

**Unaudited Financial Statements for the Year Ended 31 December 2020**

**Part 1 - INFORMATION REQUIRED FOR ANNOUNCEMENT OF 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		+ / (-) %
		12 Months Ended		
		31.12.2020	31.12.2019	
		US\$'000		
Revenue	1	1,162,687	1,115,815	4.2
Cost of sales		(786,076)	(751,324)	4.6
<b>Gross profit</b>		<b>376,611</b>	364,491	3.3
Other income	2	20,297	16,747	21.2
Selling and distribution expenses		(201,383)	(185,416)	8.6
Administrative expenses		(79,337)	(74,055)	7.1
Other operating expenses	3	(14,845)	(19,409)	(23.5)
Fair value gains		7,683	2,543	202.1
Finance costs	4	(37,399)	(34,584)	8.1
Share of loss of a joint venture (net of tax)		(4,903)	-	n.m.
<b>Profit before tax</b>	5	<b>66,724</b>	70,317	(5.1)
Income tax expense	6	(32,256)	(37,429)	(13.8)
<b>Profit for the year</b>		<b>34,468</b>	32,888	4.8
<b>Other comprehensive income that will not be reclassified to profit or loss :</b>				
Net (loss)/gain on equity instruments fair value through other comprehensive income		(3,432)	35,837	(109.6)
Net actuarial gain/(loss) on post employment benefits		189	(339)	155.8
		(3,243)	35,498	(109.1)
<b>Other comprehensive income that may be reclassified to profit or loss:</b>				
Foreign currency translation		24,248	(1,103)	2298.4
<b>Other comprehensive income</b>		<b>21,005</b>	34,395	(38.9)
<b>Total comprehensive income for the year</b>		<b>55,473</b>	67,283	(17.6)
<b>Profit for the year attributable to:</b>				
Owners of the Company		8,085	9,947	(18.7)
Non-controlling interests		26,383	22,941	15.0
		<b>34,468</b>	32,888	4.8
<b>Total comprehensive income for the year attributable to:</b>				
Owners of the Company		25,543	44,750	(42.9)
Non-controlling interests		29,930	22,533	32.8
		<b>55,473</b>	67,283	(17.6)

**Notes to the Statement of Comprehensive Income**

		<b>Group</b>		
		<b>12 Months Ended</b>		
		<b>31.12.2020</b>	<b>31.12.2019</b>	<b>+ / (-) %</b>
		<b>US\$'000</b>		
<b>1</b>	<b>Revenue</b>			
	Energy Coal	<b>1,064,230</b>	1,114,284	(4.5)
	Metallurgical Coal	<b>97,234</b>	-	n.m.
	Non-coal Business	<b>1,223</b>	1,531	(20.1)
		<b>1,162,687</b>	1,115,815	4.2
<b>2</b>	<b>Other income</b>			
	Interest income	<b>8,618</b>	9,775	(11.8)
	Compensation income	-	13	(100.0)
	Dividend income	<b>2,864</b>	5,413	(47.1)
	Miscellaneous income	<b>8,815</b>	1,546	470.2
		<b>20,297</b>	16,747	21.2
<b>3</b>	<b>Other operating expenses</b>			
	Impairment loss on goodwill	<b>(8,553)</b>	(6,988)	22.4
	Impairment loss on property and equipment	-	(965)	(100.0)
	Provision for mining activities	<b>2,783</b>	(2,958)	(194.1)
	Depreciation and amortisation	<b>(1,485)</b>	(3,964)	(62.5)
	Exploration expenses	<b>(241)</b>	(352)	(31.5)
	Foreign exchange loss	<b>(5,508)</b>	(2,311)	138.3
	Impairment loss on trade receivables	<b>(182)</b>	-	n.m.
	Others	<b>(1,659)</b>	(1,871)	(11.3)
		<b>(14,845)</b>	(19,409)	(23.5)
<b>4</b>	<b>Finance costs</b>			
	Interest expense on loans and borrowings	<b>(31,104)</b>	(30,068)	3.4
	Trade financing charges	<b>(3,349)</b>	(2,907)	15.2
	Amortisation of discounted loans and borrowings	<b>(442)</b>	(441)	0.2
	Unwinding of discount of provisions	<b>(1,557)</b>	-	n.m.
	Others	<b>(947)</b>	(1,168)	(18.9)
		<b>(37,399)</b>	(34,584)	8.1
<b>5</b>	<b>Profit before tax is arrived after charging the following:</b>			
	Freight and stockpile	<b>(276,170)</b>	(264,817)	4.3
	Royalty fees	<b>(139,147)</b>	(145,903)	(4.6)
	Mining services and overheads	<b>(493,853)</b>	(445,351)	10.9
	Depreciation of property, plant and equipment	<b>(15,701)</b>	(8,307)	89.0
	Depreciation of Right-of-Use Assets ("ROU")	<b>(2,420)</b>	(2,530)	(4.3)
	Amortisation expenses	<b>(16,890)</b>	(5,983)	182.3
	Foreign exchange loss	<b>(5,508)</b>	(2,311)	138.3
	Changes in inventories	<b>(23,699)</b>	(45,003)	(47.3)
<b>6</b>	<b>Income tax expenses can be analysed as follows:</b>			
	Current Income Tax	<b>(21,176)</b>	(29,727)	(28.8)
	Withholding Tax Expense	<b>(7,138)</b>	(2,137)	234.0
	Deferred Income Tax Expense	<b>(4,006)</b>	(965)	315.1
		<b>(32,320)</b>	(32,829)	(1.6)
	Over/(Under) provision in respect of previous years			
	- Income Tax	<b>64</b>	(4,600)	(101.4)
		<b>(32,256)</b>	(37,429)	(13.8)

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	As at	As at	As at
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
	US\$'000		US\$'000	
<b>Non-Current Assets</b>				
Biological assets	6,587	6,059	-	-
Property, plant and equipment	140,677	92,114	85	153
Right-of-use assets	2,763	3,285	505	52
Mining properties	402,845	231,908	-	-
Intangible assets	12,108	10,689	-	-
Goodwill	98,198	106,751	-	-
Amounts due from subsidiaries	-	-	290	5,583
Investment in subsidiaries	-	-	1,462,696	1,382,271
Investment in a joint venture	48,012	-	-	-
Investment securities	4,643	115,109	-	57,757
Deferred tax assets	6,867	7,133	-	-
Other receivables	2,072	8,975	-	-
Restricted funds	19,255	18,585	10,679	8,599
Other non-current assets	73,923	53,134	-	-
	817,950	653,742	1,474,255	1,454,415
<b>Current Assets</b>				
Inventories	71,186	23,279	-	-
Amounts due from subsidiaries	-	-	77,572	10,272
Trade and other receivables	139,636	136,103	20,381	957
Other current assets	100,989	115,147	33,081	32,473
Investment securities	1,925	-	1,925	-
Cash and cash equivalents	262,799	177,757	53,543	40,194
	576,535	452,286	186,502	83,896
<b>Current Liabilities</b>				
Trade and other payables	278,227	237,608	9,753	6,286
Amounts due to subsidiaries	-	-	9,510	986
Lease liabilities	1,600	2,086	214	47
Provision for taxation	10,697	3,008	38	74
Provisions	1,896	-	-	-
Loans and borrowings	111,915	60,365	34,015	10,217
	404,335	303,067	53,530	17,610
<b>Net Current Assets</b>	172,200	149,219	132,972	66,286
<b>Non-Current Liabilities</b>				
Other payables	32,561	25,707	-	-
Lease liabilities	1,227	1,267	284	5
Loans and borrowings	267,250	255,975	187,537	169,987
Deferred tax liabilities	80,400	31,354	-	102
Post-employment benefits	5,029	4,437	-	-
Provisions	26,154	5,100	24	-
	412,621	323,840	187,845	170,094
<b>Net Assets</b>	577,529	479,121	1,419,382	1,350,607
Represented by:				
<b>Equity attributable to equity holders of the Company</b>				
Share capital	305,528	305,528	1,230,107	1,230,107
Reserves	79,344	53,807	189,275	120,500
	384,872	359,335	1,419,382	1,350,607
<b>Non-controlling interests</b>	192,657	119,786	-	-
<b>Total Equity</b>	577,529	479,121	1,419,382	1,350,607

