

Company registration number 03716310 (England and Wales)

PERENCO RANG DONG LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



PERENCO RANG DONG LIMITED

COMPANY INFORMATION

Directors	D Jol S Tait A Battrick
Secretary	Citco Management (UK) Limited
Company number	03716310
Registered office	4-12 Regent Street Rex House, 4th Floor London SW1 4RG
Auditor	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW

PERENCO RANG DONG LIMITED

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PERENCO RANG DONG LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present the strategic report for the year ended 31 December 2021.

Fair review of the business

The Company was incorporated on 19 February 1999 and up until 20 August 2021, was wholly owned by Perenco Overseas Holdings Limited. Its principal activities are those of oil and gas exploration and production. Due to the COVID-19 pandemic and changes in demand and supply within the sector, management closely monitored costs and assessed different oil price scenarios. During Q3 2021 and Q4 2021, two workovers were performed in the Rang Dong area in addition to a new well in the same area.

The Company holds an 30.5% non-operated working interest in the Production Sharing Contract (PSC) of Block 15-2 in Vietnam. Block 15-2 comprises of the Rang Dong area and Phuong Dong Area, and is operated by Japan Vietnam Petroleum Co. Ltd. (the "Operator"), the Company has an economic interest in the Rang Dong Area only.

During 2021, Block 15-2 produced 4.543 billion cubic feet of gas (Bcf) (gross) (2020: 5.342 Bcf (gross)). Gross liquids production from Block 15-2 produced 4.421 million barrels of oil (Mbbls) (gross) compared to 4.332 Mbbls (gross) in 2020.

Production activity will continue during 2022 and the Company will continue to invest where required to ensure maximum value is extracted from Block 15-2. In addition, the Company will continue to maintain its commitment to world-class health, safety and environmental performance. Production is expected to continue in 2022 based on the natural decline curve.

As of the balance sheet date, the Company is a going concern with a Solvency Ratio of 0.47 (2020: 0.23) and a Liquidity Ratio of 5.03 (2020: 2.31). The activities of the Company will be financed mainly by internally generated cash flows.

Principal risks and uncertainties

The principal risks and uncertainties of the Company are disclosed in the Directors' Report.

Development and performance

Since the start of 2020 there had been a developing outbreak of the Covid-19 (coronavirus) which has continued into 2021. As a result of Covid-19, the Company has seen macro-economic uncertainty with regards to prices and demand for oil. Furthermore, recent global developments and uncertainty in oil supply in March 2020 have caused further volatility in commodity markets. The situation is closely monitored. Oil prices showed a historic low at \$11 per barrel in April 2020 where there was an oversupply in the market until OPEC+ reached an agreement towards the end of Q2 2020. From Q3 2020, Brent prices increased steadily from near \$51/bbl on 31 December 2020, to more than US\$130/bbl at the peak in March 2022 due to the war in Ukraine and sanctions against Russia. Notwithstanding, Management will closely monitor the developments and take the required measures. The 2022 estimate for production as agreed in the Work Program & Budget ("WP&B") is 3.950 Mbbls and 2.420 Bcf.

Key performance indicators

The KPIs achieved during 2021 are included in the business review section above.

PERENCO RANG DONG LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Promoting the success of the company

The directors have a duty to promote success of the Company for the benefit of stakeholders as a whole and remain conscious of the impact their decisions have on employees, communities, suppliers, customers and the environment.

Section 172 requires directors to have regard to the following in the performing their duties, and as part of the process are required to consider, where relevant:

- the likely consequences of any decision in the long term,
- the interests of the company's employees,
- the need to foster the company's business relationships with suppliers, customers and others,
- the impact of the company's operations on the community and the environment,
- the desirability of the company maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the company.

To support directors in the discharge of their duties and whilst making a decision on behalf of the Company, the directors have access to regular performance reports, which include financial operational updates to identify matters which may have an impact on the proposed decision including, where relevant, section 172 factors as outlined above.

The directors with the management team review the progress against strategic priorities. This collaborative approach helps to promote the long-term success of the Company. The directors assess different areas of the business so that the Company is well prepared for the future challenges. Ultimately the directors decisions are taken based on what it considers to be in the best interest of the long-term financial success of the Company's stakeholders, including shareholders, employees, the community and environment, suppliers and customers.

