

**GOLDEN ENERGY AND RESOURCES LIMITED**

(Incorporated in the Republic of Singapore)

Company Registration No. 199508589E

(the "Company")

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**RESPONSES TO SGX QUERIES IN RESPECT OF UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2022 ("FY2022")**

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The Board of Directors (the "**Board**") of Golden Energy and Resources Limited (the "**Company**") and together with its subsidiaries, the "**Group**") wishes to announce the following in response to the queries raised by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 4 April 2023 in relation to the FY2022 unaudited results announced by the Company on 27 February 2023 ("**Announcement**").

**SGX Query 1**

*Please disclose:*

- (i) *the breakdown of the Group's non-current other receivables and other non-current assets (where applicable);*
- (ii) *the nature of the non-current other receivables and other non-current assets; and*
- (iii) *the Board's assessment of the recoverability of the non-current other receivables and other non-current assets.*

Company's response

- (i) Breakdown of the Group's other non-current assets and non-current other receivables:

	<b>Notes</b>	<b>31 December 2022 US\$'000</b>
<b><i>Other non-current assets</i></b>		
Land exploitation	(ii)(a)	31,580
Deposits	(ii)(b)	22,600
Advances	(ii)(c)	5,155
Estimated tax refund		2,654
Prepayment		585
Software		42
Others		693
		<hr/> 63,309 <hr/>
<b><i>Non-current other receivables</i></b>		
Other receivables		
- Related parties	(ii)(d)	7,493
- Third parties		725
		<hr/> 8,218 <hr/>

- (ii) Nature of the non-current other receivables and other non-current assets:
- (a) Land exploitation mainly consist of prepayment to third parties for the clearance of the mine concession areas.
  - (b) Deposits (non-current) are refundable and mainly consist of deposits paid to third parties to secure reclamation guarantee and mining services, and deposits for the holding of exploration and mining leases in connection with the Group's mining activities.
  - (c) Advances mainly consist of advances for purchase of coal and other advances to third parties.
  - (d) Other receivables (non-current) due from related parties represent interest receivables from Redeemable Preference Shares in a joint venture and are expected to be paid on redemption date.
- (iii) The Board has reviewed Management's assessment on the recoverability of the non-current other receivables and other non-current assets as at 31 December 2022 under SFRS(I) 9 Financial Instruments and concurs with Management's view that there are no impairment indicators which would warrant impairment on such assets.

### **SGX Query 2**

*For the Group's trade and other receivables, please disclose:*

- (i) *a breakdown of the Group's trade and other receivables;*
- (ii) *aging of the Group's trade receivables;*
- (iii) *details of the Group's underlying transactions of its other receivables and the terms of the transactions;*

### **Company's response**

- (i) Details of trade and other receivables are as follows:

	<b>Note</b>	<b>31 December 2022 US\$'000</b>
<b>Current</b>		
Trade receivables		
- Related parties		18,879
- Third parties		459,713
Other receivables		
- Related parties <sup>(1)</sup>		18
- Third parties	(iii)	14,207
Tax recoverable <sup>(2)</sup>		86,943
Loan to a joint venture		52
		579,760

**Notes:**

(1) Recharge of expenses paid on behalf.

(2) Relates to withholding and indirect taxes recoverable from tax authorities.

(ii) Ageing profile of the trade receivables as at 31 December 2022 is as follows:

31 December 2022	Current US\$'000	31 to 60 days past due US\$'000	61 to 90 days past due US\$'000	More than 90 days past due US\$'000	Total US\$'000
Gross carrying amount	416,447	61,547	469	368	478,831
Loss allowance provision	–	–	–	(239)	(239)
	416,447	61,547	469	129	478,592

(iii) Details of underlying transactions of the Group's other receivables and the terms of the transactions are as follows:

Other receivables – third parties	As at 31 December 2022 US\$'000
Accrued coal sales receivables	13,957
Transportation fee receivables	151
Bank interest receivables – short term	92
Others	7
Total	14,207

### **SGX Query 3**

*It is disclosed on page 26 of the unaudited financial statements that there was an increase in equity securities (unquoted) from US\$1,000,000 as at 31 December 2021 to US\$26,546,000 as at 31 December 2022. Please explain the increase and how the value of equity securities (unquoted) is being arrived at.*

