



SGX Announcement

Geo Energy Resources Limited Consolidated Financial Statements

For the Six Months Ended 30 June 2023

FORWARD LOOKING STATEMENTS

This announcement contains statements that are, or may be deemed to be, "forward looking statements" which are prospective in nature. These forward looking statements may generally be identified by the use of forward looking terminology, or the negative thereof such as "plans", "expects" or "does not expect", "is expected", "seeks", "continues", "assumes", "is subject to", "budget", "scheduled", "estimates", "aims", "forecasts", "risks", "intends", "positioned", "predicts", "projects", "anticipates" or "does not anticipate", or "believes", or variations of such words or comparable terminology and phrases or statements that certain actions, events or results "may", "could", "should", "shall", "would", "might" or "will" be taken, occur or be achieved. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Forward-looking statements are not based on historical facts, but rather on current predictions, assumptions, expectations, beliefs, opinions, plans, objectives, goals, intentions and projections about future events, results of operations, prospects, financial condition and discussions of strategy, any of which could prove to be inaccurate. By their nature, forward looking statements involve known and unknown risks and uncertainties, many of which are beyond the control of Geo Energy Resources Limited ("Geo Energy"). Forward looking statements are not guarantees of future performance and may and often do differ materially from actual results. There is no certainty or assurance as at the date of this announcement that any transaction disclosed in this announcement will proceed or be completed or that no changes will be made to the terms thereof. Important factors that could cause these uncertainties include, but are not limited to, those discussed in Geo Energy's Annual Report 2022. Neither Geo Energy nor any of its associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. You are cautioned not to place undue reliance on these forward-looking statements which only speak as of the date of this announcement. Other than in accordance with its legal or regulatory obligations (including under the listing rules of the Singapore Exchange Securities Trading Limited), Geo Energy is not under any obligation and Geo Energy and its affiliates expressly disclaim any intention, obligation or undertaking to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. This announcement shall not, under any circumstances, create any implication that there has been no change in the business or affairs of Geo Energy since the date of this announcement or that the information contained herein is correct as at any time subsequent to its date. No statement in this announcement is intended as a profit forecast or a profit estimate. This announcement does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any securities. The making of this announcement does not constitute a recommendation regarding any securities. Shareholders, investors and other persons are advised to exercise caution in trading the securities of the Group.

Results Announcement:

Dear Shareholders,

The Board of Directors (the "Board") of Geo Energy Resources Limited (the "Company", and together with its subsidiaries the "Group") reports the following:

- Results for the six months ended 30 June 2023, as set out in the accompanying consolidated financial statements and other information.
- In addition to the interim dividend of 0.5 SG cents per share declared and paid in June 2023, the Company has declared a second interim dividend of 0.5 SG cent per share to be paid on 6 September 2023 (ex-dividend date of 29 August 2023). This demonstrates our commitment to deliver returns to our shareholders even as we are completing a major acquisition.
- As announced on 26 July 2023, the Group has secured a US\$200 million transformational acquisition of a controlling stake in a listed Indonesian mining group with over 300 million tonnes reserves, giving the Group's business long term sustainability of over 20 years mining life.
- The Group has also secured a US\$220 million financing from Bank Mandiri that, together with the Group's cash balance, will ensure sufficient liquidity to fund its acquisition plans, working capital and any capital expenditure required to ramp up production.

On behalf of the Board,

Charles Antony Melati
Executive Chairman and Chief Executive Officer
10 August 2023

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PART 1 — Unaudited Consolidated Financial Statements Announcement for the Six Months Ended 30 June 2023