The Company works to attract, develop and retain the best talent, equipped with the right skills. Our people have a crucial role in delivering our strategy and creating value. We trust people we hire and let them express their talent in a wide range of domains.

The Company aims to help local communities to grow their domestic energy supplies and boost energy security. This in turn helps create jobs and generates revenues for governments. The Company aim to maintain dialogue with governments and engage in policy debates that are of concern to us and the communities in which we operate. The Company paid income tax of \$18,773k and production tax (royalty) of \$7,862k in the year.

The Company depends on the capability and performance of our suppliers, contractors and other partners, such as small businesses, industry peers, to help deliver the products and services we need for our operations.

On behalf of the board

.....
D Jol

Director

Date: 29.03.2023

PERENCO RANG DONG LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report on the affairs of Perenco Rang Dong Limited (the "Company"), together with the financial statements and independent auditor's report, for the year ended 31 December 2021. The Company is a wholly owned subsidiary of Batavia Oil Overseas Pte. Ltd., a company incorporated in the Republic of Singapore.

Principal activities

The objective of Perenco Rang Dong Limited is to hold interests in joint ventures involved in the exploration for, development and production of, oil and gas in Vietnam.

Results and dividends

For the year to 31 December 2021 the Company made a profit of US\$23,635,000 (2020: Profit of US\$2,697,000). Net cash flow decreased by US\$650,000 (2020: decrease of US\$997,000). Total assets less current liabilities as of 31 December 2021 was US\$124,465,000 (2020: US\$98,115,000).

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

D Jol	(Appointed 20 August 2021)
S Tait	(Appointed 1 May 2022)
A Battrick	(Appointed 1 February 2022)
A Eager	(Resigned 20 August 2021)
G M P D'argouges	(Resigned 11 June 2021)
A Heydenreich	(Appointed 11 June 2021 and resigned 20 August 2021)
J Ong	(Appointed 1 January 2022 and resigned 13 January 2022)
J Parr	(Resigned 20 August 2021)
T Sandford	(Resigned 20 August 2021)

Principal risks and uncertainties

Credit risk

The Company's principal financial assets are bank balances, and trade debtors. The credit risk on liquid funds is limited because trade debtors are also due from highly creditworthy counterparties.

Interest rate risk

The Company has substantial cash pooling receivable balances, on which it earns deposit interest income, which is significant interest bearing financial assets. The Company is exposed to the USD LIBOR interest rate benchmark, which are subject to interest rate benchmark reform.

Energy transition

Over the course of the last 24 months, there has been a considerable global push for the transition from fossil fuels to renewable energy. Although management supports this, it believes that the energy transition will have a limited impact to the Company considering the expiry of the PSC in 2025.

PERENCO RANG DONG LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Liquidity risk

The Company is a wholly owned subsidiary of Batavia Oil Overseas Pte. Ltd. ("BOOPL"). BOOPL has provided financial support to the Company. BOOPL obtained financial facility from Mercuria in August 2020, which was paid off in November 2022.

Operational hazards and responsibilities

Oil and gas drilling and producing operations are subject to many risks, including the possibility of fire, explosions, mechanical failure, pipe failure, chemical spills, accidental flows of oil, natural gas or well fluids, sour gas releases, storms or other adverse weather conditions and other occurrences or accidents which could result in personal injury or loss of life, damage or destruction of properties, environmental damage, interruption of business, regulatory investigations and penalties an liability to third parties. The Operator mitigates insurable risks by maintaining a comprehensive insurance program to reduce the potential impact of the physical risks associated with its exploration and production activities. Safety, Health and Environment ("SHE") is a priority and closely monitored, tracked and communicated by the Operator.

Exploration success and reserves addition

The Company's future success depends largely on its ability to find, develop or acquire additional oil and gas reserves that are economically recoverable. Exploration and development drilling may not result in commercially productive reserves. Successful acquisitions require an assessment of a number of factors, many of which are uncertain. These factors include recoverable reserves, exploration potential, future oil and gas prices, operating costs and potential environmental and other liabilities. Such assessments are inexact and their accuracy is inherently uncertain. No exploration projects are expected in the near future.

