

Company Registration No. 199508589E

**Golden Energy and Resources Limited
and its Subsidiaries**

Condensed Interim Consolidated Financial Statements
For the six months and full year ended 31 December 2022

Golden Energy and Resources Limited and its Subsidiaries

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Golden Energy and Resources Limited and its Subsidiaries

Condensed interim consolidated statement of comprehensive income For the six months and full year ended 31 December 2022

(In United States Dollars)

	Note	Group					
		6 months ended 31 December		+ / (-) %	12 months ended 31 December		+ / (-) %
		2022 Unaudited US\$'000	2021 Unaudited US\$'000		2022 Unaudited US\$'000	2021 Audited US\$'000	
Revenue	4	3,185,164	1,067,384	198.4	5,616,803	1,874,097	199.7
Cost of sales		(1,716,702)	(583,935)	194.0	(3,064,117)	(1,056,952)	189.9
Gross profit		1,468,462	483,449	203.7	2,552,686	817,145	212.4
Other income	5	16,602	7,978	108.1	23,374	13,664	71.1
Selling and distribution expenses		(294,394)	(117,344)	150.9	(469,659)	(225,802)	108.0
Administrative expenses		(183,041)	(61,270)	198.7	(324,311)	(113,498)	185.7
Fair value gains/(losses)		8,614	(5,393)	n.m.	10,676	(3,510)	n.m.
Finance costs	6	(98,726)	(23,136)	326.7	(140,047)	(55,282)	153.3
Other operating expenses		(37,760)	(17,593)	114.6	(39,120)	(28,148)	39.0
Share of loss of joint ventures (net of tax)		(16,035)	(16,150)	(0.7)	(8,078)	(22,658)	(64.3)
Profit before tax	7	863,722	250,541	244.7	1,605,521	381,911	320.4
Taxation	8	(85,860)	(79,513)	8.0	(324,674)	(130,651)	148.5
Profit for the period/year		777,862	171,028	354.8	1,280,847	251,260	409.8
Other comprehensive income:							
Items that will not be reclassified to profit or loss							
Net actuarial loss on post-employment benefits		(146)	(421)	(65.3)	(146)	(421)	(65.3)
Net loss on equity instruments fair value through other comprehensive income		(20,236)	(8,171)	147.7	(21,256)	(1,823)	1066.0
		(20,382)	(8,592)	137.2	(21,402)	(2,244)	853.7
Items that may be reclassified subsequently to profit or loss							
Share of other comprehensive income of a joint venture		(2,307)	(35,864)	(93.6)	(19,416)	(35,864)	(45.9)
Foreign currency translation		7,572	(5,277)	n.m.	14,408	(6,457)	n.m.
		5,265	(41,141)	n.m.	(5,008)	(42,321)	(88.2)
Other comprehensive income for the period/year, net of tax		(15,117)	(49,733)	(69.6)	(26,410)	(44,565)	(40.7)
Total comprehensive income for the period/year		762,745	121,295	528.8	1,254,437	206,695	506.9

n.m.: not meaningful

Golden Energy and Resources Limited and its Subsidiaries

**Condensed interim consolidated statement of comprehensive income (cont'd)
For the six months and full year ended 31 December 2022**

(In United States Dollars)

	6 months ended		Group		12 months ended		
	31 December		+ / (-)	31 December		+ / (-)	
	2022	2021		2022	2021		
	Unaudited US\$'000	Unaudited US\$'000	%	Unaudited US\$'000	Audited US\$'000	%	
Profit for the period/year							
attributable to:							
Owners of the Company	432,588	85,234	407.5	711,575	114,323	522.4	
Non-controlling interests	345,274	85,794	302.4	569,272	136,937	315.7	
	777,862	171,028	354.8	1,280,847	251,260	409.8	
Total comprehensive income							
for the period/year							
attributable to:							
Owners of the Company	414,675	37,446	1007.4	689,471	72,036	857.1	
Non-controlling interests	348,070	83,849	315.1	564,966	134,659	319.6	
	762,745	121,295	528.8	1,254,437	206,695	506.9	
Earnings per share							
attributable to owners							
of the Company							
(US cents per share)							
Basic and diluted	9	16.72	3.62	361.9	27.50	4.86	465.8

Golden Energy and Resources Limited and its Subsidiaries

**Condensed interim statements of financial position
As at 31 December 2022**

(In United States Dollars)

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

Golden Energy and Resources Limited and its Subsidiaries

**Condensed interim statements of financial position (cont'd)
As at 31 December 2022**

(In United States Dollars)

	Note	Group		Company	
		31 December 2022 Unaudited US\$'000	31 December 2021 Audited US\$'000	31 December 2022 Unaudited US\$'000	31 December 2021 Audited US\$'000
Non-current liabilities					
Deferred tax liabilities		240,723	75,163	–	–
Other payables		148,087	4,931	–	–
Loans and borrowings	19	916,229	333,726	338,877	274,488
Post-employment benefits	20	3,115	5,007	–	–
Other provisions	21	206,759	32,469	47	23
		1,514,913	451,296	338,924	274,511
Net assets		1,980,770	653,045	1,703,890	1,512,999
Equity attributable to equity holders of the Company					
Share capital	22	357,880	292,295	1,315,340	1,230,107
Reserves	23	(91,510)	(58,019)	(15,050)	53,536
Retained earnings		1,022,056	252,431	403,600	229,356
		1,288,426	486,707	1,703,890	1,512,999
Non-controlling interests		692,344	166,338	–	–
Total equity		1,980,770	653,045	1,703,890	1,512,999

Golden Energy and Resources Limited and its Subsidiaries

**Condensed interim statements of changes in equity
For the full year ended 31 December 2022**

(In United States Dollars)

Group 2022	Attributable to owners of the Company					Total reserves US\$'000	Non-controlling interests US\$'000	Total equity US\$'000
	Share capital (Note 22) US\$'000	Foreign currency translation reserves (Note 23) US\$'000	Hedging reserves (Note 23) US\$'000	Other reserves (Note 23) US\$'000	Retained earnings US\$'000			
At 1 January 2022	292,295	(27,242)	(35,864)	5,087	252,431	194,412	166,338	653,045
Profit for the year	–	–	–	–	711,575	711,575	569,272	1,280,847
<u>Other comprehensive income</u>								
Net loss on equity instruments fair value through other comprehensive income	–	–	–	(21,256)	–	(21,256)	–	(21,256)
Share of other comprehensive income of a joint venture	–	–	(19,416)	–	–	(19,416)	–	(19,416)
Net actuarial loss on post-employment benefits	–	–	–	(91)	–	(91)	(55)	(146)
Foreign currency translation	–	18,659	–	–	–	18,659	(4,251)	14,408
Other comprehensive income for the year	–	18,659	(19,416)	(21,347)	–	(22,104)	(4,306)	(26,410)
Total comprehensive income for the year	–	18,659	(19,416)	(21,347)	711,575	689,471	564,966	1,254,437
Effects of change in functional currency	2,892	(11,726)	–	455	(3,999)	(15,270)	(6,875)	(19,253)
<u>Transactions with owners, recognised directly in equity</u>								
<u>Contributions by and distributions to owners</u>								
Issuance of new ordinary shares	62,996	–	–	–	–	–	–	62,996
Share issue expenses	(303)	–	–	–	–	–	–	(303)
Issuance of share capital by a subsidiary company	–	–	–	–	–	–	205,936	205,936
Dividends paid to non-controlling interests by subsidiaries	–	–	–	–	–	–	(286,280)	(286,280)
Dividends declared to non-controlling interests by subsidiaries	–	–	–	–	–	–	(995)	(995)
Total contributions by and distributions to owners	62,693	–	–	–	–	–	(81,339)	(18,646)
<u>Changes in ownership interests in subsidiaries</u>								
Acquisition of subsidiaries	–	–	–	–	–	–	381,584	381,584
Acquisition of non-controlling interests of a subsidiary without a change in control	–	–	–	–	59,649	59,649	(330,046)	(270,397)
Changes in ownership interests of a subsidiary without a change in control	–	–	–	–	2,284	2,284	(2,284)	–
Total changes in ownership interests in subsidiaries	–	–	–	–	61,933	61,933	49,254	111,187
Total transactions with owners	62,693	–	–	–	61,933	61,933	(32,085)	92,541
Transfer of fair value reserves of equity instruments at FVOCI upon disposal	–	–	–	(116)	116	–	–	–
At 31 December 2022	357,880	(20,309)	(55,280)	(15,921)	1,022,056	930,546	692,344	1,980,770

Golden Energy and Resources Limited and its Subsidiaries

**Condensed interim statements of changes in equity (cont'd)
For the full year ended 31 December 2022**

(In United States Dollars)

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

Golden Energy and Resources Limited and its Subsidiaries

**Condensed interim statements of changes in equity (cont'd)
For the full year ended 31 December 2022**

(In United States Dollars)

Company 2022	Share capital (Note 22) US\$'000	Foreign currency translation reserves US\$'000	Other reserves (Note 23) US\$'000	Retained earnings US\$'000	Total reserves US\$'000	Total equity US\$'000
At 1 January 2022	1,230,107	49,417	4,119	229,356	282,892	1,512,999
Profit for the year	–	–	–	176,470	176,470	176,470
<u>Other comprehensive income</u>						
Net loss on equity instruments fair value through other comprehensive income	–	–	(20,585)	–	(20,585)	(20,585)
Other comprehensive income for the year	–	–	(20,585)	–	(20,585)	(20,585)
Total comprehensive income for the year	–	–	(20,585)	176,470	155,885	155,885
Effects of change in functional currency	22,540	(49,417)	1,532	(2,342)	(50,227)	(27,687)
<u>Transactions with owners, recognised directly in equity</u>						
<u>Contributions by and distributions to owners</u>						
Issuance of new ordinary shares	62,996	–	–	–	–	62,996
Share issue expenses	(303)	–	–	–	–	(303)
Total contributions by and distributions to owners	62,693	–	–	–	–	62,693
Transfer of fair value reserves of equity instruments at FVOCI upon disposal	–	–	(116)	116	–	–
At 31 December 2022	1,315,340	–	(15,050)	403,600	388,550	1,703,890

Golden Energy and Resources Limited and its Subsidiaries

**Condensed interim statements of changes in equity (cont'd)
For the full year ended 31 December 2022**

(In United States Dollars)

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

Golden Energy and Resources Limited and its Subsidiaries

**Condensed interim consolidated cash flow statement
For the full year ended 31 December 2022**

(In United States Dollars)

	Group	
	12 months ended	
	31 December 2022	31 December 2021
	US\$'000	US\$'000
Cash flows from operating activities		
Profit before tax	1,605,521	381,911
Adjustments for:		
Provision for/(reversal of provision for) mining activities	162	(1,041)
Depreciation of property, plant and equipment	116,861	21,370
Depreciation of right-of-use assets	47,967	2,663
Loss on disposal of investment securities	–	20
(Reversal of)/defined post-employment benefit expense	(577)	862
Fair value gain on biological assets	(1,006)	(484)
Fair value loss/(gain) on remeasurement of contingent consideration	501	(1,617)
Fair value (gain)/loss on derivatives	(10,924)	5,038
Fair value loss on investment securities	753	573
Write off of property, plant and equipment	–	23
Write off of inventories	128	197
Impairment loss on goodwill	34,700	13,400
Impairment loss on property, plant and equipment	–	883
Impairment loss on trade receivables	–	29
Amortisation of mining properties	85,768	25,557
Amortisation of land exploitation	2,072	1,313
Amortisation of intangible assets	855	883
Amortisation of software	36	46
Amortisation of discounted loans and borrowings	811	703
Early redemption of Notes expenses	3,098	9,420
Notional interest on provisions and contingent consideration	7,783	1,179
Interest and other financial charges	127,805	42,584
Interest income	(15,506)	(8,730)
Dividend income from investment securities	(1,350)	(261)
Equity-settled on share-based payment transactions	–	11
Share of loss of joint ventures, net of tax	8,078	22,658
Net exchange differences	(14,967)	4,074
Operating cash flows before changes in working capital	1,998,569	523,264
<u>Changes in working capital:</u>		
Decrease in inventories	202,872	30,986
Increase in trade, other receivables and prepayments	(66,968)	(78,632)
Increase/(decrease) in trade and other payables	80,530	(4,249)
Decrease in provisions	(20,134)	(1,316)
Cash flows generated from operations	2,194,869	470,053
Interest and other financial charges paid	(110,259)	(44,338)
Interest income received	12,052	5,761
Income taxes paid, net	(363,828)	(53,806)
Net cash flows generated from operating activities	1,732,834	377,670

Golden Energy and Resources Limited and its Subsidiaries

**Condensed interim consolidated cash flow statement (cont'd)
For the full year ended 31 December 2022**

(In United States Dollars)

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

Golden Energy and Resources Limited and its Subsidiaries

Notes to the condensed interim consolidated financial statements For the six months and full year ended 31 December 2022

1. General

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

The immediate holding company of the Company is PT Dian Swastatika Sentosa Tbk (“DSS”), incorporated in Republic of Indonesia and listed on the Indonesia Stock Exchange, and its ultimate holding company is PT Sinarindo Gerbangmas.

