GEO
ENERGY RESOURCES

2020 ANNUAL REPORT

RECORD PERFORMANCE AND RESULTS

REVENUE OF US$306.8 MILLION AND NET PROFIT OF US$95.1 MILLION

SUSTAINABILITY AMID COVID-19

CREATING VALUE TO COMMUNITY AND THE ENVIRONMENT

SINGAPORE FASTEST GROWING COMPANIES 2021

THE STRAITS TIMES AND STATISTA

A POSITIVE START...

Turning a negative into a positive

A POSITIVE START

Turning a negative into a positive

2020 was a challenging year for many businesses as the COVID-19 pandemic resulted in the contraction of the economies globally. Where other businesses contracted, we have expanded our business as we took measures to remain resilient and profitable.

Geo Energy has transformed to be one of the leading Indonesian coal producers. This transition has allowed us to change the business model from operating as a relatively small-scale mining services provider in an environment of high capital expenditure and relatively low operational efficiency, with high dependence on owners of coal mining concessions, to being a low-cost coal producer with high-quality coal mining asset, working in collaboration with world-class business partners. Our corporate offices are based in Singapore and Jakarta while our mining operations are located in Kalimantan, Indonesia.

We have four mining concessions located in South and East Kalimantan. Currently, we are actively operating two mines: SDJ and TBR. We have recommenced our mining operations at BEK while we are planning to start further exploration at STT.

The focus of our coal sales remains on Indonesia and China as core markets. Geo Energy has also scaled up its presence in other markets such as South Korea, Vietnam and Pakistan. The total coal sales in 2020 was 10.7 million tonnes, which is 45% higher than previous year.

02 Chairman's Statement
Expanded business and remain resilient and profitable

04 CEO's Message
Building trust enables businesses to thrive in volatile times

07 Management Discussion & Analysis
Reports revenue of US$306.8 million and highest coal sales of 10.7 million tonnes despite COVID-19 pandemic

15 About Us
A low-cost coal producer owning high-quality coal mining assets

24 Highlights of The Year
Turning a negative into a positive

26 Our Business Model
Ease of scalability by replicating proven business model

28 Coal Resources and Reserves Statement
A portfolio of 4 coal assets with total coal reserves over 90 million tonnes

37 Group Structure
Building a foundation for success

38 Corporate Information
Leveraging on the strengths of our partners

40 Board of Directors
Leadership is the challenge to be something more than average

42 Key Management
Invaluable experience in the industry

45 Corporate Governance
Sound corporate governance to create long-term value and returns

65 Sustainability
Sustainability amid COVID-19

77 Financial Statements
Strong financial performance and results in 2020

A POSITIVE START

Since the start of 2021, we have delivered 2.2 million tonnes of coal as at 28 February 2021, with a revenue of US$89.8 million. With an average cash profit of US$16.8 per tonne, the Group's cash profit on sale of coal for these two months in 2021 was US$37.5 million.

CHAIRMAN'S STATEMENT

WE WILL BOLSTER THE INNOVATIVE STRENGTH OF OUR PEOPLE AND BUILD A RESILIENT AND SUSTAINABLE COMPANY

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the 2020 Annual Report of the Company.

PERFORMANCE

2020 was a challenging year for many businesses as the COVID-19 pandemic resulted in the contraction of the many countries' economies globally. Where other businesses contracted, we have expanded our business as we took measures to remain resilient and profitable. The Group had exceeded its targeted sales and production by achieving coal sales of 10.7 million tonnes in 2020, through successfully applying for an increase in the RKAB in the middle of 2020. We target to do at least 10 million tonnes for 2021 or more, if coal prices remain high.

There was a surge in global coal prices at the end of 2020, following the progress made on COVID-19 vaccines and colder than expected weather across Europe, China, Japan and other countries that drove power generation to record highs and spurred demand for coal.

WHERE OTHER BUSINESSES CONTRACTED, WE HAVE EXPANDED OUR BUSINESS AS WE TOOK MEASURES TO REMAIN RESILIENT AND PROFITABLE

Coal prices had trended upwards over the last two months of 2020 and hit US$44.90 per tonne on 31 December 2020. The Indonesian Coal Index price for 4,200 GAR coal ("ICI4") was US$43.90 as at 1 April 2021. Although our average selling price in 2020 (US$27.89 per tonne) was lower than 2019 (US$33.67 per tonne), the increase in coal sales volume has led to a revenue of US$306.8 million and a record net profit of US$95.1 million.

The Group also extended the mining business licences (Izin Usaha Pertambangan or "IUPs") of SDJ and TBR coal mining concessions to 2027 and 2028 respectively, and now with the combined proved and probable coal reserves of 84.0 million tonnes as at 31 December 2020 for SDJ and TBR, we have met the minimum qualified coal reserve requirements and the Mandatory Offer to Purchase on the US$300,000,000 8% Senior Notes due 2022 ("US$ Notes") will not be triggered on 4 April 2021.

OUTLOOK

The coal market recovered strongly in December 2020, and forecasts robust domestic coal demand growth in Indonesia of 6% CAGR between 2020 and 2027, with the demand for thermal coal driven primarily by the power generation sector

We have met the minimum qualified coal reserve requirements and the Mandatory Offer to Purchase on the US$ Notes will not be triggered on 4 April 2021

(that makes up 90% of the domestic market)[1].

As new power plants are constructed in Indonesia, Indonesia coal demand is expected to increase from 125 million tonnes in 2020 to 175 million tonnes by 2027, backed by the government policy supporting coal as part of a drive to increase economic development. Indonesian seaborne thermal coal exports are forecasted to increase from 422 million tonnes in 2020 to 442 million tonnes in 2023[1].

China remains as the world's largest producer and consumer of thermal coal and requires significant tonnages of coal to satisfy coal demand due to domestic supply issues such as mine cost inflation, insufficient infrastructure, and barriers in the country. China's 2021 thermal coal demand is forecasted at 3,745 million tonnes[1].

VISION

We continue to look for other business to expand our revenue by way of potential joint ventures and trading. We will look at maximising value of our existing coal assets, including restarting and developing our BEK and STT coal mines. We have recommenced certain mining activities at our BEK mine in view of the strengthened coal prices. We will continue to work on strengthening our core earnings and aim to emerge out of the crisis as one of the top Indonesian integrated Mining Groups.

THE COMPANY PROPOSES A FINAL DIVIDEND OF S$0.008 PER SHARE, REPRESENTING A DIVIDEND YIELD OF 4.7% ON THE CLOSING PRICE OF S$0.17 AS AT 31 MARCH 2021

We continue to keep sustainability at the heart of the business and reinforce ethical standards of conduct into our business. The Board also engaged regularly with management and stakeholders for more informed decision making and enhanced business performance.

APPRECIATION

As part of our Group's strategic objectives to deliver value to our shareholders and our commitment to deliver dividends that increase over time in line with growth in earnings, the Company proposes a final dividend of S$0.008 per share, representing a dividend yield of 4.7% based on the closing share price of S$0.17 as at 31 March 2021. If not for the debt covenant restrictions, we would have been able to pay a higher dividend. These restrictions will no longer apply once the US$ Notes are fully repaid upon maturity in 2022. We can then pay a higher dividend based on our dividend

We continue to keep sustainability at the heart of the business and reinforce ethical standards of conduct into our business

policy of at least 30% of the Group's profit attributable to Owners of the Company.

ACKNOWLEDGEMENT

I would like to thank my fellow directors for their valuable guidance and commitments and I am grateful to our business partners and stakeholders for their unwavering belief and support of Geo Energy. I also want to express my sincere appreciation to all our staff for their dedication and hard work in the face of these challenges, especially in this COVID-19 pandemic situation. With the support and confidence of all our stakeholders, I am convinced that Geo Energy will emerge stronger. We will bolster the innovative strength of our people and build a resilient and sustainable company.

Thank you.

Yours sincerely,

Dato' Charles Antonny Melati
Executive Chairman
1 April 2021

[1] Wood Mackenzie Market Report, January 2021

CEO'S MESSAGE

THERE IS NO MORE IMPORTANT TASK THAN TO NURTURE AND REFRESH THE CULTURE AND VALUES IN AN ORGANISATION, ESPECIALLY AMID THESE CHALLENGING TIMES

Dear Shareholders and All,

It has been an incredibly challenging year for Geo Energy. Clearly there are a multitude of challenges and opportunities arising from the global business environment due to the COVID-19 pandemic announced by WHO in March 2020. There is no more important task than to nurture and refresh the culture and values in an organisation, especially amid these challenging times. With the accelerating shift in the global economic landscape due to COVID-19, many business enterprises find themselves operating in new and sometimes depressed market environments. Such global dynamics create new opportunities, challenges, risks and threats in our business and the markets that we are in, which we would need to understand if we are to succeed. Where others see challenges, we see opportunities. Building trust enables businesses to thrive in volatile times. It allows us to make decisions that will bear fruit in the long-term.

BUILDING TRUST ENABLES BUSINESSES TO THRIVE IN VOLATILE TIMES. IT ALLOWS US TO MAKE DECISIONS THAT WILL BEAR FRUIT IN THE LONG-TERM

We have been through many challenges in the past, in sometimes less than favourable circumstances given the decline in coal prices, but nothing compared to the one posed by the COVID-19 pandemic. Indonesian coal prices have been under pressure at the start of the year since the COVID-19 outbreak began in China, and Chinese ports rolled out new import controls measures amidst the ongoing disruptions and uncertainty arising from the COVID-19 pandemic.
We had to close our offices, work from home and practise safe-distancing during this COVID-19 pandemic. We have been unable to travel and most business dealings and meetings were conducted by electronic means, but this did not deter us in making 2020 a great year for Geo Energy.

RESILIENCE AND SUSTAINABILITY

We knew we had to make our business model more resilient to ensure that we remain sustainable and profitable amidst depressed coal prices. In 2020, we have improved our cost base through negotiations with our service providers for a cost structure that remains viable even in a depressed coal price environment, resulting in a reduction of our average production cost from 2019 by 27% to US$21.64 per tonne. This allowed us to maintain a cash profit of US$6.25 per tonne, compared to 2019's cash profit of US$4.19 per tonne. It is a win-win strategy for the Group and our service providers, as it allows us to expand our production and increase sales by 45% to 10.7 million tonnes (2019: 7.4 million tonnes) and achieved sales of US$306.8 million in 2020 (2019: US$249.1 million).

While we have been exploring potential acquisitions of coal assets to grow the Group's business, it was not prudent nor in the

WE HAVE BEEN THROUGH MANY CHALLENGES IN THE PAST, IN SOMETIMES LESS THAN FAVOURABLE CIRCUMSTANCES GIVEN THE DECLINE IN COAL PRICES, BUT THIS DID NOT DETER US IN MAKING 2020 A GREAT YEAR FOR GEO ENERGY

long-term interests of our various stakeholders to enter into acquisition(s) where the return on investment was limited during this period of challenging market conditions amid the COVID-19 pandemic.

Instead this created an opportunity amidst a crisis for the Group to further repurchase its 8.0% Senior Notes due 2022 ("US$ Notes") This was favourable to all our stakeholders. To the Holders who choose to tender their US$ Notes, it is an opportunity to get liquidity that may not be otherwise available under the challenging market conditions. To the remaining Holders and equity investors, the Group will have an improved capital structure and better credit profile.

As part of a capital restructuring to strengthen its capital base, the Group improved its gearing by 79%. Since December 2019, the Group has repurchased US$240.8 million of its US$300 million US$ Notes for US$128.8 million resulting in a US$112.0 million gain, of which US$106.6 million was recorded in 2020. The remaining balance of the US$ Notes of US$59.2 million is repayable in October 2022.

A POSITIVE START IN 2021

In the first two months of 2021, we have delivered 2.2 million tonnes of coal as at 28 February 2021 with a revenue of US$89.8 million. The Group's cash profit on sale of coal for these two months of 2021 was US$37.5 million or US$16.80 per tonne against the average ICI4 coal price of US$43.53 per tonne.

With the improvement in coal prices and the production and sales to date in 2021, our cash and bank balances as at 28 March 2021 had increased to US$81.2 million and the Group's net cash position less outstanding US$ Notes of US$59.2 million is US$22.0 million.

We are on track for a production of at least 10 million tonnes in 2021. With the improvement of coal prices in 2021, we are now planning to start further exploration on our STT coal mine with a target production in 2H2021.

With our improved capital structure and reduced financing costs, we are well positioned to build on this positive start for a better business and operating performance in 2021.

ICI4 price reached a high of US$49.95 on 22 January 2021 and was US$43.90 on 1 April 2021. This was a great increase of 71% and 50% respectively over the average ICI4 coal price in 2020 of US$29.29 per tonne.

WITH OUR IMPROVED CAPITAL STRUCTURE AND REDUCED FINANCING COSTS, WE ARE WELL POSITIONED TO BUILD ON THIS POSITIVE START FOR A BETTER BUSINESS AND OPERATING PERFORMANCE IN 2021

Average ICI4 coal price is expected to be at around US$41-US$43 per tonne for 2021-2022 based on a January 2021 report by Wood Mackenzie on coal market outlook. By continuing our operations even during depressed coal prices, we were able to benefit from the increase in coal prices since December 2020.

Low Calorific Value (CV) Indonesian coal prices showed further signs of strengthening, supported by tight supply due to weather-related disruptions and the upcoming Muslim fasting month, as well as increased demand from Chinese importers ahead of the peak summer months.

ICI4 futures have seen trades up to US$45.50 per tonne for April, while bids for May cargoes were in the range of US$42 to US$47 per tonne.

SUSTAINABILITY AND STRATEGIC PLANNING FOR 2021 AND COMING YEARS

The biggest takeaway of 2020 is to not lose sight on the importance of sustainability. Should Geo Energy prioritise profits or pursue goals that improve society? Many potential investors, partners and even banks have increasingly stringent requirements on sustainability.

COVID-19 was an extraordinary window into the cultures of companies: How do companies treat their customers, their employees, and their communities? Beyond a focus on health and safety, investors are increasingly turning their focus toward employee and stakeholders' engagement. Efforts to provide better benefits and training demonstrate values alignment between a company and its worker,

CEO'S MESSAGE

WE KNEW WE HAD TO MAKE OUR BUSINESS MODEL MORE RESILIENT TO ENSURE THAT WE REMAIN SUSTAINABLE AND PROFITABLE AMIDST DEPRESSED COAL PRICES

STANDARDS AND POOR, MOODY'S AND FITCH HAVE UPGRADED GEO ENERGY CREDIT RATINGS, BASED ON THE GROUP'S IMPROVED LIQUIDITY POSITION

and increased employee well-being and satisfaction can have positive return on investment through marked increases on productivity and decreases in turnover rates. Investors taking a sophisticated approach to ESG recognise that social issues are a lens for finding untapped values in a rapidly changing world.

Sustainability leadership during COVID-19 pandemic challenges the Management to re-examine the fundamentals that are critical to the sustainability of the business, to ask the right questions and reinforce resilience.

"Working as a team to do what is right, and not what is easy." In this challenging times, it is easy for a company to fall back on cost cutting measures and reducing headcount. However, we believe our employees are our greatest assets. Geo Energy provided jobs and built schools to give better opportunities to the local communities; committed to post-mining reclamation as a priority of good environmental management in its industry; remained committed to employees and contractors' welfare maintaining benefits to all; and advocated for a conducive environment for employees to work together, providing them with ample opportunities to grow in careers, organising activities for holistic well-being and rewarding fairly based on work performance.

AWARDS AND RECOGNITION

We are pleased to receive the prestigious award as one of the Singapore Fastest Growing Companies 2021 presented by The Straits Times and Statista based on the strong revenue growth between 2016 and 2019. This is the second time that Geo Energy has won this award. Geo Energy's initiative and push for change towards achieving its sustainability goals won the Singapore Business Review Listed Companies Awards 2020 (Metals & Mining category). The Group also won the prestigious Asia Pacific Enterprise Awards (APEA) 2020 (corporate excellence in Mining & Energy category) for demonstrating sustainable growth, responsible leadership and operational excellence. IR Magazine of London in association with the SGX has also awarded a certificate for excellence in investor relations to Geo Energy in their IR Magazine Awards South East Asia 2020.

Standards and Poor (S&P), Moody's and Fitch have upgraded Geo Energy credit ratings, based on the Group's improved liquidity position. By fulfilling the US$ Notes' minimum qualified coal reserve requirements of 80 million tonnes and extension of mining licenses of the SDJ and TBR mines to beyond 2025, the Mandatory Offer to Purchase will not be triggered on 4 April 2021.

APPRECIATION

I would like to thank all of you for your support and dedication in 2020, especially to our Chairman and Board of Directors for their guidance and professionalism over the years. Year 2021 is synonymous with hard work, determination, strength, and resilience to achieve the things that we want to accomplish. It's important that we go into 2021 with an open mind and a new way of thinking, make wise decisions and choices that will enable us to achieve our goals. We set a goal and do not give up until the goal and objective are attained.

Yours sincerely,

Tung Kum Hon
CEO and Executive Director
1 April 2021

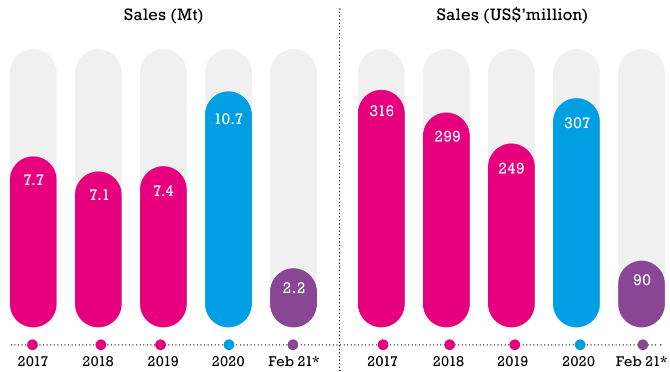
Management Discussion and Analysis

It has been a incredibly challenging year for Geo Energy. Clearly there are a multitude of challenges and opportunities arising from the global economic landscape due to COVID-19 pandemic. Indonesian coal prices have been under pressure at the start of the year. We knew we had to make our business model more resilient to ensure that we remain sustainable and profitable amidst depressed coal prices.

2020 FINANCIAL REVIEW AT A GLANCE

REPORTS REVENUE OF US$306.8 MILLION AND HIGHEST COAL SALES OF 10.7 MILLION TONNES DESPITE COVID-19 PANDEMIC

2020 Results

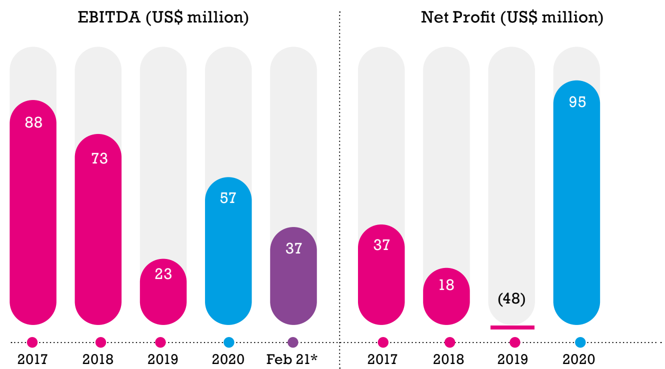


Record Performance

The Group has a record performance and results in 2020 - recorded highest sales-to-date at 10.7 Mt of coal in 2020, and reports revenue of US$306.8 million due to higher volume of coal sales.

Mt - Million tonnes

* 28 February 2021



US$95 million 2020 Net Profit

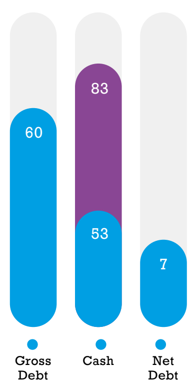
Net profit driven by higher sales volume and higher cash profit due to lower production cash cost and the gain on the Group's repurchase of the US$ Notes. Reduced cash cost by 27% in 2020 due to negotiations with service providers.

* 28 February 2021

Optimised Capital Structure

US$240.8 million of the US$ Notes repurchased

The Group has repurchased a total of US$240.8 million in principal amount of the Notes for US$128.8 million from open market transactions, resulting in a US$112.0 million gain as part of a capital restructuring to strengthen our capital base. The US$ Notes outstanding is US$59.2 million.



Reduced Gearing

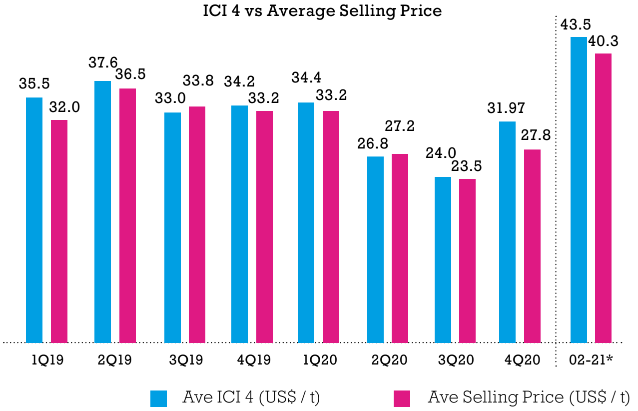
Financial Ratio	31.12.2020	% Change[2]
Gearing – Debt/Equity (times)	0.3	(88)
Net Debt / EBITDA (times)[1]	0.1	(98)
Fixed charge coverage ratio (times)[1]	11.89	148

[1] adjusted for US$ Notes repurchased during the period
[2] from 31 December 2019

28-Feb-2021 Net cash US$ 23 million
31-Dec-2020 Net debt US$ 7 million

Strengthen Core Earnings

- Indonesia coal prices have been under pressure since the COVID-19 outbreak at the start of the year. ICI4 prices have fallen from an average of US$35.05 per tonne in 2019 to US$29.29 per tonne in 2020.
- There has been a surge in global coal prices at the end of 2020 where coal price hit high of US$44.90 per tonne on 31 December 2020. The average ICI4 price was US$43.53 per tonne for the first two months of 2021.
- ICI4 hit its lowest of US$22.63 per tonne on 4 September 2020. However, prices had increased in the last three months of 2020 and ended on a high of US$44.90 per tonne on 31 December 2020.



* 28 February 2021

Secured a Sustainable Financial and Capital Structure

The Group obtained approval on the extension of the operating mining licenses of SDJ and TBR mines to 11 May 2027 and 10 January 2028 respectively.

The Group's SDJ and TBR 2P (Proved and Probable) Reserves have also increased to 84.0Mt as at 31 December 2020, through further explorations on its coal mining concessions as well as joint boundaries arrangement for coal mining. This is above the requisite coal reserve required under the US$ Notes Put Option covenant.

Based on the 2P Reserves and the extension of the IUPs above, the Mandatory Offer to Purchase covenant is satisfied and falls away.

Risk Management

Financial Ratio	SDJ	TBR	Total
IUP expiry date	11 May 2027	10 Jan 2028	
JORC reserves as at 31 December 2020	22.2 Mt	61.8 Mt	84.0 Mt

Mt - Million tonnes

Standards and Poor (S&P), Moody's and Fitch have upgraded Geo Energy credit ratings, based on the Group's improved liquidity position due to falling away of the Mandatory Offer to Purchase covenant exercisable in April 2021 on fulfilling the US$ Notes' coal reserve requirements of 80Mt and the extension of mining licenses of the SDJ and TBR mines to beyond 2025.

2020 FINANCIAL REVIEW AT A GLANCE

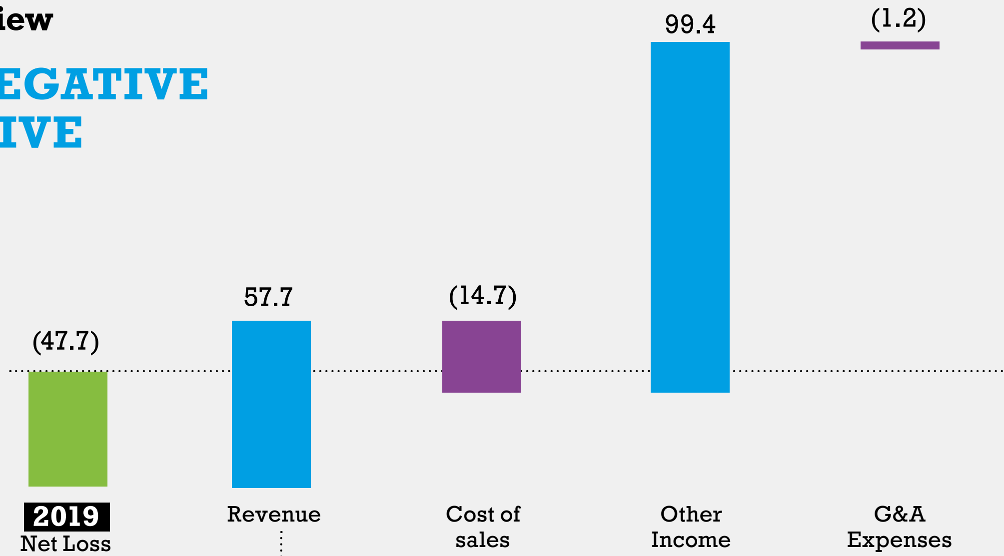
WITH OUR IMPROVED CAPITAL STRUCTURE AND REDUCED FINANCING COSTS, WE ARE WELL POSITIONED TO BUILD ON THIS POSITIVE START FOR A BETTER BUSINESS AND OPERATING PERFORMANCE IN 2021

Key Financials

Key Operating Matrix	1Q2020	2Q2020	3Q2020	4Q2020	2020 (A)	2019 (B)	% Change (A-B)/(B)
In million tonnes							
Sales Volume	2.5	2.5	2.5	3.2	10.7	7.4	45
Production Volume	2.6	3.2	3.0	3.9	12.6	7.2	75
In US$ / tonne							
Average ICI4	34.44	26.78	23.95	31.97	29.29	35.05	(16)
Average Selling Price	33.22	27.17	23.46	27.84	27.89	33.67	(17)
Production Cash Cost	26.86	20.92	19.58	19.75	21.64	29.48	(27)
Cash Profit	6.36	6.25	3.88	8.09	6.25	4.19	49

2020 Results Overview

TURNING A NEGATIVE INTO A POSITIVE



We expanded our production and sales while others scaled down
Revenue increased by 23% as we **expanded our business and increased our sales volume** by 45% from 7.4 million tonnes in 2019 to 10.7 million tonnes in 2020, **despite other businesses contracting during the COVID-19 pandemic**.

We reduced our costs in line with coal prices
Cost of sales only increased by 6% despite 45% higher sales volume, following negotiations with our service providers that led to a 27% cash cost reduction, by **adopting a cost structure linked to coal prices that remains viable even in a depressed coal price environment**.

We restructured and optimised our capital structure by repurchasing US$240.8 million of our US$ Notes
Other income increased mainly due to US$106.6 million gain on repurchases of US$ Notes in 2020 following the **optimisation of our capital structure and a 79% improvement in gearing**.

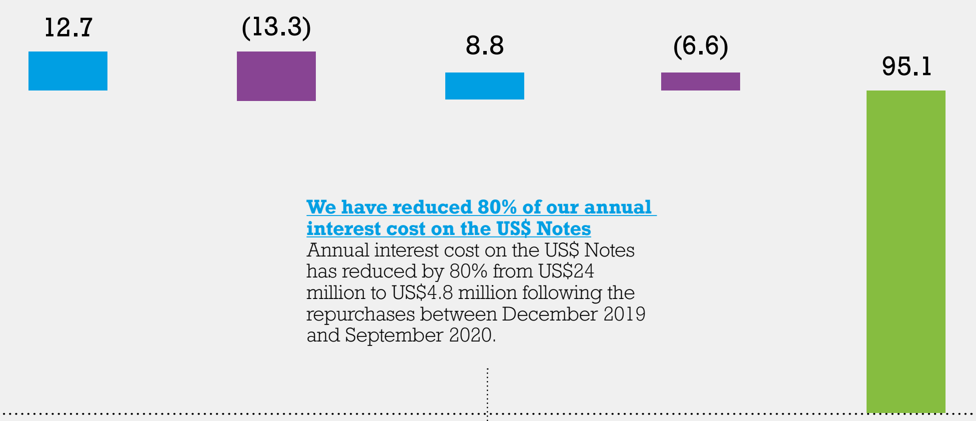
We controlled our expenses notwithstanding an increase in operating activities
No significant increase in G&A expenses as **we managed our costs despite an increase in operating activities**.

Key Financials

Key Financials (US$ million)	1Q2020	2Q2020	3Q2020	4Q2020	2020 (A)	2019 (B)	% Change (A-B)/(B)
Income Statement							
Revenue	88	73	59	87	307	249	23
EBITDA	35[1]	35[1]	40[1]	57[1]	57	23	148
Net profit (loss)	31	35	25	4	95	(48)	nm

Key Financials (US$ million)	31 Mar 2020	30 Jun 2020	30 Sept 2020	31 Dec 2020 (A)	31 Dec 2019 (B)	% Change (A-B)/(B)
Balance Sheet						
Debt[2]	195	134	62	60	284	(79)
Cash	107	78	33	53	139	(62)
Net Debt	88	56	29	7	145	(95)
Equity	155	190	215	218	123	77

1 12-month trailing EBITDA
2 Debt is calculated as the aggregate of the Group's lease liabilities and US$ Notes (including interest payable)



Changes in Net Profit (US$ million)

We have reduced 80% of our annual interest cost on the US$ Notes
Annual interest cost on the US$ Notes has reduced by 80% from US$24 million to US$4.8 million following the repurchases between December 2019 and September 2020.

Other Expenses | Allowance for expected credit loss | Finance costs | Income Tax | **2020** Net Profit

We were affected by the deterioration of the credit standing of one of our counterparties
An allowance for expected credit loss of US$13.8 million was made following a counterparty's failure to deliver coal amid the depressed coal price environment during the COVID-19 pandemic **which may not translate to a loss for the Group** with the potential coal price uptrend observed in the start of 2021.

We have managed our effective tax rate
Income tax increased as **we turned around from a net loss position in 2019 to a record net profit of US$95.1 million in 2020**, with an effective tax rate of 9% mainly due to non-taxable income from the gain on repurchases of US$ Notes.

We have better managed our assets
Despite depressed coal prices and economic conditions, **we have better managed our assets** and lowered our impairment and fair value losses by 67%.

RECORD PERFORMANCE AND RESULTS

Revenue of US$306.8 million and net profit of US$95.1 million and **a cash position of US$81.2 million as at 28 March 2021**

MANAGEMENT DISCUSSION AND ANALYSIS

WORKING CAPITAL MOVEMENT WAS POSITIVE US$4.7 MILLION IN 2020. THERE WAS AN INCREASE IN RECEIVABLES FROM THE HIGHER VOLUME OF DOMESTIC SALES WHICH HAVE LONGER CREDIT TERM

FINANCIAL POSITION

Current Assets

Current assets decreased by US$88.7 million to US$146.5 million as at 31 December 2020.

Cash and bank balances decreased by US$86.3 million to US$52.7 million as at 31 December 2020, mainly due to payments for US$ Notes interest and repurchases, cash used for working capital, advances paid for purchases of property, plant and equipment as well as income tax, offset by income tax refund received.

Trade and other receivables of US$53.0 million as at 31 December 2020 comprise mainly trade receivables of US$20.3 million and non-trade receivables of US$32.7 million. The increase of US$26.2 million from US$26.8 million as at 31 December 2019 was mainly due to the increases in trade and other receivables as well as VAT receivable (following the passing of the Omnibus Law), offset by the decrease in prepaid income tax for our Indonesian subsidiaries following receipt of income tax refund. Our Indonesian subsidiaries are required to prepay their current income tax. Should the total amount of tax prepaid exceed the official tax assessment, the excess amount will be refunded.

As of 31 December 2020, advances paid for purchase of coal and deposit paid for a proposed acquisition of a business totalling US$26.9 million have been included in other receivables, following the counter parties' failure to deliver coal and meet the conditions precedent of the proposed acquisition. In addition, the Group has recognised an allowance for expected credit loss of US$13.8 million on these balances. We are currently in discussion for a settlement agreement with the counterparties.

Deposits and prepayments decreased by US$37.1 million to US$20.1 million as at 31 December 2020 mainly due to the abovementioned reason, utilisation of advance payments made for purchase of coal and provision of integrated coal mining support and infrastructure services for the SDJ and TBR coal mines. These were offset by the deposits the Group paid to a third party to engage its services in developing markets for the Group's coal. Inventory increased by US$8.5 million to US$20.8 million as at 31 December 2020 due to increased stock of coal exposed that gives the Group flexibility to ramp up coal sales when prices strengthen.

CASH AND BANK BALANCES DECREASED BY US$86.3 MILLION MAINLY DUE TO PAYMENTS FOR THE US$ NOTES INTEREST AND REPURCHASES

Non-current Assets

Non-current assets decreased by US$30.5 million to US$225.5 million as at 31 December 2020, mainly due to decreases in PPE by US$15.3 million, right-of-use assets ("ROU") by US$0.5 million, deferred stripping costs by US$7.3 million (mainly due to depreciation and amortisation), deposits and prepayments by US$4.4 million and trade and other receivables by US$4.6 million mainly due to the fair value adjustment on trade and other receivables recognised during the year. These were offset by the increases in deferred tax assets ("DTA") by US$0.9

million and restricted cash deposits by US$0.7 million.

Current Liabilities

Current liabilities decreased by US$3.0 million to US$79.6 million as at 31 December 2020, mainly due to decreases in trade and other payables by US$2.0 million and income tax payable by US$1.0 million. The decrease in trade and other payables was mainly due to the utilisation of prior year's advances from customers and payments of US$ Notes interest, partially offset by the advances received from customer this year and increase in trade and other payables as part of our credit management measures.

Non-current Liabilities

Non-current liabilities decreased by US$211.5 million to US$73.8 million as at 31 December 2020, mainly due to the US$ Notes repurchases during the year and the decreases in non-current portion of deferred gain and lease liabilities. These were offset by the increases in deferred tax liabilities by US$7.2 million and provisions by US$0.4 million.

CASH FLOW

Net cash from operating activities was US$56.3 million. Operating cash flows before movements in working capital was an inflow of US$53.5 million. The Group made income tax payments of US$4.6 million during the year and received income tax refund of US$2.7 million. Our Indonesian subsidiaries are required to prepay their current income tax. Should the total amount of tax prepaid exceed the official tax assessment, the excess amount will be refunded.

DECREASE IN CURRENT LIABILITIES MAINLY DUE TO THE UTILISATION OF PRIOR YEAR'S ADVANCES FROM CUSTOMERS AND PAYMENTS OF US$ NOTES INTEREST

Working capital movement was positive US$4.7 million in 2020, as compared to negative US$4.3 million in 2019. In 2019, the Group paid additional advances for the integrated coal mining support and infrastructure services for the SDJ and TBR coal mines as well as coal offtake prepayments totalling US$32.5 million. These factors, partially offset by the receipt of advances from customer, caused the large negative working capital movement in 2019.

In 2020, there was an increase in receivables from the higher volume of domestic sales which have longer credit term and reclassification of certain balances from deposits and prepayments as well as higher inventory. The Group also paid deposits to a third party to engage its services in developing markets for the Group's coal. These were offset by the utilisation of the advance payments the Group paid in prior years for purchase of coal and provision of integrated coal mining support and infrastructure services for the SDJ and TBR coal mines, as well as higher trade and other payables from the receipt of advances from customer and credit management measures.

Net cash used in investing activities of US$6.8 million was mainly due to the advances for and purchases of PPE totalling US$7.8 million, offset by interest received of US$1.1 million.

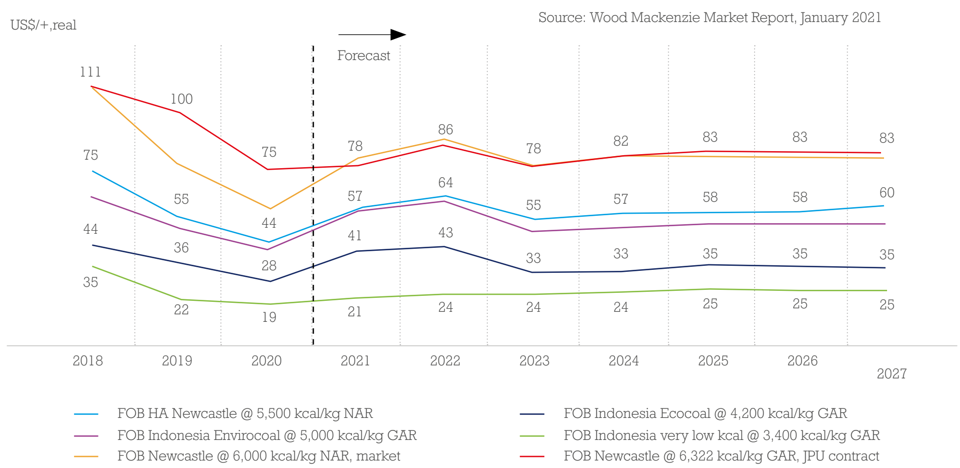
Net cash used in financing activities of US$135.9 million was due to the payment of US$ Note interest of U$16.5 million, amount paid for US$ Notes repurchases of US$118.1 million, amount placed as restricted cash deposits of US$0.7 million and repayment of lease liability obligations of US$0.5 million.

Overall, total cash and cash equivalent as of 31 December 2020 was US$47.7 million, excluding the pledged deposits of US$5.0 million.

MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL SEABORNE EXPORT SUPPLY OF THERMAL COAL IS EXPECTED TO REMAIN IN LINE WITH DEMAND THROUGH TO 2027, INCREASING SLIGHTLY FROM 933 MT IN 2020 TO 973 MT IN 2027. INDONESIA IS CURRENTLY EXPECTED TO REMAIN THE LARGEST SUPPLIER INTO THE SEABORNE MARKET

COAL MARKET



Thermal Coal Pricing[1]

Prices throughout 2020 were deep into the cost curve and a correction was always necessary for demand to be met. The first three to four months of 2021 are likely to see a supply response to higher prices, as producers are running well under capacity at present. The expected result is a stabilisation in prices from record December/ January spot, around March and April 2021, though not back to 2020 levels. With most governments targeting a rebound in GDP growth and record stimulus packages being introduced across the global economy, 2021 and 2022 should see much stronger pricing than 2020.

Structurally, prices are expected to reach marginal cost levels by 2024. The report expects strong supply responses from all exporters, post-coronavirus recovery and new coal-fired capacity growth in Asia during this phase. Overcapacity pressure peaked in 2020 with overcapacity forecast to reduce by half by 2022. Existing capacity is expected to start falling after 2023 due to reserve depletion, supporting a price return to marginal cost levels.

Thermal Coal Outlook[1]

Globally, the conflicting drivers of rising energy demand and cost competitiveness of coal, opposed by environmental concerns, are expected to see demand for thermal coal remain flat over the forecast after first recovering from the lows of 2020. The report expect imports to rise from 933 Mt in 2020 to 973 Mt in 2027.

Demand for Indonesian thermal coal is largely based around the export market and is driven primarily by the power generation sector. As Indonesia develop its domestic power sector, much of the future growth in coal production will be aimed in the growing domestic market. Coal demand is expected to grow from 125 Mt in 2020 and 2030. Domestic coal demand is forecasted to grow at a CAGR of 6% between 2020 and 2027.

The Indonesian coal mining sector is overwhelmed, with marketable production expected to grow from 547 Mt in 2020 to 577 Mt in 2027. Indonesian thermal coal production is dominated by export operations in Kalimantan. Kalimantan accounted for 90% of total production in 2020 and is expected to remain the dominant supply region from 2020 to 2027, with production growth in South Kalimantan being driven by both domestic and international demand.

Global seaborne export supply of thermal coal is expected to remain in line with demand through to 2027, increasing slightly from 933 Mt in 2020 to 973 Mt in 2027. Indonesia is currently and is expected to remain the largest supplier into the seaborne market. The report believe that Indonesian seaborne thermal coal markets will peak in 2023 at 442 Mt, with exports from Indonesia then falling to 382 Mt in 2027. Further, Indonesia remains best placed geographically to serve demand from India and Southeast Asia, supporting Indonesia's position as the largest seaborne exporter in the long term.

[1] Wood Mackenzie Market Report, January 2021

- Who We Are
- Vision and Mission
- Core Values
- Awards & Achievements
- Competitive Strengths
- Business Strategy
- Risks
- Highlights of the Year
- Our Business Model
- Coal Resources and Reserves Statements
- Group Structure
- Corporate Information

About Us

Geo Energy is a major Indonesian coal producer with an established track record in operating coal mines, coal production and selling coal throughout the region. Geo Energy has transitioned from being primarily a coal mining services provider to a coal producer that subcontracts its coal mining operations.

ABOUT US

A MAJOR INDONESIAN COAL PRODUCER WITH AN ESTABLISHED TRACK RECORD IN OPERATING COAL MINES, COAL PRODUCTION AND SELLING COAL THROUGHOUT THE REGION

A LOW-COST COAL PRODUCER OWNING HIGH-QUALITY COAL MINING ASSETS

WHO WE ARE

Geo Energy Resources Limited ('Geo Energy', together with its subsidiaries the 'Group'), is a major Indonesian coal producer with an established track record in operating coal mines, coal production and selling coal throughout the region. Geo Energy commenced business in 2008 and became a listed company on the Mainboard of Singapore Stock Exchange in 2012 "RE4".

Starting the business as primarily a coal mining services provider in 2008, Geo Energy has since transformed to be one of leading Indonesian coal producers that subcontracts its coal mining operations. The transition of its business model allowed the Group to change from operating as a relatively small-scale mining services provider with relatively low operational efficiency and high dependence on owners of coal mining concessions, to a low-cost coal producer owning high-quality coal mining assets. Our corporate offices are based in Singapore and Jakarta while our mining operations are located in Kalimantan, Indonesia.

The Group has received the prestigious award as one of the Singapore Fastest Growing Companies in 2019 and 2021, presented by The Straits Times and Statista based on the strong revenue growth in the preceding years.

The Group owns four mining concessions located in South and East Kalimantan, namely SDJ and TBR (actively in operation), BEK (re-commenced operations) and STT (undergoing drilling and development).

The focus of our coal sales remains on Indonesia and China as core markets. Geo Energy has also scaled up its presence in other markets

	SDJ	**TBR**	**BEK**	**STT**
Location	Angsana and Sungai Lohan district, Tanah Bumbu regency, South Kalimantan	Angsana and Sungai Lohan district, Tanah Bumbu regency, South Kalimantan	Tering and Long Iram districts, Kutai Barat regency, East Kalimantan	Kutai Barat regency, East Kalimantan
Mining Permit (Izin Usaha Pertambangan – IUP)	Extended to May 2027	Extended to January 2028	Valid until April 2031	Valid until October 2032
Total Concession Area	235 ha	489 ha	4,570 ha	4,600 ha
2020 Production (million tonnes)	4.9	7.7	Recommenced mining operation	Undergoing drilling and development[1]

[1] STT mine has commenced drilling and development to ascertain its coal quality and reserves, for preparation of feasibility study for mining its coal.

such as South Korea, Pakistan and Vietnam. Total of coal sales in 2020 was 10.7 million tonnes, which is 45% higher than previous year.

VISION

To become one of Indonesia's top ten coal producers by embarking on a series of acquisition opportunities.

Geo Energy commits to sustainable growth and enhancing shareholder value. We will continue to pursue opportunities to expand our mining operations and in growing our coal reserves through strategic acquisitions and vertical integration.

MISSION

"Growing up Together in Harmony" with all our stakeholders, including employees, offtakers, contractors, and communities.

We are committed to running our business with corporate social responsibility concepts firmly embedded within our daily operations to protect our people, the environment and the local communities in which we operate.

TO BECOME ONE OF INDONESIA'S TOP TEN COAL PRODUCERS

We review and analyse all of our business risks and opportunities, looking beyond economic, strategic and operational factors to include social and environmental considerations.

CORE VALUES

Accountable
We are responsible for our actions, our performance and our products in conducting our business, and we are committed to continuous improvements and learning.

Competence
We employ the best people, engage the top mining contractors and work with respected international traders.

Teamwork
We cooperate, communicate and support each other in achieving our vision and mission in this competitive environment.

Responsive
We strive to achieve the best possible outcome in everything we do, for the benefit of our people, our business partners and our communities.

AWARDS & ACHIEVEMENTS

(2013 – 2021)

- 3 times achievement for the Most Transparent Company in the Chemical & Resources category for 2013-2015 at the SIAS Investors' Choice Award.

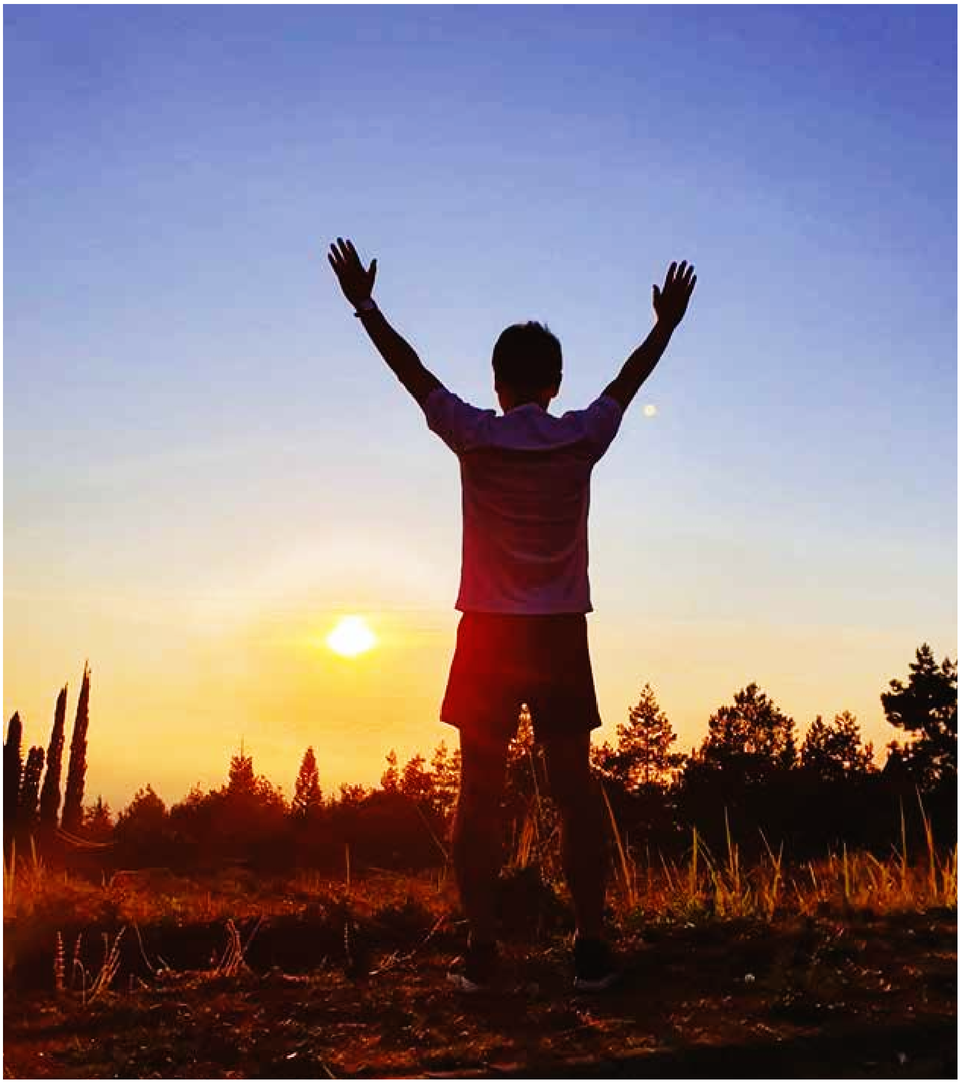
- Won Singapore Business Review Listed Companies Award 2017, Metals & Mining Category and Bull Charger Award.
- Won Gold at Hermes Creative Awards 2018 for the best design of our Annual Report 2017 – "The Year That Transformed Geo Energy".
- Ranked 17th in the inaugural award for Singapore's Fastest Growing Companies 2019 presented by The Straits Times and Statista.
- Ranked 35th in the Corporate Governance and Transparency Index 2018, placed amongst the top listed companies.
- Won Gold Award for the Best Investor Relations for SGX listed companies with market capitalisation less than S$300 million at the 2019 Singapore Corporate Award.
- Won the Singapore Business Review Listed Companies Awards 2020 (Metals & Mining category) on its focus on ESG and sustainability principles in business.
- Winner of the Le Fonti Awards 2020 for Excellence of the Year – Innovation and Leadership in the Coal Mining sector.
- Won in the Corporate Excellence under Mining & Energy Industry of the prestigious Asia Pacific Enterprise Awards (APEA) 2020, which recognise enterprises and business leaders across the Asia Pacific region who have shown outstanding track record, perseverance and growth in the business.
- Shortlisted by the prestigious IR Magazine for Best Annual Report (small cap), South East Asia.
- Received the prestigious award as one of the Singapore Fastest Growing Companies 2021 presented by The Straits Times and Statista based on the strong revenue growth between 2016 and 2019.

