GOLDEN ENERGY AND RESOURCES LIMITED
(Incorporated in the Republic of Singapore)
(Registration no. 199508589E)

Unaudited Financial Statements for the Year Ended 31 December 2018

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

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

	Notes	Group		
		12 Months Ended		
		31.12.2018	31.12.2017	+/(-) %
		US$'000		
Revenue	1	**1,048,478**	763,806	37.3
Cost of sales		**(686,690)**	(447,898)	53.3
Gross profit		**361,788**	315,908	14.5
Other income	2	**13,780**	17,353	(20.6)
Selling and distribution expenses		**(151,304)**	(99,202)	52.5
Administrative expenses		**(76,934)**	(55,110)	39.6
Other operating expenses	3	**(10,573)**	(8,715)	21.3
Fair value gain/(loss) on biological assets		**2,547**	(644)	495.5
Finance costs	4	**(24,111)**	(11,949)	101.8
Profit before tax	5	**115,193**	157,641	(26.9)
Income tax expense	6	**(41,513)**	(53,206)	(22.0)
Profit for the year		**73,680**	104,435	(29.4)
Other comprehensive income not to be reclassified to profit or loss :				
Net actuarial gain on post employment benefits		**163**	73	123.3
Net loss on equity instruments fair value through other comprehensive income		**(27,724)**	(838)	3208.4
Other comprehensive income to be reclassified to profit or loss:				
Foreign currency translation		**(2,551)**	4,476	(157.0)
Total comprehensive income for the year		**43,568**	108,146	(59.7)
Profit for the year attributable to:				
Owners of the Company		**39,318**	62,950	(37.5)
Non-controlling interests		**34,362**	41,485	(17.2)
		73,680	104,435	(29.4)
Total comprehensive income for the year attributable to:				
Owners of the Company		**9,232**	67,032	(86.2)
Non-controlling interests		**34,336**	41,114	(16.5)
		43,568	108,146	(59.7)

n.m. : denotes not meaningful

Notes to the Statement of Comprehensive Income

		Group		
		12 Months Ended		
		31.12.2018	31.12.2017	+/(-) %
		US$'000		
1	**Revenue**			
	Coal Mining	**943,203**	645,421	46.1
	Coal Trading	**103,620**	114,027	(9.1)
	Non-coal Business	**1,655**	4,358	(62.0)
		1,048,478	763,806	37.3
2	**Other Income**			
	Interest income	**10,805**	6,790	59.1
	Compensation income	**-**	1,673	(100.0)
	Write back of withholding tax expense	**-**	4,846	(100.0)
	Miscellaneous income	**2,975**	4,044	(26.4)
		13,780	17,353	(20.6)
3	**Other operating expenses**			
	Impairment loss on goodwill	**6,505**	-	n.m.
	Impairment loss on property and equipment	**-**	993	(100.0)
	Provision for mine closure	**275**	45	510.7
	Depreciation and amortisation	**1,247**	1,132	10.1
	Exploration expenses	**590**	748	(21.1)
	Foreign exchange loss	**2,123**	5,508	(61.5)
	Reversal of over provision of professional fees	**(397)**	-	n.m.
	Others	**230**	289	(20.4)
		10,573	8,715	21.3
3	**Finance costs**			
	Interest expenses	**18,372**	5,534	232.0
	Trade financing charges	**3,843**	4,022	(4.5)
	Amortisation of discounted loans and borrowings	**405**	-	n.m.
	Others	**1,491**	2,393	(37.7)
		24,111	11,949	101.8
4	**Profit before tax is arrived after charging the following:**			
	Freight and stockpile	**204,689**	125,187	63.5
	Royalty fees	**107,113**	69,789	53.5
	Mining services and overheads	**407,548**	224,405	81.6
	Depreciation of property, plant and equipment	**7,212**	5,111	41.1
	Amortisation expenses	**3,618**	8,926	(59.5)
	Foreign exchange loss	**2,123**	5,508	(61.5)
	Inventories recognised as an expenses in cost of sales	**96,024**	101,995	(5.9)
5	**Income tax expenses can be analysed as follows:**			
	Current Income Tax	**36,987**	42,826	(13.6)
	Withholding Tax Expense	**5,657**	6,507	(13.1)
	Deferred Income Tax (Benefit)/Expense	**(1,122)**	2,586	(143.4)
		41,522	51,919	(20.0)
	(Over)/Under provision in respect of previous years Income Tax	**(9)**	1,287	(100.7)
		41,513	53,206	(22.0)

n.m. : denotes not meaningful

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

	Group		Company	
	As at 31.12.2018	As at 31.12.2017	As at 31.12.2018	As at 31.12.2017
	US$'000		US$'000	
Non-Current Assets				
Biological assets	**3,381**	316	**-**	-
Property, plant and equipment	**80,375**	64,435	**225**	196
Mining properties	**227,658**	85,848	**-**	-
Intangible assets	**11,194**	11,699	**-**	-
Goodwill on consolidation	**113,739**	103,679	**-**	-
Amounts due from subsidiaries	**-**	-	**4,160**	2,063
Investment in subsidiaries	**-**	-	**1,319,403**	1,337,613
Investment securities	**57,597**	23,340	**57,673**	23,310
Deferred tax assets	**6,023**	4,667	**-**	-
Other receivables	**165**	204	**-**	-
Restricted funds	**14,800**	4,664	**6,827**	1,310
Other non-current assets	**46,380**	23,139	**3,784**	-
	561,312	321,991	**1,392,072**	1,364,492
Current Assets				
Inventories	**19,645**	16,135	**-**	-
Amounts due from subsidiaries	**-**	-	**320**	1,038
Trade and other receivables	**124,889**	133,736	**10,248**	36,415
Advances to suppliers/vendors	**104,729**	89,801	**-**	-
Other current assets	**35,146**	1,690	**34,032**	128
Held for trading investment	**2,000**	1,023	**2,000**	1,023
Cash and cash equivalents	**113,113**	188,701	**26,325**	13,579
	399,522	431,086	**72,925**	52,183
Current Liabilities				
Trade and other payables	**203,234**	162,003	**6,465**	6,475
Amounts due to subsidiaries	**-**	-	**1,041**	1,041
Provision for taxation	**1,747**	35,348	**314**	6
Loans and borrowings	**46,167**	25,209	**-**	-
	251,148	222,560	**7,820**	7,522
Net Current Assets	**148,374**	208,526	**65,105**	44,661
Non-Current Liabilities				
Trade and other payables	**34,035**	123	**-**	-
Loans and borrowings	**222,860**	69,774	**148,199**	30,000
Deferred tax liabilities	**29,541**	13,007	**100**	103
Post-employment benefits	**2,979**	2,837	**-**	-
Provision for mine closure	**1,996**	1,721	**-**	-
	291,411	87,462	**148,299**	30,103
Net Assets	**418,275**	443,055	**1,308,878**	1,379,050
Represented by:				
Equity attributable to equity holders of the Company				
Share capital	**305,528**	305,528	**1,230,107**	1,230,107
Reserves	**7,727**	40,201	**78,771**	148,943
	313,255	345,729	**1,308,878**	1,379,050
Non-controlling interests	**105,020**	97,326	**-**	-
Total Equity	**418,275**	443,055	**1,308,878**	1,379,050