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 <sup>(1)</sup>				Amount repayable after one year <sup>(2)</sup>			
As at 31.12.2020		As at 31.12.2019		As at 31.12.2020		As at 31.12.2019	
Secured	Unsecured	Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
US\$'000		US\$'000		US\$'000		US\$'000	
111,915	-	60,365	-	267,250	-	255,975	-

<sup>(1)</sup> These represent aggregate balances of short term loans and borrowings.

<sup>(2)</sup> 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) Pledge on the trade receivables and/or inventories for a minimum amount and a fixed margin deposit of a subsidiary; and

(b) The collaterals include certain property, plant and equipment and pledge of shares of certain subsidiaries and corporate guarantee from the Company.

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.

	<b>Group</b>	
	<b>12 Months Ended</b>	
	<b>31.12.2020</b>	<b>31.12.2019</b>
	<b>US\$'000</b>	
<b>Cash flows from operating activities:</b>		
Profit before tax	66,724	70,317
<u>Adjustments for:</u>		
Provision for mining activities	(2,783)	3,083
Depreciation of property, plant and equipment	15,701	8,307
Depreciation of Right-of-Use Assets ("ROU")	2,420	2,530
Gain on disposal of short term investment	(105)	-
Fair value gain on biological assets	(321)	(2,543)
Fair value gain on remeasurement of contingent consideration	(6,846)	-
Fair value gain on other investment	(516)	-
Defined post-employment benefit expense	964	915
Impairment loss on goodwill	8,553	6,988
Impairment loss on property, plant and equipment	-	965
Amortisation of mining properties	14,988	4,888
Amortisation of software	133	89
Amortisation of land exploitation	1,046	501
Amortisation of intangible assets	723	505
Amortisation of discounted loans and borrowings	442	441
Unwinding of discount on provisions	1,557	-
Impairment loss on trade receivables	182	-
Interest and other financial charges	34,453	32,975
Dividend income from investment securities	(2,864)	(5,413)
Interest income	(8,618)	(9,775)
Equity-settled share-based payment transactions	(6)	-
Share of loss of a joint venture, net of tax	4,903	-
Net exchange differences	2,993	(881)
Operating cash inflows before changes in working capital	133,723	113,892
Increase in inventories	(5,182)	(3,634)
Decrease in trade and other receivables, advances and other current assets	38,310	12,020
(Decrease)/Increase in trade and other payables	(9,382)	29,231
Utilisation of provision	(3,395)	-
Cash flows generated from operations	154,074	151,509
Interest and other financial charges paid	(30,754)	(30,512)
Interest income received	8,600	9,011
Taxes paid, net	(21,860)	(44,214)
<b>Net cash flows generated from operating activities</b>	<b>110,060</b>	<b>85,794</b>
<b>Cash flows from investing activities</b>		
Net cash outflows on acquisition of subsidiaries	(50,159)	-
Cash inflow from disposal of investment securities	54,824	2,000
Purchase of investment securities	(1,000)	(20,207)
Dividend received from investment securities	-	4,070
Additions to biological assets	(207)	(135)
Additions to mining properties	(5,433)	(8,914)
Formation of a joint venture	(53,456)	-
Proceeds from disposal of property, plant and equipment	1	-
Purchase of property, plant and equipment	(14,725)	(20,974)
Increase in other non-current assets	(5,416)	(2,312)
Changes in restricted funds	(147)	(3,902)
<b>Net cash flows used in investing activities</b>	<b>(75,718)</b>	<b>(50,374)</b>
<b>Cash flows from financing activities</b>		
Payment of dividend	-	(5,002)
Payment of dividend to NCI of subsidiaries	(25,561)	(12,717)
Capital contribution from non-controlling interest of a subsidiary	27,467	-
Proceeds from loans and borrowings	128,846	185,539
Repayment of loans and borrowings	(83,445)	(134,613)
Principal payment of lease liability	(1,573)	(2,249)
<b>Net cash flows generated from financing activities</b>	<b>45,734</b>	<b>30,958</b>
Net changes in cash and cash equivalents	80,076	66,378
Effect of exchange rate changes on cash and cash equivalents	4,966	(1,734)
Cash and cash equivalents at beginning of the year	177,757	113,113
<b>Cash and cash equivalents at the end of the year</b>	<b>262,799</b>	<b>177,757</b>

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.

	<----- Attributable to owners of the Company ----->						Total Equity
	Share Capital	Foreign Currency Translation Reserves	Other Reserves	Retained earnings	Total Reserves	Non-controlling Interests	
<b>GROUP</b>	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Balance as at 1 January 2020</b>	305,528	(49,234)	14,805	88,236	53,807	119,786	479,121
Profit for the year	-	-	-	8,085	8,085	26,383	34,468
<u>Other comprehensive income</u>							
Net loss on equity instruments fair value through other comprehensive income	-	-	(3,432)	-	(3,432)	-	(3,432)
Net actuarial gain on post employment benefits	-	-	126	-	126	63	189
Foreign currency translation	-	20,764	-	-	20,764	3,484	24,248
<b>Other comprehensive income for the year</b>	-	20,764	(3,306)	-	17,458	3,547	21,005
<b>Total comprehensive income for the year</b>	-	20,764	(3,306)	8,085	25,543	29,930	55,473
Transfer of fair value reserves of equity instruments at FVOCI upon disposal	-	-	(4,228)	4,228	-	-	-
Capital contribution from non-controlling interest of a subsidiary	-	-	-	-	-	27,467	27,467
Acquisition of subsidiary with non-controlling interests	-	-	-	-	-	50,938	50,938
<u>Contributions by and distributions to owners</u>							
Share-based payment transactions	-	-	(6)	-	(6)	(3)	(9)
Dividends declared to non-controlling interests by subsidiaries	-	-	-	-	-	(9,900)	(9,900)
Dividends paid to non-controlling interests by subsidiaries	-	-	-	-	-	(25,561)	(25,561)
<b>Total contributions by and distributions to owners</b>	-	-	(6)	-	(6)	(35,464)	(35,470)
<b>Balance as at 31 December 2020</b>	305,528	(28,470)	7,265	100,549	79,344	192,657	577,529
<b>Balance as at 1 January 2019</b>	305,528	(48,429)	(27,135)	83,291	7,727	105,020	418,275
Profit for the year	-	-	-	9,947	9,947	22,941	32,888
<u>Other comprehensive income</u>							
Net gain on equity instruments fair value through other comprehensive income	-	-	35,837	-	35,837	-	35,837
Net actuarial loss on post employment benefits	-	-	(229)	-	(229)	(110)	(339)
Foreign currency translation	-	(805)	-	-	(805)	(298)	(1,103)
<b>Other comprehensive income for the year</b>	-	(805)	35,608	-	34,803	(408)	34,395
<b>Total comprehensive income for the year</b>	-	(805)	35,608	9,947	44,750	22,533	67,283
Deemed capital contribution from non-controlling interest of a subsidiary	-	-	6,332	-	6,332	-	6,332
<u>Contributions by and distributions to owners</u>							
Dividends paid on ordinary shares	-	-	-	(5,002)	(5,002)	-	(5,002)
Dividends paid to non-controlling interests by subsidiaries	-	-	-	-	-	(7,767)	(7,767)
<b>Total contributions by and distributions to owners</b>	-	-	-	(5,002)	(5,002)	(7,767)	(12,769)
<b>Balance as at 31 December 2019</b>	305,528	(49,234)	14,805	88,236	53,807	119,786	479,121