2020 APEA ASIA PACIFIC ENTERPRISE AWARDS Regional Edition

ABOUT US

GEO ENERGY COMMITS TO SUSTAINABLE GROWTH AND ENHANCING SHAREHOLDERS VALUE, AND CONTINUE TO PURSUE OPPORTUNITIES TO EXPAND MINING OPERATIONS AND IN GROWING COAL RESERVES THROUGH STRATEGIC ACQUISITIONS AND VERTICAL INTEGRATION

We employ business model that leverages the strength of our business partners



COMPETITIVE STRENGTHS

Strategically located premium coal assets provide Geo Energy with significant competitive advantages

The sub-bituminous coal from the SDJ and TBR mines contain some of the lowest levels of ash, sulphur and other trace minerals of any coal traded in the global markets, and contain relatively low levels of nitrogen during combustion, which is generally considered by coal end-users to be of premium quality. SDJ and TBR coal facilitates its end-customers' compliance with environmental regulatory requirements by blending it with other relatively lower quality coal. The low ash characteristic also reduces build-up in coal-burning boilers and thereby improves thermal efficiency. The coal is also easily stored, handled and does not need to be ground as finely as other types of coal to achieve maximum combustion. Its high surface area and volatility facilitates ignition and stable combustion. Geo Energy's coal enjoys high demand locally and internationally, particularly from Chinese buyers, due to its characteristics that make it ideal for blending with coal produced in China, which is characterised by high ash and high sulphur content with higher calorific values. The Group expects regulations on the ash and sulphur content of thermal coal to continue to tighten globally, increasing the relative attractiveness of its coal. SDJ and TBR also benefit from developed transportation infrastructure that is in relatively close proximity and the use of a perennial river, which together, allow for relatively low cost and undisrupted transportation of coal from the coal mines to the customers. The distance between its coal mines and the jetty is approximately 17 km. From the jetty, the coal is then transported to an anchorage point that is approximately 15 km away. Relatively short delivery cycles and uninterrupted coal delivery have enabled the Group to reduce the amount of coal inventory stockpiles, thereby reducing its inventory cost and working capital requirements. The group has the flexibility to ramp up coal sales when prices strengthen.

STRATEGICALLY LOCATED PREMIUM COAL ASSETS

Geo Energy employs a business model that leverages the strengths of its business partners, allowing the Group to have limited operational and offtake risk as well as minimal capital expenditure requirements

Geo Energy has outsourced its mining operations for the life of the SDJ and TBR mines to BUMA. Through such arrangements, the Group is able to manage its operational risks and leverage BUMA's deep expertise, extensive experience, scale and efficiency in coal mining operations as well as reduce its capital expenditure and working capital requirements for coal mining operations.

Geo Energy maintains a relatively small workforce at its coal mines to supervise and monitor BUMA's operations. The agreement with BUMA provides for minimum volumes of coal production, which allows it to benefit from stable coal production volumes.

Geo Energy has two major commodity trading houses, with international operations and a strong balance sheet, as the offtaker for the life of mine of SDJ and TBR. The offtakers provide

ABOUT US

GEO ENERGY ESTABLISHES RELATIONSHIPS WITH ITS END-CUSTOMERS AND MAINTAINS REGULAR DIALOGUE TO UNDERSTAND THEIR COAL REQUIREMENTS, WHICH PROVIDES THE FLEXIBILITY TO SUPPLY COAL DIRECTLY AS THE GROUP CONTINUES TO GROW ITS BUSINESS OPERATIONS

minimum annual offtake volumes to the Group to secure future coal sales and cash flows against the risk of decrease in global coal demand. Using their global networks, it helps to market and distribute SDJ and TBR coal to buyers from all over the world. Geo Energy also establishes relationships with its end-customers and maintains regular dialogue to understand their coal requirements, which provides the flexibility to supply coal directly as the Group continues to grow its business operations.
The Group believes that its business model allows it to continue to increase the scale of its business operations and to achieve its objective of being one of the largest coal producers in Indonesia.

Geo Energy's cost structure, which is one of the lowest amongst Indonesian coal producers, affords the Group scalability in the event of coal price fluctuations

Geo Energy has one of the lowest cost structures among

GEO ENERGY HAS ONE OF THE LOWEST COST STRUCTURES AMONG INDONESIAN COAL PRODUCERS

Indonesian coal producers, which allows it to continue increasing the scale of its business operations, even with coal price fluctuations. The Group's SDJ and TBR mines, which are adjacent to each other, benefit from favourable mining and geological conditions as well as developed transportation infrastructure that is in relatively close proximity. These allow for efficient and low-cost mining and undisrupted transportation of coal from the coal mines to the customers. In addition, the combined mine plan for its SDJ and TBR mines allows it to benefit from operational synergies and enjoy significant cost savings with respect to overburden dumping. Further, the coal reserves are located underneath a palm oil plantation and Geo Energy has entered into an agreement with the plantation owner to borrow, use, and return the land upon completion of its mining activities. Under the terms of the agreement, the plantation owner will resume use of the land for cultivation of palm oil trees, thereby lowering the expected costs required for the reforestation of exploited mining sites.
A significant proportion of the Group's mining cost is attributable to BUMA, the Group's mining contractor. The mining cost of BUMA will be adjusted based on the ICI4 price. Prices per tonne of coal produced are generally based on the estimated strip ratio, fuel price, the distance coal and overburden is to be transported and other factors affecting the third-party mining contractor's operating costs. Geo Energy believes that its low operating costs, linked to coal price, has enabled it to be competitive.

Geo Energy has strong financial performance with access to capital from variety of sources

Complementing the Group's ability to generate cash flows, Geo Energy has access to capital to further support its funding needs and growth. Geo Energy has an option to obtain prepayment from Trafigura and Macquarie for the agreed coal sales volume in a given year. Geo Energy has obtained the second prepayment from Trafigura (SDJ coal offtaker) and the third prepayment from Macquarie (TBR coal offtaker) for the coal sales in 2020. The Group has an option to obtain prepayments for future coal sales. Geo Energy has maintained good relationships with various banks. The successful issuance of the US$ Notes has broadened its investor base to include multi-billion international funds. It will allow the Group to tap on this market in the future should it require further funding.

Geo Energy has high standards of corporate governance and are led by a deeply-experienced management team

Geo Energy's management team has more than 50 years of combined experience in the coal industry, trading, mining, and operating mines, accounting, financial and treasury management, and mergers and acquisitions. Geo Energy believes that its management team was instrumental in transitioning its business model in 2015, from operating as a relatively small scale mining services provider in an environment of high capital expenditure and relatively low operational efficiency, with high dependence on owners of coal mining concessions, to being a low-cost coal producer with high-quality coal mining assets.

Since the listing on the mainboard of the SGX in 2012, Geo Energy has always maintained high corporate governance standards in compliance with the Listing Rules of the SGX. Members of the Board of Directors have the appropriate competencies, and the Audit and Risk Committee and Remuneration Committee fully comprise independent directors.

Stemming from its high standards in corporate governance, Geo Energy was runner-up in the 2013, 2014 and 2015 Investor Choice Awards by the Securities Investors Association (Singapore) for the "Most Transparent Company (Chemical & Resources and New Issues)," and it won the 2020 Listed Companies Award, for the metals and mining category, from the Singapore Business Review.

BUSINESS STRATEGY

The main elements of Geo Energy's business strategy include the following:

Strengthen core earnings by continuously extracting value from its existing coal mines

Geo Energy believes that being one of the lowest-cost coal producers in Indonesia positions it to benefit from a rising coal price environment, while allowing it to remain profitable in lower coal price environments. Geo Energy intends to continuously extract value from its existing coal mines by mining existing reserves in SDJ and TBR concession areas while controlling cost and capital expenditures. Geo Energy expects to be able to formulate more efficient mine plans for both coal mines as a whole, to take into account current and projected demand for and sales of the Group's coal products, as well as the volume and quality of its coal reserves. Geo Energy believes that this would allow it to maintain efficient and low-cost mining at the SDJ and TBR mines and maintain its cash margins while incurring minimal capital expenditure.

Continue to develop and maintain strong relationships with best-in-class business partners

Geo Energy has enjoyed a strong partnership with BUMA. BUMA aids in the development of its mine plans and has provided the Group with satisfactory mining services that has allowed it to achieve strong operational performance. Geo Energy continues to maintain its close relationship with BUMA. In addition, the Group has also enjoyed a strong relationship with Trafigura and Macquarie, its coal offtaker of SDJ and TBR coal respectively. The offtakers own the right to market and distribute substantially all SDJ and TBR coal in the international markets.

Build a sustainable business for the future by actively monitoring and executing on attractive opportunities to optimise its asset portfolio

Geo Energy is constantly exploring opportunities to acquire additional coal mining concessions to complement its portfolio of coal mining assets and is also exploring opportunities to divest stakes in its coal mining concessions as a means to collaborate with strategic partners and raise capital. To scale up business and transform into a top coal producer in Indonesia, Geo Energy intends to replicate its asset-light business model by monitoring potential acquisition opportunities and may also invest in value-adding businesses that meet its acquisition criteria:

- Brownfield or producing coal asset that would begin production within six months, with minimum capital expenditure requirements. Geo Energy believes this

We strengthen our core earnings and build a sustainable business for the future

ABOUT US

RAPID CHANGES ON COAL PRICES SUBSTANTIALLY AFFECTS THE GROUP'S BUSINESS, OPERATIONS AND FINANCIAL PERFORMANCE. THE GROUP MITIGATES THE RISK WITH A NIMBLE AND COST COMPETITIVE BUSINESS MODEL AND SECURING LONG-TERM COAL OFFTAKE AGREEMENTS

approach minimises uncertainty and enables immediate realisation of cash flows.

- Attractive and unique asset characteristics with significant competitive advantage. Geo Energy believes that these coal assets over others will provide more resilience against any adverse movement in coal price.

- Potential synergy with existing assets. When assessing potential acquisition targets, Geo Energy determines any potential synergy between the target and existing assets, which will create additional value for both new and existing business.

- Structured payments to minimise leverage and upfront cash outlay. To minimise risk, Geo Energy intends to structure potential acquisitions in a way that minimises leverage and upfront cash outlay, such as complementing cash payment with stock payment and deferred payment that is paid at or after the start of production by the acquired mining asset.

- Self-financing asset with no cash flow impact on existing business. Geo Energy intends to minimise negative cash flow impact to existing business operations by acquiring assets that have the potential to become self-sustaining within a relatively short time horizon.

RISKS

The key business risks affecting the Group are set out below:

Coal price risks

As coal is sold based on index-linked pricing arrangements, there has been, and will continue to have, significant volatility in coal pricing, including periods of substantial price decline. The pricing of coal is affected by numerous factors beyond our control, including weather conditions, distribution problems, labour dispute, actions taken by governments and government regulations relating to taxation, royalties, allowable production, importing and exporting and environmental protection. The price of coal is also affected by macro-economic factors such as inflation, interest rates, global and regional supply and demand as well as general global economic and political conditions. We compete with both domestic Indonesian and foreign coal producers in the global coal markets primarily on the basis of coal quality, price, transportation cost and reliability of supply. Demand for our coal is affected by alternative energy sources, including nuclear energy, natural gas, oil and renewable energy sources. Rapid changes on coal prices substantially affects the Group's business, operations and financial performance. The Group mitigates the risk with a nimble and cost competitive business model and securing long-term coal offtake agreements.

Operational risks

The Group outsources all mining operations to BUMA, a third-party independent mining contractor operating under operating agreement, who is responsible for providing the equipment, facilities, services, materials, supplies, labour and management required for the operation and maintenance of the designated mining pits and to exploit the mines in accordance with mining plans.

Any significant failure by BUMA to perform their obligations to a satisfactory level will result in (i) financial and operational difficulties or may materially and adversely affect the Group's business, financial condition and results of operation; (ii) the ability to complete coal supply contracts in a timely fashion or at a profit may be impaired; and (iii) delays in coal delivery and/or shortfalls in planned coal production. The agreement with BUMA guarantees a minimum annual production volume and further allow the Group to control its cost of production and secure a long-term service provider at the same time.

The Group rely on private haul roads, jetties and ports to transport and deliver coal. The Group may be constrained by inadequate infrastructure, disputes with landowners, weather related closures, natural disasters or the government no longer permitting such areas to be used for mining related activities. The closure of any of the haul roads, jetties and ports would have an adverse impact on the business, financial condition and results of operations.

We are dependent upon the services of key management personnel. The loss of any member of our senior management team as well as the difficulty in retaining and hiring personnel could materially and adversely affect our business, financial conditions and results of operations.

Outbreak of an infectious disease in Asia (including Indonesia) or elsewhere, or fear of an outbreak, together with any resulting restrictions on travel or quarantines imposed, could have a negative impact on the economy and business activity in Indonesia and thereby adversely impact our business and financial condition. Example includes the current COVID-19 pandemic outbreak. There can be no assurance that any precautionary measures taken against infectious diseases would be effective.

Regulatory risks

Coal mining operations and expansion programs depend on the Group's ability to obtain, maintain and renew necessary permits and approvals from the government before the mining licenses and permits expire. Under both the previous and current regulatory regimes, the delegation and transfer of authority to issue concession or mining license rights gives rise to the possibility of overlap between licenses or concessions issued by different authorities. This could affect our mining operations.

The Indonesian mining industry is subject to extensive regulation within Indonesia. Any adverse changes or developments in mining laws or regulations may be difficult to comply with and may significantly increase our operating costs or may otherwise adversely affect our business, financial condition and results of operation.

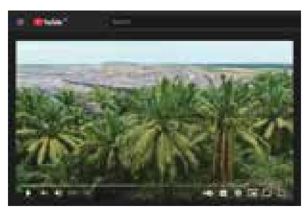
Environmental risks

The Group may experience unexpected disruptions to our mining operations, including stripping and the removal of overburden, loading and transportation of coal. The changing conditions includes environmental hazards; inclement weather, particularly during the rainy season, which sees particularly heavy rains for a prolonged period of time, changes in geological conditions and geotechnical instability of mining pits; barging delay due to river congestion and limited rainfall causing shallow conditions along the rivers we use in our barging operations.

Due to the significant impact of mining operations on the environment, coal mining operations are generally subject to extensive regulation governing operational activities such as exploration, development, production, health and safety, toxic substances, waste disposal, protection and remediation of the environment, land rehabilitation and others. The Indonesian Ministry of Energy and Mineral Resources ("MEMR") needs to approve mining companies' annual projected production under the RKAB (Work and Budget Plan). Together with BUMA, we will review and comply with our environmental and health and safety standards and ensuring the compliance with the applicable Indonesian laws and regulations.

Climate change may adversely affect demand for coal and thus Geo Energy's business. The enactment of comprehensive legislation focusing on greenhouse gas emissions could have the effect of restricting the use of coal in primary markets serviced by the Group. In addition, technological developments may increase the competitiveness of alternative energy sources, such as renewable energy, which may decrease demand for coal. Other efforts to reduce emission of greenhouse gases and initiatives in various countries to encourage the use of natural gas or renewable energy may also discourage the use of coal as an energy source and could materially and adversely affect our business financial condition and results of operations.

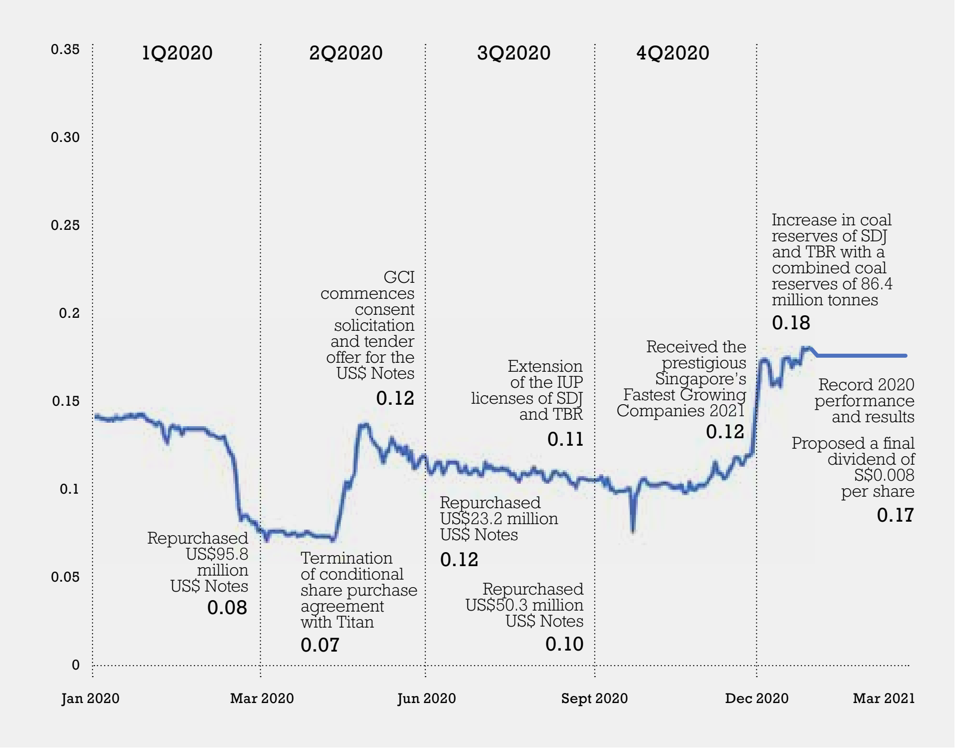
You can watch the Geo Energy Corporate Video at



http://www.geocoal.com/images/news-and-media/GEGCorpVid1.mp4

HIGHLIGHTS OF THE YEAR

OBTAINED APPROVAL FROM THE INDONESIAN MINISTRY OF ENERGY AND MINERAL RESOURCES ON THE INCREASE IN COAL PRODUCTION QUOTA FOR THE GROUP'S SDJ AND TBR COAL MINES FOR 2020



Share price increased 28.6% from S$0.14 per share on 1 January 2020 to S$0.18 on 31 December 2020, with a high of S$0.20 per share on 4 January 2021.

52 weeks (1 April 2021) S$0.07 - S$0.20

March 2020
- Repurchased US$95.8 million US$ Notes through open market transactions.

April 2020
- Termination of conditional share purchase agreement for the proposed acquisition of 100% shares of PT Titan Global Energy.

May-June 2020
- GCI commences consent solicitation and tender offer for the US$ Notes to gain additional flexibility to carry out our business strategies, while improving our credit structure and provide liquidity to bond holders that may not be otherwise available.

July 2020
- Repurchased US$23.2 million US$ Notes through the Tender Offer exercise.

August 2020
- Extension of the IUP licenses of SDJ and TBR to 11 May 2027 and 10 January 2028 respectively, with increased combined coal reserves (proved and probable) of SDJ and TBR of 87.5 million tonnes as at 30 April 2020, expecting the Mandatory Offer to Purchase covenant in its US$ Notes to be satisfied and fall away on 4 April 2021.

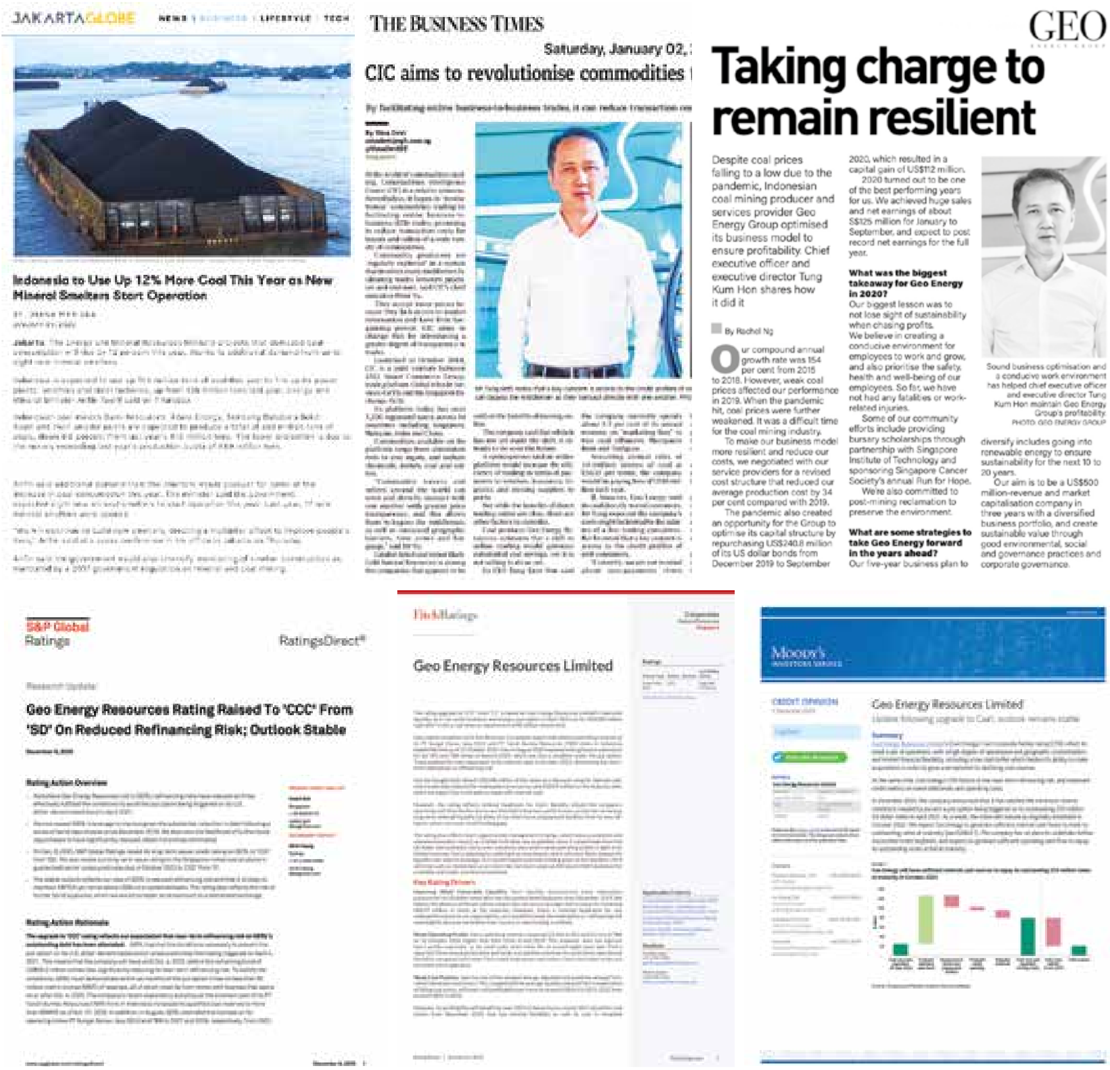
September 2020
- Repurchased US$50.3 million US$ Notes through open market transactions.

November 2020
- Received the prestigious award Singapore's Fastest Growing Companies 2021 presented by The Straits Times and Statista.

December 2020
- Increase in coal reserves of SDJ and TBR with a combined coal reserves of 86.4 million tonnes as at 31 October 2020. Together with the extension of IUPs to beyond 2025, the Mandatory Offer to Purchase Covenant is expected to fall away on 4 April 2021. The Group has around 2 years to repay the outstanding US$ Notes when it is due on 4 October 2022.

March 2021
- Record performance and results with revenue of US$306.8 million, net profit of US$95.1 million and highest coal sales of 10.7 million tonnes.
- Proposed a final dividend of S$0.008 per share

April 2021
- Mandatory Offer to Purchase covenant is satisfied and falls away.


JAKARTA GLOBE

Indonesia to Use Up 12% More Coal This Year as New Mineral Smelters Start Operation

THE BUSINESS TIMES

CIC aims to revolutionise commodities

Taking charge to remain resilient

Despite coal prices falling to a low due to the pandemic, Indonesian coal mining producer and services provider Geo Energy Group optimised its business model to ensure profitability. Chief executive officer and executive director Tung Kum Hon shares how it did it

By Rachel Ng

Our compound annual growth rate was 154 per cent from 2015 to 2018. However, weak coal prices affected our performance in 2019. When the pandemic hit, coal prices were further weakened. It was a difficult time for the coal mining industry.

To make our business model more resilient and reduce our costs, we negotiated with our service providers for a revised cost structure that reduced our average production cost by 34 per cent compared with 2019.

The pandemic also created an opportunity for the Group to optimise its capital structure by repurchasing US$240.8 million of its US dollar bonds from December 2019 to September 2020, which resulted in a capital gain of US$112 million.

2020 turned out to be one of the best performing years for us. We achieved huge sales and net earnings of about S$125 million for January to September, and expect to post record net earnings for the full year.

What was the biggest takeaway for Geo Energy in 2020?

Our biggest lesson was to not lose sight of sustainability when chasing profits.

We believe in creating a conducive environment for employees to work and grow, and also prioritise the safety, health and well-being of our employees. So far, we have not had any fatalities or work-related injuries.

Some of our community efforts include providing bursary scholarships through partnership with Singapore Institute of Technology and sponsoring Singapore Cancer Society's annual Run for Hope.

We're also committed to post-mining reclamation to preserve the environment.

What are some strategies to take Geo Energy forward in the years ahead?

Our five-year business plan to diversify includes going into renewable energy to ensure sustainability for the next 10 to 20 years.

Our aim is to be a US$500 million-revenue and market capitalisation company in three years with a diversified business portfolio, and create sustainable value through good environmental, social and governance practices and corporate governance.

Sound business optimisation and a conducive work environment has helped chief executive officer and executive director Tung Kum Hon maintain Geo Energy Group's profitability. PHOTO: GEO ENERGY GROUP

S&P Global Ratings RatingsDirect®

Geo Energy Resources Rating Raised To 'CCC' From 'SD' On Reduced Refinancing Risk; Outlook Stable

FitchRatings

Geo Energy Resources Limited

Moody's Investors Service

Credit Opinion

Geo Energy Resources Limited

Credit Ratings Upgrade

Moodys' (Upgrade from Caa3 to Caa1)

"Low near-term refinancing risk and improved credit metrics on lower debt levels.
Mine license extensions and increase in coal reserves eliminate risk of put option being triggered next April 2021.
Reduction in operating costs at its coal mines will improve earnings.
Contractual arrangements with major operators, which reduce execution risk."

Fitch (Upgrade from CC to CCC)

"Geo's liquidity improvement eases redemption pressure for its US$ Notes after the discounted bond buybacks since December 2019."

S&P (Upgrade from SD to CCC)

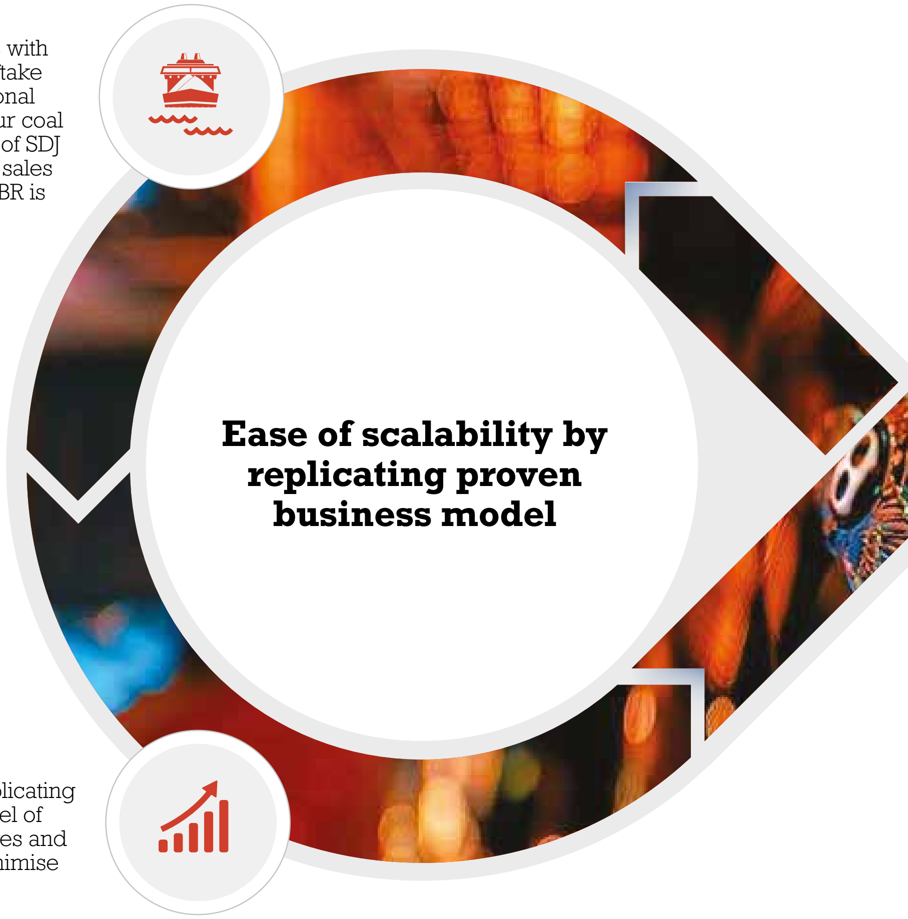
"The upgrade to 'CCC' rating reflects S&P expectation that near-term refinancing risk on GERL's outstanding debt has been alleviated."

OUR BUSINESS MODEL

THE SUCCESS OF OUR BUSINESS IS DERIVED FROM OUR VALUES, OUR SIMPLIFIED BUSINESS MODEL, OUR FINANCIAL STRENGTH AND EXTRAORDINARY PEOPLE AT GEO ENERGY

Offtake

We establish strong relationships with end customers and enter into offtake agreement with major international commodity trading companies. Our coal sales offtaker over the life of mine of SDJ is Trafigura Pte. Ltd. and our coal sales offtaker over the life of mine of TBR is Macquarie Bank.



Expand

We increase scale by replicating proven business model of acquiring proven reserves and producing mines to minimise execution risks.

THE RESOURCES WE USE

Financial

Low maintenance of capex, availability of coal offtake prepayment.

Intellect

Reliant on BUMA's operational excellence to optimise the use of its equipment while maintaining its safety standard in order to deliver high productivity.

Human

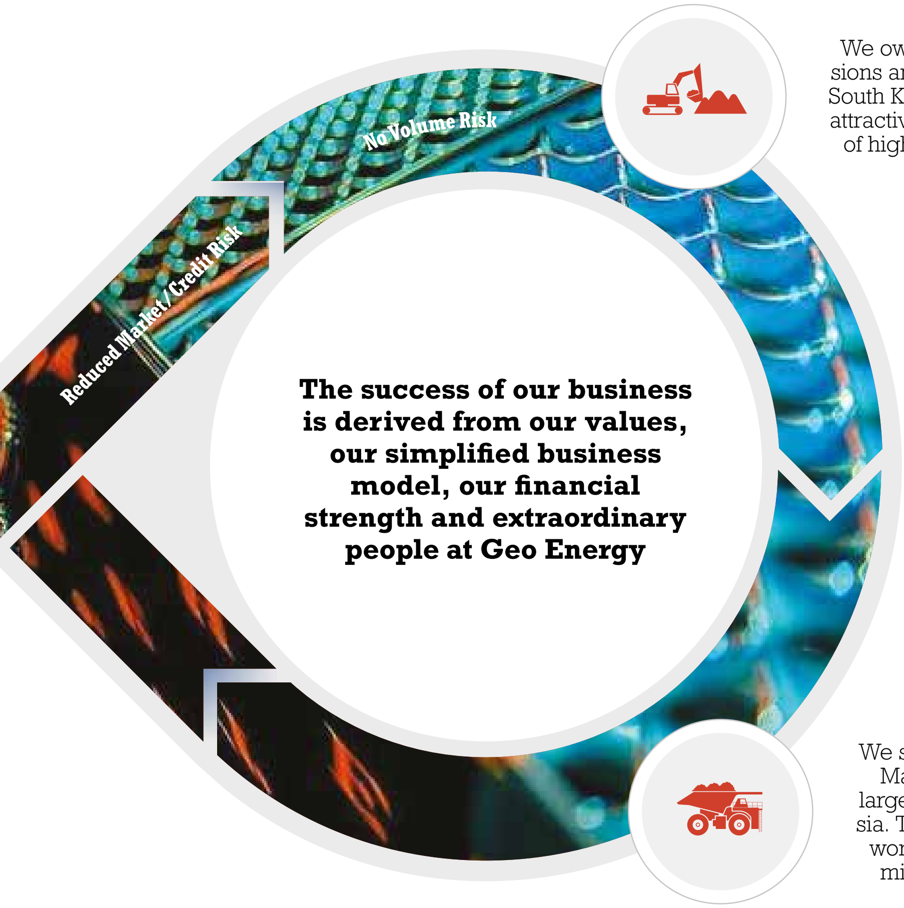
Continuously training and developing our people to produce high-skilled talents to bring value to the Group.

Social and relationship

Close collaborations with stakeholders and long-term partnerships with business partners that transform into value creation.

Nature

Focus on avoiding and preventing negative impacts where possible, mitigating the social and environmental impact as we conduct our mining operations.



Own

We own major mining concessions and coal mines in East and South Kalimantan, Indonesia with attractive qualities. Our coals are of high calorific value, low ash and low sulphur.

Outsource

We sub-contract mining services to PT Bukit Makmur Mandiri Utama (BUMA), the 2nd largest mining services company in Indonesia. The mining services contract has a value worth about US$400 million over the life of mine on each of SDJ and TBR coal mine.

WHAT WE DO

We create value for our customers

Best commodities
Low ash content and low sulphur coal in demand.

MACQUARIE

TRAFIGURA

We create value for our employees

Share option scheme
Motivate employees to achieve performance conditions and a high level of contribution to the Group.

We create value for communities and society

ESG and CSR
Optimising operations for long term economic, social and environmental benefits, maintaining a high standard of corporate governance.

We create value for our investors

Dividend policy
At least 30% of the Group's profit attributable to Owners of the Company, subject to debt convenants and capital requirements needed to support growth and investments.

COAL RESOURCES AND RESERVES STATEMENTS

A PORTFOLIO OF 4 COAL ASSETS WITH TOTAL COAL RESERVES OVER 90 MILLION TONNES

SMG Consultants (SMGC) was commissioned by Geo Energy to prepare an Independent Qualified Person's Report (IQPR) for the following assets:

- SDJ coal concession located in the Angsana and Sungai Lohan districts of the Tanah Bumbu regency in the South Kalimantan Province of Indonesia.
- TBR coal concession located immediately adjacent to and down dip of SDJ. SDJ and TBR are planned and managed as a single integrated operation. The two concessions combined is referred to as the Sungai Danau Project (SDP).
- BEK coal concession located in the Tering and Long Iram districts, Kutai Barat Regency, East Kalimantan Province of Indonesia.
- STT coal concession located in the Damai and Bentian Besar, Kutai Barat, East Kalimantan, Indonesia.

This IQPR has been prepared in accordance with SMGC's Interpretation of the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (VALMIN Code 2015 Edition). The Effective Date of this report is 19 February 2021. The Report is intended for use as a Qualified Persons Report (QPR) as defined by practice note 6.3 of the Rules Governing the Listing Rules of the mainboard of SGX.

Resources, Reserves and Exploration Targets have been estimated for the SDJ, TBR, BEK and STT concessions as of 31 December 2020. These estimates have been reported in accordance with SMGC Interpretation of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves (JORC Code). The scope of work included an economic analysis of the concessions. The scope was also limited to the concessions and associated operations and not the holding company, and thus any issues relating to the holding company have not been addressed.

SDJ 2P RESERVES
22.2 MT^

TBR 2P RESERVES
61.8 MT^

BEK 2P RESERVES
12.4 MT^

SMGC WAS COMMISSIONED TO PREPARE AN IQPR IN ACCORDANCE WITH JORC CODE

SUNGAI DANAU JAYA (SDJ)

Tenure, Permits and Land Acquisition

Tenure for SDJ is held under an operation production mining business licence (Izin Usaha Pertambangan - IUP Operasi Produksi). SDJ covers an area of 235.5 ha. The validity of the extended SDJ IUP is effective through to May 2027.

Approximately 84.6 ha of the northern area of the SDJ concession is classified as convertible production forest (Hutan Produksi Konversi HPK) and so a permit to borrow and use forest land (Izin Pinjam Pakai Kawasan Hutan - IPPKH) is required from the Indonesian Forestry Department before mining

can commence in this area. SDJ holds two valid IPPKHs through to 29 May 2022 for a total area of ± 84.6 ha. These IPPKH will extended to 2027 in line with the extended IUP. One of these IPPKH for an area of 16.1 ha of HPK was granted on 3 November 2017 with the condition stating production from this area must be used for the Domestic Market Obligation (DMO).

Land compensation agreements are in place with the landowners and plantation operators that control surface rights to the land that covers the entire SDJ area. Additional land compensation will be required to accommodate the planned expansion of the SDJ pit design beyond the southern boundary.

Geology and Exploration

A total of 391 boreholes have been drilled in SDP (SDJ and TBR) and the neighbouring PT Angsana Jaya Energi (AJE) concession for use in the geological modelling. The proposed Resource area is characterised by the following features:

- a small number of coal seams;
- thick parent coal seams (> 3 m);
- thick interburden;
- shallow dips averaging 5°;
- a single generation of seam splitting; and
- some local washouts.

The main coal bearing lithology within the SDP area is the Dahor Formation. Coal in this formation generally shows a single phase of seam splitting. A total of 7 named parent coal seams have been intersected by exploration drilling within the SDP area. Six of these 7 seams (A5A, A5B, A5C, A5D, A6A and A6B) have split into upper and lower members while one parent seam (A) has 2 generations of splitting. In total 22 named seam plies have been identified and are included in the structural geological model.

Coal within the SDJ concession is characterised as high moisture, low ash, low sulphur and low energy. Ash content values are predominately below 5% with almost all below 10% on an air dried basis.

COAL WITHIN THE SDP CONCESSION IS CHARACTERISED AS HIGH MOISTURE, LOW SULHUR AND LOW ENERGY

Mining Operations

The SDJ concession is an open pit mining operation using excavator and truck mining methods, typical of most Indonesian coal mining operations. The mining of waste and coal is performed by contractors. Waste material is mined using hydraulic excavators ranging up to 200t class and loaded into standard rear tipping off-highway trucks and hauled to dumps near the pits or to in-pit dumps where possible. Coal is mined using smaller hydraulic excavators and hauled out of the pit to the port stockpile using rigid body coal trucks. Mining operations at SDJ commenced in late 2015 with coal production steadily ramping up to a peak of 900t per month by November 2016.

Execution of the mine plan is dependent on mutual mining arrangements between SDJ and three of its neighbours - AJE in the east, TBR in the west and CV Mitra Anugerah Sejahtera (MAS) in the south. These arrangements allow SDJ to mine coal right up to the concession boundaries and dump waste into the three concessions.

Infrastructure and Logistics

After cleaning and mining, coal is hauled approximately 17km from the pit to the port stockpile. Coal is loaded from the stockpiles onto barges using standard mechanical reclaim and barge loading systems. Barges of 8,000t capacity can be loaded from the port. Coal is then barged approximately 18km on the open sea to the nearest anchorage.

Safety, Environment and Community

SMGC does not see any safety, environmental or community issues that are considered to have a material impact on the performance of the operation in the longer term.

COAL RESOURCES AND RESERVES STATEMENTS

SMGC DOES NOT SEE ANY SAFETY, ENVIRONMENTAL OR COMMUNITY ISSUES THAT ARE CONSIDERED TO HAVE A MATERIAL IMPACT ON THE PERFORMANCE OF THE OPERATION IN THE LONGER TERM

Summary of key parameters

Table 1

Parameter	Value SDP	Value BEK	Unit	Description
Waste mined	365	94	Mbcm	Total waste mined over life of mine including rehandle
Coal produced	86.3	14.0	Mt	Total coal produced over life of mine
Stripping ratio	4.1	6.6	bcm:t	Average stripping ratio of deposit (excludes rehandle)
Maximum production	12.0	1.0	Mtpa	Maximum production rate achieved over LOM (Life of Mine)
Years of production	8	14	Years	Number of years of coal production
Average CV (GAR)	4,189	3,481	kcal/kg	Average gross as received CV of coal produced
Average coal price	39.1	23.5	USD/t	Average assumed coal price received (real terms)
Average operating cost	33.7	21.2	USD/t	Average operating cost over LOM FOB (Free on Board) vessel
Total LOM capital	3.81	8.0	USD millions	All capital expenditure
Discount rate (real after tax)	4.1	8.2	% (real)	Calculated from nominal discount rate using fisher equation
Royalty rate	3.0	3.0	% of Revenue	According to current regulation for IUP holders linked to the Lower cap coal CV GAR (Gross As Received)
Corporate tax rate	25	25	% of earnings	Indonesian corporate tax rate
Rate of inflation	2.0	2.0	% per annum	Used to convert between real and nominal cash flows and applied to operating costs over the life of mine
Discount applied to inferred coal	0	0	%	Discount applied to cash flows attributable to Other Coal (Non-Reserve Coal) in the mining schedule. For SDP, other coal makes up 0.2% of the total, so is not considered material. For BEK, no discount was applied to Inferred coal. A sensitivity run was conducted with revenue and costs associated with Inferred coal was removed from the economic model

Resources and Reserves

Resource and Reserve estimates for the SDJ concession were completed by SMGC in February 2021. These estimates have been reported in accordance with SMGC's interpretation of the JORC Code and are stated as at 31 December 2020. The results of these estimates are shown in Table 3.

Economic Analysis

SDJ concession is an operating mine with a detailed short-term mine plan that extends to a life of mine (LOM) at varying levels of engineering from operational out to pre-feasibility commensurate with geological certainty. Modifying factors are based on actual operating experience. Capital and operating costs were estimated in real terms for SDP. Operating cost estimates were based on actual costs where available, existing contracts for the site and typical costs for coal mines in Kalimantan. All major infrastructure for SDP is already in place and only minor capital items are expected during the remaining mine life. An allowance per hectare has been allowed for mine closure at the end of the mine life.

SMGC RELIED ON SENSITIVITY ANALYSIS TO TEST THE BOUNDARIES OF REASONABLE VARIATIONS IN THE FORWARD COAL PRICE

SDP produces high quality low rank coal, which is increasingly in demand as higher environmental concern promotes the need for high quality, low sulphur and low ash coals. In the volatile thermal coal market where developing accurate forward price curves is difficult, a simple approach using a trailing average coal price projection has been applied for financial modelling of the project. SMGC has relied on sensitivity analysis to test the boundaries of reasonable variations in the forward coal price. A summary of key parameters including financial parameters is shown in Table 1. The economic model built for the project confirmed economic extraction could be reasonably justified for SDP after the application of all modifying factors.

TANAH BUMBU RESOURCES (TBR)

Tenure, Permits and Land Acquisition

Tenure for TBR is held under an operation production mining business licence (Izin Usaha Pertambangan - IUP Operasi Produksi). TBR covers an area of 489.1 ha. The validity of the extended TBR mining license is effective through to January 2028. The northern area of TBR (91.1 ha) is classified as convertible production forest (Hutan Produksi Konversi - HPK) and so an IPPKH is required from the Forestry Department before mining operations can commence.

TBR holds a valid IPPKH through to 11 January 2022 for an area of approximately 91.1 ha within the 175.63 ha SDP northern area. This area was approved on

12 June 2017 with an accompanying statement that production from this area must be used for the DMO. This IPPKH will need to be extended to align with the IUP extension. With the planned SDP pit design expanding beyond the northwest boundary into the HPK area, a new IPPKH will be required.

Land compensation agreements are in place with the landowners and plantation operators which covers the entire SDP area. Additional land compensation will be required to accommodate the planned expansion of the SDP pit design beyond the western boundary.

Geology and Exploration

A total of 391 boreholes have been drilled in SDP and the neighbouring AJE concession for use in the geological modelling. The proposed Resource area is characterised by the following features:

- small number of coal seams;
- thick parent coal seams (> 3 m);
- thick interburden;
- shallow dips averaging 5°;
- single generation of seam splitting; and
- some local washouts.

The main coal bearing lithology within the SDP area is the Dahor Formation. Coal in this formation generally shows a single phase of seam splitting. A total of seven named parent coal seams have been intersected by exploration drilling within the SDP area. Six of these seams (A5A, A5B, A5C, A5D, A6A and A6B) have split into upper and lower members. While one parent seam (A) has 2 generations of splitting. In total 22 named seam plies have been identified and are included in the structural geological model.

Coal within the TBR concession is characterised as high moisture, low ash, low sulphur and low energy coal. Ash content values are predominately below 5% with almost all below 10% on an air-dried basis.

Mining Operations

The TBR concession is an open pit mining operation using excavator and truck mining methods, typical of most Indonesian coal mining operations. The mining of waste and coal is performed by contractors. Waste material is mined using hydraulic excavators ranging up to 200t class, loaded into standard rear tipping off-highway trucks and hauled to dumps near the pits or to in-pit dumps where possible. Coal is mined using smaller hydraulic excavators and hauled out of the pit to the port stockpile using rigid body coal trucks.

Execution of the mine plan is dependent upon the mutual mining arrangement between TBR and its neighbours SDJ, and PT Damai Bintang Abadi (DBA). These arrangements allow TBR to mine coal right up to the concession boundaries and dump waste into these neighbouring concessions.

Infrastructure and Logistics

After cleaning and mining, coal is hauled approximately 17.5km from the pit to the port stockpile. Coal is loaded from the stockpiles onto barges using a standard mechanical reclaim and barge loading system. Barges of 8,000t capacity can be loaded from the port. Coal is then barged approximately 18km on the open sea to the nearest anchorage.

COAL RESOURCES AND RESERVES STATEMENTS

SDP PRODUCE HIGH QUALITY LOW RANK COAL, WHICH IS INCREASINGLY IN DEMAND AS HIGHER ENVIRONMENTAL CONCERN PROMOTES THE NEED FOR HIGH QUALITY, LOW SULPHUR AND LOW ASH COALS

Safety, Environment and Community

SMGC does not see any safety, environmental or community issues that are considered to have a material impact on the performance of the operation in the longer term.

Resources and Reserves

Resource and Reserve estimates for the TBR concession were completed by SMGC in February 2021. These estimates have been reported in accordance with SMGC's interpretation of the JORC Code and are stated as at 31 December 2020. The results of these estimates are shown in Table 4.

Economic Analysis

TBR concession is an operating mine with a detailed short-term mine plan that extends to a LOM at varying levels of engineering from operational out to pre-feasibility commensurate with the underlying geological support. Modifying factors are based on actual operating experience.

Capital and operating costs were estimated in real terms for SDP. Operating cost estimates were based on actual costs where available,

TBR CONCESSION, AN OPERATING MINE WITH A DETAILED SHORT-TERM MINE PLAN THAT EXTENDS TO A LOM AT VARYING LEVEL OF ENGINEERING

existing contracts for the site and typical costs for coal mines in Kalimantan. All major infrastructure for SDP is already in place and only minor capital items are expected during the remaining mine life. An allowance per hectare has been allowed for mine closure at the end of the mine life.

SDP produces high quality low rank coal, which is increasingly in demand as higher environmental concern promotes the need for high quality, low sulphur and low ash coals. In the volatile thermal coal market where developing accurate forward price curves is difficult, a simple approach using a trailing average coal price projection has been applied for financial modelling of the project. SMGC has relied on sensitivity analysis to test the boundaries of reasonable variations in forward coal price. A summary of key parameters including financial parameters is shown in Table 1. The economic model built for the project confirmed economic extraction could be reasonably justified for SDP after the application of all modifying factors.

BUMI ENGGANG KHATULISTIWA (BEK)

Tenure, Permits and Land Acquisition

Tenure for BEK is held under an operation production mining business licence (Izin Usaha Pertambangan - IUP Operasi Produksi). BEK covers a total of 4,570 ha of land located in the Tering and Long Iram districts of the Kutai Barat regency in the Indonesian province of East Kalimantan. The validity of the BEK mining license is effective through to April 2031. The area is classified as APL and thus no IPPKH is required before mining operations can commence.

Land compensation has been settled for approximately half the required land for the complete mine plan. For the first 5 years of the mine plan, 42% of required land has been compensated. The outstanding land

THE IQPR HAS BEEN PREPARED IN ACCORDANCE WITH VALUATIONS OF MINERAL ASSETS (VALMIN CODE 2015 EDITION)

compensation areas for the first 5 years of the mine plan will need to be addressed promptly to avoid any delays in executing the mine plan.

Geology and Exploration

A total of 286 boreholes have been drilled and used for geological modelling at BEK. The last exploration program conducted in December 2019 drilled 10 of these boreholes. The proposed Resource area is characterised by the following features:

- moderate number of coal seams;
- medium to thick parent coal seams (0.7 to 3 m);
- medium to thick interburden;
- shallow dips averaging 1.4°; and
- single generation seam splitting.

The main coal bearing lithology within the BEK area is the Pamaluan

BEK CONCESSION IS CHARACTERISED AS HIGH MOISTURE, LOW ASH, LOW SULPHUR AND LOW ENERGY COAL

Formation. This formation consists of quartz sandstone intercalated with claystone, shale, lignite, limestone and blackish to dark grey siltstone. Coal in this formation generally shows a single phase of seam splitting. In total, 10 named seam plies have been identified through borehole intercepts and are included in the structural geological model. Three of these 10 seams, G, D and B have been modelled as father seams with son seams as splits. Coal within the BEK concession is characterised as high moisture, low ash, low sulphur and low energy coal.

Competent Persons

Competent Persons	Qualification and Association[1]	Experiences
Keith Whitchurch, Principal Consultant	BE (Mining – Hons), MEngSc (Research) MAusIMM (CP), RPEQ, PERHAPI	Over 30 years of experience in the mining industry, planning, project costing and economics with significant experience in technical, due diligence and corporate aspect of commodities such as coal.
Joyanta Chakraborty, Principal Mining Engineer	BE (Mining) MAusIMM	Over 18 years of experience in open cut mining in the areas of operations, reserves evaluation, pit optimisation, mine design, equipment selection, mine scheduling, project costing and economics.
David Wyllie, Principal Mining Engineer	BE (Mining), Quarry Manager's Certificate of Competency (Western Australia) MAusIMM	Over 30 years of experience in mine planning, operations, blasting services, site management, mining consulting. Reserve reporting and mine planning software implementations.
Abdullah Dahlan, Principal Geologist	Bachelor of Engineering (Geologist) MAusIMM, PERHAPI	Over 19 years of experience in the coal and gold mining industries including exploration mapping, resource definition drilling, grade control, exploration program planning and supervision, project development, production monitoring, pit reconciliation and Resource estimation.
Debdutta Ganguly, Senior Mining Engineer	BE (Mining), MTech MAusIMM	More than 15 years of experience in the mining industry with experience in open pit optimisation, pit design, reserve estimation, mine scheduling, costing, due diligence, feasibility and pre-feasibility studies.