Commodity price risk

The Company is exposed to oil and gas price fluctuations which affect its revenues and the values of its oil and gas interests. Decreases in the oil and gas prices are likely to reduce profitability by decreasing revenue without a proportional decrease in costs; they may necessitate impairment of asset values. The current volatility in oil demand and prices due to Covid-19 (Corona), OPEC+ and the war in Ukraine is expected to have an impact on the oil and gas price fluctuations in the foreseeable future. Since a low of \$11 per barrel in April 2020, oil has since recovered to more than \$100 in August 2022 and was last traded at \$82 in February 2023.

Pandemic and geopolitical risk

In Q1 2020, a global outbreak of the Covid-19 (Corona) virus took place with a second wave of Covid-19 cases starting towards the end of Q3 2020 and continuing in 2021. The long term effects of the Coronavirus outbreak is uncertain at this time despite the roll out of vaccines around the world and opening of most economies. Notwithstanding, Russia invaded Ukraine in February 2022 leading to oil prices to reach a peak of more than \$130 and falling quickly to around \$100. The Company therefore cannot reasonably estimate the impact it may have on our business and its operations. Management will closely monitor the developments and take the required measures.

PERENCO RANG DONG LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern whilst maximising return to shareholders. BOOPL had a finance facility from Mercuria as at 31 December 2021, notwithstanding, the Company had no external borrowings as at 31 December 2021.

Risk appetite, related controls and changes thereof

The goals of the Company are aligned with the Strategic, Financial, Operations and Compliance risks facing its shareholders to the extent applicable for the Company. The directors periodically carry review the principal risks facing the Company, including those that threaten its business model, future performance, solvency or liquidity. The Company always weighs risks against potential rewards.

Future developments

The Company will continue to hold interests in joint ventures involved in oil and gas exploration, development and production in Vietnam.

Auditor

UHY Hacker Young were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Energy and carbon report

The Company is permitted to exclude emissions outside the UK and offshore area and therefore is not required to report on its emissions, energy consumption or energy efficiency activities.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PERENCO RANG DONG LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of disclosure to auditor

Each director in office at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Going concern

As part of the preparation of the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern. The directors should then either prepare the financial statements using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations or has no realistic alternative but to do so.

Based on the intention of the directors with consideration given to the risk factors described above, the directors believe the Company is a going concern. As such, the going concern basis of accounting should be adopted in these financial statements.

Change in ownership

On 20 August 2021, 100% of the share capital of the company was acquired by Batavia Oil Overseas Pte. Ltd.

On behalf of the board



D Jol

Director

Date: 29.03.2023

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PERENCO RANG DONG LIMITED**

Opinion

We have audited the financial statements of Perenco Rang Dong Limited (the 'company') for the year ended 31 December 2021 which comprise the income statement, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF PERENCO RANG DONG LIMITED

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF PERENCO RANG DONG LIMITED

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and the industry in which it operates, we identified that the principal risks of noncompliance with laws and regulations related to the acts by the Company which were contrary to applicable laws and regulations including fraud and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to improper revenue recognition and overstatement of development and production assets.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with legal advisors, enquiries of management, and testing of journals to evaluate whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

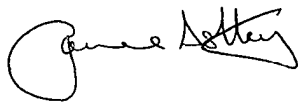
There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF PERENCO RANG DONG LIMITED

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Astley (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young

Date: 29 March 2023

Chartered Accountants
Statutory Auditor

PERENCO RANG DONG LIMITED

INCOME STATEMENT

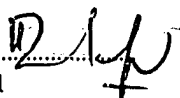
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 \$'000s	2020 \$'000s
Revenue	4	79,933	54,342
Cost of sales	5	(36,899)	(38,573)
Gross profit		43,034	15,769
Other operating income		4	-
Administrative expenses		(249)	(407)
Operating profit	6	42,789	15,362
Investment revenues	9	(50)	146
Finance costs	10	(331)	(648)
Profit before taxation		42,408	14,860
Income tax expense	11	(18,773)	(12,163)
Profit and total comprehensive income for the year		23,635	2,697