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

These condensed interim consolidated financial statements as at and for the six-months and twelve-months ended 31 December 2022 comprise the Company and its subsidiaries (collectively, the “Group”).

The principal activities of the Company are those of an investment holding and provision of management services to entities within the Group. The principal activities of the subsidiaries are coal mining, coal trading, investment holding and forestry.

2. Basis of preparation

The condensed interim consolidated financial statements for the six-months and full year ended 31 December 2022 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore.

The condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim consolidated financial statements for the period ended 30 June 2022.

The condensed interim consolidated financial statements are presented in United States Dollars (“USD” or “US\$”) and all values in the tables are rounded to the nearest thousand (US\$’000), except when otherwise indicated.

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

The Company changed its functional currency from Singapore dollar (“S\$”) to US\$ with effect from 1 May 2022. As US\$ reflects the economic substance of the underlying events and circumstances of the Company, the management of the Company (“Management”) concluded that US\$ is the currency of the primary economic environment which the Company operates in.

The effect of the change in functional currency to US\$ was applied prospectively in the financial statements with effect from 1 May 2022. The impact of the change in functional currency has been disclosed in Notes 22 and 23.

2.1 New standards, Interpretations and amendment adopted by the Group

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial period, the Group has adopted all the new and revised standards which are effective for annual periods beginning on or after 1 January 2022. The adoption of these standards did not result in changes to the Group’s accounting policies and had no material effect on the amount reported for the current or prior periods. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Golden Energy and Resources Limited and its Subsidiaries

Notes to the condensed interim consolidated financial statements For the six months and full year ended 31 December 2022

2. Basis of preparation (cont'd)

2.2 Use of judgements and estimates

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

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are included in the following notes:

- Impairment of goodwill and intangible assets: underlying key assumptions that determine the recoverable amounts (Note 15)
- Impairment of investment in subsidiaries: indication of impairment assessment and underlying key assumptions that determine the recoverable amounts (Note 16)
- Impairment of mining properties and property, plant and equipment: indication of impairment assessment and underlying key assumptions that determine the recoverable amounts (Note 11, Note 12)
- Coal reserves and resources estimates: Estimation of recoverable reserves and forecast sales price
- Acquisition of subsidiaries: the fair value of assets and liabilities of the acquired business and the allocation of purchase price considerations (Note 16)
- Remeasurement of tax bases upon entry into a tax consolidation group arising from the acquisition of wholly owned subsidiaries

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

Golden Energy and Resources Limited and its Subsidiaries

Notes to the condensed interim consolidated financial statements For the six months and full year ended 31 December 2022

4. Revenue

	Group					
	6 months ended 31 December		+ / (-) %	12 months ended 31 December		+ / (-) %
	2022 US\$'000	2021 US\$'000		2022 US\$'000	2021 US\$'000	
Energy coal	1,585,258	852,361	86.0	2,919,964	1,585,954	84.1
Metallurgical coal	1,599,530	214,347	646.2	2,695,770	286,596	840.6
Non-coal businesses	376	676	(44.4)	1,069	1,547	(30.9)
	3,185,164	1,067,384	198.4	5,616,803	1,874,097	199.7

5. Other income

	Group					
	6 months ended 31 December		+ / (-) %	12 months ended 31 December		+ / (-) %
	2022 US\$'000	2021 US\$'000		2022 US\$'000	2021 US\$'000	
Interest income	11,257	4,300	161.8	15,506	8,730	77.6
Dividend income	1,350	261	417.2	1,350	261	417.2
Others	3,995	3,417	16.9	6,518	4,673	39.5
	16,602	7,978	108.1	23,374	13,664	71.1

6. Finance costs

	Group					
	6 months ended 31 December		+ / (-) %	12 months ended 31 December		+ / (-) %
	2022 US\$'000	2021 US\$'000		2022 US\$'000	2021 US\$'000	
Interest expense on bank loans and trade financing (including amortisation of transaction costs)	82,904	21,301	289.2	117,199	42,234	177.5
Interest expense on lease liabilities	5,589	256	2083.2	10,605	350	2930.0
Amortisation of discounted loans and borrowings	398	416	(4.3)	811	703	15.4
Notional interest on provisions (Note 21)	3,722	159	2240.9	4,635	438	958.2
Notional interest on contingent consideration (Note 25d)	2,884	321	798.4	3,148	741	324.8
Early redemption of Notes expenses	3,098	(79)	n.m.	3,098	9,420	(67.1)
Others	131	762	(82.8)	551	1,396	(60.5)
	98,726	23,136	326.7	140,047	55,282	153.3

Golden Energy and Resources Limited and its Subsidiaries

**Notes to the condensed interim consolidated financial statements
For the six months and full year ended 31 December 2022**

7. Profit before tax

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

	6 months ended		+ / (-) %	Group 12 months ended		+ / (-) %
	31 December 2022 US\$'000	2021 US\$'000		31 December 2022 US\$'000	2021 US\$'000	
Mining services and overheads	775,376	314,988	146.2	1,339,639	609,479	119.8
Freight and stockpile inventories recognised as an expense in cost of sales	325,840	150,626	116.3	533,925	299,877	78.0
Royalty fees	33,785	54,587	(38.1)	308,946	68,565	350.6
Land exploitation expenses	648,249	132,962	387.5	1,013,528	230,911	338.9
Provision for/(reversal of provision for) mining activities	12,354	10,668	15.8	26,770	14,930	79.3
Depreciation of property, plant and equipment	228	273	(16.5)	162	(1,041)	n.m.
Depreciation of right-of-use assets	84,530	11,428	639.7	116,861	21,370	446.8
Amortisation of:	34,401	1,684	1942.8	47,967	2,663	1701.2
- mining properties	61,579	18,867	226.4	85,768	25,557	235.6
- land exploitation	794	677	17.3	2,072	1,313	57.8
- intangible assets	421	436	(3.4)	855	883	(3.2)
- software	18	22	(18.2)	36	46	(21.7)
(Reversal of)/defined post-employment benefits expenses	(1,050)	405	n.m.	(577)	862	n.m.
Loss on disposal of investment securities	–	20	(100.0)	–	20	(100.0)
Fair value (gain)/loss on biological assets	561	(484)	n.m.	(1,006)	(484)	107.9
Fair value loss/(gain) on remeasurement of contingent consideration	–	763	(100.0)	501	(1,617)	n.m.
Fair value loss on investment securities	325	161	101.9	753	573	31.4
Fair value (gain)/loss on derivatives	(9,500)	4,953	n.m.	(10,924)	5,038	n.m.
Write off of property, plant and equipment	–	–	n.m.	–	23	(100.0)
Write off of inventories	128	197	(35.0)	128	197	(35.0)
Impairment loss on goodwill	23,600	7,400	218.9	34,700	13,400	159.0
Impairment loss on property, plant and equipment	–	86	(100.0)	–	883	(100.0)
Impairment loss on trade receivables	–	29	(100.0)	–	29	(100.0)
Foreign exchange (gain)/loss, net	10,342	5,126	101.8	(1,743)	8,861	n.m.

Golden Energy and Resources Limited and its Subsidiaries

Notes to the condensed interim consolidated financial statements For the six months and full year ended 31 December 2022

8. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	6 months ended		Group			
	31 December		+ / (-) %	12 months ended		+ / (-) %
	2022	2021		2022	2021	
	US\$'000	US\$'000		US\$'000	US\$'000	
Current income tax						
- Current income tax charge	219,102	67,224	225.9	492,422	112,897	336.2
- Under/(Over) provision in respect of previous years	688	(5,012)	n.m.	698	(3,939)	n.m.
Deferred income tax (benefit)/expense	(153,232)	2,307	n.m.	(197,105)	(2,942)	6599.7
Withholding tax expense	19,302	14,994	28.7	28,659	24,635	16.3
	85,860	79,513	8.0	324,674	130,651	148.5

9. Earnings per share

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

The following reflects the earnings and share data used in the computation of basic and diluted earnings per share:

	Group			
	6 months ended		12 months ended	
	2022	2021	2022	2021
	US\$'000	US\$'000	US\$'000	US\$'000
Profit for the period/year attributable to owners of the Company	432,588	85,234	711,575	114,323
Weighted average number of ordinary shares for basic and diluted earnings per share ('000)	2,587,347	2,353,100	2,587,347	2,353,100
Basic and diluted earnings per share attributable to owners of the Company (US cents per share)	16.72	3.62	27.50	4.86

Golden Energy and Resources Limited and its Subsidiaries

**Notes to the condensed interim consolidated financial statements
For the six months and full year ended 31 December 2022**

10. Biological assets

	Group US\$'000
At 30 June 2022	9,046
Costs incurred during the period	574
	<hr/>
	9,620
Changes in fair value, net	(561)
	<hr/>
At 31 December 2022	9,059
	<hr/> <hr/>

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

Biological assets relate to timber plantation, majority of which are Acacia Mangium and Sengon trees, which when mature will be harvested for timber and further processed into products such as sawn logs and pulpwood. The trees have an average lifespan of up to 15 years, and take up to 6 to 7 years to reach the maturity for harvesting. During the six months ended 31 December 2022, the Group harvested approximately 2,190 m³ of logs (six months ended 31 December 2021: 2,381 m³).

Fair value measurements

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

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

Key unobservable inputs	Range of unobservable inputs (weighted average)	Inter-relationship between key unobservable inputs and fair value measurement
Discount rate per annum	10% (2021: 10%)	The higher the discount rate, the lower the fair value
Average plantations yield, in metre cube per hectare (m ³ /ha)	9.6 m ³ /ha to 132.6m ³ /ha (2021: 16.8 m ³ /ha to 166.7 m ³ /ha)	The higher the plantation yields, the higher the fair value
Selling price of:	US\$37.1/m ³ to US\$52.2/m ³	The higher the selling price, the higher the fair value
- Sawn logs	(2021: US\$38.4/m ³ to US\$54.0/m ³)	
- Pulpwood	US\$54.6/m ³ to US\$60.0/m ³ (2021: US\$47.8/m ³)	

Golden Energy and Resources Limited and its Subsidiaries

Notes to the condensed interim consolidated financial statements For the six months and full year ended 31 December 2022

10. Biological assets (cont'd)

As a result of the fair value measurements, fair value gain on biological assets for six months ended 31 December 2022 has been charged to profit or loss of US\$561,000 (six months ended 31 December 2021: US\$484,000).

11. Property, plant and equipment

During the six months ended 31 December 2022, the Group acquired assets amounting to US\$66,260,000 (six months ended 31 December 2021: US\$12,237,000).

On 3 May 2022, property, plant and equipment of US\$810,569,000 (Note 16) was acquired through the acquisition of BHP Mitsui Coal Pty Ltd (now known as Stanmore SMC Pty Ltd ("SMC"))(the "SMC Acquisition").

Included in property, plant and equipment is a wood chip mill valued at scrap value of US\$1,662,000 as at 31 December 2022 (31 December 2021: US\$1,696,000).

Details of the depreciation charge are as follows:

	Group			
	6 months ended 31 December		12 months ended 31 December	
	2022	2021	2022	2021
	US\$'000	US\$'000	US\$'000	US\$'000
Charged to profit or loss				
- cost of sales	80,322	7,619	109,012	14,159
- selling and distribution expenses	1,558	1,552	3,100	3,105
- administrative expenses	2,538	2,118	4,524	3,761
- other operating expenses	112	139	225	345
Depreciation for the financial period/year	84,530	11,428	116,861	21,370

As at 31 December 2021, impairment loss on property, plant and equipment of US\$883,000 was charged to profit or loss.

Golden Energy and Resources Limited and its Subsidiaries

Notes to the condensed interim consolidated financial statements For the six months and full year ended 31 December 2022

12. Mining properties

During the six months ended 31 December 2022, the Group acquired mine properties amounting to US\$15,063,000 (six months ended 31 December 2021: US\$23,185,000).

On 3 May 2022, mining properties of US\$1,175,269,000 (Note 16) were acquired through the SMC Acquisition.