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

Amount repayable in one year or less, or on demand [1]				Amount repayable after one year [2]			
As at 31.12.2018		As at 31.12.2017		As at 31.12.2018		As at 31.12.2017	
Secured	**Unsecured**	Secured	Unsecured	**Secured**	**Unsecured**	Secured	Unsecured
US$'000		US$'000		**US$'000**		US$'000	
46,167	**-**	25,209	-	**222,860**	**-**	69,774	-

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

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

Details of any collateral

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

(a) Pledge on the trade receivables and/or inventories for a minimum amount and a fixed margin deposit of a subsidiary; and
(b) The collaterals include certain property, plant and equipment and pledge of shares of certain subsidiaries.

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

	Group	
	12 Months Ended	
	31.12.2018	31.12.2017
	US$'000	
Cash flows from operating activities:		
Profit before tax	**115,193**	157,641
Adjustments for:		
Provision for mine closure	**275**	45
Depreciation of property, plant and equipment	**7,212**	5,111
Loss on property, plant and equipment written off	**5**	-
Gain on disposal of short term investment	**(13)**	(1,018)
Fair value (gain)/loss on biological assets	**(2,547)**	644
Defined post-employment benefit expense	**75**	462
Impairment loss on goodwill	**6,505**	-
Amortisation of mining properties	**1,517**	5,773
Amortisation of software	**293**	144
Amortisation of land exploitation	**1,303**	2,504
Amortisation of intangible assets	**505**	505
Amortisation of loans and borrowings	**405**	-
Inventories written down	**-**	56
Write back of withholding tax expense	**-**	(4,846)
Impairment loss on property, plant and equipment	**-**	993
Interest and other financial charges	**22,408**	9,556
Interest income	**(10,805)**	(6,790)
Net exchange differences	**(2,790)**	5,903
Operating cash inflows before changes in working capital	**139,541**	176,683
Increase in inventories	**(422)**	(7,554)
Increase in trade and other receivables, advances and other current assets	**(68,022)**	(80,043)
Increase in trade and other payables	**56,125**	97,301
Cash flows generated from operations	**127,222**	186,387
Interest and other financial charges paid	**(9,648)**	(9,333)
Interest income received	**12,730**	7,425
Income taxes paid	**(101,472)**	(15,554)
Net cash flows generated from operating activities	**28,832**	168,925
Cash flows from investing activities		
Net cash outflows on acquisition of subsidiaries	**(64,991)**	-
Net cash inflow from disposal of short term investment	**1,032**	1,018
Purchase of investment securities	**(63,384)**	(24,147)
Additions to biological assets	**(518)**	(960)
Additions to mining properties	**(837)**	(3,099)
Additions of other investment	**(2,059)**	(1,018)
Advance payment for proposed acquisition of subsidiaries	**-**	(8,000)
Proceeds from disposal of property, plant and equipment	**179**	29
Purchase of property, plant and equipment	**(18,003)**	(11,633)
Payment for mines under construction	**(78)**	-
Increase in other non-current assets	**(8,564)**	(4,699)
Changes in restricted funds	**(10,037)**	(4,025)
Net cash flows used in investing activities	**(167,260)**	(56,534)
Cash flows from financing activities		
Payment of dividend	**(41,706)**	(17,777)
Payment of dividend to NCI of subsidiaries	**(44,355)**	(31,518)
Net proceeds from issuance of bonds	**149,695**	-
Proceeds from loans and borrowings	**105,516**	149,140
Repayment of loans and borrowings	**(110,803)**	(103,377)
Net cash flows generated from/(used in) financing activities	**58,347**	(3,532)
Net (decrease)/increase in cash and cash equivalents	**(80,081)**	108,859
Effect of exchange rate changes on cash and cash equivalents	**4,493**	766
Cash and cash equivalents at 1 January	**188,701**	79,076
Cash and cash equivalents at 31 December	**113,113**	188,701

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

(i) Statement of Comprehensive Income for the 12 months ended 31 December 2018 and 31 December 2017

	Group		Company	
	12 Months Ended		12 Months Ended	
	31.12.2018	31.12.2017	31.12.2018	31.12.2017
	US$'000		US$'000	
Profit for the year	**73,680**	104,435	**28,186**	82,715
Other comprehensive income not to be reclassified to profit & loss:				
Net actuarial gain on post employment benefits	**163**	73	-	-
Other comprehensive income to be reclassified to profit & loss:				
Net loss on equity instruments fair value through other comprehensive income	**(27,724)**	(838)	**(27,724)**	(838)
Foreign currency translation	**(2,551)**	4,476	**(28,928)**	100,809
Total comprehensive income for the year	**43,568**	108,146	**(28,466)**	182,686
Total comprehensive income attributable to:				
Owners of the Company	**9,232**	67,032	**(28,466)**	182,686
Non-controlling interests	**34,336**	41,114	-	-
	43,568	108,146	**(28,466)**	182,686

(ii) Consolidated statement of changes in equity for the 12 months ended 31 December 2018 and 31 December 2017