A. Consolidated statement of profit or loss and other comprehensive income

	Note	Group		% Change
		6 months ended 30.6.2023 US\$ (Unaudited)	6 months ended 30.6.2022 US\$ (Unaudited)	
Revenue	4	239,764,278	368,332,329	(35)
Cost of sales		(191,769,742)	(216,870,565)	(12)
Gross profit		47,994,536	151,461,764	(68)
Other income		3,026,746	4,743,658	(36)
General and administrative expenses		(4,925,706)	(4,742,741)	4
Other expenses		(1,868,011)	(1,227,730)	52
Finance costs		(67,611)	(25,723)	163
Profit before income tax	6	44,159,954	150,209,228	(71)
Income tax expense		(16,155,928)	(44,249,736)	(63)
Profit for the period		28,004,026	105,959,492	(74)
Other comprehensive income, net of tax:				
Items that may be subsequently reclassified to profit or loss:				
- Exchange differences on translation of foreign operations		226,709	61,684	268
Total comprehensive income for the period		28,230,735	106,021,176	(73)
Profit attributable to:				
Owners of the Company		27,145,252	104,990,104	(74)
Non-controlling interests		858,774	969,388	(11)
		28,004,026	105,959,492	(74)
Total comprehensive income attributable to:				
Owners of the Company		27,371,233	105,046,616	(74)
Non-controlling interests		859,502	974,560	(12)
		28,230,735	106,021,176	(73)
Earnings per share:	8			
Basic (cents)		1.94	7.45	(74)
Diluted (cents)		1.94	7.44	(74)

B. Statements of financial position

	Note	Group		Company	
		30.6.2023 US\$ (Unaudited)	31.12.2022 US\$ (Audited)	30.6.2023 US\$ (Unaudited)	31.12.2022 US\$ (Audited)
ASSETS					
Current assets					
Cash and bank balances		149,456,369	234,082,769	4,933,882	64,601,526
Trade and other receivables	11	68,854,090	61,777,283	60,133,951	50,481,050
Deposits and prepayments		21,529,138	11,999,171	47,914	65,195
Inventory		39,740,226	30,969,092	-	-
Total current assets		279,579,823	338,828,315	65,115,747	115,147,771
Non-current assets					
Trade and other receivables	11b	5,538,155	5,838,706	-	-
Tax recoverable		12,413,631	12,287,939	-	-
Restricted cash deposits		8,559,081	6,916,015	-	-
Deposits and prepayments		21,336,521	19,731,555	803	736
Investment in subsidiaries		-	-	178,745,819	178,745,819
Deferred stripping costs	12	40,560,956	42,823,783	-	-
Property, plant and equipment	13	118,026,101	115,667,998	5,048,480	5,116,836
Right-of-use assets	14	13,127,500	14,633,049	-	-
Deferred tax assets		5,876,135	6,145,063	199	82,145
Other non-current asset		153,698	153,698	153,698	153,698
Total non-current assets		225,591,778	224,197,806	183,948,999	184,099,234
Total assets		505,171,601	563,026,121	249,064,746	299,247,005
LIABILITIES AND EQUITY					
Current liabilities					
Trade and other payables		89,320,144	120,998,414	23,979,597	31,590,752
Current portion of lease liabilities	15	31,539	15,533	-	-
Current portion of bank borrowings	15	2,032,051	369,197	368,268	369,197
Income tax payable		3,957,315	14,259,397	-	-
Total current liabilities		95,341,049	135,642,541	24,347,865	31,959,949
Non-current liabilities					
Trade and other payables		1,269,477	1,248,020	-	71,144,443
Lease liabilities	15	35,674	13,038	-	-
Bank borrowings	15	7,676,146	3,017,401	2,823,446	3,017,401
Provisions		1,837,694	1,750,263	-	-
Deferred tax liabilities		11,630,513	13,069,399	-	-
Total non-current liabilities		22,449,504	19,098,121	2,823,446	74,161,844
Capital, reserves and non-controlling interests					
Share capital	16	109,544,661	109,544,661	109,544,661	109,544,661
Treasury shares	17	(6,930,882)	(4,901,049)	(6,930,882)	(4,901,049)
Capital and other reserves		5,175,195	5,175,195	5,001,583	5,001,583
Translation reserve		5,538,831	4,910,598	4,464,245	4,464,245
Retained earnings		272,273,231	292,635,544	109,813,828	79,015,772
Equity attributable to owners of the Company		385,601,036	407,364,949	221,893,435	193,125,212
Non-controlling interests		1,780,012	920,510	-	-
Total equity		387,381,048	408,285,459	221,893,435	193,125,212
Total liabilities and equity		505,171,601	563,026,121	249,064,746	299,247,005

