



GEAR – FY2020 Results Briefing

3 MARCH 2021

Stanmore Coal Operations

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- ii. agree to be bound by the limitations and restrictions described herein.

1. FY2020 Summary

2. Performance Highlights

3. Q&A



FY2020 Summary – Transforming while Performing

1 Successful Diversification into Metallurgical Coal and Gold

- ◆ **Solid progress** on strategy and plan to reinvent the Group
- ◆ **Strategic expansion** of product portfolio and geographic expansion to Australia
- ◆ **Broadened earnings streams** to reduce dependence on energy coal
- ◆ Positioned for potential revenue and **margin uplift**

2 Achieved Production Target of 31 Million Tonnes and Recorded a 14% Increase in EBITDA

- ◆ All-time **high production volume** for energy coal of 33.5 million tonnes (**9% increase YoY**) vs. target of 31 million tonnes
- ◆ **Strong operational delivery** while rigorously managing cash costs led to **record low production cost** for energy coal
- ◆ In spite of challenging pricing environment which saw the **lowest selling price for energy coal**, Group achieved an **increase in EBITDA to US\$148m** from US\$130m in FY2019 (**14% increase YoY**)

3 Strengthening our Financial Position

- ◆ **Strong liquidity position** of US\$263m
- ◆ **Net debt stood at US\$119m** vs. to US\$142m in FY2019
- ◆ **Prudent leverage ratio of 2.59x** provides financial flexibility

FY2020 Key Milestones

Successfully diversified earnings and reduced dependence on energy coal

JAN – MAR



ACQUIRED



RAVENSWOOD GOLD

50-50 JV with EMR Capital

APR - MAY



**INCREASED
SHAREHOLDING** in
stanmorecoal

to **75.33%** from 31.35%

FEB - SEP



FULLY DIVESTED

Westgold Resources
for profits

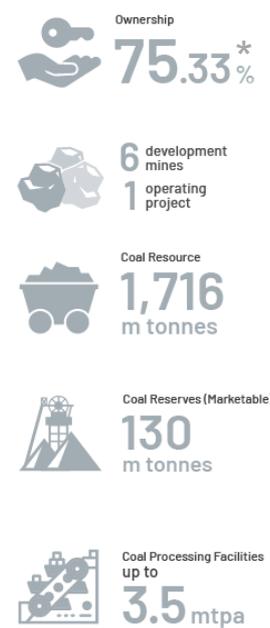


Expanded Geographical Presence

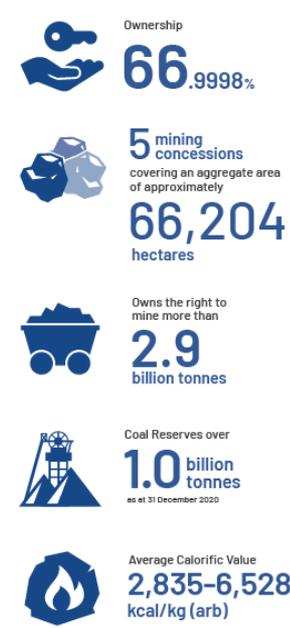
Expanded product suite includes *Metallurgical Coal* and *Gold* in Australia



STANMORE



GEMS



RAVENSWOOD



*GEAR's effective interest in Stanmore Coal is 60% through its approximately 80% shareholding in its subsidiary Golden Investments which holds 75.33% in Stanmore Coal.

GEAR Group Simplified Corporate Structure as on Mar 2021



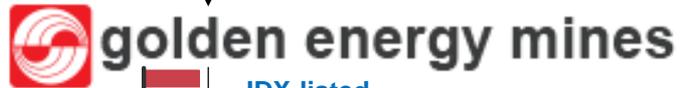
SGX-listed

67.0% 79.7% 20.3% ASCEND 100.0%



30.0% 3.0%

Public



IDX-listed

Energy Coal Mining

Energy Coal Trading

Golden Investments (Australia) Pte. Ltd.

75.3%



ASX-listed

Metallurgical Coal Mining

Golden Investments (Australia) II Pte. Ltd.

50.0%



RAVENSWOOD GOLD

Gold Mining

Note: For illustration purposes only and not exhaustive. Only key subsidiaries shown.