	<---------- Attributable to owners of the Company ---------->						
	Share Capital	Foreign Currency Translation	Other Reserves	Retained earnings	Total Reserves	Non-controlling Interests	Total Equity
GROUP	US$ '000	US$ '000	US$ '000	US$ '000	US$ '000	US$ '000	US$ '000
Balance as at 1 January 2018	**305,528**	**(45,958)**	**480**	**85,679**	**40,201**	**97,326**	**443,055**
Profit for the year	-	-	-	**39,318**	**39,318**	**34,362**	**73,680**
Other comprehensive income							
Net loss on equity instruments fair value through other comprehensive income	-	-	**(27,724)**	-	**(27,724)**	-	**(27,724)**
Net actuarial gain on post employment benefits	-	-	**109**	-	**109**	**54**	**163**
Foreign currency translation	-	**(2,471)**	-	-	**(2,471)**	**(80)**	**(2,551)**
Other comprehensive income for the year	-	**(2,471)**	**(27,615)**	-	**(30,086)**	**(26)**	**(30,112)**
Total comprehensive income for the year	-	**(2,471)**	**(27,615)**	**39,318**	**9,232**	**34,336**	**43,568**
Contributions by and distributions to owners							
Capital reduction	-	-	-	-	-	-	-
Dividends paid on ordinary shares	-	-	-	**(41,706)**	**(41,706)**	-	**(41,706)**
Dividends paid to non-controlling interests by subsidiaries	-	-	-	-	-	**(26,642)**	**(26,642)**
Total contributions by and distributions to owners	-	-	-	**(41,706)**	**(41,706)**	**(26,642)**	**(68,348)**
Balance as at 31 December 2018	**305,528**	**(48,429)**	**(27,135)**	**83,291**	**7,727**	**105,020**	**418,275**
Balance as at 1 January 2017,restated[1]	316,253	(50,841)	1,281	29,781	(19,779)	87,730	384,204
Profit for the year	-	-	-	62,950	62,950	41,485	104,435
Other comprehensive income							
Net loss on equity instruments fair value through other comprehensive income	-	-	(838)	-	(838)	-	(838)
Net actuarial gain on post employment benefits	-	-	37	-	37	36	73
Foreign currency translation	-	4,883	-	-	4,883	(407)	4,476
Other comprehensive income for the year	-	4,883	(801)	-	4,082	(371)	3,711
Total comprehensive income for the year	-	4,883	(801)	62,950	67,032	41,114	108,146
Contributions by and distributions to owners							
Capital reduction	(10,725)	-	-	10,725	10,725	-	-
Dividends paid on ordinary shares	-	-	-	(17,777)	(17,777)	-	(17,777)
Dividends paid to non-controlling interests by subsidiaries	-	-	-	-	-	(31,518)	(31,518)
Total contributions by and distributions to owners	(10,725)	-	-	(7,052)	(7,052)	(31,518)	(49,295)
Balance as at 31 December 2017	305,528	(45,958)	480	85,679	40,201	97,326	443,055

Note:
(1): On 18 September 2017, the Purchase Price Allocation in connection with the acquisition of EMS and its subsidiaries has been finalised and the financial statements have been adjusted accordingly on a retrospective basis.

	<--- Attributable to owners of the Company --->					
	Share Capital	Foreign Currency Translation	Other Reserves	Retained earnings	Total Reserves	Total Equity
COMPANY	US$ '000	US$ '000	US$ '000	US$ '000	US$ '000	US$ '000
Balance as at 1 January 2018	**1,230,107**	**67,194**	**4,988**	**76,761**	**148,943**	**1,379,050**
Profit for the year	-	-	-	**28,186**	**28,186**	**28,186**
Other comprehensive income						
Net loss on equity instruments fair value through other comprehensive income	-	-	**(27,724)**	-	**(27,724)**	**(27,724)**
Foreign currency translation	-	**(28,928)**	-	-	**(28,928)**	**(28,928)**
Total comprehensive income for the year	-	**(28,928)**	**(27,724)**	**28,186**	**(28,466)**	**(28,466)**
Dividends paid				**(41,706)**	**(41,706)**	**(41,706)**
Balance as at 31 December 2018	**1,230,107**	**38,266**	**(22,736)**	**63,241**	**78,771**	**1,308,878**
Balance as at 1 January 2017	1,631,352	(33,615)	5,826	(389,422)	(417,211)	1,214,141
Profit for the year	-	-	-	82,715	82,715	82,715
Other comprehensive income						
Net loss on equity instruments fair value through other comprehensive income	-	-	(838)	-	(838)	(838)
Foreign currency translation	-	100,809	-	-	100,809	100,809
Total comprehensive income for the year	-	100,809	(838)	82,715	182,686	182,686
Capital reduction	(401,245)	-	-	401,245	401,245	-
Dividends paid	-	-	-	(17,777)	(17,777)	(17,777)
Total transactions with owners in their capacity as owners	(401,245)	-	-	383,468	383,468	(17,777)
Balance as at 31 December 2017	1,230,107	67,194	4,988	76,761	148,943	1,379,050

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

Nil

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

	As at 31.12.2018	As at 31.12.2017
Total number of issued shares	2,353,100,380	2,353,100,380

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

Not applicable.

1(e) **Acquisition of subsidiaries**

On 31 August 2018, the Group's 66.9998% subsidiary company, PT Golden Energy Mines Tbk ("GEMS") acquired 100% share ownership in PT Dwikarya Sejati Utama ("DSU") and its subsidiaries and PT Unsoco ("Unsoco").

Upon completion of the acquisition, the Group appointed an independent valuer to perform the Purchase Price Allocation ("PPA") exercise, which was completed on 21 January 2019. The group recognise a positive goodwill amounting to US$16.57 million in the financial statements based on the fair value of the assets and liabilities on the acquisition date and accounted for in accordance with the accounting policies of the Group. The goodwill represents an excess on the fair value of purchase consideration over the fair value of the net identifiable assets of the net identifiable assets of DSU and its subsidiaries.

1(e)(i) **The fair value of DSU and its subsidiaries' identifiable assets and liabilities as of the acquisition date were as follows:**

	Fair value recognised on acquisition
	US$'000
Mining properties	155,431
Other non-current assets	5,007
Cash and cash equivalents	774
Deferred tax assets	32
Property and equipment	6,521
Other payables and accruals	(300)
Loan payable	(32,000)
Tax payable	(5,039)
Advances from customers	(65,341)
Deferred tax liabilities	(16,012)
Total identifiable net assets at fair value	49,073
Fair value of purchase consideration	(65,638)
Goodwill arising from acquisition	(16,565)

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

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

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

Not applicable.

