currency Translation**	**Other Reserves**	**Accumulated Losses**	**Total Reserves**	**Total Equity**
COMPANY	**US$ '000**	**US$ '000**	**US$ '000**	**US$ '000**	**US$ '000**	**US$ '000**
Balance as at 1 January 2015	**257,956**	**46,631**	**5,826**	**(398,611)**	**(346,154)**	**(88,198)**
Profit for the period	**-**	**-**	**-**	**(3,465)**	**(3,465)**	**(3,465)**
Other comprehensive income						
Foreign currency translation	**-**	**(63,941)**	**-**	**-**	**(63,941)**	**(63,941)**
Total comprehensive income for the period	**-**	**(63,941)**	**-**	**(3,465)**	**(67,406)**	**(67,406)**
Issuance of ordinary shares	**1,288,387**					**1,288,387**
Share issuance expenses	**(172)**					**(172)**
Total transactions with owners in their capacity as owners	**1,288,215**	**-**	**-**	**-**	**-**	**1,288,215**
Balance as at 30 September 2015	**1,546,171**	**(17,310)**	**5,826**	**(402,076)**	**(413,560)**	**1,132,611**
Balance as at 1 January 2014	257,956	42,855	5,826	(358,084)	(309,403)	(51,447)
Loss for the period	-	-	-	(35,968)	(35,968)	(35,968)
Other comprehensive income						
Foreign currency translation	-	721	-	-	721	721
Total comprehensive income for the period	-	721	-	(35,968)	(35,247)	(35,247)
Issuance of ordinary shares	-	-	-	-	-	-
Balance as at 30 September 2014	257,956	43,576	5,826	(394,052)	(344,650)	(86,694)

(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Changes in the Company's share capital

On 17 April 2015, every fifty (50) Existing Shares registered in the name of each Shareholder were consolidated into one (1) Consolidated Share, and the issued share capital of the Company now comprises 77,285,006 Consolidated Shares, after disregarding any fractions of Consolidation Shares arising from the Share Consolidation.

On 20 April 2015, the following events took place:

(a) The Company allotted and issued to DSS an aggregate of (i) 1,978,327,436 Consolidated DSS Consideration Shares at an issue price of S$0.95 per Consolidated DSS Consideration Share; and (ii) 65,818,033 Consolidated DSS Compensation Shares at an issue price of S$0.95 per Consolidated DSS Compensation Share;

(b) The Company allotted and issued an aggregate of 48,689,607 MCB Conversion Shares upon the mandatory and automatic conversion of the MCB pursuant to the MCB Subscription Agreement ("MCB Conversion Shares Issue");

Due to the above, total number of issued and paid-up shares in the share capital of the Company has increased from 77,285,006 to 2,170,120,082.

	No. of shares
At 31 December 2014	3,864,251,008
At 20 April 2015	3,864,251,008
Shares consolidation (every 50 shares into 1 consolidated share)	77,285,006
Issuance of shares pursuant to the RTO completion	2,044,145,469
Conversion of Mandatory Convertible Bonds to shares	48,689,607
As at 30 September 2015	2,170,120,082

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

	As at 30.09.2015 (after share consolidation)	**As at 31.12.2014 efore share consolidatio**
Total number of issued shares	2,170,120,082	3,864,251,008

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

Not applicable.

1 (e) Goodwill on consolidation upon completion of DSS transactions

Background
On 20 April 2015, the Company (formerly known as United Fiber System Ltd) completed the reverse acquisition ("RTO") of PT Golden Energy Mines Tbk and their subsidiaries ("GEMS" Group) as set out in the circular to the shareholders dated 30 January 2015 ("Circular").

Upon completion of the RTO, a positive goodwill amounting to approximately US$95.01 million was recognised in the financial statements and accounted for in accordance with the accounting policies of the Group. The goodwill represents an excess on the cost of the reverse-take-over over the fair value of the net identifiable assets of the Group.

The Group is currently performing a review of the purchase price allocation including the positive goodwill of approximately US$95.01 million. The Group has recognised a provisional goodwill amount of approximately US$95.01 million which is pending finalisation. The positive goodwill of approximately US$95.01 million may vary from the amount currently recorded.