PERENCO RANG DONG LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2021**

	Notes	2021 \$'000s	2020 \$'000s
Non-current assets			
Property, plant and equipment	13	23,396	25,839
Long-term receivables	16	63,736	59,865
		<u>87,132</u>	<u>85,704</u>
Current assets			
Inventories	14	3,590	3,739
Trade and other receivables	16	40,073	12,611
Cash and cash equivalents		2,048	2,698
		<u>45,711</u>	<u>19,048</u>
Current liabilities			
Trade and other payables	17	8,365	6,637
Current tax liabilities		13	-
		<u>8,378</u>	<u>6,637</u>
Net current assets		<u>37,333</u>	<u>12,411</u>
Non-current liabilities			
Long term provisions	18	63,950	61,235
Net assets		<u>60,515</u>	<u>36,880</u>
Equity			
Retained earnings		<u>60,515</u>	<u>36,880</u>

The financial statements were approved by the board of directors and authorised for issue on 23.03.2023 and are signed on its behalf by:


D Jol
Director

Company Registration No. 03716310

PERENCO RANG DONG LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Share capital \$'000s	Retained earnings \$'000s	Total \$'000s
Balance at 1 January 2020		-	60,183	60,183
Year ended 31 December 2020:				
Profit and total comprehensive income for the year		-	2,697	2,697
Dividends	12	-	(26,000)	(26,000)
Balance at 31 December 2020		-	36,880	36,880
Year ended 31 December 2021:				
Profit and total comprehensive income for the year		-	23,635	23,635
Balance at 31 December 2021		-	60,515	60,515

PERENCO RANG DONG LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

		2021	2020
	Notes	\$'000s	\$'000s
Cash flows from operating activities			
Cash generated from operations	27	51,120	25,564
Tax paid		(18,759)	(12,163)
Net cash inflow from operating activities		32,361	13,401
Investing activities			
Purchase of property, plant and equipment		(5,351)	(9,710)
Contributions to the decommissioning fund		(3,871)	(1,587)
Interest received		-	185
(Increase)/decrease in cashpool with related parties		(23,789)	22,714
Net cash (used in)/generated from investing activities		(33,011)	11,602
Financing activities			
Dividends paid		-	(26,000)
Net cash used in financing activities		-	(26,000)
Net decrease in cash and cash equivalents		(650)	(997)
Cash and cash equivalents at beginning of year		2,698	3,695
Cash and cash equivalents at end of year		2,048	2,698

PERENCO RANG DONG LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Perenco Rang Dong Limited is a private company limited by shares incorporated in England and Wales. The registered office is 4-12 Regent Street, Rex House, 4th Floor, London, SW1 4RG. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Accounting convention

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the United Kingdom and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, except as otherwise stated.

The financial statements are prepared in US dollars, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest \$'000s.

1.2 Going concern

The directors consider that the financial resources available are adequate to meet its operational needs for the foreseeable future on a standalone basis. At the year end the Company was a wholly owned subsidiary of Batavia Oil Overseas Pte. Ltd ("BOOPL"). Should further funding be required BOOPL has also indicated their willingness to provide financial support to the Company.

The directors therefore believe it is appropriate to continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.3 Revenue

Revenue represents the value of sales exclusive of related sales taxes of oil and gas arising from upstream operations and is recognised at market value when the oil has been lifted or the gas has been delivered and title has passed.

Interest income is recognised when it is probable that the economic benefits will flow to the Company, and the amount of revenue can be measured reliably. Interest income in the Company relates to interest received on bank deposits and balances owed from related parties.

The Company's accounting policy under IFRS 15 is that revenue is recognised when the Company satisfies a performance obligation by transferring oil or gas to a customer. The title to oil and gas typically transfers to a customer at the same time as the customer takes physical possession of the oil or gas. Typically, at this point in time, the performance obligations of the Company are fully satisfied. The accounting for the revenue under IFRS 15 does not, therefore, represent a substantive change from the Company's previous accounting policy for recognising revenue from sales to customers.

PERENCO RANG DONG LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.4 Property, plant and equipment

The Company uses the full cost method of accounting for exploration, evaluation, development and production expenditure in relation to oil and gas assets, having regard to the requirements of IFRS 6 'Exploration for and Evaluation of Mineral Resources'. These costs are capitalised in separate geographical costs pools ("full cost pools") having regard to the operational structure of the Company.

Oil and gas assets: exploration and evaluation

Exploration and evaluation ("E&E") costs are initially capitalised as 'intangible assets', in accordance with IFRS 6. Such E&E costs may include costs of licence acquisition, technical services and studies, seismic acquisitions and exploration drilling and testing.