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

The Singapore Accounting Standards Council has introduced a new Singapore Financial Reporting Framework that is equivalent to the International Financial Reporting Standards as issued by the International Accounting Standards Board. The new framework is referred to as the "Singapore Financial Reporting Standards (International) ("SFRS(I)") hereinafter.

Subsequent to the last financial year end, as required by the listing requirements of the Singapore Exchange, the Group has adopted SFRS(I) on 1 January 2018 and issued its first set of financial information prepared under the SFRS(I) for the financial period ended 31 December 2018.

The adoption of the new SFRS(I) does not result in significant change to the Group's and Company's accounting policies and did not have material impact on the amounts reported for the current financial period or prior financial years.

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

Refer to paragraph 4 above.

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

	Group	
	12 Months Ended	
	31.12.2018	31.12.2017
Profit net of tax for the period attributable to owners of the Company used in the computation of basic and diluted earnings per share:		
(i) Basic earnings per share (US cents) :-	**1.67**	2.68
- Weighted average number of ordinary shares ('000)	**2,353,100**	2,353,100
(ii) Diluted earnings per share (US cents) :-	**1.67**	2.68
- Adjusted weighted average number of ordinary shares ('000)	**2,353,100**	2,353,100

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

	Group		Company	
	31.12.2018	31.12.2017	31.12.2018	31.12.2017
Net asset value per share (US cents)	**13.31**	14.69	**55.62**	58.61
Number of shares ('000)	**2,353,100**	2,353,100	**2,353,100**	2,353,100

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

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

Revenue

The Group's revenue comprises of revenue generated from Coal Mining and Coal Trading divisions as well as from Non-coal Businesses. Total revenue increased from US$763.81 million in FY17 to US$1,048.48 million in FY18 . The increase was mainly due to increase in revenue from the Group's Coal Mining division, partially offset by a decrease in revenue from Coal Trading division and Non-coal Businesses.

Coal Mining Division

The Group's Coal Mining division reported an increase in revenue by US$297.78 million or 46.1% from US$645.42 million in FY17 to US$943.20 million in FY18. The increase was mainly driven by higher sales volume partially offset by lower average selling price as compared to the corresponding reporting year. Average selling price showed a marginal decline of 2.6% from US$42.49 per metric ton in FY17 to US$41.39 per metric ton in FY18. The average Indonesia Coal Index 4 ("ICI4") in FY18, a better proxy for the majority of the Group's coal quality, was US$42.00 per metric ton.

Coal Trading Division

Revenue generated by the Group's Coal Trading division decreased by US$10.41 million or 9.1% from US$114.03 million in FY17 to US$103.62 million in FY18. The decrease was mainly due to lower sales volume partially offset by higher average selling price as compared to corresponding reporting year.

Non-coal Businesses

Revenue comprises plywood sales as well as management fee income. Revenue decreased by US$2.70 million from US$4.36 million in FY17 to US$1.66 million in FY18 due to absence of log sales and decrease in management fee income which was partially offset by an increase in plywood sales as compared to corresponding reporting year.

Cost of Sales

The Group reported an increase in cost of sales by US$238.79 million or 53.3% from US$447.90 million in FY17 to US$686.69 million in FY18. This was mainly due to increase in mining services costs due to higher stripping ratios and longer overburden hauling distance, coal freight for increased usage of equipments for transporting of coal, mining overheads comprising road repair and maintenance, fuel costs and royalty expenses as a result of coal production ramp up and sales activities from the Coal Mining division. The increase was partially offset by a decrease in amortisation expenses related to depletion of mine properties for stripping activity and lower coal purchases from Coal Trading Division.

Gross Profit

The Group's gross profit increased by US$45.88 million or 14.5% from US$315.91 million in FY17 to US$361.79 million in FY18. The increase was mainly due to the above factors.

Other income

The Group's other income decreased by US$3.57 million or 20.6% from US$17.35 million in FY17 to US$13.78 million in FY18, mainly due to a decrease in miscellaneous income of US$1.07 million, absence of reversal of prior year withholding tax provision and compensation income partially offset by an increase in interest income of US$4.02 million derived from bank deposits and advances.

Expenses

Selling and distribution expenses

The Group's selling and distribution expenses increased by US$52.1 million or 52.5% from US$99.20 million in FY17 to US$151.3 million in FY18 mainly due to increase in (i) stockpile expenses (ii) freight expenses which is in line with our coal production ramp up and (iii) the increase in coal sales volume from the Coal

Administrative expenses

The Group's administrative expenses increased by US$21.82 million or 39.6% from US$55.11 million in FY17 to US$76.93 million in FY18 mainly due to increase in (i) repair and maintenance expenses for road development in our coal concessions, (ii) salaries, benefits and employee welfare expenses, (iii) taxes and stamp duty fee and (iv) legal and professional fees incurred relating to corporate exercises.

Other operating expenses

The Group's other operating expenses increased by US$1.86 million from US$8.72 million in FY17 to US$10.57 million in FY18 mainly due to an extraordinary item recognized on impairment of goodwill of US$6.51 million which was partially offset by decrease in foreign exchange losses.

Fair value gain on biological asset

The Group recorded a fair value gain on our biological assets of approximately US$2.55 million in FY18 as a result of increase in plantation area and higher selling price.

Finance costs

The Group's finance costs increased by US$12.16 million or 101.8% from US$11.95 million in FY17 to US$24.11 million in FY18 mainly due to an increase in interest expenses resulting from the issuance of the Company's bond in February 2018.

Income tax expenses

Income tax expenses decreased by US$11.69 million or 22.0% from US$53.21 million in FY17 to US$41.51 million in FY18 as a result of (i) lower taxable profit in FY18 and (ii) decrease in withholding tax expenses due to lower dividend income from subsidiary company .

Profit after tax

Due to the factors above, the Group's net profit decreased by US$30.76 million or 29.4% to US$73.68 million in FY18 as compared to US$104.44 million in FY17, and profit attributable to owners of the Company decreased by US$23.63 million or 37.5% to US$39.32 million in FY18 as compared to US$62.95 million in FY17.