1 (e)(i) Provisional goodwill computation after completion of the DSS transactions on 20 April 2015

	Golden Energy and Resources Limited	
	US$'000	**US$'000**
Total assets:		**35,374**
Non Current Assets		
Forestry assets	15,762	
Property, plant and equipment	15,969	
Deferred tax assets	179	
Current Assets		
Inventories	1,066	
Trade receivables- Third parties	712	
Other receivables-Third parties	235	
Cash at banks and in hand	1,451	
Total liabilities:		**(95,350)**
Current Liabilities		
Trade payables- Third parties	(644)	
Other payables- Third parties	(43,413)	
Due to holding company	(852)	
Short term loans	(49,000)	
Non Current Liabilities		
Deferred tax liabilities	(1,351)	
Provision for employee benefit	(90)	
Total identifiable net assets at fair value		**(59,976)**
Non-controlling interest		**5**
Goodwill arising after RTO		**95,010**
Total Consideration Price*		**35,039**

*** Consideration transferred for the RTO**

Equity instruments issued (242,882,384 of PT GEMS shares @IDR1,860)	35,039

2 Whether the figures have been audited, or reviewed and in accordance with which standard or practice.

The figures have not been audited nor reviewed by the Company's auditor.

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

Not applicable.

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

The accounting policies and methods of computation are consistent with those applied by the Group and the Company and as adopted in the financial statements for the year ended 31 December 2014.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Nil.

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

		Group		Group	
		3 Months Ended		9 Months Ended	
		30.09.2015	30.09.2014	**30.09.2015**	30.09.2014
Loss net of tax for the year attributable to owners of the Company used in the computation of basic and diluted loss per share:					
(i)	Basic (loss) earnings per share (US cents) :-	**(0.11)**	0.06	**(0.08)**	0.21
	- Weighted average number of ordinary shares ('000)	**4,308,205**	3,050,971	**4,308,205**	3,050,971
(ii)	Diluted (loss) earnings per share (US cents) :-	**(0.11)**	0.06	**(0.08)**	0.21
	- Adjusted weighted average number of ordinary shares ('000)	**4,308,205**	3,050,971	**4,308,205**	3,050,971

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

	Group		Company	
	30.09.2015	31.12.2014*	**30.09.2015**	31.12.2014*
Net assets (liabilities) value per share (US cents)	**12.88**	6.42	**52.19**	(2.28)
Number of shares ('000)	**2,170,120**	3,864,251	**2,170,120**	3,864,251

* On 17 April 2015, every fifty (50) Existing Shares registered in the name of each Shareholder were consolidated into one (1) Consolidated Share, and the issued share capital of the Company now comprises 77,285,006 Consolidated Shares, after disregarding any fractions of Consolidation Shares arising from the Share Consolidation.

8 A review of the performance of the Group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

(a) any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

Introduction

As set out on page 1 of this announcement, the Acquisition is being accounted for as a reverse acquisition under the FRS 103 (equivalent to IFRS 3) where GEMS (the legal subsidiary) is deemed as the acquirer for accounting purposes.

Accordingly, the Group's consolidated financial statements for the financial period ended 30 September 2015 were prepared as a continuation of the GEMS Group's financial statements and that the GEMS is deemed to have acquired the Company with effect from 20 April 2015.

Revenue

The Group's revenue comprises revenue generated from Coal Mining, Coal Trading and Forestry Activities.

Revenue from the Group decreased by approximately US$2.90 million to US$82.70 million in 3Q15 from US$85.60 million in the corresponding reporting period. The decline was mainly due to the reduction in average sales realisation price as a result of continuous pressure in coal prices in Coal Mining and Coal Trading Divisions. The decrease was offset by net increase in coal sales volume.

Coal Mining Division

The Group's Coal Mining Division reported an increase in revenue of approximately US$8.79 million from approximately US$61.98 million in 3Q14 to approximately US$70.77 million in 3Q15. The increase was contributed by an increase in sales volume, offset by decrease in average sales realisation price was a result of continuous pressure in coal price during the reporting quarter.

Coal Trading Division

The decrease in revenue generated by the Group's Coal Trading Division of approximately US$14.16 million from approximately US$23.43 million in 3Q14 to approximately US$9.27 million in 3Q15 was mainly attributed to reduction in sales volume resultant from lower demand. The lower average sales realisation price decreased was a result of continuous pressure in coal price during the reporting quarter.