Tangible assets used in E&E activities are classified as property, plant and equipment.

Intangible E&E assets are not depreciated and are carried forward until the existence (or otherwise) of proved reserves has been determined. If proved reserves have been discovered, the relevant E&E assets are then reclassified as development and production assets within property, plant and equipment and depreciated using the method described below. Intangible E&E assets that are determined not to have resulted in the discovery of proved reserves and cannot be associated with an established full cost pool are written off at the date of determination, whereas those that are associated with an established pool are carried forward and amortised over the total reserves of the pool, subject to there being no impairment of the pool as a whole.

Oil and gas assets: development and production

Development and production assets are accumulated under the principle of full cost accounting on a field-by-field basis and represent the cost of developing proved reserves discovered and bringing them into production, together with the exploration and evaluation expenditures incurred in finding proved reserves.

The net book values of producing assets are depreciated on a field-by-field basis using the unit of production method by reference to the ratio of production in the period to the related proved reserves of the field.

PERENCO RANG DONG LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Impairment of oil and gas assets (ceiling test).

A ceiling test is carried out if there is a significant reason for the directors to believe that impairment could have occurred. This test is to assess whether the carrying amount of each field or full cost pool (as applicable) exceeds the recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell, and its value in use as defined by IAS 36 'Impairment of assets'. The fair value less cost to sell is determined by discounting the anticipated post-tax net cash flows at a risk adjusted discount rate using proved and probable reserves. Where a fair value less cost to sell method is used, the carrying amount includes any deferred tax asset or liability associated with the capitalised costs in the cost pool. Any deficiency arising under this comparison is recognised in the income statement. An impairment test for an exploration and evaluation asset is conducted on a full cost pool basis. An impairment test of a development or production asset is undertaken for the particular cash generating unit which is generally the field.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased. The reversal is recorded in the income statement.

1.5 Impairment of tangible and intangible assets

At each reporting end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

PERENCO RANG DONG LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.6 Inventories

Crude oil inventory is carried at market value in accordance with specific exclusions applicable to mineral products under IAS 2 'Inventory'.

Underlifts and overlifts of entitlement to crude oil production are recorded within inventories, both measured at market value, consistent with the crude oil inventory valuation policy.

Materials, supplies and all other non-mineral inventories are stated at the lower of weighted average cost and net realisable value. The Company reviews annually the stock of material for obsolescence and a provision on obsolete stock is made accordingly.

1.7 Financial assets

Financial assets and liabilities are recognised on the Company's balance sheet when the Company becomes party to contractual provisions of the instrument. The Company has not entered into any derivative financial instruments during the year presented.

Trade receivables

Trade receivables represent amounts owed for the sale of oil and gas. The carrying value of these assets is approximate to their fair value.

Cash and cash equivalents

Cash and cash equivalents (which are presented as a single class of assets on the face of the balance sheet) comprise cash at bank.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.8 Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Trade payables

Trade payables principally comprise amounts outstanding for trade purchase and ongoing costs. The carrying amounts of trade payables approximate their fair values.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

PERENCO RANG DONG LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Other taxes, which include value added tax and sales tax, represent the amount receivable or payable to local authorities in the countries where the Company operates and are charged to the income statement.

1.11 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event and it is probable that the company will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Decommissioning provisions

A provision for the cost of decommissioning of an asset and for site restoration at the end of the asset's producing life is recognised as that asset is installed. The amount provided is the discounted amount of the estimated cost of the future decommissioning event. That amount is capitalised as part of the cost of the oil and gas assets and depleted in accordance with the oil and gas assets accounting policy above. Periodically the discounted value of the provision is re-assessed. Any adjustment arising from the re-assessment of the estimated cost of decommissioning is capitalised whilst the adjustment arising from the unwinding of the discount is taken to the income statement.

PERENCO RANG DONG LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.12 Foreign exchange

The financial statements have been presented in United States dollars (US dollars), which is the functional currency of the Company. Transactions in currencies other than US dollars are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

1.13 Decommissioning fund

When the Company is required to maintain decommissioning funds in order to cover decommissioning expenditure, these are separately disclosed within long-term receivables, as disclosed in note 17.

