

## 7 Available-for-sale investments

	2018 US\$	2017 US\$
The Group		
Unquoted equity securities, at fair value	<b>21,672,521</b>	14,090,000

At the end of the reporting period, available-for-sale investments pertain to 4.534% (2017: 2.82%) equity interest in Thai General Nice Coal and Coke Co., Ltd ("Thai GNCC") of US\$21,672,520 (2017: US\$14,090,000), and 19% (2017: nil%) equity interest in Century Master Pte. Ltd. of US\$1 (2017: US\$nil).

Pursuant to the supplemental agreement dated 17 February 2017, the Group had acquired 2.82% of the equity interest comprising 1,410,000 ordinary shares in Thai GNCC for a purchase consideration of US\$14,090,000 (based on a valuation of approximately US\$500 million), which had been satisfied by the payment of the refundable deposits amounting to US\$13,757,384, and by part of the accrued interest of US\$4,002,612 (Note 10).

On 26 June 2018, the Company entered into a debt repayment agreement with Tianjin GNCC, pursuant to which the refundable deposits and accrued interest of US\$3,669,996 (Note 10) and prepayments of US\$4,900,000 (Note 11), amounting to US\$8,569,996 in total, shall be repaid in full by way of the transfer of 857,000 ordinary shares in the capital of Thai GNCC at the price of approximately US\$10 per share from Tianjin GNCC to the Group's wholly-owned subsidiary, International Energy Group Pte. Ltd. ("IEG"). The share transfer agreement was made between Tianjin GNCC and IEG on 30 June 2018.

Consequently, the total investment in Thai GNCC became 4.534%, and the cost of the investment in Thai GNCC became US\$22,659,996.

Management has engaged a firm of independent professional valuers to carry out valuation of Thai GNCC. In determining the fair value of Thai GNCC, the valuers used the income approach. Based on the valuation of US\$478,000,000, the 4.534% equity interest in Thai GNCC held by the Group was determined to be US\$21,672,520. Accordingly, a fair value loss of US\$987,476 was recognised in other comprehensive income for the financial year ended 30 June 2018.

## 11 Prepayments

As at 30 June 2017, prepayments mainly comprised US\$500,494 and US\$4,400,000 made by the subsidiaries, Top Post Enterprises Limited and Baling (China) Investment Limited, respectively, to a supplier, Assure Win International Holdings Limited, for the purchase of iron ore fines, and US\$527,000 made by the subsidiary, International Energy Group Pte. Ltd., for the chartering of vessels.

On 26 June 2018, the Company entered into a debt repayment agreement with Tianjin GNCC, pursuant to which the prepayments, together with the outstanding amount of US\$3,669,996 due from Tianjin GNCC (Note 10), shall be fully settled by Tianjin GNCC by way of the transfer of 857,000 ordinary shares in the capital of Thai GNCC at the price of approximately US\$10 per share from Tianjin GNCC to the Group's wholly-owned subsidiary, International Energy Group Pte. Ltd. ("IEG"). The share transfer agreement was made between Tianjin GNCC and IEG on 30 June 2018.

As at 30 June 2018, prepayments mainly relate to US\$1,100,000 for the purchase of fuel oil and US\$1,596,341 for freight charges.