

FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::HALF YEARLY RESULTS

Issuer & Securities

Issuer/ Manager

WILTON RESOURCES CORPORATION LIMITED

Securities

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Chew Kok Liang

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Company Secretary

Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)

Please refer to the attachment.

On 6 March 2020, the Company announced that it will be changing its financial year end from 30 June to 31 December. Accordingly, this announcement is in relation to the financial results of the Company and its subsidiaries (the "Group") for the 6-month financial period ended 30 June 2020. The financial results for the financial year ending 31 December 2020 of the Group will cover 18 months and will be released on or before 1 March 2021.

Additional Details

For Financial Period Ended

30/06/2020

Attachments

[Wilton_HY2020%20Results%20Announcement.pdf](#)

Total size =520K MB

WILTON

WILTON RESOURCES CORPORATION LIMITED
(Company Registration Number: 200300950D)

Unaudited Financial Statements and Dividend Announcement for the Half Year Ended 30 June 2020⁽¹⁾

This announcement has been prepared by Wilton Resources Corporation Limited (the “**Company**”) and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the “**Sponsor**”), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalyst.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms. Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.

Note:

- (1) On 6 March 2020, the Company announced that it will be changing its financial year end from 30 June to 31 December. Accordingly, this announcement is in relation to the financial results of the Company and its subsidiaries (the “**Group**”) for the 6-month financial period ended 30 June 2020. The financial results for the financial year ending 31 December 2020 of the Group will cover 18 months and will be released on or before 1 March 2021.

PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

- 1(a)(i) 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.**

Consolidated statement of comprehensive income

	Group		Increase/ (decrease) %
	HY2020 ¹ Rp million (Unaudited)	HY2019 ² Rp million (Unaudited)	
Revenue	2,498	-	N.M.
Cost of sales	(1,855)	-	N.M.
Gross profit	643	-	N.M.
Other items of income			
Other income	615	6,267	-90.2%
Interest income from loans and receivables	477	761	-37.3%
Other items of expenses			
Other expenses	(7,407)	(133,189)	-94.4%
Other operating expenses	(3,783)	(5,074)	-25.4%
Finance costs	(107,001)	(21,152)	N.M.
General and administrative expenses	(21,222)	(28,109)	-24.5%
Loss before tax	(137,678)	(180,496)	-23.7%
Income tax expense	-	-	-
Loss net of tax for the period	(137,678)	(180,496)	-23.7%
Attributable to:			
Owners of the Company	(136,745)	(175,984)	-22.3%
Non-controlling interests	(933)	(4,512)	-79.3%
	(137,678)	(180,496)	-23.7%
Other comprehensive income			
Item that may not be reclassified subsequently to profit or loss:			
Re-measurement gain on defined benefit plans	-	95	-100.0%
Other comprehensive income for the period, net of tax	-	95	-100.0%
Total comprehensive income for the period	(137,678)	(180,401)	-23.7%
Attributable to:			
Owners of the Company	(136,745)	(175,892)	-22.3%
Non-controlling interests	(933)	(4,509)	-79.3%
	(137,678)	(180,401)	-23.7%

1(a)(ii) Notes to consolidated statement of comprehensive income.

Loss for the period is arrived at after charging / (crediting) the following items:

	Group		Increase/ (decrease) %
	HY2020 ¹ Rp million (Unaudited)	HY2019 ² Rp million (Unaudited)	
Depreciation of property, plant and equipment	(1,579)	(1,162)	35.9%
Amortisation of intangible assets	(90)	(91)	-1.1%
Amortisation of prepaid leases ³	-	(1,803)	-100.0%
Depreciation of right-of-use assets ³	(3,015)	-	N.M.
Acquisition costs arising from the Group's Restructuring Exercise	-	(132,670)	-100.0%
Depletion of mine properties	-	(128)	-100.0%
Employee benefits expenses	(127)	(398)	-68.1%
Foreign exchange (loss)/gain	(5,530)	6,063	-191.2%
Loss on disposal of property, plant and equipment	-	(3)	-100.0%

N.M. = Not meaningful

Notes:

(1) "HY2020": Half year financial period from 1 January 2020 to 30 June 2020.