Other comprehensive income

The Group's other comprehensive income decreased by US$33.82 million from gain of US$3.71 million in FY17 to loss of US$30.11 million in FY18 mainly due to fall in Westgold share price from AUD 1.77 as at 31 December 2017 to AUD 0.88 as at 31 December 2018, and the effect of the weakening Australia Dollar against United States Dollar.

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

Review of Statement of Financial Position

Assets and liabilities

Non-current assets

- Biological assets increased by US$3.07 million to US$3.38 million at 31 December 2018 due to fair value gain during the year.

- Property, plant and equipment increased by US$15.94 million to US$80.38 million at 31 December 2018 due to acquisition of PT Barasentosa Lestari ("BSL") and additions during the year, partially offset by depreciation.

- Mining properties increased by US$141.81 million to US$227.66 million at 31 December 2018 primarily on account of additions to mining properties from the acquisition of BSL, offset by amortisation during the period under review.

- Goodwill on consolidation increased by US$10.06 million to US$113.74 million at 31 December 2018 as a result of additions arising from the acquisition of BSL, partially offset by impairment of goodwill arising from the reverse take-over in 2015 and amortisation during the period under review.

- The increase in investment in securities of US$34.26 million to US$57.60 million at 31 December 2018 was due to the second and third tranche payments for investment in Westgold Resources Limited ("Westgold") and investment in Stanmore Coal Limited ("Stanmore"). This increase was partially offset by a marked to market loss recognised on the Westgold shares.

- The increase in deferred tax assets of US$1.36 million to US$6.02 million at 31 December 2018 was due to higher tax losses in subsidiaries.

- The increase in restricted fund of US$10.14 million to US$14.80 million at 31 December 2018 was mainly due to fund deposited in the interest reserve account relating to the Company's bond and an increase of reclamation guarantee money placed with banks, partially offset by a decrease in the interest reserve account relating to a loan which was repaid in February 2018.

- The increase in other non-current assets of US$23.24 million to US$46.38 million at 31 December 2018 was mainly due to increase in prepaid land exploitation as a result of acquisition of BSL, deferred expenses related to the bond issuance during the period under review and an increase in prepaid expenses and guarantee deposit relating to road maintenance.

Current assets

- The increase in inventories of US$3.51 million to US$19.65 million at 31 December 2018 was due to an increase in coal production during the period under review and as a result of additions arising from the acquisition of BSL.

- The increase in advances to suppliers/vendors of US$14.93 million to US$104.73 million at 31 December 2018 was mainly due to increase in advance payment of US$22.05 million to coal suppliers offset by realisation of advance payment made for BSL acquisition which was completed in Aug 2018 .

- The increase in other current assets of US$33.46 million to US$35.15 million at 31 December 2018 was mainly due to advance down payment of US$33.91 million to a coal supplier under a coal offtake agreement partially offset by decrease in prepaid insurance and building rental.

- The decrease in cash and cash equivalents of US$75.59 million to US$113.11 million at 31 December 2018 was mainly due to payment made for the acquisition of BSL, investment in Westgold, investment in Stanmore, repayment of a loan facility, payment of income taxes, payment of advances to suppliers and vendors, payment of trade and other payables and dividend payments, partially offset by the proceeds from the Company's bond issuance and collections from trade and other receivables.

Current liabilities

- Trade and other payables increased by US$41.23 million to US$203.23 million at 31 December 2018 mainly due to increase in (i) mining services and coal purchases in line with increased activity; (ii) other payables as a result of acquisition of BSL and partially offset by payment of dividend which was declared in December 2017 by a subsidiary.

- Provision for taxation decreased by US$33.60 million to US$1.75 million at 31 December 2018 as a result of tax payment during the period under review offset by the corporate tax charged during the period under review.

- Loans and borrowings increased by US$20.96 million to US$46.17 million at 31 December 2018 mainly due to the drawdown of working credit facility partially offset by the repayment of loans during the period under review.

Non-current liabilities

- Non-current trade and other payables increased by US$33.91 million to US$34.04 million at 31 December 2018 as a result of additional other payables arising from the acquisition of BSL.

- Loans and borrowings increased by US$153.09 million to US$222.86 million at 31 December 2018 as a result of the issuance of the Company's bond, additional loan arising from BSL acquisition and drawdown of working credit facility partially offset by the repayment of certain loan facility.

- Deferred tax liabilities increased by US$16.53 million to US$29.54 million at 31 December 2018 as a result of the additional deferred tax liabilities arising from BSL acquisition.

- Provision for mine closure increased by US$0.28 million to US$2.00 million at 31 December 2018 as a result of additional provision during the period under review.

As at 31 December 2018, the Group has net current assets of US$148.37 million and the Company has net current assets of US$65.11 million. The Group has loans and borrowings totalling US$269.03 million of which US$46.17 million is due within the next 12 months. The Group's cash and cash equivalents stood at US$113.11 million as at 31 December 2018.

Review of Statement of Cash Flows

For FY18, the Group had net cash outflows of US$80.08 million mainly due to the following:

Net cash generated from operating activities of US$28.83 million which comprised of operating cash inflow before working capital changes of US$139.54 million, net working capital outflow of US$12.32 million, income taxes paid of US$101.47 million and interest and other financial charges paid of US$9.65 million respectively. The Group also recorded interest income received of US$12.73 million. The net working capital outflow of US$12.32 million was mainly due to a increase in trade and other receivables, advances and other current assets totalling US$68.02 million and an increase in inventories of US$0.42 million, partially offset by an increase in trade and other payables of US$56.13 million.

Net cash flows used in investing activities of US$167.26 million mainly due to (i) net cash outflows on acquisition of BSL of US$64.99 million; (ii) purchase of investment securities of US$63.38 million; (iii) purchase of property, plant and equipment of US$18.00 million; (iv) additions of other investment of US$2.06 million; (v) increase in other non-current assets of US$8.56 million; and (vi) increase in restricted fund of US$10.04 million.

