

Salamander Energy (Bualuang Holdings) Limited

Annual Report and Unaudited Financial Statements

Year ended

31 December 2021

Company Number 06976506

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Salamander Energy (Bualuang Holdings) Limited

**Annual report and financial statements
for the year ended 31 December 2021**

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Directors

Craig Stewart
Krista
Roberto Loratto
Sanjeev Bansal
Teo Chang Suang

Registered office

Green Place, Rotherfield Greys, Henley-On-Thames, England, RG9 4PH, United Kingdom

Company number

06976506

Salamander Energy (Bualuang Holdings) Limited

Directors' report for the year ended 31 December 2021

The Directors submit their report together with the unaudited financial statements of Salamander Energy (Bualuang Holdings) Limited ("the Company") for the year ended 31 December 2021.

The Directors' Report has been prepared in accordance with the special provisions relating to small companies available under section 415 (A) of the Companies Act 2006.

Principal activities

Salamander Energy (Bualuang Holdings) Limited is a company incorporated in England and Wales, with a company number of 06976506. The Company acts as a holding and finance company, specifically to, directly or indirectly by means of companies or other enterprises, own, manage, administer, sell or dispose of the Bualuang Interest in Thailand, any companies and enterprises and any proceeds or profits there from. The subsidiary undertaking is listed in note 11.

The registered office address is Green Place, Rotherfield Greys, Henley-On-Thames, RG9 4PH.

Directors

The Directors who served in office during the financial year and up to date of this report were as follows:

**Craig Stewart
Krista
Roberto Lorato
Sanjeev Bansal
Teo Chang Suang**

Directors' remuneration

The Directors received no remuneration for their services to the Company during the year (2020:US\$Nil).

Results and dividends

The financial statements for the year ended 31 December 2021 are set out in the financial statements section of this report.

The Company has made a profit for the year of US\$15,000 (2020: US\$1,337,000 loss)

The Company has declared no dividend for the year ended 31 December 2021 (2020:US\$Nil). It is not the Directors' current intention that the Company will pay a dividend for the foreseeable future.

Future review

The Company does not generate revenue and depends on the financial support of other entities within Medco Group, especially Medco. Medco Group's financial capability is highly affected by the crude oil price as Oil and Gas segment is the main revenue contributor.

Since 31 December 2021, the crude oil price has been increased significantly in large part due to the lifting of many travel restrictions applicable during the Covid-19 pandemic situation and the recent political developments such as the conflict between Ukraine and Russia. This high crude oil price is expected to be maintained during the remainder of year 2022 and to decrease in 2023. The directors will continue to closely monitor the market and the impacts on Medco Group's performance in relations to its capability to provide financial support for the Company.

Salamander Energy (Bualuang Holdings) Limited

Directors' report for the year ended 31 December 2021 (continued)

Financial risk

Financial risk is covered in Note 3 to the financial statements.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in this Directors' report. The financial position of the Company and its liquidity position are described in the financial statements section of this report. In addition, note 3 to the financial statements includes the Company's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposure to credit and liquidity risks. The company is dependent upon its parent undertaking PT Medco Energi Internasional Tbk to assist it in meeting its liabilities as they fall due, to the extent that money is not available to the Company to meet such liabilities, for a period ending 31 August 2023 from when the financial statements are authorised for issue.

PT Medco Energi Internasional Tbk has confirmed it will and has the ability to provide financial support to the Company to the extent that the Company is unable to meet its obligations from its own resources and; that it will not call for repayment of any outstanding amounts due if to do so would leave the Company in such a position that it would not be able to meet its other liabilities as they fall due.

There has been considerable market volatility in the first half of 2021 in the crude oil price, compounded by the coronavirus (COVID-19) pandemic. However, recent political developments such as Ukraine Invasion by Russia has driven the crude price upward resulting in higher crude price during the second half of 2021. This situation is expected to continue during 2022 as shown by even higher crude oil price in 2022 compared to 2021 with no permanent end to the conflict between Ukraine and Russia in sight. The directors have made enquiries of the Group and are satisfied that the Group has reviewed and updated its own forecast based on the current market conditions and that the Group has adequate resources to continue its operations for going concern period ending 31 August 2023.

Subject to the aforementioned, and following director enquiries and the letter of support received by the Company from PT Medco Energi Internasional Tbk, the directors have a reasonable expectation that the Company has adequate resources to continue its operations for a period ending 31 August 2023 from when the financial statements are authorised for issue. Accordingly, they continue to adopt the going concern basis in preparing the annual financial statements.