Performance Highlights

GEAR Group FY2020 Performance at a Glance



ENERGY COAL PRODUCTION VOLUME

33.5Mt

8.5% increase from FY2019



REVENUE

US\$1.2B

Record since listing in 2016



CASH COST

US\$21.04/mt

One of the lowest production cost
among all Indonesian peers



EBITDA

US\$148m

14% increase from FY2019



ROBUST BALANCE SHEET

US\$262.8M

In Cash and Cash Equivalents



PRUDENT LEVERAGE RATIO

2.59x

As at 31 December 2020



CREDIT RATINGS

B1 & B+

By Moody's and Fitch Ratings

GEAR Group Performance Highlights

Strong performance despite COVID-19 pandemic and weakest coal price environment

GROUP and GEMS

- ◆ Continued growth in energy coal production and sales volume. **Exceeded FY2020 production target** of 31Mt with **actual production of 33.5Mt** (↑ 8.8% YoY) and sales volume of 34.0Mt (↑ 9.4% YoY)
- ◆ Historic high consolidated revenue of **US\$1.2b** (↑ 4.2% YoY) in-spite of lower ASP (↓ 11.3% YoY)
- ◆ **In percentage terms, domestic sales were higher (37% vs. 32% in FY2019)**. Increase in revenue contribution seen from Asian markets such as **Philippines and new markets including Japan** from Stanmore
- ◆ Strict control on production costs ensured continued profitability in low pricing environment. **Average cash cost⁽¹⁾ declined to US\$21.04/t in FY2020** (↓ 12.7% YoY). **4Q2020 average cash cost declined to US\$19.27/t, one of the lowest recorded in last 4 years** (↓ 21.5% YoY and ↓ 3.1% QoQ). Decline primarily driven by lower strip ratio and decline in contractor rates
- ◆ **Group consolidated EBITDA⁽²⁾ increased to US\$148m** (↑ 14% YoY) due to increase in production and sales volume and reduction in cash cost
- ◆ **Strong cash position on group basis. Cash balance increased to US\$262.8m** from US\$177.8m YoY
- ◆ Took advantage of buoyant gold prices in 2020 to **fully divest interest in Westgold Resources Limited for profits**

(1) For Energy Coal Mining. Includes COGS and selling expenses, excludes royalty and non cash items such as depreciation and amortization (D&A)

(2) EBITDA = Profit for the year + finance costs + income tax expense + depreciation and amortization + impairment loss – reversal of prior year interest expense – income tax benefit

(3) Refers to Total debt to LTM EBITDA. Computed based on reported financials

GEAR Group Performance Highlights

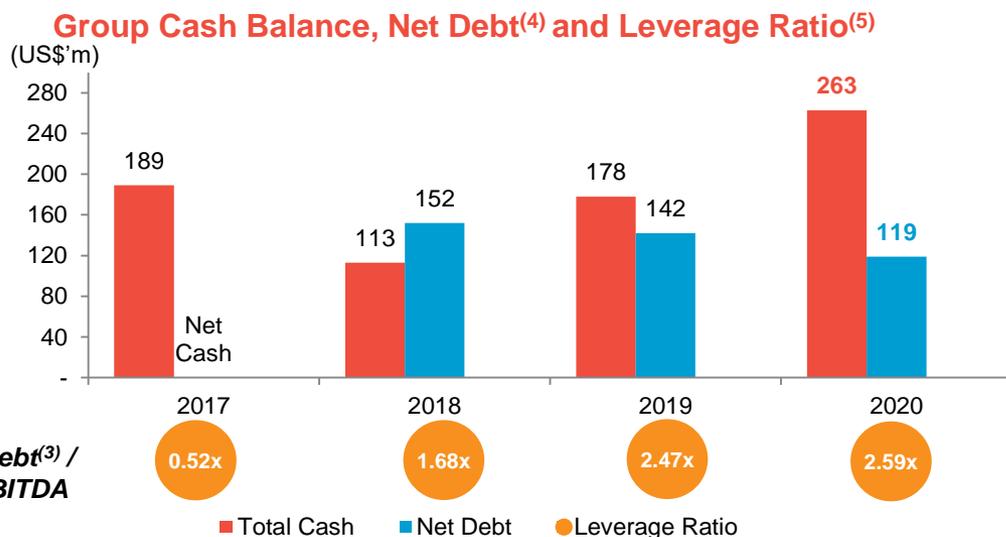
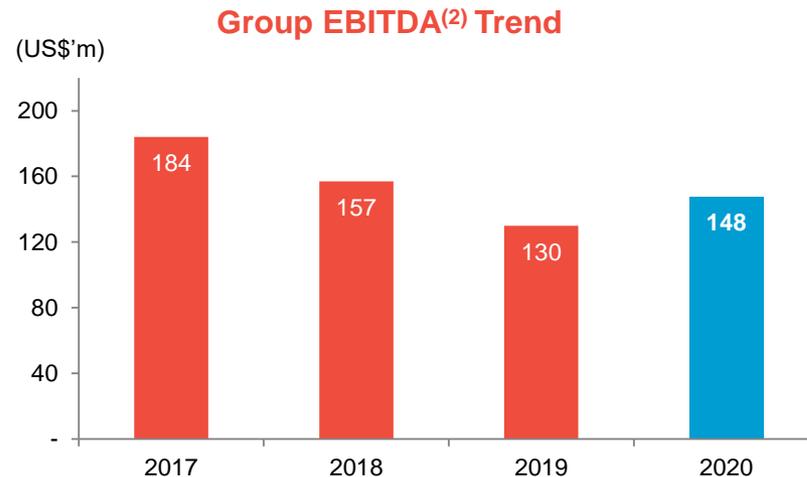
STANMORE COAL