Net cash flows generated from financing activities of US$58.35 million was mainly due to proceeds from issuance of bonds of US$149.70 million, proceeds from loans and borrowings of US$105.52 million, partially offset by repayment of loans and borrowings of US$110.80 million, payment of dividend of US$41.71 million and payment of dividend of US$44.36 million by a subsidiary to non-controlling shareholder of the Group.

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

Not applicable.

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

Global coal demand is expected to remain volatile in 2019 due to uncertainty over China's import restrictions along with stricter environmental policies. China remains key to the seaborne coal market, with imports of over 281 million metric tonnes ("MT") in 2018, up 3.8% year-on-year. According to the International Energy Agency's World Energy Outlook for 2018, under the "New Policies" scenario, coal consumption in China is expected to drop 15% by 2040 .

Challenges remain for Indonesia's coal industry as domestic market obligations may impact coal prices in 2019. In an effort to stabilise the global coal price, the Indonesian government has lowered its 2019 coal production target to 480 million MT, while seeking to add 35 gigawatts of power, two-thirds of which could be coal-fired. Domestic coal consumption is expected to reach 128 million MT in 2019, up 11.3% from 115 million MT in 2018.

The benchmark reference price set by the Ministry of Energy and Mineral Resources fell to US$91.80 in February 2019 , decreasing 8.8% from US$100.69 in February 2018 . Spot prices for FOB Kalimantan 4200 thermal coal recovered to US$33 in mid-January 2019, up from a multi-year low of US$28.30 in November 2018, as bad weather in the region affected production and loading schedules.

Coal usage is yet to peak in Asia, and continue to be one of the most important energy components given its affordability and availability. Growth in global seaborne demand for the year is expected to be driven by India and Southeast Asia. Vietnam is likely to lead the regions demand growth with 2 gigawatts of new coal-fired power plants.

Following the acquisition of 25.5% in Australia's Stanmore Coal, GEAR continues to diversify and expand its coal product suite and geographical presence.

11 Dividend

(a) Current Financial Period Reported On

Any ordinary dividend declared for the current financial period reported on?

None

(b) Corresponding Period of the Immediately Preceding Financial Period

Name of Dividend:	Final
Dividend type:	Cash
Dividend Amount per Share:	1.00 Singapore cents per ordinary share
Tax rate:	Tax exempt

(c) Date payable.

Not applicable

(d) Book Closure Date

Not applicable

12 If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

The covenants under the Company's bonds regulate the dividend amount that GEAR can declare to its shareholder. The Company has declared and paid an interim dividend of Singapore cents 1.39 on 28 November 2018 (totalling S$32.7 million or equivalent to US$23.6 million) in respect of the financial period ended 30 September 2018. Considering the covenants under the bonds, no final dividend has been recommended in respect of the financial year ended 31 December 2018.

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

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

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted during the financial year under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
	12 Months Ended	12 Months Ended
	31.12.2018 US$'000	31.12.2018 US$'000
Sales :		
PT Indah Kiat Pulp & Paper Tbk	-	94,545
PT Lontar Papyrus Pulp & Paper Industry	-	26,631
PT Sinar Mas Agro Resources and Technology Tbk	-	9,333
GMR Infrastructure (Singapore) Pte Ltd	3,489^^	-
PT Pabrik Kertas Tjiwi Kimia Tbk	-	10,411
PT SOCI Mas	-	1,196
Hainan Jinhai Trading (Hong Kong) Co,. Ltd	-	56,963
PT Ivo Mas Tunggal	-	2,260
PT Energi Sejahtera Mas	577*	5,468
PT Pindo Deli Pulp and Paper Mills	-	4,145
Gold HongYe Trading (Hong Kong) Company Limited	-	10,010
PT DSSP Power Kendari		659
Interest income :		
PT Bank Sinarmas Tbk	-	7
Purchases :		
PT Rolimex Kimia Nusamas	-	268
PT Barasentosa Lestari	118**	-
Rental expenses :		
PT Royal Oriental	-	756
Repair and maintenance:		
PT Wirakarya Sakti	-	1,030
Telecommunication :		
PT Smartfren Telecom Tbk	-	27
Insurance expenses :		
PT Asuransi Sinar Mas	-	5,088
PT Asuransi Simas Net		2

Note:

** Coal sale contracts (include contracts pursuant to a coal sale agreement) entered into with PT Energi Sejahtera Mas on or before 28 April 2017 and delivered during the year under review.*

^^Amendements to the Coal Sale Agreement of August 2011 with GMR Coal Resources Pte Ltd was approved by Shareholders on 21 August 2017.

***Coal purchase contract pursuant to 2 coal purchase agreements entered into with PT Barasentosa Lestari ("BSL") before 31 August 2018, and delivered during the period under review. Our Group completed the acquisition of BSL from GMR group of companies on 31 August 2018 and transactions relating to any new coal purchase agreement(s) entered into with BSL with our Group of companies on or after 31 August 2018 would not fall under the scope of interested person transactions.*

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

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

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

(a) Operating Segment

	2018				
	Coal Mining	Coal Trading	Non-coal Business	Elimination	Consolidated
	US$'000	US$'000	US$'000	US$'000	US$'000
Segment revenue					
Revenue from external customers	943,203	103,620	1,655	-	1,048,478
Inter segment revenue	622	-	5	(627)	-
Total revenue	943,825	103,620	1,661	(627)	1,048,478
Segment results	148,872	191,912	96,309	(308,594)	128,499
Interest income					10,805
Finance costs					(24,111)
Profit before tax					115,193
Income tax expense					(41,513)
Profit after tax					73,680
Segment assets	458,776	443,224	300,445	(344,000)	858,445
Unallocated assets					102,389
Total assets					960,834
Segment liabilities	(378,714)	(119,631)	(156,348)	150,933	(503,760)
Unallocated liabilities					(38,799)
Total liabilities					(542,559)
Other segment information					
Depreciation of property, plant and equipment	6,142	328	742	-	7,212
Amortisation expenses	2,846	267	505	-	3,618
Fair value gain on biological assets	-	-	(2,547)	-	(2,547)
Compensation income	-	-	(1,909)	1,909	-