Directors' indemnities

The Directors have the benefit of a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006 which was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial period Directors' and Officers' liability insurance in respect of itself and its Directors.

Streamlined Energy and Carbon Reporting (SECR)

The Company has no operations in the United Kingdom and does not directly consume any electricity in the United Kingdom. No disclosure is therefore required in relation to SECR as the Company consumed less than 40,000 kWh of energy in the United Kingdom during the period in respect of which the directors' report is prepared. The Company qualifies as a low energy user and is exempt from reporting under these regulations.

Donations

The Company did not make any charitable or political donation in the course of the year (2020:US\$Nil).

Salamander Energy (Bualuang Holdings) Limited

Directors' report for the year ended 31 December 2021 (continued)

Directors' responsibilities

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have chosen to prepare the Company financial statements in accordance with UK-adopted International Accounting Standards (IAS) and interpretations (collectively IFRSs). 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 year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- make judgements and accounting estimates that are reasonable and prudent;
- provide additional disclosures when compliance with the specific requirements in IAS in conformity with the requirements of the Companies Act 2006 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 to 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.

The Directors are also responsible for preparing the Directors' Report in accordance with the Companies Act 2006 and the applicable regulations.

Responsibility statement

We confirm that to the best of our knowledge the financial statements, prepared in accordance with International Financial Reporting Standards in conformity with the requirements of the Companies Act 2006, give a true and fair view of the financial position of the Company.

Approved by the Board



Krista
Director
31 August 2022

Salamander Energy (Bualuang Holdings) Limited

Statement of comprehensive income for the year ended 31 December 2021

	Note	2021 US\$'000	2020 US\$'000
Continuing operations			
Other Income	111	25	-
Administrative expenses		(11)	(1,337)
		<hr/>	<hr/>
Profit / (Loss) before tax		15	(1,337)
Tax expense	6	-	-
		<hr/>	<hr/>
Profit / (Loss) for the financial year		15	(1,337)
Other comprehensive income		-	-
		<hr/>	<hr/>
Total comprehensive gain / (loss)		15	(1,337)
		<hr/>	<hr/>

The notes on pages 8 to 18 form part of these financial statements.

Salamander Energy (Bualuang Holdings) Limited

Statement of Financial Position As at 31 December 2021

	Note	2021 US\$'000	2020 US\$'000
Assets			
Current assets			
Amounts owed by company undertakings	9,11	198,734	198,709
		<u>198,734</u>	<u>198,709</u>
Non-current assets			
Investment in subsidiary	8	59,955	59,955
		<u>59,955</u>	<u>59,955</u>
Total assets		<u>258,689</u>	<u>258,664</u>
Liabilities			
Current liabilities			
Amounts owed to company undertakings	9,11	(11)	(1)
		<u>(11)</u>	<u>(1)</u>
Total liabilities		<u>(11)</u>	<u>(1)</u>
NET ASSETS		<u>258,678</u>	<u>258,663</u>
Equity			
Share capital	10	-	-
Share premium		60,000	60,000
Retained earnings		198,678	198,663
TOTAL EQUITY		<u>258,678</u>	<u>258,663</u>

The notes on pages 8 to 18 form part of these financial statements.

Salamander Energy (Bualuang Holdings) Limited

Statement of Financial Position (continued) As at 31 December 2021

The Company did not enter into any cash-based transactions for the year ended 31 December 2021 and 31 December 2020 therefore a statement of cash flows has not been presented.

The Directors confirm that for the period ended 31 December 2021 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006 and the directors acknowledge their responsibility for complying with the requirements of the Companies 2006 with respect to accounting records and the preparation of accounts.

The financial statements were approved and authorised for issue by the Board of Directors on August 31, 2022 and were signed on its behalf by:



Krista
Director
31 August 2022

The notes on pages 8 to 18 form part of these financial statements.

Salamander Energy (Bualuang Holdings) Limited

Statement of Changes in Equity for the year ended 31 December 2021

	Share capital US\$'000	Share premium US\$'000	Accumulated losses US\$'000	Total equity US\$'000
1 January 2020	-	60,000	200,000	260,000
Comprehensive loss for the year	-	-	(1,337)	(1,337)
Total comprehensive loss for the year	-	60,000	((1,337))	((1,337))
31 December 2020	-	60,000	198,663	258,663
1 January 2021	-	60,000	198,663	258,663
Comprehensive profit for the year	-	-	15	15
Total comprehensive profit for the year	-	-	15	15
31 December 2021	-	60,000	198,678	258,678

The notes on pages 8 to 18 form part of these financial statements.