1.14 Joint arrangements

The Company is engaged in oil and gas exploration, development and production through jointly controlled assets. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

When the Company undertakes its activities under joint operations, the company as a joint operator recognises in relation to its interest in the joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The Company accounts for the assets, liabilities, revenue and expenses relating to its interest in a joint operation in accordance with the IFRS Standards applicable to the particular assets, liabilities, revenue and expenses.

PERENCO RANG DONG LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2 Adoption of new and revised standards and changes in accounting policies

Standards which are in issue but not yet effective

At the date of authorisation of these financial statements, the following Standards and Interpretations, which have not yet been applied in these financial statements, were in issue but not yet effective:

Standard of Interpretation	Effective for annual period commencing on or after
Narrow scope amendments to IFRS 3, IAS 16 and IAS 37	1 January 2022
Annual improvements to IFRS Standards 2018-2020	1 January 2022
Amendments to IAS 1: Classification of Liabilities as Current or Non-Current	1 January 2023
Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to IAS 8: Definition of Accounting Estimates	1 January 2023
Amendments to IAS 12: Deferred Tax Related to Assets and Liabilities arising from a Single Transaction	1 January 2023

As yet, none of these have been endorsed for use in the UK and will not be adopted until such time as endorsement is confirmed. The directors do not expect any material impact as a result of adopting the standards and amendments listed above in the financial year they become effective.

PERENCO RANG DONG LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

3 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Reserves

Development and production assets within property, plant and equipment are depreciated on a unit of production basis at a rate calculated by reference to proved developed producing reserves estimated using the standards required by the US Securities Exchange Commission ("SEC"). Proved reserves estimates are based on a number of underlying assumptions, including oil and gas prices, future costs, oil and gas in place and reservoir performance, which are inherently uncertain. Proved reserves estimates are supported by reserves reports prepared by independent petroleum reservoir engineers.

The level of estimated commercial reserves is also a key determinant in assessing whether the carrying value of any of the Company's development and production assets has been impaired.

The carrying amount of development and production assets at 31 December 2021 is shown in note 13.

Decommissioning

The provision for decommissioning obligations depends on the cost and timing of decommissioning works, legal requirements and the discount rate to be applied to such costs. The directors have conducted an internal review of these factors, based on information currently available, in the calculation of this provision.

The carrying amount of the decommissioning provisions at 31 December 2021 are shown in note 18.

Impairment of assets

Under the full cost method of accounting for production and development costs, such costs are capitalised by reference to appropriate cost pools, and are assessed for impairment when circumstances suggest that the carrying amount may exceed its recoverable value. This assessment involves judgement as to (i) the likely life of the field, (ii) future revenues and operating costs with which the asset in question is associated, (iii) the discount rate to be applied to such revenues and costs for the purpose of deriving a recoverable value, (iv) the oil price assumption.

Note 13 discloses the carrying amounts of the Company's production and development assets. No impairment has been recognised in 2021 or 2020.

PERENCO RANG DONG LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Revenue

	2021	2020
	\$'000s	\$'000s
Revenue analysed by class of business		
Oil sales	78,296	52,414
Gas sales	1,637	1,928
	<u>79,933</u>	<u>54,342</u>

All revenue stated above relates to operations in Vietnam.

5 Cost of sales

	2021	2020
	\$'000s	\$'000s
Production and operating costs	26,722	25,494
Depreciation, depletion and amortisation	10,177	13,079
	<u>36,899</u>	<u>38,573</u>

6 Operating profit

	2021	2020
	\$'000s	\$'000s
Operating profit for the year is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	33	19
Depreciation of property, plant and equipment	10,177	13,079
Cost of inventories recognised as an expense	26,722	25,494
	<u>36,899</u>	<u>38,573</u>

7 Auditor's remuneration

	2021	2020
	\$'000s	\$'000s
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	33	19
	<u>33</u>	<u>19</u>
For other services		
Other services	6	-
	<u>6</u>	<u>-</u>

PERENCO RANG DONG LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

8 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	-	-

9 Investment income

	2021 \$'000s	2020 \$'000s
Interest income		
Financial instruments measured at amortised cost:		
Other interest income on financial assets	-	185
Other income		
Exchange differences	(50)	(39)
	(50)	146

Income above relates to assets held at amortised cost, unless stated otherwise.