	<--- Attributable to owners of the Company --->					
	Share Capital	Foreign Currency Translation Reserves	Other Reserves	Retained earnings	Total Reserves	Total Equity
<b>COMPANY</b>	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Balance as at 1 January 2020</b>	1,230,107	55,975	12,313	52,212	120,500	1,350,607
Profit for the year	-	-	-	45,535	45,535	45,535
<u>Other comprehensive income</u>						
Net loss on equity instruments fair value through other comprehensive income	-	-	(1,662)	-	(1,662)	(1,662)
Foreign currency translation	-	24,902	-	-	24,902	24,902
<b>Other comprehensive income for the year</b>	-	24,902	(1,662)	-	23,240	23,240
<b>Total comprehensive income for the year</b>	-	24,902	(1,662)	45,535	68,775	68,775
Transfer of fair value reserves of equity instruments at FVOCI upon disposal	-	-	(4,825)	4,825	-	-
<b>Balance as at 31 December 2020</b>	1,230,107	80,877	5,826	102,572	189,275	1,419,382
<b>Balance as at 1 January 2019</b>	1,230,107	38,266	(22,736)	63,241	78,771	1,308,878
Loss for the year	-	-	-	(4,819)	(4,819)	(4,819)
<u>Other comprehensive income</u>						
Net gain on equity instruments fair value through other comprehensive income	-	-	33,841	-	33,841	33,841
Foreign currency translation	-	17,709	-	-	17,709	17,709
<b>Other comprehensive income for the year</b>	-	17,709	33,841	-	51,550	51,550
<b>Total comprehensive income for the year</b>	-	17,709	33,841	(4,819)	46,731	46,731
Dividends paid	-	-	-	(5,002)	(5,002)	(5,002)
Transfer of fair value reserves of equity instruments at FVOCI upon transfer to a subsidiary	-	-	1,208	(1,208)	-	-
<b>Balance as at 31 December 2019</b>	1,230,107	55,975	12,313	52,212	120,500	1,350,607

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

Nil

(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.

	<b>As at 31.12.2020</b>	<b>As at 31.12.2019</b>
Total number of issued shares	2,353,100,380	2,353,100,380

(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) Acquisition of subsidiary**

On 18 May 2020, the Group's 80% owned subsidiary company, Golden Investments (Australia) Pte. Ltd. ("GIA") increased its holdings from 28.42% to 75.33% in Stanmore Coal Limited ("Stanmore").

Upon completion of the acquisition, the Group appointed an independent valuer to perform the Purchase Price Allocation ("PPA") exercise, which was completed on 1 February 2021. The Group has recognised the fair value of identifiable assets and liabilities of Stanmore Coal Limited and its subsidiaries.

The fair value of identifiable assets and liabilities as of acquisition date were as follows:

	<b>Fair value recognised on acquisition</b>
	<b>US\$'000</b>
Mining properties	74,221
Property and equipment	41,609
Mining tenements	78,744
Other non current assets	3,446
Other current assets	64,580
Cash and cash equivalents	29,134
Trade/other payables and accruals	(69,560)
Loan payable	(8,130)
Tax payable	(2,237)
Deferred tax liabilities	(37,357)
Total identifiable net assets at fair value	174,450
Less: NCI, based on FV of the equity interests that the NCI has in Stanmore (24.67%)	(43,034)
Less: Fair value of pre-existing interest in Stanmore	(52,123)
<b>Total consideration transferred</b>	<b>79,293</b>

Effect of the acquisition of Stanmore:

	<b>US\$'000</b>
Consideration settled in cash	<b>79,293</b>
Less: Cash and cash equivalents of subsidiary acquired	<b>(29,134)</b>
Net cash outflow on acquisition	<b>50,159</b>

**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 Group and the Company have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with the audited financial statement as at 31 December 2019, except for the adoption of the new and revised Singapore Financial Reporting Standards (International)("SFRS(I)") which are effective for its financial year beginning 1 January 2020. The directors expect that the adoption of the other new standards will have no material impact on the financial statements in the period of initial application.

- 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.

Refer to paragraph 4 above.

- 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.

Profit net of tax for the period attributable to owners of the Company used in the computation of basic and diluted

(i) Basic earnings per share (US cents) :-

- Weighted average number of ordinary shares ('000)

(ii) Diluted earnings per share (US cents) :-

- Adjusted weighted average number of ordinary shares ('000)

Group	
12 Months Ended	
31.12.2020	31.12.2019
0.34	0.42
2,353,100	2,353,100
0.34	0.42
2,353,100	2,353,100

- 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	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Net asset value per share (US cents)	16.36	15.27	60.32	57.40
Number of shares ('000)	2,353,100	2,353,100	2,353,100	2,353,100

- 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

#### Revenue

With the increase in stake of Stanmore Coal Limited ("Stanmore") to 75.33% on 18 May 2020, the Group has embarked into metallurgical coal business and changed its reportable segment into Energy Coal, Metallurgical Coal and Non-Coal Businesses (as compared to Coal Mining, Coal Trading and Non-Coal Businesses in FY2019, with the combination of Coal Mining and Coal Trading into the Energy Coal segment).

The Group's revenue comprises revenue generated from Energy Coal and Metallurgical Coal segments as well as Non-coal Businesses. Total revenue increased by US\$46.87 million or 4.2% from US\$1,115.82 million in FY2019 to US\$1,162.69 million in FY2020. The overall increase in revenue was due to the Group's Metallurgical Coal segment resulting from the consolidation of Stanmore, partially offset by decrease in revenue from Energy Coal segment and Non-coal Businesses.