(1) Recognised professional organisation as defined by the JORC Code. MAusIMM = Member of Australasian Institute of Mining and Metallurgy

COAL RESOURCES AND RESERVES STATEMENTS

BEK HAS BEEN AN OPERATING MINE WITH A LOM PLAN AT VARYING LEVELS OF ENGINEERING FROM OPERATIONAL DOWN TO PRE-FEASIBILITY COMMENSURATE WITH GEOLOGICAL CERTAINTY

Mining Operations

Mining operations commenced inside the project area in February 2012. The mining operation was then suspended in July 2014 due to the continuing fall in coal prices. Records indicate 2.2 Mt of coal and 10.7 Mbcm of waste were mined at a strip ratio of 1:4.9 during this period. Operations resumed for a short time from September to November 2017 when a small amount of waste and coal inventory were extracted. Approximately 11kbcm of waste and 70kt of coal were produced during this 3 month resumption of production in 2017. BEK operations were then suspended again with the Group deploying assets and focus to its other projects SDJ and TBR.

The proposed restart of operations would continue as an open pit mining operation using excavator and truck mining methods, typical of most Indonesian coal mining operations. The mining of waste and coal would be performed by contractors. Given the high proportion of interburden thicknesses greater than 10m, waste material could be mined using medium sized hydraulic excavators ranging up to 100t class loading into standard rear tipping off-highway trucks and hauled to dumps near the pits or to in-pit dumps where possible. Coal would be mined using hydraulic excavators and hauled out of the pit to the port stockpile using rigid body coal trucks. Coal is cleaned using smaller hydraulic excavators (40t class) with flat-bladed buckets. Minimal dilution and greater recovery will be achievable due to the medium to thick nature of the coal seams with a very low dip. A fleet of small hydraulic excavators of 40t class with standard coal buckets loading into 30t dump trucks will be suitable for coal mining.

CAPITAL AND OPERATING COSTS WERE ESTIMATED IN REAL TERM FOR THE LIFE OF THE BEK PROJECT

Infrastructure and Logistics

BEK hauled and shipped approximately 2.2Mt of coal from February 2012 to July 2014 and a further 70Kt of coal inventory was extracted during the temporary resumption of operations in September 2017.

The proposed re-start of operations would be a resumption of past practices. The coal would be hauled using rigid body on-highway trucks (25t) directly to a crusher or a ROM stockpile located at the port at approximately 4.7km from the mine. The coal is crushed to -50mm and kept at a separate product stockpile near the crusher area. The coal is then loaded into 300ft (8,000t) barges through a bulk loading conveyor (BLC) located 1km from the product stockpile. The barging distance down the Mahakam River to the Muara Jawa transhipment point is 458km.

Safety, Environment and Community

SMGC does not see any safety, environmental or community issues that are considered to have a material impact on the performance of the operation in the longer term.

Resources and Reserves

Resource and Reserve estimates for the BEK concession were completed by SMGC in February 2021. These estimates have been reported in accordance with SMGC's interpretation of the JORC Code and are stated as at 31 December 2020. The results of these estimates are shown in Table 5.

Economic Analysis

BEK has been an operating mine with a LOM plan at varying levels of engineering from operational down to pre-feasibility commensurate with geological certainty. Modifying factors are based on actual operating experience. Capital and operating costs were then estimated in real terms for the life of the BEK project. Operating cost estimates were based on actual costs where available and typical costs for coal mines in Kalimantan. All major infrastructure for the BEK project is already in place and only minor capital items are expected during the remaining mine life. An allowance per hectare has been allowed for mine closure at the end of the mine life.

Estimated Quality of Marketable Coal

	In Situ Density In Situ (t/m3)	Total Sulphur adb (%)	Volatile Matter adb (%)	Inherent Moisture adb (%)	Total Moisture adb (%)	Ash adb (%)	Calorific Value gar (kcal/kg)
SDJ	1.25	0.2	40.7	16.4	35.4	4.7	4,141
TBR	1.26	0.3	40.0	18.2	34.8	4.4	4,219
BEK	1.29	0.2	33.9	31.3	42.6	6.4	3,472

Notes:

1. adb: Air dried basis
2. GAR: Gross as received
3. arb: Air received basis

SMGC believes the coal from the concession is readily marketable. SMGC has assumed a flat forward price curve based on the Indonesian benchmark coal price adjusted for the annual scheduled qualities. SMGC has relied on sensitivity analysis to test the boundaries of reasonable variations in forward coal price. A summary of key parameters including financial parameters is shown in Table 1. The economic model built for the project confirmed economic extraction could be reasonably justified for BEK after the application of all modifying factors.

SURYA TAMBANG TOLINDO (STT)

Tenure, Permits and Land Acquisition

Tenure for STT is held under an operation production IUP. STT covers a total of 4,600 ha of land located in the Damai sub district of the Kutai Barat regency in the Indonesian province of East Kalimantan. The validity of the STT mining license is effective through to October 2032. The area is classified as 50 % APL and 50 % HP. An IPPKH will be required for all mining and exploration activities within the HP zone. At this early stage of the project, no information was available on land acquisition progress.

STT AREA IS CLASSIFIED AS 50% APL AND 50% HP

Geology and Exploration

A total of 112 boreholes have been drilled in the STT area. Quality samples were only taken from 7 of these boreholes. The proposed Exploration Target area is characterised by the following features:

Name of Asset/Country:
PT Surya Tambang Tolindo (STT)/Indonesia

Table 2

Description	Units	Moisture Basis	Exploration Target Range Estimate[1]
Coal Quantity			
Tonnage	Mt	adb	1 – 25
Coal Quality			
Total Moisture	%	ar	3 – 13
Inherent Moisture	%	adb	2 – 5
Ash	%	adb	2 – 20
Volatile Matter	%	adb	36 – 44
Fixed Carbon	%	adb	42 – 55
Total Sulphur	%	adb	0.8 – 6
Calorific Value	kcal/kg	adb	6,445 – 8,065
		gar	6,197 – 7,934
CSN		adb	0 – 7

Notes:

(1) The estimated Exploration Target coal quantity and quality is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

- a moderate number of coal seams;
- thin coal seams (< 1 m);
- thick interburden;
- shallow dips averaging 10°; and
- a single generation seam splitting.

The main coal bearing lithology within the STT area is the Pulau Balang Formation. Coal in this formation shows a single phase of seam splitting. Fourteen named parent coal seams have been intersected by exploration drilling within the STT area. Of these 14 seams, one seam, the 200 has split into upper and lower members. In total, 15 named seam plies have been identified and are included in the structural geological model. Coal within the STT concession is characterised as low moisture, low ash, high sulphur and high energy coal.

Exploration Target

Exploration Target estimates for the STT concession were completed by SMGC in February 2021. These estimates have been reported in accordance with SMGC's interpretation of the JORC Code and are stated as at 31 December 2020. The results of these estimates are shown in Table 2.

Feedback from preliminary soundings of the Japanese coking coal market has indicated STT coal could be accepted as a semi soft/ hard coking depending on the coke strength after reaction (CSR). A price penalty would be applied for the high sulphur. Further testing is being considered to better define the potential coking properties including fluidity, Maceral analysis and CSR.

COAL RESOURCES AND RESERVES STATEMENTS

FEEDBACK FROM PRELIMINARY SOUNDINGS OF THE JAPANESE COKING COAL MARKET, HAS INDICATED STT COAL COULD BE ACCEPTED AS A SEMI SOFT/HARD COKING DEPENDING ON THE COKE STRENGTH AFTER REACTION

Name of Asset/Country: PT Sungai Danau Jaya (SDJ)/Indonesia Table 3

Category	Mineral Type	Gross Attributable to License[1]		Net Attributable to Issuer[4]			Remarks
		Tonnes (millions)	Grade	Tonnes (millions)	Grade	Change from previous update[2] (%)	
Reserves[5]							
Proved	Coal	14.8	Sub-Bituminous Class C	14.6	Sub-Bituminous Rank C	- 7%	Change due to production
Probable	Coal	7.4	Sub-Bituminous Class C	7.32	Sub-Bituminous Rank C	0%	No Change
Total	Coal	22.2	Sub-Bituminous Class C	22.0	Sub-Bituminous Rank C	- 5%	Change due to production
Resources[3 & 5]							
Measured	Coal	17.5	Sub-Bituminous Class C	17.3	Sub-Bituminous Rank C	- 5%	Change due to production
Indicated	Coal	8.8	Sub-Bituminous Class C	8.7	Sub-Bituminous Rank C	0%	No Change
Inferred	Coal	4.2	Sub-Bituminous Class C	4.2	Sub-Bituminous Rank C	0%	No Change
Total	Coal	30.4	Sub-Bituminous Class C	30.2	Sub-Bituminous Rank C	- 3%	Change due to production

Name of Asset/Country: PT Tanah Bumbu Resources (TBR)/Indonesia Table 4

Category	Mineral Type	Gross Attributable to License[1]		Net Attributable to Issuer[4]			Remarks
		Tonnes (millions)	Grade	Tonnes (millions)	Grade	Change from previous update[2] (%)	
Reserves[5]							
Proved	Coal	45.9	Sub-Bituminous Class C	44.9	Sub-bituminous Class C	-3 %	Change due to production
Probable	Coal	15.9	Sub-Bituminous Class C	15.6	Sub-bituminous Class C	0%	No Change
Total	Coal	61.8	Sub-Bituminous Class C	60.5	Sub-bituminous Class C	-2%	Change due to production
Resources[3 & 5]							
Measured	Coal	51.3	Sub-Bituminous Class C	50.2	Sub-bituminous Class C	-2%	Change due to production
Indicated	Coal	21.8	Sub-Bituminous Class C	21.3	Sub-bituminous Class C	0%	No Change
Inferred	Coal	4.7	Sub-Bituminous Class C	4.6	Sub-bituminous Class C	0%	No Change
Total	Coal	77.9	Sub-Bituminous Class C	76.2	Sub-bituminous Class C	-2%	Change due to production

Name of Asset/Country: PT Bumi Enggang Khatulistiwa (BEK)/Indonesia Table 5

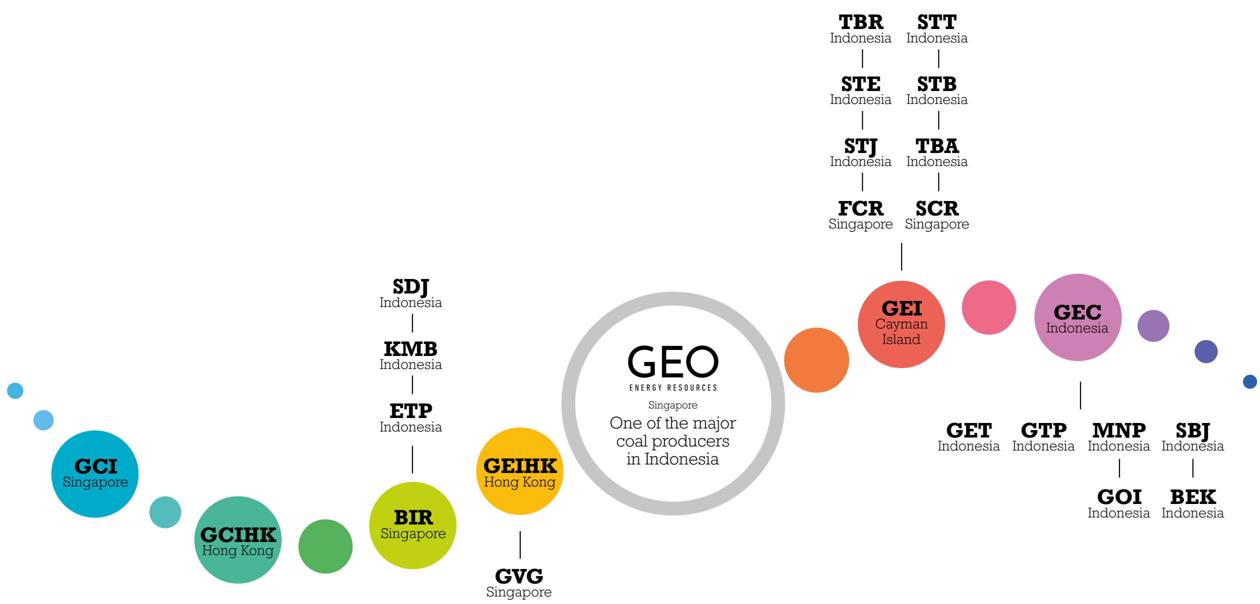
Category	Mineral Type	Gross Attributable to License[1]		Net Attributable to Issuer[4]			Remarks
		Tonnes (millions)	Grade	Tonnes (millions)	Grade	Change from previous update[2] (%)	
Reserves[5]							
Proved	Coal	9.6	Lignite Class B	9.5	Lignite Class B	19%	No change
Probable	Coal	2.8	Lignite Class B	2.8	Lignite Class B	40%	No change
Total	Coal	12.4	Lignite Class B	12.3	Lignite Class B	23%	No change
Resources[3 & 5]							
Measured	Coal	14.4	Lignite Class B	14.2	Lignite Class B	27%	No change
Indicated	Coal	5.9	Lignite Class B	5.8	Lignite Class B	-18%	No change
Inferred	Coal	7.2	Lignite Class B	7.1	Lignite Class B	20%	No change
Total	Coal	27.5	Lignite Class B	27.2	Lignite Class B	12%	No change

Notes:

1. License refers to of SDJ, TBR and BEK Production Operation IUP.
2. Previous Coal Reserves and Coal Resources estimates were reported as at 31 October 2020.
3. Resources are inclusive of Reserves.
4. The results presented are rounded to reflect the accuracy of the estimates. Minor discrepancies are due to rounding and are not considered material by SMGC.
5. Resources and Reserves are reported in accordance with SMGC' interpretation of the JORC Code 2012 Edition

GROUP STRUCTURE

BUILDING A FOUNDATION FOR SUCCESS. A STRUCTURE IS ONLY AS GOOD AS THE PEOPLE WHO LIVE AND WORK ON IT



Geo Energy employs a relatively flat organisational and corporate structure, which allows the Group to employ a nimble business model that can react to economic movements and needs. It is also aligned with the Group's belief in not just being a "coal producing" business, but a "building people" business, as employees are more empowered to be self-starters and be involved directly in all aspects of the business.

The Group's corporate structure is set out in accordance to its business type, namely: Coal Trading, Coal Mining, and Others.

The Group does its coal trading activities through Geo Coal International Pte. Ltd. It also has a trading company incorporated in Hong Kong, namely Geo Coal International (HK) Limited, an offshore coal trading company that was set up to give the Group flexibility as an additional option through which to conduct its coal trading activities, if required.

The Group's coal mining assets are held by separate companies for flexibility of corporate actions, such as offtake arrangements and joint venture opportunities. Having the coal mining assets held by separate entities also has the purpose of managing risks inherent to business operations.

PT Geo Tebo Power Inti was set up to explore new opportunities in other business segments, such as power generation.

Investment Holding **BIR** - Borneo International Resources Pte. Ltd. • **GEI** - Geo Energy Investments Ltd. (Cayman Island) • **GEC** - PT Geo Energy Coalindo • **GEIHK** - Geo Energy International (HK) Limited • **SCR** - STT Coal Resources Pte. Ltd. • **SBJ** - PT Sumber Bara Jaya • **GVG** - Geo Ventures Global Pte. Ltd. • **ETP** - PT Era Tiga Putra • **KMB** - PT Karunia Mitra Berkat • **Coal Mining** **SDJ** - PT Sungai Danau Jaya • **TBR** - PT Tanah Bumbu Resources • **BEK** - PT Bumi Enggang Khatulistiwa • **STT** - PT Surya Tambang Tolindo • **Coal Trading** **GCIHK** - Geo Coal International (HK) Limited • **GCI** - Geo Coal International Pte. Ltd. • **FCR** - Fortune Coal Resources Pte. Ltd. • **Mining Services** **MNP** - PT Mitra Nasional Pratama • **Others** **GOI** - PT Geo Online Indonesia • **GET** - PT Geo Energy Trading • **GTP** - PT Geo Tebo Power Inti • **STJ** - PT Satui Jasabara • **TBA** - PT Tunas Bara Abadi Tolindo • **STB** - PT STT Tunas Bara • **STE** - PT Satui Energi

CORPORATE INFORMATION

LEVERAGING ON THE STRENGTHS OF OUR PARTNERS

BOARD OF DIRECTORS

Charles Antonny Melati
(Executive Chairman)

Tung Kum Hon
(Executive Director &
Chief Executive Officer)

Dhamma Surya
(Executive Director)

Soh Chun Bin
(Lead Independent Director)

Ong Beng Chye
(Independent Director)

Lu King Seng
(Independent Director)

James Beeland Rogers Jr.
(Independent Director)

AUDIT AND RISK COMMITTEE

Ong Beng Chye
(Chairman)

Soh Chun Bin

Lu King Seng

REMUNERATION COMMITTEE

Lu King Seng
(Chairman)

Soh Chun Bin

Ong Beng Chye

NOMINATING COMMITTEE

Soh Chun Bin
(Chairman)

Ong Beng Chye

Lu King Seng

Charles Antonny Melati

Dhamma Surya

REGISTERED OFFICE

12 Marina Boulevard #16-01
Marina Bay Financial Centre
Tower 3
Singapore 018982
Tel: +65 6702 0888
Fax: +65 6702 0880

COMPANY SECRETARY

Lee Wei Hsiung
Wang Shin Lin, Adeline

INDEPENDENT AUDITORS

Deloitte & Touche LLP
6 Shenton Way
OUE Downtown 2 #33-00
Singapore 068809
Partner-in-charge:
Ronny Chandra (since 2016)
(Public Accountants and
Chartered Accountants)

INTERNAL AUDITOR

PricewaterhouseCoopers
Risk Services Pte Ltd
7 Straits View
Marina One
East Tower
Singapore 018936

ENTERPRISE RISK MANAGEMENT

KPMG Services Pte. Ltd.

SUSTAINABILITY

Environmental Resources
Management (S) Pte Ltd

SHARE REGISTRAR AND SHARE TRANSFER OFFICE

Boardroom Corporate &
Advisory Services Pte. Ltd.
50 Raffles Place #32-01
Singapore Land Tower
Singapore 048623

LEGAL COUNSELS

Sidley Austin LLP

Allen & Gledhill LLP

Ali Budiardjo, Nugroho, Reksodiputro

Aptus Law Corporation

Morgan Lewis Stamford

Hadiputranto, Hadinoto & Partners

INVESTOR RELATIONS

Financial PR
4 Robinson Road
#04-01 The House of Eden
Singapore 048543

PRINCIPAL BANKERS

Singapore

United Overseas Bank Limited

Bank of China Limited

Maybank Singapore Limited

PT Bank Mandiri (Persero) Tbk

CIMB Bank Berhad

MUFG Bank Ltd

Macquarie Bank Limited

Citibank N.A. Singapore

Phillips Futures Pte Ltd

DBS Bank Ltd

Bank Julius Baer & Co. Ltd.

Indonesia

PT. Bank Mandiri (Persero) Tbk

Permata Bank

Bank of Tokyo-Mitsubishi UFJ, Ltd.

PT. Bank Negara Indonesia (Persero) Tbk.

OCBC NISP

Bank Central Asia

Fostering strong relationships with our partners, bankers and professional advisors, cooperate and support each other to achieve our vision

> Board of Directors
> Key Management

Our People

We believe the key success of our company lies in our people. Our leaders have invaluable experience in the coal mining and commodities industry, investment, and corporate finance to drive growth to meet strategic objectives to create value for our stakeholders.

BOARD OF DIRECTORS

OUR LEADERS ARE INVALUABLE TO THE GROUP IN DRIVING GROWTH TO MEET STRATEGIC OBJECTIVES

Charles Antonny Melati
Founder & Executive Chairman

Mr Melati was appointed to the Board on 24 May 2010. He oversees the overall strategic directions and expansion plans for the growth and development of the Group. He was an entrepreneur in the property development, hotel industry and engaged in the manufacture of cast polypropylene for flexible food packaging in Jakarta, Indonesia.
He was also involved in the setting up and operations of tug and barge business in Singapore and Indonesia and the Group's coal mining services business.

Tung Kum Hon
Executive Director & Chief Executive Officer

Mr Tung was appointed to the Board on 1 November 2015. He is responsible for the overall business and general management of the Group. He has over 15 years of experience in public accountancy, business advisory and transaction services with PwC Hong Kong and Malaysia, and KPMG Singapore. He is an independent director of Tien Wah Press Holding (listed on Bursa Saham Malaysia and a subsidiary of SGX-ST Company, New Toyo International Holdings Ltd). Prior to that, he was the special assistant to the executive chairman of New Toyo. His previous experience includes executive director and CEO of Bellzone Mining Plc (AIM), Group chief operating officer of a Hong Kong multinational group, executive director and chief financial officer of Shanghai Asia Holdings Ltd (listed on SGX-ST) and chief operating officer of Bintang Melawar Group, an MNC in Malaysia. He is a Certified Public Accountant, Chartered Accountant and a member of the Singapore Institute of Directors.

Dhamma Surya
Founder & Executive Director

Mr Surya was appointed to the Board on 24 May 2010. He is responsible for the business development of the Group. He was an entrepreneur in the property development and construction industry in Indonesia, a contractor cum household maintenance services business and worked with various business associates in constructing and developing shop houses and houses in Indonesia and started the Group's coal mining services business. He is a member of the Singapore Institute of Directors.

James Beeland Rogers Jr.
Independent Director

Mr Jim Rogers was appointed to the Board on 3 December 2012. He is the author of several books and is a globally renowned financial commentator as well as a successful international investor. He is currently the Chairman of Beeland Interests, Inc and he holds several companies directorships.

In 1998, he started the Rogers International Commodity Index to track the value of commodities consumed in the global economy, ranging from agricultural to energy and metal products. He obtained a Bachelor's degree in History from Yale University in 1964 and a second Bachelor's degree in Philosophy, Politics and Economics from Balliol College, Oxford University in 1966.

Soh Chun Bin
Lead Independent Director

Mr Soh was appointed to the Board on 25 September 2012.

ALL THE MEMBERS OF THE BOARD OF DIRECTORS HAVE THE APPROPRIATE CORE COMPETENCIES AND DIVERSITY OF EXPERIENCE NEEDED TO ENABLE THEM TO EFFECTIVELY CONTRIBUTE TO THE GROUP

He is an experienced corporate and commercial lawyer, with more than 20 years of experience in the corporate finance and legal sectors. He specialises in capital markets and mergers and acquisitions. He is currently the director at ZICO Insights Law LLC.

He started his career as a corporate lawyer at a major law firm well known in Singapore for its expertise and moved on to be one of the early pioneering lawyers at a leading Singaporean law firm. In May 2012, he left the legal profession to act as the chief executive of various corporate, including public listed companies. He has advised on many Singapore and international initial public offerings of corporations and real estate investment trusts, including secondary equity and debt fund raising by such entities. His expertise spans many diverse industries, including real estate, resources, infrastructure and technology. He has also advised on many cross-border transactions and has a broad network of clients spanning countries such as China, Indonesia and Malaysia.

Mr Soh has been recognised as a leading lawyer by legal publications such as Chambers and Partners, and Asialaw, and also sits on the boards of listed companies. He was also a contributor for "Mergers and Acquisitions in China", a book published by Thomson/Sweet & Maxwell Asia. He graduated from National University of Singapore with a Bachelor of Law (Honours) in 1999.

Lu King Seng
Independent Director

Mr Lu was appointed to the Board on 25 September 2012. He has more than 24 years of commercial and audit experience in London, Singapore and Malaysia with Deloitte & Touche, Ernst & Young, Arthur Andersen, PriceWaterhouse and KPMG where he led audit engagements in various companies, assisting companies with, inter alia, initial public offerings and due diligence reviews in connection with proposed mergers and acquisitions.

He is currently the managing director of Orion Business Advisory Pte Ltd. He is also an independent director of other companies listed on the SGX-ST and The Stock Exchange of Hong Kong. He was the chief financial officer in SinCo Technologies Pte Ltd and SinCo Group Holdings Pte Ltd, where he oversaw the accounting, treasury, legal and finance matters including group restructurings and mergers and acquisitions.

Mr Lu is a Fellow Member of the Association of Certified Chartered Accountants, a non-practising member of the Institute of Singapore Chartered Accountants and a member of the Singapore Institute of Directors. He graduated from Emile Woolf London and obtained a professional qualification from the Association of Certified Chartered Accountants in 1995.

Ong Beng Chye
Independent Director

Mr Ong was appointed to the Board on 28 September 2012. He has more than 26 years of experience in areas such as accounting, auditing, public listings, due diligence, mergers and acquisitions, and business advisory.

He is currently the director of Appleton Global Pte Ltd (a business management and consultancy services firm) and the independent non-executive chairman of Hafary Holdings Limited (listed on SGX-ST) and ES Group Holdings Ltd (listed on SGX). He is also an independent director of other companies listed in Singapore, a shareholder and a director of a few private limited companies.

He is a Fellow of The Institute of Chartered Accountants in England and Wales, a Chartered Financial Analyst conferred by The Institute of Chartered Financial Analyst and a non-practising Chartered Accountants (Singapore). He obtained a Bachelor of Science (Honours) from City, University of London in 1990.

KEY MANAGEMENT

OUR LEADERS HAVE INVALUABLE EXPERIENCE IN THE COAL MINING AND COMMODITIES INDUSTRY, INVESTMENT AND CORPORATE FINANCE TO DRIVE GROWTH TO MEET STRATEGIC OBJECTIVES

Mr Huang She Thong 1
Founder & Head of Marketing Mr Huang was an Executive Director of Geo Energy Resources from 15 June 2010 until his retirement on 15 June 2020. He assumed the role as the Head of Marketing, where he oversees the sales targets of the Group, devises plans and implements marketing strategies to increase the Group's customer base and maximise sales. He was a sole proprietor, operating a furniture store, mini market and hotelier in Indonesia. He graduated from the Australian School of Tourism and Hotel Management with an Advanced Diploma of Hospitality Management in 2001.

Mr Adam Tan 2
Chief Financial Officer
Mr Tan rejoined the Group as Chief Financial Officer on 1 April 2020, where he brings extensive international financial, accounting and operational leadership experience. He was previously the Investment Director of the Group for around 3 years, before he left in June 2019. He was the Chief Investment Director of a major Indonesian group with projects in Oil and Gas, Petrochemicals and Natural Resources across Asia.

He is overseeing the Group's finance and investment activities, including merger and acquisitions, corporate finance, and investor relations. He is working together with the Group for the expansion of its Indonesian operations and global business.

He has more than 10 years of experience in financial management, financial advisory, investment and corporate finance. He also has a track record for success and a keen understanding of energy-focused markets and financial and operational experience and talents. He holds a Bachelor of Business Administration (Honours) from the National University of Singapore and completed a finance program in New York University, Stern Business School, New York, USA.

Mr Ng See Yong 3
Group's Head, Corporate and Human Resource
Mr Ng has been with the Group since 2012 and is responsible for overseeing and managing the corporate affairs of the Group as well as the Corporate Human Resource matters particularly pertaining to recruiting, benefits and employment relation. He is concurrently an entrepreneur in the hospitality industry in Batam and Tanjung Pinang, Kepri, Indonesia and Dumai, Riau Province, Indonesia. He is also the proprietor of PT. Tri Ayu Lestari, and acts as the director of the Miracle Aesthetic Clinic in Batam, Indonesia.

He has several directorships in Indonesia, which include The Emdee Skin Clinic (PT Citra Melati Selaras) and PT Bintan Royal International Hotel, which operates the Comforta hotel. He graduated from the Australian School of Tourism and Hotel Management with a Diploma in Hospitality Management.

Mr Junanto 4
Head of Production
Mr Junanto has been with the Group since 2011. He was the Head of Marketing of the Group and was re-designated as Head of Production on 1 January 2020. His responsibility includes managing the cost of production to be within the Group's budget, working together with Management for the Group's business plan (short term and long term) to be in line with production/mine plan. Prior to his appointment, he was the managing director of PT Royal Energy Resources and Unipro CV & BV, a director of PT Royal Prime Resources, PT Royal Prince Travel, and PT Niaga Hijau Lestari, the general manager of PT Teluk Intan, the export manager of PT Sungai Budi and an account manager of Haga Bank. He graduated from University of Toledo with a Master in Business Administration (Finance) and from Trisakti University with a Bachelor's degree in Science in Electrical Engineering.

Mr Karyono 5
Head of Technical and Engineering Mr Karyono was appointed as the Group's Head of Operations on 1 June 2018 following his cessation as Independent Director of the Company on 1 June 2018. He was re-designated as the Head of Technical and Engineering on 1 January 2020.

He has more than 22 years of experience in the coal mining industry including mining engineering academia. He managed the mine geology, mine plan and survey department. He was previously a Head of the Engineering, a senior mine engineer, a mine project coordinator, a mine engineering superintendent, a geotechnic, a mine planner and a technical and ventilation engineer with major mining companies in Indonesia, including PT Bukit Makmur Mandiri Utama (BUMA), where he was extensively involved in the monitoring and planning of mine operations and design, as well as mine rehabilitation. He was also a lecturer in the Mining Engineering study programme, Chief of the chemistry laboratory, Division Head of Administration and Student Affairs and Assistant Dean of the Engineering Faculty of Universitas Islam Bandung.

He obtained a Masters in Geomechanics from the mining engineering department of the Bandung Institute of Technology, as well as a Bachelor's degree in Mining Engineering from Universitas Islam Bandung.


BEING A HIGH-TRUST ORGANISATION IS A STRATEGIC ASSET,
BUT BUILDING IT IS MUCH HARDER THAN IT LOOKS.
HOW CAN COMPANIES BUILD TRUST?

Corporate Governance

The Company is committed to maintaining a high standard of corporate governance as it is an integral element of a sound corporation and enables it to be more transparent and forward-looking.

CORPORATE GOVERNANCE

SOUND CORPORATE GOVERNANCE HELPS THE COMPANY TO CREATE LONG-TERM VALUE AND RETURNS FOR ITS SHAREHOLDERS

GEO ENERGY WAS RANKED 38TH IN THE SINGAPORE GOVERNANCE AND TRANSPARENCY INDEX 2020 AMONGST THE 577 TOP LISTED AND PRIVATE COMPANIES IN SINGAPORE

Geo Energy Resources Limited (the "Company", and together with its subsidiaries, the "Group") is committed to maintaining a high standard of corporate governance. The Company understands that good corporate governance is an integral element of a sound corporation and enables it to be more transparent and forward-looking. In addition, sound corporate governance is an effective safeguard against fraud and dubious financial engineering, and hence helps to protect shareholders' interests. This also helps the Company to create long-term value and returns for its shareholders.

The Listing Manual of the Singapore Exchange Securities Trading Limited (the "SGX-ST") requires all listed companies to describe in their Annual Reports their corporate governance practices with specific reference to the principles and the provisions of the Code of Corporate Governance 2018 (the "Code").

The Company is pleased to report on its corporate governance processes and activities as required by the Code. For easy reference, the principles and the provisions of the Code under discussion in this Annual Report are specifically identified. However, this Annual Report should be read as a whole as other principles and provisions of this Annual Report may also have an impact on the specific disclosures.

Statement of Compliance

The Board of Directors of the Company (the "Board") confirms that for the financial year ended 31 December 2020, the Company has adhered to the principles and provisions as set out in the Code, save as otherwise highlighted in this report in relation to certain provisions of the Code.

BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Provision 1.1 (Conduct, ethics and culture)

The directors of the Company ("Directors") are fiduciaries who act objectively in the best interests of the Group and hold Management accountable for performance. The Board has put in place a code of conduct and ethics. It also sets the tone for the Group in respect of ethics, values and desired organisational culture, and ensures proper accountability within the Group. Any Director who faces a conflict of interest or a possible conflict of interest, in relation to a matter, must promptly declare his interest at a meeting of Directors or send a written notice to the Company containing details of his interest and the conflict and recuses himself from discussions and decisions on the matter.

Provision 1.2 (Duties, induction, training and development)

The Directors understand the Company's business as well as their directorship duties (including their roles as executive, non-executive and Independent Directors). New and existing Directors are provided with induction, training and the opportunities to develop and maintain their skills and knowledge at the Company's expense.

THE BOARD HAS PUT IN PLACE A CODE OF CONDUCT AND ETHICS, VALUES AND ENSURES PROPER ACCOUNTABILITY WITHIN THE GROUP

CORPORATE GOVERNANCE

THE BOARD HAS ADOPTED INTERNAL GUIDELINES SETTING FOR THE MATTERS RESERVED FOR THE BOARD'S DECISION AND GIVEN CLEAR DIRECTIONS TO THE GROUP'S MANAGEMENT ON MATTERS THAT MUST BE APPROVED BY THE BOARD

The principal functions of the Board, in addition to carrying out its statutory responsibilities, are as follows:

- overseeing the formulation of and approving the Group's overall long-term strategic objectives and directions, taking into consideration sustainability issues (eg. environmental and social factors);
- overseeing and reviewing the management of the Group's business affairs, financial controls, performance and resource allocation;
- establishing a framework of prudent and effective controls to assess and manage risks and safeguard shareholders' interests and the Group's assets;
- identifying the key stakeholder groups and recognising that their perceptions affect the Company's reputation; and
- setting the Company's values and standards (including ethical standards) and ensuring that obligations to shareholders and other stakeholders are understood and met.

The Company conducts orientation programmes to familiarise new Directors with the Group's business activities, strategic direction and policies, key business risks, the regulatory environment in which the Group operates and governance practices. Newly-appointed Directors also receive a formal letter explaining their duties and responsibilities.

THE BOARD HAS ESTABLISHED THREE BOARD COMMITTEES COMPRISING ARC, RC AND NC

The Directors are regularly updated on business and strategic developments, changing commercial risks and key changes in the regulatory environment and accounting standards. In addition, the Board recognises the importance of regular training for the Directors and encourages them to undergo continual professional development. The seminars and training programmes attended by the Directors in 2020, at the Company's expense, include the following:

- ACRA-SGX-SID Audit Committee Seminar 2020 – Looking Beyond the Veneer of Numbers which discussed ACRA regulatory updates and initiatives (such as observations from Financial Reporting Surveillance Programme (FRSP) findings), harnessing the benefits of Audit Quality Indicators and SGX RegCo 2020 regulatory updates on disclosure guidelines.

THE BOARD MEETS ON A REGULAR BASIS AND AD-HOC BOARD MEETINGS ARE CONVENED WHEN THEY ARE DEEMED NECESSARY. THE DIRECTORS ATTEND AND ACTIVELY PARTICIPATE IN BOARD AND BOARD COMMITTEES' MEETINGS

- SIAS seminar on Corporate Governance Digital Symposium 2020 which discussed COVID-19 and corporate governance, balancing short and long term business pressures as well as dealing with crisis and communicating with stakeholders effectively.

- Training by Aptus Law Corporation which provided legal insights on director's fiduciary duties, announcements and dealings in securities.

Provision 1.3 (Board approval)

The Board has adopted internal guidelines setting forth the matters reserved for the Board's decision and given clear directions to the Group's management ("Management") on matters that must be approved by the Board. The approval of the Board is required for matters such as corporate restructuring, mergers and acquisitions, appointment of directors, major investments and divestments, material acquisitions and disposals of assets, major corporate policies on key areas of operations, approval of periodical financial results announcement and annual audited financial statements, declaration of interim dividends, proposal of final dividends and other returns to shareholders and interested person transactions of a material nature.

Provision 1.4 (Board Committees)

To assist in the execution of its responsibilities, the Board has established three Board committees comprising an Audit and Risk Committee ("ARC"), a Nominating Committee ("NC") and a Remuneration Committee ("RC") ("Board Committees"). These committees function within clearly defined written terms of reference setting out their compositions, authorities and duties. The names of the committee members, the terms of reference, any delegation of the Board's authority to make decisions and a summary of each committee's activities, are disclosed in this Annual Report.

Provision 1.5 (Board and Board Committee meetings)

The Board meets on a regular basis and ad-hoc Board meetings are convened when they are deemed necessary. The Directors attend and actively participate in Board and Board Committees' meetings. Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of the Company.

The number of Board, Board Committees and general meetings held in 2020 and each Director's attendances at such meetings are set out below:

Provision 1.6 (Access to information)

Management provides Directors with complete, adequate and timely information prior to meetings and on an on-going basis to enable them to make informed decisions and discharge their duties and responsibilities.

Directors are from time to time furnished with detailed information concerning the Group to support their decision-making process.

	Board	ARC	NC	RC	GM
Number of meetings held	7	4	1	1	1
		Number of meetings attended			
Charles Antonny Melati	7	N/A	-	N/A	1
Tung Kum Hon	7	N/A	N/A	N/A	1
Dhamma Surya	7	N/A	-	N/A	1
Huang She Thong[1]	3	N/A	N/A	N/A	1
Soh Chun Bin	7	4	1	1	1
Ong Beng Chye	7	4	1	1	1
Lu King Seng	7	4	1	1	1
James Beeland Rogers Jr. ("Jim Rogers")	7	N/A	N/A	N/A	1

Notes:

[1] Huang She Thong retired as Executive Director on 15 June 2020

GM – general meetings of shareholders including the annual general meeting for the year

NA – not applicable

CORPORATE GOVERNANCE

THE NON-EXECUTIVE DIRECTORS CONSTRUCTIVELY CHALLENGE AND ASSIST IN THE DEVELOPMENT OF BUSINESS STRATEGIES AND ASSIST THE BOARD IN REVIEWING THE PERFORMANCE OF THE MANAGEMENT IN MEETING GOALS AND OBJECTIVES AND MONITORING THE REPORTING OF PERFORMANCE

Prior to each Board meeting, members of the Board are each provided with the relevant documents and information necessary for them to comprehensively understand the issues to be deliberated upon and make informed decisions thereon. Such information includes budgets, forecasts, quarterly unaudited financial statements, related materials, facts, risk analysis, financial impact, expected outcomes, conclusions and recommendations.

As a general rule, notices are sent to the Directors at least one week in advance of Board meetings, followed by the Board papers, in order for the Directors to be adequately prepared for the meetings.

Provision 1.7 (Access to management, company secretary and advisers)

The Board (whether individually or as a whole) has separate and independent access to the Management and the company secretary at all times, and may seek independent professional advice, if necessary, at the expense of the Company.

The appointment and removal of the company secretary is subject to the approval of the Board. The company secretary attends all Board meetings and ensures that all Board procedures are followed. Where the company secretary is unable to attend any Board meeting, he ensures that a suitable replacement is in attendance and that proper minutes of the same are taken and kept.

Board Composition and Guidance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Provision 2.1 ("Independent" Director)

The Board considers an “Independent” Director to be one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the best interests of the Company.

Please refer to Provision 4.4 which highlights that, pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST, the approval of the shareholders of the Company would be sought via a two-tier voting process at the forthcoming annual general meeting of the Company for each of the Independent Directors to continue in office as an Independent Director come 1 January 2022.

Provision 2.2 (Independent Directors make up a majority of the Board)

Independent Directors make up a majority of the Board. The Board exercises independent judgement on corporate affairs and provides the Management with a diverse and objective perspective on issues.

Provision 2.3 (Non-executive Directors make up a majority of the Board)

Non-executive Directors make up a majority of the Board. The non-executive Directors constructively challenge and assist in the

THE BOARD EXERCISES INDEPENDENT JUDGEMENT ON CORPORATE AFFAIRS AND PROVIDES THE MANAGEMENT WITH A DIVERSE AND OBJECTIVE PERSPECTIVE ON ISSUES

development of business strategies and assist the Board in reviewing the performance of the Management in meeting goals and objectives and monitoring the reporting of performance.

Provision 2.4 (Board size and diversity)

As at the date of this Annual Report, the Board comprises the following members, all of whom have the appropriate core competencies and diversity of experience needed to enable them to effectively contribute to the Group.

Charles Antonny Melati	Executive Chairman
Tung Kum Hon	Chief Executive Officer and Executive Director
Dhamma Surya	Executive Director
Soh Chun Bin	Lead Independent Director
Ong Beng Chye	Independent Director
Lu King Seng	Independent Director
Jim Rogers	Independent Director

The profiles of the Directors are set out in the "Board of Directors" section of this Annual Report.

The composition of the Board is reviewed on an annual basis by the NC to ensure that the Board has the appropriate mix of expertise, experience, balance, diversity and knowledge of the Company and collectively possesses the necessary core competencies for effective functioning and informed decision-making. The Board as a group comprises members with core competencies in accounting and finance, business and management experience, industry knowledge, strategic planning and customer-based experience and knowledge. Of the four non-executive Directors on the Board, two have experience in accounting and finance, one has knowledge of the resources/mining industry and one with legal, business and management experience.

THE COMPANY ADOPTED A BOARD DIVERSITY POLICY WHICH RECOGNISES THE IMPORTANCE OF HAVING AN EFFECTIVE AND DIVERSE BOARD

The Board has examined its and its Board Committees' size and is of the view that they are of an appropriate sizes, taking into account the scope and nature of the operations of the Company, the requirements of the business and the need to avoid undue disruptions from changes to the composition of the Board and the Board Committees.

The Board and the Board Committees comprise Directors who as a group provide the appropriate balance and mix of skills, knowledge and experience so as to avoid groupthink and foster constructive debate for effective decision-making. There is no individual or small group of individuals who dominates the Board's decision-making.

The Company adopted a board diversity policy which recognises the importance of having an effective and diverse Board. The main objective of the policy is to have the appropriate balance of skills, experience, knowledge and other aspects of diversity (eg. gender, age and nationality) on the Board to support the long-term success of the Group. Under the policy, the NC is responsible for recommending to the Board the relevant practices to promote and achieve diversity on the Board. The Board is making progress on the implementation of the board diversity policy. For instance, the Board is placing more emphasis on diversity when identifying persons for appointment to the Board.

Provision 2.5 (Non-executive Directors meet regularly without the presence of Management)

Where necessary or appropriate including before or after each quarterly meeting of the Board, the non-executive Directors meet without the presence of the Management. The Chairman of such meetings provides feedback to the Board and/or the Chairman as appropriate.

Chairman and Chief Executive Officer

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

CORPORATE GOVERNANCE

Provision 3.1 (The Chairman and the Chief Executive Officer are separate persons)

The positions of Executive Chairman and Chief Executive Officer are held by separate individuals to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for objective decision-making.

Provision 3.2 (Division of responsibilities)

The Board establishes and sets out in writing the division of responsibilities between the Executive Chairman and the Chief Executive Officer.

Mr Charles Antonny Melati is the Executive Chairman and oversees the overall strategic directions and expansion plans for the growth and development of the Group. With the assistance of the company secretary, he also ensures that Board meetings are held as and when required, sets the agenda for the Board meetings and ensures the quality, quantity and timeliness of the flow of information between the Management, the Board and the shareholders.

Mr Tung Kum Hon is the Chief Executive Officer who executes the Company's long-term strategy and implements its long and short term plans with a view to creating shareholder value. He oversees the overall business and general management of the Group including spearheading its operations, optimising capital assets and human resources, identifying business opportunities, developing new markets, driving growth, managing business risks, establishing robust business disciplines and processes and managing relationships with customers, suppliers, bankers, business associates, advisers, government agencies, shareholders and the public at large. He also ensures that the Company maintains high standards of corporate governance and social responsibility wherever it does business and integrity of all its public disclosures.

Provision 3.3 (Lead Independent Director)

The Board has a lead Independent Director to provide leadership in situations where the Executive Chairman is conflicted. The Lead Independent Director also provides feedback to the Executive Chairman after meetings of Independent Directors. Mr Soh Chun Bin is the Lead Independent Director. He is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Executive Chairman or the Management is inappropriate or inadequate.

Board Membership

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board.

Provision 4.1 (Terms of reference of the Nominating Committee)

The written terms of reference of the Nominating Committee ("NC") have been approved and adopted, and they include the following:

(a) making recommendations to the Board on relevant matters relating to:

(i) the review of succession plans for Directors, in particular, the appointment and/or replacement of the Executive Chairman, the Chief Executive Officer and key management personnel;

(ii) the process and criteria for evaluation of the performance of the Board, its Board Committees and Directors;

(iii) the review of training and professional development programmes for the Board and its Directors; and

(iv) the appointment and re-appointment of Directors (including alternate Directors, if any);

THE POSITIONS OF EXECUTIVE CHAIRMAN AND CEO ARE HELD BY SEPARATE INDIVIDUALS TO ENSURE APPROPRIATE BALANCE OF POWER, INCREASED ACCOUNTABILITY AND GREATER CAPACITY OF THE BOARD FOR OBJECTIVE DECISION-MAKING

(b) considering important issues as part of the process for the selection, appointment and re-appointment of Directors including the composition and progressive renewal of the Board and each Director's competencies, commitment, contribution and performance (eg. attendance, preparedness, participation and candour) including, if applicable, as an Independent Director. All Directors will be required to submit themselves for re-nomination and re-appointment at regular intervals and at least once every three years;

(c) determining annually, and as and when circumstances require, whether a Director (including an alternate Director) is independent, bearing in mind the circumstances set forth under the Code and any other salient factors;

(d) assessing whether a Director is able to perform and has been adequately carrying out his duties as a director of the Company, taking into consideration the Director's number of listed company board representations and other principal commitments and where necessary recommending to the Board guidelines to address the competing time commitments that are faced when Directors serve on multiple boards;

(e) assessing and determining the Independence status of the Independent Directors;

(f) reviewing vigorously the independence status of any Independent Director serving the Board beyond nine years from the date of his first appointment;

(g) working with the Board to assess the effectiveness of the Board as a whole and the Board Committee and the contribution by each Director to the effectiveness of the Board; and

(h) recommending to the Board how the Board's performance may be evaluated and proposing objective performance criteria.

Provision 4.2 (Composition of the NC)

The NC comprises Mr Soh Chun Bin, Mr Ong Beng Chye, Mr Lu King Seng, Mr Charles Antonny Melati and Mr Dhamma Surya, the majority of whom, including the NC Chairman, are independent. The NC Chairman is Mr Soh Chun Bin, the Lead Independent Director.

Provision 4.3 (Process for the selection, appointment and re-appointment of Directors)

With respect to the selection and appointment of new Directors to the Board, the Company procures search services, contacts and recommendations for the purposes of identifying suitably qualified and experienced candidates. The NC reviews the resume of the candidates and considers their

CORPORATE GOVERNANCE

THE NC REVIEWS THE RESUME OF THE CANDIDATES AND CONSIDERS THEIR SKILLS, KNOWLEDGE AND EXPERIENCE, INTERVIEWS THE SHORT-LISTED CANDIDATES AND RECOMMENDS THE MOST SUITABLE CANDIDATE(S) TO THE BOARD FOR APPROVAL

skills, knowledge and experience, interviews the short-listed candidates and recommends the most suitable candidate(s) to the Board for approval.

Board appointments are made by way of a board resolution after the NC has, upon reviewing the resume of the proposed Director(s), conducting appropriate interviews and having regard to the Board diversity policy, recommended the proposed appointment(s) to the Board. Pursuant to the constitution of the Company, each Director is required to retire at least once every three years by rotation, and all newly appointed Directors who are appointed by the Board are required to retire at the next annual general meeting of the Company following their appointment. The retiring Directors are eligible to offer themselves for re-election.

The dates of initial appointment and last re-election of the Directors, together with their directorships in other listed companies and their principal commitments at the date of this Annual Report are set out below.

Director	Position	Date of Initial Appointment	Date of Last Re-election	Directorships in other listed companies	Other Principal Commitments
Charles Antonny Melati	Executive Chairman	24 May 2010	28 April 2020	–	–
Tung Kum Hon	Chief Executive Officer	1 November 2015	25 April 2019	Tien Wah Press Holdings Berhad	–
Dhamma Surya	Executive Director	24 May 2010	23 April 2018	–	–
Soh Chun Bin	Lead Independent Director	25 September 2012	28 April 2020	Triyards Holdings Limited ISOTeam Ltd. Lorenzo International Limited	Director ZICO Insights Law LLC
Ong Beng Chye	Independent Director	25 September 2012	25 April 2019	Hafary Holdings Limited ES Group (Holdings) Ltd IPS Securex Holdings Ltd. CWX Global Limited	Director Appleton Global Private Limited
Lu King Seng	Independent Director	25 September 2012	23 April 2018	TLV Holdings Limited JLogo Holdings Limited	Director Orion Advisory Pte Ltd Orion Business Advisory Pte Ltd
Jim Rogers	Independent Director	3 December 2012	25 April 2019	PJSC PhosAgro Sirius International Insurance Group Ltd Ananti Inc. ENPlus Co. Ltd Virtus Total Return Fund Inc. Duff & Phelps Select Energy MLP Fund Inc.	Director Beeland Interests, Inc. Beeland Enterprises, Inc Beeland Holdings Pte Ltd JSC AgroGard-Finance Virtus Global Multi-Sector Income Fund Advisory Spanish Mountain Gold Genagro Limited Forbes & Manhattan Santiago Gold Fund

Key information regarding the Directors, including their shareholdings in the Company, is set out in the "Board of Directors" section and "Directors' Statements" section of this Annual Report.

The NC, in determining whether to recommend a Director for re-appointment, would have regard to the Director's performance and contribution to the Group and whether the Director has adequately carried out his or her duties as a director.