	2017				
	Coal Mining	Coal Trading	Non-coal Business	Elimination	Consolidated
	US$'000	US$'000	US$'000	US$'000	US$'000
Segment revenue					
Revenue from external customers	645,421	114,027	4,358	-	763,806
Inter segment revenue	-	114	27	(141)	-
Total revenue	645,421	114,141	4,385	(141)	763,806
Segment results	174,726	235,535	118,822	(366,283)	162,800
Interest income					6,790
Finance costs					(11,949)
Profit before tax					157,641
Income tax benefit					(53,206)
Profit after tax					104,435
Segment assets	295,373	519,862	228,956	(393,224)	650,967
Unallocated assets					102,110
Total assets					753,077
Segment liabilities	(187,336)	(216,803)	(4,392)	192,590	(215,941)
Unallocated liabilities					(94,081)
Total liabilities					(310,022)
Other segment information					
Depreciation of property, plant and equipment	4,251	233	627	-	5,111
Amortisation expenses	8,299	121	506	-	8,926
Fair value loss on biological assets	-	-	644	-	644
Compensation income	-	-	(1,673)	-	(1,673)

(b) **Geographical Segment**

	Segment revenue		Other segment information	
	Sales to external		Non-current assets	
	2018 US$'000	2017 US$'000	2018 US$'000	2017 US$'000
Indonesia	341,839	226,570	557,302	321,795
Asia Pacific	677,578	523,663	-	-
Europe	29,061	13,573	-	-
Singapore	-	-	4,009	196
Consolidated	1,048,478	763,806	561,311	321,991

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

Coal Mining Division

The Group's Coal Mining Division reported an increase in revenue of US$297.78 million from US$645.42 million in FY17 to US$943.20 million in FY18. The increase was contributed by an increase in sales volume partially offset by lower average selling price during the year.

Coal Trading Division

Revenue generated by the Group's Coal Trading Division decreased by US$10.41 million from US$114.03 million in FY17 to US$103.62 million in FY18 mainly due to lower sales volume partially offset by higher average selling price during the year.

Non-coal Business

Revenue decreased from US$4.36 million in FY17 to US$1.66 million in FY18 due to absence of log sales and decrease in management fee income which was partially offset by an increase in plywood sales as compared to the corresponding year.

17 A breakdown of sales

	Group (US$'000)		
	2018	2017	+/- %
Sales reported for first half year	481,635	282,826	70.29
Operating profit after tax before deducting non-controlling interests reported for first half year	58,518	48,690	20.18
Sales reported for second half year	566,843	480,980	17.85
Operating profit after tax before deducting non-controlling interests reported for second half year	15,162	55,745	(72.80)
Total sales for the year	1,048,478	763,806	37.27
Total operating profit after tax before deducting non-controlling interests reported for the year	73,680	104,435	(29.45)

18 Additional disclosure required for Mineral, Oil and Gas companies

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

The Group has conducted infill exploration drilling including geophysical surveys during the financial year in BIB and BSL mines. The purpose of the drilling was to identify the subsurface geological conditions in detail and to improve the production planning. The Group has done project infrastructure expansion in BIB coal mining concession during the period under review.

The mines had processed an aggregate of 22,646,377 metric tonnes of Sub-bituminous B coal for the financial year ended 31 December 2018. A total of US$0.2 million of mines under construction have been transferred to producing mines during the period under review.

The Group has capitalised approximately US$0.2 million in exploration activities, and expensed US$0.6 million in the ordinary course of regional exploration and US$418.2 million in production activities.

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

Summary of reserves and resources as of 31 December 2018
Name of Asset / Country: BIB Coal Mining Concession / Indonesia

	Gross Attributable to License[1]			Net Attributable to the Company		
Category	Mineral Type	Tonnes (Millions)[4]	Grade	Tonnes (Millions)[4]	Grade	Change from previous update (%) [2]
Reserves						
Proved	Coal	585.9	Sub-bituminous B	385.1	Sub-bituminous B	-0.08%
Probable	Coal	93.9	Sub-bituminous B	61.7	Sub-bituminous B	3.35%
Total		**679.8**		**446.8**		**0.38%**
Resources						
Measured	Coal	977	Sub-bituminous B	642.1	Sub-bituminous B	-1.52%
Indicated	Coal	333	Sub-bituminous B	218.9	Sub-bituminous B	0.00%
Inferred	Coal	507	Sub-bituminous B	333.2	Sub-bituminous B	0.60%
Total		**1,817**		**1194.2**		**-0.71%**

Notes :
(1) CCoW license issued by the Government of the Republic of Indonesia which was represented by Ministry of Mining and Energy (formerly the Ministry of Energy and Mineral Resources).
(2) Previous coal resources and coal reserves estimates were reported as at 31 December 2017
(3) Coal resources are inclusive of coal reserves
(4) Individual totals may differ due to rounding

The increase in reserves estimate is mainly due to additional quality drillholes and the decrease in resource is due to production.

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

Name of Asset / Country: KIM Coal Mining Concession / Indonesia

	Gross Attributable to License[1]			Net Attributable to the Company		
Category	Mineral Type	Tonnes (Millions)[4]	Grade	Tonnes (Millions)[4]	Grade	Change from previous update (%) [2]
Reserves						
Proved	Coal	48.1	Sub-bituminous B	32.2	Sub-bituminous B	-5.85%
Probable	Coal	13.1	Sub-bituminous B	8.8	Sub-bituminous B	0.00%
Total		**61.1**		**40.9**		**-4.66%**
Resources						
Measured	Coal	113	Sub-bituminous B	75.7	Sub-bituminous B	-2.57%
Indicated	Coal	56	Sub-bituminous B	37.5	Sub-bituminous B	0.00%
Inferred	Coal	92	Sub-bituminous B	61.6	Sub-bituminous B	0.00%
Total		**261**		**174.9**		**-1.13%**

(1) IUP license issued by the Governor of Jambi.
(2) Previous coal resources and coal reserve estimates were reported as at 31 December 2017
(3) Coal resources are inclusive of coal reserves
(4) Individual totals may differ due to rounding