For the six months ended 31 December 2022, there was no provision relating to rehabilitation capitalized into mining properties. During the six months ended 31 December 2021, included in the acquired mine properties was the capitalised amount of provision relating to rehabilitation of areas caused by mining disturbance of US\$4,483,000.

Details of the amortisation expenses are as follows:

	Group			
	6 months ended 31 December		12 months ended 31 December	
	2022 US\$'000	2021 US\$'000	2022 US\$'000	2021 US\$'000
Charged to profit or loss				
- cost of sales	61,214	18,614	85,155	25,052
- other operating expenses	365	253	613	505
Amortisation expenses for the financial period/year	61,579	18,867	85,768	25,557

13. Intangible assets

Group	Forest concession license (Note a) US\$'000	Rail loop benefit (Note b) US\$'000	Total US\$'000
Cost			
At 30 June 2022 and 31 December 2022	13,046	2,056	15,102
Accumulated amortisation			
At 30 June 2022	3,620	794	4,414
Amortisation charge	252	169	421
At 31 December 2022	3,872	963	4,835
Net carrying amount			
At 30 June 2022	9,426	1,262	10,688
At 31 December 2022	9,174	1,093	10,267

Golden Energy and Resources Limited and its Subsidiaries

Notes to the condensed interim consolidated financial statements For the six months and full year ended 31 December 2022

13. Intangible assets (cont'd)

(a) Forest concession license

Forest concession license was acquired as a result of the Reverse Acquisition of the Company in 2015. Forest concession license has remaining period of 19 years (31 December 2021: 20 years).

The Group owns forestry concession rights of 247,713 hectares, which includes 14,227 hectares of land rent-use rights.

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

(b) Rail loop benefit

The rail loop benefit relates to future rebates on the cost of coal railings based on an agreement with the below rail infrastructure owner. Receipts of coal railing rebates are recognised in profit or loss as a credit against the cost incurred. The estimated useful life of the asset is aligned with the term of the contractual agreement and is amortised on a straight-line basis over the life in accordance with the anticipated profile of benefits received. The rail loop benefit has remaining period of 3 years (31 December 2021: 4 years).

14. Leases – as lessee

Below are the carrying amount of right-of-use assets recognised and the movement during the financial period:

	Group US\$'000
Cost	
At 30 June 2022	331,514
Disposal	(501)
Exchange difference	(2,660)
At 31 December 2022	<u>328,353</u>
Accumulated depreciation	
At 30 June 2022	20,944
Charge for the period	34,401
Disposal	(174)
Exchange difference	(87)
At 31 December 2022	<u>55,084</u>
Net carrying amount	
At 30 June 2022	<u>310,570</u>
At 31 December 2022	<u>273,269</u>

Golden Energy and Resources Limited and its Subsidiaries

**Notes to the condensed interim consolidated financial statements
For the six months and full year ended 31 December 2022**

14. Leases – as lessee (cont'd)

Below are the carrying amount of lease liabilities (included under loans and borrowings) and movement during the financial period:

	Group US\$'000
At 30 June 2022	297,689
Disposal	(317)
Accretion of interest	5,589
Payments	(52,226)
Exchange difference	12,687
	<hr/>
At 31 December 2022	263,422
	<hr/> <hr/>
Current (Note 19)	63,488
Non-current (Note 19)	199,934
	<hr/> <hr/>

On 3 May 2022, right-of-use assets and lease liabilities of US\$256,823,000 respectively (Note 16) were acquired through the SMC Acquisition.

Below are the amounts recognised in profit or loss during the financial period/year:

	Group			
	6 months ended 31 December		12 months ended 31 December	
	2022 US\$'000	2021 US\$'000	2022 US\$'000	2021 US\$'000
Depreciation of right-of-use assets (included in cost of sales, administrative expenses and other operating expenses)	34,401	1,684	47,967	2,663
Interest expense on lease liabilities (included in finance costs)	5,589	256	10,605	350

Golden Energy and Resources Limited and its Subsidiaries

**Notes to the condensed interim consolidated financial statements
For the six months and full year ended 31 December 2022**

15. Goodwill

	Group US\$'000
At 30 June 2022	73,698
Impairment loss	(23,600)
At 31 December 2022	<u>50,098</u>

Impairment testing of goodwill and forest concession license

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

	Forestry and pulp CGU		Coal mining CGUs	
	31 December 2022 US\$'000	31 December 2021 US\$'000	31 December 2022 US\$'000	31 December 2021 US\$'000
Goodwill	27,722	62,422	22,376	22,376
Forest concession license	9,174	9,679	–	–

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

VIU as at 31 December 2022 was determined similarly to the 30 June 2022 goodwill impairment test, and was based on the following key assumptions:

	Forestry and pulp CGU		Coal mining CGUs	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Projected logs / coal prices	US\$39 – US\$78/m ³	US\$40 – US\$84/m ³	US\$11 – US\$83/tonne	US\$11 – US\$71/tonne
Pre-tax discount rates	17.0%	14.2%	13.7%	11.0%

In the six months period ended 31 December 2022, an impairment charge of US\$23,600,000 was recognised in profit or loss (six months ended 31 December 2021: US\$7,400,000).

Golden Energy and Resources Limited and its Subsidiaries

Notes to the condensed interim consolidated financial statements For the six months and full year ended 31 December 2022

15. Goodwill (cont'd)

Sensitivity to changes in assumptions

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

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

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

A rise in pre-tax discount rate to 17.5% (i.e. +0.5%) in forestry and pulp CGU would result in a further impairment. A rise in pre-tax discount rate to 14.2% (i.e. +0.5%) in coal mining CGUs would not result in impairment.

16. Investment in subsidiaries

	Company	
	31 December 2022	31 December 2021
	US\$'000	US\$'000
Shares, at cost	1,423,289	1,449,819
Impairment loss	(105,488)	(65,580)
	<hr/>	<hr/>
	1,317,801	1,384,239
	<hr/> <hr/>	<hr/> <hr/>

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

In the six months period ended 31 December 2022, the Company recognised impairment of investment in subsidiaries in profit or loss of US\$41,108,000 (six months ended 31 December 2021: Nil).

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

On 3 May 2022, the Group's 64.01% subsidiary company, Stanmore Resources Limited ("Stanmore"), through its wholly-owned subsidiary, Stanmore SMC Holdings Pty Ltd ("SMCH"), acquired 100% interest in Dampier Coal (Queensland) Pty Ltd ("Dampier"), which holds 80% interest in SMC.

Golden Energy and Resources Limited and its Subsidiaries

Notes to the condensed interim consolidated financial statements For the six months and full year ended 31 December 2022

16. Investment in subsidiaries (cont'd)

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

The values identified in relation to the acquisition are provisional as at 31 December 2022. Details of the acquisition are as follows:

	Provisional fair value US\$'000
Mining properties	1,175,269
Property, plant and equipment	810,569
Right-of-use assets	256,823
Investment securities	25,036
Inventories	314,696
Trade and other receivables	362,758
Cash and cash equivalents	62,984
Trade and other payables	(271,985)
Lease liabilities	(256,823)
Provision for taxation	(16,146)
Deferred tax liabilities	(364,462)
Rehabilitation provisions	(190,799)
Total identifiable net assets at fair value	1,907,920
Less: Non-controlling interest at fair value	(381,584)
Total consideration transferred	1,526,336
<u>Effect of the acquisition of SMC</u>	
Total consideration	1,526,336
Less:	
Cash and cash equivalents of subsidiary acquired	(62,984)
Deferred consideration	(100,000)
Contingent consideration	(140,000)
Net cash outflow on acquisition	1,223,352

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

During the six months ended 31 December 2022, SMCH received the final working capital adjustment payment in relation to SMC Acquisition. The provisional amount of assets and liabilities recognised as at 31 December 2022 may change upon new information obtained during the measurement period as a result of the finalisation of the valuation of property, plant and equipment. The measurement period shall not exceed one year from the acquisition date.

During the six months ended 31 December 2022, SMR announced that it has paid the deferred consideration of US\$100 million in relation to the SMC Acquisition.

Revenue and profit contribution

From the completion date of the SMC Acquisition (on 3 May 2022) up to the end of current period (being, 31 December 2022), SMC group (comprising SMCH, Dampier and SMC) contributed revenue of US\$2,103,900,000 and profit of US\$447,300,000 to the Group's results in the year ended 31 December 2022. If the SMC Acquisition had occurred on 1 January 2022, Management estimates that consolidated revenue and consolidated profit for the year ended 31 December 2022 would have been US\$6,925,263,000 and US\$1,863,418,000 respectively.

Golden Energy and Resources Limited and its Subsidiaries

Notes to the condensed interim consolidated financial statements For the six months and full year ended 31 December 2022

16. Investment in subsidiaries (cont'd)

Acquisition of non-controlling interests in Stanmore SMC Pty Ltd ("SMC")

On 7 October 2022, Stanmore, through Dampier, acquired the remaining 20% interest in SMC and pursuant thereto, SMC has become a wholly-owned subsidiary of Stanmore. The final price paid for the acquisition was US\$270m, paid in full at the time of acquisition.

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

17. Investment in joint ventures

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

<u>Name of entity</u>	<u>Place of business/ country of incorporation</u>	<u>Proportion (%) of ownership interest</u>	
		31 December 2022	31 December 2021
<u>Held through Golden Investments (Australia) II Pte Ltd</u>			
Ravenswood Gold Group Pty Ltd	Australia	50	50
<u>Held through Stanmore Resources Limited</u>			
MetRes Pty Ltd	Australia	50	50

During the six months ended 31 December 2022, the Group made additional investments of US\$26,990,000 (six months ended 31 December 2021: US\$Nil) in Ravenswood Gold Group Pty Ltd ("RWG"). There was no additional investment in Redeemable Preference Shares included in the additional investment in RWG during the six months ended 31 December 2022 (six months ended 31 December 2021: US\$Nil).

During the six months ended 31 December 2021, the Group invested US\$428,000 in MetRes Pty Ltd.

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

Golden Energy and Resources Limited and its Subsidiaries

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18. Investment securities

	Group		Company	
	31 December	2021	31 December	2021
	2022	2021	2022	2021
	US\$'000	US\$'000	US\$'000	US\$'000
Current				
At fair value through profit or loss				
- Equity securities (quoted)	672	1,519	672	1,519
- Redeemable Preference Shares	–	15,000	–	15,000
	672	16,519	672	16,519
Non-current				
At fair value through other comprehensive income				
- Equity securities (quoted)	14,358	24,832	14,358	24,832
- Equity securities (unquoted)	26,536	1,000	–	–
- Redeemable Preference Shares	2,826	3,497	–	–
	43,720	29,329	14,358	24,832

The Group has elected to measure these non-current equity instruments at fair value through other comprehensive income (“FVOCI”) due to the Group’s intention to hold these equity instruments for long-term strategic purpose.

The Group has elected to measure current equity instruments at fair value through profit or loss due (“FVTPL”) to the Group’s intention to hold for short-term purpose.

Investment securities at FVTPL

There was no additional investment in equity securities during the six months ended 31 December 2022 (31 December 2021: US\$Nil).

Investment securities at FVOCI

During the six months ended 31 December 2022, the Group had additional investment in equity securities amounting to US\$9,714,000 (31 December 2021: US\$14,812,000).

There was no additional investment in Redeemable Preference Shares during the six months ended 31 December 2022 (31 December 2021: US\$Nil).

Golden Energy and Resources Limited and its Subsidiaries

**Notes to the condensed interim consolidated financial statements
For the six months and full year ended 31 December 2022**

19. Loans and borrowings

	Group		Company	
	31 December		31 December	
	2022	2021	2022	2021
	US\$'000	US\$'000	US\$'000	US\$'000
Amount repayable within one year (current)				
Lease liabilities	63,488	1,798	59	220
Secured borrowings	358,866	72,871	–	12,000
Unsecured borrowings	3,982	1,151	–	–
Unamortised transaction costs	(6,428)	(114)	–	–
Total borrowings (current)	356,420	73,908	–	12,000
Total loans and borrowings (current)	419,908	75,706	59	12,220
Amount repayable after one year (non-current)				
Lease liabilities	199,934	2,324	651	58
Secured borrowings (includes Senior Secured Notes)	738,171	342,199	346,308	284,998
Unamortised transaction costs	(19,244)	(7,204)	(5,450)	(6,975)
Unamortised discount on Senior Secured Notes	(2,632)	(3,593)	(2,632)	(3,593)
Total borrowings (non-current)	716,295	331,402	338,226	274,430
Total loans and borrowings (non-current)	916,229	333,726	338,877	274,488
Total loans and borrowings	1,336,137	409,432	338,936	286,708

The secured borrowings are secured over certain trade receivables (and/or inventories), property and equipment, margin deposit, pledge of subsidiaries' shares and interest reserve accounts.