The NC has nominated Mr Dhamma Surya, Mr Lu King Seng and Mr Ong Beng Chye, who will retire by rotation at the forthcoming annual general meeting, for re-election by the Company's shareholders at the forthcoming annual general meeting.

Provision 4.4 (Determining the independence of a Director)

As at the date of this Annual Report, the Board comprises seven Directors, of whom four are independent, namely, Mr Soh Chun Bin, Mr Ong Beng Chye, Mr Lu King Seng and Mr Jim Rogers.

The Directors are required to disclose to the Board their relationships with the Company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence. If the Board, having taken into account the views of the NC, determines that such Directors are independent notwithstanding the existence of such relationships, the Company will disclose the relationships

and its reasons in the Annual Report.

The independence of each Director is reviewed annually by the NC. Each Independent Director is required to complete a checklist annually to confirm his independence based on the guidelines as set out in the Code.

Under Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST, which is effective from 1 January 2022, a Director will not be independent if he has been a Director for an aggregate period of more than nine years and his continued appointment as an Independent Director has not been sought and approved in separate resolutions by (a) all shareholders and (b) shareholders excluding the Directors and the Chief Executive Officer of the company and their associates. Such resolutions may remain in force until the earlier of (i) the retirement or resignation of the Director or (ii) the conclusion of the third annual general meeting of the Company following the passing of the resolutions.

THE NC AND THE BOARD HAVE REVIEWED THE INDEPENDENCE OF THE RELEVENT DIRECTORS, WHOSE CONTRIBUTIONS WERE RELEVANT AND REASONED AND HAS EXERCISED INDEPENDENT JUDGEMENT

By 1 January 2022, each of Mr Lu King Seng, Mr Soh Chun Bin, Mr Ong Beng Chye and Mr Jim Rogers ("collectively, the "Relevant Directors") will have served the Board beyond nine years from the date of his first appointment. Accordingly, the approval of the shareholders of the Company via the two-tier voting process at the forthcoming annual general meeting of the Company will be required for the Relevant Directors to continue in office as Independent Director come 1 January 2022.

The NC and the Board have reviewed the independence of the Relevant Directors. Pursuant to the review and NC's recommendation, the Board was of the view that each of the Relevant Directors has engaged the Board in constructive discussions, his contributions have been relevant and reasoned and he has exercised independent judgement. In coming to this view, the Board took into account the criteria of independence as set out in the Code and each of the Relevant Directors' demonstration of independence in character and judgement through the many discussions the Board had over matters and issues concerning the Group in both formal and informal settings. Each of the Relevant Directors expressed constructive viewpoints, objectively raised issues and demonstrated independent mindedness in conduct at Board and/or committee meetings. His length of service has not interfered with his exercise of independent judgment.

The Board also recognised that over time each of the Relevant Directors developed significant insights in the Group's businesses and operations and could continue to provide significant and valuable contributions objectively to the Board as a whole.

The Board therefore recommends that the approval of the shareholders of the Company be sought via the two-tier voting process at the forthcoming annual general meeting of the Company for each of the Relevant Directors to continue in office as an Independent Director come 1 January 2022.

Provision 4.5 (Duties and obligations of the Directors)

The NC ensures that new Directors are aware of their duties and obligations. The NC also decides if a Director is able to and has been adequately carrying out his or her duties as a Director of the Company taking into consideration the Director's number of listed company board representations and other principal commitments. Such other listed company directorships and principal commitments of each Director are disclosed in the table under Provision 4.3 above.

The NC is satisfied that sufficient time and attention are being given by the Directors to the affairs of the Company, notwithstanding other listed company directorships and/or principal commitments of some Directors.

CORPORATE GOVERNANCE

THE NC IS SATISFIED THAT SUFFICIENT TIME AND ATTENTION ARE BEING GIVEN BY THE DIRECTORS TO THE AFFAIRS OF THE COMPANY, NOTWITHSTANDING OTHER LISTED COMPANY DIRECTORSHIPS AND/OR PRINCIPAL COMMITMENTS OF SOME DIRECTORS

Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its Board Committees and individual Directors.

Provision 5.1 (Performance criteria)

The NC recommends for the Board's approval the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, and of each Board Committee separately, as well as the contribution by the Executive Chairman and each Individual Director to the Board. Such criteria, which align with shareholder interest and allow for comparison with industry peers, include return on assets, return on equity, return on investment and total shareholder return as well as the Company's share price performance over a period of time.

Provision 5.2 (Assessment process)

A formal assessment process is in place to assess the effectiveness of the Board, the Board Committees and each Director annually. To date, the Board does not require the assistance of an external facilitator in relation to the assessment process.

In carrying out the assessment, each Director completes an assessment and evaluation form which contains objective performance criteria and factors such as the compositions and effectiveness of the Board and the Board Committees, quality of information and decision making, Boardroom activities, Board's relationship with the Management, contribution and performance, calibre and personality and a Director's skills, knowledge, experience and contributions. Assessment results are analysed and key areas for improvement and follow-up actions are highlighted and discussed at the Board meeting.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6: The Board has a formal and transparent procedure for developing policies on Director and executive remuneration, and for fixing the remuneration packages of individual Directors and key management personnel. No Director is involved in deciding his or her own remuneration.

Provision 6.1 (Terms of reference of the Remuneration Committee)

The terms of reference of the Remuneration Committee ("RC") have been approved and adopted. The functions of the RC include the following:

(a) reviewing and recommending to the Board a framework of remuneration for the Board and key management personnel;

(b) reviewing and recommending to the Board the specific remuneration packages for each Director as well as for the key management personnel;

A FORMAL ASSESSMENT PROCESS IS IN PLACE TO ASSESS THE EFFECTIVENESS OF THE BOARD, THE BOARD COMMITTEES AND EACH DIRECTOR ANNUALLY

(c) reviewing and recommending to the Board the terms of renewal of the service contracts of Directors;

(d) reviewing and recommending to the Board whether executive Directors and key management personnel should be eligible for benefits under long-term incentive schemes, and evaluating the costs and benefits of long-term incentive schemes; and

(e) reviewing the Company's obligations arising in the event of termination of the executive Directors' and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses.

Provision 6.2 (Composition of the RC)

The RC comprises Mr Lu King Seng, Mr Soh Chun Bin and Mr Ong Beng Chye, all of whom are non-executive and Independent Directors. The chairman of the RC is Mr Lu King Seng.

Provision 6.3 (Remuneration terms)

The RC considers all aspects of remuneration including but not limited to director fees, salaries, allowances, bonuses, options, share-based incentives and awards, benefits-in-kind and termination terms to ensure they are fair.

Provision 6.4 (Remuneration consultants)

The members of the RC are familiar with executive compensation matters as they manage their own businesses and/or are holding other directorships, and therefore do not currently need the assistance of an external expert. Nonetheless, the RC has access to appropriate external expert advice in the field of executive compensation, if required. The RC's recommendations are submitted to the Board for endorsement. No Director is involved in deciding his own remuneration.

Level and Mix of Remuneration

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.

Provision 7.1 (Performance-related remuneration)

A significant and appropriate proportion of executive Directors' and key management personnel's remuneration is structured so as to link rewards to corporate and individual performance. Performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the Company.

In setting remuneration packages, the Company takes into account pay and employment conditions within the same industry and in comparable companies, as well as the Group's relative performance and the performance of individual Directors and key management personnel.

Remuneration for the executive Directors includes a basic salary component, allowances together with other benefits-in-kind and a variable component based on the performance of the Group as a whole. The Company has entered into service agreements with its Executive Chairman, Mr Charles Antonny Melati, its Chief Executive Officer and executive Director, Mr Tung Kum Hon and its executive Director, Mr Dhamma Surya. Either party may terminate the service agreements at any time by giving the other party two to six months' notice in writing, or payment in lieu of notice.

Provision 7.2 (Non-executive Directors)

Non-executive Directors receive director fees for their effort and time spent, responsibilities and contributions to the Board, subject to shareholders' approval at annual general meetings. Given the size and operations of the Group, the RC considers the current fees adequately compensate the non-executive Directors, without over-compensating them as to compromise their independence.

Provision 7.3 (Attract, retain and motivate)

The Company has remuneration schemes (including the Geo Energy Share Option Scheme and the Geo Energy Performance Share Plan) to attract, retain and motivate the Directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long term.

Disclosure on Remuneration

Principle 8: The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provision 8.1 (Policy, criteria and breakdown)

Having regard to the nature of the business, structure and requirement of the Group, the Company has established a performance-based remuneration system for executive Directors and key management personnel that is flexible and responsive to the market, comprising a base salary, other fixed allowances, together with benefits-in-kind, as well as

a performance bonus which is based on the Group's performance and the individual's performance. For instance, Mr Charles Antonny Melati, the Executive Chairman, and Mr Tung Kum Hon, the Chief Executive Officer and executive Director, are entitled to receive a performance bonus based on the audited consolidated profit before tax of the Group in each financial year.

CORPORATE GOVERNANCE

THE COMPANY HAS REMUNERATION SCHEMES (INCLUDING SHARE OPTION SCHEME AND PERFORMANCE SHARE PLAN) TO ATTRACT, RETAIN AND MOTIVATE THE DIRECTORS FOR GOOD STEWARDSHIP AND KEY MANAGEMENT PERSONNEL TO SUCCESSFULLY MANAGE THE COMPANY FOR THE LONG-TERM

Directors (in remuneration bands)	Salary & CPF %	Bonus & CPF %	Director's Fee %	Shares Grant %	Other Benefits %	Total %
Executive Chairman S$2,250,001 to S$2,400,000 Charles Antonny Melati[1]	36	62	–	–	2	100
Chief Executive Officer and Executive Director S$2,100,001 to S$2,250,000 Tung Kum Hon	36	49	–	15	–	100
Executive Director S$750,000 to S$900,000 Dhamma Surya	83	13	–	–	4	100
Executive Director S$150,001 to S$300,000 Huang She Thong[1,2]	96	–	–	–	4	100
Non-Executive and Independent Director S$150,001 to S$300,000 Jim Rogers	–	–	99	1	–	100
Non-Executive and Independent Director S$0 to S$150,000 Soh Chun Bin	–	–	99	1	–	100
Non-Executive and Independent Director S$0 to S$150,000 Ong Beng Chye	–	–	99	1	–	100
Non-Executive and Independent Director S$0 to S$150,000 Lu King Seng	–	–	99	1	–	100
Key Management Personnel (in remuneration bands)						
S$450,001 to S$600,000 Huang She Tong[1,2]	78	19	–	–	3	100
S$150,001 to S$300,000 Tan Sheng Hua, Adam[3]	87	13	–	–	–	100
S$150,001 to S$300,000 Ng See Yong[1]	88	12	–	–	–	100
S$150,001 to S$300,000 Junanto	84	13	–	1	2	100
S$150,001 to S$300,000 Hendri Suwardi[4]	100	–	–	–	–	100
S$0 to S$150,000 Karyono	88	7	–	1	4	100
S$0 to S$150,000 Philip Hendry[3]	100	–	–	–	–	100

Notes:

1 Mr Charles Antonny Melati, Mr Huang She Thong and Mr Ng See Yong are brothers.
2 Mr Huang She Thong retired as Executive Director on 15 June 2020 and assumed the role of Head of Marketing.
3 Mr Tan Sheng Hua, Adam rejoined the Company on 1 April 2020 as Chief Financial Officer in place of Mr Philip Hendry (who resigned on 3 January 2020).
4 Mr Hendri Suwardi resigned as Investment Director on 31 December 2020.

S$ - Singapore Dollars

CPF - Central Provident Fund contribution

Shares Grant - include share options and other share-based payments

The level and mix of remuneration paid or payable to the Directors and key management personnel for 2020 are set out beside:

The aggregate total remuneration (including CPF contributions and bonuses) paid to the top five key management personnel of the Group (who are not Directors or the Chief Executive Officer) for 2020 amounted to approximately S$1,440,957.

The Board is of the view that full disclosure of the specific remuneration of each individual Director and key management personnel (who are not Directors or the Chief Executive Officer) is not in the best interests of the Company, taking into account the sensitive nature of the subject, the competitive business environment the Group operates in and the potential negative impact such disclosure will have on the Group.

THE COMPANY HAS ESTABLISHED A PERFORMANCE-BASED REMUNERATION SYSTEM FOR EXECUTIVE DIRECTORS AND KEY MANAGEMENT PERSONNEL

Provision 8.2 (Related employees)

Save for the above key management personnel and the following employees, there was no employee in the Group who was a substantial shareholder of the Company or an immediate family member of a Director, the Chief Executive Officer or a substantial shareholder of the Company, and whose remuneration exceeded S$100,000 during 2020.

Remuneration Band	Employee	Relationship
S$150,000 to S$200,000	Yanti Ng	Ms Yanti Ng is the sister of Mr Charles Antonny Melati (Executive Chairman).
S$150,000 to S$200,000	Lim Kok Wah, Eric	Mr Lim Kok Wah, Eric is the brother-in-law of Mr Charles Antonny Melati (Executive Chairman).
S$50,000 to S$100,000	Ruddy	Mr Ruddy is the nephew of Mr Dhamma Surya (Executive Director).

Provision 8.3 (Forms of remuneration)

During 2020, the Group paid basic salaries, allowances, CPF contributions and performance/variable bonuses as well as granted share options under the Geo Energy Share Option Scheme to executive Directors, Chief Executive Officer and key management personnel.

The Company adopted the Geo Energy Share Option Scheme and the Geo Energy Performance Share Plan (together, the "Schemes") on 23 April 2018. The Schemes remain in force for a maximum of 10 years unless extended. The RC oversees and administers the Schemes in accordance with their terms. For additional details on the Schemes, please refer to the section of the Directors' Statement entitled "Share Incentive Schemes" on page 79 set out in this Annual Report.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls to safeguard the interests of the Company and its shareholders.

The Board recognises the importance of sound internal controls and risk management practices in safeguarding shareholders' interests and the Group's assets. The Group's internal controls and systems are designed to provide reasonable assurance as to the integrity and reliability of the financial information and to safeguard and maintain accountability of assets. Procedures are in place to identify major business risks and evaluate potential financial implications, as well as for the authorisation of capital expenditure and investments.

The Board has formed an Enterprise Risk Management ("ERM") Working Group to devise and implement an ERM framework, in consultation with the Company's ERM consultant, KPMG Services Pte. Ltd. ("KPMG"). The ERM Working Group, together with the head of departments, reviews and identifies the operational, financial and compliance risks faced by the Group and sets out the appropriate mitigating actions and monitoring mechanisms to respond to these risks and changes within the Group and the external business environment to safeguard shareholders' interests and the Group's assets. The ERM framework which was established to facilitate the Board's assessment on the adequacy and effectiveness of the Group's risk management system, lays out the governing policies, processes and systems pertaining to each of the key risk areas of the Group and assessments are made on the adequacy and effectiveness of the Group's risk management system in managing each of these key risk areas, is approved

The Company has remuneration schemes to attract, retain and motivate the Directors to provide good stewardship of the Company.

CORPORATE GOVERNANCE

THE GROUP HAS FORMED AN ERM WORKING GROUP TO DEVISE AND IMPLEMENT AN ERM FRAMEWORK, IN CONSULTATION WITH THE COMPANY'S ERM CONSULTANT, KPMG

by the Board, taking into consideration the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives. On an on-going basis, the ERM Working Group reviews all significant risks, control policies and procedures and highlights all significant risks issues, material matters, findings and recommendations to the Board and the ARC.

The Group's internal auditors, PricewaterhouseCoopers Risk Services Pte Ltd, evaluated the related internal controls as part of the internal audit plan approved by the ARC. Any material non-compliance or weakness, including recommendations for improvements, is reported to the ARC. The ARC also reviews the effectiveness of actions taken by the Management on the recommendations made by the internal auditors in this respect.

In addition to the work performed by the internal auditors, the external auditors, Deloitte & Touche LLP, also perform tests of certain controls relevant to the preparation of the Group's financial statements. The external auditors report any significant deficiencies of such internal controls to the ARC.

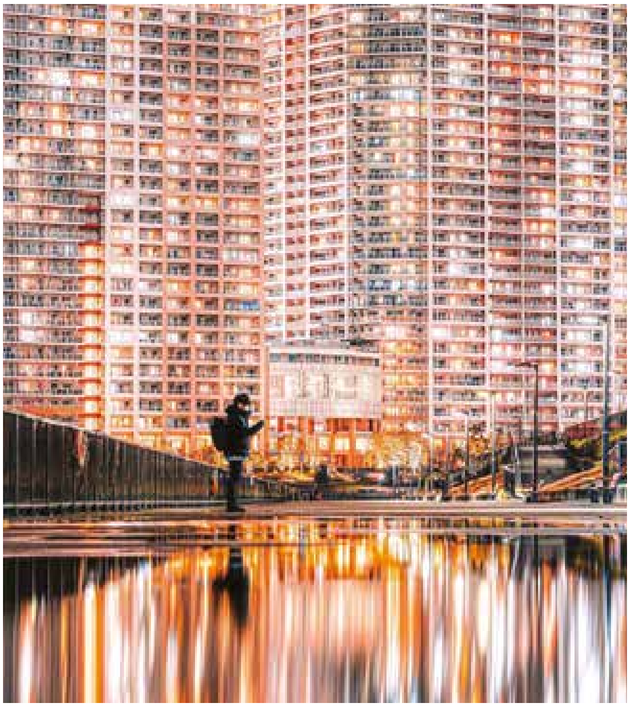
A risk assessment workshop was conducted by KPMG, together with the Board, the ERM Working Group and the head of departments, to identify and prioritise the top risks affecting the Group and providing counter-measures for the risks identified.

The Board and management have also reviewed the adequacy, effectiveness and integrity of the Group's risk management including financial, operational, compliance and information technology controls.
The Board has also received the assurance referred to in Provision 9.2 (Assurance).

THE COMPANY ADOPTED THE SHARE OPTION SCHEME AND PERFORMANCE SHARE PLAN WHICH REMAIN IN FORCE FOR A MAXIMUM OF 10 YEARS UNLESS EXTENDED

Based on the ERM framework and internal controls established and maintained by the Group, the work performed by the internal and external auditors as well as the ERM consultant, and reviews performed by the Management and the ARC, the Board, with the concurrence of the ARC, is of the opinion that the risk management and internal control systems in place as at 31 December 2020 are adequate and effective to address all material in respects of the financial, operational, compliance and information technology risks within the current scope of the Group's business operations.

The Board notes that no system of internal controls can provide absolute assurance against the occurrence of material errors, poor judgment in



decision-making, human error, fraud or other irregularities. The Board will continue its risk assessment process, which is an on-going process, with a view to improve the Group's internal controls system.

Provision 9.1 (Risk Committee)

The Board determines the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation. To better reflect its roles and responsibilities in the governance of risk management matters, the Audit Committee has been renamed the Audit and Risk Committee.

Provision 9.2 (Assurance)

The Board has received assurance from:

(a) the Chief Executive Officer and the Chief Financial Officer that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and

(b) the Chief Executive Officer and other key management personnel who are responsible, regarding the adequacy and effectiveness of the Company's risk management and internal controls system.

Audit Committee

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

The ARC will commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any Singapore law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position.

The ARC has full authority to investigate any matter within its terms of reference, full access to and cooperation from the Management, and full discretion to invite any Director, key management personnel or other employee of the Group to attend its meetings and is given reasonable resources to enable it to discharge its functions properly and effectively.

During the year, the ARC reviewed the financial statements of the Group before the announcement of the Group's quarterly and full-year results. In the process, the ARC reviewed the key areas of Management's estimates and judgement applied for key financial issues including revenue recognition, impairment testing, provisioning policies, critical accounting policies and any other significant matters that might affect the integrity of the financial statements. The ARC also considered the report from the external auditors, including their findings on the significant risks and audit focus areas. Significant matters that were discussed with Management and the external auditors have been included as Key Audit Matters ("KAMs") in the audit report for the financial year ended 31 December 2020. Please refer to pages 81 to 84 of the Annual Report.

In assessing each KAM, the ARC took into consideration the approach and methodology applied in the valuation of assets, as well as the reasonableness of the estimates and key assumptions used. In addition to the views from the external auditors, subject matter experts, such as independent valuers, were consulted where necessary. The ARC concluded that Management's accounting treatment and estimates in each of the KAMs were appropriate.

During the year, the ARC considered and approved the 2020 Audit Plan and the 2020 Internal Audit ("IA") Plan. In addition, the ARC reviewed the adequacy of internal control procedures, interested person transactions and the issues raised in IA reports. It also considered the reappointment of the external auditors as well as their remuneration.

The external auditors update the ARC on any changes in accounting standards impacting the financial statements of the Group before an audit commences.

The fees paid by the Group to the external auditors in 2020 for audit and non-audit services amounted to S$532,200 and S$34,100 respectively. The ARC, having undertaken a review of all non-audit services provided by the external auditors, is of the opinion that such services would not affect the independence of the external auditors.

The Company has complied with Rules 712 and 715 of the SGX-ST Listing Manual in relation to its external auditors.

Provision 10.1 (Duties)

The written terms of reference of the ARC have been approved and adopted. The main duties and functions of the ARC include:

- reviewing the annual consolidated financial statements and the external auditors' report on those financial statements, and discussing any significant adjustments, major risk areas, changes in accounting policies, compliance with the Financial Reporting Standards in Singapore, concerns and issues arising from their audits, including any matters which the auditors may wish to discuss in the absence of the Management, where necessary, before submission to the Board for approval;
- reviewing the periodic consolidated financial statements comprising the statements of comprehensive income and statements of financial position and such other information required by the SGX-ST Listing Manual, before submission to the Board for approval;
- reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;
- reviewing the assurance from the Chief Executive Officer and the Chief Financial Officer on the financial records and financial statements;
- reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Company's internal controls and risk management systems, including financial, operational, compliance and information technology controls (such review can be carried out internally or with the assistance of any competent third parties);
- reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function;

CORPORATE GOVERNANCE

THE BOARD AND MANAGEMENT HAVE ALSO REVIEWED THE ADEQUACY, EFFECTIVENESS AND INTEGRITY OF THE GROUP'S RISK MANAGEMENT INCLUDING FINANCIAL, OPERATIONAL, COMPLIANCE AND INFORMATION TECHNOLOGY CONTROLS

- making recommendations to the Board on (i) the proposals to the shareholders on the appointment, re-appointment and removal of the external auditors, and (ii) the remuneration and terms of engagement of the external auditors;
- meeting with the external auditors, and with the internal auditors, in each case without the presence of the Company's Management, at least annually;
- reviewing the policy and arrangements by which employees of the Group and any other persons may, in confidence, raise concern to the chairman of the ARC about possible improprieties in matters of financial reporting or other matters. ARC will ensure that there are arrangements in place for such concerns to be raised and independently investigated, and for appropriate follow-up action to be taken;
- ensuring robust internal controls to mitigate the Group internal controls weaknesses and to oversee the annual internal audit procedures and follow up on the audit findings;
- reviewing the audit plans of the external auditors and internal auditors, and the results of the external and internal auditors' review and evaluation of the Group's system of internal controls;
- approving the hiring, removal, evaluation and compensation of the head of the internal audit function, or the accounting/auditing firm or corporation to which the internal audit function is outsourced;
- reviewing any interested person transactions falling within the scope of Chapter 9 of the SGX-ST Listing Manual;
- reviewing any potential conflicts of interest;
- approving internal control procedures and arrangements for all interested person transactions;
- reviewing and recommending hedging policies and instruments, if any, to be implemented by the Company to the Board;
- enquiring the status of the existing Qualifying Assets (as defined in the Company's prospectus dated 10 October 2012 (the "Prospectus")) and determining if any of the Qualifying Assets should be removed from the QA List (as defined in the Prospectus);
- reviewing and approving the Promoter Interest Register (as defined in the Prospectus);
- undertaking such other reviews and projects as may be requested by the Board, and reporting to the Board its findings from time to time on matters arising and requiring the attention of the ARC; and
- undertaking generally such other functions and duties as may be required by law or the SGX-ST Listing Manual, and by such amendments made thereto from time to time.

The Group has implemented a whistle-blowing policy. The existence of such policy has been communicated to the employees. The policy aims to provide an avenue for employees and other persons to raise concerns about improprieties in matters of financial reporting or other matters and at the same time assure them that they will be protected from reprisals or victimisation for whistle-blowing in good faith. Anonymous disclosures will be accepted, and anonymity honoured. Cases that are significant are reviewed by the ARC for adequacy of investigative action and resolution. The outcome of each investigation is reported to the ARC. Contact details of the ARC chairman have been made available to all employees. No whistle blowing reports were received in 2020.

Provision 10.2 (Composition of the ARC)

The ARC comprises Mr Ong Beng Chye, as the chairman, and Mr Soh Chun Bin and Mr Lu King Seng, as members, all of whom are non-executive and Independent Directors. At least two members, including the chairman of the ARC, have recent and relevant accounting or related financial management expertise or experience.

Provision 10.3 (No interest in auditing firm)

No former partner or Director of the Company's existing auditing firm is or can be a member of the ARC.

Provision 10.4 (Internal audit)

The Company outsources the internal audit function to an external professional firm. The primary reporting line of the internal audit function is to the ARC, which also decides on the appointment, termination and remuneration of the head of the internal audit function. The internal audit function has unfettered access to all the Company's documents, records, properties and personnel, including the ARC, and has appropriate standing within the Company.

The primary reporting line of the internal audit function is to ARC. The internal audit function has unfettered access to all the Company's documents, records, properties and personnel. The ARC reviews and approves the internal audit plan to ensure the adequacy of the scope of audit. The ARC is satisfied that the IA is independent, adequately qualified (given, inter alia, its adherence to standards set by internationally recognised professional bodies) and resourced and has the appropriate standing in the Company to discharge its duties effectively.

Provision 10.5 (Meeting without presence of Management)

On an annual basis, the ARC meets with the external auditors and the internal auditors without the presence of Management.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11: The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Provision 11.1 (Shareholder participation)

The Company provides shareholders with the opportunity to participate effectively in and vote at general meetings of shareholders and informs them of the rules governing general meetings of shareholders. Shareholders are informed of general meetings through notices published in the newspapers, through reports or circulars sent to all shareholders and via SGXNET. The Company encourages shareholders' participation during the general meetings. Resolutions are passed through a process of voting and shareholders are entitled to vote in accordance with established voting rules and procedures.

Pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, Annual General Meeting for the financial year ended 31 December 2020 ("2020 AGM") of the Company will be held by way of electronic means. Members may participate in the 2020 AGM by observing and/or listening to the 2020 AGM proceedings via live audio-visual webcast or live audio-only stream, submitting questions in advance of the 2020 AGM and appointing the chairman of the 2020 AGM as proxy to attend and vote on behalf. Details of the steps for pre-registration, submission of questions and voting at the 2020 AGM are set out in the Notice of AGM. Please refer to page 146 to 154 of the Annual Report.

Provision 11.2 (Separate resolutions)

The Company tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the Company explains the reasons and material implications in the notice of meeting.

Provision 11.3 (Directors' attendance)

All Directors attend general meetings of shareholders, and the external auditors are also present to address shareholders' queries about the conduct of audit and the preparation and content of the auditor's report. Directors' attendance at such meetings held during the financial year is disclosed on page 49 of this Annual Report.

Provision 11.4 (Absentia voting)

The Company's constitution allows for absentia voting at general meetings of shareholders.

Provision 11.5 (Minutes)

The Company publishes minutes of general meetings of shareholders on its corporate website as soon as practicable. The minutes record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management.

Provision 11.6 (Dividend policy)

The Company has adopted a dividend policy to declare dividends of at least 30% of the Group's net profit attributable to owners of the Company, subject to debt covenants and capital requirements needed to support growth and investments. In view of the

CORPORATE GOVERNANCE

THE COMPANY TREATS ALL SHAREHOLDERS FAIRLY AND EQUITABLY IN ORDER TO ENABLE THEM TO EXERCISE SHAREHOLDERS' RIGHTS AND HAVE THE OPPORTUNITY TO COMMUNICATE THEIR VIEWS ON MATTERS AFFECTING THE COMPANY

Group's performance, the Board has recommended a final cash dividend of S$0.008 per share for the financial year ended 31 December 2020.

Engagement with Shareholders

Principle 12: The Company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

Provision 12.1 (Communication)

The Company provides avenues for communication between the Board and all shareholders. To solicit and understand the views of shareholders, the Company seeks to maintain regular dialogue with its shareholders through briefings and by allowing them to share with Directors or senior management from time to time their views and concerns. The Company works with a professional firm in respect of its investor relation activities.

Provision 12.2 (Investor relations policy)

The Company has in place an investor relations policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders.

Briefing sessions for the media and analysts are conducted from time to time. Press statements and financial results are published on the Company's website and SGXNET. An investor relations team supports the Chief Executive Officer in implementing the investor relations policy.

The Company strives for timeliness and consistency in its disclosures to shareholders. It is the Company's policy to keep all shareholders informed of developments or changes that are likely to have a material impact on the price or value of the Company's securities, through announcements via SGXNET. Such announcements are communicated on an immediate basis, or as soon as possible where immediate disclosure is not practicable.

Provision 12.3 (Mechanism)

The Company's investor relations policy sets out the mechanism through which shareholders may contact the Company with questions and through which the Company may respond to such questions. As part of the policy, the Company regularly conveys pertinent information, gathers views or input, and addresses shareholders' concerns. In this regard, the Company provides timely information, including disclosure on corporate developments, to its shareholders via SGXNET announcements, media releases and its website and ensures that price-sensitive information is publicly released and is announced within the mandatory period. The Company does not practise selective disclosure. The views of shareholders are gathered at shareholder meetings where shareholders are permitted to ask questions and seek a better understanding of the Group.

MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Provision 13.1 (Engagement with stakeholders)

The Company identifies its investors, customers, employees, mining and infrastructure service providers, local communities and regulators as material stakeholders who may materially impact or be directly impacted by the Group's activities. Therefore, the Company has arrangements in place to engage with these material stakeholders and manage its relationships with them.

Stakeholder relations are managed by various departments at the corporate level and the investor relations team of the Group. Engagement includes periodic roadshow presentations and analyst briefings with investors, regular meetings with and feedback from contractors, customers and service providers, regular monthly management meetings and the employee feedback scheme as well as regular meetings with representatives of local communities to discuss the Group's corporate social responsibility activities.

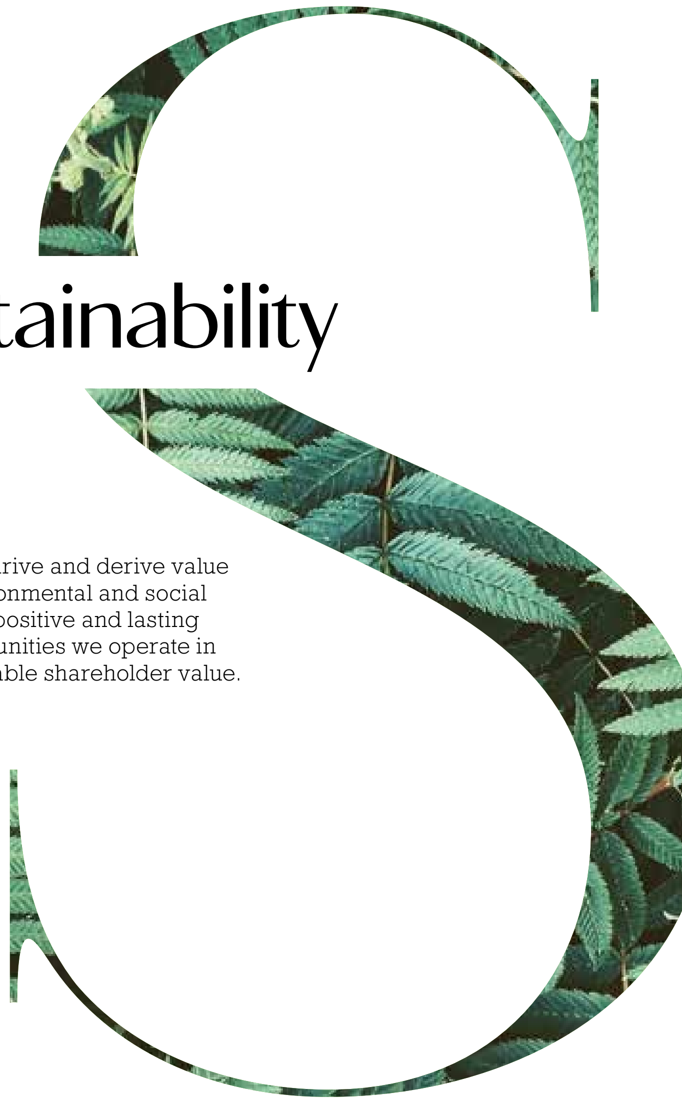
Provision 13.2 (Strategy and key areas of focus)

The Company's strategy and key areas of focus in relation to the management of stakeholder relationships during 2020 were as follows:

- providing investors with relevant information about the Company and its activities and seeking their views on the Company's financial performance and activities;
- interacting with customers and mining and infrastructure service providers regularly to better understand each other's concerns and needs and working with them to address these concerns and needs;
- communicating with the Group's employees in various ways to ensure that the Company knows their concerns and that they are aligned with the Company's strategies;
- engaging the local communities where the Group operates and identifying and seeking to address their needs and concerns; and
- providing feedback to and complying with the regulations and policies of regulators.

Provision 13.3 (Website)

The Company currently maintains a corporate website at www.geocoal.com to communicate and engage with stakeholders.



Sustainability

We will continue to drive and derive value through better environmental and social responses, create a positive and lasting impact on the communities we operate in and create a sustainable shareholder value.

SUSTAINABILITY

WE EVALUATE THE POTENTIAL RISKS AND IMPACTS FROM ACTIVITIES ASSOCIATED WITH OUR OPERATIONS BY CONDUCTING THE ESG RISK ASSESSMENT TO MITIGATE AND REDUCE RISKS WHILE CREATING VALUE TO COMMUNITY AND THE ENVIRONMENT

2020 HIGHLIGHTS

Health and Safety

- Zero fatalities in 2020
- Zero work-related ill health
- Zero reported incidents

Employees

- 1,305 total training hours per employee
- 1:2.6 female-to-male ratio across all our operations

Community

- Total of US$600,000 investment towards community well-being in 2020
- Focused on supporting community through education and public infrastructure

Environment

- Total of 1,643,222.19 GJ consumed in 2020
- Directly emitted 121,646.75 tCO_2e of greenhouse gas (GHG)
- Both Energy and Carbon Intensity reduced by 26% compared to 2019

Shared Economic Value

To achieve sustainability in our business, we believe in creating value for our shareholders and society, including the communities where we operate.
We create economic value for stakeholders by paying dividends to our shareholders and paying taxes and fees to the government or local authorities. We also invest in the community and maximise the employment of local workers and suppliers and we are committed to our employee's and contractor's welfare by providing rewards to those who perform well.

APPROACH TO SUSTAINABILITY

Since the founding of the Group, we have integrated social and environmental considerations into the business, through the strategy, culture, operations and decision-making process. This 2020 sustainability statement shows the accumulation of our work over the past four years.

WE CREATE ECONOMIC VALUE FOR STAKEHOLDERS, INVEST IN THE COMMUNITY AND COMMITTED TO EMPLOYEE AND CONTRACTOR'S WELFARE

We understand that as a resource-based company, our impacts to society and the environment can be substantial. We constantly evaluate the potential risks and impacts from activities associated with our operations by conducting the Environmental, Social and Governance ("ESG") risk assessment to mitigate and reduce risks while creating value to community and the environment.

Sustainability Strategy and Management

The core of our business strategy is meeting shareholder expectations, creating innovative products and operating in a responsible manner. The Enterprise Risk Management ("ERM") Working Group is part of our Sustainability Framework, who identifies sustainability risks and opportunities to enable us to provide custom solutions.

We ensure open communication channels with our stakeholders as we understand that communicating effectively with our stakeholders is vital to ensure the stability of our business. We ensure continual communication with regulators and investors, which is central to our ambition to be our industry's trusted partner.

Materiality

We conducted our first materiality assessment in 2017 and mapped out key ESG issues important to our stakeholders and our business. This was our second year engaging with Environmental Resources Management (S) Pte Ltd, a global sustainability consulting company, to review and update our material issues. Each material issue was benchmarked against global initiatives, namely the Sustainability Accounting Standards Board ("SASB"), Dow Jones Sustainability Index ("DJSI"), and World Coal Association. Benchmarking was also done against industry peers in Asia.

First, we identified the material sustainability issues relevant to our industry, strategy, business model and key stakeholders affected by our business. We then defined the issues and engaged with relevant stakeholders through direct interviews. Since 2017, we have reported our material issues based on the Global Reporting Initiatives ("GRI") Standards and followed the AccountAbility ("AA")1000 recommended guidelines.

Criteria was set out to measure the material issue's impact and the importance on business success and its influence on the stakeholder's decision of whether to engage with Geo Energy. We process the results of the stakeholder engagement and produce our materiality matrix.

Materiality Assessment

Our identified material ESG issues are still relevant to our business context and key stakeholders today. We identified new material issues and made minor changes in categorising the material issues. These changes include:

- Adding a "medium" materiality to accurately reflect the materiality level of each ESG issue
- Moving Energy and Climate Change from low to medium materiality
- Including Digitalisation and Technology and Customer Relationship Management as the new materiality issues in 2020 and categorise as low materiality
- Merging Compliance, Economic Performance, and Ethics and Integrity into Corporate Governance and Risk Management
- Adding a community element into Human Rights to become Human Rights and Community Relations
- Renaming Employment Practices to Human Capital Management
- Renaming Effluents and Waste to Waste Management

WE IMPLEMENT BEST PRACTICE STANDARDS FOR GCG TO SAFEGUARD OUR TRANSPARENCY AND ACCOUNTABILITY

High Materiality

- Health and Safety
- Human Rights and Community Relations
- Corporate Governance and Risk Management
- Biodiversity
- Community Well-being

Medium Materiality

- Water and Effluents
- Waste Management
- Human Capital Management
- Energy and Climate Change

Low Materiality

- Customer Relationship Management (new)
- Procurement Practices
- Digitalisation and Technology (new)

CORPORATE GOVERNANCE AND RISK MANAGEMENT

Management Approach and Commitment

Geo Energy is dedicated to create long-term sustainable value to our business and protect our stakeholders' interests. We implement best practice standards for Good Corporate Governance ("GCG") to safeguard our transparency and accountability.

GCG is integral for a resilient corporation and enables it to be more transparent and forward-looking. It safeguards against fraud and dubious financial engineering, protects shareholders' interests, and creates long-term value and returns for shareholders.

The Board of Directors (the "Board") recognises the importance of risk management to protect shareholders' interests and the Group's assets, as well as to minimise negative impacts on the environment and society.

GCG Principles and Framework

We aim to ensure accountability and transparency in our operations through GCG principles and framework. Our corporate governance is constantly reviewed and evaluated to maintain compliance with relevant regulations. We believe GCG cultivates sustainable growth and value to our stakeholders.

We are committed to comply with SGX Listing Rule, the Principles and Practice Guidance outlined in the Code of Corporate Governance 2018 and Indonesian laws and regulations. Geo Energy has adhered to the guidelines and principles set out in the Code 2018 in 2020, as confirmed by the Board.

The Group has conducted a review of all operations and governance and developed an overarching system, the Environment and Social Management System ("ESMS"), following the International Finance Corporation ("IFC") Performance Standards ("PS"). The implementation of ESMS was led by our Head of Technical and Engineering across our operations. The ESMS states our commitment to environmental and social management, which enhances the processes to identify, assess and manage our environmental and social risk. The Group also manages the material issues with Code of Ethics and Conduct; Whistleblowing Policy; and Enterprise Risk Management Framework.

Geo Energy strives to achieve the following goals and targets:

- Protect stakeholders' interests and create long-term sustainable value
- Ensure accountability and transparency throughout the business operations;
- Establish appropriate culture, values and ethical standards of conduct at all levels;
- Uphold business integrity, including zero tolerance of fraud, bribery, and corruption;
- Provide a channel for employees and external parties to raise concerns of business ethics and non-compliance; and
- Implement a clear and robust ERM Framework to safeguard the company against risks.

Ethics and Integrity

Fundamentally, our operations are based on having ethics and integrity incorporated throughout our business. These principles are vital to sustaining a relationship with our stakeholders and shareholders.

SUSTAINABILITY

THE GROUP HAS CONDUCTED A REVIEW OF ALL OPERATIONS AND GOVERNANCE AND DEVELOPED AN OVERARCHING SYSTEM, THE ESMS, FOLLOWING THE IFC PERFORMANCE STANDARDS

We outline the principles and expectations for daily decisions and interactions in our Code of Ethics and Conduct. We focus on high standards of business integrity to enforce our zero tolerance for fraud, bribery and corruption. Should any employee breach our anti-corruption and bribery policy, they shall face prompt disciplinary actions or termination, regardless of their role or status.

We are proud that we have no confirmed cases of corruption and bribery in 2020.

Whistleblowing Policy

Our whistleblowing policy aims to provide an avenue for employees and external parties to raise concerns and offer reassurance that they will be protected from reprisals or victimisation for whistleblowing in good faith. It also outlines the channels where employees or external stakeholders are able to express concern about non-compliance within the operations and business ethics. All concerns raised by whistle-blower will be treated with strict confidentiality.

Our Audit and Risk Committee (ARC) reviews significant reports to ensure timely and adequate investigation and resolution. This mechanism ensures that we continually maintain our business ethics and integrity while protecting our employees. Our ARC received zero whistleblowing reports during this reporting period.

Risk Management Approach

The Board and Senior Management oversee the Group's corporate governance and risk management. We implement a clear and robust ERM Framework to safeguard the company against risks.

Our ERM Working Group reviews all significant control policies and procedures on an ongoing basis and highlights all significant matters, the mitigating actions and monitoring mechanisms to the ARC and the Board.

We conduct a rigorous cyclical risk identification and assessment, along with monitoring and reporting across all aspects of our operations. The steps are as follows:

- At the operational level, key management personnel of the respective business units, who are the risk owners, together with the ERM working Group, identify potential risks.
- An annual risk workshop is held to prioritise the top risks affecting the Group and provide countermeasures for the risks identified. All identified risks are assessed, analysed and prioritised by their level of importance.
- The ERM Working Group outlines a course of action to minimise the impact of these risks and the expected costs relating to the mitigating actions.
- Each prioritised risk is then assigned to its respective Risk Owner, who is responsible for monitoring, controlling and reporting on the status and effectiveness of each risk response action to the ERM Working Group.
- The identified top risks will be presented to the ARC and the Board for review and approval for the adequacy and effectiveness of the Group's risk management and internal control.

THE GROUP MANAGES THE MATERIAL ISSUES WITH CODE OF ETHICS AND CONDUCT, WHISTLEBLOWING POLICY AND ERM FRAMEWORK

Our Initiatives

KPMG, our ERM Consultant, assists in refreshing the Group's risk universe and facilitates workshop with key stakeholders (including the Board, ARC, Management and Heads of Departments) to prioritise key risks, discuss and generate the action plans to minimise the risks.

Shareholders are increasingly looking at ESG factors

WE FOCUS ON HIGH STANDARDS OF BUSINESS INTEGRITY TO ENFORCE OUR ZERO TOLERANCE FOR FRAUD, BRIBERY AND CORRUPTION. ANY BREACH ON ANTI-CORRUPTION AND BRIBERY POLICY SHALL FACE PROMPT DISCIPLINARY ACTIONS REGARDLESS OF ROLE OR STATUS

and business growth to increase value and meet shareholders' expectations. Our sustainability consultant, Environmental Resources Management (ERM) Ltd, assist in the materiality assessment process and develop our sustainability report. The report includes key themes, chapters and case studies addressing the material issues using the GRI sustainability reporting guidelines and aligning with SGX listing requirements. The report serves to communicate ESG factors and business growth to shareholders. We believe that disclosing our sustainability performance will increase our value add and shareholders' satisfaction.

DIGITALISATION AND TECHNOLOGY

Management Approach and Commitment

Adopting digital innovation and technology is crucial for Geo Energy to enhance operational and resource efficiencies. While digitalisation enhances efficiencies, it carries an inherent risk of cyber intrusion and attacks. As a result of COVID-19 and increased reliance on remote working, cybercrimes have increased.

To ensure business continuity, we strive to provide stable and secure access to our internal networks, IT and data systems. We ensure effective risk management for potential disruption to digital systems or services that might affect business continuity.

While we understand the importance of digitalisation and technology especially in the current COVID-19 pandemic, the coal mining industry is however lacking advancement in this area. At Geo Energy, we continue to focus on strengthening our risk management and securing our data systems to ensure business continuity. We believe digitalisation and improved technology will become increasingly important in the coal industry in future.

OUR SUPPLY CHAIN

Supply chain management is vital for Geo Energy's growth and ability to deliver world-class products and services to our customers. We are committed to maintain the highest level of integrity in our dealings with suppliers. We seek to work with suppliers who share our value of integrity, commit and contribute to sustainable development.

We seek to create strong and independent local communities by focus on social, economic and environmental aspects where we operate and create financial conditions to help local communities to improve their standard of living.

Management Approach

Geo Energy has established sound processes and solid governance structures around its procurement activities. We provide guidance on all purchasing activities to prevent all forms of unethical behaviour in our procurement.

Our procurement policies include:

- Selection and assessment of vendors;
- A Local Recruitment and Procurement Plan; and
- Criteria standards and procedures for purchases and payables.

Our goal is to continually create an independent and strong local communities that generate lasting improvements in their standard of living. Going forward, Geo Energy aims to align procurement practices with Human Resources policy and the overarching ESMS, following IFC Performance Standards. We will continue to implement clear processes.

CUSTOMERS RELATIONSHIP MANAGEMENT

Management Approach

We value our customers. We strive to maintain good relationships with our customers by regularly engaging them to understand their views, expectations and perspectives. We share the specifications of our products and any associated risks with our customers. We are committed to understand our customers' needs, improve customer satisfaction, and safeguard customer privacy and end-user data against secondary purposes.

GEO ENERGY HAS ESTABLISHED SOUND PROCESSES AND SOLID GOVERNANCE STRUCTURES AROUND ITS PROCUREMENT ACTIVITIES

Our marketing department and senior management team are responsible for ensuring this value creation. We adopted the following standards:

- Compliance with all relevant regulations; and
- Compliance with Ethical Conduct.

We follow the Stakeholder Engagement process and aim for a two-way connection with our stakeholders, which allows them to provide feedback in term of our operations. We ensure all feedback is handled appropriately.

We are committed to continuously improve our customer relationship management approach.

At Geo Energy, we recognise that customers are at the core of our business strategy to achieve commercial excellence. Strong partnerships with customers bring added value to our business. This is a new materiality issue for 2020. We aim to understand the priorities on ESG set by our customers and safeguard customers' privacy and end-user data against secondary purposes.

OUR EMPLOYEES

Management Approach and Commitment

Human capital is important for Geo Energy. It is the Group's most important resource and is not easily replaceable. Our people are the key to our Group's success. In order to analyse the capabilities and skills of our employees, we have a sound Human Resource Management system in place. Our focus is to recruit and retain diverse talents who can support our vision,

SUSTAINABILITY

WE VALUE OUR CUSTOMERS. WE STRIVE TO MAINTAIN GOOD RELATIONSHIPS WITH OUR CUSTOMERS BY REGULARLY ENGAGING THEM TO UNDERSTAND THEIR VIEWS, EXPECTATIONS AND PERSPECTIVES

mission, and values.

We ensure that all labour relations and human resource procedures align with the best practice standards and applicable regulations. We aim to ensure that we remain competitive regarding our employment practises and ensure that employees complete good quality work. We adopt the following policies:

- Company regulations approved by the Indonesia government for human resource mechanisms;
- Human Resource policy;
- Whistleblowing policy;
- Grievance mechanism policy; and
- Stakeholder engagement policy.

Our human capital management goals and targets are:

- Encourage employees to have a compelling mix of skills, attributes and attitudes;
- Encourage employees to develop their skills in order to function successfully in their roles;
- Ensure equal opportunities in receiving professional development and career progression; and
- Tailor training and education based on roles and responsibilities to make the greatest impacts.

Our People at a Glance

In 2020, 171 out of 191 employees are based in Indonesia, where our mining operations are located, with 20 employees based in our Singapore office. Most of our employees in Indonesia are in non-executive position, which make up 66% of total employees. We have talented young individuals working in Indonesia, with 29% of employees aged less than 30 years old.

HUMAN CAPITAL IS THE GROUP'S MOST IMPORTANT RESOURCE AND IS NOT EASILY REPLACEABLE

Due to the nature of our business, the female-to-male ratio across all our operations is 1:2.6. This can be seen in our mining operations in Indonesia which have 127 males and 44 females. We acknowledge that we can contribute more by encouraging more females to join and stay within the fields of Science, Technology, Engineering and Mathematics (STEM).

We are committed to foster a non-discriminatory workplace environment. Going forward, we want to streamline the communication between executive and non-executive employee levels as we commit to improve our human resources performance.

Talent Attraction and Retention

We always seek talented individuals wherever we operate and provide equal opportunities for all genders based on their qualifications. In 2020, we hired 17 new employees, with females make-up of 24%, and our operations maintained an approximate turnover rate of 10.6% of total employees.

We retain employees by providing competitive remuneration and generous benefits, including disability coverage, healthcare and life insurance, retirement provision, employee share option schemes and performance bonus (dependent on the Company's and individual's performance).

As part of our human resource strategy, we conduct a company-wide engagement survey for our employees to express their opinions and concerns relating to the work conditions. This ensures that we can manage our employees' expectations so that we can manage a sustainable relationship.