(2) "HY2019": Half year financial period from 1 January 2019 to 30 June 2019.

(3) Depreciation of right-of-use assets (previously classified as amortisation of prepaid leases) increased by Rp 1.2b, from Rp 1.8b in HY2019 to Rp 3.0b in HY2020, as more prepaid leases were entered into during the second half of the financial year ended 30 June 2019. In addition, there was an increase in depreciation of operating leases of Rp0.5b in HY2020, arising from the adoption of SFRS(I) 16 Leases.

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.

Consolidated statement of financial position

	Group		Company	
	As at 30/6/2020 Rp million (Unaudited)	As at 30/6/2019 Rp million (Audited)	As at 30/6/2020 Rp million (Unaudited)	As at 30/6/2019 Rp million (Audited)
Non-current assets				
Exploration and evaluation assets	-	261,137	-	-
Mine properties	295,639	8,881	-	-
Property, plant and equipment	196,035	180,033	8	-
Intangible assets	477	657	-	-
Right-of-use assets	52,628	-	235	-
Investment in subsidiaries	-	-	1,229,943	1,217,860
Prepaid leases	-	50,719	-	-
Prepayments	-	2,736	-	-
Deposits	316	102	82	84
Long term fixed deposits	420	420	-	-
	545,515	504,685	1,230,268	1,217,944
Current assets				
Other debtors and deposits	3,729	352	90	31
Prepaid leases	-	5,104	-	-
Prepayments	736	3,363	243	264
Inventories	6,112	10,094	-	-
Investment securities	10	10	-	-
Cash and cash equivalents	26,915	27,723	100	445
	37,502	46,646	433	740
Total assets	583,017	551,331	1,230,701	1,218,684
Current liabilities				
Trade payables	12,851	16,960	-	-
Other payables and accruals	95,307	86,213	11,650	6,461
Amount due to a related party	500	847	-	-
Lease liability	241	-	241	-
Derivative liability	-	58,155	-	-
Loans and borrowings	28,614	25,000	-	-
	137,513	187,175	11,891	6,461
Net current liabilities	(100,011)	(140,529)	(11,458)	(5,721)
Non-current liabilities				
Loans and borrowings	429,602	256,798	429,602	256,798
Employee benefits liability	3,456	3,328	-	-
Provision for rehabilitation	420	420	-	-
Lease liability	1,338	-	-	-
	434,816	260,546	429,602	256,798
Total liabilities	572,329	447,721	441,493	263,259
Net assets	10,688	103,610	789,208	955,425
Equity attributable to owners of the Company				
Share capital	1,187,008	1,153,516	3,143,131	3,109,639
Accumulated losses	(1,390,312)	(1,144,938)	(2,353,923)	(2,154,214)
Merger reserve	13	13	-	-
Capital reserve	222,184	160,841	-	-
Other reserve	-	(58,155)	-	-
	18,893	111,277	789,208	955,425
Non-controlling interests	(8,205)	(7,667)	-	-
Total equity	10,688	103,610	789,208	955,425
Total equity and liabilities	583,017	551,331	1,230,701	1,218,684

(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

(In Rp Million)

As at 30 June 2020		As at 30 June 2019	
Secured	Unsecured	Secured	Unsecured
28,614	Nil	25,000	Nil

Amount repayable after one year

(In Rp Million)

As at 30 June 2020		As at 30 June 2019	
Secured	Unsecured	Secured	Unsecured
Nil	429,602	Nil	256,798

Details of any collateral

As at 30 June 2020, the Group recorded a short-term loan outstanding of Rp 23.6b (30 June 2019: Rp 25.0b), which relates to a short-term overdraft facility that is secured over a short-term bank deposit of Rp 25.0b (30 June 2019: Rp 25.0b).