Forestry Division

The Group's Forestry Division reported revenue of approximately US$2.66 million in 3Q15 from US$Nil in 3Q14, resulted from the completion of the Acquisition in April 2015.

Cost of Sales

The Group reported higher cost of sales from approximately US$54.79 million in 3Q14 to approximately US$56.75 million in 3Q15. The increase was in line with higher sale volume in the Group's Coal Mining Division and Forestry Division, offset by the lower sale volume from the Group's Coal Trading Division.

Gross margin

The Group's gross profit decreased from US$30.80 million in 3Q14 to US$25.94 million in 3Q15. The reduction in gross profit margin is attributed by the continous pressure in coal price.

Other income

The Group's other income decreased from approximately US$2.14 million in 3Q14 to approximately US$1.48 million in 3Q15 mainly due to the absence of foreign exchange gain and port income recorded in 3Q14 and offset by the compensation income recognised in 3Q15.

Expenses

Selling and distribution expenses

The Group's selling and distribution expenses decreased from approximately US$20.45 million in 3Q14 to approximately US$13.91 million in 3Q15, mainly due to decrease in freight and stockpile expenses which was in line with lower coal trading activities and the switch of certain sales terms.

Administrative expenses

The Group's administrative expenses remain relatively stable.

Other operating expenses

In 3Q14, the Group reported other operating income of approximately US$514,000 mainly due to net exchange gain recorded. The Group reported approximately US$4.76 million of other operating expenses in 3Q15 mainly comprising approximately (1) US$3.94 million of net exchange loss due to weaker IDR against USD and SGD, and SGD against USD and; (2) US$600,000 of depreciation charge and taxes arising from the completion of Acquisition in April 2015.

Finance costs

The Group's finance costs increased from approximately US$1.58 million in 3Q14 to approximately US$3.80 million in 3Q15, mainly as a result of (1) drawdown of a facility in April 2015; (2) fees imposed by one of the Company's secured lender; and (3) finance costs payable to the Company's secured and unsecured lenders since the completion of the Acquisition.

Income tax expenses

Income tax expenses increased by approximately US$889,000 from approximately US$557,000 in 3Q14 to approximately US$1.45 million in 3Q15 mainly due to higher taxable income during the period under review.

Profit after tax

Due to factors above, the Group reported a net loss of approximately US$5.32 million in 3Q15 as compared to a net profit of approximately US$1.83 million in 3Q14.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Statement of Financial Position

Assets and liabilities

Total assets increased by approximately US$177.22 million from approximately US$315.64 million at 31 December 2014 to approximately US$492.86 million at 30 September 2015. The increase in total assets were mainly due to the following factors:

Non-current assets

- The addition in forestry concession of approximately US$14.94 million arose from the completion of the Acquisition in April 2015.

- The increase in property, plant and equipment of approximately US$15.36 million was mainly due to (1) acquisition through business combination of approximately US$15.97 million; and (2) additions to property, plant and equipments of approximately US$4.15 million, offset by the depreciation charged for the financial period.

- The increase in goodwill arising from consolidation of approximately US$95.00 million resulted from the completion of the Acquisition in April 2015.

The goodwill was provisional pending the finalisation of computing the goodwill arising from purchase price allocation exercise.

- The increase in other non-current assets of approximately US$22.41 million was mainly due to (1) payment of guarantee deposits of approximately US$19.50 million to a third party which shall be valid until the end of the mining and reclamation activities; and (2) increase in prepaid land exploitation expenses of approximately US$2.55 million in relation to the mining activities during the quarter.

Current assets

- The increase in trade and other receivables of approximately US$31.74 million was mainly due to (1) higher advances to suppliers of approximately US$11.60 million; (2) loan to third parties of US$30.00 million and offset by (a) lower sales recorded for the reporting period and (b) lower advances to mining services contractors of approximately US$2.48 million.

- The decrease in cash and cash equivalents of approximately US$4.40 million was mainly due to payment to suppliers, additions to property, plant and equipment, payment of dividend and repayment of short term loans, offset by utilisation of term loan facility.

- The increase in inventories of approximately US$4.36 million was mainly due to higher inventory volume as at 30 September 2015 of 636,000 tonnes, as compared to 451,000 tonnes as at 31 December 2014.