#### Energy Coal Segment

Revenue from the Group's Energy Coal segment reported a decrease in revenue by US\$50.05 million or 4.5% from US\$1,114.28 million in FY2019 to US\$1,064.23 million in FY2020. This was mainly due to a decrease in average selling price (energy coal - mining) of 11.3% from US\$34.99 per metric tonne in FY2019 to US\$31.03 per metric tonne in FY2020, which was partially offset by increase in sales volume from 31.10 million tonnes in FY2019 to 34.02 million tonnes in FY2020. The average Indonesia Coal Index 4 ("ICI4") in FY2020, a better proxy for the majority of the Group's coal quality, was US\$29.40 per metric tonne. The Group's energy coal production volume increased by 2.63 million tonnes or 8.5% from 30.83 million tonnes in FY2019 to 33.46 million tonnes in FY2020.

#### Metallurgical Coal Segment

Revenue from the Group's Metallurgical Coal segment of US\$97.23 million was a result of the consolidation of Stanmore after the Group gained control on 18 May 2020.

#### Non-coal Businesses

Revenue from non-coal businesses comprises plywood sales and consultancy services. The decrease of US\$0.31 million from US\$1.53 million in FY2019 to US\$1.22 million in FY2020 is mainly due to consultancy services rendered in FY2019 not present during the year.

## **Cost of sales**

The Group reported an increase in cost of sales of US\$34.75 million or 4.6% from US\$751.32 million in FY2019 to US\$786.08 million in FY2020. This was mainly due to increase in sales volume and coal production costs as a result of coal production ramp up from the Energy Coal segment and inclusion of Metallurgical Coal segment which include consolidation of Stanmore's cost of sales. Cash cost (excluding royalty) of Energy Coal segment was relatively lower at US\$21.04 per metric tonne in FY2020 compared to US\$24.11 per metric tonne in FY2019. This reduction was achieved from strict controls on cash cost through mine planning and cost optimisation resulting in lower strip ratios and contractor rates.

## **Gross profit**

The Group's gross profit increased by US\$12.12 million or 3.3% from US\$364.49 million in FY2019 to US\$376.61 million in FY2020 as a result of the above factors.

## **Other income**

The Group's other income increased by US\$3.55 million or 21.2% from US\$16.75 million in FY2019 to US\$20.30 million in FY2020, mainly due to an increase in miscellaneous income of US\$7.27 million for a business interruption insurance claim of US\$6.82 million, which is partially offset by a lower dividend income received from Stanmore.

## **Expenses**

### **Selling and distribution expenses**

The Group's selling and distribution expenses increased by US\$15.97 million or 8.6% from US\$185.42 million in FY2019 to US\$201.38 million in FY2020 mainly due to the consolidation of Stanmore's results and increase in barging and trucking expenses as a result of the increase in sales volume.

### **Administrative expenses**

The Group's administrative expenses increased by US\$5.28 million or 7.1% from US\$74.06 million in FY2019 to US\$79.34 in FY2020 mainly due to the consolidation of Stanmore's result.

### **Other operating expenses**

The Group's other operating expenses decreased by US\$4.56 million or 23.5% from US\$19.41 million in FY2019 to US\$14.85 million in FY2020 mainly due to the remeasurement and reversal on provision of rehabilitation and mines closure expenses. The impact has been partially offset with the increase in foreign exchange loss by US\$3.20 million or 138.3% from US\$2.31 million in FY2019 to US\$5.51 million in FY2020 mainly due to the appreciation in Australian Dollar against United States Dollar and a provision of impairment on trade receivable of US\$0.18 million subsequent to an assessment on collectibility.

### **Fair value gains**

The Group recorded a fair value gain of US\$7.68 million in FY2020 mainly due to remeasurement of provisions arising from consolidation of Stanmore's results.

### **Finance costs**

The Group's finance costs increased by US\$2.82 million or 8.1% from US\$34.58 million in FY2019 to US\$37.40 million in FY2020 mainly due to unwinding of discount of provision, which resulted from the consolidation of Stanmore's result and an increase in interest expenses resulting from loan drawdown.

### **Share of loss of a joint venture (net of tax)**

The Group's share of loss of a joint venture (net of tax) amounting to US\$4.90 million in FY2020 arise from the investment in the Ravenswood Gold project.

### **Income tax expenses**

Income tax expenses decreased by US\$5.17 million or 13.8% from US\$37.43 million in FY2020 to US\$32.26 million in FY2019 mainly due to reduction in Indonesia's corporate income tax rate from 25% to 22% and deferred tax expense recognised during the year. The decrease has been partially offset by the higher withholding tax expense in relation to higher dividends received from overseas subsidiary during the financial year.

### **Profit after tax**

Due to the factors above, the Group's net profit increased by US\$1.58 million or 4.8% to US\$34.47 million in FY2020 as compared to US\$32.89 million in FY2019, and profit attributable to owners of the Company decreased by US\$1.86 million or 18.7% to US\$8.09 million in FY2020 as compared to US\$9.95 million in FY2019.

### **Other comprehensive income**

The Group's other comprehensive income decreased by US\$13.39 million or 38.9% from a net gain of US\$34.40 million in FY2019 to a net gain of US\$21.01 million in FY2020 due to a decrease in share price of Westgold Resources Limited ("Westgold") during the year from A\$2.29 as at 31 December 2019 to A\$2.13 as at 31 Aug 2020 (before full disposal of Westgold shares) as compared to increase in share price from A\$0.88 as at 31 December 2018 to A\$2.29 as at 31 Dec 2019. In addition, there was a decrease in share price of Stanmore Coal, from A\$1.05 as at 31 December 2019 to A\$1.00 as at 18 May 2020 (when Stanmore became a subsidiary) as compared to increase in share price from A\$1.00 as at 31 December 2018 to A\$1.05 as at 31 December 2019. The decrease in share price of Westgold and Stanmore was partially offset by foreign currency translation gain due to the strengthening of Australian Dollar against United States Dollar which resulted from the consolidation of Stanmore.



**8(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**

**Non-current assets**

- Property, plant and equipment ("PPE") increased by US\$48.56 million to US\$140.68 million at 31 December 2020 mainly due to addition of property, plant and equipment arising from the consolidation of Stanmore's results partially offset by depreciation during the year.
- Right-of-use-assets ("ROU") decreased by US\$0.52 million at 31 December 2020 as a result of amortisation and partially offset by the additions arising from the consolidation of Stanmore's results during the year.
- Mining properties increased by US\$170.94 million to US\$402.85 million at 31 December 2020 primarily due to additions of mining properties arising from consolidation of Stanmore's results, offset by amortisation during the year.
- Intangible assets increased by US\$1.42 million to US\$12.11 million at 31 December 2020 as a result of additions arising from consolidation of Stanmore's results, partially offset by amortisation during the year.
- Investment in joint venture increased by US\$48.01 million at 31 December 2020 due to investment in Ravenswood Gold project.
- The decrease in investment in securities of US\$110.47 million to US\$4.64 million at 31 December 2020 was due to (i) derecognition of Stanmore as investment in securities of US\$53.55 million and reclassifying to investment in subsidiaries after Company acquired control of Stanmore in May 2020; (ii) US\$57.76 million related to full disposal of Westgold shares; partially offset by increase in investment of US\$1.00 million in renewable energy project.
- The decrease in non-current other receivables mainly related to repayment received during the year.
- The increase in other non-current assets of US\$20.79 million to US\$73.92 million at 31 December 2020 was mainly due to increase in guarantee deposits relating to rehabilitation arising from consolidation of Stanmore's results.