During August 2019, the Company's subsidiary, Wilton Resources Holdings Pte Ltd, entered into a sale of shares and repurchase agreement, whereby a short-term loan of Rp 5.0b (30 June 2019 : Nil) was secured against the shares of PT Wilton Makmur Indonesia Tbk (formerly known as PT Renuka Coalindo Tbk) that were sold to be repurchased at a later date ("**Share Repurchase Agreement**").

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.

Consolidated statement of cash flows

	HFY20	HFY19
	Rp Million	Rp Million
	(Unaudited)	(Unaudited)
Cash flows from operating activities		
Loss before tax	(137,678)	(180,496)
Adjustments for:		
Loss on disposal of property, plant and equipment	-	3
Unrealised foreign exchange differences	6,443	(4,461)
Interest expense	107,001	21,152
Interest income	(477)	(761)
Acquisition cost arising from the Group's Restructuring Exercise	-	132,670
Depreciation of property, plant and equipment	1,579	1,162
Depreciation of right-of-use assets	3,015	1,803
Amortisation of intangible assets	90	91
Depletion of mine properties	-	128
Increase in employee benefits liability	127	398
Operating cash flows before working capital changes	(19,900)	(28,311)
Increase in prepayments	-	(4,449)
Increase in other debtors and deposits	(3,373)	(32)
Decrease/(increase) in inventories	1,225	(5,025)
Increase in trade payables	5,631	11,292
Increase in amount due to a related party	500	847
Decrease in other payables and accruals	(2,620)	(2,708)
Cash used in operations	(18,537)	(28,386)
Interest received	477	761
Interest paid	(827)	(875)
Net cash used in operating activities	(18,887)	(28,500)
Cash flows from investing activities		
Investment in exploration and evaluation assets (Note A)	(8,548)	(49,747)
Purchases of property, plant and equipment	(206)	(2,482)
Proceeds from disposal of property, plant and equipment	-	3
Net cash inflow from the Group's Restructuring Exercise	-	46,611
Net cash used in investing activities	(8,754)	(5,615)
Cash flows from financing activities		
Proceeds from short term borrowing	21,620	1,786
Net cash generated from financing activities	21,620	1,786
Net decrease in cash and cash equivalents	(6,021)	(32,329)
Effects of exchange rate changes on cash and cash equivalents	511	(662)
Cash and cash equivalents at beginning of the period	32,425	60,714
Cash and cash equivalents at the end of the period	26,915	27,723
Note A		
Aggregate cost of exploration and evaluation assets acquired	(8,548)	(50,079)
Less: rehabilitation costs capitalised	-	332
Cash payments to acquire exploration and evaluation assets	(8,548)	(49,747)

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.

Statement of changes in equity

Group	Attributable to owners of the Company					Non-controlling interests Rp million	Total equity Rp million
	Share capital Rp million	Accumulated losses Rp million	Merger reserve Rp million	Capital reserve Rp million	Other reserve Rp million		
At 1 July 2019	1,153,516	(1,144,938)	13	160,841	(58,155)	(7,667)	103,610
Loss for the period	-	(108,947)	-	-	-	(1,450)	(110,397)
<u>Other comprehensive income</u>							
Re-measurement gain on defined benefit plans, representing total other comprehensive income for the period, net of tax	-	318	-	-	-	16	334
Loss for the period, representing total comprehensive income for the period, net of tax	-	(108,629)	-	-	-	(1,434)	(110,063)
<u>Changes in ownership of subsidiaries</u>							
Net acquisition of non-controlling interests without a change in control	-	-	-	59,965	58,155	1,886	120,006
<u>Contribution by and distribution to owners</u>							
Issuance of ordinary shares	33,492	-	-	-	-	-	33,492
At 31 December 2019	1,187,008	(1,253,567)	13	220,806	-	(7,215)	147,045
Loss for the period, representing total comprehensive income for the period, net of tax	-	(136,745)	-	-	-	(933)	(137,678)
<u>Changes in ownership of subsidiaries</u>							
Dilution of interests in subsidiaries	-	-	-	1,378	-	(57)	1,321
At 30 June 2020	1,187,008	(1,390,312)	13	222,184	-	(8,205)	10,688