Golden Energy and Resources Limited and its Subsidiaries

Notes to the condensed interim consolidated financial statements For the six months and full year ended 31 December 2022

19. Loans and borrowings (cont'd)

On 1 November 2022, the Company had commenced an exchange offer to exchange its outstanding US\$375,000,000 US\$-denominated 8.5% Senior Secured Notes due 2026 (the "Existing Notes") for its US\$-denominated 8.5% Senior Secured Notes due 2027 (the "New Notes") to be issued in connection with the Exchange Offer.

On 28 November 2022, the Company exchanged US\$346,308,000 in aggregate principal amount of Existing Notes for US\$346,308,000 in aggregate principal amount of New Notes, and made a cash payment equal to the aggregate Accrued Interest in accordance with the terms and conditions of the Exchange Offer. Following the exchange and cancellation of the Existing Notes, the aggregate principal amount of Existing Notes amounting to US\$28,692,000 remained outstanding, which was subsequently redeemed at the Make-Whole Price in accordance with the terms of the Existing Notes Indenture on 28 December 2022. As a result of the redemption, an expense of US\$3,098,000 was charged to the profit and loss including the unamortised discount and transaction costs (Note 6).

20. Post-employment benefits

The Group recognised liabilities for post-employment benefits based on the actuarial calculation by an independent actuary. The post-employment benefits arise from subsidiaries domiciled in Indonesia.

The present value of the defined post-employment benefit obligations, and the related current service cost and past service cost, were measured using the projected unit credit method. The defined benefit pension plan of certain subsidiary is managed by Dana Pensiun Lembaga Keuangan ("DPLK") Simas Jiwa, a related party.

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

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20. Post-employment benefits (cont'd)

The amount recognised in the statement of financial position as at the end of interim period is determined as follows:

	Group 31 December 2022 US\$'000
Present value of defined benefit obligations and total post-employment benefits	3,115
Movements in the account during the interim period are as follows:	
At 30 June 2022	4,302
Remeasurement recognised in other comprehensive income	187
Reversal of defined post-employment benefits expenses recognised in profit or loss	(1,050)
Benefits paid during the period	(16)
Transferred liability for transferred employees	(149)
Contribution during the period	124
Exchange difference	(283)
At 31 December 2022	3,115

Post-employment benefits expenses is recognised in the "Administrative expenses" line item in the consolidated statement of comprehensive income.

21. Other provisions

Group	Mine rehabilitation and closure (Note a) US\$'000	Onerous contracts (Note b) US\$'000	Reinstatement costs (Note c) US\$'000	Total US\$'000
Cost				
At 30 June 2022	216,744	994	45	217,783
Additions charged to profit or loss	228	–	24	252
Notional interest	3,870	(148)	–	3,722
Utilisation	(11,444)	–	–	(11,444)
Exchange difference	(397)	132	–	(265)
At 31 December 2022	209,001	978	69	210,048
Current	2,997	292	–	3,289
Non-current	206,004	686	69	206,759

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Notes to the condensed interim consolidated financial statements For the six months and full year ended 31 December 2022

21. Other provisions (cont'd)

(a) Provision for mine rehabilitation and closure

This includes the net present value of the costs expected to be incurred for restoration and rehabilitation of mining areas. The amount of provision relating to rehabilitation of areas caused by mining disturbance is capitalised against Mine Properties as incurred.

(b) Provision for onerous contracts

This represents the net present value of long-term contracts acquired along with Stanmore's acquisition of the Isaac Plains Coal mine in November 2015 by Stanmore. It acquired various long-term contracts necessary for mining activities at Isaac Plains including rail haulage, port allocations, water supply, electricity supply and accommodation. In the period from acquisition through to 31 December 2022, a number of onerous contracts has been settled through the ordinary course of business.

(c) Provision for reinstatement costs

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

22. Share capital

	Group		Company	
	Number of shares '000	US\$'000	Number of shares '000	US\$'000
Issued and fully paid:				
At 30 June 2022 and 31 December 2022	2,638,100	357,880	2,638,100	1,315,340

The ordinary shares of the Company have no par value. The holders are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. All issued ordinary shares are fully paid. There are no options granted by the Company to take up unissued shares in the Company.

The Company did not hold any treasury shares as at 31 December 2022 and 31 December 2021.

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2022 and 31 December 2021.

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

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Notes to the condensed interim consolidated financial statements For the six months and full year ended 31 December 2022

22. Share capital (cont'd)

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

Use of proceeds from the Placement

Pursuant to the Placement, the Company raised gross proceeds of approximately S\$86.9 million (or net proceeds of S\$86.4 million after deducting expenses incurred in respect of the Placement ("Net Proceeds")).

As announced by the Company on 14 November 2022 ("Update Announcement"), the Company had fully utilised the Net Proceeds, as follows:

Use of Net Proceeds	Amount allocated pursuant to the Placement announcement on 25 Feb 2022 (S\$m)	Amount utilised as at the date of the Update Announcement (S\$m)	Balance (S\$m)
Expansion of its existing core businesses, potential business investments and/or acquisitions (including through investments in subsidiaries and associated companies)	32.6 to 54.1	33.7	-
General working capital purposes (including meeting general overheads, operating expenses and debt servicing (including but not limited to interest payments and principal repayments on Company's outstanding debt facilities))	32.3 to 53.8	52.7	-
Total	86.4	86.4	-

The utilisation of the Net Proceeds is consistent with the intended use as disclosed in the Placement announcement on 25 February 2022.

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23. Reserves

Group	Foreign currency translation reserves US\$'000	Hedging Reserves US\$'000	Other Reserves US\$'000	Total US\$'000
At 30 June 2022	(26,788)	(52,973)	4,405	(75,356)
Net loss on equity instruments at FVOCI	–	–	(20,236)	(20,236)
Net actuarial loss on post employment benefits	–	–	(91)	(91)
Share of other comprehensive income of a joint venture	–	(2,307)	–	(2,307)
Foreign currency translation	4,721	–	–	4,721
Effects of change in functional currency	1,758	–	1	1,759
At 31 December 2022	(20,309)	(55,280)	(15,921)	(91,510)

Foreign currency translation reserves

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

Hedging reserves

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

Other reserves

Other reserves pertain to the reserves that arose from movements in non-controlling interest ("NCI") of certain subsidiaries, net actuarial gain/(loss) in post-employment benefits, share-based payment reserves and net gain/(loss) on equity instruments at FVOCI.

Company	Other reserves US\$'000
At 30 June 2022	4,878
Net loss on equity instruments at FVOCI	(19,928)
At 31 December 2022	(15,050)

Other reserves

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

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24. Related party disclosures

(a) Sale and purchase of goods and services

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial period:

	Group			
	6 months ended		12 months ended	
	31 December		31 December	
	2022	2021	2022	2021
	US\$'000	US\$'000	US\$'000	US\$'000
Sales	95,050	111,822	203,614	207,924
Interest income	136	5	150	9
Purchases	(721)	(568)	(1,217)	(990)
Rental expenses	(500)	(373)	(959)	(582)
Insurance expenses	(126)	(103)	(207)	(218)
Telecommunication expenses	(8)	(14)	(14)	(28)
Freight & demurrage expenses	(468)	(468)	(936)	(936)
Bank charges	(1)	(1)	(1)	(1)

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

(b) Compensation of key management personnel

	Group			
	6 months ended		12 months ended	
	31 December		31 December	
	2022	2021	2022	2021
	US\$'000	US\$'000	US\$'000	US\$'000
Short-term employee benefits	13,147	8,541	22,671	16,741
Long-term employee benefits	890	–	890	–
Defined contributions/benefits	872	67	977	131
Other short-term benefits	1,452	471	1,793	870
	16,361	9,079	26,331	17,742

Comprises amounts paid and payable to:

- directors of the Company	5,836	1,559	6,674	3,083
- other key management personnel	10,525	7,520	19,657	14,659
	16,361	9,079	26,331	17,742

Golden Energy and Resources Limited and its Subsidiaries

Notes to the condensed interim consolidated financial statements For the six months and full year ended 31 December 2022

25. Fair value of assets and liabilities

(a) Fair value hierarchy

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices), and
- Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Fair value measurement that uses inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) Assets and liabilities measured at fair value

The following table shows an analysis of each class of assets and liabilities carried at fair value at the end of the reporting period:

	Group			
	Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical instruments (Level 1) US\$'000	Significant observable inputs other than quoted prices (Level 2) US\$'000	Significant unobservable inputs (Level 3) US\$'000	Total US\$'000
31 December 2022				
Assets				
Non-financial assets				
Biological assets (Note 10)	–	–	9,059	9,059
Financial assets				
<u>Equity securities at FVTPL</u>				
Equity securities				
– Quoted (Note 18)	672	–	–	672
<u>Equity securities at FVOCI</u>				
Equity securities				
– Quoted (Note 18)	14,358	–	–	14,358
– Unquoted (Note 18)	–	–	26,536	26,536
Redeemable Preference Shares at FVOCI (Note 18)	–	–	2,826	2,826
Derivative financial instruments	–	6,487	–	6,487
Financial liabilities				
– Contingent consideration – vendor royalties*	–	–	(148,229)	(148,229)

*included in Trade and other payables

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For the six months and full year ended 31 December 2022

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

(b) Assets and liabilities measured at fair value (cont'd)

Group				
Fair value measurements at the end of the reporting period using				
	Quoted prices in active markets for identical instruments (Level 1) US\$'000	Significant observable inputs other than quoted prices (Level 2) US\$'000	Significant unobservable inputs (Level 3) US\$'000	Total US\$'000
31 December 2021				
Assets				
Non-financial assets				
Biological assets (Note 10)	–	–	7,376	7,376
Financial assets				
<u>Equity securities at FVTPL</u>				
Equity securities				
– Quoted (Note 18)	1,519	–	–	1,519
Redeemable Preference Shares (Note 18)	–	15,000	–	15,000
<u>Equity securities at FVOCI</u>				
Equity securities				
– Quoted (Note 18)	24,832	–	–	24,832
– Unquoted (Note 18)	–	–	1,000	1,000
Redeemable Preference Shares at FVOCI (Note 18)	–	–	3,497	3,497
Financial liabilities				
– Contingent consideration – vendor royalties*	–	–	(6,313)	(6,313)
– Derivative financial instruments	–	(4,437)	–	(4,437)

*included in Trade and other payables

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

(c) Level 2 fair value measurements

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

Derivative financial instruments

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

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

(c) Level 2 fair value measurements (Cont'd)

Redeemable preferences share at FVOCI

In 2021, the redeemable preference share was referenced to a recent transacted price.

(d) Level 3 fair value measurements

The following table presents the changes in Level 3 instruments:

	Unquoted equity securities (Note 18) US\$'000	Redeemable preference shares (Note 18) US\$'000	Contingent consideration – vendor royalties* US\$'000
At 30 June 2022	26,537	3,134	(145,336)
Notional interest	–	–	(2,884)
Utilisation	–	–	101
Fair value losses recognised in			
- other comprehensive income	–	(309)	–
- profit or loss	–	–	–
Exchange differences	(1)	1	(110)
At 31 December 2022	26,536	2,826	(148,229)

*included in Trade and other payables

Determination of fair value

Fair value of biological assets has been determined based on valuations by an independent professional valuer using discounted cash flows of the underlying biological assets.

Investments in an unquoted ordinary shares of US\$1,000,000 (31 December 2021: US\$1,000,000) and the additional investment of US\$500,000 that was made in March 2022, Management believes it reflects the fair value. The balance of US\$25,036,000 was acquired through SMC acquisition (Note 16) approximate its fair value as at 31 December 2022.

Investment in redeemable preference shares of US\$2,826,000 (31 December 2021: US\$3,497,000) was valued using significant unobservable inputs, where the Group used net assets value report obtained from an external party which has been reviewed and approved by the Board of Directors.

Contingent consideration relates to a royalty stream payable to the vendors which arises from business combination of Isaac Plains by Stanmore in 2015 and the additional to be paid to the vendor amounting to US\$150 million arising from the SMC Acquisition (Note 16). Fair value of the contingent consideration payable has been determined based on valuation which performed using discounted cash flows methodology. The following key unobservable inputs are used in its calculation:

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

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

Determination of fair value (cont'd)

- Hard Coking Coal forward price curve based on a compilation of short term (12 months) prices.
- Coal sales since acquisition, plus expected future sales of SMC's operating assets, including South Walker Creek and Poitrel mines.