- ◆ Following completion of takeover bid in May 2020, Golden Investments (GEAR's subsidiary) **increased its holding in Stanmore from 31.35% to 75.33%**
- ◆ Stanmore recorded a **production of 1.1Mt** for the period 1 Jul 2020 to 31 Dec 2020 ("period ended 31 Dec 2020")
- ◆ **Stanmore's average ASP declined by 28%** from A\$159.5/t for financial year ended 30 June 2020 to A\$115.1/t for period ended 31 Dec 2020
- ◆ Reduction in price was mainly driven by **trade restrictions imposed by China on Australian coal**. While Stanmore has **limited direct volume exposure to Chinese markets, with no coal sold into China** during the period, its term contract revenues are affected by the price impacts of the Chinese import restrictions to spot indices
- ◆ Stanmore implemented various **cost reduction initiatives** across its operations including **redesigning mine plans** to reduce fleet capacity and strip ratios, and **significant restructuring of its mining contract** to reduce production cost
- ◆ For the period ended 31 Dec 2020, **Stanmore recorded an EBITDA loss and net loss of A\$1.8m and A\$16.1m respectively** (on 100% basis)

RAVENSWOOD GOLD

- ◆ On 31 March 2020, GEAR together with its 50% joint venture partner EMR Capital, **completed the acquisition of the Ravenswood Gold mine** from Resolute Mining Limited
- ◆ For the period 1 Apr 2020 to 31 Dec 2020, Ravenswood recorded a **gold production of 47.6 Koz**, realised gold price of A\$2,622/oz, **operating profit of A\$16.3m** and net loss of A\$14.3m (on 100% basis). The net loss was due to acquisition cost and transition cost totalling A\$16m (including stamp duty) that could not be capitalised
- ◆ **As on 31 December 2020, Ravenswood has total gold resource of 3.9 Moz and a total gold reserve of 2.6 Moz**
- ◆ Based on the feasibility study recently completed, Ravenswood is undertaking a development plan that will increase gold **production from 60,000 oz pa. to over 200,000 ounces p.a. paving way for it to be the largest gold producer in Queensland**

Group Performance Highlights



Group denotes GEAR and its subsidiaries including GEMS and Stanmore. Stanmore is consolidated in GEAR financials from 18 May 2020. GEAR financial year ending is 31 December

(1) Previously stated at US\$1,121m. US\$1,115.8m due to reclassification of dividend income to other income

(2) EBITDA = Profit for the year + finance costs + income tax expense + depreciation and amortization + impairment loss – reversal of prior year interest expense – income tax benefit