Statement of changes in equity

Group	Attributable to owners of the Company					Non-controlling interests Rp million	Total equity Rp million
	Share capital Rp million	Accumulated losses Rp million	Merger reserve Rp million	Capital reserve Rp million	Other reserve Rp million		
At 1 July 2018	1,153,516	(885,069)	13	11,565	-	-	280,025
Loss for the period, representing total comprehensive income for the period, net of tax	-	(83,977)	-	-	-	-	(83,977)
At 31 December 2018	1,153,516	(969,046)	13	11,565	-	-	196,048
Loss for the period	-	(175,984)	-	-	-	(4,512)	(180,496)
<u>Other comprehensive income</u>							
Re-measurement gain on defined benefit plans, representing total other comprehensive income for the period, net of tax	-	92	-	-	-	3	95
Loss for the period, representing total comprehensive income for the period, net of tax	-	(175,892)	-	-	-	(4,509)	(180,401)
<u>Changes in ownership of subsidiaries arising from the Group's Restructuring Exercise</u>							
Acquisition of subsidiary	-	-	-	(410)	-	410	-
Dilution of interests in subsidiaries	-	-	-	3,568	-	(3,568)	-
<u>Others</u>							
Share-based payment in respect of the Group's Restructuring Exercise	-	-	-	146,118	-	-	146,118
Outstanding mandatory tender offer obligation arising from the Group's Restructuring Exercise	-	-	-	-	(58,155)	-	(58,155)
At 30 June 2019	1,153,516	(1,144,938)	13	160,841	(58,155)	(7,667)	103,610

Statement of changes in equity

Company

At 1 July 2019

Loss for the period, representing total comprehensive income for the period, net of tax

Contributions by and distributions to owners

Issuance of ordinary shares

At 31 December 2019

Loss for the period, representing total comprehensive income for the period, net of tax

At 30 June 2020

At 1 July 2018

Loss for the period, representing total comprehensive income for the period, net of tax

At 31 December 2018

Loss for the period, representing total comprehensive income for the period, net of tax

At 30 June 2019

Share capital Rp million	Accumulated losses Rp million	Total equity Rp million
3,109,639	(2,154,214)	955,425
-	(71,459)	(71,459)
33,492	-	33,492
3,143,131	(2,225,673)	917,458
-	(128,250)	(128,250)
3,143,131	(2,353,923)	789,208
3,109,639	(2,065,845)	1,043,794
-	(49,900)	(49,900)
3,109,639	(2,115,745)	993,894
-	(38,469)	(38,469)
3,109,639	(2,154,214)	955,425

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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 the number of shares that may be issued on conversion of all the outstanding convertibles, 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.**

	Issued and fully paid up ordinary shares	Share Capital Rp million
As at 31 December 2019 and 30 June 2020	2,561,700,286	3,143,131

The Company did not have any outstanding options, convertible securities, treasury shares or subsidiary holdings as at 30 June 2020 and 30 June 2019.

- 1(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 30 June 2020	As at 30 June 2019
Number of issued shares	2,561,700,286	2,436,700,286

There were no treasury shares as at 30 June 2020 and 30 June 2019.

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

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. The Company did not have any subsidiary holdings during and as at the end of the current financial period reported on.

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

The figures have not been audited nor reviewed by the auditors.