**Current assets**

- The increase in inventories of US\$47.91 million to US\$71.19 million at 31 December 2020 was due to additions arising from consolidation of Stanmore's results.
- Investment in securities of US\$1.93 million as at 31 December 2020 was due to the stock dividend received through the investment in Westgold.
- The decrease in other current assets of US\$14.16 million to US\$100.99 million at 31 December 2020 was mainly due to a decrease in advances to suppliers.

**Current liabilities**

- Trade and other payables increased by US\$40.62 million to US\$278.23 million at 31 December 2020 mainly due to additions arising from consolidation of Stanmore's results.
- Lease liabilities decreased by US\$0.49 million at 31 December 2020 as a result of lease payments partially offset by interest expense on lease liabilities.
- Provision for taxation increased by US\$7.69 million to US\$10.7 million at 31 December 2020 mainly due to higher profits recorded by Indonesian subsidiaries closer to the end of the year as compared to previous year.
- Provision for mining activities increased by US\$1.90 million at 31 December 2020 as a result of additions from consolidation of Stanmore's results.
- Loans and borrowings increased by US\$51.55 million to US\$111.92 million at 31 December 2020 mainly due to the drawdown of term loans and working capital credit facility partially offset by the repayment of loans during the year.

**Non-current liabilities**

- Non-current other payables increased by US\$6.85 million to US\$32.56 million at 31 December 2020 mainly due to additions of contingent liabilities arising from consolidation of Stanmore's results.
- Deferred tax liabilities increased by US\$49.05 million to US\$80.40 million at 31 December 2020 as a result of additions arising from consolidation of Stanmore's results.
- Post-employment benefits increased by US\$0.59 million to US\$5.03 million at 31 December 2020 due to provision for employee benefits liabilities during the current reporting period.
- Provision for mining activities increased by US\$21.05 million to US\$26.15 million as at 31 December 2020 as a result of additions arising from consolidation of Stanmore's results.

As at 31 December 2020, the Group has net current assets of US\$172.20 million and the Company has net current assets of US\$132.97 million. The Group has loans and borrowings totalling US\$379.17 million of which US\$111.92 million is due within the next 12 months. The Group's cash and cash equivalents stood at US\$262.80 million as at 31 December 2020.

**Review of Statement of Cash Flows**

The Group had net cash inflows of US\$80.08 million mainly due to the following:

Net cash generated from operating activities of US\$110.06 million comprised of operating cash inflow before working capital changes of US\$133.72 million, net working capital inflow of US\$20.35 million, various taxes paid of US\$21.86 million and interest and other financial charges paid of US\$30.75 million. The Group also recorded interest income received of US\$8.60 million. The net working capital inflow of US\$20.35 million was mainly due to decrease in trade and other receivables, advances and other current assets totalling US\$38.31 million, partially offset by (i) a decrease in trade and other payables of US\$9.38 million and (ii) an increase in inventories of US\$5.18 million.

Net cash flows used in investing activities of US\$75.72 million mainly due to (i) Cash outflows on acquisition of subsidiary (Stanmore) of US\$50.16 million; (ii) Investment in Ravenswood Gold project of US\$53.46 million and (iii) Purchase of property, plant and equipment of US\$14.73 million; partially offset by cash inflow from disposal of investment securities (Westgold) of US\$54.82 million.

Net cash flows generated from financing activities of US\$45.73 million was mainly due to (i) proceeds from loans and borrowings of US\$128.85 million; (ii) Capital contribution from non-controlling interest of a subsidiary of US\$27.47 million; partially offset by (i) repayments of loans and borrowings of US\$83.45 million; (ii) payment of dividend to NCI of subsidiaries of US\$25.56 million and (iii) lease payment of US\$1.57 million.

**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.**

With the acquisition of Stanmore in FY2020, GEAR has successfully diversified its product offerings to include Metallurgical Coal. This also translates to a reduced dependence on thermal or energy coal. Today, GEAR has an expanded suite of products with mining concessions that are geographically distributed across different sovereign jurisdictions, thereby providing diversification at several levels.

Moving forward, GEAR will leverage on the acquisition synergies to fuel longer term gains for stakeholders.

**Thermal Coal**

China's thermal coal imports are likely to remain strong moving into 2021 on robust demand, high utilisation at domestic suppliers and exceptionally high local prices. China's coal imports surged to 39.08 million tonnes in December 2020 from 2.77 million tonnes a year earlier, as China relaxed a soft cap on import restrictions to ease supply constraints domestically amid an unusually cold winter, an uptick in economic activity, permit inspections in Inner Mongolia and a soft cap on Australian coal imports.

Amid China's political tensions with its second-largest supplier Australia, Indonesian coal miners are deemed to be the beneficiaries of strong Chinese imports with the Indonesia 4,200kcal/kg coal index rising to US\$45/metric tonne in January 2021, from an average of US\$26/metric tonne in the seven months to November 2020.

In February 2021, Indonesia's Ministry of Energy and Mineral Resources set its February thermal coal reference price at US\$87.79/metric tonne, an increase of 16% from January 2021, and a 33% increase from February 2020. Strong Chinese demand and higher gas prices which led to the boost in thermal coal prices are anticipated to provide strong support for Indonesian coal producers.

Southeast Asia remains as one of the few regions in the world where coal-fired generation has been expanding, with close to 20 Gigawatts of new coal-fired generating capacity under construction, mostly in Indonesia, Vietnam, and Philippines. Thermal coal imports in the region are expected to rise 29% to 128 million metric tonnes in 2020 from realized imports of 99 million metric tonnes in 2019.

Indonesia is expected to remain at its top position as the world's top thermal coal exporter post-pandemic. In November 2020, the Indonesian Coal Mining Association and China Coal Transportation and Distribution Association signed a cooperation agreement to increase the coal exports from Indonesia to China, where under the agreement, China will purchase US\$1.47 billion worth of thermal coal from Indonesia in 2021, which will further support Indonesia exports.

In view of the above, the Group's mining operations in Indonesia are well positioned to tap the anticipated rising demand of coal from China and the Southeast Asia region.

**Metallurgical Coal**

Demand for metallurgical coal has been impacted by lower steel production brought by disruptions due to the COVID-19 pandemic with global crude steel production reaching 1,860.0 million tonnes in 2020, down by 0.9% compared to 2019.

The S&P Global Platts Premium Low-Vol Hard Coking Coal benchmark stood at US\$139/metric tonne FOB Australia on 30 September 2020, up from US\$116/metric tonne on 30 June 2020, with prices falling to as low as US\$105.50/metric tonne in the July-September quarter before recovering strongly on improved demand as global steelmakers restored production.

Notably, China's crude steel production in 2020 reached 1,053.0 million tonnes in 2020, representing a 5.2% increase from 2019. China steel demand continues to be supported by a rebound in investments in fixed assets, which recorded a 2.9% increase in 2020 to RMB51.9 trillion. More specifically, investment in infrastructure increased 0.9% and real estate development rose by 7.0%. China's crude steel production is estimated to hit 1,068 million metric tonnes in 2021, increasing from an estimated 1,045 million metric tonnes in 2020.

Metallurgical coal and coke markets entered 2021 in the wake of a transformative fourth quarter of 2020, which saw significant shifts in trade flows and price dislocations due to China's temporary halt on Australian coal imports.