Human Capital Development

The development of our employees is fundamental to our business sustainability. In order to maintain and grow the best talent, we provide training and education to our employees. The training and educational opportunities are customised to the employee based on their roles and responsibilities, providing growth in specific areas for the greatest contribution to the Group. All employees have access to professional career development and progression guidance. Performance reviews are conducted regularly to focus on employee's development and achievement of work-related goals.

In 2020, we have provided a total of 1,305 training hours to our employees in Singapore and Indonesia offices, an average of 6.83 hours per employee. Attendees included 19% of senior executives, 71% of executives, and 45% of non-executives.

HEALTH AND SAFETY

Management Approach and Commitment

We understands that health and safety is integral to our business operations. We are committed to create a safe and comfortable working environment. It is our responsibility to maintain a safe workplace and encourage safety behaviour in all workers within our sites, our employees, contractors and communities to minimise any accidents, injuries, and occupational illnesses.

To achieve this goal, we adopted the following policies for all of our mine operations:

- Occupational Safety, Health and Environment (OHSE) Policy
- Environmental, Health and Safety, and Social Management System (EHS&SMS)
- Contractor Health, Safety and Environment (HSE) Evaluation Policy (2018)

Our policy is a guideline that outlines our commitment to protect our employees, contractors and communities and to comply with applicable legislation. Our target is to maintain zero injuries, zero accidents and no or low negative environmental impacts.

The development of our employees is fundamental to our business sustainability

COVID-19 Challenges

We are committed to ensure a healthy and safe operation during this COVID-19 pandemic. We have implemented additional health and safety protocols in line with the World Health Organisation (WHO) guidelines. We have implemented preventive measures, including implementing employees' work rotation/work from home arrangements, virtual meetings and self-isolation arrangements in addition to the preventative actions, maintaining safe social distancing, wearing mask and practicing good personal hygiene. General self-care and hygiene campaigns have also been established, such as making hand sanitizers available at all of our offices and site locations and administration of personal temperature tests for both staff and visitors. We remain committed to these measures to help ensure the health and safety of all employees and contractors.

As at the date of this report, no significant health and safety disruptions were identified from this COVID-19 pandemic.

Health and Safety Compliance and Management System

At a minimum, we comply with all national laws related to health and safety to protect our employees. Our health and safety management programs are based on applicable local laws and regulations. Additionally, we also follow international best practice frameworks such as Occupational health and Safety Assessment (OHSAS) 18000 and other international standards that are applicable to us. Currently, we are adjusting our standards to meet ISO 45001, a best practice standard in occupational health and safety, which will improve our management system and ensure our people are protected.

SUSTAINABILITY

AS PART OF OUR HUMAN RESOURCE STRATEGY, WE CONDUCT A COMPANY-WIDE ENGAGEMENT SURVEY FOR OUR EMPLOYEES TO EXPRESS THEIR OPINIONS AND CONCERNS RELATING TO THE WORK CONDITIONS

Our Environmental, Health and Safety, and Social Management System (EHS&SMS) identifies and evaluates the potential risks, hazards and impacts within our operations, along with the corresponding controls and mitigation measures required. It sets out the health and safety management plans, procedures and provisions on monitoring review. We developed the EHS&SMS based on relevant national regulations, international financing standards such as International Finance Corporations ("IFC"), Performance Standards ("PS") and international standards for management systems: OHSAS 18001:2007 (Occupational Health and Safety Assessment Series). We follow internal standard operating procedure, SOP-008-HSE-2017, to report any hazards. Our employees perform their work in accordance with the Job Safety Analysis ("JSA").

As part of the implementation of EHS&SMS, we are committed to conduct monitoring and reviewing processes to maintain our performance and effectiveness management system in accordance with the Plan-Do-Check-Act ("PDCA") model.

Occupational Health and Safety Programmes

Our health and safety programs are established to increase awareness and the overall safety culture within our operations. The programs aim to prevent accidents by minimising the occurrence of unsafe conditions and unsafe actions.

We provide health insurance to our workers using state-led scheme through Badan Penyelenggara Jaminan Sosial (BPJS) and Mandiri health services. This includes annual medical check-up and follow up treatments. We provide medical and emergency equipment at our offices and mine sites area.

The Group also holds safety talks, coordination meetings and daily meetings to promote health and safety. Together with our mining contractor, we provide medical consultation and knowledge on health and safety, especially fatigue management to our workers and their families.

Contractor Health, Safety and Environment (HSE) Management System

BUMA, our business partner and mining contractor, works with us on our employees' safety. Contractor management system plays an important role given the number of employees working at our mining sites, which is around 3,000 workers.

Our Contractor HSE Evaluation Policy (2018) enable us to supervise, monitor, oversee and manage our contractor's selection process and to evaluate the existing contractors appointed in terms of HSE requirements.

In addition to the Contractor HSE Evaluation Policy (2018), BUMA has developed robust policies and programs that enhance our health and safety management system, such as Joint Observation Safety Health and Environment (JOSHE), Zero Incident Awareness Programme (ZIAP), and a daily five-minute safety meeting before the start of operations (P5M). BUMA also applies the international standards - ISO 45001:2018 and complies with Indonesian regulations - Permen ESDM 26/2018 & Kepmen 1827/2018. There is also a HIRADC procedure in place for work-related hazards and a JSA procedure for non-daily routine activities.

WE ARE COMMITTED TO CREATE A SAFE AND COMFORTABLE WORKING ENVIRONMENT, AND TARGET TO MAINTAIN ZERO INJURIES, ZERO ACCIDENTS AND NO OR LOW NEGATIVE ENVIRONMENTAL IMPACTS

Operational Health and Safety Performance

Monitoring our health and safety performance is a key factor to evaluate that our health and safety programs are well implemented. Through our high commitment and health and safety programs, we are proud to achieve zero fatalities and work-related injuries from about 3 million hours of work at the SDJ mine and about 4 million hours at the TBR mine in 2020. We are grateful that no occupational illnesses occurred during the reporting period.

Internal Safety Training

Internal safety training sessions are often organised to enhance the mine area's safety culture. Topics include basic occupational health and safety, first aid, housekeeping, working at heights, fire prevention and working near water. The internal training is carried out based on Training Need Analysis according to each worker's position and exposure to potential hazards. A minimum pass test score of 80% is necessary to ensure proper understanding of the training material.

In 2020, we conducted at least six training sessions, namely hazard identification and risk assessment, mining safety basics, occupational health fundamentals, environmental fundamentals, accident investigation techniques and work on the water surface. Additionally, BUMA also gives periodic refreshers on emergency training and special training to those who work in high-risk area.

Evaluation of Management Approach

Our safety performance achievement is an effort made together with BUMA to achieve zero injuries, zero accidents and no or low negative environmental impacts. We regularly monitor and measure our program's effectiveness and continually make improvements. There are daily safety patrols being performed to check on the mining environment and ensure the working area is safe.

We aim to increase employee engagement with safe work procedures and our HSE rules.

HUMAN RIGHTS AND COMMUNITY RELATIONS

Management Approach and Commitment

We uphold strong human rights practices in our operations and supply chain. We respect our employees, mine site workers regardless of their status, and value our relationship with the communities where we operate. To achieve this goal, we aim to align our policies with human rights conventions such as the United Nations Guiding Principles on Business and Human Rights and the International Labour Organization (ILO) Conventions.

Mirroring our strong commitment to our stakeholder in creating long-term sustainable value, we are highly committed to create a positive and lasting impact to the community where we operate. We believe that strong relationships are built on trust and respect, as such obtaining and maintaining community support and social license to operate is key for our continued success. Proactive approach toward community needs is always our focus in running our business.

Stakeholder Engagement and Community Relations

Our stakeholder engagement process is initiated by identifying and mapping relevant parties to form the foundation of our plans and strategies for engagement activities. We utilise various tools to engage with our stakeholders such as websites, presentations, and interviews.

Our engagement process goes beyond information sharing and consultation to provide an opportunity for participation, negotiation and understanding of partnerships. The two-way approach means that stakeholders can provide feedbacks through communication channels and ensure all feedback is recorded and handled appropriately.

Our Stakeholder Engagement Plan ("SEP") provides guidance for consultation and information disclosure with all our stakeholders. We developed a grievance mechanism process for affected stakeholders to raise their concerns associated with our operations. This process is designed to provide effective engagement and disclosure program. We regularly monitor our grievance redress to identify areas of improvement for better engagement and support for our affected stakeholders.

SUPPORTING COMMUNITY WELL-BEING

Management Approach and Commitment

We are highly committed to create a positive and lasting impact on the communities where we operate. Our focus is always a proactive approach toward community needs when running our business. We believe trust and respect are the foundation for strong relationships. We continue our efforts in community development to improve livelihoods and raise the living standards of local communities. During this pandemic, we provide financial assistance to help those in need and medical aids and supplies to prevent the spread of COVID-19 in Indonesia and Singapore.

Our goals and targets remain the same ie. to improve the livelihood of the communities and to raise the overall living standards of local communities.

Supporting Community Livelihoods

In all our community activities, we strive to support community involvement in our operation area. We support community development through programs of employment, business opportunities, training and capacity building. It is within our effort to improve the livelihood and raise the living standards of the local communities. Our local corporate social responsibility ("CSR") teams frequently engage with the village heads and local government authorities on what we can do to assist in collaborative manner. Regular meetings are held with representatives from surrounding villages to discuss progress and implementation of community assistance plans, CSR program and address any issues, concerns or complaints arisen.

We engage and support local communities through beneficial social investment program. Our approach for the programmes is by conducting Social Mapping to every operations that are in line with the Musyawarah Rencana Pembangunan/Deliberation on Development Plans in the area. It is our pleasure to support the needs of the villages, where we provided approximately US$400,000 to contribute to the welfare of the communities in seven villages located around our mining operations.

Community Development Programmes

Our community development programmes conducted in 2020:

Singapore

- 3rd year of sponsorship and donation to the Run for Hope organised by the National Cancer Centre Singapore ("NCCS") to raise much-needed awareness and support for cancer research.
- Bursary scholarships for university students through our partnership with the Singapore Institute of Technology ("SIT").
- Participated in and donated to the Bluestar 2020 Virtual Charity Walk to raise awareness and crucial funds for the Red Cross Home for the Disabled ("RCHD").
- Donation in the fundraising campaign by SIT to provide some urgent relief to the undergraduates impacted by the COVID-19 pandemic.
- Donation for the Community Development and Welfare Fund ("CDWF") to support community bonding programmes and welfare assistance for needy residents.

Indonesia

- Constructed a bridge between Karang Indah and Banjarsari villages to improve the communities' economy and welfare.
- Built school headmaster's room to provide a more appropriate workspace.
- Built classrooms (for 30 students) in Mekar Jaya village to improve children's learning activities and increase student admissions.

SUSTAINABILITY

WE BELIEVE THAT STRONG RELATIONSHIPS ARE BUILT ON TRUST AND RESPECT, AS SUCH OBTAINING AND MAINTAINING COMMUNITY SUPPORT AND SOCIAL LICENSE TO OPERATE IS KEY FOR OUR CONTINUED SUCCESS

- Widened the bridge at Bayansari village for the safety and convenience of road users.
- Constructed a mosque at Makmur and Bunati villages.
- Built a community hall at Banjasari village to provide a meeting space between the government and the residents at the village.
- Provided social security assistance for non-wage workers as a compensation for vulnerable workers to receive social security in the form of death insurance and work accident insurance for a period of 12 months.
- Conducted an Economy Training Programme at Makmur village to improve the residents' knowledge of economic perspectives and chicken farming training.
- Built fences in Bunati village to prevent communities' livestock from entering the mosque area.
- Donated for the flood victims in Tanah Bumbu, South Kalimantan.
- Constructed market stalls at Banjarsari and Purwodadi villages.
- Developed a pre-school (PAUD) at Mekar Jaya village.

ENVIRONMENTAL MANAGEMENT

Management Approach and Commitment

At Geo Energy, we are committed to minimise environmental risks and uphold high environmental standards wherever we operate. We always seek to manage our environmental footprints by employing best environmental management practices. As a resource-based company, we realise that we have considerable environmental impacts and that it is imperative for us to carefully manage these impacts.

We implement an integrated environmental management system to manage complex environmental issues – from water and waste, to energy and climate change, and to ensure efficient resource use. Our approach is based on ISO 14001:2015 for Environmental Management Systems (EMS), and we are ISO 14001:2015 certified. Our certification shows our dedication to upholding the best international standards.

We aim to conserve, restore and sustainably manage biodiversity and ecosystems. We strive to ensure strong environmental stewardship. We always focus on avoiding and preventing negative impacts, and we employ water and wastewater management based on best management standards and relevant water quality regulations.

WE UPHOLD STRONG HUMAN RIGHTS PRACTICES IN OUR OPERATIONS AND SUPPLY CHAIN, WE RESPECT OUR EMPLOYEES AND MINE SITE WORKERS REGARDLESS OF THEIR STATUS

Environmental and Regulatory Compliance

We are committed to comply with all applicable environmental laws and regulations. We are proud to say that we have zero cases of non-compliance with environmental laws and regulations in 2020, and we will always be committed to uphold this high standard in all our assets.

Biodiversity

Management Approach and Commitment

As a resource-based company, it is crucial that we and our mining contractor understand the impacts on biodiversity, and it is imperative for us to manage our ecological footprint across our mining areas. We believe that managing biodiversity impacts not only benefits the ecosystem we operate in but also reduces our business risks and enhances the Company's commercial activities.

In addition to our ISO 14001:2015 certified EMS and overarching ESMS across all assets, the following approach is adopted across our operations to manage biodiversity impacts:

- Avoid selecting assets located at or near areas of high biodiversity value; and
- Mitigate and remediate environmental and ecological impacts where impacts are unavoidable.

We continue to achieve the following goals and targets:

- Avoid and prevent negative ecological impacts by considering potential impacts when selecting mining sites;
- Maximise mitigation and remediation of environmental and ecological impacts, when impacts are unavoidable; and
- Preserve good stakeholder relationships and implement environmental stewardship principles.

Avoiding and Preventing Impact on Biodiversity through Asset Selection

Our assets do not reside in nor are situated near protected areas or areas of high biodiversity value. They are located in plantation areas, where there are minimal impact on biodiversity. Nonetheless, we recognise that the nature of our operations will cause some negative impacts on biodiversity. With unavoidable negative impacts, we optimise our mitigating and remediating efforts to minimise the impact to as low as practicable.

Mitigating and Remediating Environmental and Ecological Impacts that are Unavoidable through Land Reclamation and Rehabilitation

We believe that a strategic approach to post mining reclamation is the cornerstone to good environmental management in our industry. Our coal reserves are located underneath a previous palm oil plantation where we have agreed with the landowner to borrow, use, and return the land once mining activities are completed. This means that every time we initiate mining activities, we excavate and store the topsoil for land reclamation purposes. We are fortunate that due to previous land use activities, the impacts of our operations to local biodiversity is kept at a minimum.

Together with BUMA, we employ industry standard approach in land reclamation by preserving materials above the coal seam or ore body. Once a mining activity is completed, we return the preserved materials and rehabilitate the landscape by spreading topsoil and cover crop to improve soil quality and reduce soil erosion.
In 2020, the total land reclamation for SDJ (87 ha) and TBR (49 ha) is approximately 136 ha, an increase of 44.6% total land reclaimed from previous year. As part of our land reclamation plan, we proactively reclaim and rehabilitate land once an operation in particular area has finished. In this way, we can minimise and mitigate our impacts swiftly.

WATER AND EFFLUENTS

Management Approach and Commitment

Geo Energy is committed to protect and preserve shared water resources. Our operations employ water and wastewater management based on best management standards and applicable water quality regulations. Measuring, monitoring, and evaluating water quality is a part of our standard procedure to ensure that every wastewater discharge complies with applicable water quality standards. All our operations source its water from municipal suppliers and a wellbore in our operation area.

We carefully manage and minimise our impact to water in the areas we operate through stringent management processes. Our integrated management approach ensures efficient water usage, sound treatment of wastewater and proper management of risks to the environment and public health.

We conduct daily and monthly monitoring for our effluent water and apply treatment to ensure its water quality are up to standards before discharge. Our treatment process involves the removal of hazardous pollutants, normalisation of pH, and required treatments as per applicable water quality regulations at our settling pond before release. In 2020, 67,078 m^3 of water has been discharged and over 90% of water discharged to surface water sources was categorized as freshwater (≤1,000 mg/L Total Dissolved Solids). There were no significant

water related impacts to communities and there was no incidents of non-compliance regarding the discharge limits.

Going forward, we will continue to implement our management system to ensure we minimise our impacts to water resources. Our daily and monthly water quality measurements help us monitor our progress.

WASTE MANAGEMENT

Management Approach and Commitment

Our mining operations deal with many forms of waste in daily basis from liquid to solid waste. Our operations strictly implement an international guideline on waste management, in addition to compliance with applicable local regulations. The Material Safety Data Sheet ("MSDS") is the foundation of our waste management and streamline the processes in handling and storing the waste of our production by-products. The handling and disposal of all our waste are managed by an approved waste management contractor where they have strict adherence to industry standards and local environmental regulation. We ensure that our

SUSTAINABILITY

WE ARE COMMITTED TO CONTINUOUSLY UPHOLD THE INTERNATIONAL GUIDELINE ON WASTE MANAGEMENT FOR INTERNAL OPERATIONS, COMPLY WITH ALL APPLICABLE LOCAL REGULATIONS

employees are fully trained, with suitable personal protective equipment ("PPE") being provided to handle and manage hazardous and non-hazardous waste.

We are committed to continuously uphold the international guideline on waste management for internal operations, comply with all applicable local regulations, and further improve the waste management processes through MSDS.

In 2020, 584.74 tonnes of hazardous and non-hazardous waste were generated from SDJ and TBR, 21.9% less than the previous year.

HAZARDOUS WASTE

Hazardous waste includes waste coal, coal gangue, anthracite culm and coal tailings. In 2020, we have increase slightly by 5.9% (426 tonnes) of hazardous waste compared with the previous year given the increase in production in 2020. Together with our mining contractor, we have implemented a policy to minimise the hazardous waste from our production.

NON-HAZARDOUS WASTE

Non-hazardous waste includes domestic waste, including paper, rubber, glass, wood, kitchen waste, and rubber. In 2020, a total of 158.74 tonnes of non-hazardous waste have been generated, a 39.3% decrease from the previous year. Together with our mining contractor, we have also implemented a policy to minimise the non-hazardous waste from our production.

ENERGY AND CLIMATE CHANGE

Management Approach and Commitment

Climate change is a global phenomenon and is one of the most pressing challenges we face today. Apart from physical risks such as increased extreme weather events, transition risks driven by policy and regulatory changes, market and technology disruptions and reputational concerns are increasing as the global economy shifts towards a low carbon and green economy.

At Geo Energy, we recognise that our business is energy intensive and emits greenhouse gas ("GHG"). We always committed to manage these impacts through best practice EMS approach and take operational initiatives where possible. As such, our focus is to always minimise these impacts through best practice approach and complying with applicable environmental regulations.

ENERGY PERFORMANCE

We always monitor our energy consumption, which includes fuel sources used to power our mobile and operational equipment. We also regularly monitor our electricity consumption and fuel gas used for our supporting facilities. Our operations employ energy efficiency measures such as reducing lighting and air conditioner usage when not in used and utilising energy efficient equipment for our supporting facilities. Energy conservation campaigns to improve awareness by reducing fuel consumption for mobile equipment are conducted yearly.

In 2020, there is an increase of 10.7% (1,642.75 TJ) of the total non-renewable energy fuel consumed at our SDJ and TBR mine. We have increased our coal production in 2020 and due to COVID-19 pandemic, most of our workers were resided at the mine site area to avoid human-to-human transmission to limit the spread of the virus. As such, more energy was consumed.

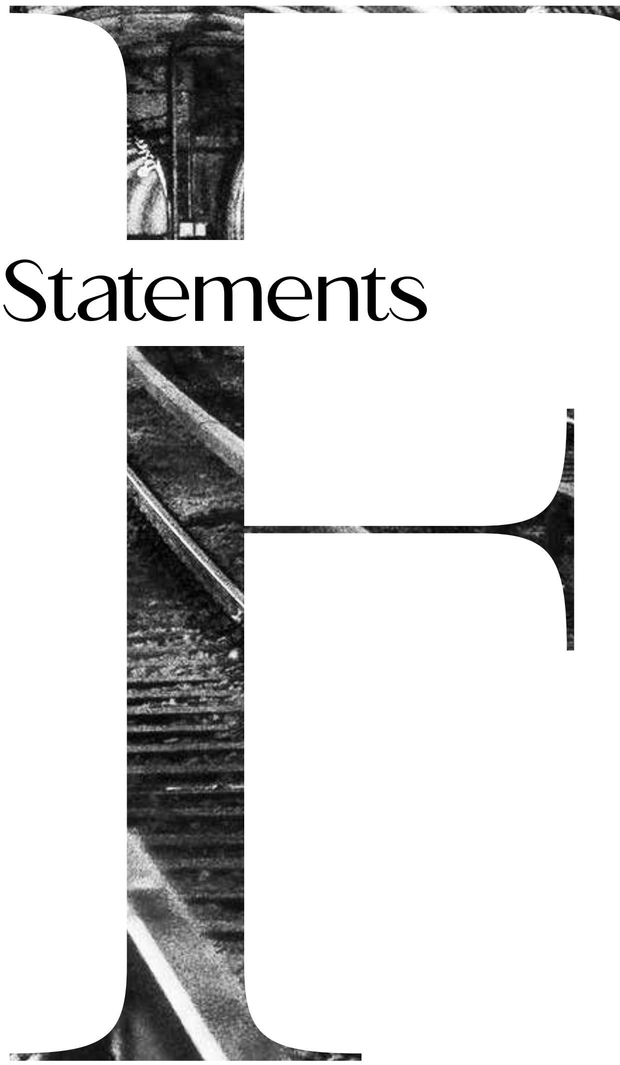
GREENHOUSE GAS EMISSIONS PERFORMANCE

Our GHG inventory includes scope 1 and scope 2 emissions. Our fuel (diesel and LPG) usage and electricity usage are consolidated on an annual basis.

Scope 1 GHG emissions cover direct emissions from owned or controlled sources, including diesel-fuel consumption and the small amount of fuel gas used in supporting facilities. Scope 2 GHG emissions cover indirect emissions from the generation of purchased electricity, steam, heating and cooling. Scope 2 emissions are calculated based on electricity purchased from the national grid for site offices. Emission factors of all sources are considered based on the best measurement practice (CDP Technical Note: Conversion of fuel data to MWh 2019; GHG Protocol Emission Factors from Cross-Sector Tools 2017; Indonesia National Grid 2016 Data from Ministry of Energy and Mineral Resources).

Scope 1 and Scope 2 GHG emissions from SDJ and TBR mines have increased significantly compared to the previous year was due to higher production in 2020 and residing of our workers at mine site to avoid the spread of virus. We will continue our efforts in reducing our electricity consumptions by implementing more energy efficient equipment at our site office.

78 Directors' Statement
81 Independent Auditor's Report
86 Statements of Financial Position
87 Consolidated Statement of Profit or Loss and Other Comprehensive Income
88 Statements of Changes in Equity
90 Consolidated Statement of Cash Flows
92 Notes to Financial Statements



Financial Statements

DIRECTORS' STATEMENT

The directors present their statement together with the audited consolidated financial statements of Geo Energy Resources Limited (the "Company") and its subsidiaries (collectively, the "Group") and statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2020.

In the opinion of the directors, the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 86 to 132 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2020, and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

1 DIRECTORS

The directors of the Company in office at the date of this statement are:

Charles Antonny Melati
Tung Kum Hon
Dhamma Surya
Soh Chun Bin
Ong Beng Chye
Lu King Seng
James Beeland Rogers Jr

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the Company holding office at the end of the financial year had no interests in the share capital, share options, warrants and debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act except as follows:

Name of directors and companies in which interests are held	Shareholdings registered in name of directors		Shareholdings in which directors are deemed to have an interest	
	At beginning of year	At end of year	At beginning of year	At end of year
Ordinary shares of the Company				
Charles Antonny Melati [(a)]	293,345,406	293,345,406	-	-
Tung Kum Hon [(b)]	10,000,000	10,000,000	-	-
Dhamma Surya [(a)]	57,159,453	57,159,453	-	-
Ong Beng Chye	400,000	400,000	-	-
Lu King Seng	300,000	300,000	-	-
James Beeland Rogers Jr [(a)]	3,400,000	3,400,000	2,000,000	2,000,000

(a) Charles Antonny Melati ("CAM") and James Beeland Rogers Jr ("JR") entered into an agreement dated 3 January 2013 to grant JR, on the day after the expiry of CAM's one-year share moratorium (given in connection with the Company's initial public offering) a call option over 2,000,000 shares of the Company (owned or to be owned by CAM). The call option's exercise price is S$0.35 per share, with exercise period of 10 years, commencing 1 January 2015. The call option is exercisable in whole or in part and subject to conditions precedent. The number of shares under the call option is subject to adjustment provisions. Dhamma Surya has provided an undertaking, guaranteeing the obligations of CAM under the aforesaid agreement to grant a call option to JR over 2,000,000 shares.

(b) On 13 January 2017, Master Resources International Limited ("Master Resources") entered into an agreement with Tung Kum Hon for the transfer of 10,000,000 ordinary shares of the Company held by it for a consideration of S$1.00.

The directors' interests in the shares of the Company at 21 January 2021 were the same as at 31 December 2020.

4 SHARE OPTIONS

Warrants

On 19 November 2018, the Company issued to Macquarie Bank Limited 74,000,000 non-listed, transferable, free warrants exercisable within two years from the date of issue with each warrant carrying the right to subscribe for one ordinary share in the Company at an exercise price of S$0.33 per ordinary share. No warrants were exercised as at 31 December 2020 and the warrants have since expired.

DIRECTORS' STATEMENT

Share Incentive Schemes

The Geo Energy Share Option Scheme (the "Share Option Scheme") and the Geo Energy Performance Share Plan (collectively, the "Schemes") were approved and adopted by the shareholders of the Company at the Extraordinary General Meeting held on 23 April 2018.

The Schemes are administered by the Remuneration Committee in accordance with their terms. The members of the Remuneration Committee are:

Lu King Seng (Chairman)
Ong Beng Chye
Soh Chun Bin

The Schemes shall remain in force for a maximum period of 10 years unless extended with the approval of the shareholders of the Company.

The aggregate number of shares issued or issuable under the two Schemes shall not exceed 15% of the total number of issued shares in the Company (excluding treasury shares, if any) from time to time.

Controlling shareholders of the Company and their associates are not eligible to participate in the Schemes.

Subject to the rules of the Share Option Scheme (the "Rules"), options granted under the Share Option Scheme shall be exercisable as follows:

(a) in the case of options exercisable at a price equal to the average of the last dealt prices for the shares of the Company on The Singapore Exchange Securities Trading Limited over the five consecutive market days immediately preceding the date of offer of the options (the "Market Price"), a period commencing after the first anniversary of the date of offer and expiring on the tenth anniversary of the date of offer; and

(b) in the case of options exercisable at a discount to the Market Price (subject to a maximum discount of 20% of the Market Price), a period commencing after the second anniversary of the date of offer and expiring on the tenth anniversary of the date of offer,

provided that options shall be exercised, in the case where the options are granted to employees of the Company and its subsidiaries, before the end of ten years from the date of offer or in the case where the options are granted to non-executive directors of the Company and employees of any associated company, before the end of five years from the date of offer.

On 11 January 2019, the Company granted an aggregate 24,850,000 share options to eligible directors and selected employees of the Company and its subsidiaries pursuant to the Share Option Scheme at an exercise price of S$0.19 per share. The grant of such options and the exercise thereof are subject to the Rules. In 2019, 1,750,000 share options granted were forfeited as the option holders ceased to be full-time employees of the Company. No employee of the Company and its subsidiaries has received 5% or more of the total options available under the Share Option Scheme. No options have been granted at a discount.

The information on directors of the Company participating in the Schemes is as follows:

	At beginning of financial year	Options granted during the financial year	At end of financial year
Tung Kum Hon	2,000,000	-	2,000,000
Dhamma Surya	1,500,000	-	1,500,000
Soh Chun Bin	1,500,000	-	1,500,000
Ong Beng Chye	1,500,000	-	1,500,000
Lu King Seng	1,500,000	-	1,500,000
James Beeland Rogers Jr	1,500,000	-	1,500,000
	9,500,000	-	9,500,000

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

5 AUDIT AND RISK COMMITTEE

The members of the audit and risk committee of the Company (the "Audit and Risk Committee") as at the date of this statement are:

Ong Beng Chye (Chairman of the Audit and Risk Committee and Independent Director)
Soh Chun Bin (Lead Independent Director)
Lu King Seng (Independent Director)

The Audit and Risk Committee carries out the functions specified in section 201B (5) of the Singapore Companies Act. The main functions of the Audit and Risk Committee includes the following:

(i) review the annual consolidated financial statements and the external auditors' report on those financial statements, and discuss any significant adjustments, major risk areas, changes in accounting policies, compliance with Financial Reporting Standards in Singapore, concerns and issues arising from their audits, including any matters which the auditors may wish to discuss in the absence of management, where necessary, before submission to the board of directors (the "Board") for approval;

(ii) review the periodic consolidated financial statements comprising the statements of comprehensive income and statements of financial position and such other information required by the Singapore Exchange Securities Trading Limited Listing Manual (the "SGX-ST Listing Manual"), before submission to the Board for approval;

DIRECTORS' STATEMENT

(iii) make recommendations to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the external auditors, and approve the remuneration and terms of engagement of the external auditors;

(iv) review any interested person transactions falling within the scope of Chapter 9 of the SGX-ST Listing Manual;

(v) review any potential conflicts of interest;

(vi) review the policy and arrangements by which employees of the Group and any other persons may, in confidence, raise concern to the Chairman of the Audit and Risk Committee about possible improprieties in matters of financial reporting or other matters and ensure that there are arrangements in place for such concerns to be raised and independently investigated, and for appropriate follow-up action to be taken. To disclose the existence of a whistle-blowing policy in the Annual Report and disseminate the procedures and channel for raising such concerns;

(vii) undertake such other reviews and projects as may be requested by the Board, and report to the Board its findings from time to time on matters arising and requiring the attention of the Audit and Risk Committee;

(viii) review and recommend hedging policies and instruments, if any, to be implemented by the Company to the Board;

(ix) enquire the status of the existing Qualifying Assets (as defined in the Company's prospectus dated 10 October 2012 (the "Prospectus")) and determine if any of the Qualifying Assets should be removed from the QA List (as defined in the Prospectus);

(x) review and approve the Promoter Interest Register (as defined in the Prospectus); and

(xi) undertake generally such other functions and duties as may be required by law or the SGX-ST Listing Manual, and by such amendments made thereto from time to time.

The Audit and Risk Committee has recommended to the directors that Deloitte & Touche LLP be nominated for re-appointment as external auditors of the Group at the forthcoming annual general meeting of the Company.

6 AUDITORS

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

ON BEHALF OF THE DIRECTORS

Charles Antonny Melati

Tung Kum Hon

30 March 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GEO ENERGY RESOURCES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Geo Energy Resources Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2020, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies, as set out on pages 86 to 132.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act"), Singapore Financial Reporting Standards (International) ("SFRS(I)s") and International Financial Reporting Standards ("IFRSs") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2020 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). 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 Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How the matter was addressed in the audit
Appropriateness of carrying amounts of mining properties and deferred stripping costs	
As at 31 December 2020, the net carrying value of the Group's mining properties (Note 13) and deferred stripping costs (Note 12) of US$135,099,782 and US$53,928,081 respectively, represented 83.8% of total non-current assets and 50.8% of total assets in the Group's statement of financial position. Due to the volatility in coal prices, there is a risk that the recoverable amounts of the mining properties and deferred stripping costs are lower than the carrying amounts, resulting in potential impairment to be recognised.	Our audit procedures on the assessment of recoverable amounts of the mining properties and deferred stripping costs was led by the Group audit team, supplemented by specific procedures by the component auditor, which included, among others: • We evaluated the design and implementation of management's controls over the impairment assessment process, including the identification of indicators of impairment, determination of cash generating units ("CGU") and estimation of recoverable amounts for each CGU. • We assessed the competency, reputation and objectivity of the independent qualified person appointed by the Group in providing the Reports and considered the appropriateness of the valuation methodology used.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GEO ENERGY RESOURCES LIMITED

Key audit matters	How the matter was addressed in the audit
Management has obtained the Resource and Reserve reports and Exploration Target report (the "Reports") for all mines held by the Group which give an indication of the reserve volumes used in the value in use calculations. These Reports are issued by an independent qualified person in accordance with The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Using the above Reports, management's assessment of the recoverable amounts of the mining properties and deferred stripping costs, determined based on the value in use calculations of the underlying mines, is a judgmental process which requires the estimation of the forecasted coal prices, projected production volumes and discount rates. Inappropriate management estimates made in the impairment assessment may result in a significant impact on the carrying amounts of the mining properties and deferred stripping costs. The Group has made disclosures on the above critical judgement and key sources of estimation uncertainty in Notes 3(i) and 3(f) to the financial statements respectively.	• We obtained the Reports issued by an independent qualified person appointed by the Group and based on the Reports, assessed if there is any unexpected reduction in reserve volumes used in the value in use calculations. • We obtained and challenged the assumptions used in the value in use calculations of the underlying coal mines (forecasted coal prices, projected production volumes and discount rates) and evaluated the reasonableness of these assumptions by comparing them to available industry, economic and financial data. • We engaged our internal valuation specialist to review the appropriateness of the discount rates used by management in the value in use calculations. • We reviewed management's budget process by comparing the actual financial performance against previously forecasted results. • We performed independent sensitivity analysis in regards to the discount rates and forecasted coal prices as these are the significant key assumptions in the value in use calculations. • We assessed the adequacy and appropriateness of the disclosures made in the financial statements.
Fair value of trade and other receivables under Cooperation Agreement measured at fair value through profit or loss ("FVTPL") [Note 8(b)]	
As at 31 December 2020, the fair value of trade and other receivables under Cooperation Agreement measured at FVTPL is estimated to be US$6,380,457 with a fair value loss of US$5,189,099 recognised in profit or loss during the year.	Our audit procedures on the fair value of trade and other receivables under the Cooperation Agreement was led by the Group audit team, supplemented by specific procedures performed by the component auditor, which included, among others: • We evaluated the design and implementation of management's controls over the assessment of the fair value of trade and other receivables under Cooperation Agreement.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GEO ENERGY RESOURCES LIMITED

Key audit matters	How the matter was addressed in the audit
In January 2018, the Group entered into a Cooperation Agreement with certain debtors' related corporations and a third party (the "Vendors") and a common controlling shareholder of the Vendors to conduct joint mining activities on the underlying coal mines owned by the Vendors' related corporations. The joint mining activities was expected to commence after the completion of due diligence on the economical and technical feasibility of the underlying coal mines. Based on the Cooperation Agreement, a portion of the cash profit from the sale of coal shall be used by the Vendors to settle the outstanding trade and other receivables. Accordingly, the fair value of trade and other receivables under Cooperation Agreement is dependent on the value in use of the underlying coal mines under the Cooperation Agreement. This is a key audit matter as the determination of the underlying coal mines' value in use, which affects the fair value of the trade and receivables, involves significant judgment and management's estimates on forecasted coal prices and discount rate. The Group has made disclosures on the key sources of estimation uncertainty and fair value measurement of trade and other receivables under Cooperation Agreement in Note 3(d) and Note 4(c)(vi) to the financial statements.	• We performed the following procedures to assess the reasonableness of management's estimation of the value in use of the underlying coal mines under the Cooperation Agreement: - Inquired management for agreements, if any, subsequent to the Cooperation Agreement signed in January 2018, amendment to Cooperation Agreement and the Master Agreement signed in September 2019. - Obtained and reviewed management's internal due diligence on the ownership, economical and technical feasibility of the underlying coal mines and the approved production quota for 2021. - Obtained and challenged the key assumptions used in the value in use calculations of the underlying coal mines (forecasted coal prices and discount rate) and evaluated the reasonableness of these assumptions by comparing them to available industry, economic and financial data. - Engaged our internal valuation specialist to review the appropriateness of the discount rate used by management. - Performed independent sensitivity analysis in regards to the discount rate and forecasted coal prices. • We assessed the adequacy and appropriateness of the disclosures made in the financial statements.
Recoverability of receivables arising from advance payments for coal purchase and deposit paid for acquisition of business [Note 8(a)] As at 31 December 2020, the Group has credit-impaired financial assets amounting to US$29,174,012 in which an allowance of expected credit loss ("ECL") of US$13,848,393 was made during the year.	Our audit procedures on the recoverability of receivables arising from advance payments for coal purchase and deposit paid for acquisition of business focused on: • The application of forward-looking economic scenarios used in the ECL model and the related probability of occurrence under different economic scenarios.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GEO ENERGY RESOURCES LIMITED

Key audit matters	How the matter was addressed in the audit
The receivables became credit-impaired during the year following the failure to deliver the coal by the third party coal mine owner (the "coal mine owner"), the failure to refund the deposit for acquisition of business that did not materialise and the financial difficulties of the coal mine owner observed by management based on information available to the Group. In determining the ECL for credit-impaired receivables, management takes into account the probability-weighted amount that is determined by evaluating a range of possible future outcomes, the time value for money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. This is a key audit matter as the determination of ECL on the receivables requires significant management judgement and is subject to a high level of estimation uncertainty. The Group has made disclosures on the key sources of estimation uncertainty in Note 3(c) to the financial statements.	• The appropriateness of management's basis and key assumptions applied in the ECL calculation, including the expected net future cash flows, expected recovery time and discount rate used. Our audit procedures include the following: • Obtained and reviewed the coal purchase contracts, prepayment contracts and the conditional sale and purchase agreement for acquisition of business. • Assessed management's judgements in determining the forward-looking economic scenarios and the related probability of occurrence used in the ECL model. • Evaluated the appropriateness of the basis and key assumptions used by management in assessing the ECL, including the expected net future cash flows, the expected recovery time and the discount rate used. • Performed independent sensitivity analysis on the key assumptions used in determining the ECL. • Assessed the adequacy and appropriateness of the disclosures made in the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. 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.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, SFRS(I)s and IFRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GEO ENERGY RESOURCES 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 SSAs 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.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner responsible for the audit resulting in this independent auditor's report is Ronny Chandra.

Deloitte & Touche LLP

Public Accountants and
Chartered Accountants
Singapore

30 March 2021

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2020

		Group		Company	
	Note	2020 US$	2019 US$	2020 US$	2019 US$
ASSETS					
Current assets					
Cash and bank balances	7	**52,662,193**	138,996,173	**17,558,432**	10,150,757
Trade and other receivables	8	**53,046,383**	26,809,630	**28,023,984**	49,009,479
Deposits and prepayments	9	**20,105,463**	57,204,960	**147,056**	196,287
Inventory	10	**20,769,393**	12,232,738	**-**	-
Total current assets		**146,583,432**	235,243,501	**45,729,472**	59,356,523
Non-current assets					
Trade and other receivables measured at fair value through profit or loss	8	**6,380,457**	11,013,697	**-**	3,140,278
Restricted cash deposits	7(d)	**4,968,196**	4,288,088	**-**	-
Deposits and prepayments	9	**18,881,759**	23,282,989	**105,218**	105,397
Investment in subsidiaries	11	**-**	-	**178,745,819**	178,745,819
Deferred stripping costs	12	**53,928,081**	61,257,435	**-**	-
Property, plant and equipment	13	**137,573,184**	152,856,916	**15,448**	30,523
Right-of-use assets	14	**755,357**	1,248,349	**577,304**	961,750
Deferred tax assets	21	**2,891,849**	1,971,539	**339,766**	362,284
Other non-current asset	15	**153,698**	153,698	**153,698**	153,698
Total non-current assets		**225,532,581**	256,072,711	**179,937,253**	183,499,749
Total assets		**372,116,013**	491,316,212	**225,666,725**	242,856,272
LIABILITIES AND EQUITY					
Current liabilities					
Trade and other payables	16	**79,236,212**	81,245,997	**52,395,309**	140,041,499
Current portion of lease liabilities	17	**404,280**	458,951	**391,518**	392,672
Financial guarantee liability		**-**	-	**771,771**	1,580,855
Income tax payable		**-**	970,700	**-**	-
Total current liabilities		**79,640,492**	82,675,648	**53,558,598**	142,015,026
Non-current liabilities					
Trade and other payables	16	**1,743,503**	1,939,667	**-**	-
Lease liabilities	17	**166,845**	571,312	**166,845**	558,362
Notes payable	18	**58,760,656**	277,292,469	**-**	-
Provisions	20	**2,612,852**	2,245,975	**113,890**	109,747
Financial guarantee liability		**-**	-	**585,700**	2,772,976
Deferred tax liabilities	21	**10,545,697**	3,309,309	**-**	-
Total non-current liabilities		**73,829,553**	285,358,732	**866,435**	3,441,085
Capital, reserves and non-controlling interests					
Share capital	22	**106,513,187**	106,513,187	**106,513,187**	106,513,187
Capital and other reserves	23	**3,081,094**	2,829,180	**5,327,150**	5,075,236
Translation reserve	24	**5,000,555**	5,131,676	**4,464,506**	4,464,506
Retained earnings (Accumulated losses)		**103,867,477**	8,864,033	**54,936,849**	(18,652,768)
Equity attributable to owners of the Company		**218,462,313**	123,338,076	**171,241,692**	97,400,161
Non-controlling interests		**183,655**	(56,244)	**-**	-
Total equity		**218,645,968**	123,281,832	**171,241,692**	97,400,161
Total liabilities and equity		**372,116,013**	491,316,212	**225,666,725**	242,856,272

See accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2020

	Note	Group 2020 US$	Group 2019 US$
Revenue	26	**306,757,154**	249,108,854
Cost of sales		**(260,528,499)**	(245,858,782)
Gross profit		**46,228,655**	3,250,072
Other income	27	**110,835,999**	11,414,405
General and administrative expenses		**(14,171,801)**	(12,969,952)
Other expenses	28	**(6,153,505)**	(18,927,803)
Allowance for expected credit loss on trade and other receivables	8	**(13,764,074)**	(459,539)
Finance costs	29	**(18,110,378)**	(26,863,466)
Profit (Loss) before income tax		**104,864,896**	(44,556,283)
Income tax expense	30	**(9,715,696)**	(3,161,340)
Profit (Loss) for the year	31	**95,149,200**	(47,717,623)
Other comprehensive income:			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	25	**(39,401)**	276,346
Item that will not be reclassified subsequently to profit or loss:			
Net remeasurement of defined benefit obligations	25	**2,423**	(99,048)
Other comprehensive income for the year, net of tax		**(36,978)**	177,298
Total comprehensive income for the year		**95,112,222**	(47,540,325)
Profit (Loss) attributable to:			
Owners of the Company		**94,909,608**	(47,471,262)
Non-controlling interests		**239,592**	(246,361)
		95,149,200	(47,717,623)
Total comprehensive income attributable to:			
Owners of the Company		**94,872,323**	(47,303,867)
Non-controlling interests		**239,899**	(236,458)
		95,112,222	(47,540,325)
Earnings (Loss) per share:	33		
Basic (cents)		**6.78**	(3.39)
Diluted (cents)		**6.78**	(3.39)

See accompanying notes to the financial statements.

STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2020

	Share capital	Capital and other reserves	Translation reserve	Retained earnings	Equity attributable to owners of the Company	Non-controlling interests	Total equity
	US$	US$	US$	US$	US$	US$	US$
	(Note 22)	(Note 23)	(Note 24)				
Group							
Balance at 1 January 2019	106,513,187	2,019,246	4,865,233	60,524,888	173,922,554	180,214	174,102,768
Total comprehensive income for the year:							
Loss for the year	-	-	-	(47,471,262)	(47,471,262)	(246,361)	(47,717,623)
Other comprehensive income for the year	-	-	266,443	(99,048)	167,395	9,903	177,298
Total	-	-	266,443	(47,570,310)	(47,303,867)	(236,458)	(47,540,325)
Transactions with owners, recognised directly in equity:							
Dividends (Note 32)	-	-	-	(4,090,545)	(4,090,545)	-	(4,090,545)
Deemed capital contribution	-	331,371	-	-	331,371	-	331,371
Share-based payment (Note 35)	-	478,563	-	-	478,563	-	478,563
Total	-	809,934	-	(4,090,545)	(3,280,611)	-	(3,280,611)
Balance at 31 December 2019	106,513,187	2,829,180	5,131,676	8,864,033	123,338,076	(56,244)	123,281,832
Total comprehensive income for the year:							
Profit for the year	-	-	-	94,909,608	94,909,608	239,592	95,149,200
Other comprehensive income for the year	-	-	(131,121)	93,836	(37,285)	307	(36,978)
Total	-	-	(131,121)	95,003,444	94,872,323	239,899	95,112,222
Transactions with owners, recognised directly in equity:							
Deemed capital contribution	-	237,043	-	-	237,043	-	237,043
Share-based payment (Note 35)	-	14,871	-	-	14,871	-	14,871
Total	-	251,914	-	-	251,914	-	251,914
Balance at 31 December 2020	**106,513,187**	**3,081,094**	**5,000,555**	**103,867,477**	**218,462,313**	**183,655**	**218,645,968**

STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2020

	Share capital US$ (Note 22)	Capital and other reserves US$ (Note 23)	Translation reserve US$ (Note 24)	Retained earnings (Accumulated losses) US$	Total equity US$
Company					
Balance at 1 January 2019	106,513,187	4,265,302	4,464,506	3,051,111	118,294,106
Loss for the year, representing total comprehensive income for the year	-	-	-	(17,613,334)	(17,613,334)
Transactions with owners, recognised directly in equity:					
Dividends (Note 32)	-	-	-	(4,090,545)	(4,090,545)
Deemed capital contribution	-	331,371	-	-	331,371
Share-based payment (Note 35)	-	478,563	-	-	478,563
Total	-	809,934	-	(4,090,545)	(3,280,611)
Balance at 31 December 2019	106,513,187	5,075,236	4,464,506	(18,652,768)	97,400,161
Profit for the year, representing total comprehensive income for the year	-	-	-	73,589,617	73,589,617
Transactions with owners, recognised directly in equity:					
Deemed capital contribution	-	237,043	-	-	237,043
Share-based payment (Note 35)	-	14,871	-	-	14,871
Total	-	251,914	-	-	251,914
Balance at 31 December 2020	**106,513,187**	**5,327,150**	**4,464,506**	**54,936,849**	**171,241,692**

See accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2020

	Group	
	2020 US$	2019 US$
Operating activities		
Profit (Loss) before income tax	**104,864,896**	(44,556,283)
Adjustments for:		
Depreciation of property, plant and equipment	**15,772,989**	15,606,930
Depreciation of right-of-use assets	**490,837**	359,599
Amortisation of deferred stripping costs	**6,061,714**	7,219,234
Gain on disposal of property, plant and equipment	**(907)**	(8,791)
Reversal of loss on financial asset carried at amortised cost	**-**	(41,802)
Share-based payment expense	**251,914**	809,934
Amortisation of deferred gain	**(296,741)**	(284,986)
(Write-back of) Allowance for inventory written-down	**(516,370)**	1,382,168
Inventory loss written-off	**-**	3,858,366
Fair value loss on trade and other receivables	**5,189,099**	9,668,564
Allowance for expected credit loss on trade and other receivables	**13,764,074**	459,539
Impairment allowance on property, plant and equipment	**-**	6,399,574
Gain on repurchases of the Notes	**(106,636,932)**	(5,340,774)
Amortisation of transaction costs of the Notes	**6,220,187**	2,856,388
Interest expense	**11,890,191**	24,007,078
Interest income	**(3,663,795)**	(5,151,671)
Retirement benefit obligations	**362,367**	336,439
Net foreign exchange gains	**(256,718)**	(757,321)
Operating cash flows before movements in working capital	**53,496,805**	16,822,185
Trade and other receivables (Note A)	**(13,708,712)**	4,121,421
Deposits and prepayments (Note A)	**19,808,282**	(28,058,607)
Inventories (Note B)	**(4,187,831)**	(3,613,943)
Trade and other payables (Notes C and D)	**2,825,982**	23,223,681
Cash generated from operations	**58,234,526**	12,494,737
Income tax paid	**(4,599,914)**	(9,402,222)
Income tax refund	**2,698,302**	170,133
Retirement benefit obligation paid	**(6,468)**	(2,536)
Net cash from operating activities	**56,326,446**	3,260,112
Investing activities		
Interest received	**1,053,395**	5,318,332
Refundable deposit paid for proposed acquisition of subsidiaries	**-**	(2,500,000)
Addition to deferred stripping costs	**-**	(26,659,799)
Advance payments for purchase of property, plant and equipment	**(6,056,939)**	(1,355,360)
Purchase of property, plant and equipment (Note C)	**(1,783,028)**	(1,797,671)
Proceeds from disposal of property, plant and equipment	**2,433**	26,426
Net cash used in investing activities	**(6,784,139)**	(26,968,072)
Financing activities		
(Increase) Decrease in deposits pledged	**(136)**	400,000
Increase in restricted cash deposits	**(737,771)**	(698,332)
Interest paid for the Notes	**(16,513,447)**	(24,000,000)
Interest paid for lease liabilities	**(26,273)**	(30,635)
Repayment of obligations under lease liabilities	**(473,452)**	(394,870)
Repurchases of the Notes	**(118,115,068)**	(10,720,226)
Dividend paid	**-**	(4,090,545)
Net cash used in financing activities	**(135,866,147)**	(39,534,608)

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2020

	Group	
	2020	2019
	US$	US$
Net decrease in cash and cash equivalents	**(86,323,840)**	(63,242,568)
Cash and cash equivalents at beginning of year	**133,996,173**	197,190,402
Effect of exchange rate changes on the balance of cash held in foreign currencies	**(10,276)**	48,339
Cash and cash equivalents at end of year (Note 7)	**47,662,057**	133,996,173

Notes to consolidated statement of cash flows:

A) In 2020, advances for coal purchase paid in 2019 of US$24,350,000 has been included in other receivables following the counterparty's failure to deliver coal.