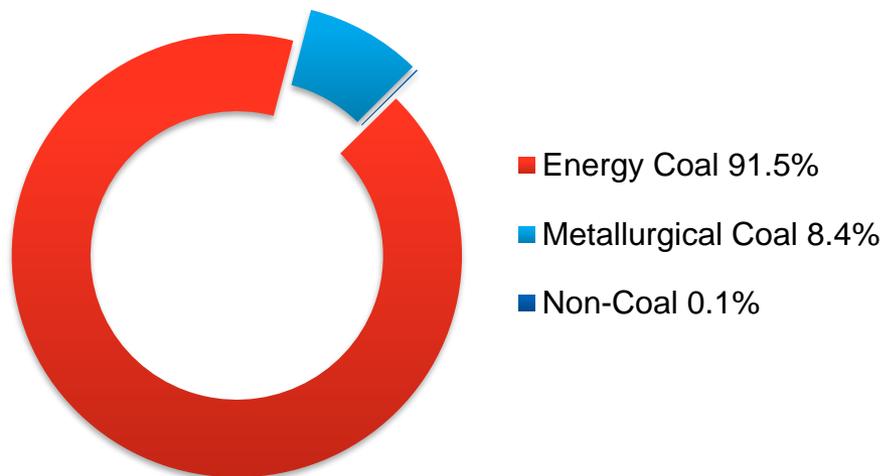
(3) Total Debt = Loans and borrowings

(4) Net Debt = Loans and borrowings – cash and cash equivalents

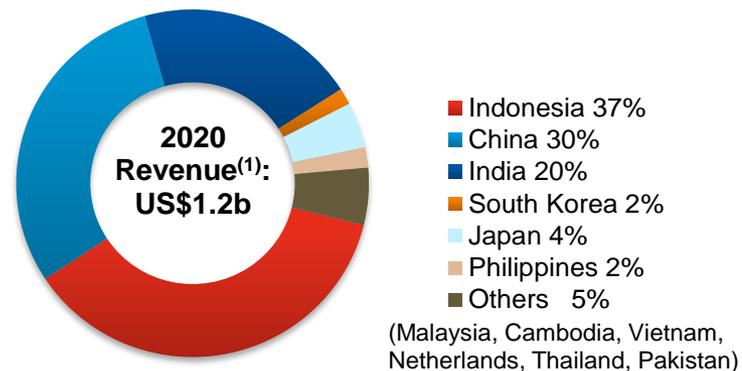
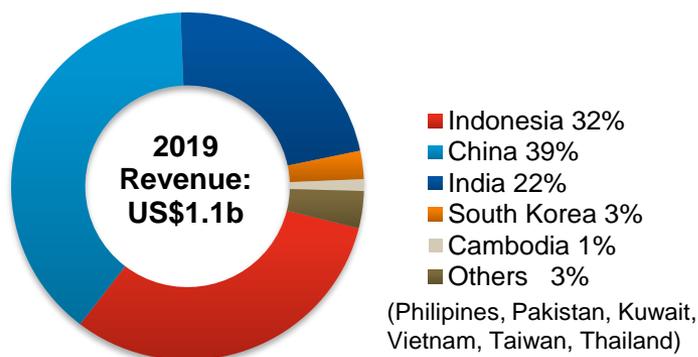
(5) Leverage ratio = Total debt / LTM EBITDA

Group Performance Highlights

Revenue breakdown by segment (2020)



Revenue breakdown by geography

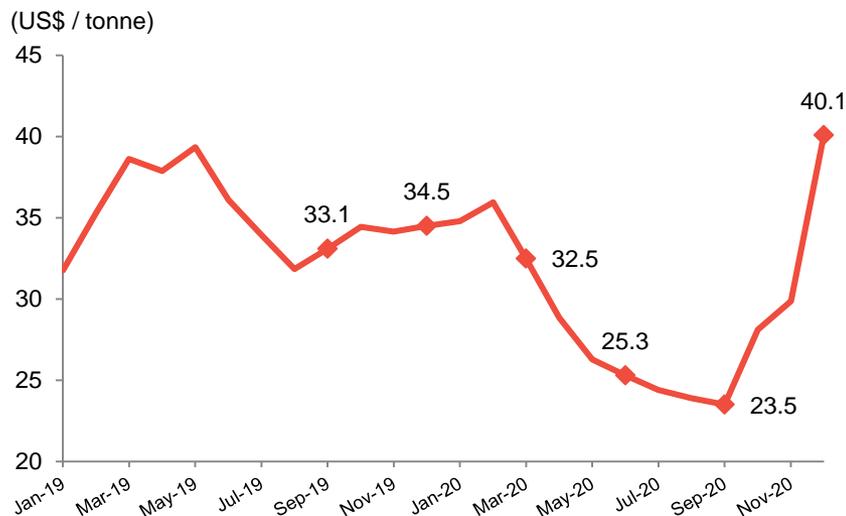


Group denotes GEAR and its subsidiaries including GEMS and Stanmore.