Significant changes in fair value measurements from period to period are evaluated for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources, or internal sources if necessary and appropriate. A significant change in the underlying assumption would result in a significant higher/(lower) fair value measurement.

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

The carrying amounts of trade and other receivables, cash and cash equivalents, trade and other payables, and loans and borrowings are reasonable approximation of fair values due to their short-term nature.

26. Segment information

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the Management of the Group who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are disclosed below including the factors used to identify the reportable segments and the measurement basis of segment information.

The following summary describes the operations in each of the Group's reportable segments:

- *Energy coal.* Includes exploration, mining, processing and marketing of energy coal from its coal mining concession areas, and procuring sales orders from customers and sourcing for domestic suppliers.
- *Metallurgical coal.* Includes exploration, mining, processing and marketing of metallurgical coal from its coal mining concession areas.
- *Non-coal Business.* Includes forestry, investment holding company, gold mining and provision of management services.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group's income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

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26. Segment information (cont'd)

	Energy Coal		Metallurgical Coal		Non-coal Business		Adjustments and Eliminations		Note	Consolidated	
	6 months ended 31 December		6 months ended 31 December		6 months ended 31 December		6 months ended 31 December			6 months ended 31 December	
	2022	2021	2022	2021	2022	2021	2022	2021		2022	2021
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000		US\$'000	US\$'000
Revenue:											
Revenue from external customers	1,585,258	852,361	1,599,530	214,347	376	676	-	-		3,185,164	1,067,384
Inter segment revenue	-	5,139	-	-	-	-	-	(5,139)	A,B	-	-
	1,585,258	857,500	1,599,530	214,347	376	676	-	(5,139)		3,185,164	1,067,384
Results:											
Segment results	470,790	278,824	513,860	22,308	(8,771)	(23,941)	(24,688)	(7,814)	B	951,191	269,377
Interest income	1,085	1,025	5,561	840	5,487	4,234	(876)	(1,799)	B	11,257	4,300
Finance costs	(7,599)	(8,674)	(66,694)	(4,938)	(25,772)	(11,815)	1,339	2,291	B	(98,726)	(23,136)
Profit before tax										863,722	250,541
Taxation										(85,860)	(79,513)
Profit for the period										777,862	171,028
Compensation income	-	-	-	-	2,833	6,704	(2,833)	(6,704)	B	-	-
Depreciation expenses	(6,053)	(6,062)	(112,529)	(6,532)	(349)	(518)	-	-		(118,931)	(13,112)
Amortisation expenses	(3,604)	(4,512)	(58,952)	(15,232)	(256)	(258)	-	-		(62,812)	(20,002)
Share of loss of joint ventures	-	-	(207)	(1,808)	(15,828)	(14,342)	-	-		(16,035)	(16,150)
Fair value (loss)/gain on biological assets	-	-	-	-	(561)	484	-	-		(561)	484
Fair value loss on investment securities	-	-	-	-	(325)	(161)	-	-		(325)	(161)
Fair value loss on remeasurement of contingent consideration	-	-	-	(763)	-	-	-	-		-	(763)
Fair value gain/(loss) on derivatives	-	-	9,500	(4,595)	-	(358)	-	-		9,500	(4,953)
Impairment loss on goodwill	-	-	-	-	-	-	(23,600)	(7,400)		(23,600)	(7,400)
Assets and Liabilities per statement of financial position:											
Segment assets	993,713	694,793	3,390,141	405,870	1,641,751	1,146,372	(1,128,897)	(678,982)		4,896,708	1,568,053
Segment assets includes:											
Investment in joint ventures	-	-	19,298	-	62,731	34,310	-	-		82,029	34,310
Addition to non-current assets	5,919	1,878	60,260	32,656	101	87	-	-	C	66,280	34,621
Segment liabilities	690,617	554,991	2,002,364	227,638	347,460	365,598	(124,503)	(233,219)		2,915,938	915,008

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26. Segment information (cont'd)

	Energy Coal		Metallurgical Coal		Non-coal Business		Adjustments and Eliminations		Note	Consolidated	
	12 months ended 31 December		12 months ended 31 December		12 months ended 31 December		12 months ended 31 December			12 months ended 31 December	
	2022	2021	2022	2021	2022	2021	2022	2021		2022	2021
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000		US\$'000	US\$'000
Revenue:											
Revenue from external customers	2,919,964	1,585,954	2,695,770	286,596	1,069	1,547	-	-		5,616,803	1,874,097
Inter segment revenue	-	5,139	-	-	-	-	-	(5,139)	A,B	-	-
	2,919,964	1,591,093	2,695,770	286,596	1,069	1,547	-	(5,139)		5,616,803	1,874,097
Results:											
Segment results	923,422	488,316	887,037	5,479	(43,562)	(51,161)	(36,835)	(14,171)	B	1,730,062	428,463
Interest income	1,658	2,719	6,902	1,353	8,775	8,449	(1,829)	(3,791)	B	15,506	8,730
Finance costs	(15,282)	(17,711)	(91,667)	(7,062)	(36,095)	(35,475)	2,997	4,966	B	(140,047)	(55,282)
Profit before tax										1,605,521	381,911
Taxation										(324,674)	(130,651)
Profit for the year										1,280,847	251,260
Compensation income	-	-	-	-	4,800	8,860	(4,800)	(8,860)	B	-	-
Depreciation expenses	(11,668)	(10,935)	(152,450)	(11,920)	(710)	(1,178)	-	-		(164,828)	(24,033)
Amortisation expenses	(7,308)	(6,975)	(80,914)	(20,306)	(509)	(518)	-	-		(88,731)	(27,799)
Share of profit/(loss) of joint ventures	-	-	19,843	(1,808)	(27,921)	(20,850)	-	-		(8,078)	(22,658)
Fair value gain on biological assets	-	-	-	-	1,006	484	-	-		1,006	484
Fair value loss on investment securities	-	-	-	-	(753)	(573)	-	-		(753)	(573)
Fair value (loss)/gain on remeasurement of contingent consideration	-	-	(501)	1,617	-	-	-	-		(501)	1,617
Fair value gain/(loss) on derivatives	-	-	10,924	(4,595)	-	(443)	-	-		10,924	(5,038)
Impairment loss on goodwill	-	-	-	-	-	-	(34,700)	(13,400)		(34,700)	(13,400)
Assets and Liabilities per statement of financial position:											
Segment assets	993,713	694,793	3,390,141	405,870	1,641,751	1,146,372	(1,128,897)	(678,982)		4,896,708	1,568,053
Segment assets includes:											
Investment in joint ventures	-	-	19,298	-	62,731	34,310	-	-		82,029	34,310
Addition to non-current assets	9,893	6,830	97,395	47,218	145	156	-	-	C	107,433	54,204
Segment liabilities	690,617	554,991	2,002,364	227,638	347,460	365,598	(124,503)	(233,219)		2,915,938	915,008

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26. Segment information (cont'd)

- A Inter-segment revenues are eliminated on consolidation.
- B Elimination is relating to intra-group transactions which are eliminated on consolidation
- C Additions to non-current assets consist of additions to property, plant and equipment, deferred exploration and development costs and software.

Geographical information

Revenue information based on the geographical location of customers are as follows:

	Group			
	6 months ended 31 December		12 months ended 31 December	
	2022 US\$'000	2021 US\$'000	2022 US\$'000	2021 US\$'000
China	906,369	438,155	1,324,322	726,628
India	479,542	93,588	1,113,553	237,434
Japan	565,014	131,385	981,207	168,509
Indonesia	450,792	284,644	886,548	570,129
South Korea	356,574	39,125	598,831	63,260
Netherlands	118,425	38,297	165,269	43,835
Brazil	39,274	–	103,285	–
Malaysia	43,288	–	88,963	3,488
Philippines	40,462	21,957	78,630	33,501
Germany	33,526	–	70,974	–
Thailand	31,688	11,528	55,344	14,787
Australia	36,096	–	36,096	–
Spain	17,667	–	33,053	–
Finland	25,930	–	25,930	–
Cambodia	–	–	–	3,648
Others	40,517	8,705	54,798	8,878
	3,185,164	1,067,384	5,616,803	1,874,097

Breakdown of sales

	Group		Increase/ (Decrease) %
	Financial year ended		
	31 December		
	2022 US\$'000	2021 US\$'000	
Sales reported for first half year	2,431,639	806,713	201.4
Operating profit after tax before deducting non-controlling interests reported for first half year	502,985	80,232	526.9
Sales reported for second half year	3,185,164	1,067,384	198.4
Operating profit after tax before deducting non-controlling interests reported for second half year	777,862	171,028	354.8

Golden Energy and Resources Limited and its Subsidiaries

Notes to the condensed interim consolidated financial statements For the six months and full year ended 31 December 2022

27. Other matters

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

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

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

Shareholders have the option to choose, to directly own GEMS Shares, or otherwise, receive an equivalent value represented by the Cash Alternative Price at approximately IDR5,500 for each GEMS Share.

In connection with the Proposed Distribution, the Company proposes to seek the voluntary delisting of its Shares from the Official List of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (the “**Delisting**”) pursuant to Rules 1307 and 1309 of the listing manual of the SGX-ST.

In conjunction with the Delisting, the Board of Directors of the Company and the board of directors of Duchess Avenue Pte. Ltd. (the “**Offeror**”) have jointly announced on 9 November 2022 that the Offeror will make a proposed conditional exit offer (the “**Exit Offer**”) to acquire all the Shares (excluding treasury shares, if any) held by Shareholders at the cash consideration of S\$0.160 (the “**Joint Announcement**”). The Exit Offer is conditional on the satisfaction of certain conditions.

The Proposed Distribution and Delisting are conditional on the approval of Shareholders being obtained at an extraordinary general meeting of the Company (“**EGM**”) to be convened to seek Shareholders’ approval for the Distribution Resolution and the Delisting Resolution.

Golden Energy and Resources Limited and its Subsidiaries

Notes to the condensed interim consolidated financial statements For the six months and full year ended 31 December 2022

28. Dividends

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

Shareholders should note the dividend in specie which forms part of the Proposed Distribution referred to in Note 27 above.

29. Net Asset Value

Net asset value per share is calculated based on net asset attributable to owners of the Company divided by the total number of ordinary shares issued as at the reporting date.

The following reflects the net asset and share data used in the computation of net asset value per share:

	Group		Company	
	31 December 2022 US\$'000	31 December 2021 US\$'000	31 December 2022 US\$'000	31 December 2021 US\$'000
Net asset attributable to owners of the Company	1,288,426	486,707	1,703,890	1,512,999
Number of ordinary shares issued ('000)	2,638,100	2,353,100	2,638,100	2,353,100
Net asset value per ordinary share (US cents per share)	48.84	20.68	64.59	64.30

Golden Energy and Resources Limited and its Subsidiaries

Other Information Required by Listing Rule Appendix 7.2 For the six months and full year ended 31 December 2022

OTHER INFORMATION

1. Review

The condensed consolidated statement of financial position of Golden Energy and Resources Limited and its subsidiaries as at 31 December 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period and full year then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

Review of Statement of Comprehensive Income

2H2022 vs 2H2021

Revenue, Cost of Sales and Gross Profit

The Group generates revenue primarily from the Energy Coal segment and the Metallurgical Coal segment, which in aggregate accounted for 100.0% of the Group's total revenue in the 6 months ended 31 December 2022 ("2H2022") (99.9% for 6 months ended 31 December 2021 ("2H2021")).

	Revenue		Cost of sales		Gross profit		Gross profit margin
	US\$'000	%	US\$'000	%	US\$'000	%	%
2H2022							
Energy Coal	1,585,258	49.8	(882,546)	51.4	702,712	47.9	44.3
Metallurgical Coal	1,599,530	50.2	(833,782)	48.6	765,748	52.1	47.9
Non-coal businesses	376	<i>n.m.</i>	(374)	<i>n.m.</i>	2	<i>n.m.</i>	0.5
Total	3,185,164	100.0	(1,716,702)	100.0	1,468,462	100.0	46.1

	Revenue		Cost of sales		Gross profit		Gross profit margin
	US\$'000	%	US\$'000	%	US\$'000	%	%
2H2021							
Energy Coal	852,361	79.8	(424,042)	72.6	428,319	88.6	50.3
Metallurgical Coal	214,347	20.1	(159,261)	27.3	55,086	11.4	25.7
Non-coal businesses	676	0.1	(632)	0.1	44	<i>n.m.</i>	6.5
Total	1,067,384	100.0	(583,935)	100.0	483,449	100.0	45.3

Total revenue increased by US\$2,117.78 million (or 198.4%), from US\$1,067.38 million in 2H2021 to US\$3,185.16 million in 2H2022. The overall increase in revenue was mainly due to the consolidation of results from Stanmore SMC Pty Ltd ("**SMC**") following completion of the Group's acquisition of 80% interest in SMC on 3 May 2022 ("**SMC Acquisition**") and remaining 20% interest in SMC in October 2022, as well as increases in the average selling prices ("**ASP**") across both Energy Coal and Metallurgical Coal segments in 2H2022.