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

Not applicable. The figures have not been audited nor reviewed by the auditors.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:

- (a) Updates on the efforts taken to resolve each outstanding audit issue.**
- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable. The latest audited financial statements of the Company and the Group for the financial year ended 30 June 2019 are not subject to any adverse opinion, qualified opinion or disclaimer of opinion.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those in the audited financial statements for the financial year ended 30 June 2019, except for the adoption of new or revised Singapore Financial Reporting Standards (International) ("**SFRS(I)**") and Interpretations of SFRS(I) ("**INT SFRS(I)**") that are mandatory for financial years beginning on or after 1 July 2019. The adoption of these SFRS(I) and INT SFRS(I) has no significant impact on the Group's financial statements.

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.

The Group adopted the SFRS(I) 16 Leases with effect from its financial year beginning from 1 July 2019, using the modified retrospective approach at the date of initial application.

SFRS(I) 16 introduces a single on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use (“**ROU**”) asset representing its right to use the underlying asset and a lease liability representing its lease obligation to make lease payments. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

On initial recognition, the Group has chosen on a lease-by-lease basis, to measure the ROU asset at an amount equal to the lease liability, adjusted by the amount of any prepaid lease payments relating to that lease recognised in the statement of financial position immediately before 1 July 2019. No changes were made to the opening retained earnings on 1 July 2019.

In addition, the Group elected the following practical expedients:

- not to reassess whether a contract is, or contains, a lease at the date of initial application and to apply this standard to all contracts that were previously identified as leases
- to apply the exemption not to recognise right-of-use asset and lease liabilities to leases for which the lease term ends within 12 months from 1 July 2019 and for leases of low-value assets
- to apply a single discount rate to a portfolio of leases with reasonably similar characteristics

Subsequent to initial recognition, ROU assets are measured using the cost model less accumulated depreciation and accumulated impairment loss. The carrying amount for lease liabilities subsequent to initial recognition would take into account interest on the lease liabilities, lease payments made and any reassessment or lease modifications.

The Group rents office space (previously treated as operating leases) as well as prepaid leases of land within the Concession Blocks, which are recognised as ROU assets with corresponding lease liabilities under SFRS(I) 16.

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.

- (a) Based on the weighted average number of ordinary shares on issue; and
(b) On a fully diluted basis (detailing any adjustments made to the earnings).**

	Group	
	HY2020	HY2019
Loss per ordinary share for the period based on net loss attributable to shareholders:		
(a) Basic loss per share (Rp)	(53.38)	(72.22)
- Basic loss per share (S\$ cents)	(0.51)	(0.69)
Weighted average number of shares	2,561,700,286	2,436,700,286
(b) On a fully diluted basis (Rp)	(53.38)	(72.22)
- On a fully diluted basis (S\$ cents)	(0.51)	(0.69)

The diluted loss per share and the basic loss per share for each of HY2019 and HY2020 were the same as there were no outstanding convertible securities during the respective periods.

For illustration purposes, the loss per share and diluted loss per share in Rp are converted to S\$ cents using the average rate of S\$1.00 : Rp10,522.45 for HY2020 (HY2019: S\$1.00 : Rp10,447.64).

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	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Net asset value (Rp million)	18,893	111,277	789,208	955,425
Number of shares at the end of the period	2,561,700,286	2,436,700,286	2,561,700,286	2,436,700,286
Net asset value per share (Rp)	7.38	45.67	308.08	392.10
Net asset value per share (S\$ cents)	0.07	0.44	3.00	3.75

For illustration purposes, the net asset value per share in Rp was converted at the exchange rate of S\$1.00 : Rp10,265.22 as at 30 June 2020 and S\$1.00 : Rp10,445.81 as at 30 June 2019.

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

(A) REVIEW OF FINANCIAL RESULTS

Revenue/ Cost of sales/Gross profit

For HY2020, the Group sold a total of 3.1 kilograms of gold dore at an average price approximately US\$ 1,662/oz of gold. Accordingly, the Group reported revenue of Rp 2.5b for HY2020, as compared to nil in HY2019. Correspondingly, the Group recorded cost of sales of Rp 1.9b in HY2020, as compared to nil in HY2019. As a result, the Group recorded gross profit of Rp 0.6b for HY2020 (HY2019: nil).