B) During the year, the Group capitalised US$4,325,105 (2019 : US$1,760,290) of depreciation of property, plant and equipment (Note 13) and US$1,762,697 (2019 : US$495,057) of amortisation of deferred stripping costs (Note 12) as inventory.

C) In 2020, the Group acquired property, plant and equipment amounting to US$3,083,883 of which US$1,351,015 was acquired through utilisation of advance payment for purchase of property, plant and equipment paid in prior year. In addition, the Group further paid US$50,160 being the unpaid portion from 2019 that was included as part of trade and other payables (Note 16) as at 31 December 2019.

In 2019, the Group acquired property, plant and equipment amounting to US$2,257,962 of which US$523,584 was acquired through utilisation of advance payment for purchase of property, plant and equipment paid in prior year. In addition, the Group further paid US$63,293 being the unpaid portion from 2018 that was included as part of trade and other payables (Note 16) as at 31 December 2018.

D) During the year, the Group received US$10,006,685 in advances and utilised US$29,542,395, of which US$28,709,062 related to brought-forward advances received in 2019. In 2019, the Group received US$20,000,000 in advances from a coal off-taker and utilised US$411,995 relating to brought-forward advances received in 2018 [Note 16(b)].

See accompanying notes to the financial statements.

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

1 GENERAL

The Company (Registration No. 201011034Z) is incorporated in Singapore with its principal place of business and registered office at 12 Marina Boulevard, #16-01 Marina Bay Financial Centre Tower 3, Singapore 018982. The Company is listed on the Singapore Exchange Securities Trading Limited.

The consolidated financial statements are expressed in United States dollars to enhance the comparability of the Group's financials to other companies in the coal mining industry.

The principal activity of the Company is that of investment holding and provision of management support services.

The principal activities of the subsidiaries are disclosed in Note 11 to the financial statements.

The consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company for the year ended 31 December 2020 were authorised for issue by the Board of Directors on 30 March 2021.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING - The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Singapore Companies Act, Singapore Financial Reporting Standards (International) ("SFRS(I)s") and International Financial Reporting Standards ("IFRSs"). SFRS(I) is identical to the IFRS as issued by the International Accounting Standards Board.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of SFRS(I) 2 *Share-based Payment*, leasing transactions that are within the scope of SFRS(I) 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SFRS(I) 1-2 *Inventories* or value in use in SFRS(I) 1-36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

b) Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

c) Level 3 inputs are unobservable inputs for the asset or liability.

ADOPTION OF NEW AND REVISED STANDARDS - On 1 January 2020, the Group and the Company adopted all the new and revised SFRS(I) pronouncements that are relevant to its operations. The adoption of these new/revised SFRS(I) pronouncements does not result in changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current or prior years.

At the date of authorisation of these financial statements, the following SFRS(I)s pronouncements relevant to the Group and Company were issued but not effective:

<u>Effective for annual periods beginning on or after 1 January 2021</u>

- Amendments to SFRS(I) 9 and 1-39: *Recognition and Measurement*
- Amendments to SFRS(I) 7: *Disclosures*
- Amendments to SFRS(I) 16: *Interest Rate Benchmark Reform – Phase 2*

<u>Effective for annual periods beginning on or after 1 January 2022</u>

- Amendments to SFRS(I) 3: *Reference to the Conceptual Framework*
- Amendments to SFRS(I) 1-16: *Property, Plant and Equipment – Proceeds before Intended Use*
- Annual Improvements to SFRS(I)s 2018 - 2020

<u>Effective for annual periods beginning on or after 1 January 2023</u>

- Amendments to SFRS(I) 1-1: *Classification of Liabilities as Current or Non-current*

Management anticipates that the adoption of the above SFRS(I)s, SFRS(I) Interpretations and amendments to SFRS(I) in future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption.

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

BASIS OF CONSOLIDATION - The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable SFRS(I)s). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9, or when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

In the Company's financial statements, investments in subsidiaries are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

BUSINESS COMBINATIONS - Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Group to the former owners of the acquiree, and equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement.

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates at fair value, with the changes in fair value recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under the SFRS(I) are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 *Income Taxes* and SFRS(I) 1-19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment awards transactions with share-based payment awards transactions of the acquirer in accordance with the method in SFRS(I) 2 *Share-based Payment* at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another SFRS(I).

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year from acquisition date.

FINANCIAL INSTRUMENTS - Financial assets and financial liabilities are recognised on the statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of financial assets is under a contract whose terms require delivery of assets within the time frame established by the market concerned.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

<u>Classification of financial assets</u>
Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is 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.

<u>Amortised cost and effective interest method</u>
The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

Interest income is recognised in profit or loss and is included in the "other income" line item.

Foreign exchange gains and losses
The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate as at each reporting date. For financial assets measured at amortised cost, exchange differences are recognised in profit or loss in the "other income" or "other expenses" line item.

Impairment of financial assets
The Group recognises a loss allowance for expected credit losses ("ECL") on investments in debt instruments that are measured at amortised cost. No impairment loss is recognised for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group recognises lifetime ECL for trade and other receivables. The expected credit losses on these financial assets are estimated using a simplified approach based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ("12m") ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk
In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations, namely the coal mining industry.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the aforegoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Definition of default
The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets
A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

a) significant financial difficulty of the issuer or the borrower; or

b) a breach of contract, such as a default or past due event; or

c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or

d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or

e) the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy
The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses
The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with SFRS(I) 16 *Leases*.

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial;
- Past-due status;
- Nature, size and industry of debtors;
- Nature of collaterals for finance lease receivables; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12m ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Derecognition of financial assets
The Group derecognises a financial asset 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 of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial liabilities and equity instruments

Classification as debt or equity
Debt and equity instruments issued by a Group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

Warrants
Warrants issued are classified as equity. Warrants are measured at fair value at the date of grant and the proceeds are apportioned to warrants using the relative fair value approach.

Financial liabilities
All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities subsequently measured at amortised cost
Financial liabilities that are not 1) contingent consideration of an acquirer in a business combination, 2) held-for-trading, or 3) designated as FVTPL, are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Financial guarantee contracts
A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Group entity are initially measured at their fair values and, if not designated as FVTPL and do not arise from a transfer of a financial asset, are subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with SFRS(I) 9; and
- the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the revenue recognition policies.

Foreign exchange gains and losses
For financial liabilities that are denominated in a foreign currency and are measured at amortised cost as at each reporting date, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in profit or loss for financial liabilities that are not part of a designated hedging relationship.

Derecognition of financial liabilities
The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the Company and the Group have a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

LEASES - Leases are classified as finance leases whenever the terms of the lease transfer substantially all risks and rewards of ownership to the lessee. All other leases as classified as operating lease.

The Group as lessee
The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate; or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct cost. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statements of financial position.

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2 - Impairment of Tangible and Intangible Assets.

INVENTORY - Inventories are classified as follows:

- Coal: These are coals that are extracted from mining activities and available for sale.
- Marketing coal: These are coals purchased with the intention to sell in the near future.

Coal inventories are stated at the lower of cost and net realisable value. The cost of coal inventories is determined using the weighted average cost method. Costs include direct material, overburden removal (deferred stripping costs), mining, processing, labour incurred in the extraction process and an appropriate proportion of variable and fixed overhead costs directly related to mining activities. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

Marketing coal inventories are recorded at fair value less costs of disposal. Unrealised gains and losses from the changes in fair values are reported in cost of goods sold.

DEFERRED STRIPPING COSTS - Overburden and other mine waste materials are often removed during the initial development of a mine site in order to access the mineral deposit. This activity is referred to as development stripping. The directly attributable costs are capitalised under mining properties. Capitalisation of development stripping costs ceases at the time that saleable material begins to be extracted from the mine.

Production stripping commences from the point saleable materials are being extracted from the mine. Stripping costs incurred during the production phase might benefit current period production and improve access to ore bodies in future periods. Where benefits are realised in the form of inventory produced in the current period, these costs are accounted for as part of the cost of producing inventory. Where a benefit of improved access exists, the costs are recognised as part deferred stripping costs when the following criteria are met:

- It is probable that the future economic benefits (improved access to the coal body) associated with the stripping activity will flow to the entity;
- The entity can identify the component of the coal body for which access has been improved; and
- The costs relating to the stripping activity associated with that component can be measured reliably.

In identifying the components of the ore body, mining operations personnel will analyse the Group's mine plans. Generally, a component will be subset of the total ore body and a mine may have several components, for example, certain quantities of coal within separate mining pits.

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

The deferred stripping costs is initially measured at cost, which is the accumulation of costs directly incurred to perform the stripping activity that improve access to the identified component of ore, plus an allocation of directly attributable overhead costs.

When the costs of stripping to improve access to an ore body are not clearly distinguishable from the costs of producing current inventories, i.e. there is a mixture of waste and ore being removed, the stripping costs are allocated based on a relevant measure of production. This production measure is calculated for the identified component of the ore body. The Group uses the expected volume of waste extracted compared with the actual volume for a given volume of ore production.

The deferred stripping costs is subsequently amortised using the unit-of-production method over the life of the identified component of the ore body for which access has been improved. Economically recoverable reserves, which comprise proven and probable reserves, are used to determine the expected useful life of the identified component of the ore body. The deferred stripping costs is then carried at cost less depreciation and impairment losses, if any.

PROPERTY, PLANT AND EQUIPMENT - Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Construction-in-progress for qualifying assets, includes borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is charged so as to write off the cost of assets, other than construction-in-progress, over their estimated useful lives, using the straight-line method, on the following bases:

	Number of years
Leasehold property	Over terms of lease
Temporary housing facility	2
Jetty	4
Machineries	4
Motor vehicles	4
Equipment and furniture	4
Computer and software	4

Fully depreciated assets still in use are retained in the financial statements.

Mining properties are classified as an asset under property, plant and equipment. Mining properties include mining rights and costs capitalised to develop the mine up to the production phase. The economic benefits from the assets are consumed in a pattern which is linked to the production level. These assets are depreciated on a unit-of-production basis. Depreciation starts from the date when commercial production commences.

The estimated useful lives, mining reserves, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, if there is no certainty that the lessee will obtain ownership by the end of the lease term, the asset shall be fully depreciated over the shorter of the lease term and its useful life.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

CLUB MEMBERSHIP - Club membership with indefinite useful life is not amortised, is classified as other non-current asset and is stated at cost less any accumulated impairment loss.

IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS - At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible 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 Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal 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 (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.

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Where an impairment loss subsequently reverses, the carrying amount of the asset (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 (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.

PROVISIONS - Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the 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 end of the reporting period, 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, the 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.

SHARE-BASED PAYMENTS - Equity-settled share-based payments are measured at fair value of the equity instrument at the date of the grant. Details regarding the determination of the fair value of equity-settled share-based payments are set out in Note 35. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of equity instruments that will eventually vest. At the end of the reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the other reserve.

REVENUE RECOGNITION - The Group recognises revenue from the following major sources:

- Sales of coal; and
- Mining services.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

<u>Sale of coal</u>
Revenue from the sale of coal (coal mining and coal trading) is recognised when control of the coal has transferred to the customer. Revenue is recognised at the point in time when the coal has been delivered to a contractually agreed location. Following the transfer of control, the customer has full discretion over the manner of distribution and price to sell the coal, has the primary responsibility when on selling the coal and bears the risks of obsolescence and loss in relation to the coal. Consequentially, a receivable is recognised by the Group as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. A contract liability arises from advances received from third party customers.

<u>Mining services</u>
The Group provides mining contracting and project management services for mining activities conducted at third party mines. Such services are of short duration and recognised as a performance obligation satisfied over time, in the period in which the services are provided by the Group.

OTHER INCOME - The Group recognises other income from the following major sources:

<u>Rental services</u>
Rental services are recognised on a straight-line basis over the term of the relevant lease.

<u>Interest income</u>
Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

<u>Gain on repurchases of notes payable</u>
Gain on repurchases of notes payable is recognised in accordance with the accounting policy as described under 'Derecognition of Financial Liabilities' in Note 2 to the financial statements.

<u>Dividend income</u>
The Company's dividend income from investments is recognised when the shareholders' rights to receive payment has been established.

BORROWING COSTS - Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

RETIREMENT BENEFIT COSTS - Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered the services entitling them to the contributions. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

The cost of providing defined post-employment benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial gains and losses, is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment.

The retirement benefits obligation recognised in the statement of financial position represents the present value of the defined benefit obligation.

EMPLOYEE LEAVE ENTITLEMENT - Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

INCOME TAX - Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and subsidiaries operate by the end of the reporting period.

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Except for investment properties measured using the fair value model, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model the carrying amounts of such properties are presumed to be recovered through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model of the Group whose business objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The Group has not rebutted the presumption that the carrying amount of the investment properties will be recovered entirely through sale.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively).

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION - The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position of the Company are presented in United States dollars, which is not the functional currency of some entities within the Group.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in United States dollars using exchange rates prevailing at the end of the reporting period. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity under the header of translation reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss. Any exchange differences that have previously been attributed to non-controlling interests are derecognised, but they are not reclassified to profit or loss.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income and accumulated in a separate component of equity under the header of translation reserve.

CASH AND CASH EQUIVALENTS IN THE CONSOLIDATED STATEMENT OF CASH FLOWS - Cash and cash equivalents in the consolidated statement of cash flows comprise cash on hand and at banks and deposits and are subject to an insignificant risk of changes in value.

SEGMENT REPORTING - An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components.

Operating segments are reported in a manner consistent with the internal reporting provided to members of management and the chief operating decision makers who are responsible for allocating resources and assessing performance of the operating segments.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts 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.

Critical judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements which have the most significant effect on the amounts recognised in the consolidated financial statements:

(i) Coal reserves

Management has obtained the Resource and Reserve reports and Exploration Target report (the "Reports") for all mines held by the Group which give an indication of the reserve volumes used in the value in use calculations. These Reports are issued by an independent qualified person in accordance with The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

As the economic assumptions used may change and as additional geological information is obtained during the operation of a mine, estimates of coal reserves may change. Such changes may impact the Group's reported financial position and results, including amongst others, on items such as (i) impairment assessment of the Group's mining properties and deferred stripping costs; (ii) depreciation and amortisation charges; and (iii) inventory cost.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, 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.

a) Useful lives of property, plant and equipment
As described in Note 2 to the financial statements, the Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the financial year, management determined that the useful lives of property, plant and equipment are based on the industry practice and the Group's operational environment.

b) Depreciation of mining properties
The amounts recorded for depreciation as well as the recovery of the carrying value of mining properties depends on the estimates of coal reserves and the economic lives of future cash flows from related assets. The primary factors affecting these estimates are technical engineering assessments of producible quantities of coal reserves in place and economic constraints such as the assumptions related to anticipated commodity prices and the costs of development and production of the reserves. The carrying amounts of the Group's mining properties are disclosed in Note 13 to the financial statements.

c) Calculation of loss allowance
When measuring ECL, the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

For credit-impaired receivables, management takes into account the probability-weighted amount that is determined by evaluating a range of possible outcomes, the time value for money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. Key assumptions include the probability of occurrence under different economic scenarios, expected net future cash flow, expected recovery year and discount rate used.

Future economic conditions may differ to the scenarios outlined, the impact of which will be accounted for in the future reporting periods.

The carrying amounts of trade and other receivables are disclosed in Note 8 to the financial statements.

d) Trade and other receivables measured at fair value through profit and loss

As disclosed in Note 8(b), the fair value of trade and other receivables under Cooperation Agreement is determined using discounted cash flow approach. Under the approach, future cash flows are estimated based on present value of expected payments, discounted using the entity's discount rate. The expected payments are determined based on the coal sold from the underlying coal mines under the Cooperation Agreement.

The calculation of value in use is most sensitive to the following assumptions:

- Discount rate
- Forecasted coal prices

The future cash flows are discounted using a discount rate of 13.5% (2019 : 12.0%).

The fair value measurement of trade and other receivables under Cooperation Agreement is disclosed in Note 4(c)(vi) to the financial statements.

e) Deferred stripping costs
Certain mining costs, principally those that relate to the stripping of waste and which relate to future economically recoverable coal to be mined, are included in deferred stripping costs. These costs are deferred and subsequently taken to the cost of producing inventory by way of amortisation of deferred stripping costs. The estimated waste incurred to improve access to remaining ore reserves, estimates of coal reserves and the remaining life of the mine are regularly assessed by the management to ensure the carrying value and rate of deferral is appropriate taking into consideration the available facts and circumstances from time to time.

The carrying amounts of the Group's deferred stripping costs are disclosed in Note 12 to the financial statements.

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

f) Impairment review of deferred stripping costs and mining properties
The Group assesses annually whether its deferred stripping costs and mining properties exhibit any indication of impairment. Should there be any indicator of impairment, the Group then estimates the recoverable amounts based on value in use calculations. These calculations require the use of judgement and estimates.

The carrying value of deferred stripping costs and mining properties are reviewed regularly during the financial year, taking into consideration the available facts and circumstances, and to the extent to which the capitalised value exceeds its recoverable value, the excess is provided for or written-off in the financial year in which this is determined.

As discussed in Note 3(i), the Group has engaged an independent qualified person to estimate the proved and probable coal reserves. Management uses the reserves to form the basis for their impairment review, and may adjust such valuation with other estimates which may include discount rates and production volumes that are not covered by the independent qualified person.

The carrying amounts of the Group's deferred stripping costs and mining properties are disclosed in Notes 12 and 13 to the financial statements respectively.

g) Income taxes
The Group is subject to income taxes in Singapore and Indonesia. In determining the income tax liabilities, management is required to estimate the amount of capital allowances and deductibility of certain expense in each jurisdiction. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made.

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management estimate is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

The carrying amounts of the Group's and the Company's current income tax payable, prepaid income tax and deferred tax provision are disclosed in the statement of financial position, Note 8 and Note 21 to the financial statements, respectively.

h) Impairment of investment in subsidiaries and amounts due from subsidiaries
Management has carried out a review of the recoverable amount of the investment in subsidiaries and the amounts due from subsidiaries, having regard to the existing performance of the relevant subsidiaries and the carrying value of the net tangible assets in these subsidiaries.

Management has estimated the recoverable amount based on the higher of value in use and fair value less costs of disposal. The fair value less costs of disposal is determined by reference to the estimated realisable values of the net tangible assets of the subsidiaries. In 2019, impairment losses of US$7,131,486 and US$8,598,520 were recognised for investment in subsidiaries and amount due from a subsidiary, respectively. No further impairment was required during the year.

The carrying amounts of the investment in subsidiaries and amounts due from subsidiaries are disclosed in Notes 11 and 8 to the financial statements respectively.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

(a) Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	Group		Company	
	2020	2019	2020	2019
	US$	US$	US$	US$
Financial assets				
At amortised cost (including cash and bank balances)	**109,329,851**	168,498,947	**45,687,634**	59,265,633
At fair value through profit or loss	**6,380,457**	11,013,697	**-**	3,140,278
Financial liabilities				
At amortised cost	**111,970,372**	312,838,828	**52,236,734**	139,998,124
Lease liabilities	**571,125**	1,030,263	**558,363**	951,034
Financial guarantee liability	**-**	-	**1,357,471**	4,353,831

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(b) Financial instruments subject to offsetting, enforceable master netting arrangements and similar agreements

The Group and Company do not have any financial instruments which are subjected to offsetting, enforceable master netting arrangements or similar netting agreements.

(c) Financial risk management policies and objectives

The Group's and the Company's overall financial risk management policies and objectives seek to minimise potential adverse effects on the financial performance of the Group and Company. Management regularly reviews the Group's and the Company's business and operational activities to identify areas of significant business risks, as well as appropriate measures through which to control and mitigate these risks. On an on-going basis, management reviews all significant control policies and procedures, and highlights all significant matters to the Board of Directors and the audit and risk committee. There has been no significant change to the Group's and the Company's exposure to these financial risks or the manner in which it manages and measures the risk.

The Group and Company do not hold or issue derivative financial instrument for speculative purposes. Market risk exposures are measured using sensitivity analysis indicated below.

(i) Foreign exchange risk management

The Group's and the Company's foreign currency exposure during the year arises from United States dollars, Indonesia rupiah and Singapore dollars. The Group and Company do not hedge against foreign exchange exposure as the exposure is managed primarily by using natural hedges that arise from offsetting assets and liabilities that are denominated in the same foreign currencies.

At the end of the reporting period, the carrying amounts of monetary assets and monetary liabilities denominated in currency other than the respective Group entities' functional currencies are as follows:

	Liabilities		Assets	
	2020	2019	2020	2019
	US$	US$	US$	US$
Group				
United States dollars	**21,376,901**	20,144,789	**10,125,992**	11,620,513
Indonesia rupiah	**74,771,510**	62,181,280	**67,471,293**	50,119,847
Singapore dollars	**2,639,155**	3,189,173	**1,369,818**	2,679,072
Company				
Indonesia rupiah	**-**	-	**-**	140,278
Singapore dollars	**1,467,082**	1,012,116	**1,119,760**	2,457,401

Foreign currency sensitivity

The following table details the sensitivity to a 5% increase and decrease in the relevant foreign currencies against the functional currency of each Group entity. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where they gave rise to an impact on the Group's and the Company's profit.

If the relevant foreign currency weakens by 5% against the functional currency of each Group entity, the Group's and the Company's profit before income tax will increase (decrease) [2019 : loss before income tax will decrease (increase)] by:

	2020	2019
	US$	US$
Group		
United States dollars	**562,545**	426,214
Indonesia rupiah	**365,011**	603,072
Singapore dollars	**63,467**	25,505
Company		
Indonesia rupiah	**-**	(7,014)
Singapore dollars	**17,366**	(72,264)

If the relevant foreign currency strengthens by 5% there would be an equal and opposite impact on the Group's and the Company's profit or loss shown above, on the basis that all other variables remain constant.

(ii) Interest rate risk management

The Group's and the Company's exposure to interest rate risk are restricted to their interest bearing bank balances, trade and other receivables, and deposits, lease liabilities and notes payable as disclosed in Notes 7, 8, 9, 17 and 18 to the financial statements respectively.

No interest rate sensitivity was performed since the Group's and the Company's exposure to interest rate on their variable rate borrowing is not significant.

(iii) Overview of the Group's exposure to credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at 31 December 2020, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group arises from:

- the carrying amount of the respective recognised financial assets as stated in the statements of financial position; and

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

- the maximum amount the Group would have to pay if the financial guarantee is called upon, irrespective of the likelihood of the guarantee being exercised as disclosed in Note 4(c)(iv). The related loss allowance is disclosed in the respective notes to the financial statements.

The Group minimises credit risk via advance payments from customers, sales secured by letters of credit, strict credit terms and regular monitoring of customers' financial standing.

The Group develops and maintains its credit risk gradings to categorise exposures according to their degree of risk of default. The Group uses its own trading records to rate its major customers and other debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Group's and the Company's current credit risk framework comprises the following categories:

Category	Description	Basis for recognising expected credit losses (ECL)
Performing	The counterparty has a low risk of default.	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit-impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

The table below detail the credit quality of the Group's and the Company's financial assets and other items, as well as maximum exposure to credit risk by credit risk rating grades:

	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
				US$	US$	US$
Group						
2020						
Trade receivables	**8**	**Performing**	**Lifetime ECL**	**20,273,010**	**-**	**20,273,010**
Trade receivables	**8**	**In default**	**Lifetime ECL**	**947,554**	**(947,554)**	**-**
Other receivables	**8**	**Performing**	**12-month ECL**	**6,717,402**	**-**	**6,717,402**
Other receivables	**8**	**In default**	**Lifetime ECL**	**29,901,030**	**(14,575,411)**	**15,325,619**
Deposits	**9**	**Performing**	**12-month ECL**	**9,383,431**	**-**	**9,383,431**
					(15,522,965)	
2019						
Trade receivables	8	Performing	Lifetime ECL	10,112,716	-	10,112,716
Trade receivables	8	In default	Lifetime ECL	1,036,694	(1,036,694)	-
Other receivables	8	Performing	12-month ECL	5,914,014	-	5,914,014
Other receivables	8	In default	Lifetime ECL	732,742	(732,742)	-
Deposits	9	Performing	12-month ECL	11,687,956	-	11,687,956
					(1,769,436)	
Company						
2020						
Other receivable – third party	**8**	**Performing**	**12-month ECL**	**520**	**-**	**520**
Amount receivable from subsidiaries	**8**	**Performing**	**12-month ECL**	**28,023,464**	**-**	**28,023,464**
Amount receivable from a subsidiary	**8**	**In default**	**Lifetime ECL**	**8,598,520**	**(8,598,520)**	**-**
Deposits	**9**	**Performing**	**12-month ECL**	**105,218**	**-**	**105,218**
					(8,598,520)	
2019						
Other receivables – third party	8	Performing	12-month ECL	6,353	-	6,353
Amount receivable from subsidiaries	8	Performing	12-month ECL	49,003,126	-	49,003,126
Amount receivable from a subsidiary	8	In default	Lifetime ECL	8,598,520	(8,598,520)	-
Deposits	9	Performing	12-month ECL	105,397	-	105,397
					(8,598,520)	

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(iv) Credit risk management

The Group minimises credit risk by adopting a policy of dealing with creditworthy counterparties. The Group uses its own trading records to rate its major customers and other debtors and continuously monitors its exposures and credit ratings of its counterparties.

As at 31 December 2020, 66% (2019 : 51%) of the Group's revenue are derived from customers in People's Republic of China, which represent concentration risk within this geographical location. There is concentration of credit risk as 89% (2019 : 94%) of the Group's trade receivables, excluding those under Cooperation Agreement, at the end of the financial year relate to five customers (2019 : five customers).

In determining the recoverability of a receivable, the Group considers any change in the credit quality of the receivable from the date credit was initially granted up to the end of reporting period.

The Company has an amount due from a subsidiary which accounted for 45% (2019 : 37%) of the Company's other receivables.

The Group is also exposed to credit risk relating to the other receivables of US$29,174,012 due from a third party coal mine owner (the "coal mine owner") pursuant to the coal purchase and prepayments contracts entered into between the Group and the coal mine owner in 2019. If the counterparty fails to meet its obligations to deliver coal or to make full payments of the amount outstanding plus interest accrued, the maximum exposure for the Company as of 31 December 2020 relating to these receivables is US$29,174,012 (2019 : advances for coal purchase of US$32,500,000 and refundable deposit for acquisition of business of US$2,500,000), without considering the personal guarantee obtained from a director of the coal mine owner.

The Group and Company place their bank balances with creditworthy financial institutions.

The maximum amount the Company could be forced to settle under the financial guarantee, if the full guaranteed amount is claimed by the counterparty to the guarantee is US$59.2 million (2019 : US$283.9 million). Based on expectations at the end of the reporting period, the Company considers that it is more likely than not that no amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

The carrying amount of financial assets and the exposure to defaults from financial guarantees above, represents the maximum credit risk exposure of the Group and Company.

Further details of credit risk on trade and other receivables are disclosed in Note 8 to the financial statements.

(v) Liquidity risk management

Liquidity risk is the risk that the Group and Company will not be able to meet their financial obligations as they fall due. The Group and Company have been able to service all its debts obligations and fund their operations through internal funds, lease liabilities, bank borrowings and notes payable.

The Group and Company closely monitor the working capital requirements and minimises its liquidity risk by ensuring sufficient available funds and credit lines.

As at 31 December 2020, the Company has net current liabilities of US$7,829,126 mainly due to intercompany payables of US$49,624,287. The financial statements have been prepared on a going concern basis because the Company has the ability to control the receipts from and payments to its subsidiaries.

Liquidity risk analysis

Non-derivative financial liabilities

The following tables detail the remaining contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and Company can be required to pay. The table includes both interest and principal cash flows. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which are not included in the carrying amount of the financial liability on the statements of financial position.

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

	Weighted average effective interest rate	On demand or within 1 year	Within 2 to 5 years	Adjustment	Total
	%	US$	US$	US$	US$
Group					
2020					
Non-interest bearing	**-**	**53,209,716**	**-**	**-**	**53,209,716**
Lease liabilities (fixed rate)	**4.33 to 7.46**	**415,502**	**167,731**	**(12,108)**	**571,125**
Notes payable (fixed rate)	**9.16**	**4,734,960**	**62,777,678**	**(8,751,982)**	**58,760,656**
Total		**58,360,178**	**62,945,409**	**(8,764,090)**	**112,541,497**
2019					
Non-interest bearing	-	35,546,359	-	-	35,546,359
Lease liabilities (fixed rate)	4.33 to 7.46	485,227	583,424	(38,388)	1,030,263
Notes payable (fixed rate)	9.16	22,715,120	329,369,240	(74,791,891)	277,292,469
Total		58,746,706	329,952,664	(74,830,279)	313,869,091
Company					
2020					
Non-interest bearing	**-**	**52,236,734**	**-**	**-**	**52,236,734**
Lease liabilities (fixed rate)	**4.33**	**402,554**	**167,731**	**(11,922)**	**558,363**
Financial guarantee liability	**-**	**771,771**	**585,700**	**-**	**1,357,471**
Total		**53,411,059**	**753,431**	**(11,922)**	**54,152,568**
2019					
Non-interest bearing	-	139,998,124	-	-	139,998,124
Lease liabilities (fixed rate)	4.33	416,175	570,285	(35,426)	951,034
Financial guarantee liability	-	1,580,855	2,772,976	-	4,353,831
Total		141,995,154	3,343,261	(35,426)	145,302,989

The maximum amount that the Company could be forced to settle under the financial guarantee contract, if the full guaranteed amount is claimed by the counterparty to the guarantee, is US$59.2 million (2019 : US$283.9 million). The earliest period that the guarantee could be called is within one year from the end of the reporting period. As mentioned in Note 4(c)(iv), the Company considers that it is more likely than not that no amount will be payable under the arrangement.

Non-derivative financial assets
All the financial assets of the Group and Company as at 31 December 2020 and 2019 are repayable on demand or due within one year from the end of the reporting period, except for restricted cash deposits, non-current trade and other receivables, and non-current deposits as disclosed in Notes 7(d), 8 and 9 to the financial statements respectively.

(vi) Fair value of financial assets and financial liabilities
Some of the Group's financial assets are measured at fair value as at each reporting date.

The following table gives information about how the fair value of the financial assets is determined (in particular, the valuation technique and inputs used).

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

Financial assets	Fair value at 31 December		Fair value hierarchy	Valuation technique and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value
	2020	2019				
	US$	US$				
Group						
Trade and other receivables measured at FVTPL [Note 8(b)]	**6,380,457**	11,013,697	Level 3	Discounted cash flow. Future cash flows are estimated based on present value of expected payments, discounted using the entity's discounted rate. The expected payments are determined based on the coal sold from the underlying coal mines under the Cooperation Agreement.	Forecasted coal prices : US$55 to US$64 (2019 : US$65) per tonne. Discount rate : 13.5% (2019 : 12.0%) per annum.	80 basis points increase in discount rate will result in decrease in fair value of US$210,000 (2019 : US$181,000). 3% decrease in forecasted coal prices will result in decrease in fair value of US$1,540,000 (2019 : US$1,443,000). The equivalent decrease in discount rate and increase in forecasted coal price will result in the changes in fair value of the opposite direction.

The fair value of the other receivables of the Company measured at fair value through profit or loss amounted to US$Nil (2019 : US$3,140,248) as of 31 December 2020. The fair value is assessed in aggregate under the discounted cash flow method as described in the Group's trade and other receivables valuation technique mentioned above. This is because the receivables of the Group and the Company are both recoverable through the same underlying coal mines. Accordingly, only one set of discounted cash flow is used.

Other than as disclosed above, the carrying amounts of financial assets and financial liabilities recorded at amortised cost approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair values of other classes of financial assets and financial liabilities are disclosed in the respective notes to the financial statements.

(d) Capital management policies and objectives

The Group and Company manage their capital to ensure that the Group and Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structures of the Group consist of debt, which includes the lease liabilities (Note 17) and notes payable (Note 18), and equity attributable to owners of the Company, which comprises issued capital, reserves and retained earnings.

The capital structures of the Company consist of debt, which includes the lease liabilities (Note 17), and equity attributable to owners of the Company, which comprises issued capital, reserves and retained earnings.

Management regularly monitors compliance with the debt covenants imposed on the notes payable. As at the end of the reporting period, the Group is in compliance with externally imposed debt covenants requirements.

The Group's net debt to equity ratio as at the end of the reporting period is as follows:

	Group	
	2020	2019
	US$	US$
Total debt [(i)]	**60,423,050**	284,099,034
Cash and bank balances	**(52,662,193)**	(138,996,173)
Net debt	**7,760,857**	145,102,861
Equity attributable to the owners of the Company	**218,462,313**	123,338,076
Net debt to equity ratio	**4%**	118%

(i) Total debt is defined as long-term and short-term borrowings (including interest payable recorded in other payables), as described in Notes 16, 17 and 18.

The Group's and the Company's overall strategy remains unchanged from prior year.

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

5 RELATED COMPANIES TRANSACTIONS

Related companies in these financial statements refer to members of the Company's group of companies.

Transactions between the Company and its subsidiaries, which are related companies of the Company, have been eliminated on consolidation and are not disclosed. The intercompany balances are unsecured, interest-free and repayable on demand unless otherwise stated.

6 OTHER RELATED PARTY TRANSACTIONS

Some of the Group's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

There are no significant transactions between the Group and related parties, other than those disclosed in the financial statements and the accompanying notes.

Compensation of directors and key management personnel

The remuneration of directors and other members of key management personnel are as follows:

	Group	
	2020	2019
	US$	US$
Short-term benefits	**5,336,002**	3,162,946
Post-employment benefits	**80,577**	49,852
Share-based payment	**244,640**	580,165
Total	**5,661,219**	3,792,963

The remuneration of directors and other key management personnel is determined by the performance of individuals and market trends.

7 CASH AND BANK BALANCES AND RESTRICTED CASH DEPOSITS

	Group		Company	
	2020	2019	2020	2019
	US$	US$	US$	US$
Cash on hand	**3,762**	3,683	**320**	112
Cash at banks [a]	**47,658,295**	113,992,490	**17,558,112**	10,150,645
Deposits [b]	**5,000,136**	25,000,000	**-**	-
Total cash and bank balances	**52,662,193**	138,996,173	**17,558,432**	10,150,757
Restricted cash deposits (non-current) [d] [e]	**4,968,196**	4,288,088	**-**	-
	57,630,389	143,284,261	**17,558,432**	10,150,757
Less: Deposit pledged [c]	**(5,000,136)**	(5,000,000)		
Less: Restricted cash deposits (non-current) [d] [e]	**(4,968,196)**	(4,288,088)		
Cash and cash equivalents in the consolidated statement of cash flows	**47,662,057**	133,996,173		

(a) The average effective interest rate of the cash at banks was 0.54% (2019 : 1.50%) per annum.

(b) The effective interest rate of the fixed deposits ranged from 0.38% to 2.53% (2019 : 1.78% to 3.19%) per annum.

(c) Included in this balance as at 31 December 2020 were pledged deposits totalling US$5,000,000 (2019 : US$5,000,000) relating to the issuance of banker's guarantees to a third party, for the purpose of securing the right to use a third party's land for the Group's mining activities.

(d) As at 31 December 2020, the Group placed restricted cash deposits totalling US$4,968,196 (2019 : US$4,288,088) with relevant government authorities for the purpose of ensuring fulfilment of compliance in respect of the Group's reclamation and rehabilitation obligations.

(e) The effective interest rate of the restricted cash deposits ranged from 3.57% to 4.88% (2019 : 4.29% to 5.53%) per annum.

Management considered that the ECL for bank balances and pledged bank deposits is insignificant as at 31 December 2020.

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

8 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2020 US$	2019 US$	2020 US$	2019 US$
Current assets:				
At amortised costs:				
Trade receivables from:				
- Third parties	**21,220,564**	11,149,410	**-**	-
Less: Allowance for ECL [c]	**(947,554)**	(1,036,694)	**-**	-
	20,273,010	10,112,716	**-**	-
Other receivables comprise of:				
- Subsidiaries (Note 5)	**-**	-	**36,621,984**	57,601,646
- Third parties [a] [d]	**36,610,544**	6,610,320	**520**	6,353
Less: Allowance for ECL [c]	**(14,575,411)**	(732,742)	**(8,598,520)**	(8,598,520)
	22,035,133	5,877,578	**28,023,984**	49,009,479
- Goods and Services Tax ("GST") receivables	**168,099**	199,860	**-**	-
- Value added Tax ("VAT") receivables	**1,245,621**	-	**-**	-
- Prepaid income tax	**9,316,632**	10,583,040	**-**	-
- Interest receivables	**7,888**	36,436	**-**	-
Total	**53,046,383**	26,809,630	**28,023,984**	49,009,479
Non-current assets:				
At fair value through profit or loss ("FVTPL"):				
Trade and other receivables under Cooperation Agreement [b]	**21,028,446**	20,682,261	**3,138,249**	3,140,278
Less: Change in fair value	**(14,647,989)**	(9,668,564)	**(3,138,249)**	-
Total	**6,380,457**	11,013,697	**-**	3,140,278

The credit period granted to customers is generally between 30 to 60 days (2019 : 30 to 60 days). No interest is charged on the outstanding balances, other than those described in Notes 8(a) and 8(b) below. Allowance for ECL for trade receivables has been measured at an amount equal to lifetime ECL.

In determining the ECL, the Group and Company consider the past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtor, general economic conditions of the industry in which the debtor operates and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

In determining the ECL for credit-impaired receivables, management takes into account the probability-weighted amount that is determined by evaluating a range of possible future outcomes, the time value for money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Accordingly, the Group and the Company made an allowance for ECL of US$13,848,393 (2019 : US$459,539) and US$Nil (2019 : US$8,598,520) respectively during the year. In addition, a reversal of allowance for ECL of US$84,319 was made during the year following receipts from a debtor.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

A receivable is written-off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. No trade and other receivables have been written-off.

The following table details the risk profile of trade receivables with customers, based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the allowance for ECL based on past due status is not further distinguished between the Group's different customer base:

	Trade receivables - days past due			
Group	Current US$	30 - 90 days US$	> 90 days US$	Total US$
2020				
Estimated total gross carrying amount at default	**20,172,776**	**94,071**	**953,717**	**21,220,564**
Lifetime ECL	**-**	**-**	**(947,554)**	**(947,554)**
				20,273,010
2019				
Estimated total gross carrying amount at default	10,037,361	75,355	1,036,694	11,149,410
Lifetime ECL	-	-	(1,036,694)	(1,036,694)
				10,112,716

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

8 TRADE AND OTHER RECEIVABLES (cont'd)

(a) Credit-impaired receivables arising from advance payments for coal purchase

On 20 September 2019, the Group signed a conditional sale and purchase agreement ("CSPA") with a third party coal mine owner (the "coal mine owner") to acquire interest in two mining concessions. The consideration was US$25,000,000 of which a refundable deposit of US$2,500,000 was paid upon the execution of the CSPA and the remaining US$22,500,000 was payable upon the completion of the acquisition. However, the coal mine owner was unable to fulfill certain conditions precedent to the CSPA. Consequentially, the CSPA was terminated on 31 March 2020. The refundable deposit of US$2,500,000 was included as other receivables and became immediately repayable.

On 20 September 2019, the Group signed a coal purchase contract with the coal mine owner for delivery of 1,200,000 tonnes of coal and made advance payment of US$22,500,000. The coal was expected to be delivered across 20 shipments over a period of 6 months up to 30 September 2020 and extended to 31 December 2020 as agreed by both parties. However, the coal delivery did not take place as intended due to depressed coal prices arising from COVID-19. According to the terms of the coal purchase and prepayment contracts, the advance payment is immediately repayable when the coal mine owner fails to perform its obligations to deliver coal. As such, the advance payment is repayable on demand and has been reclassified to other receivables as at 31 December 2020. The balance bears an interest rate of 11% per annum.

On 24 December 2019, the Group entered into another coal purchase contract with the coal mine owner for 300,000 tonnes of coal and made a further advance payment of US$10,000,000. The coal was expected to be delivered across 5 shipments from the date of contract until 29 February 2020 and extended to 29 April 2020 as agreed by both parties. The coal mine owner had delivered 250,590 tonnes of coal, representing utilisation of the advance payment of US$8,150,000 prior to the termination of the coal purchase contract on 15 May 2020. Accordingly, the remaining advance payment of US$1,850,000 became repayable on demand and has been reclassified to other receivables. The outstanding balance bears an interest rate of 12% per annum.

The receivables are secured by a personal guarantee obtained from a director of the coal mine owner.

The Group is currently in discussion with the coal mine owner for the settlement of these receivables. As of the date of these financial statements, the settlement agreement has not been signed.

The total receivables and interest accrued outstanding as at 31 December 2020 is amounting to US$29,174,012. As a result of the failure to deliver the coal by the coal mine owner during the year and to refund the deposit paid for the acquisition of the two mining concessions, as well as the financial difficulties of the coal mine owner observed by management based on information available to the Group, management determined that the receivables have become credit-impaired.

For a financial asset that is credit-impaired at the reporting date, the expected credit losses are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss.

In determining the ECL, management has considered the following:

- The forward-looking economic scenarios used in the expected credit loss model and the related probability of occurrence under different economic scenarios.
- The basis and assumptions applied in the ECL calculation, including the expected net future cash flows, expected recovery time and discount rate used.

Key assumptions used in determining ECL for credit-impaired receivables are as follows:

Forward-looking economic scenario	Probability of the forward-looking economic scenario occurring	Expected net future cash flows	Expected recovery time	Discount rate
Base case	90%	100%	7.5 years	8%
Downside	10%	20%	1 year	8%

Based on the above assessment, a loss allowance of US$13,848,393 has been charged to the profit or loss during the year.

As at 31 December 2020, the impacts of the possible changes in key assumptions, with all other variables held constant, to the Group's allowance for ECL in respect of the receivables from the coal mine owner is as follows:

	5% increase in the probability of downside scenario occurring	5% decrease in the expected net future cash flows under base case scenario	0.5 year increase in expected recovery time under base case scenario	50 basis point increase in discount rate under both scenarios
	2020	2020	2020	2020
	US$	US$	US$	US$
Increase in allowance for ECL	**527,000**	**737,000**	**556,000**	**502,000**

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

8 TRADE AND OTHER RECEIVABLES (cont'd)

(b Receivables under Cooperation Agreement measured at FVTPL

In January 2018, the Group entered into a Cooperation Agreement with certain debtors' related corporations and a third party (the "Vendors") and a common controlling shareholder of the Vendors to conduct joint mining activities on the two coal mines owned by the Vendors' related corporations. The joint mining activities was expected to commence after the completion of due diligence on the economical and technical feasibility of the underlying coal mines. Based on the Cooperation Agreement, a portion of the cash profit from the sale of coal shall be used by the Vendors to settle the outstanding trade and other receivables which are amounting to US$21,028,446 (2019: US$20,682,261) as at 31 December 2020.

The Cooperation Agreement is secured by a personal guarantee of the controlling shareholder of the Vendors.

In January 2019, the Group signed an amendment to the Cooperation Agreement with the Vendors' related corporations and common controlling shareholder of the Vendors to extend the period for the completion of due diligence to September 2019. In 2019, the Vendors obtained the renewal of the mining license in respect of the underlying coal mines to 2028 and 2029, respectively. In January and November 2020, the Vendors obtained the production quotas of the underlying coal mines for 2021 from the relevant authority. Due to the depressed coal prices resulting from the COVID-19 pandemic, management has agreed to extend the completion of due diligence to 31 March 2021 and expects to commence the mining plan in second quarter of 2021.

The balance bears an interest rate of Indonesia Deposit Insurance Corporation interest rate + 0.5% per annum effective from 1 January 2019. The interest charged in 2020 of US$348,214 (2019: US$469,493) is included as part of the balance of trade and other receivables under Cooperation Agreement.

The receivables are classified as financial instruments measured at FVTPL under SFRS(I) 9 *Financial Instruments*, as the receivables do not meet the solely payments of principal and interest ("SPPI") test. SPPI test requires that the contractual terms of the financial asset (as a whole) give rise to cash flows that are solely payments of principal and interest on the principal amounts outstanding, that is cash flows that are consistent with a basic lending arrangement. Given the timing and amounts of the receivables to be recovered under Cooperation Agreement could not be fixed, and contingent upon the occurrence of the commencement of mining activities, the instrument does not meet SPPI test and hence is classified as financial instruments measured at FVTPL.

As per Note 3(d) and Note 4(c)(vi), the fair value of the trade and other receivables is determined using discounted cash flow method where future cash flows are estimated based on present value of expected payments, discounted using the entity's dicount rate. The expected payments are determined based on the coal sold from the underlying coal mines under the Cooperation Agreement.

As of 31 December 2020, the fair value of the receivables is estimated to be US$6,380,457 (2019: US$11,013,697) with a fair value loss of US$5,189,099 (2019: US$9,668,564) (Note 28) recognised in profit or loss during the year.

The information about how the fair value of the receivables is determined (in particular, the valuation technique and inputs used are set out on Note 4(c)(vi) to the financial statements.

(c) The table below shows the movement in lifetime ECL that has been recognised for trade and other receivables in accordance to SFRS(I) 9:

	Lifetime ECL - credit-impaired
	US$
Group	
Balance as at 1 January 2019	1,302,359
Addition	459,539
Exchange differences	7,538
Balance as at 31 December 2019	1,769,436
Addition	13,848,393
Reversal	(84,319)
Exchange differences	(10,546)
Balance as at 31 December 2020	**15,522,964**

The Group's trade and other receivables that are determined to be impaired at the end of the reporting period relate to debtors that have defaulted on payments. Except as mentioned in Notes 8(a) and 8(b), these trade and other receivables are not secured by any collateral or credit enhancements.

(d) Included in this balance is an amount provided by a subsidiary of the Company, PT Mitra Nasional Pratama ("MNP"), to a third party of US$5,423,609 (2019: US$5,503,197) to assist in its exploration and drilling activities and for permit approval process. The exploration works failed to materialise after numerous extensions and the agreement was subsequently terminated. The balance has been fully repaid in January 2021.

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

9 DEPOSITS AND PREPAYMENTS

	Group		Company	
	2020	2019	2020	2019
	US$	US$	US$	US$
Current assets:				
Prepayments	**20,105,463**	24,704,960	**147,056**	196,287
Advance payments for purchase of coal [(a)]	**1,543,196**	34,065,842	**-**	-
Less: Impairment loss on advance payments for purchase of coal [(d)]	**(1,543,196)**	(1,565,842)	**-**	-
	-	32,500,000	**-**	-
Total	**20,105,463**	57,204,960	**147,056**	196,287
Non-current assets:				
Deposits [(b) (c)]	**9,383,431**	11,687,956	**105,218**	105,397
Prepayments	**3,171,730**	10,230,319	**-**	-
Advance payments for purchase of property, plant and equipment	**6,326,598**	1,364,714	**-**	-
Total	**18,881,759**	23,282,989	**105,218**	105,397

[(a)] The advance payments for purchase of coal in 2019 amounting to US$8,150,000 was utilised against purchase of coal during the year and the remaining US$24,350,000 has been included in other receivables following the counterparty's failure to deliver coal within the stipulated terms of the coal offtake agreements [Note 8(a)].

[(b)] Included in this balance is the Group's deposit for land use right, held at amortised costs of US$9,277,043 (2019 : US$9,081,373).

Movement in deposits for land use right are as follows:

	Group	
	2020	2019
	US$	US$
At beginning of year	**9,081,373**	8,853,477
Add: Reversal of loss on financial assets carried at amortised cost credited to profit or loss	**-**	41,802
Add: Interest income on financial assets carried at amortised cost credited to profit or loss (Note 27)	**195,670**	186,094
At end of year	**9,277,043**	9,081,373

Management considered that the ECL for deposits for land use right is insignificant as at 31 December 2020.

[(c)] In 2019, included in this balance was a deposit of US$2,500,000 for a proposed acquisition of mining concessions. As described in Note 8(a), the balance became immediately repayable and was reclassified as other receivables during the year following the termination of the CSPA on 31 March 2020.

[(d)] Movement in impairment loss on advance payments for purchase of coal are as follows:

	Group	
	2020	2019
	US$	US$
At beginning of year	**1,565,842**	1,503,127
Exchange differences	**(22,646)**	62,715
At end of year	**1,543,196**	1,565,842

10 INVENTORY

	Group	
	2020	2019
	US$	US$
Coal	**20,769,393**	12,232,738

The cost of inventory recognised as an expense includes a write-back of allowance for inventory written-down of US$516,370 (2019 : allowance for inventory written-down of US$1,382,168) (Note 31) due to price increased and US$Nil (2019 : US$3,858,366) in respect of inventory loss written-off (Note 31).

11 INVESTMENT IN SUBSIDIARIES

	Company	
	2020	2019
	US$	US$
Unquoted equity shares, at cost	**80,980,515**	80,980,515
Less: Allowance for impairment [(a)]	**(7,131,486)**	(7,131,486)
	73,849,029	73,849,029
Deemed investment [(b)]	**97,009,790**	97,009,790
Fair value of a financial guarantee contract (Note 18)	**7,887,000**	7,887,000
	178,745,819	178,745,819

[(a)] In 2019, the Company made an impairment loss of US$7,131,486 for its investment in a subsidiary, having regard to the subsidiary and its subsidiary's performances and the estimated realisable values of their net tangible assets.