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

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

Name of Asset / Country: TKS Coal Mining Concession/ Indonesia

	Gross Attributable to License[1]			Net Attributable to the Company		
Category	Mineral Type	Tonnes (Millions)[3]	Grade	Tonnes (Millions)[3]	Grade	Change from previous update (%) [2]
Reserves						
Proved	Coal	0.2	Bituminous A	0.1	Bituminous A and Sub-bituminous B	N.M
Probable	Coal	0.4	Bituminous A	0.2	Bituminous A and Sub-bituminous B	N.M
Total		**0.6**		**0.3**		N.M
Resources						
Measured	Coal	26.4	Bituminous A and Sub-bituminous B	12.4	Bituminous A and Sub-bituminous B	6.90%
Indicated	Coal	29	Bituminous A and Sub-bituminous B	13.6	Bituminous A and Sub-bituminous B	11.48%
Inferred	Coal	25.9	Bituminous A and Sub-bituminous B	12.1	Bituminous A and Sub-bituminous B	7.08%
Total		**81.3**		**38.1**		**8.86%**

(1) Two IUP licenses issued by the Keputusan Bupati Barito Utara and one IUP license issued by Bupati Barito Timur
(2) Previous coal resource estimates were reported as at 31 December 2017
(3) Individual totals may differ due to rounding

The increase in resources and reserves estimates are mainly due to addition of resources and reserves from TKS Ampah block.

NM = Not Meaningful

Name of Asset / Country: WRL Coal Mining Concession / Indonesia

	Gross Attributable to License[1]			Net Attributable to the Company		
Category	Mineral Type	Tonnes (Millions)[4]	Grade	Tonnes (Millions)[4]	Grade	Change from previous update (%) [2]
Reserves						
Proved	Coal	33.8	Sub-bituminous B	22.6	Sub-bituminous B	0.00%
Probable	Coal	53.4	Sub-bituminous B	35.8	Sub-bituminous B	0.00%
Total		**87.2**		**58.4**		**0.00%**
Resources						
Measured	Coal	54.5	Sub-bituminous B	36.5	Sub-bituminous B	0.00%
Indicated	Coal	100.2	Sub-bituminous B	67.1	Sub-bituminous B	0.00%
Inferred	Coal	161.2	Sub-bituminous B	108	Sub-bituminous B	0.09%
Total		**315.9**		**211.7**		**0.00%**

(1) IUPOP license issued by the provincial government of South Sumatra
(2) Previous coal resources and coal reserve estimates were reported as at 31 December 2017
(3) Coal resources are inclusive of coal reserves
(4) Individual totals may differ due to rounding

The resources and reserves estimates remain relatively stable.

Name of Asset / Country: BaraSentosa Coal Mining Concession / Indonesia

	Gross Attributable to License[1]			Net Attributable to the Company		
Category	Mineral Type	Tonnes (Millions)[4]	Grade	Tonnes (Millions)[4]	Grade	Change from previous update (%) [2]
Reserves						
Proved	Coal	150.4	Sub-bituminous B	100.8	Sub-bituminous B	15.46%
Probable	Coal	61	Sub-bituminous B	40.9	Sub-bituminous B	-5.10%
Total		**211.3**		**141.6**		**8.59%**
Resources						
Measured	Coal	199	Sub-bituminous B	133.3	Sub-bituminous B	13.74%
Indicated	Coal	133	Sub-bituminous B	89.1	Sub-bituminous B	-7.67%
Inferred	Coal	87	Sub-bituminous B	58.3	Sub-bituminous B	17.54%
Total		**419**		**280.7**		**6.61%**

(1) Generation II CCoW license issued by the Government of the Republic of Indonesia which was represented by Ministry of Mining and Energy (formerly the Ministry of Energy and Mineral Resources).
(2) Previous coal resources and coal reserve estimates were reported as at 31 December 2017
(3) Coal resources are inclusive of coal reserves
(4) Individual totals may differ due to rounding

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

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

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

	FY 18	FY 17
In S$ million		
Name of Dividend		
Interim ordinary dividend	**32.71**	**23.77**
Final ordinary dividend	**-**	**23.53**
Total	**32.71**	**47.30**

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

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Fuganto Widjaja	37	Fuganto Widjaja, Executive Director and Group Chief Executive Officer 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 Director and Group Chief Executive Officer of the Company First held: FY 2015 Commissioner of PT Golden Energy Mines Tbk ("GEMS"), a subsidiary of the Company First held: FY 2017 Commissioner of PT Borneo Indobara, a subsidiary of GEMS First held: FY 2018 President Commissioner of PT Roundhill Capital Indonesia, a subsidiary of GEMS First held: FY 2011	The resignation as President Comissioner in BIB on 26 June 2018. The appointment as Commissioner in BIB on 26 June 2018.

21 Use of placement proceeds

Referring to the placement of 181,000,000 new ordinary shares at S$0.67 each in the issued and paid-up share capital of the Company on 9 December 2016, pursuant to which gross proceeds of S$121,270,000 (or net proceeds of S$120,093,000) was raised.

Following the announcements of 28 December 2016, 25 July 2017, 6 November 2017 and 9 March 2018, the Company has further reallocated approximately S$201,000 of the net proceeds from the Placement to general working capital, which was initially allocated for the repayment of RTO expenses ("Final Reallocation") as a result of discount obtained.

As at 9 July 2018, the Company has fully utilised the net proceeds as follows:

Use of Net Proceeds (S$'000)	**Amount reallocatted as per announcement dated 25 July 2017**	**Amount utilised as at the date hereof**	**Amount allocated after the final Reallocation**	**Amount Remaining as at the date hereof**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Repayment of loans owing to creditors	92,535	92,535	92,535	-
Working Capital (including, inter alia, manpower expenses, office running expenses, payment to tax authorities, professional fees for compliance placement and various corporate exercises, internal and external audit fees, fees for tax agents; share registrar; and corporate secretarial service providers)	23,958	24,159	24,159	-
Repayment of RTO expenses (including, inter alia, professional fees paid to external auditors; financial advisers and legal counsels)	3,600	3,399	3,399	-
Total reallocated / utilised / balance	120,093	120,093	120,093	-

Taking into account the above utilisation of the Net Proceeds, the total amounts utilised to date for repayment of loans owing to creditors; working capital and repayment for RTO expenses amounted to S$92.53 million; S$24.16 million; and S$3.40 million respectively, which represent approximately 77.05%; 20.12%; and 2.83% of the Net Proceeds.

BY ORDER OF THE BOARD
Fuganto Widjaja
Executive Director, Chief Executive Officer
1 March 2019