Other income

Other income decreased by Rp 5.7b, from Rp 6.3b in HY2019 to Rp 0.6b in HY2020 mainly due to the absence of the foreign exchange gain of Rp 6.1b in HY2019 due to the higher USD to IDR exchange rate in HY2020. The decrease is partially offset by receipt of Rp 0.6b grant in HY2020 pursuant to the Job Support Scheme and Temporary Employment Credit implemented by the Singapore government in HY2020 (HY2019 : Rp 7m). As most of the Group's liabilities are denominated in USD, the foreign exchange gain in HY2019 was attributable to lower USD to IDR exchange rate, whereas foreign exchange loss was recorded in HY2020 (under "Other expenses") due to higher USD to IDR exchange rate.

Interest income from loans and receivables

Interest income decreased by Rp 0.3b, from Rp 0.8b in HY2019 to Rp 0.5b in HY2020, mainly due to lower bank balances and lower interest rates on long term fixed deposits and current account.

Other expenses

Other expenses increased significantly by Rp 125.8b, from Rp 133.2b in HY2019 to Rp 7.4b in HY2020, mainly due to the absence of the acquisition costs arising from the Group's restructuring exercise in HY2019 of Rp 132.7b, partially offset by net foreign exchange losses of Rp 5.5b in HY2020.

Other operating expenses

Other operating expenses decreased by Rp 1.3b, from Rp 5.1b in HY2019, to Rp 3.8b in HY2020, mainly due to lower site expenses of Rp 2.0b in HY2020, partially offset by higher depreciation expenses on rights-of-use assets of Rp 0.7b to Rp 2.5b in HY2020 from Rp 1.8b in HY2019 (previously classified as amortisation of prepaid leases).

Finance costs

Finance costs increased by Rp 85.8b, from Rp 21.2b in HY2019 to Rp 107.0b in HY2020, mainly due to increase in interest expenses of Rp 65.9b and an adjustment to the carrying amount of the loans and borrowings of Rp 19.9b due to changes in gold prices and estimates, on the project financing arrangement obtained by the Group from Karl Hoffman Mineral Pte. Ltd..

General and administrative ("G&A") expenses

G&A expenses decreased by Rp 6.9b, from Rp 28.1b in HY2019 to Rp 21.2b in HY2020. The decrease in HY2020 was mainly due to cost cutting measures implemented by the Group such as salary reduction.

Depreciation of property, plant and equipment increased by Rp 0.4b, from Rp 1.2b in HY2019 to Rp 1.6b in HY2020, due to additions during the period.

Loss before tax

As a result of the above, the Group's loss before tax decreased by Rp 42.8b, from Rp 180.5b in HY2019 to Rp 137.7b in HY2020.

Net loss attributable to non-controlling interests

Non-controlling interests relate to interests in PT Wilton Makmur Indonesia Tbk ("**PT WMI**") (a subsidiary of the Company listed on the Indonesia Stock Exchange) that are not held by the Company (through its wholly-owned subsidiary, Wilton Resources Holdings Pte. Ltd. ("**WRH**")). Net loss attributable to non-controlling interests amounted to Rp 0.9b in HY2020 (HY2019: Rp 4.5b).

(B) REVIEW OF FINANCIAL POSITION

Assets

Exploration and evaluation assets ("**EEA**") decreased by Rp 261.1b, from Rp 261.1b as at 30 June 2019 to nil as at 30 June 2020, due to the reclassification of EEA to mine properties.

Mine properties increased by Rp 286.7b, from Rp 8.9b as at 30 June 2019 to Rp 295.6b as at 30 June 2020, due to the reclassification of EEA of Rp 261.1b to mine properties and additions of Rp 25.6b.

Property, plant and equipment ("**PPE**") increased by Rp 16.0b, from Rp 180.0b as at 30 June 2019 to Rp 196.0b as at 30 June 2020, mainly due to additions to PPE of Rp 19.0b, partially offset by depreciation charges of Rp 3.0b for 12 months.