#### **Company's response**

The equity securities (unquoted) as at 31 December 2022 comprised US\$25,036,000 relating to the value of investment securities which arose from the Group's acquisition of SMC in May 2022 (as disclosed in Note 16 to the unaudited condensed interim consolidated financial statements for FY2022), mainly resulting in the increase in the value of equity securities (unquoted) from US\$1,000,000 as at 31 December 2021 to US\$26,546,000 as at 31 December 2022. The value of equity securities (unquoted) was determined based on the discounted cash flow and no significant change in value at year end.

#### **SGX Query 4**

*Please disclose a breakdown of trade and other payables amounting to US\$727,274,000 and US\$308,029,000 as at 31 December 2022 and 31 December 2021 respectively. For other payables, please disclose the aging and nature of these other payables and whether the counterparties are related parties.*

#### **Company's response**

Details of trade and other payables are as follows:

	<b>31 December 2022 US\$'000</b>	<b>31 December 2021 US\$'000</b>
<b>Current</b>		
Trade payables: <sup>(1)</sup>		
- Related parties	10,973	2,037
- Third parties	316,793	176,730
Other payables:		
- Dividend payable <sup>(2)</sup>	995	42,297
- Related parties	9	10
- Third parties <sup>(3)</sup>	32,640	1,376
Accrued expenses <sup>(4)</sup>	354,736	62,071
Tax payables <sup>(5)</sup>	6,347	17,606
Advances received <sup>(6)</sup>	1,785	3,875
Contingent consideration – vendor royalties	987	1,961
Others	2,009	66
	<hr/> <b>727,274</b>	<hr/> <b>308,029</b>

#### **Notes:**

- (1) Trade payables are non-interest bearing and normally settled on 30 to 120 days' terms.
- (2) Dividend payable to non-controlling interests.
- (3) Other payables to third parties are generally non-interest bearing and repayable on demand. The other payables mainly relate to operating and corporate cost, which have been settled subsequent to the financial year.
- (4) Accrued expenses to third parties are mainly related to mining services, bond and loan interest, professional fees, rental, royalty and employee benefits related expenses.
- (5) Tax payables comprise withholding and indirect taxes payable to tax authority.
- (6) Advances received from third parties are mainly relate to plywood, logs and coal sales.

#### **SGX Query 5**

*Appendix 7.2, paragraph 1 of the Mainboard Listing Rules requires issuers to include Number of shares that may be issued on conversion of all outstanding convertibles and their comparative figures in the interim financial statements. Please confirm if there are any outstanding convertibles and if yes, the number shares that may be issued on conversion of the outstanding convertibles.*

#### **Company's response**

The Company did not have any convertibles as at 31 December 2022 and 31 December 2021.

## **SGX Query 6**

*It is disclosed on page 31 that S\$52.7 million of the net proceeds of S\$86.4 million was utilised for general working capital purposes. Please provide a breakdown of the S\$52.7 million used for general working capital purposes.*

### **Company's response**

The breakdown of the Net Proceeds from the Placement used for general working capital purposes is as follows:

	<b>Amount utilised S\$m</b>
Debt servicing	
- Interest payment in respect of senior secured notes due 2026	43.5 <sup>(1)</sup>
- Interest payment in respect of term loan	0.7 <sup>(2)</sup>
- Principal repayment on term loan	8.2 <sup>(3)</sup>
Operating expenses	0.3 <sup>(2)</sup>
Total	<hr/> <u>52.7</u> <hr/>

**Notes:**

- (1) The Company announced the use of Net Proceeds for such debt servicing of S\$21.8 million on 15 March 2022 and S\$21.7 million on 14 November 2022.
- (2) As announced by the Company on 13 May 2022.
- (3) As announced by the Company on 30 June 2022.

The utilisation of the Net Proceeds is in accordance with the intended use as disclosed in the Placement announcements made by the Company between 25 February 2022 and 14 November 2022.

By Order of the Board  
**GOLDEN ENERGY AND RESOURCES LIMITED**

Lai Kuan Loong, Victor  
Company Secretary  
5 April 2023