10 Finance costs

	2021 \$'000s	2020 \$'000s
Unwinding of discount on provisions (note 18)	331	648
	331	648

11 Income tax expense

	2021 \$'000s	2020 \$'000s
Current tax		
Adjustments in respect of prior periods	-	(401)
Income tax	18,773	12,564
	18,773	12,163

PERENCO RANG DONG LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 Income tax expense

(Continued)

The charge for the year can be reconciled to the profit per the income statement as follows:

	2021	2020
	\$'000s	\$'000s
Profit before taxation	<u>42,408</u>	<u>14,860</u>
Expected tax charge based on a corporation tax rate of 50.00% (2020: 50.00%)	21,204	7,430
Effect of expenses not deductible in determining taxable profit	-	18,013
Income not taxable	-	(9,845)
Adjustment in respect of prior years	-	(401)
Other	-	(3,034)
Deferred tax not provided	5,254	-
Foreign tax	<u>(7,685)</u>	<u>-</u>
Taxation charge for the year	<u>18,773</u>	<u>12,163</u>

Revenues from Block 15-2 received by the Company is not taxed in the United Kingdom due to the object exemption for income derived from a foreign permanent establishment. The tax charges showing for the Company are due to Vietnam tax charges that have arisen in the year. There was no United Kingdom tax charge in the current year (2020: US\$ nil). The effective tax rate of the Company was 44.1% (2020: 81.9%), which is calculated by the Profit and Loss charge for the year of US\$18,773,000 divided by the profit before tax of US\$42,408,000. Current tax is calculated at 50% (2020: 50%) on taxable profits for the year. Discrepancies arise between effective and applicable tax rates due to prior year tax adjustments and permanent differences between tax values and accounting carrying values on assets.

12 Dividends

	2021	2020	2021	2020
	per share	per share	Total	Total
	\$'000s	\$'000s	\$'000s	\$'000s
Ordinary shares of \$1 each				
Final dividend paid	<u>-</u>	<u>289.89</u>	<u>-</u>	<u>26,000</u>

PERENCO RANG DONG LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

13 Property, plant and equipment

	Development and production assets \$'000s
Cost	
At 1 January 2020	783,196
Additions	9,710
Change in estimate of decommissioning provision (note 17)	(8,322)
At 31 December 2020	784,584
Additions	5,351
Change in estimate of decommissioning provision (note 17)	2,383
At 31 December 2021	792,318
Accumulated depreciation and impairment	
At 1 January 2020	745,666
Charge for the year	13,079
At 31 December 2020	758,745
Charge for the year	10,177
At 31 December 2021	768,922
Carrying amount	
At 31 December 2021	23,396
At 31 December 2020	25,839
At 31 December 2019	37,530

14 Inventories

	2021 \$'000s	2020 \$'000s
Material Stock	2,225	2,753
Oil Stock	1,365	986
	3,590	3,739

PERENCO RANG DONG LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

15 Long-term receivables

	2021 Period end \$'000s	2020 Period end \$'000s	2020 Period start \$'000s
Decommissioning fund	63,736	59,865	58,277

16 Trade and other receivables

	Current		Non-current	
	2021 \$'000s	2020 \$'000s	2021 \$'000s	2020 \$'000s
Trade receivables	5,675	2,030	-	-
Decommissioning fund (note 15)	-	-	63,736	59,865
Amounts owed by joint ventures	5,364	5,331	-	-
Amounts owed by related parties	29,027	5,250	-	-
Other receivables	7	-	-	-
	<u>40,073</u>	<u>12,611</u>	<u>63,736</u>	<u>59,865</u>

Debtors are stated net of any provision for doubtful debts. At 31 December 2021, the provision for doubtful debts totalled US\$ nil (2020: US\$ nil).

17 Trade and other payables

	2021 \$'000s	2020 \$'000s
Trade payables	4,504	1,690
Amounts owed to joint ventures	6	-
Amounts owed to related parties	-	12
Accruals	3,339	4,614
Other payables	516	321
	<u>8,365</u>	<u>6,637</u>

Accruals relates to the Company's share of the costs for conducting exploration, development and production activities borne by the joint venture.

All current liabilities fall due in less than one year.

PERENCO RANG DONG LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

18 Provisions for liabilities

	2021 \$'000s	2020 \$'000s
Decommissioning provision	63,950	61,235

All provisions are expected to be settled after more than 12 months from the reporting date.