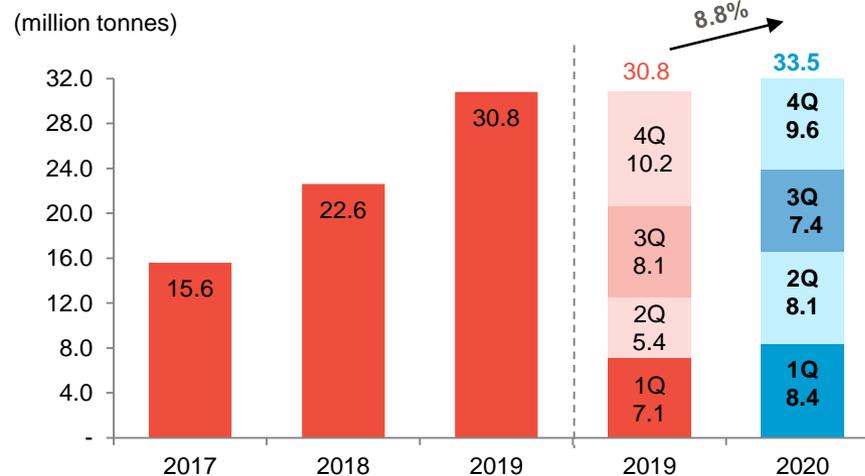
(1) Includes consolidation of Stanmore results. Stanmore is consolidated in GEAR financials from 18 May 2020