Total liabilities increased by approximately US$145.69 million from approximately US$67.58 million at 31 December 2014 to approximately US$213.27 million at 30 September 2015. The increase in total liabilities was mainly due to the following factors:

Non-current liabilities

- Loans and borrowings increased by approximately US$48.58 million mainly due to new term loan drawndown of US$50.00 million.

Current liabilities

- As a result of the completion of the Acquisition in April 2015, the trade and other payables increased by approximately US$43.30 million mainly due to (1) interest expenses of approximately US$24.89 million from loans granted by the Group's secured and unsecured lenders; (2) withholding tax expenses of approximately US$11.40 million; and (3) approximately US$3.09 million of professional fees in connection with the Acquisition.

- Provision for taxation increased by approximately US$3.78 million mainly due to higher provision arising from higher taxable profits during the current reporting period.

- Loans and borrowings increased by approximately US$47.41 million mainly due to (1) loans arising from the completion of the Acquisition of approximately US$49.00 million; and (2) the utilisation of a term loan facility, offset by lower outstanding Omnibus Trade Non Cash Backed loan facility resulted from lower trading activities during the financial period.

As at 30 September 2015, the Group has a net current assets of approximately US$13.59 million and the Company has a net current liabilities position of approximately US$85.94 million. The Group has loans and borrowings totalling approximately US$101.00 million out of which approximately US$52.43 million are due within the next 12 months.

Review of Statement of Cash Flows

For 3Q15, the Group had net cash outflows of US$7.61 million mainly due to the following:

Net cash used in operating activities of approximately US$5.48 million which comprised operating cash inflow before working capital changes of approximately US$10.29 million, net working capital outflow of approximately US$13.09 million and income tax paid and interest and other financial charges paid of approximately US$1.23 million and approximately US$1.82 million respectively.

The net working capital outflow of approximately US$13.09 million was mainly due to:

a) an increase in trade and other receivables of approximately US$5.58 million mainly due to higher activities in 3Q15 and payment of advance to suppliers during the period.

b) an increase in inventories of approximately US$6.01 million mainly due to higher inventory level as of 30 September 2015.

Net cash flows used in investing activities of approximately US$33.22 million was mainly due to (1) the acquisition of property and equipment of approximately US$1.71 million mainly attributable to the infrastructures and building construction and loan to third parties of US$30.00 million.

Net cash flows generated from financing activities of approximately US$31.09 million was due to new term loan drawndown of US$30.00 million on 25 September 2015.

Statutory compliance placement to comply with the shareholding spread and distribution requirements under the Listing Rules of SGX-ST

On 4 March 2015 extraordinary general meeting, the Shareholders of the Company approved the allotment and issuance of up to 226,500,000 new placement shares.

On 14 May 2015, the Company announced that it has lodged the Offer Information Statement with the Monetary Authority of Singapore. On the same day, the Company further announced that it and RHB Securities Singapore Pte Ltd ("RHB" or "Placement Agent") had entered into a placement agreement dated 14 May 2015, pursuant to which the Company has agreed to allot and issue up to 226,500,000 new placement shares at an issue price to be determined but in any event not less than S$0.50 per placement share, and RHB has agreed to place, on a commercially reasonable efforts basis, to subscribe the placement share at the placement price, subject to the terms and conditions of the placement agreement.

As further disclosed, the Company intends to utilise the proceeds for, *inter alia* , repayment of loans and obligations owing to certain creditors of the Company.

On 22 May 2015, the Company applied to the SGX-ST for an extension of the placement period for another month to 22 June 2015 as the Company requires more time to complete the book building process in order to comply with the shareholding spread and distribution requirements under the Listing Rules of SGX-ST.

On 23 June 2015, the Company announced that due to challenging market condition, the Company has applied to the SGX-ST for a further extension of the placement period till 24 August 2015 as the Company requires more time to complete the book building process.

On 27 August 2015, the Company announced that due to market condition, the Company has applied to SGX-ST for a further extension of the placement period as the Company requires more time to complete the book building process.

The Company will update the Shareholders the development of the extension application.

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

Not applicable.

10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Coal Mining and Coal Trading Divisions

The coal industry continues to be besieged with oversupplies and slowing demand leading to depressed prices.

The NewCastle Index has dropped 14% from the beginning of the year. China's import of thermal coal has dropped by 30% to 66 million tonnes for the first nine months of 2015.