Movements on provisions:

	Decommissioning provision \$'000s
At 1 January 2021	61,236
Change in estimate	2,383
Unwinding of discount	331
At 31 December 2021	63,950

The decommissioning provision is long term in nature and represents the present value of costs relating to the decommissioning and abandonment of Block 15-2. This provision has been created based on the Operator's estimates, which is subsequently approved by the host government. Based on the current economic environment, assumptions have been made on a reasonable basis upon which to estimate the future liability. However, actual costs will ultimately depend upon future market prices for the necessary works required, which will reflect market conditions at the relevant time. Furthermore, the timing of the work is likely to depend on when the fields cease to produce at economically viable rates.

The discount rate used in the calculation of the provision was 5% (2020: 0.54%) and inflation rate was 2% (2020: 2%).

Additions to the decommissioning fund are performed through the cash calls received from the Operator. The amount deposited is recognized as long term receivables, which is 90.71% of the total required amount.

19 Share capital

	2021	2020	2021	2020
Authorised				
Ordinary shares of \$1 each of \$1 each	90	90	160	160
Ordinary shares of \$1 each of \$1 each	90	90	-	-

PERENCO RANG DONG LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

20 Commitments and guarantees

The Company is not a guarantor as at 31 December 2021. Notwithstanding, the Company has agreed with its partners of Block 15-2 to spend approximately US\$76,975k for the Company's share of expenditures in 2022 (2021: US\$93,508k).

21 Related party transactions

Other transactions with related parties

During the year the company entered into the following transactions with related parties:

	Charge 2021 \$'000s	Charge 2020 \$'000s	(Creditor)/(Creditor)/De Debtor 2021 \$'000s	(Creditor)/(Creditor)/De Debtor 2020 \$'000s
Amounts owed to affiliated companies:				
Perenco Holdings	-	(162)	-	1
Perenco France	-	(40)	-	7
Perenco UK	-	(20)	-	(20)
Perenco Overseas Holdings Limited	-	(239)	-	-
Perenco Energies International Ltd	-	(55)	-	-
Amounts to joint venture partners	(2,815)	-	(4,504)	-
Total amounts owed (note 17)	(2,815)	(516)	(4,504)	(12)
Amounts due from affiliated companies:				
Amounts from joint venture partners	2,498	(29,550)	5,364	5,689
Total amounts due (note 16)	2,498	(29,550)	5,364	5,689
Loan receivable from affiliated companies:				
Perenco Petroleum Limited	-	133	7	5,250
Batavia Oil Overseas Pte. Ltd	-	-	29,027	-
Total loan receivable (note 16)	-	133	29,034	5,250

PERENCO RANG DONG LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

22 Capital risk management

The company is committed to its share of future exploration, development and operating costs beyond 2021 under the terms of its joint venture agreements.

23 Joint arrangements

The Company holds a 30.5% (2020: 36%) share in a joint arrangement with operations in Vietnam. The other joint arrangement partners are Vietnam Oil and Gas Corporation and Japan Vietnam Petrol Company Limited (JVPC). JVPC is the Operator. The Company accounts for the joint arrangement as a joint operation.

24 Events after the reporting date

On 30 December 2022, an interim dividend of US\$ 688,888.89 per share totalling US\$ 62,000,000 was declared.

25 Controlling party

The Company is a wholly owned subsidiary of Batavia Oil Overseas Pte. Ltd., a company incorporated in the Republic of Singapore.

The ultimate controlling party is Batavia Oil Pte. Ltd., a company incorporated in the Republic of Singapore.

26 Charges and guarantees

The Company has a fixed charge dated 15 December 2021 in favour of Mercuria Energy Trading Pte Ltd, a company registered in Singapore.

PERENCO RANG DONG LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

27 Cash generated from operations

	2021	2020
	\$'000s	\$'000s
Operating profit	42,789	15,362
Adjustments for:		
Investment income	(50)	-
Depreciation, depletion and amortisation	10,177	13,079
Movements in working capital:		
Decrease/(increase) in inventories	149	(1,794)
(Increase)/decrease in trade and other receivables	(3,685)	4,857
Increase/(decrease) in trade and other payables	1,740	(5,940)
Cash generated from operations	<u>51,120</u>	<u>25,564</u>