GEMS Operational Performance

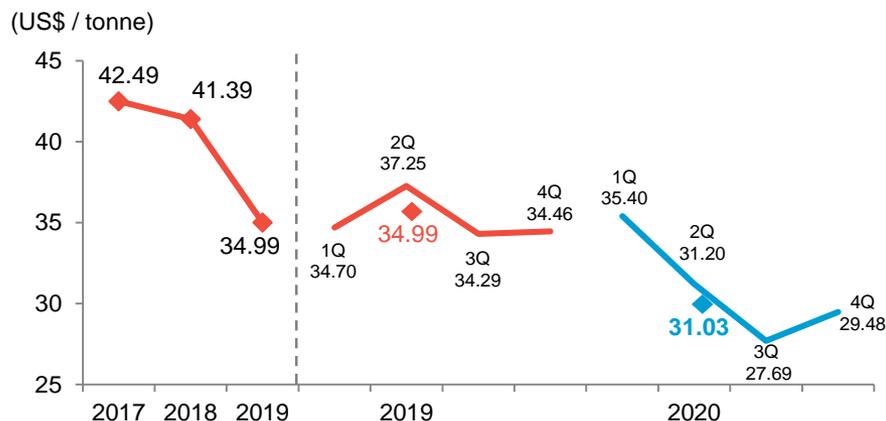
ICI 4 Price Trend⁽¹⁾



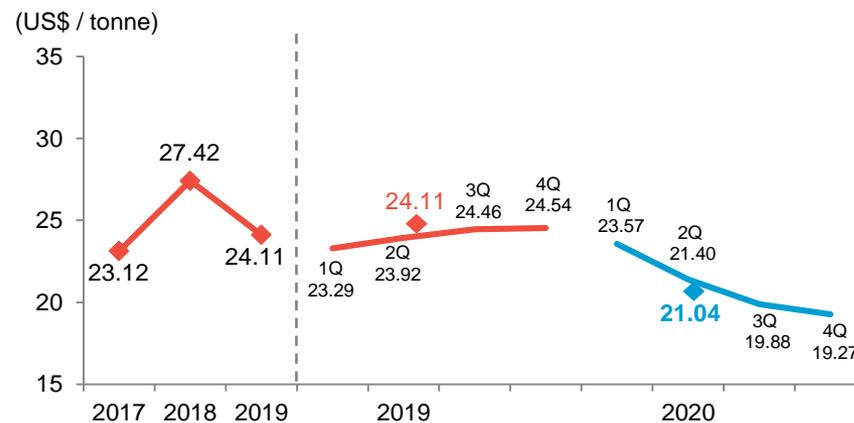
Production Volume Trend – Coal Mining



Average Selling Price – Coal Mining



Cash Cost⁽²⁾ - Coal Mining



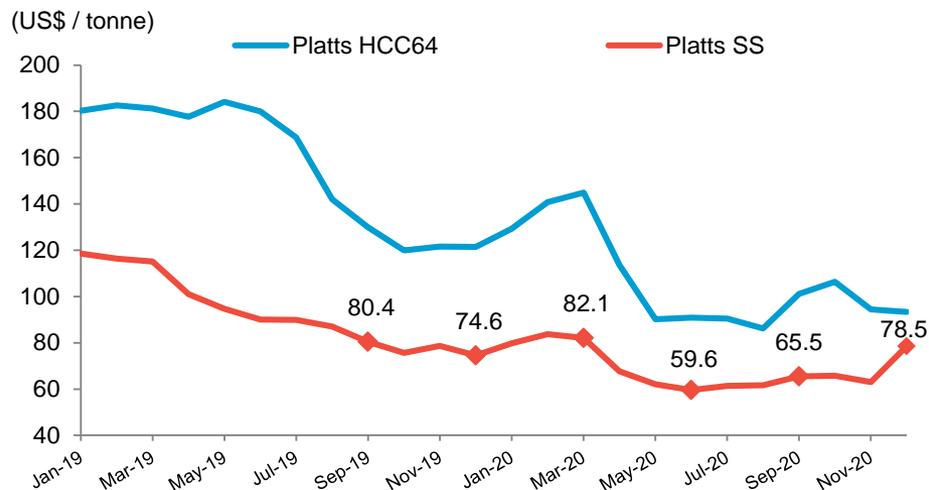
Source: Company, Bloomberg. GEMS financial year ending is 31 December

(1) ICI 4 prices represent average of the month

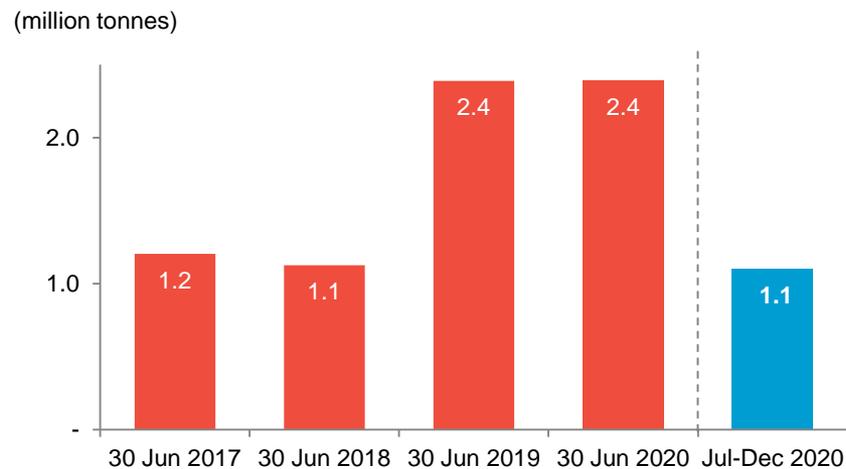
(2) Includes COGS and selling expenses, excludes royalty and non cash items such as depreciation and amortization (D&A)