ROU assets (non-current) relates to prepaid leases of land within the Group's Concession Blocks as well as office rental. These were reclassified from prepaid leases due to the adoption of SFRS(I) 16 Leases for the financial year beginning 1 July 2019. ROU assets (non-current) of Rp 52.6b as at 30 June 2020 decreased by Rp 3.2b, when compared to prepaid leases (current and non-current) of Rp 55.8b as at 30 June 2019, mainly due to depreciation charge of Rp 5.7b for 12 months, partially offset by recognition of additional ROU assets of Rp 2.5b. Please refer to Section 5 of this announcement for further information on ROU assets.

Prepaid leases (non-current and current) decreased by Rp 55.8b, from Rp 55.8b as at 30 June 2019 to nil as at 30 June 2020, due to the reclassification of prepaid leases to ROU assets as a result of the adoption of SFRS(I) 16 Leases.

Prepayments (non-current and current) decreased by Rp 5.4b, from Rp 6.1b as at 30 June 2019 to Rp 0.7b as at 30 June 2020, mainly due to prepayments previously made by the Group for purchase of property, plant and equipment and EEA of Rp 2.7b was transferred to the respective category.

Inventories decreased by Rp 4.0b, from Rp 10.1b as at 30 June 2019 to Rp 6.1b as at 30 June 2020, due to the recognition of cost of goods for sale of gold for the 12 months from inventories of Rp 4.0b.

Cash and cash equivalents decreased by Rp 0.8b, from Rp 27.7b as at 30 June 2019 to Rp 26.9b as at 30 June 2020. Please refer to the section on "Cashflow" below on the movement in cash and cash equivalents.

Liabilities

Trade payables decreased by Rp 4.1b, from Rp 17.0b as at 30 June 2019 to Rp 12.9b as at 30 June 2020, mainly due to payment of amount due to vendors, resulting in lower trade payables.

Other payables and accruals increased by Rp 9.1b, from Rp 86.2b as at 30 June 2019 to Rp 95.3b as at 30 June 2020, mainly due to increase in payables and accruals for operating expenses.

Amount due to related party decreased by Rp 0.3b to Rp 0.5b as at 30 June 2020, from Rp 0.8b as at 30 June 2019 due to repayments made.

Lease liability (current and non-current) of Rp 1.6b as at 30 June 2020 (30 June 2019: Nil) relates to the adoption of SFRS(I) 16 Leases. Please refer to Section 5 of this announcement for further information.

Derivative liability decreased by Rp 58.2b to nil as at 30 June 2020, from Rp 58.2b as at 30 June 2019. This relates to the reversal of the potential liability from the mandatory tender offer ("**MTO**") obligation of Wilton Resources Holdings Pte. Ltd. (a wholly-owned subsidiary of the Company) to purchase the non-controlling interest of PT WMI (a subsidiary of the Company listed on the Indonesia Stock Exchange), which is no longer required following the completion of the MTO on 4 November 2019.

Loans and borrowings (current) increased by Rp 3.6b to Rp 28.6b as at 30 June 2020, from Rp 25.0b as at 30 June 2019, due to a loan obtained of Rp 5.0b in August 2019 which was secured against the shares of PT WMI that were sold to be repurchased at a later date pursuant to a Share Repurchase Agreement, partially offset by a repayment of Rp 1.4b on short-term overdraft facility.

Loans and borrowings (non-current) increased by Rp 172.8b, from Rp 256.8b as at 30 June 2019 to Rp 429.6b as at 30 June 2020, due to interest expenses of Rp 151.6b,

adjustments of Rp 19.9b to the carrying amount of the loans and borrowings and unrealised exchange differences of Rp 1.3b.

Employee benefits liability increased by Rp 0.2b, from Rp 3.3b as at 30 June 2019 to Rp 3.5b as at 30 June 2020, mainly due to increased headcount of the pension plans in Indonesia.