Golden Energy and Resources Limited and its Subsidiaries

Other Information Required by Listing Rule Appendix 7.2 For the six months and full year ended 31 December 2022

2. Review of performance of the Group (Cont'd)

Review of Statement of Comprehensive Income (Cont'd)

2H2022 vs 2H2021 (Cont'd)

Revenue, Cost of Sales and Gross Profit (Cont'd)

Energy Coal Segment

	2H2022	2H2021
Sales volume (million tonnes)	20.77	12.32
Average Indonesia Coal Index 4 ("ICI4")* (US\$/mt)	86.10	82.66
ASP (US\$/mt)	76.35	69.20
Production		
Production volume (million tonnes)	20.79	12.53
Strip ratio (times)	5.52	6.08
Cash Cost (US\$/mt) – ex royalties	33.39	33.11
Royalties (US\$/mt)	16.23	9.01

* Source: Argus Report

Revenue from the Energy Coal segment increased to US\$1,585.26 million in 2H2022, representing an increase of 86.0% (or US\$732.90 million) from US\$852.36 million in 2H2021. The increase in revenue was mainly attributable to an increase in sales volume from 12.32 million tonnes in 2H2021 to 20.77 million tonnes in 2H2022, coupled with an increase in the ASP of energy coal of 10.3%, from US\$69.20/metric tonne ("mt") in 2H2021 to US\$76.35/mt in 2H2022. The average ICI4 in 2H2022, a better proxy for the majority of the Group's coal quality, was US\$86.10/mt (2H2021: US\$82.66/mt).

Cost of sales increased by US\$458.50 million (or 108.1%), from US\$424.04 million in 2H2021 to US\$882.55 million in 2H2022, mainly driven by higher production volume. The gross profit increased from US\$428.32 million in 2H2021 to US\$702.71 million in 2H2022, driven by the higher ASP, partially offset by the higher royalty and cash costs on certain costs linked to index prices. Production volume in the Energy Coal segment increased from 12.53 million tonnes in 2H2021 to 20.79 million tonnes in 2H2022.

Metallurgical Coal Segment

	2H2022	2H2021
Sales volume (million tonnes)	6.38	1.35
Average Premium Low Vol ("PLV") index price* (US\$/mt)	263.84	315.68
Average Pulverized Coal Injection ("PCI") index price* (US\$/mt)	257.76	215.37
ASP (US\$/mt)	247.56	156.50
Production		
Production volume (million tonnes)	6.36	1.26
Strip ratio (times)	7.30	7.92
FOB cash cost (US\$/mt) – ex royalties	81.28	64.01
Royalties (US\$/mt)	49.81	18.24
Royalties per mt/ ASP per mt	20.1%	11.7%

* Source: Platts Coal Trader International

The Group reported a significant increase in revenue from the Metallurgical Coal segment, from US\$214.35 million in 2H2021 to US\$1,599.53 million in 2H2022. The increase was contributed by the higher sales volume resulting from the inclusion of SMC results from 3 May 2022, coupled with an increase in realised ASP from US\$156.50/mt in 2H2021 to US\$247.56/mt in 2H2022. The sales volume increased from 1.35 million tonnes in 2H2021 to 6.38 million tonnes in 2H2022. The average PLV and PCI index price changed from US\$315.68/mt and US\$215.37/mt in 2H2021 to US\$263.84/mt and US\$257.76/mt in 2H2022, respectively.

Golden Energy and Resources Limited and its Subsidiaries

Other Information Required by Listing Rule Appendix 7.2 For the six months and full year ended 31 December 2022

2. Review of performance of the Group (Cont'd)

Review of Statement of Comprehensive Income (Cont'd)

2H2022 vs 2H2021 (Cont'd)

Revenue, Cost of Sales and Gross Profit (Cont'd)

Metallurgical Coal Segment (Cont'd)

Cost of sales increased by US\$674.52 million (or 423.5%), from US\$159.26 million in 2H2021 to US\$833.78 million in 2H2022 due to higher production volumes resulting from SMC Acquisition. Gross profit increased from US\$55.09 million in 2H2021 to US\$765.75 million in 2H2022, primarily due to the inclusion of SMC results, higher ASP and lower strip ratio, partially offset by the higher royalty, as a result of the significant changes to the coal royalty regime announced by the Queensland Government in Australia effective 2H2022. Production volume in Metallurgical Coal segment increased from 1.26 million tonnes in 2H2021 to 6.36 million tonnes in 2H2022, due to the inclusion of SMC results in 2H2022.

Non-coal Businesses

Revenue from Non-coal Businesses comprises plywood and rubber sales. The decrease in revenue of US\$0.30 million, from US\$0.68 million in 2H2021 to US\$0.38 million in 2H2022, was mainly due to lower sales volume from forestry division in 2H2022 (as compared to 2H2021).

Other income

Other income increased by US\$8.62 million (or 108.1%), from US\$7.98 million in 2H2021 to US\$16.60 million in 2H2022, mainly due to higher interest income earned from higher cash generated from operations during the period reported and higher dividend received from the investment securities.

Expenses

Selling and distribution expenses

Selling and distribution expenses increased by US\$177.05 million (or 150.9%), from US\$117.34 million in 2H2021 to US\$294.39 million in 2H2022 mainly due to the inclusion of SMC results in 2H2022 and higher sales activities in Energy Coal segment.

Administrative expenses

Administrative expenses increased by US\$121.77 million (or 198.7%), from US\$61.27 million in 2H2021 to US\$183.04 million in 2H2022. The increase was mainly due to the inclusion of SMC results, as well as stamp duty and professional fees incurred in relation to the SMC Acquisition in 2H2022.

Fair value gains

Fair value gains of US\$8.61 million arose from the fair value re-measurement on the forward currency contracts the Group entered into in 2H2022.

Finance costs

Finance costs increased by US\$75.59 million (or 326.7%), from US\$23.14 million in 2H2021 to US\$98.73 million in 2H2022. The increase was mainly due to interest incurred on the loans secured in relation to the SMC Acquisition in 1H2022.

Other operating expenses

Other operating expenses increased by US\$20.17 million (or 114.6%), to US\$37.76 million in 2H2022 from US\$17.59 million in 2H2021. This was mainly due to the higher provision of impairment loss on goodwill of US\$23.60 million and the foreign exchange loss of US\$10.34 million in 2H2022 which resulted from the depreciation of the Indonesian Rupiah against United States Dollar. The impairment loss on goodwill was determined based on the difference between the carrying amount and the recoverable amount of the forestry and pulp cash generating unit ("Forestry CGU"). As of 31 December 2022, the lower recoverable amount of the Forestry CGU was mainly due to higher discount rates applied in view of the increase in borrowing costs in 2H2022 (refer to Note 15 for key assumptions used).

Golden Energy and Resources Limited and its Subsidiaries

Other Information Required by Listing Rule Appendix 7.2 For the six months and full year ended 31 December 2022

2. Review of performance of the Group (Cont'd)

Review of Statement of Comprehensive Income (Cont'd)

2H2022 vs 2H2021 (Cont'd)

Taxation

Income tax expenses increased by US\$6.35 million (or 8.0%), from US\$79.51 million in 2H2021 to US\$85.86 million in 2H2022 mainly due to higher taxable profits generated from both Energy Coal and Metallurgical Coal segments.

Profit after tax

Due to the factors above, the Group's net profit increased by US\$606.83 million (or 354.8%) to US\$777.86 million in 2H2022 (as compared to US\$171.03 million in 2H2021), and profit attributable to owners of the Company increased by US\$347.35 million (or 407.5%) to US\$432.59 million in 2H2022 (as compared to US\$85.23 million in 2H2021).

Other comprehensive income/Total comprehensive income

Other comprehensive income (net loss) decreased by US\$34.62 million (or 69.6%), from US\$49.73 million in 2H2021 to US\$15.12 million in 2H2022. The net loss in 2H2022 arose from the fair value loss from the investment in quoted shares and share of other comprehensive income from a joint venture arising from fair value loss on hedging contracts, partially offset by the foreign currency translation gains.

Due to the factors above, the Group's total comprehensive income increased by US\$641.45 million (or 528.8%) to US\$762.75 million in 2H2022 (as compared to US\$121.30 million in 2H2021), and total comprehensive income attributable to owners of the Company increased by US\$377.23 million (or 1,007.4%) to US\$418.94 million in 2H2022 (as compared to US\$37.45 million in 2H2021).

FY2022 vs FY2021

Revenue, Cost of Sales and Gross Profit

The Group generates revenue primarily from the Energy Coal segment and the Metallurgical Coal segment, which in aggregate accounted for 100.0% of the Group's total revenue for the financial year ended 31 December 2022 ("FY2022") (99.9% for the financial year ended 31 December 2021 ("FY2021")).

	Revenue		Cost of sales		Gross profit		Gross profit margin
	US\$'000	%	US\$'000	%	US\$'000	%	%
FY2022							
Energy Coal	2,919,964	52.0	(1,597,438)	52.1	1,322,526	51.8	45.3
Metallurgical Coal	2,695,770	48.0	(1,465,713)	47.9	1,230,057	48.2	45.6
Non-coal businesses	1,069	n.m.	(966)	n.m.	103	n.m.	9.6
Total	5,616,803	100.0	(3,064,117)	100.0	2,552,686	100.0	45.4

	Revenue		Cost of sales		Gross profit		Gross profit margin
	US\$'000	%	US\$'000	%	US\$'000	%	%
FY2021							
Energy Coal	1,585,954	84.6	(818,801)	77.5	767,153	93.9	48.4
Metallurgical Coal	286,596	15.3	(236,755)	22.4	49,841	6.1	17.4
Non-coal businesses	1,547	0.1	(1,396)	0.1	151	n.m.	9.8
Total	1,874,097	100.0	(1,056,952)	100.0	817,145	100.0	43.6

Golden Energy and Resources Limited and its Subsidiaries

Other Information Required by Listing Rule Appendix 7.2 For the six months and full year ended 31 December 2022

2. Review of performance of the Group (Cont'd)

Review of Statement of Comprehensive Income (Cont'd)

FY2022 vs FY2021 (Cont'd)

Revenue, Cost of Sales and Gross Profit (Cont'd)

Total revenue increased by US\$3,742.71 million (or 199.7%), from US\$1,874.10 million in FY2021 to US\$5,616.80 million in FY2022. The overall increase in revenue was mainly due to the consolidation of SMC results as well as increases in the ASP across both Energy Coal and Metallurgical Coal segments in FY2022.

Energy Coal Segment

	FY2022	FY2021
Sales volume (million tonnes)	38.87	29.49
Average Indonesia Coal Index 4 ("ICI4")* (US\$/mt)	85.55	65.27
ASP (US\$/mt)	75.13	53.77
Production		
Production volume (million tonnes)	38.40	29.11
Strip ratio (times)	5.52	5.10
Cash Cost (US\$/mt) – ex royalties	33.12	26.93
Royalties (US\$/mt)	14.42	6.93

* Source: Argus Report

Revenue from the Energy Coal segment increased to US\$2,919.96 million in FY2022, representing an increase of 84.1% (or US\$1,334.01 million) from US\$1,585.95 million in FY2021. The increase in revenue was mainly attributable to an increase in the ASP of energy coal of 39.7%, from US\$53.77/mt in FY2021 to US\$75.13/mt in FY2022, coupled with an increase in sales volume from 29.49 million tonnes in FY2021 to 38.87 million tonnes in FY2022. The average ICI4 in FY2022, a better proxy for the majority of the Group's coal quality, was US\$85.55/mt (FY2021: US\$65.27/mt).

Cost of sales increased by US\$778.64 million (or 95.1%), from US\$818.80 million in FY2021 to US\$1,597.44 million in FY2022 mainly driven by higher production volume. The increase in gross profit from US\$767.15 million in FY2021 to US\$1,322.53 million in FY2022 was driven by the higher ASP, partially offset by the higher royalty and cash costs on certain costs linked to index prices. Production volume in the Energy Coal segment increased from 29.11 million tonnes in FY2021 to 38.40 million tonnes in FY2022.