China has previously relaxed its import quotas each January, but in 2021 the market is less sure that Australian imports will resume, given the state of relations between the two countries.

In 2019, India surpassed Japan as the world's second largest steel producer with crude steel production of 111.2 million tonnes and steel consumption grew at a Compounded Annual Growth Rate of 5.2% during FY2016-2020 to reach 100 million tonnes. The steel industry in India continues to be supported by government initiatives such as the National Steel Policy, 2017, which envisage India's production capacity to reach 300 million tonnes by 2030-2031, with steel demand to grow by 7.2% in 2019-2020 and 2020-2021. Demand for steel in India is expected to be supported by increased infrastructure construction and the thriving automobile and railways sectors.

The gradual recovery of the global economy and resumption of business activities shed a positive light on GEAR's metallurgical coal segment through Stanmore. With steel production activities expected to increase as countries continue to boost their economy through infrastructure investments, the resultant rise in demand in metallurgical coal is seen to be beneficial to GEAR.

On the supply side, the impact of La Nina looks set to be less severe than previously envisaged. Australia's Bureau of Meteorology has suggested the current La Nina is already approaching its peak, reducing the likelihood of any severe weather-related curtailment of coal exports.

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

**11 Dividend****(a) Current Financial Period Reported On**

Any ordinary dividend declared for the current financial period reported on? None

**(b) Previous Corresponding Period**

Name of Dividend: Interim  
 Dividend type: Cash  
 Dividend Amount per Share: 0.29 Singapore cents per ordinary share  
 Tax rate: Tax exempt

**(c) Date payable.** Not applicable**(d) Book Closure Date** Not applicable**12 If no dividend has been declared/recommended, a statement to that effect.**

No dividend has been declared or recommended for the current financial period.

**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	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	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)
		12 Months Ended	12 Months Ended
		31.12.2020 US\$'000	31.12.2020 US\$'000
<b>Sales :</b>			
PT Indah Kiat Pulp & Paper Tbk	*	-	92,384
PT Sinar Mas Agro Resources and Technology Tbk	^	-	7,004
PT Pabrik Kertas Tjiwi Kimia Tbk	*	-	13,680
PT SOCI Mas	^	-	5,528
PT Ivo Mas Tunggal	^	-	1,713
PT Energi Sejahtera Mas	^	-	901
PT Pindo Deli Pulp and Paper Mills	*	-	6,828
PT DSSP Power Kendari	#	-	19,892
PT Lontar Papyrus Pulp and Paper Industry	*	-	18,719
PT Sinarmas Bio Energy	^	-	2,705
<b>Interest income :</b>			
PT Bank Sinarmas Tbk	^	-	18
<b>Purchases :</b>			
PT Rolimex Kimia Nusamas	^	-	592
<b>Rental expenses :</b>			
PT Royal Oriental	^	-	447
<b>Freight &amp; Demurrage :</b>			
PT Wirakarya Sakti	^	-	1,030
<b>Office Consumption :</b>			
PT Sinarmas Distribusi Nusantara	^	-	11
<b>Telecommunication :</b>			
PT Smart Telecom	^	-	1
PT Smartfren Telecom Tbk	^	-	10
<b>Insurance expenses :</b>			
PT Asuransi Sinar Mas	^	-	6,079
<b>Bank charges :</b>			
PT Bank Sinarmas Tbk	^	-	1

Notes:

^ An associate of the Ultimate Controlling Shareholders<sup>1</sup>\* An associate of a sibling of the Ultimate Controlling Shareholders<sup>1</sup># An associate of the Ultimate Controlling Shareholders<sup>1</sup> and DSS<sup>2</sup>

<sup>1</sup> 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

<sup>2</sup> 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

**14 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out Appendix 7.7) under Rule 720(1)**

The Company has procured undertakings from all its directors and executive officers.

**15 Segmental revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

**(a) Operating Segment**

	2020				
	Energy coal	Metallurgical coal	Non-coal Business	Elimination	Consolidated
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Segment revenue</b>					
Revenue from external customers	1,064,230	97,234	1,223	-	1,162,687
Inter segment revenue	-	-	-	-	-
Total revenue	1,064,230	97,234	1,223	-	1,162,687
<b>Segment results</b>	144,350	(19,038)	(18,059)	(11,748)	95,505
Interest income					8,618
Finance costs					(37,399)
Profit before tax					66,724
Income tax expense					(32,256)
Profit after tax					34,468
<b>Segment assets</b>	649,656	325,770	792,975	(373,917)	1,394,484
Unallocated assets					-
Total assets					1,394,484
<b>Segment liabilities</b>	(478,547)	(136,749)	(314,091)	112,431	(816,956)
Unallocated liabilities					-
Total liabilities					(816,956)
<b>Other segment information</b>					
Depreciation of property, plant and equipment and ROU assets	10,917	5,741	1,463	-	18,121
Amortisation expenses	5,790	10,489	611	-	16,890
Fair value gains	-	-	(7,683)	-	(7,683)
Compensation income	-	-	(3,667)	3,667	-

	2019				
	Energy coal	Metallurgical coal	Non-coal Business	Elimination	Consolidated
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Segment revenue</b>					
Revenue from external customers	1,114,284	-	1,531	-	1,115,815
Inter segment revenue	4,214	-	-	(4,214)	-
Total revenue	1,118,498	-	1,531	(4,214)	1,115,815
<b>Segment results</b>	108,941	-	12,331	(26,146)	95,126
Interest income					9,775
Finance costs					(34,584)
Profit before tax					70,317
Income tax expense					(37,429)
Profit after tax					32,888
<b>Segment assets</b>	669,375	-	701,588	(264,935)	1,106,028
Unallocated assets					-
Total assets					1,106,028
<b>Segment liabilities</b>	(498,553)	-	(217,023)	88,669	(626,907)
Unallocated liabilities					-
Total liabilities					(626,907)
<b>Other segment information</b>					
Depreciation of property, plant and equipment and ROU assets	9,164	-	1,673	-	10,837
Amortisation expenses	5,410	-	573	-	5,983
Fair value gains	-	-	(2,543)	-	(2,543)
Compensation income	-	-	(580)	567	(13)

**(b) Geographical Segment**

	Segment revenue		Other segment information	
	Sales to external customers		Non-current assets	
	2020 US\$'000	2019 US\$'000	2020 US\$'000	2019 US\$'000
Indonesia	428,572	353,624	499,085	519,972
Asia Pacific	726,961	755,714	245,887	-
Europe	7,154	174	-	-
Singapore	-	2,275	13,455	11,528
Others	-	4,028	-	-
Consolidated	1,162,687	1,115,815	758,427	531,500

Note to Business Segment reporting:

During the financial year, the Group has re-aligned and reclassified its business segments into Energy Coal, Metallurgical Coal and Non-coal Business segments. The followings are the impact on the reclassification of Revenue and Segment Results:

US\$'000	Revenue		Segment Results	
	Before re-classification	After re-classification	Before re-classification	After re-classification
	2019	2019	2019	2019
Energy Coal	-	1,114,284	-	108,941
Metallurgical Coal	-	-	-	-
Coal Mining	1,050,959	-	104,059	-
Coal Trading	63,325	-	4,882	-
Non-coal Business	1,531	1,531	12,331	12,331
	<u>1,115,815</u>	<u>1,115,815</u>	<u>121,272</u>	<u>121,272</u>

**16 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**Energy Coal Segment

The Group's Energy Coal Segment reported a decrease in revenue of US\$50.05 million from US\$1,114.28 million in FY2019 to US\$1,064.23 million in FY2020. The decrease is due to lower average selling price partially offset by increase in sales volume during the year.