Stanmore Operational Performance

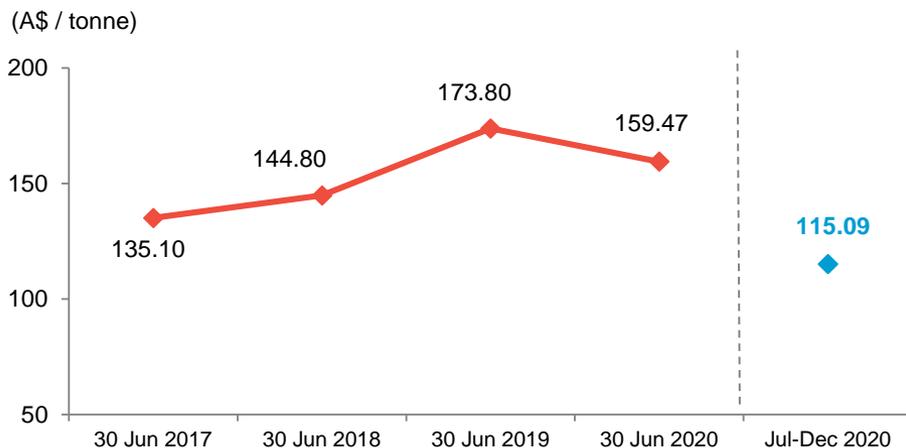
Met Coal Price Trend⁽¹⁾



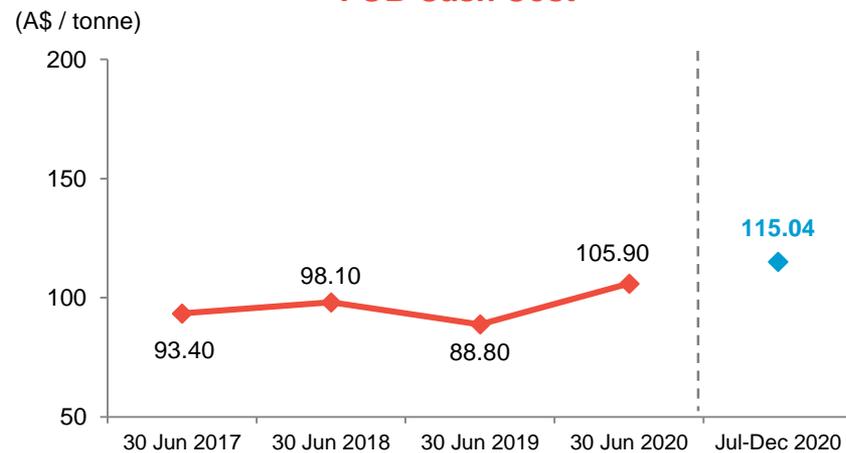
Production Volume Trend



Average Selling Price



FOB Cash Cost⁽²⁾



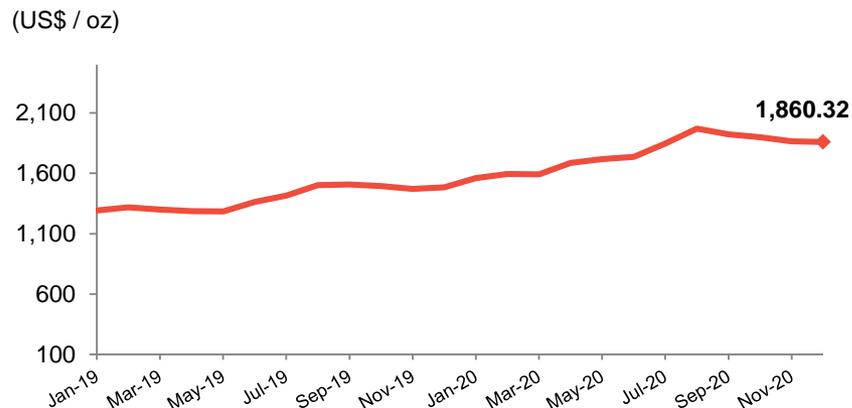
Source: Company, Platts. Stanmore historical financial year end is 30 June

(1) Platts HCC64 and SS prices represent average of the month

(2) Includes COGS and selling expenses, excludes royalty and non cash items such as depreciation and amortization (D&A)

Ravenswood Operational Performance

Gold Price Trend



	Unit	April to Dec 2020
Production volume	Koz	47.6
Head grade	g/t	0.56
Gold price realised	A\$/oz	2,622
All-in-Sustaining Cost (AISC)⁽¹⁾	A\$/oz	2,222
Operating profit	A\$m	16.3m
Net loss after tax⁽²⁾	A\$m	(14.3m)

Source: Bloomberg. Ravenswood financial year end is 31 December

(1) AISC includes mining, processing, site admin, royalties and sustaining capital expenditure (excl. infill drilling)

(2) The net loss was due to acquisition cost and transition cost totalling A\$16m (including stamp duty) that could not be capitalised

Q & A



Ravenswood Operations

*"It is neither the strongest,
nor the most intelligent that survive,
but the most **RESPONSIVE** to change."*



Ravenswood Gold Processing Facility

Thank you