Metallurgical Coal Segment

	FY2022	FY2021
Sales volume (million tonnes)	9.29	2.17
Average PLV index price* (US\$/mt)	364.74	223.95
Average PCI index price* (US\$/mt)	330.88	162.28
ASP (US\$/mt)	290.04	130.96
Production		
Production volume (million tonnes)	9.17	2.07
Strip ratio (times)	7.40	9.04
FOB cash cost (US\$/mt) – ex royalties	82.64	77.71
Royalties (US\$/mt)	49.97	14.18
Royalties per mt/ ASP per mt	17.2%	10.8%

* Source: Platts Coal Trader International

The Group reported a significant increase in revenue from the Metallurgical Coal segment, from US\$286.60 million in FY2021 to US\$2,695.77 million in FY2022. The increase was contributed by the increase in sales volume resulted from the inclusion of SMC results from May 2022, coupled with an increase in realised ASP of 121.5%, from US\$130.96/mt in FY2021 to US\$290.04/mt in FY2022. The sales volume increased from 2.17 million tonnes in FY2021 to 9.29 million tonnes in FY2022. The average PLV and PCI index price increased from US\$223.95/mt and US\$162.28/mt in FY2021 to US\$364.74/mt and US\$330.88/mt in FY2022, respectively.

Golden Energy and Resources Limited and its Subsidiaries

Other Information Required by Listing Rule Appendix 7.2 For the six months and full year ended 31 December 2022

2. Review of performance of the Group (Cont'd)

Review of Statement of Comprehensive Income (Cont'd)

FY2022 vs FY2021 (Cont'd)

Revenue, Cost of Sales and Gross Profit (Cont'd)

Metallurgical Coal Segment (Cont'd)

Cost of sales increased by US\$1,228.96 million (or 519.1%), from US\$236.76 million in FY2021 to US\$1,465.71 million in FY2022. The increase in gross profit, from US\$49.84 million in FY2021 to US\$1,230.06 million in FY2022, was primarily due to the inclusion of SMC results, higher ASP and lower strip ratio, partially offset by the higher royalty, as a result of the significant changes to the coal royalty regime announced by the Queensland Government in Australia effective 2H2022. Production volume in Metallurgical Coal segment increased from 2.07 million tonnes in FY2021 to 9.17 million tonnes in FY2022, due to the inclusion of SMC results in FY2022.

Non-coal Businesses

Revenue from Non-coal Businesses comprises plywood and rubber sales. The decrease in revenue of US\$0.48 million, from US\$1.55 million in FY2021 to US\$1.07 million in FY2022, was mainly due to lower sales volume from forestry division in FY2022 (as compared to FY2021).

Other income

Other income increased by US\$9.71 million or 71.1% from US\$13.66 million in FY2021 to US\$23.37 million in FY2022, mainly due to higher interest income earned from higher cash generated from operations during the year reported, higher dividend received from the investment securities and higher miscellaneous income.

Expenses

Selling and distribution expenses

The Group's selling and distribution expenses increased by US\$243.86 million (or 108.0%) from US\$225.80 million in FY2021 to US\$469.66 million in FY2022 mainly due to inclusion of SMC results and higher sales activities in the Energy Coal segment.

Administrative expenses

The Group's administrative expenses increased by US\$210.81 million (or 185.7%) from US\$113.50 million in FY2021 to US\$324.31 million in FY2022 mainly due to inclusion of SMC results, as well as stamp duty and professional fees incurred in relation to the SMC Acquisition during the financial year.

Fair value gains

The Group recorded fair value gains of US\$10.68 million in FY2022 which arose from the fair value re-measurement on the forward currency contracts the Group entered into during the financial year.

Finance costs

Finance costs increased by US\$84.77 million (or 153.3%), from US\$55.28 million in FY2021 to US\$140.05 million in FY2022, mainly due to the increase in (i) interest expense from SMC Acquisition loan of US\$625.00 million; (ii) interest expense from lease liabilities, which arose from SMC Acquisition; and (iii) higher notional interest on provision and contingent consideration, which were partially offset by the lower expenses incurred on early redemption of Notes in FY2022.

Golden Energy and Resources Limited and its Subsidiaries

Other Information Required by Listing Rule Appendix 7.2 For the six months and full year ended 31 December 2022

2. Review of performance of the Group (Cont'd)

Review of Statement of Comprehensive Income (Cont'd)

FY2022 vs FY2021 (Cont'd)

Expenses (Cont'd)

Other operating expenses

Other operating expenses increased by US\$10.97 million (or 39.0%), to US\$39.12 million in FY2022 from US\$28.15 million in FY2021. This was mainly due to the higher provision of impairment loss on goodwill of US\$34.70 million, partially offset by the foreign exchange gain of US\$1.74 million in FY2022 (FY2021: foreign exchange loss of US\$8.86 million) which resulted from the appreciation of the United States Dollar against Australia Dollar. The impairment loss on goodwill was determined based on the difference between the carrying amount and the recoverable amount of the forestry and pulp cash generating unit ("Forestry CGU"). As of 31 December 2022, the lower recoverable amount of the Forestry CGU was mainly due to higher discount rates applied in view of the increase in borrowing costs in FY2022 (refer to Note 15 for key assumptions used).

Share of loss of joint ventures (net of tax)

The Group recorded lower share of loss of joint ventures (net of tax) of US\$8.08 million in FY2022, as compared to US\$22.66 million in FY2021. This was mainly due to the higher share of loss from the Ravenswood Gold project with its sub-optimal cost structure as the mine is undergoing capacity expansion, partially offset by the improved performance of MetRes Pty Ltd which resulted from the higher realised ASP in Metallurgical coal and better operational performance.

Taxation

Income tax expenses increased by US\$194.02 million (or 148.5%) from US\$130.65 million in FY2021 to US\$324.67 million in FY2022 mainly due to higher profit generated from both Energy Coal and Metallurgical Coal segments, and withholding tax expense in relation to higher dividends received from an overseas subsidiary, partially offset by the higher deferred tax credit recorded during the financial year.

Profit after tax

Due to the factors above, the Group's net profit increased by US\$1,029.59 million (or 409.8%) to US\$1,280.85 million in FY2022 as compared to US\$251.26 million in FY2021, and profit attributable to owners of the Company increased by US\$597.25 million (or 522.4%) to US\$711.58 million in FY2022, as compared to US\$114.32 million in FY2021.

Other comprehensive income/Total comprehensive income

The Group's other comprehensive income (net loss) decreased by US\$22.42 million (or 50.3%) from US\$44.57 million in FY2021 to US\$22.15 million in FY2022. The net loss arose from the fair value loss from the investment in quoted shares and share of other comprehensive income from a joint venture, which relates to the fair value loss arising from the hedging contracts, partially offset by the foreign currency translation gains.

Due to the factors above, the Group's total comprehensive income increased by US\$1,047.74 million (or 506.9%) to US\$1,254.44 million in FY2022 as compared to US\$206.70 million in FY2021, and total comprehensive income attributable to owners of the Company increased by US\$617.44 million (or 857.1%) to US\$689.47 million in FY2022, as compared to US\$72.04 million in FY2021.

Golden Energy and Resources Limited and its Subsidiaries

Other Information Required by Listing Rule Appendix 7.2 For the six months and full year ended 31 December 2022

2. Review of performance of the Group (Cont'd)

Review of Statement of Financial Position

Non-current assets

Non-current assets increased by US\$2,220.20 million (or 266.5%), from US\$833.06 million at 31 December 2021 to US\$3,053.26 million at 31 December 2022. The increase was largely attributable to the consolidation of SMC's results upon completion of the SMC Acquisition on 3 May 2022, reflected by the significant increases in (i) property, plant and equipment; (ii) mining properties; (iii) right-of-use assets; and (iv) investment securities.

Biological assets increased by US\$1.68 million to US\$9.06 million at 31 December 2022, mainly due to fair value adjustment during the financial year.

Goodwill decreased by US\$34.70 million to US\$50.10 million at 31 December 2022, as a result of impairment loss recorded in FY2022 for the forestry and pulp CGU.

Investment in joint ventures increased by US\$47.72 million to US\$82.03 million at 31 December 2022. This was mainly due to additional investment in Ravenswood Gold project (maintaining the Group's 50% interest) and share of profit from MetRes Pty Ltd, partially offset by the share of loss and other comprehensive income from Ravenswood Gold project in FY2022.

Other receivables (non-current portion) decreased by US\$7.81 million to US\$8.22 million at 31 December 2022, mainly due to partial loan repaid by a joint venture, partially offset by the interest receivables from Redeemable Preference Shares from another joint venture.

Restricted funds increased by US\$6.94 million to US\$31.06 million at 31 December 2022. This was mainly due to an additional fund deposited in the interest reserve account relating to the Bond Retap of Existing Notes of US\$90.0 million in March 2022 and additional deposits required for rehabilitation and reclamation obligation.

Other non-current assets decreased by US\$2.37 million to US\$63.31 million at 31 December 2022, mainly comprising land exploitation and deposits of US\$31.58 million and US\$22.60 million (31 December 2021: US\$32.69 million and US\$21.80 million) respectively.

Current assets

Current assets increased by US\$1,108.45 million (or 150.8%), from US\$735.00 million at 31 December 2021 to US\$1,843.45 million at 31 December 2022.

Trade and other receivables increased by US\$366.01 million to US\$579.76 million at 31 December 2022, which comprise trade and other receivables of US\$475.51 million and US\$104.25 million (31 December 2021: US\$171.90 million and US\$41.85 million) respectively. The increase in trade and other receivables was due to higher revenue generated from both Energy Coal and Metallurgical Coal segments, as well as the consolidation of SMC's results upon completion of the SMC Acquisition on 3 May 2022. Trade receivables as of 31 December 2022 were mostly aged below 60 days (approximately 99.9%) and the sales were reported in FY2022.

Other current assets increased by US\$47.11 million to US\$133.19 million at 31 December 2022, which comprise advances, prepayments and deposits of US\$36.03 million, US\$20.62 million and US\$75.13 million (31 December 2021: US\$41.00 million, US\$13.31 million and US\$31.07 million) respectively. The increase was mainly due to security deposits paid for mining services and the prepayment of royalties during the financial year, partially offset by the deposit refunded in relation to SMC Acquisition.

Golden Energy and Resources Limited and its Subsidiaries

Other Information Required by Listing Rule Appendix 7.2 For the six months and full year ended 31 December 2022

2. Review of performance of the Group (Cont'd)

Review of Statement of Financial Position (Cont'd)

Current assets (Cont'd)

Inventories increased by US\$111.70 million to US\$150.53 million at 31 December 2022, mainly due to the consolidation of SMC's results upon completion of the SMC Acquisition on 3 May 2022.

Investment securities (current portion) decreased by US\$15.85 million to US\$0.67 million as at 31 December 2022, due to disposal of investment security of US\$15.00 million and fair value loss recorded during the financial year.

Cash and cash equivalents increased by US\$593.00 million to US\$972.82 million at 31 December 2022, mainly due to cash generated from operations and the consolidation of SMC's results.

Current liabilities

Current liabilities increased by US\$937.31 million (or 202.1%), from US\$463.71 million at 31 December 2021 to US\$1,401.03 million at 31 December 2022.

Trade and other payables increased by US\$419.25 million to US\$727.27 million at 31 December 2022, which mainly comprise trade payables and accrued expenses of US\$327.69 million and US\$390.03 million (31 December 2021: US\$178.77 million and US\$69.10 million) respectively. The increase was mainly due to increased business activities towards the end of the financial year and the consolidation of SMC's results. Accrued expenses mainly relate to mining services, port and rail charges, bond and loans interest, professional fees, rental, and royalties.

Loans and borrowings (current portion) increased by US\$344.20 million to US\$419.91 million at 31 December 2022, mainly due to additions in lease liabilities which arose from the consolidation of SMC's results and SMC Acquisition loan, which comprised fixed amortisation schedule and an annual sweep of residual excess cash, resulting in US\$252.3 million of the loan principal being classified as a current portion Loans and Borrowings as at 31 December 2022.

Provision for taxation increased by US\$177.16 million to US\$250.55 million at 31 December 2022 mainly due to higher profits recorded during the financial year, as well as the consolidation of SMC's results.

Provision for mining activities increased by US\$1.15 million to US\$3.29 million at 31 December 2022, mainly due to an increase in the provision for mines rehabilitation, partially offset by depletions through settlement during the financial year.

Non-current liabilities

Current liabilities increased by US\$1,063.62 million (or 235.7%), from US\$451.30 million at 31 December 2021 to US\$1,514.91 million at 31 December 2022.