Salamander Energy (Bualuang Holdings) Limited

Notes forming part of the financial statements for the year ended 31 December 2021

1 Accounting policies

The Company is consolidated by PT Medco Energi Internasional Tbk which prepares publicly available consolidated financial statements. The registered address of this group is 53rd Floor, The Energy Building, SCBD lot 11A, Jl. Jenderal Sudirman, Jakarta 12190.

General information on the company

The address of the registered office is Green Place, Rotherfield Greys, Henley-On-Thames, England, RG9 4PH.

Basis of preparation

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the periods presented, unless otherwise stated.

Where stated, amounts are rounded to the nearest thousand in United States Dollar ("USD" or "US\$").

These financial statements have been prepared in accordance with UK-adopted International Accounting Standards (IAS) in conformity with the requirements of the Companies Act 2006.

The preparation of financial statements in compliance with adopted IAS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements and their effect are disclosed in Note 2.

Basis of measurement

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below.

Going concern basis

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in this Directors' report. The financial position of the Company and its liquidity position are described in the financial statements section of this report. In addition, note 3 to the financial statements includes the Company's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposure to credit and liquidity risks. The company is dependent upon its parent undertaking PT Medco Energi Internasional Tbk to assist it in meeting its liabilities as they fall due, to the extent that money is not available to the Company to meet such liabilities, for a period ending 31 August 2023 from when the financial statements are authorised for issue.

PT Medco Energi Internasional Tbk has confirmed it will and has the ability to provide financial support to the Company to the extent that the Company is unable to meet its obligations from its own sources and; that it will not call for repayment of any outstanding amounts due if to do so would leave the Company in such a position that it would not be able to meet its other liabilities as they fall due.

There has been considerable market volatility in the first half of 2021 in the crude oil price, compounded by the coronavirus (COVID-19) pandemic. However, recent political developments such as Ukraine Invasion by Russia has driven the crude price upward resulting in higher crude price during the second half of 2021. This situation is expected to continue during 2022 as shown by even higher crude oil price in 2022 compared to 2021 with no permanent end to the conflict between Ukraine and Russia in sight. The directors have made enquiries of the Group and are satisfied that the Group has reviewed and updated its own forecast based on the current market conditions and that the Group has adequate resources to continue its operations for going concern period ending 31 August 2023.

Salamander Energy (Bualuang Holdings) Limited

Notes forming part of the financial statements for the year ended 31 December 2021 (continued)

1 Accounting policies (continued)

Going concern basis (continued)

Subject to the aforementioned, and following director enquiries and the letter of support received by the Company from PT Medco Energi Internasional Tbk, the directors have concluded that the Company has adequate resources to continue its operations for a period ending 31 August 2023 from when the financial statements are authorised for issue. Accordingly, they continue to adopt the going concern basis in preparing the annual financial statements.

Adoption of New and Revised Accounting Standards

The Company has adopted the following relevant new and amended IFRS and IFRIC interpretations as of 1 January 2021:

- Amendments to References to the Conceptual Framework in IFRS Standards
- Amendments to IFRS 3: Business Combinations: Definition of a Business
- Amendments to IFRS 9, IAS 37 and IFRS 7: Interest rate Benchmark Reform

Standards and interpretations issued but not yet effective

The Company has not adopted the following standards applicable to the Company that have been issued but not yet effective:

	Effective date for periods beginning on or after
• Amendments to IAS 8: Definition of Accounting Estimates	1 January 2022
• Amendments to IAS 1: Classification of Liabilities as Current or Non-current	1 January 2023
• IFRS 17 : Insurance contracts	1 January 2023

The Company does not currently expect any of these changes to have a material impact on the results.

Taxation

Current and deferred tax, including UK corporation tax and overseas corporation tax, are provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred corporation tax is recognised on all temporary differences that have originated but not reversed at the reporting date where transactions or events that result in an obligation to pay more, or right to pay less tax in the future have occurred at the balance sheet date. Deferred tax assets are recognised only to the extent that it is considered more likely than not that there will be suitable taxable profits from which the underlying temporary differences can be deducted.