[(b)] The amount is stated at cost as it is deemed to be part of the Company's equity investments in the subsidiaries, as the amounts are interest-free, payable at discretion of the borrowers when they are able to do so.

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

11 INVESTMENT IN SUBSIDIARIES (cont'd)

Details of the Company's subsidiaries are as follows:

Name of subsidiaries	Principal activities/ Country of incorporation and operation	Effective equity interest of the Company	
		2020 %	2019 %
Geo Coal International Pte. Ltd. [(a)]	Coal trading/Singapore.	**100**	100
PT Geo Energy Coalindo [(b) (d)]	Investment holding/Indonesia.	**99.00**	99.00
Borneo International Resources Pte. Ltd. [(a) (g)]	Investment holding/Singapore.	**100**	100
Geo Energy Investments Ltd. [(f) (g)]	Investment holding/ Cayman Island.	**100**	100
Geo Energy International (HK) Limited [(e) (g)]	Investment holding/Hong Kong.	**100**	100
Geo Coal International (HK) Limited [(c)]	Coal trading/Hong Kong.	**100**	100
Held by Geo Energy International (HK) Limited			
Geo Ventures Global Pte. Ltd. [(a) (g)]	Investment holding/Singapore.	**100**	100
Held by Geo Energy Investments Ltd.			
STT Coal Resources Pte. Ltd. [(a) (g)]	Investment holding/Singapore.	**100**	100
Fortune Coal Resources Pte. Ltd. [(a) (g)]	Coal trading/Singapore.	**100**	100
Held by STT Coal Resources Pte. Ltd.			
PT Tunas Bara Abadi Tolindo [(d) (e) (g)]	General trading/Indonesia.	**99.90**	99.90
Held by PT Tunas Bara Abadi Tolindo			
PT STT Tunas Bara [(d) (e) (g)]	General trading and services/Indonesia	**99.10**	99.10
Held by PT STT Tunas Bara			
PT Surya Tambang Tolindo [(d) (e) (g)]	Coal mining/Indonesia.	**99.06**	99.06
Held by Fortune Coal Resources Pte. Ltd.			
PT Satui Jasabara [(d) (e) (g)]	General trading/Indonesia.	**99.90**	99.90
Held by PT Satui Jasabara			
PT Satui Energi [(d) (e) (g)]	General trading/Indonesia.	**98.90**	98.90
Held by PT Satui Energi			
PT Tanah Bumbu Resources [(b) (d)]	Coal mining/Indonesia.	**97.91**	97.91
Held by PT Geo Energy Coalindo			
PT Mitra Nasional Pratama [(b) (d)]	Mining services/Indonesia.	**98.01**	98.01
PT Sumber Bara Jaya [(b) (d) (g)]	Mining services/Indonesia.	**98.90**	98.90
PT Geo Tebo Power Inti [(d) (e) (g)]	Power generation/Indonesia.	**98.92**	98.92
PT Geo Energy Trading [(d) (e) (g)]	General trading/Indonesia.	**98.92**	98.92
Held by PT Mitra Nasional Pratama			
PT Geo Online Indonesia [(d) (e) (g)]	Multimedia supplier, business and management consultant services/Indonesia.	**97.97**	97.97

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

11 INVESTMENT IN SUBSIDIARIES (cont'd)

Name of subsidiaries	Principal activities/ Country of incorporation and operation	Effective equity interest of the Company 2020 %	2019 %
Held by PT Sumber Bara Jaya			
PT Bumi Enggang Khatulistiwa [b] [d]	Coal mining/Indonesia.	**98.88**	98.88
Held by Borneo International Resources Pte. Ltd.			
PT Era Tiga Putra [d] [e] [g]	Investment holding/Indonesia.	**99.00**	99.00
Held by PT Era Tiga Putra			
PT Karunia Mitra Berkat [d] [e] [g]	Investment holding/Indonesia.	**98.97**	98.97
Held by PT Karunia Mitra Berkat			
PT Sungai Danau Jaya [b] [d]	Coal mining/Indonesia.	**98.96**	98.96

Notes

[a] Audited by Deloitte & Touche LLP, Singapore.

[b] Audited by Imelda & Rekan, Jakarta, Indonesia (a member firm of Deloitte Touche Tohmatsu Limited).

[c] Audited by Deloitte Touche Tohmatsu, Hong Kong (a member firm of Deloitte Touche Tohmatsu Limited).

[d] Under the Indonesian Company Law, a limited liability company incorporated in Indonesia is required to have a minimum of two shareholders. As a result, certain subsidiaries are held by a non-controlling interest party.

[e] Not audited as deemed not material to the Group.

[f] Audited by Deloitte & Touche LLP, Singapore for sole purpose of inclusion of their financial position and operation results in the consolidated financial statements of the Group.

[g] The subsidiaries were dormant during the year.

There were no significant restrictions on the Company or its subsidiaries' ability to access or use the assets and settle the liabilities of the Group.

There are no subsidiaries that have non-controlling interests that are material to the Group.

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

12 DEFERRED STRIPPING COSTS

	Group	
	2020	2019
	US$	US$
Cost:		
At beginning of year	**73,044,407**	62,547,110
Additions	**-**	10,497,297
At end of year	**73,044,407**	73,044,407
Accumulated amortisation:		
At beginning of year	**11,786,972**	4,647,402
Amortisation	**7,329,354**	7,139,570
At end of year	**19,116,326**	11,786,972
Carrying amount:		
At end of year	**53,928,081**	61,257,435
At beginning of year	**61,257,435**	57,899,708

Total amortisation of deferred stripping costs was allocated as follows:

	Group	
	2020	2019
	US$	US$
Charged to profit or loss (Note 31)	**6,061,714**	7,219,234
Capitalised as inventory	**1,762,697**	495,057
	7,824,411	7,714,291
Less: Amount previously capitalised as inventory, charged to profit or loss during the year	**(495,057)**	(574,721)
	7,329,354	7,139,570

13 PROPERTY, PLANT AND EQUIPMENT

	Leasehold property	Temporary housing facility	Jetty	Machineries	Motor vehicles	Equipment and furniture	Computer and software	Mining properties	Construction in progress	Total
	US$	US$	US$	US$	US$	US$	US$	US$	US$	US$
Group										
Cost:										
At 1 January 2019	2,181,201	471,847	832,635	1,257,166	163,378	862,651	700,542	214,870,947	300,261	221,640,628
Additions	15,583	-	72,209	7,761	27,739	8,052	2,374	2,128,579	(4,335)	2,257,962
Disposals	-	(7,077)	-	-	(75,778)	-	(8,532)	-	-	(91,387)
Reclassification	92,752	-	-	-	-	-	37,971	(85,004)	(45,719)	-
Exchange differences	69,789	172	-	6,420	3,373	15,649	7,607	-	41	103,051
At 31 December 2019	2,359,325	464,942	904,844	1,271,347	118,712	886,352	739,962	216,914,522	250,248	223,910,254
Additions	-	1,872	-	-	-	2,650	-	3,045,119	34,242	3,083,883
Disposals	-	-	-	(5,627)	(770)	(4,728)	(21,984)	-	-	(33,109)
Exchange differences	(25,200)	-	-	(2,318)	(583)	(5,661)	(3,064)	-	(2,518)	(39,344)
At 31 December 2020	**2,334,125**	**466,814**	**904,844**	**1,263,402**	**117,359**	**878,613**	**714,914**	**219,959,641**	**281,972**	**226,921,684**
Accumulated depreciation:										
At 1 January 2019	337,798	261,937	832,635	1,178,995	96,499	620,035	503,173	46,133,909	-	49,964,981
Depreciation	130,941	16,220	1,504	32,352	13,785	90,851	74,455	14,362,514	-	14,722,622
Disposals	-	(7,077)	-	-	(58,143)	-	(8,532)	-	-	(73,752)
Exchange differences	13,512	172	-	6,420	2,445	9,896	7,468	-	-	39,913
At 31 December 2019	482,251	271,252	834,139	1,217,767	54,586	720,782	576,564	60,496,423	-	64,653,764
Depreciation	129,386	16,234	18,053	32,637	19,311	85,201	73,120	17,963,862	-	18,337,804
Disposals	-	-	-	(5,627)	(616)	(3,953)	(21,387)	-	-	(31,583)
Exchange differences	(2,136)	-	-	(2,318)	(1,596)	(1,975)	(3,034)	-	-	(11,059)
At 31 December 2020	**609,501**	**287,486**	**852,192**	**1,242,459**	**71,685**	**800,055**	**625,263**	**78,460,285**	**-**	**82,948,926**

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

13 PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Leasehold property	Temporary housing facility	Jetty	Machineries	Motor vehicles	Equipment and furniture	Computer and software	Mining properties	Construction in progress	Total
	US$	US$	US$	US$	US$	US$	US$	US$	US$	US$
Group (cont'd)										
Accumulated impairment:										
At 1 January 2019	-	-	-	-	-	-	-	-	-	-
Impairment loss	-	-	-	-	-	-	-	6,399,574	-	6,399,574
At 31 December 2019 and 2020	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6,399,574**	**-**	**6,399,574**
Carrying amount:										
At 31 December 2020	**1,724,624**	**179,328**	**52,652**	**20,943**	**45,674**	**78,558**	**89,651**	**135,099,782**	**281,972**	**137,573,184**
At 31 December 2019	1,877,074	193,690	70,705	53,580	64,126	165,570	163,398	150,018,525	250,248	152,856,916

Management has carried out a review of the recoverable amount of the mining properties based on value in use calculations, using discount rates of 8.6% to 10.5% (2019: 11.1% to 12.0%).

Based on the assessment, no further impairment loss has been made to the Group's mining properties during the year. As of 31 December 2020, the accumulated impairment of a mining property was US$6,399,574 (2019: US$6,399,574).

Management determined the following assumptions to be sensitive to the value in use calculation:

- Discount rates
- Forecasted coal prices

As at 31 December 2019 and 2020, the impacts of the possible changes in a key assumption, with all other variables held constant, to the Group's allowance for impairment loss in respect of one of the mining properties is as follows:

	80 basis points increase in discount rate		3% decrease in forecasted coal prices	
	2020	2019	2020	2019
	US$	US$	US$	US$
Impairment loss of a mining property increases by	**933,000**	740,000	**3,068,000**	2,333,000

	Equipment and furniture	Computer and software	Total
	US$	US$	US$
Company			
Cost:			
At 1 January 2019	396,961	47,060	444,021
Additions	1,844	-	1,844
At 31 December 2019	398,805	47,060	445,865
Additions	866	-	866
Disposal	(970)	(1,411)	(2,381)
At 31 December 2020	**398,701**	**45,649**	**444,350**
Accumulated depreciation:			
At 1 January 2019	362,842	35,431	398,273
Depreciation	11,970	5,099	17,069
At 31 December 2019	374,812	40,530	415,342
Depreciation	12,206	3,573	15,779
Disposal	(808)	(1,411)	(2,219)
At 31 December 2020	**386,210**	**42,692**	**428,902**
Carrying amount:			
At 31 December 2020	**12,491**	**2,957**	**15,448**
At 31 December 2019	23,993	6,530	30,523

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

13 PROPERTY, PLANT AND EQUIPMENT (cont'd)

Total depreciation of property, plant and equipment was allocated as follows:

	Group	
	2020	2019
	US$	US$
Charged to profit or loss (Note 31)	**15,772,989**	15,606,930
Capitalised as inventory	**4,325,105**	1,760,290
	20,098,094	17,367,220
Less: Amount previously capitalised as inventory, charged to profit or loss during the year	**(1,760,290)**	(2,644,598)
	18,337,804	14,722,622

14 RIGHT-OF-USE ASSETS

The Group and Company lease their office premise and motor vehicles, with lease term of 3 years and between 3 - 5 years, respectively (2019 : 3 years and between 3 - 5 years).

	Motor vehicles	Leasehold property	Total
	US$	US$	US$
Group			
Cost:			
At 1 January 2020	705,016	1,153,341	1,858,357
Exchange differences	(981)	-	(981)
At 31 December 2020	**704,035**	**1,153,341**	**1,857,376**
Accumulated depreciation:			
At 1 January 2020	385,747	224,261	610,008
Depreciation	106,391	384,446	490,837
Exchange differences	1,174	-	1,174
At 31 December 2020	**493,312**	**608,707**	**1,102,019**
Carrying amount:			
At 31 December 2020	**210,723**	**544,634**	**755,357**
At 31 December 2019	319,269	929,080	1,248,349
Company			
Cost:			
At 1 January and 31 December 2020	**163,349**	**1,153,341**	**1,316,690**
Accumulated depreciation:			
At 1 January 2020	130,679	224,261	354,940
Depreciation	-	384,446	384,446
At 31 December 2020	**130,679**	**608,707**	**739,386**
Carrying amount:			
At 31 December 2020	**32,670**	**544,634**	**577,304**
At 31 December 2019	32,670	929,080	961,750

15 OTHER NON-CURRENT ASSET

This represents transferable club membership stated at cost. No impairment loss was recognised during the year.

16 TRADE AND OTHER PAYABLES

	Group		Company	
	2020	2019	2020	2019
	US$	US$	US$	US$
Current liabilities:				
Trade payables due to:				
- Third parties	**29,278,463**	15,738,733	**-**	-
Other payables comprise of:				
- Third parties	**1,104,584**	127,757	**74,896**	47,647
- Subsidiaries (Note 5)	**-**	-	**49,624,287**	139,351,207
GST payables	**158,575**	43,375	**158,575**	43,375
VAT payables	**62,521**	83,277	**-**	-
- Withholding tax payables	**455,742**	587,041	**-**	-
- Deferred gain [(a)]	**297,018**	397,595	**-**	-
- Advance payments from customers [(b)]	**25,052,640**	44,588,350	**-**	-
- Accrued interest on notes payable (Note 18)	**1,091,269**	5,776,302	**-**	-
- Accruals [(c)]	**21,735,400**	13,903,567	**2,537,551**	599,270
Total	**79,236,212**	81,245,997	**52,395,309**	140,041,499
Non-current liabilities:				
Other payables comprise of:				
- Deferred gain [(a)]	**1,743,503**	1,939,667	**-**	-

The credit period on purchases is up to 30 days (2019: 30 days). No interest is charged on the outstanding balances.

(a) In November 2018, the Group assigned a coal sales contract to a third party who also subscribed to the Company's shares (Note 22) and warrants (Note 23). The deferred gain represents the fair value gain arising from the assignment of the coal sales contract which will be amortised over the expected life of PT Tanah Bumbu Resources ("TBR") mine on a unit-of-production basis. During the year, amortisation of US$296,741 (2019: US$284,986) was credited to the Group's profit or loss (Note 27).

(b) These represent payments received in advance for coal which is expected to be delivered within twelve months (2019 : twelve months). During the year, the Group received US$10,006,685 (2019: US$20,000,000) in advance payments.

A contract liability arises from these advances received from third party customers when payment is initially received. The following table shows amount of revenue recognised in the current reporting period relating to brought-forward contract liabilities.

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

16 TRADE AND OTHER PAYABLES (cont'd)

	Group	
	2020 US$	2019 US$
Amounts received in advance of delivery	**29,542,395**	411,995

(c) Accruals principally comprise of amounts outstanding for on-going costs.

17 LEASE LIABILITIES

	2020 US$	2019 US$
The Group as lessee		
Maturity analysis:		
Year 1	**415,502**	485,227
Year 2	**167,731**	415,692
Year 3	**-**	167,732
	583,233	1,068,651
Less: Unearned interest	**(12,108)**	(38,388)
	571,125	1,030,263
Analysed as:		
Current	**404,280**	458,951
Non-current	**166,845**	571,312
	571,125	1,030,263
The Company as lessee		
Maturity analysis:		
Year 1	**402,554**	416,175
Year 2	**167,731**	402,554
Year 3	**-**	167,731
	570,285	986,460
Less: Unearned interest	**(11,922)**	(35,426)
	558,363	951,034
Analysed as:		
Current	**391,518**	392,672
Non-current	**166,845**	558,362
	558,363	951,034

The Group and Company do not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

As at 31 December 2020, the Group and Company's lease liabilities are secured by right-of-use assets (Note 14).

18 NOTES PAYABLE

In 2017, the Group, through its subsidiary, Geo Coal International Pte. Ltd. ("GCI"), issued guaranteed senior fixed rate notes (the "Notes") with aggregate nominal value of US$300 million which carried fixed interest of 8.0% per annum and is repayable on 4 October 2022.

The Notes are listed on the SGX. They are unsecured and guaranteed by the Company and certain subsidiaries of the Company. The guarantees are effectively subordinated to secure obligations of each guarantor, to the extent of the value of assets serving as security. In 2017, the Company recognised the fair value of the above financial guarantee of US$7,887,000 on the statement of financial position as deemed investment in a subsidiary (Note 11) and a financial guarantee liability.

During the year, amortisation of the financial guarantee obligation of US$1,378,011 (2019: US$1,576,536) was credited to the Company's profit or loss. In addition, the Company credited a fair value gain of US$1,618,349 (2019: US$Nil) to profit or loss following the change in the fair value of the financial guarantee liability as a result of the Group's repurchases of its Senior Notes.

Among other things, the Notes contain optional redemption clauses as described below:

- At any time on or after 4 October 2020, GCI may redeem the Notes in whole or in part at a redemption price equal to the 104% or 102% of principal amount if redeemed during the 12-month period commencing 4 October 2020 or 2021 respectively, plus accrued and unpaid interest, if any, to the redemption date.

The Notes contain certain covenants that limited the Company's and certain subsidiaries' abilities to, among other things:

- incur or guarantee additional indebtedness and issue certain redeemable or preferred stock;
- create or incur certain liens;
- make certain payments, including dividends or other distributions, with respect to the shares of the Company or certain of its subsidiaries if at such time of declaration, a default has occurred, is continuing or is expected to occur as a result of the said dividend or other distributions;
- prepay or redeem subordinated debt or equity;
- make certain investments;
- create encumbrances or restrictions on the payment of dividends, or other distributions, loans or advances to and on the transfer of assets to the Company or certain of its subsidiaries;
- sell, lease or transfer certain assets, including stock of certain subsidiaries;
- enter into sale and leaseback transactions;
- engage in certain transactions with affiliates;
- enter into unrelated businesses; and
- consolidate or merge with other entities.

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

18 NOTES PAYABLE (cont'd)

In addition, the Notes also contain a Mandatory Offer to Purchase ("Put Option"). Unless the following conditions are satisfied on the respective relevant dates, not later than 30 days following such dates the Company and certain of its subsidiaries will make an Offer to Purchase for all outstanding Notes at a purchase price equal to 100% of its principal amount plus accrued and unpaid interest, if any to (but not including) the Offer to Purchase Payment date:

- As at 4 April 2021, the Company and certain subsidiaries have not less than 80 million tonnes of qualified coal reserves of qualified mines having mining license that expire no earlier than 4 October 2025; or
- As at 4 April 2021, the Company and certain subsidiaries have 120 million tonnes of qualified coal reserves of qualified mines having mining license that expire no earlier than eight years from date of determination.

During the year, the mining licences of certain subsidiaries of the Company were extended to 2027 and 2028, respectively, which is later than 4 October 2025. In addition, the qualified coal reserves, measured within six months of 4 April 2021, of these subsidiaries increased to 84 million tonnes as of 31 December 2020. Based on these, conditions are satisfied and the mandatory purchase of the Notes will not be triggered on 4 April 2021.

The net carrying amount of the Notes was stated net of transaction costs totalling US$13,715,412. Such costs were amortised over the life of the Notes by charging the expenses to profit or loss and increasing the net carrying amount of the Notes with the corresponding amount. As of 31 December 2020, accumulated amortisation amounted to US$13,289,068 (2019: US$7,068,881).

In 2019 and 2020, the Group had repurchased US$16,061,000 and US$224,752,000 respectively in aggregate principal amount of the Notes in a series of open market transactions and through Tender Offer. The aggregate amount paid for the repurchased Notes including the accrued interests was US$124,695,473 (2019: US$10,720,226). The repurchased Notes were cancelled in accordance with the terms of the Notes and the indenture governing them. Following the cancellation of all the repurchased Notes, the aggregate principal amount of Notes outstanding and the maximum amount the Company could be forced to settle under the financial guarantee if the full guarantee amount is claimed by the counterparty to the guarantee, is US$59,187,000 (2019: US$283,939,000).

Management estimated the fair value of the Notes as at 31 December 2020 following the repurchases to be approximately US$44,765,318 (2019: US$175,860,000). The fair value measurement is classified under Level 2 of the fair value hierarchy and has been calculated based on the mid-price extracted from Bloomberg as at 31 December 2020. There has been no change to the valuation technique and no transfers between the levels of the fair value hierarchy during the year.

	Group	
	2020	2019
	US$	US$
Nominal value of Notes issued	**300,000,000**	300,000,000
Transaction costs	**(13,715,412)**	(13,715,412)
At date of issue	**286,284,588**	286,284,588
Cumulative interest accrued	**65,604,716**	53,776,302
Cumulative amortisation of transaction costs	**13,289,068**	7,068,881
Cumulative interest paid	**(64,513,447)**	(48,000,000)
Cumulative amount repurchased	**(128,835,294)**	(10,720,226)
Cumulative gain on repurchases	**(111,977,706)**	(5,340,774)
Total	**59,851,925**	283,068,771
Interest payable within one year included in other payables (Note 16)	**(1,091,269)**	(5,776,302)
Liability (non-current) at end of year	**58,760,656**	277,292,469

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

19 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

			Non-cash changes			
	1 January 2020	Financing cash flows (i)	New lease liabilities	Foreign exchange movement	Other changes (ii)	31 December 2020
	US$	US$	US$	US$	US$	US$
Lease liabilities (Note 17)	1,030,263	(499,725)	-	14,314	26,273	**571,125**
Notes payable:						
- Senior Notes (Note 18)	277,292,469	(118,115,068)	-	-	(100,416,745)	**58,760,656**
- Accrued interest on notes payable (Note 16)	5,776,302	(16,513,447)	-	-	11,828,414	**1,091,269**
	284,099,034	135,128,240	-	14,314	(88,562,058)	**60,423,050**

			Non-cash changes			
	1 January 2019	Financing cash flows (i)	New lease liabilities	Foreign exchange movement	Other changes (ii)	31 December 2019
	US$	US$	US$	US$	US$	US$
Lease liabilities (Note 17)	241,776	(425,505)	1,153,341	30,016	30,635	1,030,263
Notes payable:						
- Senior Notes (Note 18)	290,497,081	(10,720,226)	-	-	(2,484,386)	277,292,469
- Accrued interest on notes payable (Note 16)	5,845,648	(24,000,000)	-	-	23,930,654	5,776,302
	296,584,505	(35,145,731)	1,153,341	30,016	21,476,903	284,099,034

(i) The cash flows comprise the repurchases of the Notes and repayments of the Notes and lease liabilities in the consolidated statement of cash flows.

(ii) Other changes include interest accruals, amortisation of transaction costs and gain on repurchases of the Notes.

20 PROVISIONS

As at the end of the reporting period, the Group and Company have made the following provisions:

	Group		Company	
	2020	2019	2020	2019
	US$	US$	US$	US$
Retirement benefit obligations (Note A)	**1,862,739**	1,458,490	**-**	-
Provision for rehabilitation (Note B)	**636,223**	677,738	**-**	-
Provision for reinstatement costs (Note C)	**113,890**	109,747	**113,890**	109,747
	2,612,852	2,245,975	**113,890**	109,747

(A) <u>Retirement benefit obligations</u>

	Group	
	2020	2019
	US$	US$
Present value of unfunded obligations	**1,862,739**	1,458,490
Changes in the present value of the defined obligations:		
Opening defined benefit obligations	**1,458,490**	950,945
Employee benefits expense (Note 31)	**362,367**	336,439
Remeasurement, (credited) charged to other comprehensive income:		
- Actuarial (gains) losses from changes in experience adjustments	**(112,369)**	10,603
- Actuarial losses from financial assumptions	**187,073**	109,752
- Actuarial gains from changes in demographic adjustments	**(3,053)**	-
Benefits paid	**(6,468)**	(2,536)
Exchange differences	**(23,301)**	53,287
Closing defined benefit obligations	**1,862,739**	1,458,490

Employee benefits expense comprised:

	Group	
	2020	2019
	US$	US$
Current service cost	**249,732**	253,471
Interest cost	**112,635**	82,968
Total	**362,367**	336,439

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

20 PROVISIONS (cont'd)

The Group's subsidiaries recognised defined post-employment benefits in accordance with the Republic of Indonesia Labor Law No. 13 year 2003. No funding has been made to the defined benefit scheme.

The actuarial valuation of present value of the defined benefit obligation was carried out as at 31 December 2020 and 2019 by PT. Padma Radya Aktuaria. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The principal assumptions used for the purpose of the actuarial valuations were as follows:

	Valuation at	
	2020	2019
Discount rate per annum	**7.00%**	8.00%
Expected rate of salary increases per annum	**10%**	10%
Mortality rate *	**100% TMI3**	100% TMI3
Disability rate	**5% TMI3**	5% TMI3
Resignation rate	**5% per annum until age 35 then decrease linearly to 0% at age 55 years**	5% per annum until age 35 then decrease linearly to 0% at age 55 years
Normal retirement age	**55 years**	55 years

* Standard Ordinary Mortality table in Indonesia ("TMI")

Sensitivity analysis was not performed on each of the significant actuarial assumption, in view that the changes in the actuarial assumptions are not expected to be material.

(B) Provision for rehabilitation

	Group	
	2020 US$	2019 US$
At beginning of year	**677,738**	696,948
Additions	**-**	33,698
Reversals	**(69,831)**	(101,082)
Interest accretion charged to profit or loss (Note 29)	**31,361**	41,582
Exchange differences	**(3,045)**	6,592
At the end of year	**636,223**	677,738

This includes the net present value of the costs expected to be incurred for the rehabilitation of mining properties. Management uses a discount rate of 15% (2019: 15%).

The Group has not provided for certain costs relating to rehabilitation as these activities will be undertaken by the owner of the land in which the Group performs its mining activities.

(C) Provision for reinstatement costs

	Group and Company	
	2020 US$	2019 US$
At beginning of year	**109,747**	105,540
Interest accretion charged to profit or loss (Note 29)	**4,143**	4,207
At the end of year	**113,890**	109,747

This represents net present value of the costs expected to be incurred for reinstating the leased office premises. Management uses a discount rate of 5% (2019: 5%).

21 DEFERRED TAX LIABILITIES (ASSETS)

	Group		Company	
	2020 US$	2019 US$	2020 US$	2019 US$
Deferred tax assets	**(2,891,849)**	(1,971,539)	**(339,766)**	(362,284)
Deferred tax liabilities	**10,545,697**	3,309,309	**-**	-
	7,653,848	1,337,770	**(339,766)**	(362,284)

The following are the major deferred tax (assets) liabilities recognised by the Group and Company and the movements thereon, during the year:

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

21 DEFERRED TAX LIABILITIES (ASSETS) (cont'd)

	Retirement benefit	Tax losses	Accelerated tax depreciation	Deferred stripping costs	Others [(a)]	Total
	US$	US$	US$	US$	US$	US$
Group						
At 1 January 2019	(104,071)	(16,870,539)	1,675,086	11,906,221	3,246,320	(146,983)
(Credited) Charged to profit or loss [Note 30(A)]	(163,261)	1,686,532	348,210	462,162	(527,498)	1,806,145
Credited to other comprehensive income [Note 30(B)]	(30,089)	-	-	-	-	(30,089)
Exchange differences	(17,850)	(978,282)	73,701	504,394	126,734	(291,303)
At 31 December 2019	(315,271)	(16,162,289)	2,096,997	12,872,777	2,845,556	1,337,770
(Credited) Charged to profit or loss [Note 30(A)]	(72,928)	9,730,587	14,851	(2,783,149)	(521,334)	6,368,027
Credited to other comprehensive income [Note 30(B)]	(74,074)	-	-	-	-	(74,074)
Exchange differences	60,277	331,645	(20,593)	(288,823)	(60,381)	22,125
At 31 December 2020	**(401,996)**	**(6,100,057)**	**2,091,255**	**9,800,805**	**2,263,841**	**7,653,848**

(a) Others mainly comprise of timing differences arising from prepaid jetty and hauling costs of US$3.0 million (2019 : US$3.8 million).

	Accelerated tax depreciation	Tax losses	Total
	US$	US$	US$
Company			
At 1 January 2019	(11,954)	-	(11,954)
Credited to profit or loss	(67)	(345,833)	(345,900)
Exchange differences	(168)	(4,262)	(4,430)
At 31 December 2019	(12,189)	(350,095)	(362,284)
Credited to profit or loss	(14,803)	37,321	22,518
At 31 December 2020	**(26,992)**	**(312,774)**	**(339,766)**

At the end of the financial year, the aggregate amount of temporary differences associated with undistributed earnings of subsidiaries for which deferred tax liabilities have not been recognised is US$109,437,000 (2019: US$83,174,000). No deferred tax liability has been recognised in respect of these differences because the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

22 SHARE CAPITAL

	Group and Company			
	2020	2019	2020	2019
	Number of ordinary shares		US$	US$
At beginning and end of year	**1,399,273,113**	1,399,273,113	**106,513,187**	106,513,187

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividend income when declared by the Company.

23 CAPITAL AND OTHER RESERVES

During the year, the Group and Company recorded deemed capital contribution amounting to US$237,043 (2019: US$331,371) for the issuance of shares by a shareholder of the Company to a director as share-based payment.

On 11 January 2019, the Group announced the grant of share options pursuant to the Geo Energy share option scheme. A total of 24,850,000 options was granted at the exercise price of S$0.19 per share. Details regarding these equity-settled share-based payments are set out in Note 35.

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

23 CAPITAL AND OTHER RESERVES (cont'd)

In November 2018, the Group issued 74,000,000 unquoted warrants for a consideration of S$1 pursuant to the assignment of coal sales contract for TBR mine [Note 16(a)]. Each warrant entitles the holder to subscribe for one new ordinary share at the exercise price of S$0.33 per share for the exercise period of two years at any time from the date of issue up to and including 19 November 2020. The fair value measurement is classified under Level 2 of the fair value hierarchy. The estimated fair value of the warrants granted on 5 November 2018, determined using the Black-Scholes pricing model, was US$713,786.

As at 31 December 2020, no warrant was exercised and the warrants have since expired.

24 TRANSLATION RESERVE

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency, USD.

25 COMPONENTS OF OTHER COMPREHENSIVE INCOME

	Group	
	2020 US$	2019 US$
Item that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations:		
- Arising during the year	**(39,401)**	276,346
Item that will not be reclassified subsequently to profit or loss		
Net remeasurement of defined benefit obligations [Notes 20(A) and 30(B)]	**2,423**	(99,048)
Other comprehensive income for the year, net of tax	**(36,978)**	177,298

26 REVENUE

	Group	
	2020 US$	2019 US$
Timing of revenue recognition		
At a point in time:		
Sale of coal:		
- Coal mining	**297,574,385**	249,108,854
- Coal trading	**9,182,769**	-
Total	**306,757,154**	249,108,854

27 OTHER INCOME

	Group	
	2020 US$	2019 US$
Interest income [(a)]	**1,220,517**	5,151,671
Gain on disposal of property, plant and equipment	**907**	8,791
Interest charged under Cooperation Agreement [Note 8(b)]	**348,214**	469,493
Interest charged under coal purchase contracts [Note 8(a)]	**2,095,064**	-
Amortisation of deferred gain (Note 16)	**296,741**	284,986
Gain on repurchases of the Notes	**106,636,932**	5,340,774
Others	**237,624**	158,690
Total	**110,835,999**	11,414,405

(a) This includes interest income on financial assets carried at amortised cost of US$195,670 (2019 : US$186,094) [Note 9(a)].

28 OTHER EXPENSES

	Group	
	2020 US$	2019 US$
Impairment loss on property, plant and equipment	**-**	6,399,574
Other expenses arising from finalisation of tax assessments	**17,525**	737,005
Fair value loss on trade and other receivables [Note 8(b)]	**5,189,099**	9,668,564
Foreign exchange loss - net	**152,188**	808,775
Other non-operating expenses incurred on mining	**705,424**	758,247
Others	**89,269**	555,638
Total	**6,153,505**	18,927,803

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

29 FINANCE COSTS

	Group	
	2020 US$	2019 US$
Interest expense on:		
- Notes payable:		
- Senior Notes (Note 18)	**11,828,414**	23,930,654
- Amortisation of transaction costs (Note 18)	**6,220,187**	2,856,388
- Lease liabilities	**26,273**	30,635
Imputed interest on:		
- Provisions [Notes 20(B) and 20(C)]	**35,504**	45,789
Total	**18,110,378**	26,863,466

30 INCOME TAX EXPENSE

(A) Income tax recognised in profit or loss

	Group	
	2020 US$	2019 US$
Income tax:		
- Current	**2,026,575**	-
- Underprovision in prior years	**1,321,094**	1,355,195
Deferred tax (Note 21):		
- Current	**6,750,224**	(1,937,795)
- Effect of change in tax rate from 25% to 22%	**(344,259)**	-
- (Over) Underprovision in prior years	**(37,938)**	3,743,940
Income tax expense	**9,715,696**	3,161,340

Income tax for Singapore incorporated companies is calculated at 17% (2019: 17%) of the estimated assessable income for the year.

In 2017, certain subsidiary of the Company was awarded the status of a Global Trading Company by the International Enterprise Singapore under the Global Trader Programme ("GTP"), which grants the subsidiary a concessionary income tax rate of 10% on qualifying transactions for a period of 3 years from 1 October 2017 to 30 September 2020. This incentive is subject to the achievement of certain business volume and other terms and conditions. The GTP status has lapsed during the year.

Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions. The majority of the Company's subsidiaries operate in Indonesia and hence, they are subject to the Indonesian tax law. In accordance to the Indonesian tax law No. 36/2008, the fourth amendment of tax law No. 7/1983 on income taxes, the corporate tax rate was set at 25%. On 31 March 2020, the Indonesian government issued the Government Regulation in lieu of Law No. 1 Year 2020 which regulates the adjustment of corporate income tax rate for domestic tax payers and permanent establishments to become 22% for the fiscal years 2020-2021 and 20% for the fiscal year 2022.

The total charge for the year can be reconciled to the accounting profit (loss) as follows:

	Group	
	2020 US$	2019 US$
Profit (Loss) before income tax	**104,864,896**	(44,556,283)
Tax at statutory rate of 22% (2019 : 25%) *	**23,070,277**	(11,139,071)
Tax effect of expenses that are not deductible in determining taxable profit	**10,343,672**	12,062,184
Tax effect of income that are not taxable in determining taxable profit	**(21,368,167)**	(5,427,880)
Tax exemption	**(9,878)**	(9,143)
Effect of different tax rates of companies operating in other jurisdictions	**(3,572,473)**	1,185,241
Effect of concessionary tax rate of 10% granted under GTP	**336,673**	1,390,874
Effect of change in tax rate from 25% to 22%	**(344,259)**	-
Reversal of write-off of tax losses of prior years	**(23,305)**	-
Adjustments recognised in the current year in relation to current and deferred tax of prior years	**1,283,156**	5,099,135
Income tax expense	**9,715,696**	3,161,340

* Statutory income tax is calculated at a rate in which the Company's significant subsidiaries are domiciled, i.e. Indonesian income tax rate.

(B) Income tax relating to each component of other comprehensive income

	Group	
	2020 US$	2019 US$
Deferred tax:		
- Remeasurement of defined benefit obligations (Note 21)	**(15,763)**	(30,089)
- Effects of change in prevailing tax rate to 22% (2019 : 25%)	**(32,347)**	-
- Other adjustments recognised in current year relating to deferred tax on components of other comprehensive income in prior years	**(25,964)**	-
Total deferred tax on components of other comprehensive income	**(74,074)**	(30,089)

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

31 PROFIT (LOSS) FOR THE YEAR

Profit (Loss) for the year has been arrived at after charging (crediting):

	Group	
	2020	2019
	US$	US$
Directors' remuneration	**4,510,801**	2,994,781
Employee benefits expense (including directors' remuneration)	**9,433,400**	6,970,836
Costs of defined contribution plans (included in employee benefits expense)	**347,205**	296,024
Costs of defined benefit plans (included in employee benefits expense) [Note 20(A)]	**362,367**	336,439
Cost of inventory recognised as expense	**191,912,552**	176,984,470
Depreciation of property, plant and equipment (Note 13)	**15,772,989**	15,606,930
Depreciation of right-of-use assets (Note 14)	**490,837**	359,599
Amortisation of deferred stripping costs (Note 12)	**6,061,714**	7,219,234
(Write-back of) Allowance for inventory written-down (Note 10)	**(516,370)**	1,382,168
Inventory loss written-off (Note 10)	**-**	3,858,366
Share-based payment expense	**251,914**	809,934
Audit fees paid/payable to:		
- Auditors of the Company	**228,903**	221,049
- Member firm of the Auditors of the Company	**157,589**	169,941
Non-audit fees paid/ payable to:		
- Auditors of the Company	**17,502**	70,517
- Member firm of the Auditors of the Company	**7,262**	2,568

32 DIVIDENDS

On 16 May 2019, the Company paid a final one-tier tax-exempt dividend of S$0.004 per share (total dividend of US$4,090,545) to its shareholders in respect of the year ended 31 December 2018.

In respect of the current year, the directors proposed a final one-tier tax-exempt dividend of S$0.008 per share (total dividend of US$8,447,804). The dividend is subject to approval and has not been included as a liability in these financial statements.

33 EARNINGS (LOSS) PER SHARE

Basic and diluted loss per share for the financial year ended 31 December 2020 is calculated based on the profit for the year attributable to owners of the Company of US$94,909,608 (2019: loss for the year attributable to owners of the Company of US$47,471,262) divided by the weighted average number of shares issued of 1,399,273,113 (2019: 1,399,273,113).

On 11 January 2019, the Group had announced the granting of share options pursuant to the Geo Energy share option scheme. A total of 24,850,000 options were granted at the exercise price of S$0.19 per share. The exercise period of the options commences after the first anniversary from the date of the grant.

The warrants and share options were excluded in the calculation of diluted profit per share because they were anti-dilutive.

34 SEGMENT INFORMATION

For the purpose of resource allocation and assessment of segment performance, the Group's chief operating decision makers have focused on the business operating units which in turn, are segregated based on their services. This forms the basis of identifying the segments of the Group under SFRS(I) 8.

Operating segments are aggregated into a single reportable operating segment if they have similar economic characteristic, such as long-term average gross margins, and are similar in respect of nature of services and process, type of customers, method of distribution, and if applicable, the nature of the regulatory environment.

The Group's reportable segments under SFRS(I) 8 are therefore as follows:

<u>Segment</u>		<u>Principal activities</u>
Coal mining	-	Production and sale of coal produced from operating own coal mines.
Coal trading	-	Purchase and sale of coal from third parties.
Mining services	-	Mining contracting and project management for mining activities conducted at third party mines.

Segment revenue represents revenue generated from external and internal customers. Segment results represent the profit earned from each segment after allocating costs directly attributable to a segment as well as those that can be allocated on a reasonable basis. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

Assets and liabilities are not allocated by segment as they are not considered critical by the chief operating decision maker in resource allocation and assessment of segment performance.

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

34 SEGMENT INFORMATION (cont'd)

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable segments:

	Revenue		Gross profit		EBITDA		Profit (Loss) before income tax	
	2020	2019	2020	2019	2020	2019	2020	2019
	US$	US$	US$	US$	US$	US$	US$	US$
Group								
Coal mining	**297,574,385**	249,108,854	**45,677,424**	3,250,072	**66,695,897**	31,027,624	**45,957,413**	(3,381,145)
Coal trading	**9,182,769**	-	**551,231**	-	**551,231**	-	**(13,297,161)**	-
Mining services	**-**	-	**-**	-	**-**	469,493	**(5,189,099)**	(9,199,071)
	306,757,154	249,108,854	**46,228,655**	3,250,072	**67,247,128**	31,497,117	**27,471,153**	(12,580,216)
Depreciation of property, plant and equipment					**-**	-	**(790,697)**	(648,745)
Other gains - net					**2,893,532**	3,031,575	**109,675,922**	7,857,351
Group administration costs and directors' remuneration					**(13,129,192)**	(11,511,273)	**(13,381,104)**	(12,321,207)
Finance costs					**-**	-	**(18,110,378)**	(26,863,466)
					57,011,468	23,017,419	**104,864,896**	(44,556,283)

Revenue reported represents revenue generated from external customers.

Segment profit represents the profit earned by each segment without allocation of central administration costs and directors' remuneration, finance costs and income tax expense.

Segment EBITDA represents the profit, excluding non-cash gains and losses, earned by each segment without allocation of central administration costs and directors' remuneration, finance costs, income tax expense.

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

34 SEGMENT INFORMATION (cont'd)

Other segmental information

The following is an analysis of the Group's other segmental information by reportable segments:

	Coal mining		Coal trading		Mining services		Unallocated		Total	
	2020 US$	2019 US$	2020 US$	2019 US$	2020 US$	2019 US$	2020 US$	2019 US$	2020 US$	2019 US$
Group										
Depreciation of property, plant and equipment	**15,473,129**	15,317,784	**-**	-	**-**	-	**299,860**	289,146	**15,772,989**	15,606,930
Depreciation of right-of-use assets	**-**	-	**-**	-	**-**	-	**490,837**	359,599	**490,837**	359,599
Amortisation of deferred stripping costs	**6,061,714**	7,219,234	**-**	-	**-**	-	**-**	-	**6,061,714**	7,219,234
Amortisation of transaction costs of Notes	**-**	-	**-**	-	**-**	-	**6,220,187**	2,856,388	**6,220,187**	2,856,388
Gain on repurchases of the Notes	**-**	-	**-**	-	**-**	-	**(106,636,932)**	(5,340,774)	**(106,636,932)**	(5,340,774)
(Write-back of) Allowance for inventory written-down	**(516,370)**	1,382,168	**-**	-	**-**	-	**-**	-	**(516,370)**	1,382,168
Inventory loss written-off	**-**	3,858,366	**-**	-	**-**	-	**-**	-	**-**	3,858,366
Interest income on financial assets carried at amortised cost	**(195,670)**	(186,094)	**-**	-	**-**	-	**-**	-	**(195,670)**	(186,094)
Gain on disposal of property, plant and equipment	**-**	-	**-**	-	**-**	-	**(907)**	(8,791)	**(907)**	(8,791)
Interest charged under Cooperation Agreement	**-**	-	**-**	-	**348,214**	469,493	**-**	-	**348,214**	469,493
Interest charged under coal purchase contracts	**-**	-	**2,095,064**	-	**-**	-	**-**	-	**2,095,064**	-
(Reversal of) Loss on financial assets carried at amortised cost	**-**	(41,802)	**-**	-	**-**	-	**-**	-	**-**	(41,802)
Fair value loss on trade and other receivables	**-**	-	**-**	-	**5,189,099**	9,668,564	**-**	-	**5,189,099**	9,668,564
(Reversal of) Allowance for expected credit loss on trade and other receivables	**(84,319)**	459,539	**13,848,393**	-	**-**	-	**-**	-	**13,764,074**	459,539
Share-based payment expense	**-**	-	**-**	-	**-**	-	**251,914**	809,934	**251,914**	809,934

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

34 SEGMENT INFORMATION (cont'd)

Geographical segments

The Group's information about the segment revenue by geographical market is detailed below:

	Revenue	
	2020	2019
	US$	US$
Indonesia	**81,765,232**	83,565,044
People's Republic of China	**201,502,172**	126,443,016
Thailand	**-**	1,689,732
India	**5,308,776**	19,160,759
Philippines	**1,149,079**	12,883,237
Vietnam	**5,374,537**	966,787
Korea	**9,545,448**	4,400,279
Pakistan	**2,111,910**	-
Total	**306,757,154**	249,108,854

The Group's information about the segment assets by geographical location are detailed below:

	Non-current assets	
	2020	2019
	US$	US$
Indonesia	**201,158,411**	225,955,503
Singapore	**750,237**	1,155,928
Total	**201,908,648**	227,111,431

Major customer information

The Group's revenue derived from customers who individually account for 10% or more of the Group's revenue is detailed below:

	Coal mining		Coal trading		Mining services and others		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
	US$	US$	US$	US$	US$	US$	US$	US$
Customers								
Top 1st (a)	**120,554,056**	126,797,325	**-**	-	**-**	-	**120,554,056**	126,797,325
Top 2nd (a)	**95,255,097**	36,881,985	**9,182,769**	-	**-**	-	**104,437,866**	36,881,985
Top 3rd	**-**	31,082,487	**-**	-	**-**	-	**-**	31,082,487
Top 4th	**-**	29,489,791	**-**	-	**-**	-	**-**	29,489,791

(a) Pertains to coal off-takers, whereby the coal sales are attributed to regional countries.

35 SHARE-BASED PAYMENT

The Company has a Share Option Scheme for eligible directors and selected employees of the Company and its subsidiaries. The Scheme is administered by the Remuneration Committee. On 11 January 2019, the Company granted an aggregate 24,850,000 share options at an exercise price of S$0.19 per share. In 2019, 1,750,000 share options granted were forfeited as the option holders ceased to be full-time employees of the Company.

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

35 SHARE-BASED PAYMENT (cont'd)

	Group and Company			
	2020		2019	
	Number of share options	Weighted average exercise price S$	Number of share options	Weighted average exercise price S$
Outstanding at the beginning of the year	**23,100,000**	**0.19**	-	-
Granted during the year	**-**	**-**	24,850,00	0.19
Forfeited during the year	**-**	**-**	(1,750,000)	0.19
Outstanding and exercisable at the end of the year	**23,100,000**	**0.19**	23,100,000	0.19

The options outstanding at the end of the year have a weighted average remaining contractual life of 5 years.

The fair value for share options granted was calculated using the Black-Scholes pricing model. The inputs into the model were as follows:

Weighted average share price	**S$0.19**
Weighted average exercise price	**S$0.19**
Expected volatility	**28%**
Expected life	**5 to 10**
Risk-free rate	**2%**
Expected dividend yield	**5%**

Expected volatility was determined by calculating the historical volatility of the Company's share price over the previous year. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The Group recognised total share-based payment expense of US$14,871 (2019: US$478,563) related to the Share Option Scheme during the year.

36 CONTINGENT LIABILITY

A) In 2016, some subsidiaries were audited by Indonesian Tax Office ("ITO"). ITO assessed an underpayment of tax expenses of approximately US$3,800,000 (IDR53 billion) in respect of a subsidiary for capitalisation of an intercompany loan as equity.

Management has sought the advice of professional tax consultants and holds the view that the imposed tax is without merit under the tax law. Management has submitted their Closing Statements to the Court of Appeal in July 2018 and final decision has yet to be received. No provision has been recognised in the financial statements as the Group does not consider that there is any probable loss.

B) In 2015, one of the Group's subsidiaries (the "Subsidiary") commenced legal proceedings against a supplier (the "Supplier") for receivables outstanding since 2014. The outstanding receivable pertained to a coal purchase prepayment paid to the Supplier, and the Subsidiary subsequently made an allowance for impairment loss on the receivable in 2015. In turn, the Supplier filed a civil claim against the Subsidiary in the district court of Jakarta Utara, for which the district court has rendered a judgement in favour of the Supplier for a potential legal claim amounting to US$2.5 million.

Taking reference from legal advices, management holds the view that the legal claim has neither merit nor strong legal basis, and the case is in the process of examination by the Supreme Court (Cassation). No provision has been recognised as the management does not consider that there is any probable loss.

C) As at 31 December 2020, the Company has an unsecured corporate guarantees in respect of the issuance of Notes by its subsidiary with nominal value of US$59,187,000 (2019: US$283,939,000).

D) The Group had announced its entering into conditional share purchase agreement with PT Titan Infra Energy ("TIE"), PT Jaya Utama Indonesia ("JUI") and some of its affiliates in 2019 on the Proposed Acquisition of one of its affiliates which own coal mining assets in South Sumatra, and signed coal purchase agreements and prepayment supplement for the purchase and sale of coal in the Group's ordinary course of business. The prepayments for the coal purchase, of which US$24.35 million were outstanding as at 31 December 2020, are guaranteed by one of the directors of TIE.

A direct shareholder of TIE and a direct shareholder of JUI (the "Claimants") have filed lawsuits in the Central Jakarta District Court in June 2020 against TIE and JUI, some of their affiliates, one of the directors of TIE, and Geo Ventures Global Pte. Ltd. ("GVG") and Geo Coal International Pte. Ltd. ("GCI") (both subsidiaries of the Company) (collectively as "Defendants"), alleging that the conditional share purchase agreement dated 20 September 2019 in relation to the Proposed Acquisition and the coal purchase agreements and prepayment supplement entered into between GCI and TIE have prejudiced their interests and are null and void, and are claiming for damages of approximately US$35,500,000 (IDR500 billion), excluding penalty and interest, against the Defendants (the "Claims").

NOTES TO FINANCIAL STATEMENTS

Year ended 31 December 2020

36 CONTINGENT LIABILITY (cont'd)

Taking reference from legal advices, the Group holds the view that the legal claim has neither merit nor strong legal basis. The Group is currently taking legal advice on a possible counterclaim in relation to the Claims as well as its rights (including possible claims against all concerned parties). Meanwhile, settlement discussions between GCI and GVG and the Claimants and their related parties in relation to the Claims are ongoing. No provision has been recognised as the management does not consider that there is any probable loss.

37 IMPACT OF COVID-19

The outbreak of the COVID-19 pandemic has resulted in the lockdown of cities and closure of borders, which inevitably impacted the performance and outlook of global economies in the near term. Generally, the COVID-19 pandemic have affected the Asian coal sector, with supply's and demand's fluctuation resulting in volatility in coal prices.