Metallurgical Coal Segment

Revenue of US\$97.23 million was a result of consolidation of Stanmore's results during the year.

Non-coal Business

Revenue decreased from US\$1.53 million in FY2019 to US\$1.22 million in FY2020 due to consultancy services rendered in FY2019 not present during the year.

**17 A breakdown of sales**

	Group (US\$'000)		
	2020	2019	+/- %
Sales reported for first half year	593,537	500,377	18.62
Operating profit after tax before deducting non-controlling interests reported for first half year	35,025	24,937	40.45
Sales reported for second half year	569,150	615,438	(7.52)
Operating profit after tax before deducting non-controlling interests reported for second half year	(557)	7,951	(107.01)
Total sales for the year	1,162,687	1,115,815	4.20
Total operating profit after tax before deducting non-controlling interests reported for the year	34,468	32,888	4.80

**18 Additional disclosure required for Mineral, Oil and Gas companies**

- (a) **Rule 705 (7)(a) - Details of exploration (including geophysical surveys), mining development and/or production activities undertaken by the Company and a summary of the expenditure incurred in those activities, including explanation for any material variances with previous projections, for the period under review. if there has been no exploration, development and/or production activity respectively, that fact must be stated.**

PT Golden Energy Mines Tbk is a 66.9998% subsidiary of Golden Energy And Resources Limited, and has three principal assets - the producing Block Borneo Mines, Block BSL Mines and Block KIM Mines ("Energy Coal Mines").

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

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

The Energy Coal Mines and Metallurgical Coal Mines had processed an amount of 32,464,126 and 1,228,196 metric tonnes of Sub-bituminous B and Bituminous coal respectively for the financial year ended 31 December 2020 and no transfer of mines under construction to producing mines during the period under review.

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

- (b) **Rule 705 (7)(b) - An update on its reserves and resources, where applicable, in accordance with the requirements as set out in Practice Note 6.3, including a summary of reserves and resources as set out in Appendix 7.5.**

**Summary of reserves and resources as of 31 December 2020**

**Name of Asset / Country: Borneo Mines / Indonesia**

Category	Gross Attributable to License <sup>(1)</sup>			Net Attributable to the Company		
	Mineral Type	Tonnes (Millions) <sup>(4)</sup>	Grade	Tonnes (Millions) <sup>(4)</sup>	Grade	Change from previous update (%) <sup>(2)</sup>
<b>Reserves<sup>(3)</sup></b>						
Proved	Coal	588.7	Bituminous A / Sub-bituminous B	386.9	Bituminous A / Sub-bituminous B	2.14%
Probable	Coal	105.2	Bituminous A / Sub-bituminous B	69.1	Bituminous A / Sub-bituminous B	21.65%
<b>Total</b>		<b>693.9</b>		<b>456.0</b>		<b>4.71%</b>
<b>Resources<sup>(3)</sup></b>						
Measured	Coal	935	Bituminous A / Sub-bituminous B	614	Bituminous A / Sub-bituminous B	0.00%
Indicated	Coal	355	Bituminous A / Sub-bituminous B	233	Bituminous A / Sub-bituminous B	0.00%
Inferred	Coal	540	Bituminous A / Sub-bituminous B	355	Bituminous A / Sub-bituminous B	2.60%
<b>Total</b>		<b>1,830</b>		<b>1,202</b>		<b>0.75%</b>

Notes :

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

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

(3) Coal resources are inclusive of coal reserves

(4) Individual totals may differ due to rounding

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

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

**Name of Asset / Country: KIM Mines / Indonesia**

Category	Gross Attributable to License <sup>(1)</sup>			Net Attributable to the Company		
	Mineral Type	Tonnes (Millions) <sup>(4)</sup>	Grade	Tonnes (Millions) <sup>(4)</sup>	Grade	Change from previous update (%) <sup>(2)</sup>
<b>Reserves<sup>(3)</sup></b>						
Proved	Coal	44.4	Sub-bituminous B	29.7	Sub-bituminous B	-4.81%
Probable	Coal	13	Sub-bituminous B	8.7	Sub-bituminous B	-1.14%
<b>Total</b>		<b>57.4</b>		<b>38.5</b>		<b>-3.51%</b>
<b>Resources<sup>(3)</sup></b>						
Measured	Coal	110	Sub-bituminous B	74	Sub-bituminous B	-1.33%
Indicated	Coal	56	Sub-bituminous B	37	Sub-bituminous B	0.00%
Inferred	Coal	92	Sub-bituminous B	62	Sub-bituminous B	0.00%
<b>Total</b>		<b>258</b>		<b>173</b>		<b>-0.57%</b>

(1) IUP license issued by the Governor of Jambi.

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

(3) Coal resources are inclusive of coal reserves

(4) Individual totals may differ due to rounding

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

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

**Name of Asset / Country: TKS Mines / Indonesia**

Category	Gross Attributable to License <sup>(1)</sup>			Net Attributable to the Company		
	Mineral Type	Tonnes (Millions) <sup>(4)</sup>	Grade	Tonnes (Millions) <sup>(4)</sup>	Grade	Change from previous update (%) <sup>(2)</sup>
<b>Reserves<sup>(3)</sup></b>						
Proved	Coal	0.2	Bituminous A	0.1	Bituminous A	0.00%
Probable	Coal	0.4	Bituminous A	0.2	Bituminous A	0.00%
<b>Total</b>		<b>0.6</b>		<b>0.3</b>		
<b>Resources<sup>(3)</sup></b>						
Measured	Coal	26.62	Bituminous A and Sub-bituminous B	12	Bituminous A and Sub-bituminous B	0.00%
Indicated	Coal	29.39	Bituminous A and Sub-bituminous B	14	Bituminous A and Sub-bituminous B	0.00%
Inferred	Coal	26.32	Bituminous A and Sub-bituminous B	12	Bituminous A and Sub-bituminous B	0.00%
<b>Total</b>		<b>82.33</b>		<b>39</b>		<b>2.63%</b>

(1) Two IUP licenses issued by the Keputusan Bupati Barito Utara and one IUP license issued by Bupati Barito Timur

(2) Previous coal resource estimates were reported as at 31 December 2019

(3) Coal resources are inclusive of coal reserves

(4) Individual totals may differ due to rounding

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

**Name of Asset / Country: WRL Mines / Indonesia**

Category	Gross Attributable to License <sup>(1)</sup>			Net Attributable to the Company		
	Mineral Type	Tonnes (Millions) <sup>(4)</sup>	Grade	Tonnes (Millions) <sup>(4)</sup>	Grade	Change from previous update (%) <sup>(2)</sup>
<b>Reserves<sup>(3)</sup></b>						
Proved	Coal	33.8	Sub-bituminous B	22.6	Sub-bituminous B	0.00%
Probable	Coal	53.4	Sub-bituminous B	35.8	Sub-bituminous B	0.00%
<b>Total</b>		<b>87.2</b>		<b>58.4</b>		<b>0.00%</b>
<b>Resources<sup>(3)</sup></b>						
Measured	Coal	55	Sub-bituminous B	37	Sub-bituminous B	0.00%
Indicated	Coal	100	Sub-bituminous B	67	Sub-bituminous B	0.00%
Inferred	Coal	161	Sub-bituminous B	108	Sub-bituminous B	0.00%
<b>Total</b>		<b>316</b>		<b>212</b>		<b>0.00%</b>

(1) IUPOP license issued by the provincial government of South Sumatra

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

(3) Coal resources are inclusive of coal reserves

(4) Individual totals may differ due to rounding

The resources and reserves estimates remain relatively stable.