Deferred tax is calculated at the rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

Investments

Investment held by the Company as non-current assets are stated at cost less any provision for impairment.

Salamander Energy (Bualuang Holdings) Limited

Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)

1 Accounting policies (continued)

Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Financial instruments

(a) Financial instruments - initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through OCI, or fair value through profit or loss.

The classification of financial assets at initial recognition that are debt instruments depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient for contracts that have a maturity of one year or less, are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Salamander Energy (Bualuang Holdings) Limited

**Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)**

1 Accounting policies (continued)

Financial instruments (continued)

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows
- And
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Interest received is recognised as part of finance income in the statement of profit or loss and other comprehensive income. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost include trade receivables, other receivables and receivables from group companies.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired or;
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Salamander Energy (Bualuang Holdings) Limited

Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)

1 Accounting policies (continued)

Financial instruments (continued)

Impairment of financial assets

The Company recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12 month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and other receivables due in less than 12 months, the Company applies the simplified approach in calculating ECLs, as permitted by IFRS 9. Therefore, the Company does not track changes in credit risk, but instead, recognises a loss allowance based on the financial asset's lifetime ECL at each reporting date. For any other financial assets carried at amortised cost (which are due in more than 12 months), the ECL is based on the 12-month ECL. The 12-month ECL is the proportion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment including forward-looking information.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and usually occurs when past due for more than one year and not subject to enforcement activity.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

iii. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and loans and borrowings.

Subsequent measurement

The measurement of financial liabilities is as described below:

Salamander Energy (Bualuang Holdings) Limited

Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)

1 Accounting policies (continued)

Financial instruments (continued)

Loans and borrowings and trade and other payables

After initial recognition, interest-bearing loans and borrowings and trade and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised, as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. This category generally applies to interest-bearing loans and borrowings and trade and other payables.

Derecognition

A financial liability is derecognised when the associated obligation is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss and other comprehensive income.

Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

The Company's ordinary shares are classified as equity instruments.

2 Critical accounting estimates and judgements

The Company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Judgements

- **Subsidiaries**

Management is required to assess the carrying value of investments in subsidiaries on the Statement of Financial Position for impairment by reference to the recoverable amount. This requires an estimate of amounts recoverable from oil and gas assets within the underlying subsidiaries, which is inherently uncertain.

- **Amounts owed by group undertakings**

Management is required to assess the amounts owed by group undertakings in order to determine the allowance for expected credit losses ("ECL") to be recognized. ECL is calculated based on simplified approach, thus a loss allowance was recognized based on lifetime ECL at each reporting date, adjusted for forward-looking factors specific to PT Medco Energi Internasional Tbk. As ultimate parent entity of the group which provides financial support to all entities within the group, and the economic environment.

Salamander Energy (Bualuang Holdings) Limited

Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)

3 Financial instruments - Risk Management

The Company is exposed through its operations to the following financial risks:

- Credit risk; and
- Liquidity risk.

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

Capital risk management

The Company manages its capital to ensure that the entity is able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of debt and equity attributable to equity holders of the Company, comprising issued capital, reserves and retained earnings.

Principal financial instruments

(i) Principal financial instruments

The principal financial instruments used by the Company, from which financial instrument risk arises, are as follows:

- Amounts owed by group undertakings

(a) Financial instruments by category

Financial assets

	2021 US\$'000	2020 US\$'000
Loans and receivables	198,734	198,709
Total financial assets	198,734	198,709

Financial liabilities

	2021 US\$'000	2020 US\$'000
Amounts due to group undertakings	11	1
Total financial liabilities	11	1

Salamander Energy (Bualuang Holdings) Limited

**Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)**

3 Financial instruments - Risk Management (continued)

Principal financial instruments (continued)

The fair value of financial instruments are deemed to equate to their net book value due to their short term nature. Financial assets and liabilities exclude tax receivables and payables as they do not constitute a contractual right or obligation to receive or pay cash or another financial asset.

The above includes an impairment provision of US\$1,311,000 (2020:US\$1,336,000) as required under IFRS 9 and was calculated using external credit rating to calculate expected credit losses (ECL). The movement in the ECL has resulted in US\$25,467 reversal of impairment (2020:US\$11,336,000 impairment) charge to profit or loss.

There were no reclassifications of financial liabilities to financial assets during the year.