Working Capital

The Group's working capital improved by Rp 40.5b, from a net current liabilities position of Rp 140.5b as at 30 June 2019 to a net current liabilities position of Rp 100.0b as at 30 June 2020. Please refer to the above sections on "Assets" and "Liabilities" on the movement in current assets and current liabilities. The Company is exploring options to secure funding arrangement for working capital and capital expenditure financial requirements. Notwithstanding, the board of directors of the Company is of the view that the Company is able to operate as a going concern as the Group is in a net asset position and the Company may raise additional funding via sale of shares of PT WMI (which is listed on the Indonesia Stock Exchange).

Cashflow

Net cash outflow for operating activities of Rp 18.5b in HY2020 was mainly due to the operating loss before working capital changes of Rp 19.9b, working capital changes of Rp 1.4b, interest received of Rp 0.5b, and interest paid of Rp 0.8b.

Changes in working capital in HY2020 was mainly due to (i) increase in trade payables of Rp 5.6b; (ii) decrease in inventory of Rp 1.2b and (iii) increase in amount due to a related party of Rp 0.5b; partially offset by (iv) increase other debtors and deposits of Rp 3.4b; and (v) increase in other payables and accruals of Rp 2.6b.

Net cash used in investing activities of Rp 8.8b in HY2020 was mainly due to investment in EEA of Rp 8.6b and purchase of property, plant and equipment of Rp 0.2b.

Net cash generated from financing activities in HY2020 of Rp 21.6b from the drawdown of Rp 21.6b of the short-term overdraft.

As at 30 June 2020, the Group had cash and cash equivalents of Rp 26.9b, representing a decrease of Rp 0.8b from Rp 27.7b as at 30 June 2019.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

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.

Since the beginning of July 2019, gold price has increased significantly by 41.4% from US\$1,390/oz to the current price of approximately US\$1,965/oz¹ as at 31 July 2020, due to the increased market uncertainty over the novel coronavirus ("COVID-19") outbreak, US-Iran crisis, US-China trade war and Brexit.

¹ <http://www.lbma.org.uk/precious-metal-prices>

The Group is working on the completion of the installation of the processing equipment and components for the 500 Tonnes Processing Facility. The Group will work on the other supporting facility for the 500 Tonnes Processing Facility. The travel restrictions between China and Indonesia due to COVID-19 have caused a delay in our Chinese contractor returning to Indonesia to continue its work on the construction of the 500 Tonnes Processing Facility, and the completion of the said facility. Work on site have also been affected and delayed due to the various measures by government to curb community infections due to COVID-19, until such time when the situation improves.

The Company is exploring certain fund-raising exercises to fund the final stages of the infrastructure, civil works and other supporting facilities of the 500 Tonnes Processing Facility. However, the COVID-19 has also affected the fund-raising activities, and thus will affect the completion of the 500 Tonnes Processing Facility. Production of gold will commence upon the completion of the 500 Tonnes Processing Facility.

Further, the volatility of the foreign exchange for the US dollar against the Group's functional currency ("IDR") will continue to have an impact on the Group's financial results.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared or recommended for HY2020 as the Group is loss making.

13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), 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.

The Group does not have any general mandate from shareholders pursuant to Rule 920 of the Catalist Rules.

14. Confirmation that the issuer has procured undertakings from all of its directors and executive officers (in the format set out in Appendix 7H) under rule 720(1)

The Company confirms that it has procured undertakings from all of its directors and executive officers in the format set out in Appendix 7H of the Catalist Rules, as required under Rule 720(1) of the Catalist Rules.

15. Negative confirmation by the Board pursuant to rule 705(5)

The Board, do hereby confirm that, to the best of our knowledge, nothing has come to the attention of the Board, which may render the unaudited financial statements for the half year ended 30 June 2020 to be false or misleading in any material aspects.

BY ORDER OF THE BOARD

Wijaya Lawrence
Chairman and President
14 August 2020