**Name of Asset / Country: BaraSentosa Mines / Indonesia**

Category	Gross Attributable to License <sup>(1)</sup>			Net Attributable to the Company		
	Mineral Type	Tonnes (Millions) <sup>(4)</sup>	Grade	Tonnes (Millions) <sup>(4)</sup>	Grade	Change from previous update (%) <sup>(2)</sup>
<b>Reserves<sup>(3)</sup></b>						
Proved	Coal	140.3	Sub-bituminous B	94.0	Sub-bituminous B	-6.00%
Probable	Coal	49.6	Sub-bituminous B	33.2	Sub-bituminous B	-18.83%
<b>Total</b>		<b>189.9</b>		<b>127.2</b>		<b>-9.66%</b>
<b>Resources<sup>(3)</sup></b>						
Measured	Coal	221	Sub-bituminous B	148	Sub-bituminous B	11.28%
Indicated	Coal	125	Sub-bituminous B	84	Sub-bituminous B	-5.62%
Inferred	Coal	80	Sub-bituminous B	54	Sub-bituminous B	-6.90%
<b>Total</b>		<b>426</b>		<b>285</b>		<b>1.79%</b>

(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 2019

(3) Coal resources are inclusive of coal reserves

(4) Individual totals may differ due to rounding

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

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



**Name of Asset / Country: Isaac Plains Complex / Australia**

Category	Gross Attributable to License <sup>(1)</sup>			Net Attributable to the Company		
	Mineral Type	Tonnes (Millions) <sup>(4)</sup>	Grade <sup>(5)</sup>	Tonnes (Millions) <sup>(4)</sup>	Grade <sup>(5)</sup>	Change from previous update (%) <sup>(2)</sup>
<b>Reserves<sup>(3)</sup></b>						
Proved	Coal	11.8	C, T	7.1	C, T	NA
Probable	Coal	6.6	C, T	4.0	C, T	NA
<b>Total</b>		<b>18.4</b>		<b>11.0</b>		<b>NA</b>
<b>Resources<sup>(3)</sup></b>						
Measured	Coal	34	C, T	20	C, T	NA
Indicated	Coal	24	C, T	14	C, T	NA
Inferred	Coal	9	C, T	5	C, T	NA
<b>Total</b>		<b>66</b>		<b>39</b>		<b>NA</b>

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

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

(3) Coal resources are inclusive of coal reserves

(4) Individual totals may differ due to rounding

(5) C - Coking Coal, semi-soft or greater potential; PCI - Pulversied Coal Injection; TH - Export Thermal grade

**Name of Asset / Country: Isaac Down / Australia**

Category	Gross Attributable to License <sup>(1)</sup>			Net Attributable to the Company		
	Mineral Type	Tonnes (Millions) <sup>(4)</sup>	Grade <sup>(5)</sup>	Tonnes (Millions) <sup>(4)</sup>	Grade <sup>(5)</sup>	Change from previous update (%) <sup>(2)</sup>
<b>Reserves<sup>(3)</sup></b>						
Proved	Coal	15.8	C, PCI	9.5	C, PCI	NA
Probable	Coal	2.1	C, PCI	1.3	C, PCI	NA
<b>Total</b>		<b>17.9</b>		<b>10.7</b>		<b>NA</b>
<b>Resources<sup>(3)</sup></b>						
Measured	Coal	25	C, PCI	15	C, PCI	NA
Indicated	Coal	12	C, PCI	6	C, PCI	NA
Inferred	Coal	0	C, PCI	0	C, PCI	NA
<b>Total</b>		<b>36</b>		<b>22</b>		<b>NA</b>

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

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

(3) Coal resources are inclusive of coal reserves

(4) Individual totals may differ due to rounding

(5) C - Coking Coal, semi-soft or greater potential; PCI - Pulversied Coal Injection; TH - Export Thermal grade

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

Category	Gross Attributable to License <sup>(1)</sup>			Net Attributable to the Company				
	Mineral Type	Tonnes (Millions) <sup>(4)</sup>	Grade g/t Au	Ounces (000s) <sup>(4)</sup>	Tonnes (Millions) <sup>(4)</sup>	Grade g/t Au	Ounces (000s) <sup>(4)</sup>	Change from previous update (%) <sup>(2)</sup>
<b>Reserves<sup>(3)</sup></b>								
Proved	Gold	34.0	0.7	700	17.0	0.7	350	NA
Probable	Gold	81.0	0.7	1,900	40.5	0.7	950	NA
<b>Total</b>		<b>115.0</b>		<b>2,600</b>	<b>57.5</b>		<b>1,300</b>	<b>NA</b>
<b>Resources<sup>(3)</sup></b>								
Measured	Gold	32	0.7	740	16	0.7	370	NA
Indicated	Gold	96	0.8	2,346	48	0.8	1,173	NA
Inferred	Gold	49	0.6	876	24	0.6	438	NA
<b>Total</b>		<b>177</b>		<b>3,961</b>	<b>89</b>		<b>1,981</b>	<b>NA</b>

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

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

(3) Gold resources are inclusive of gold reserves

(4) Individual totals may differ due to rounding

19 A breakdown of the total annual dividend (in S\$ value) for the issuer's latest full year and its previous full year

In S\$ million	<u>FY2020</u>	<u>FY2019</u>
<b>Name of Dividend</b>		
Interim ordinary dividend	-	6.82
Final ordinary dividend	-	-
<b>Total</b>	-	6.82

20 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such person, the issuer must make an appropriate negative Statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Fuganto Widjaja	39	Fuganto Widjaja, Executive Chairman of the Company, is the son of Mr. Indra Widjaja and the nephew of Mr. Franky Oesman Widjaja and Mr. Muktar Widjaja. Mr. Indra Widjaja, Mr. Franky Oesman Widjaja and Mr. Muktar Widjaja are ultimate controlling shareholders of the Company.	Executive Chairman of the Company First held: FY2021  Executive Director of the Company First held: FY2015  Commissioner of PT Golden Energy Mines Tbk ("GEMS"), a subsidiary of the Company First held: FY2017  Commissioner of PT Borneo Indobara, a subsidiary of GEMS First held: FY2018  President Commissioner of PT Roundhill Capital Indonesia, a subsidiary of GEMS First held: FY2011	Re-designation of Group Chief Executive Officer to Executive Chairman on 8 February 2021.

BY ORDER OF THE BOARD

Fuganto Widjaja  
 Executive Chairman  
 1 March 2021