Financial risk management

The PT Medco Energi Internasional Tbk Board of Directors monitor and manage the financial risks relating to the operations of the Salamander Energy (Bualuang Holdings) Limited company through an internal risk register. These include credit and liquidity risks.

Credit risk

Credit risk refers to the risk that a counterparty will default on its obligations resulting in a financial loss to the Company.

The carrying value of financial assets recorded in the financial statements represented the Company's maximum exposure to credit risk at the year-end without taking account of any collateral obtained.

Liquidity risk

The Company, as part of the PT Medco Energi Internasional Tbk Group, manages its liquidity risk in line with Group strategy to ensure that the Company is adequately funded by intra-group funding to meet its forecast short, medium and long term commitments.

The following tables detail the Company's remaining contractual maturities for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date the Company was required to pay at the reporting date.

	2021	2021	2020	2020
	Less than 1 month US\$'000	Total US\$'000	Less than 1 month US\$'000	Total US\$'000
Total non-interest bearing	11	11	1	1
Total	11	11	1	1

Of amounts included in non-interest bearing due in less than one month, US\$ 11,000 (2020:US\$1,000) is due to Group Companies which is immediately repayable on demand. At the reporting date, no demand for repayment was received from any group company or was expected to be received.

Salamander Energy (Bualuang Holdings) Limited

**Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)**

4 Employee benefit expenses

The Company had no employees during the year (2020: none).

5 Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, including the Directors of the Company listed on page 1. No Directors received any remuneration in the year for qualifying services to the Company.

6 Tax expenses

	2021 US\$'000	2020 US\$'000
Current tax expense		
Current tax on profits for the year	-	-
	<hr/>	<hr/>
Total current tax	-	-
Deferred tax expense		
Origination and reversal of temporary differences	-	-
	<hr/>	<hr/>
Total deferred tax	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to losses for the year are as follows:

	2021 US\$'000	2020 US\$'000
Gain/(Loss) for the year before tax	15	(1,337)
Tax using the Company's domestic tax rate of 19.00% (2020: 19.00%)	3	(254)
Items which are not deductible	(3)	254
	<hr/>	<hr/>
Total tax expense	-	-
	<hr/>	<hr/>

Salamander Energy (Bualuang Holdings) Limited

**Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)**

7 Dividends

The Company has declared no dividend for the year (2020:US\$Nil).

8 Investment in subsidiary

	2021 US\$'000	2020 US\$'000
At 1 January	59,955	59,955
At 31 December	59,955	59,955

The Company's investment is a 100% shareholding in Medco Energi Thailand (Bualuang) Limited, (formerly Ophir Thailand (Bualuang) Limited) (incorporated in the British Virgin Islands with registered address Jayla Place, Wickhams Cay 1, Road Town, Tortola, VG1110, Virgin Islands, British), which has a 60% interest in the Bualuang field in Thailand.

9 Amount owed by/to group undertakings

The Directors consider the carrying values of amounts owed by and to group undertakings approximates to their fair values. Amounts owed by and to group undertakings are unsecured and are repayable on demand (note 11).

10 Share capital

Share capital as at 31 December 2021 amounted to US\$3 (2020:US\$3).

Authorised	2021	2020
Ordinary shares of £1 each	Number of shares	Number of shares
Total	1,000	1,000
Issued and fully paid		
	2021	2020
Ordinary shares of £1 each	Number of shares	Number of shares
At 1 January	2	2
At 31 December	2	2

Salamander Energy (Bualuang Holdings) Limited

**Notes forming part of the financial statements
for the year ended 31 December 2021 (continued)**

10 Share capital (continued)

The following describes the nature and purpose of each reserve within equity:

Reserves	Description and purpose
Share premium	Amount subscribed for share capital in excess of nominal value.
Retained earnings	All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

11 Related party transactions

The Company held balances with related parties at the reporting date as follows:

	2021 US\$'000	2020 US\$'000
Medco Energi Global Pte Ltd - (Parent company)	(11)	(1)
Salamander Energy (S.E. Asia) Limited - (Immediate parent company)	70	70
Medco Energi Thailand (Bualuang) Limited - (Subsidiary)	198,664	198,639

During the year 2021, there was an impairment reversal of US\$25,647.42 (2020: US\$Nil) of related party balance with Medco Energi Thailand (Bualuang) Limited.

12 Events after the reporting period

No events after the reporting period have been identified which require disclosure in the financial statements.