In Indonesia, where the Group's subsidiaries are located, management is closely monitoring the implementation of measures to reduce people movements and interactions to stem the spread of COVID-19. Certain non-essential activities are affected during the period.

Management has assessed that the Group is still able to maintain sufficient liquidity to enable the Group to continue on as a going concern for at least the next 12 months from the date of authorisation of these financial statements. The Group will closely monitor the development of the pandemic and continuously assess the potential impact on its operation.

STATISTICS OF SHAREHOLDINGS

As at 15 March 2021

Issued and fully paid-up capital	:	S$148,339,548
Number of issued shares	:	1,399,273,113
Class of shares	:	Ordinary shares
Voting rights	:	On a poll – One vote per ordinary share
Treasury shares	:	Nil

DISTRIBUTION OF SHAREHOLDINGS

Size of shareholdings	No. of shareholders	%	No. of shares	%
1 - 99	5	0.16	221	0.00
100 – 1,000	51	1.61	30,250	0.00
1,001 – 10,000	850	26.91	6,718,740	0.48
10,001 – 1,000,000	2,191	69.36	162,527,780	11.62
1,000,001 AND ABOVE	62	1.96	1,229,996,122	87.90
TOTAL	**3,159**	**100.00**	**1,399,273,113**	**100.00**

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of shares	%
1	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	169,055,270	12.08
2	CITIBANK NOMINEES SINGAPORE PTE LTD	143,198,181	10.23
3	CHARLES ANTONNY MELATI	107,345,406	7.67
4	PHILLIP SECURITIES PTE LTD	93,729,520	6.70
5	DBS NOMINEES (PRIVATE) LIMITED	74,553,700	5.33
6	MACQUARIE CAPITAL SECURITIES (SINGAPORE) PTE. LIMITED	63,263,400	4.52
7	DB NOMINEES (SINGAPORE) PTE LTD	61,427,800	4.39
8	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	57,476,696	4.11
9	DHAMMA SURYA	57,159,453	4.08
10	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	55,426,143	3.96
11	CHONG THIM PHENG	36,560,700	2.61
12	KGI SECURITIES (SINGAPORE) PTE. LTD	36,407,100	2.60
13	NG KIAN ANN @ ANTHONY WIJAYA	23,271,151	1.66
14	OCBC SECURITIES PRIVATE LIMITED	21,734,600	1.55
15	LIM BOK HOO	21,664,400	1.55
16	TAN SONG KAR	19,695,546	1.41
17	UOB KAY HIAN PRIVATE LIMITED	19,546,200	1.40
18	MAYBANK KIM ENG SECURITIES PTE.LTD	16,559,798	1.18
19	MABEL LEE KIM LIAN	12,400,000	0.89
20	TAN KWEE HIANG	11,182,458	0.80
	TOTAL	**1,101,657,522**	**78.72**

STATISTICS OF SHAREHOLDINGS

As at 15 March 2021

SUBSTANTIAL SHAREHOLDINGS

(As recorded in the Register of Substantial Shareholders as at 15 March 2021)

Name of Shareholder	Direct Interest (No. of Shares)	%[1]	Deemed Interest (No. of Shares)	%[1]
Master Resources International Limited[2]	218,326,287	15.60	-	-
Huang She Thong[3]	29,825,620	2.13	218,326,287	15.60
Charles Antonny Melati[4]	293,345,406	20.96	-	-
Heah Theare Haw	98,095,696	7.01	-	-
International Resources Investment Ltd[5]	117,000,000	8.36	-	-
Cheng Xin Investment Pte. Ltd.[5]	-	-	145,722,222	10.41
Lenny Limanto[6]	-	-	145,722,222	10.41

Notes:-

(1) Based on the issued share capital of the Company comprising 1,399,273,113 ordinary shares as at 15 March 2021.

(2) Master Resources International Limited ("Master Resources") is a company incorporated in the British Virgin Islands. The shareholders of Master Resources are Charles Antonny Melati (19.6%), Huang She Thong (26.4%), Richard Kennedy Melati (18%), Ng See Yong (18%) and Yanto Melati (18%). All of the foregoing shareholders are also directors of Master Resources.

(3) Huang She Thong, holds 26.4% of the shares in Master Resources. As such, Huang She Thong is deemed to be interested in the 218,326,287 Shares held by Master Resources by virtue of Section 7 of the Companies Act (Chapter 50).

(4) Charles Antonny Melati has granted to James Beeland Rogers Jr a call option over 2,000,000 Shares of the Company (owned or to be owned by Charles Antonny Melati). The call option's exercise price is S$0.35 per share, with exercise period of 10 years, commencing 1 January 2015. The call option is exercisable in whole or in part and subject to conditions precedent. The number of shares under the call option is subject to adjustment provisions.

(5) International Resources Investment Ltd holds 117,000,000 Shares is a wholly-owned subsidiary of Cheng Xin Investment Pte. Ltd. ("Cheng Xin"). Infinity Pacific Investment Ltd holds 28,722,222 Shares is a wholly-owned subsidiary of Infinity Source Investment Pte Ltd which is wholly-owned by Cheng Xin. Accordingly, Cheng Xin is deemed to be interested in 145,722,222 Shares comprising the 117,000,000 Shares and 28,722,222 Shares held by International Resources Investment Ltd and Infinity Pacific Investment Ltd respectively.

(6) Lenny Limanto is the sole beneficial owner of Cheng Xin. Accordingly, Lenny Limanto is deemed to be interested in 145,722,222 Shares comprising the 117,000,000 Shares and 28,722,222 Shares held by International Resources Investment Ltd and Infinity Pacific Investment Ltd respectively.

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

Based on the information available to the Company as at 15 March 2021, approximately 38.45% of the Company's shares listed in the Singapore Exchange Securities Trading Limited ("SGX-ST") was held in the hands of the public. Accordingly, the Company has complied with Rule 723 of the Listing Manual of the SGX-ST.

OTHER INFORMATION

Dealing In Securities

The Company provides guidance to its directors and other officers with regard to dealings by the Company and its directors and other officers in its securities. The Company advises its directors and other officers not to deal in the Company's securities on short-term considerations or when they are in possession of unpublished price-sensitive information. The Company prohibits dealings in its securities by its directors and other officers during the period commencing two weeks before the announcement of the Company's quarterly financial statements and one month before the announcement of the Company's full-year financial statements, and ending on the date of the announcement of the result.

Interested Person Transactions

The Company has established procedures to ensure that all transactions with interested persons are reviewed and/or approved by the Audit and Risk Committee, and that the transactions are carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders. In 2020, there was no interested person transaction which value exceeded S$100,000.

Material Contracts

There were no material contracts of the Group involving the interests of its chief executive officer, each director or controlling shareholder, either still subsisting at the end of 2020 or if not then subsisting, entered into since the end of the previous financial year.

Use of Proceed

Pursuant to the announcement of 8 November 2018, the Company issued 70,000,000 new ordinary shares ("Subscription Shares") at a price of S$0.29 per share for an aggregate amount of S$20,300,000 and 74,000,000 non-listed, transferable, free warrants ("Warrants") exercisable within two years from the date of issue. Each Warrant carries the right to subscribe for one new ordinary share in the Company at an exercise price of S$0.33.

The proceeds from the issue of the Subscription Shares and the exercise of the Warrants are to be used for working capital purposes.

All net proceeds from the issuance of the Subscription Shares have been used for working capital purposes such as payment to suppliers, services and costs of production.

As at 31 December 2020, no Warrants was exercised and the Warrants have since expired.

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr Dhamma Surya, Mr Lu King Seng, Mr Ong Beng Chye, Mr James Beeland Rogers Jr and Mr Soh Chun Bin are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 28 April 2021 ("AGM") (collectively, the "Retiring Directors" and each a "Retiring Director").

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the following is the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST:

	MR DHAMMA SURYA	**MR LU KING SENG**	**MR ONG BENG CHYE**
Date of Appointment	24 May 2010	25 September 2012	25 September 2012
Date of last re-appointment	23 April 2018	23 April 2018	25 April 2019
Age	56	52	53
Country of principal residence	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee ("NC") and has reviewed and considered the qualification, work experiences, contribution and performance, attendance, preparedness, participation, candour and suitability of Mr Dhamma Surya for re-election as Executive Director of the Company. The Board has reviewed and concluded that Mr Dhamma Surya possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee ("NC") and has reviewed and considered the qualification, work experiences, contribution and performance, attendance, preparedness, participation, candour and suitability of Mr Lu King Seng for re-election as Independent Director of the Company. The Board has reviewed and concluded that Mr Lu King Seng possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee ("NC") and has reviewed and considered the qualification, work experiences, contribution and performance, attendance, preparedness, participation, candour and suitability of Mr Ong Beng Chye for re-election as Independent Director of the Company. The Board has reviewed and concluded that Mr Ong Beng Chye possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Executive Mr Dhamma Surya is responsible for the business development of the Group	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director and member of the Nominating Committee	Independent Director, Chairman of the Remuneration Committee and member of the Audit and Risk and Nominating Committee	Independent Director, Chairman of the Audit and Risk Committee and member of the Remuneration and Nominating Committee
Professional qualifications	Graduated with Advanced Level General Certificate of Education Member of the Singapore Institute of Directors	Fellow Member of the Association of Certified Chartered Accountant A non-practising member of the Institute of Singapore Chartered Accountants Member of the Singapore Institute of Directors	Bachelor of Science with Honours, City, University of London Fellow of The Institute of Chartered Accountants in England and Wales Chartered Financial Analyst conferred by The Institute of Chartered Financial Analysts Fellow Chartered Accountant of Singapore

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR DHAMMA SURYA	MR LU KING SENG	MR ONG BENG CHYE
Working experience and occupation(s) during the past 10 years	May 2010 to present: Executive Director – Geo Energy Resources Limited	Chief Financial Officer in SinCo Technologies Pte Ltd and SinCo Group Holdings Pte Ltd, where he oversaw the accounting, treasury, legal and finance matters including group restructurings and mergers and acquisitions.	January 2007 to present: Director of Appleton Global Private Limited January 2007 to October 2014: Group Financial Controller of Higson International Pte Ltd
Shareholding interest in the listed issuer and its subsidiaries	Direct interest: 57,159,453	Direct interest: 300,000	Direct interest: 400,000
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No	No
Conflict of Interest (including any competing business)	No	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes
Other Principal Commitments Including Directorships			
Past (for the last 5 years)	NIL	Green Build Technology Limited	Heatec Jietong Holdings Ltd Kitchen Culture Holdings Ltd Shin Omi International Pte Ltd Gem Accounting Pte Ltd
Present	NIL	TLV Holdings Limited JLogo Holdings Limited Orion Advisory Pte. Ltd. Orion Business Advisory Pte. Ltd.	Hafary Holdings Limited ES Group (Holdings) Ltd IPS Securex Holdings Ltd. CWX Global Limited Appleton Global Pte Ltd Gem Corp Services Pte Ltd
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.			
a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR DHAMMA SURYA	MR LU KING SENG	MR ONG BENG CHYE
b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
c) Whether there is any unsatisfied judgment against him?	No	No	No
d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No
e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR DHAMMA SURYA	MR LU KING SENG	MR ONG BENG CHYE
f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No
g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR DHAMMA SURYA	MR LU KING SENG	MR ONG BENG CHYE
j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: – i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No
iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No
k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR JAMES BEELAND ROGERS JR	**MR SOH CHUN BIN**
Date of Appointment	3 December 2012	25 September 2012
Date of last re-appointment	25 April 2019	25 April 2019
Age	79	47
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee ("NC") and has reviewed and considered the qualification, work experiences, contribution and performance, attendance, preparedness, participation, candour and suitability of Mr James Beeland Rogers Jr for re-election as Independent Director of the Company. The Board has reviewed and concluded that Mr James Beeland Rogers Jr possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee ("NC") and has reviewed and considered the qualification, work experiences, contribution and performance, attendance, preparedness, participation, candour and suitability of Mr Soh Chun Bin for re-election as Lead Independent Director of the Company. The Board has reviewed and concluded that Mr Soh Chun Bin possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Director	Lead Independent Director, Chairman of the Nominating Committee, member of the Audit and Risk and Remuneration Committee
Professional qualifications	Bachelor's Degree in History, Yale University Second Bachelor's Degree in Philosophy, Politics and Economics from Balliol College, Oxford University	Bachelor of Law (Honour), National University of Singapore
Working experience and occupation(s) during the past 10 years	Mr James Beeland Rogers Jr previously served as Advisor of CQS Cayman Limited Partnership and Laguna Bay Pastoral Company Pty Ltd and Senior Advisor of Latitude Technologies Limited.	November 2018 to present: Director – ZICO Insights Law January 2017 to October 2018: Director – Fortis Law Corporation October 2015 to December 2016: Executive Director – Victoria Medical Beauty Group Pte Ltd October 2014 to September 2015: Chief Executive Officer of Changjiang Fertilizer Holdings Limited (now known as Olive Tree Estates Limited) July 2012 to September 2014: Chief Executive Officer of Cedar Strategic Holdings Ltd (now known as Emerging Towns & Cities Singapore Ltd) March 2001 to May 2012: Equity Partner of Stamford Law Corporation (now known as Morgan Lewis Stamford LLC)

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR JAMES BEELAND ROGERS JR	MR SOH CHUN BIN
Shareholding interest in the listed issuer and its subsidiaries	Direct interest: 3,400,000	NIL
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No
Conflict of Interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments Including Directorships		
Past (for the last 5 years)	Ocean Capital Advisors LLC Crusader Resources Limited Fab Universal Corp	7Five Capital Pte. Ltd. Cloudzen Pte Ltd DORR Global Healthcare Fund Pte Ltd Jiangxi Jiangling Chassis Co., Ltd. MNC Energy Pte Ltd Victoria Medical Beauty Group Pte Ltd XORO Capital Pte Ltd Asia East Africa Pte Ltd
Present	Anantic Inc. Beeland Interests, Inc. Beeland Enterprises, Inc. Beeland Holdings Pte Ltd Duff & Phelps Select Energy MLP Fund Inc. PJSC PhosAgro JSC AgroGard-Finance Virtus Total Return Fund Inc. Virtus Global Multi-Sector Income Fund Virtual Global Dividend & Income Fund Inc. Quantum Digital Asset Management Pte. Ltd. Sirius International Insurance Group Ltd. Spanish Mountain Gold Limited Sinofortune Financial Holdings Limited ENPlus Co. Ltd Genagro Limited Forbes & Manhattan Santiago Gold Fund	Cloudzen Alpha Pte Ltd Triyards Holdings Limited Lorenzo International Limited ISOTeam Ltd. Seven5 Capital Pte. Ltd. Hazon Capital Pte. Ltd.

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR JAMES BEELAND ROGERS JR	MR SOH CHUN BIN
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.		
a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
c) Whether there is any unsatisfied judgment against him?	No	No
d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR JAMES BEELAND ROGERS JR	MR SOH CHUN BIN
f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR JAMES BEELAND ROGERS JR	MR SOH CHUN BIN
j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: – i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING ("**AGM**") of Geo Energy Resources Limited ("**Company**") will be held by way of electronic means* on 28 April 2021 at 10.00 a.m. to transact the following businesses:

(* For details on how to participate in the AGM, please read the information set out under the heading "IMPORTANT NOTES" in this notice.)

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2020 together with the Directors' Statement and the Auditor's Report thereon.
(Resolution 1)

2. To declare a final dividend of S$0.008 per ordinary share one-tier tax-exempt for the financial year ended 31 December 2020.
(Resolution 2)

3. To re-elect Mr Dhamma Surya, who is retiring by rotation in accordance with Regulation 109 of the Company's Constitution and who, being eligible, offers himself for re-election.
(Resolution 3)
(See Explanatory Note 1)

4. To re-elect Mr Lu King Seng, who is retiring by rotation in accordance with Regulation 109 of the Company's Constitution and who, being eligible, offers himself for re-election.
(Resolution 4)
(See Explanatory Note 2)

5. To re-elect Mr Ong Beng Chye, who is retiring by rotation in accordance with Regulation 109 of the Company's Constitution and who, being eligible, offers himself for re-election.
(Resolution 5)
(See Explanatory Note 3)

6. That, subject to and contingent upon the passing of Resolution 4 and Resolution 7 and in accordance with Rule 210(5)(d)(iii)(A) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") which takes effect from 1 January 2022:

   (a) the continued appointment of Mr Lu King Seng as an Independent Director of the Company be and is hereby approved; and

   (b) this Resolution shall continue in force until the earlier of (i) the retirement or resignation of Mr Lu King Seng as a Director of the Company or (ii) the conclusion of the third annual general meeting of the Company following the passing of this Resolution.

(Resolution 6)
(See Explanatory Note 2)

7. That, subject to and contingent upon the passing of Resolution 4 and Resolution 6 and in accordance with Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST which takes effect from 1 January 2022:

   (a) the continued appointment of Mr Lu King Seng as an Independent Director of the Company be and is hereby approved; and

   (b) this Resolution shall continue in force until the earlier of (i) the retirement or resignation of Mr Lu King Seng as a Director of the Company or (ii) the conclusion of the third annual general meeting of the Company following the passing of this Resolution.

(Resolution 7)
(See Explanatory Note 2)

8. That, subject to and contingent upon the passing of Resolution 5 and Resolution 9 and in accordance with Rule 210(5)(d)(iii)(A) of the Listing Manual of the SGX-ST which takes effect from 1 January 2022:

   (a) the continued appointment of Mr Ong Beng Chye as an Independent Director of the Company be and is hereby approved; and

   (b) this Resolution shall continue in force until the earlier of (i) the retirement or resignation of Mr Ong Beng Chye as a Director of the Company or (ii) the conclusion of the third annual general meeting of the Company following the passing of this Resolution.

(Resolution 8)
(See Explanatory Note 3)

9. That, subject to and contingent upon the passing of Resolution 5 and Resolution 8 and in accordance with Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST which takes effect from 1 January 2022:

   (a) the continued appointment of Mr Ong Beng Chye as an Independent Director of the Company be and is hereby approved; and

NOTICE OF ANNUAL GENERAL MEETING

(b) this Resolution shall continue in force until the earlier of (i) the retirement or resignation of Mr Ong Beng Chye as a Director of the Company or (ii) the conclusion of the third annual general meeting of the Company following the passing of this Resolution.
(Resolution 9)
(See Explanatory Note 3)

10. That, subject to and contingent upon the passing of Resolution 11 and in accordance with Rule 210(5)(d)(iii)(A) of the Listing Manual of the SGX-ST which takes effect from 1 January 2022:

(a) the continued appointment of Mr James Beeland Rogers Jr as an Independent Director of the Company be and is hereby approved; and

(b) this Resolution shall continue in force until the earlier of (i) the retirement or resignation of Mr James Beeland Rogers Jr as a Director of the Company or (ii) the conclusion of the third annual general meeting of the Company following the passing of this Resolution.
(Resolution 10)
(See Explanatory Note 4)

11. That, subject to and contingent upon the passing of Resolution 10 and in accordance with Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST which takes effect from 1 January 2022:

(a) the continued appointment of Mr James Beeland Rogers Jr as an Independent Director of the Company be and is hereby approved; and

(b) this Resolution shall continue in force until the earlier of (i) the retirement or resignation of Mr James Beeland Rogers Jr as a Director of the Company or (ii) the conclusion of the third annual general meeting of the Company following the passing of this Resolution.
(Resolution 11)
(See Explanatory Note 4)

12. That, subject to and contingent upon the passing of Resolution 13 and in accordance with Rule 210(5)(d)(iii)(A) of the Listing Manual of the SGX-ST which takes effect from 1 January 2022:

(a) the continued appointment of Mr Soh Chun Bin as an Independent Director of the Company be and is hereby approved; and

(b) this Resolution shall continue in force until the earlier of (i) the retirement or resignation of Mr Soh Chun Bin as a Director of the Company or (ii) the conclusion of the third annual general meeting of the Company following the passing of this Resolution.
(Resolution 12)
(See Explanatory Note 5)

13. That, subject to and contingent upon passing of Resolution 12 and in accordance with Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST which takes effect from 1 January 2022:

(a) the continued appointment of Mr Soh Chun Bin as an Independent Director of the Company be and is hereby approved; and

(b) this Resolution shall continue in force until the earlier of (i) the retirement or resignation of Mr Soh Chun Bin as a Director of the Company or (ii) the conclusion of the third annual general meeting of the Company following the passing of this Resolution.
(Resolution 13)
(See Explanatory Note 5)

14. To approve the payment of Directors' fees of S$505,000 for the financial year ending 31 December 2021, to be paid half-yearly in arrears.
(Resolution 14)

15. To re-appoint Messrs Deloitte & Touche LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.
(Resolution 15)

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following as Ordinary Resolutions with or without modifications:

16. **AUTHORITY TO ALLOT AND ISSUE SHARES AND CONVERTIBLE INSTRUMENTS**

(A) That, pursuant to Section 161 of the Companies Act, Chapter 50, and the listing rules of the SGX-ST, approval be and is hereby given to the Directors of the Company to:

(i) issue shares in the capital of the Company whether by way of rights, bonus or otherwise;

NOTICE OF ANNUAL GENERAL MEETING

(ii) make or grant offers, agreements or options that might or would require shares to be issued or other transferable rights to subscribe for or purchase shares (collectively, "Instruments") including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares; and/or

(iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues,

at any time to such persons and upon such terms and for such purposes as the Directors of the Company may in their absolute discretion deem fit; and

(B) (notwithstanding the authority conferred by the shareholders may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors of the Company while the authority was in force, provided always that:

(a) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) of the Company (as calculated in accordance with sub-paragraph (b) below), of which the aggregate number of shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued other than on a pro rata basis to shareholders of the Company does not exceed 20% of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) of the Company (as calculated in accordance with sub-paragraph (b) below);

(b) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (a) above, the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) of the Company at the time this Resolution is passed, after adjusting for:

(i) new shares arising from the conversion or exercise of any convertible securities;

(ii) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this Resolution is passed; and

(iii) any subsequent bonus issue, consolidation or subdivision of shares;

(c) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and unless revoked or varied by the Company in general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier."

(Resolution 16)

(See Explanatory Note 6)

NOTICE OF ANNUAL GENERAL MEETING

17. **AUTHORITY TO OFFER AND GRANT OPTIONS AND ALLOT AND ISSUE SHARES UNDER THE GEO ENERGY SHARE OPTION SCHEME**

    "That approval be and is hereby given to the Directors of the Company to offer and grant options from time to time in accordance with the provisions of the Geo Energy Share Option Scheme (the "Scheme") and allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options under the Scheme and do all such acts and things as may be necessary or expedient to carry the same into effect, provided always that the aggregate number of shares to be allotted and issued pursuant to the Scheme and other share-based incentive scheme(s) of the Company shall not exceed 15% of the total number of issued shares (excluding treasury shares, if any) in the capital of the Company from time to time."
    (Resolution 17)
    (See Explanatory Note 7)

18. **AUTHORITY TO GRANT AWARDS AND ALLOT AND ISSUE SHARES UNDER THE GEO ENERGY PERFORMANCE SHARE PLAN**

    "That approval be and is hereby given to the Directors of the Company to grant awards from time to time in accordance with the provisions of the Geo Energy Performance Share Plan (the "Plan") and allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the vesting of awards under the Plan and do all such acts and things as may be necessary or expedient to carry the same into effect, provided always that the aggregate number of shares to be allotted and issued pursuant to the Plan and other share-based incentive scheme(s) of the Company shall not exceed 15% of the total number of issued shares (excluding treasury shares, if any) in the capital of the Company from time to time."
    (Resolution 18)
    (See Explanatory Note 8)

19. To transact any other ordinary business which may be properly transacted at an Annual General Meeting.

Books Closure and Payment Date

Notice is hereby given that the Share Transfer Books and the Register of Members of the Company will be closed at 5.00 p.m. on 6 May 2021 for the purpose of determining shareholders' entitlements to the final dividend at the Annual General Meeting of the Company to be held on 28 April 2021.

Duly completed and stamped transfers (together with all relevant documents of or evidencing title) received by the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 up to 5.00 p.m. on 6 May 2021 will be registered to determine shareholders' entitlements to the final dividend. Subject as aforesaid, shareholders whose Securities Accounts with The Central Depository (Pte) Limited are credited with ordinary shares of the Company as at 5.00 p.m. on 6 May 2021 will be entitled to the final dividend.

The proposed final dividend, if so approved by shareholders, will be paid on 17 May 2021.

By Order of the Board
Lee Wei Hsiung
Company Secretary
Date: 13 April 2021

Explanatory Notes:

1) Mr Dhamma Surya will, upon re-election as a Director of the Company, remain as a member of the Nominating Committee.

   Mr Dhamma Surya has confirmed that, he does not have any relationships (including immediate family relationships) with the other Directors, the Company or its substantial shareholders. Please refer to the "Disclosure of information on Directors seeking re-election" section of the Annual Report of the Company for detailed information required pursuant to Rule 720(6) of the Listing Manual.

NOTICE OF ANNUAL GENERAL MEETING

2) Mr Lu King Seng will, upon re-election as a Director of the Company pursuant to Resolution 4, remain as Chairman of the Remuneration Committee and a member of the Audit and Risk Committee and Nominating Committee and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST subject to the two paragraphs below. Please refer to the "Disclosure of information on Directors seeking re-election" section of the Annual Report of the Company for detailed information required pursuant to Rule 720(6) of the Listing Manual.

   Under Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST which will take effect from 1 January 2022, a director will not be independent if he has been a director for an aggregate period of more than nine years and his continued appointment as an independent director has not been sought and approved in separate resolutions by (a) all shareholders and (b) shareholders excluding the directors and the chief executive officer of the company and their associates (as defined in the Listing Manual of the SGX-ST). Such resolutions may remain in force until the earlier of (i) the retirement or resignation of the director or (ii) the conclusion of the third annual general meeting of the company following the passing of the resolutions.

   Resolution 6 and Resolution 7 are in anticipation of Rule 210(5)(d)(iii) of the Listing Manual as Mr Lu King Seng, an Independent Director, will have served as a Director of the Company for more than nine years from the date of his first appointment come 1 January 2022. Rule 210(5)(d)(iii) requires Resolution 6 to be voted by all shareholders of the Company and Resolution 7 by shareholders excluding the Directors and the Chief Executive Officer of the Company and their respective associates. Resolution 6 and Resolution 7, if both passed, will allow Mr Lu King Seng to continue in office as an Independent Director of the Company come 1 January 2022 pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST. If either Resolution 6 or Resolution 7 is not passed, Mr Lu King Seng will step down as a Director of the Company before 1 January 2022 and the Company will endeavour to fill the vacancy within two months, but in any case not later than three months.

   Please refer to Provision 4.4 under the "Corporate Governance" section of the Company's Annual Report 2020 for a review of the independence of the Independent Directors by the Nominating Committee and the Board of Directors of the Company.

3) Mr Ong Beng Chye will, upon re-election as a Director of the Company pursuant to Resolution 5, remain as Chairman of the Audit and Risk Committee and a member of the Remuneration Committee and Nominating Committee and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST subject to the two paragraphs below. Please refer to the "Disclosure of information on Directors seeking re-election" section of the Annual Report of the Company for detailed information required pursuant to Rule 720(6) of the Listing Manual.

   Under Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST which will take effect from 1 January 2022, a director will not be independent if he has been a director for an aggregate period of more than nine years and his continued appointment as an independent director has not been sought and approved in separate resolutions by (a) all shareholders and (b) shareholders excluding the directors and the chief executive officer of the company and their associates (as defined in the Listing Manual of the SGX-ST). Such resolutions may remain in force until the earlier of (i) the retirement or resignation of the director or (ii) the conclusion of the third annual general meeting of the company following the passing of the resolutions.

   Resolution 8 and Resolution 9 are in anticipation of Rule 210(5)(d)(iii) of the Listing Manual as Mr Ong Beng Chye, an Independent Director, will have served as a Director of the Company for more than nine years from the date of his first appointment come 1 January 2022. Rule 210(5)(d)(iii) requires Resolution 8 to be voted by all shareholders of the Company and Resolution 9 by shareholders excluding the Directors and the Chief Executive Officer of the Company and their respective associates. Resolution 8 and Resolution 9, if both passed, will allow Mr Ong Beng Chye to continue in office as an Independent Director of the Company come 1 January 2022 pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST. If either Resolution 8 or Resolution 9 is not passed, Mr Ong Beng Chye will step down as a Director of the Company before 1 January 2022 and the Company will endeavour to fill the vacancy within two months, but in any case not later than three months.

NOTICE OF ANNUAL GENERAL MEETING

Please refer to Provision 4.4 under the "Corporate Governance" section of the Company's Annual Report 2020 for a review of the independence of the Independent Directors by the Nominating Committee and the Board of Directors of the Company.

4) Under Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST which will take effect from 1 January 2022, a director will not be independent if he has been a director for an aggregate period of more than nine years and his continued appointment as an independent director has not been sought and approved in separate resolutions by (a) all shareholders and (b) shareholders excluding the directors and the chief executive officer of the company and their associates (as defined in the Listing Manual of the SGX-ST). Such resolutions may remain in force until the earlier of (i) the retirement or resignation of the director or (ii) the conclusion of the third annual general meeting of the company following the passing of the resolutions.

Resolution 10 and Resolution 11 are in anticipation of Rule 210(5)(d)(iii) of the Listing Manual as Mr James Beeland Rogers Jr, an Independent Director, will have served as a Director of the Company for more than nine years from the date of his first appointment come 1 January 2022. Rule 210(5)(d)(iii) requires Resolution 10 to be voted by all shareholders of the Company and Resolution 11 by shareholders excluding the Directors and the Chief Executive Officer of the Company and their respective associates. Resolution 10 and Resolution 11, if both passed, will allow Mr James Beeland Rogers Jr to continue in office as an Independent Director of the Company come 1 January 2022 pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST. If either Resolution 10 or Resolution 11 is not passed, Mr James Beeland Rogers Jr will step down as a Director of the Company before 1 January 2022 and the Company will endeavour to fill the vacancy within two months, but in any case not later than three months.

Please refer to Provision 4.4 under the "Corporate Governance" section of the Company's Annual Report 2020 for a review of the independence of the Independent Directors by the Nominating Committee and the Board of Directors of the Company.

5) Under Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST which will take effect from 1 January 2022, a director will not be independent if he has been a director for an aggregate period of more than nine years and his continued appointment as an independent director has not been sought and approved in separate resolutions by (a) all shareholders and (b) shareholders excluding the directors and the chief executive officer of the company and their associates (as defined in the Listing Manual of the SGX-ST). Such resolutions may remain in force until the earlier of (i) the retirement or resignation of the director or (ii) the conclusion of the third annual general meeting of the company following the passing of the resolutions.

Resolution 12 and Resolution 13 are in anticipation of Rule 210(5)(d)(iii) of the Listing Manual as Mr Soh Chun Bin, an Independent Director, will have served as a Director of the Company for more than nine years from the date of his first appointment come 1 January 2022. Rule 210(5)(d)(iii) requires Resolution 12 to be voted by all shareholders of the Company and Resolution 13 by shareholders excluding the Directors and the Chief Executive Officer of the Company and their respective associates. Resolution 12 and Resolution 13, if both passed, will allow Mr Soh Chun Bin to continue in office as an Independent Director of the Company come 1 January 2022 pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST. If either Resolution 12 or Resolution 13 is not passed, Mr Soh Chun Bin will step down as a Director of the Company before 1 January 2022 and the Company will endeavour to fill the vacancy within two months, but in any case not later than three months.

Please refer to Provision 4.4 under the "Corporate Governance" section of the Company's Annual Report 2020 for a review of the independence of the Independent Directors by the Nominating Committee and the Board of Directors of the Company.

6) Resolution 16 proposed above, if passed, will authorise and empower the Directors of the Company from the date of this Meeting until the conclusion of the next Annual General Meeting, or the date by which the next Annual General Meeting of the Company is required by law to be held, or when revoked or varied by the Company in general meeting, whichever is earlier, to allot and issue shares in the Company. The maximum number of shares which the Directors may issue under this resolution shall not exceed the quantum as set out in the resolution.

NOTICE OF ANNUAL GENERAL MEETING

7) Resolution 17 proposed above, if passed, will authorise and empower the Directors of the Company to offer and grant options in accordance with the provisions of the Scheme and allot and issue shares in the Company as may be required to be issued pursuant to the exercise of options under the Scheme provided that the aggregate number of shares to be allotted and issued pursuant to the Scheme and other share-based incentive scheme(s) of the Company shall not exceed 15% of the total number of issued shares (excluding treasury shares, if any) in the capital of the Company. This authority is in addition to the general authority to issue shares sought under Resolution 16.

8) Resolution 18 proposed above, if passed, will authorise and empower the Directors of the Company to grant awards in accordance with the provisions of the Plan and allot and issue shares in the Company as may be required to be issued pursuant to the vesting of awards under the Plan provided that the aggregate number of shares to be allotted and issued pursuant to the Plan and other share-based incentive scheme(s) of the Company shall not exceed 15% of the total number of issued shares (excluding treasury shares, if any) in the capital of the Company. This authority is in addition to the general authority to issue shares sought under Resolution 16.

IMPORTANT NOTES:

1. Pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, this AGM will be conducted solely by way of electronic means. Accordingly, this notice of AGM ("Notice of AGM") and the proxy form ("Proxy Form") are made available to members via publication on the SGX website at www.sgx.com/securities/company-announcements and on the Company's website at www.geocoal.com. For convenience, printed copies of the Notice of AGM and the Proxy Form will also be sent by post to members.

2. This AGM will be conducted solely via a live audio-video webcast and a live audio-only stream. Members of the Company will not be able to attend the AGM in person. Members may however participate in the AGM by observing and/or listening to the AGM proceedings via live audio-visual webcast or live audio-only stream, submitting questions in advance of the AGM and appointing the chairman of the AGM ("Chairman of the Meeting") as proxy to attend and vote on their behalf at the AGM. Details of the steps for pre-registration, submission of questions and voting at the AGM are set out below.

3. Procedures for members who wish to observe and/or listen to the AGM proceedings

   (a) Members who wish to observe and/or listen to the AGM proceedings must complete the following steps:

      (i) Members must pre-register at the website http://bit.ly/GEO2021AGM by 10.00 a.m. on 25 April 2021. Pre-registration will open at 10.00 a.m. on 13 April 2021.

      (ii) The Company will verify the members' shareholding status after the close of pre-registration. Only members who pre-register by 10.00 a.m. on 25 April 2021 and have ordinary shares in the Company in their names as at 5.00 p.m. on 23 April 2021 ("Participating Members") may observe and/or listen to the AGM proceedings.

      (iii) The Company will send to the Participating Members an email containing login and dial-in details (including a weblink and a telephone number) to access the AGM proceedings ("Confirmation Email").

   (b) If a member pre-registers by 10.00 a.m. on 25 April 2021 but does not receive the Confirmation Email by 12.00 noon on 27 April 2021, the member should contact the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, by telephone at 6536 5355 anytime from 9.00 a.m. to 5.00 p.m. or by email to AGM.TeamE@boardroomlimited.com.

4. Procedures for members who wish to submit questions relating to the resolutions to be tabled at the AGM

   (a) Members will not be able to ask questions during the live audio-video webcast or the live audio-only stream of the AGM proceedings. Members who pre-register to observe and/or listen to the AGM proceedings may submit questions relating to the resolutions to be tabled at the AGM to the Chairman of the Meeting via the website http://bit.ly/GEO2021AGM by 10.00 a.m. on 25 April 2021.

NOTICE OF ANNUAL GENERAL MEETING

(b) The Board of Directors of the Company ("Board") will endeavour to address, during the AGM, substantial and relevant questions (as determined by the Board in its sole opinion) submitted by Participating Members. However, there may not be sufficient time to address all such questions.

5. Procedures for members who wish to vote at the AGM

(a) Members who wish to vote on the resolutions to be tabled at the AGM must submit in advance the Proxy Form, appointing the Chairman of the Meeting as their proxy and directing him to vote for or vote against each resolution at the AGM by indicating such instructions in the Proxy Form. Members may submit the Proxy Form via email or by post.

(b) The duly completed and signed Proxy Form must be submitted in the following manner:

(i) if via email, please scan and email a PDF copy of the completed and signed Proxy Form to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at AGM.TeamE@boardroomlimited.com.

(i) if by post, please send the duly completed and signed Proxy Form to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623.

(c) Given the restriction orders and safe distancing measures to deal with the COVID-19 situation in Singapore, members are strongly encouraged to submit the duly completed and signed Proxy Form via email.

(d) The duly completed and signed Proxy Form, whether sent via email or by post, must be received by the Company's Share Registrar by 10.00 a.m. on 25 April 2021.

6. Persons who hold shares through relevant intermediaries

(a) Persons who hold shares through relevant intermediaries (as defined in Section 181(6) of the Companies Act, Chapter 50), including an investor who holds shares under the Central Provident Fund Investment Scheme ("**CPF Investor**") and/or the Supplementary Retirement Scheme ("**SRS Investor**"), and who wish to participate in the AGM by (i) observing and/or listening to the AGM proceedings via live audio-visual webcast or live audio-only stream; (ii) submitting questions in advance of the AGM; and/or (iii) appointing the Chairman of the Meeting as proxy to attend and vote on their behalf at the AGM, should contact the relevant intermediaries (which would include, in the case of CPF Investors and SRS Investors, their respective CPF agent banks and SRS operators) through which they hold such shares as soon as possible in order to make the necessary arrangements for them to participate in the AGM.

(b) CPF Investors or SRS Investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF agent banks or SRS operators to submit their votes by 10.00 a.m. on 16 April 2021.

(c) The Proxy Form is not valid for use by CPF Investors or SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

7. The proxy, who is the Chairman of the Meeting, need not be a member of the Company.

8. The Proxy Form shall be under the hand of the member or by his/her attorney duly authorised in writing, or if the member is a corporation, under seal or under the hand of its attorney duly authorised in writing. The power of attorney or other authority, if any, under which the instrument of proxy is signed on behalf of the member or duly certified copy of that power of attorney or other authority (failing previous registration with the Company), shall be attached to the instrument of proxy.

9. The duly executed Proxy Form must be deposited at the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not less than 72 hours before the time fixed for holding the AGM in order for the proxy to be entitled to attend and vote at the AGM.

10. A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited 72 hours before the time fixed for holding the AGM in order for the Depositor to be entitled to vote at the AGM.

NOTICE OF ANNUAL GENERAL MEETING

11. As there may be new measures (including new guidance or requirements for the holding or conduct of meetings) to deal with the evolving COVID-19 situation in Singapore, the Company may have to change the AGM arrangements at short notice. The Company will announce any changes to the holding or conduct of the AGM via the SGXNet at www.sgx.com/securities/company-announcements and its website at www.geocoal.com. Members are advised to check the SGXNet and the Company's website regularly for updates on the AGM.

PERSONAL DATA PRIVACY

Where a member of the Company submits (a) an application to pre-register to participate in the AGM via live audio-visual webcast or live audio-only stream, (b) questions relating to the resolutions to be tabled for approval at the AGM, and/or (c) an instrument appointing a proxy to vote at the AGM and/or any adjournment thereof, the member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purposes of (aa) processing the member's application to pre-register to participate in the AGM via live audio-visual webcast or live audio-only stream and providing the member with any technical assistance where possible, (bb) addressing any selected questions submitted by the member and following up with the member where necessary, (cc) the processing and administration by the Company (or its agents) of the proxy appointed for the AGM (including any adjournment thereof), and (dd) the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines, and (ii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's action or omission.

GEO ENERGY RESOURCES LIMITED
(Company Registration No. 201011034Z)
(Incorporated in the Republic of Singapore)

ANNUAL GENERAL MEETING

PROXY FORM

IMPORTANT:

1. This Annual General Meeting ("**AGM**") is being conducted solely via a live audio-video webcast and a live audio-only stream pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Accordingly, this Proxy Form is made available to members on SGXNet at www.sgx.com/securities/company-announcements and on the Company's website at www.geocoal.com. For convenience, the Annual Report 2020 and the Notice of AGM are made available on these two websites together with this Proxy Form.
2. Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-video webcast or live audio-only stream), submission of questions to the Chairman of the Meeting in advance of the AGM, addressing of substantial and relevant questions at the AGM and voting by appointing the Chairman of the Meeting as proxy at the AGM, are set out in the Notice of AGM dated 13 April 2021. The Notice of AGM may be accessed at the Company's website at www.geocoal.com, and is also be made available on the SGX website at www.sgx.com/securities/company-announcements.
3. **Due to the current COVID-19 situation in Singapore, a member will not be able to attend the AGM in person. Members must appoint the Chairman of the Meeting as proxy to attend and vote on their behalf at the AGM if such members wish to exercise their rights at the AGM.**
4. This Proxy Form is not valid for use by CPF investors and SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF or SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators by 10.00 a.m. on 16 April 2021 to submit their votes.
5. By submitting this Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 13 April 2021.
6. **Please read the important notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the Meeting as a member's proxy to attend and vote on his/her/its behalf at the AGM.**

*I/We (Name) ____________________ (*NRIC/Passport No./Company Registration No.) ____________________

of ____(Address) being a member of Geo Energy Resources Limited (the "**Company**"), hereby appoint the Chairman of the Meeting, as *my/our proxy to attend and to vote for *me/us on *my/our behalf at the Annual General Meeting ("**AGM**") of the Company to be convened and held by electronic means on Wednesday, 28 April 2021 at 10.00 a.m. and at any adjournment thereof. *I/We direct the Chairman of the Meeting to vote for or against or abstain from voting on the resolutions to be proposed at the AGM as indicated hereunder. In the absence of specific direction in respect of a resolution, the appointment of the Chairman of the Meeting as *my/our proxy for that resolution will be treated as invalid.

No.	Resolutions	For**	Against**	Abstain**
1.	To receive and adopt the Financial Statements for the financial year ended 31 December 2020 together with the Directors' Statement and the Auditors' Report thereon.			
2.	To declare a final dividend of S$0.008 per ordinary share one-tier tax exempt for the financial year ended 31 December 2020.			
3.	To re-elect Mr Dhamma Surya as Director.			
4.	To re-elect Mr Lu King Seng as Director.			
5.	To re-elect Mr Ong Beng Chye as Director.			
6.	To approve the continued appointment of Mr Lu King Seng as an Independent Director, for purposes of Rule 210(5)(d)(iii)(A) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022).			
7.	To approve the continued appointment of Mr Lu King Seng as an Independent Director, for purposes of Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022).			
8.	To approve the continued appointment of Mr Ong Beng Chye as an Independent Director, for purposes of Rule 210(5)(d)(iii)(A) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022).			
9.	To approve the continued appointment of Mr Ong Beng Chye as an Independent Director, for purposes of Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022).			
10.	To approve the continued appointment of Mr James Beeland Rogers Jr as an Independent Director, for purposes of Rule 210(5)(d)(iii)(A) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022).			
11.	To approve the continued appointment of Mr James Beeland Rogers Jr as an Independent Director, for purposes of Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022).			
12.	To approve the continued appointment of Mr Soh Chun Bin as an Independent Director, for purposes of Rule 210(5)(d)(iii)(A) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022).			
13.	To approve the continued appointment of Mr Soh Chun Bin as an Independent Director, for purposes of Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022).			
14.	To approve the payment of Directors' fees of S$505,000 for the financial year ending 31 December 2021, to be paid half-yearly in arrears.			
15.	To re-appoint Messrs Deloitte & Touche LLP as Auditors and to authorise the Directors to fix their remuneration.			
16.	To authorise the Directors to allot and issue shares and convertible instruments.			
17.	To authorise the Directors to offer and grant options and allot and issue shares under the Geo Energy Share Option Scheme.			
18.	To authorise the Directors to grant awards and allot and issue shares under the Geo Energy Performance Share Plan.			

* Please delete accordingly.
** If you wish to exercise all your votes "For" or "Against" or "Abstain", please indicate with an "X" within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this __________ day of ______________________ 2021

Total Number of Ordinary Shares Held	

____

Signature(s)/Common Seal of Members

Fold and seal here. Do not staple

IMPORTANT NOTES

1. If you have Ordinary Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of Ordinary Shares. If you have Ordinary Shares registered in your name in the Register of Members, you should insert that number of Ordinary Shares. If you have Ordinary Shares entered against your name in the Depository Register and Ordinary Shares registered in your name in the Register of Members, you should insert the aggregate number of Ordinary Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the Proxy Form shall be deemed to relate to all the Ordinary Shares held by you.

2. **Due to the current COVID-19 situation in Singapore, a member will not be able to attend the AGM in person. Members must appoint the Chairman of the Meeting as proxy to attend and vote on their behalf at the AGM if such members wish to exercise their rights at the AGM.** This Proxy Form is made available to members on SGXNet at www.sgx.com/securities/company-announcements and on the Company's website at www.geocoal.com.

   Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstention from voting, in respect of a resolution in this Proxy Form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

3. The Chairman of the Meeting, as proxy, need not be a member of the Company.

4. The duly completed and signed Proxy Form appointing the Chairman of the Meeting as proxy must be submitted to the Company in the following manner:

   (a) if via email, please scan and email a PDF copy of the duly completed and signed Proxy Form to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at AGM.TeamE@boardroomlimited.com.

Please glue and seal along this edge

Airmail Printed Matter	Affix postage stamp

Geo Energy Resources Limited
Company's Share Registrar
Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place,
#32-01 Singapore Land Tower,
Singapore 048623

Please glue and seal along this edge

   (b) if by post, please send the duly completed and signed Proxy Form to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623.

   in either case, this Proxy Form must be received by the Company's Share Registrar by 10.00 a.m. on 25 April 2021.

   Given the restriction orders and safe distancing measures to deal with the COVID-19 situation in Singapore, members are strongly encouraged to submit the duly completed and signed Proxy Form via email.

5. This Proxy Form appointing the Chairman of the Meeting as proxy must be under the hand of the appointer or by his/her attorney duly authorised in writing or, where it is executed by a corporation, be executed under its common seal or signed on its behalf by an attorney or duly authorised officer of the corporation. Where this Proxy Form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with this Proxy Form, failing which this Proxy Form may be treated as invalid.

6. The Company shall be entitled to reject this Proxy Form, if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in this Proxy Form. In addition, in the case of a member whose Ordinary Shares are entered against his/her/its name in the Depository Register, the Company may reject this Proxy Form if the member, being the appointor, is not shown to have Ordinary Shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

7. A Depositor shall not be regarded as a member of the Company entitled to vote at the AGM unless his/her/its name appears on the Depository Register 72 hours before the time set for the AGM.

Fold here

Singapore Office
12 Marina Boulevard #16-01
Marina Bay Financial Centre Tower 3
Singapore 018982

Jakarta Office
The Suites Tower, Lantai 17
Jl. Boulevard Pantai Indah Kapuk,
No. 1 Kav. OFS,
Jakarta 14470

Shareholder Inquiries
Information about the Company, including all quarterly earnings release and financial results, can be accessed via our website at www.geocoal.com.

Shareholder inquiries can also be directed to Investor Relations via email at geoenergy@financialpr.com.sg or by calling (65) 6438 2990.

Design Agency
Equity Communications Pte Ltd
2 Jalan Kilang Barat #02-01
Singapore 159346
www.equity.com.sg

ABOUT GEO ENERGY RESOURCES LIMITED
(Bloomberg Ticker: GERL SP)
GEO ENERGY GROUP is a coal mining group, established since 2008, with offices in Singapore and Jakarta, Indonesia and production operations in Kalimantan, Indonesia. Geo Energy has been listed on Singapore Stock Exchange's main board since 2012.

Forward Looking Statements
The statements contained in this annual report that are not historical facts are "forward-looking" statements. These forward-looking statements are subject to a number of substantial risks and uncertainties, many of which are beyond the Company's control and actual results and developments may differ materially from those expressed or implied by these statements for a variety of factors. These forward-looking statements are statements based on the Company's current intentions, beliefs and expectations about among other things, the Company's financial condition, prospects, growth, strategies and the industry in which the Company operates. Forward-looking statements are typically identified by the use of forward-looking terminology such as "believes", "expects", "may", "will", "could", "should", "intends", "estimates", "plans", "assumes" or "anticipates" or the negative thereof or other variations thereon or comparable terminology, or by discussions of strategy that involve risks and uncertainties. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. In addition, from time to time, the Company or its representatives have made or may make forward-looking statements orally or in writing. Furthermore, such forward-looking statements may be included in, but are not limited to, press releases or oral statements made by or with the approval of an authorised executive officer of the Company. No assurance can be given that such future results will be achieved; actual events or results may differ materially from those expressed in or implied by these statements as a result of risks and uncertainties facing the Company and its subsidiaries. Forward looking statements are not guarantees of future performance and may often do differ materially from actual results. There is no certainty or assurance as at the date of this annual report that any transaction disclosed in this annual report will proceed or be completed or that no changes will be made to the terms thereof. Many of these risks and uncertainties relate to factors that are beyond the Company's ability to control or estimate precisely, such as changes in taxation and fiscal policy, future market conditions, currency fluctuations, the behaviour of other market participants, the actions of governmental regulators and other risk factors such as the Company's ability to continue to obtain financing to meet its liquidity needs, changes in the political, social and regulatory framework in which the Company operates or in economic or technological trends or conditions, including inflation and consumer confidence, on a global, regional or national basis. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed or implied in such forward looking statements. The forward-looking statements contained in this annual report speak only as of the date of this annual report and the Company undertakes no duty to update any of them publicly in light of new information or future events, except to the extent required by applicable law or regulation.

... the Best is Yet to Come

Geo Energy Resources

www.geocoal.com