Deferred tax liabilities increased by US\$165.56 million to US\$240.72 million at 31 December 2022, which arose from the fair value adjustments following the completion of SMC Acquisition.

Loans and borrowings (non-current portion) increased by US\$582.50 million to US\$916.23 million at 31 December 2022. The increase was mainly due to draw down of SMC Acquisition loan of US\$625.00 million (inclusive of current portion) to fund the SMC Acquisition, working capital loan of US\$50.00 million, Bond Retap of Existing Notes of US\$90.00 million in March 2022 and lease liabilities which arose from the consolidation of SMC. During the financial year, the Company had executed an Exchange Offer to exchange the outstanding US\$375.00 million US\$-denominated 8.5% Senior Secured Notes due 2026 for the US\$346.31 million US\$-denominated 8.5% Senior Secured Notes due 2027. The remaining outstanding unexchanged Note 2026 of US\$28.69 million had been fully redeemed and cancelled.

Golden Energy and Resources Limited and its Subsidiaries

Other Information Required by Listing Rule Appendix 7.2 For the six months and full year ended 31 December 2022

2. Review of performance of the Group (Cont'd)

Review of Statement of Financial Position (Cont'd)

Non-current liabilities (Cont'd)

Other payables (non-current portion) increased by US\$143.16 million to US\$148.09 million at 31 December 2022, mainly due to the contingent consideration of US\$140.00 million in relation to SMC Acquisition, partially offset by payment in FY2022.

Other provisions increased by US\$174.29 million to US\$206.76 million at 31 December 2022, mainly due to the addition of provision for mine rehabilitation arising from the consolidation of SMC's results in FY2022.

As at 31 December 2022, the Group and the Company reported net current assets of US\$367.43 million and US\$693.36 million (31 December 2021: US\$271.29 million and US\$365.15 million) respectively. Total loans and borrowings amounted to US\$1,336.14 million, of which US\$419.91 million (which included scheduled repayment of US\$85.62 million, and the balance mainly relating to lease liabilities (accounted under *SFRS(I) 16 Leases*) and cash sweep under SMC Acquisition loan) is due within the next 12 months from 31 December 2022. The Group's cash and cash equivalents stood at US\$972.82 million as at 31 December 2022.

Review of Statement of Cash Flows

The Group recorded net cash inflows of US\$598.83 million in FY2022 mainly due to the following:

Net cash generated from operating activities of US\$1,732.83 million comprised operating cash inflow before working capital changes of US\$1,998.57 million, net working capital inflow of US\$196.30 million, various taxes paid of US\$363.83 million and interest and other financial charges paid of US\$110.26 million. The Group also recorded interest income received of US\$12.05 million. The net working capital inflow of US\$196.30 million was mainly due to a decrease in inventories of US\$202.87 million and an increase in trade and other payables of US\$80.53 million, partially offset by an increase in trade and other receivables, advances and other current assets totalling US\$66.97 million and a decrease in provisions of US\$20.13 million.

Net cash flows used in investing activities of US\$1,429.77 million relate mainly to (i) net cash used in acquisition of SMC of US\$1,223.35 million; (ii) additional investment in Ravenswood Gold project of US\$79.24 million; (iii) purchase of investment securities of US\$10.93 million; (iv) purchase of property, plant and equipment of US\$84.79 million; (v) additions to mining properties of US\$43.71 million; (vi) changes in restricted fund of US\$6.94 million, partially offset by (i) the proceeds from disposal of investment security of US\$15.00 million; (ii) changes in other non-current assets of US\$3.52 million; (iii) dividend received from investment securities of US\$1.35 million.

Net cash flows from financing activities of US\$295.76 million relate mainly to (i) proceeds from loans and borrowings of US\$921.70 million; (ii) proceeds from issuance of Bond Retap, net of transactions costs, of US\$89.66 million; (iii) proceeds from issuance of shares, net of expenses, of US\$62.69 million; (iv) issuance of share capital by a subsidiary company of US\$205.94 million, partially offset by (i) repayments of loans and borrowings of US\$298.32 million; (ii) payment of dividend to NCI of subsidiaries of US\$327.53 million; (iii) lease payment of US\$56.88 million; (iv) partial early redemption of Notes 2026 (including call premium paid) amounting of US\$31.11 million; and (v) acquisition of NCI of a subsidiary without a change in control of US\$270.40 million.

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

Not applicable.

4. **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 operating period and the next 12 months**

Energy Coal

Price premiums for benchmark energy coal have fallen amid lower-than-expected demand in many regions and adequate inventory levels. In Europe, demand for coal was weaker than originally anticipated, resulting in a convergence in coal prices.

Indonesian 4,200 kcal/kg GAR price is expected to decline to an average of US\$68.0¹ per tonne in 2023 compared to an average of US\$85.9 per tonne in 2022. As of 24 February 2023, the Indonesia Coal Index 4 (“**ICI4**”) was US\$73.42² per tonne.

On the demand side, Chinese imports have not shown the anticipated levels of recovery even after the recent lifting of COVID-related restrictions. Weaker-than-expected economic growth momentum after the Lunar New Year and the potential to increase hydropower generation may mute inventory build-up in the near term.

Expected dissipation of earlier supply disruptions of Australian coal due to wet weather conditions, softer consumption and adequate stocks will likely keep the pressure on pricing of energy coal in the short term.

Metallurgical Coal

Metallurgical coal prices recovered partially in 4Q2022 on the back of stronger demand and constrained supply with the Platts Premium Low Vol (“**PLV**”) standing at an average of US\$278.25 per tonne for 4Q2022 versus US\$249.43 per tonne for 3Q2022. This was however significantly lower than the average PLV for 4Q2021 which stood at US\$369.1 per tonne.

Despite near-term recovery, prices will likely be impacted by stronger supply from Australia as the wet season risk abates through 2Q2023, after the supply-driven headwinds witnessed in early 2023.

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

Globally steel demand is expected to remain prone to downstream supply chain disruptions or subdued end-user demand as a result of global inflationary pressures and weakening economic conditions in some regions.

Installation of blast furnaces continues, primarily in South East Asia and India, supporting a net increase in seaborne demand for metallurgical coal in the long term.

¹ Source: Argus Seaborne Coal Outlook: February 2023

² Source: Argus Indonesian Coal Index Report: 24 February 2023

Golden Energy and Resources Limited and its Subsidiaries

Other Information Required by Listing Rule Appendix 7.2 For the six months and full year ended 31 December 2022

4. 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 operating period and the next 12 months (Cont'd)

As highlighted in the Company's announcement on 12 August 2022, the Queensland Government in Australia announced in June 2022 significant changes to the coal royalty regime³, making the royalties paid by coal producers in Queensland the highest in the world.

The new coal royalty regime has already started to impact the Group's results in 2H2022 and will continue in the full year of 2023 and thereafter.

Amid continued economic and political uncertainty, the Group is cautiously optimistic about the potential for global recovery in the short to medium-term and will continue to monitor the situation closely for opportunities.

General Coal Industry

The coal industry is expected to continue to see elevated pressure on costs, driven by rising input prices on diesel, explosives, tyres, parts as well as labour and general services.

In particular, the energy coal sector, is facing increasing environmental, social and governance ("ESG") pressures. As large financial institutions phase out energy coal financing and pledge to "go green", coal miners will continue to face financing squeeze with limited alternative options.

On 9 November 2022, the Company proposed to undertake a distribution in-specie, subject to certain conditions, of all of its shares in the capital of PT Golden Energy Mines Tbk to shareholders of the Company. The Proposed Distribution is in line with the Company's efforts to advance its strategy to reduce exposure to energy coal which is currently facing ESG pressures, while giving shareholders an opportunity to unlock value. In connection with the Proposed Distribution, the Company has proposed to seek the voluntary delisting of all its Shares from the Official List of the SGX-ST pursuant to Rules 1307 and 1309 of the Listing Manual ("**Proposed Transactions**").

The Company, together with parties to the Proposed Transactions, is working closely with advisers on the Proposed Transactions. The Company will update shareholders as appropriate when there are material developments to the Proposed Transactions.

5. Dividend information

No dividend has been declared/recommended in the current financial period and the corresponding period of the immediately preceding financial year.

Shareholders should note the Proposed Distribution announced by the Company on 9 November 2022.

³ With effect from 1 July 2022, the new progressive royalty tiers have been introduced in addition to the current structure, with the new regime as follows:

- As per existing regime for prices below A\$175 per tonne
- 20% for prices above A\$175 per tonne
- 30% for prices above A\$225 per tonne
- 40% for prices above A\$300 per tonne

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Other Information Required by Listing Rule Appendix 7.2 For the six months and full year ended 31 December 2022

6. Interested person transactions

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 31 December 2022 US\$'000	12 months ended 31 December 2022 US\$'000
Sales:			
PT Indah Kiat Pulp & Paper Tbk	*	-	114,044
PT Sinar Mas Agro Resources and Technology Tbk	^	-	15,608
PT Pabrik Kertas Tjiwi Kimia Tbk	*	-	9,675
PT SOCI Mas	^	-	8,260
PT Ivo Mas Tunggal	^	-	4,073
PT Lontar Papyrus Pulp and Paper Industry	*	-	24,579
PT Sinarmas Bio Energy	^	-	4,013
Interest income:			
PT Bank Sinarmas Tbk	^	-	150
Purchases:			
PT Rolimex Kimia Nusamas	^	-	1,217
Rental expenses:			
PT Royal Oriental	^	-	959
Freight & Demurrage:			
PT Wirakarya Sakti	^	-	936
Insurance expenses:			
PT Asuransi Sinar Mas	^	-	207

^ An associate of the Ultimate Controlling Shareholders¹

* An associate of a sibling of the Ultimate Controlling Shareholders¹

¹ Ultimate Controlling Shareholders means Messrs Franky Oesman Widjaja, Indra Widjaja and Muktar Widjaja, who collectively indirectly owns more than 30% controlling interest in these companies and DSS²

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

Golden Energy and Resources Limited and its Subsidiaries

Other Information Required by Listing Rule Appendix 7.2 For the six months and full year ended 31 December 2022

7. Confirmation that the Company has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

8. Review of performance of the Group – turnover and earnings

Please refer to Note 2 in Other Information.

9. Additional disclosure required for Mineral, Oil and Gas companies

Rule 705 (7) - Details of exploration (including geophysical surveys), development and/or production activities undertaken by the Company and a summary of the expenditure incurred on those activities, including explanations 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 62.4998% subsidiary of the Company, and has three principal assets - the producing Block Borneo Mines, Block BSL Mines and Block KIM Mines ("**Energy Coal Mines**").

Stanmore Resources Limited is a 64.01% indirect subsidiary of the Company, and has four principal assets - the producing Issac Plain Complex, Issac Down, South Walker Creek and Poitrel ("**Metallurgical Coal Mines**").

The Group has conducted infill exploration drilling including geophysical surveys during the financial year ended 31 December 2022 in BIB, BSL, KIM, Issac Down, South Walker Creek and Poitrel 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 38,401,839 and 9,168,431 metric tonnes of Sub-bituminous B and Bituminous coal respectively for the financial year ended 31 December 2022 and US\$85.9 million was transferred from mines under construction to producing mines during the financial year.

The Group has capitalised US\$0.2 million in exploration activities, and has expensed US\$0.8 million in the ordinary course of regional exploration and US\$1,858.7 million in production activities.

Golden Energy and Resources Limited and its Subsidiaries

Other Information Required by Listing Rule Appendix 7.2 For the six months and full year ended 31 December 2022

10. Disclosure of acquisition and/or sale of shares since the end of the previous reporting period pursuant to Rule 706A of the Listing Rules

In 2H2022, the Company (through its wholly-owned subsidiary, Golden Investments (Australia) II Pte Ltd) invested an aggregate sum of A\$41.6 million in the capital of Ravenswood Gold Group Pty Ltd (“**RWG**”), a joint venture entity, maintaining the Company’s effective interest of 50% in RWG.

Save for the above and those has been previously announced, the Group does not have any acquisitions and realisations of shares in subsidiaries and/or associated companies since the end of the previous reporting period up to 31 December 2022.

11. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Fuganto Widjaja	41	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 Resigned as of 29 July 2022 Commissioner of PT Borneo Indobara, a subsidiary of GEMS Resigned as of 12 Aug 2022 President Commissioner of PT Roundhill Capital Indonesia, a subsidiary of GEMS Resigned as of 5 Aug 2022

By Order of the Board

Fuganto Widjaja
Executive Chairman
27 February 2023