On the positive side, some supply side corrections are happening. Indonesia's coal production for the nine months ended 30 September 2015 was 308 million tonnes as against 360 million tonnes for the corresponding period of last year.

The Company is proactively dealing with the market situation. On the market front, the Company has grown volumes to India and the Indian market share constitutes 28% of its total sales. This represents 303% growth. On the cost front, the Company continues to work on keeping down its cost below the falling market prices.

Forestry Division

The subsidiary has planted and will continue to plant and replant various biological assets, namely Anthocephalus macrophyllus (Jabon Trees), Paraserianthes falcataria (Sengon Trees) and Rubber. The subsidiary is currently researching on other commodities such as Melaleuca cajuputi (Eucalyptus Trees). The subsidiary will discontinue the existing corn plantation project as the results of corn production did not achieve the Group's expectation.

11 If a decision regarding dividend has been made:-

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

None.

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

None.

***(b) (ii)* Previous corresponding period …... cents**

None.

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

Not applicable.

(d) The date the dividend is payable.

Not applicable.

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

No dividend has been declared or recommended for the financial period ended 30 September 2015.

13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Rule 920(1)(a)(ii) - An issuer must announce the aggregate value of transactions conducted pursuant to the general mandate (if any) for interested person transactions for the financial periods which it is required to report on pursuant to Rule 705 within the time required for the announcement of such report. The disclosure must be in the form set out in Rule 907.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted during the financial year under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
	9 Months Ended	9 Months Ended
	30.09.2015	30.09.2015
	US$'000	US$'000
Sales :		
PT Indah Kiat Pulp & Paper Tbk*	19,332	36,470
PT Lontar Papyrus Pulp and Paper Industry*	6,803	15,546
GMR Coal Resources Pte Ltd*	3,750	3,550
PT Pabrik Kertas Tjiwi Kimia Tbk*	2,029	4,145
PT Pindo Deli Pulp and Paper Mills*	1,357	3,164
PT Sinar Mas Agro Resources & Technology Tbk*	1,005	2,033
PT Ekamas Fortuna*	498	1,406
PT Ivo Mas Tunggal	222	-
Interest income* :		
PT Bank Sinarmas Tbk	49	64
Purchases* :		
PT Rolimex Kimia Nusamas	-	5
Rental expenses* :		
PT Citra Alam Indah	126	15
PT Royal Oriental	174	315
Freight* :		
PT Wirakarya Sakti	244	507
Professional fees* :		
PT Arthamas Solusindo	53	102
GMR Coal Resources Pte Ltd	2,475	715
Insurance expenses* :		
PT Kalibesar Raya Utama	30	34
PT Asuransi Sinar Mas	360	634
Interest expenses* :		
PT Dian Swastatika Sentosa Tbk	-	22
Asia Star Fund Ltd [@]	2,465	-
Interest expenses :		
Loan granted by, facility fee payable to and interest expense paid or payable to a Fund in which **Mr. Chan Kin**, the non-executive chairman and director of the Company, has beneficial interest.		
ASM Asia Recovery Fund ("ASMARF") [#]	153	-

* The Shareholders Mandate ("Mandate") was approved at the Company's Extraordinary General Meeting held on 4 March 2015. The Mandate became effective on 20 April 2015 upon the completion of the Acquisition. As such, these transactions were conducted between 1 January 2015 to 19 April 2015.

[#] Mr.Chan Kin was the non-executive chairman and director of GEAR and has resigned on 20 April 2015. He is the beneficial holder of more than 20% of the issued share capital of Argyle Street Management Holdings Limited ("ASMHL"). ASMHL is the beneficial holder of more than 50% of the voting shares of Argyle Street Management Limited ("ASML"). ASML is the beneficial holder of more than 20% of the voting shares of ASM Asia Recovery Fund ("ASMARF"). The interest expenses recorded was for the period 1 January 2015 to 20 April 2015.

[@] US$35.00 million loan facility granted by Asia Star Fund Ltd on 12 January 2011 and utilised in FY2011.

14 NEGATIVE CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5)

The Board of Directors hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render for financial results for the period ended 30 September 2015 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD
Fuganto Widjaja
Executive Director, Chief Executive Officer
13 November 2015