C. Consolidated statement of cash flows

	Group	
	6 months ended 30.6.2023 US\$ (Unaudited)	6 months ended 30.6.2022 US\$ (Unaudited)
Operating activities		
Profit before income tax	44,159,954	150,209,228
Adjustments for:		
Depreciation of property, plant and equipment	5,637,961	7,879,498
Depreciation of right-of-use assets	1,566,181	1,562,519
Amortisation of deferred stripping costs	2,231,985	2,753,662
Gain on disposal of property, plant and equipment	(16,314)	(178)
Share-based payment expense	-	10,592
Amortisation of deferred gain	(96,936)	(84,411)
Allowance for (write-back of) inventory written-down	99,858	(335,216)
Reversal of allowance for expected credit loss on trade and other receivables	(119,919)	-
Interest expense	67,611	25,723
Interest income	(2,790,756)	(2,201,200)
Retirement benefit obligations	120,842	108,070
Net foreign exchange (gains) losses	(1,528,472)	1,213,534
Operating cash flows before movements in working capital	49,331,995	161,141,821
Trade and other receivables	10,165,260	(38,320,129)
Deposits and prepayments	(9,530,738)	(576,695)
Inventory	(8,761,387)	(4,755,338)
Trade and other payables	(31,535,862)	6,788,257
Cash generated from operations	9,669,268	124,277,916
Income tax paid	(37,759,914)	(55,304,437)
Income tax refund	16,569	1,429
Retirement benefit obligation paid	(38,511)	(8,238)
Net cash (used in) generated from operating activities	(28,112,588)	68,966,670
Investing activities		
Interest received	2,879,808	390,909
Advance payments for purchase of property, plant and equipment	(1,326,738)	(153,243)
Purchase of property, plant and equipment	(7,940,105)	(2,708,360)
Proceeds from disposal of property, plant and equipment	41,472	812
Net cash used in investing activities	(6,345,563)	(2,469,882)
Financing activities		
Decrease (increase) in restricted cash and pledged deposits	811,803	(103,457)
Interest paid for lease liabilities	(1,020)	(489)
Interest paid for bank borrowings	(66,591)	(25,723)
Withholding taxes paid	(6,711,903)	(7,504,151)
Dividends paid	(47,105,313)	(71,211,998)
Repayment of obligations under lease liabilities	(23,291)	(2,266)
Proceeds from bank borrowing	6,792,555	-
Repayment of bank borrowings	(325,250)	(181,556)
Proceeds from issuance of share capital	-	128,745
Repurchases of shares	(2,029,833)	(725,001)
Net cash used in financing activities	(48,658,843)	(79,625,896)
Net decrease in cash and cash equivalents	(83,116,994)	(13,129,108)
Cash and cash equivalents at beginning of period	231,976,799	185,594,921
Effects of exchange rate changes on the balance of cash held in foreign currencies	589,124	(688,744)
Cash and cash equivalents at end of period	149,448,929	171,777,069

	Group	
	6 months ended 30.6.2023 US\$ (Unaudited)	6 months ended 30.6.2022 US\$ (Unaudited)
Note A		
Cash on hand and at banks	131,348,929	129,753,665
Deposits	18,107,440	47,025,134
Cash and bank balances	149,456,369	176,778,799
Restricted cash deposits (non-current)	8,559,081	4,796,642
	158,015,450	181,575,441
Less: Deposits pledged	(7,440)	(5,001,730)
Less: Restricted cash deposits (non-current)	(8,559,081)	(4,796,642)
Cash and cash equivalents	149,448,929	171,777,069

D. Statements of changes in equity

Group	Share capital US\$	Treasury shares US\$	Capital and other reserves US\$	Translation reserve US\$	Equity attributable Retained to owners of earnings the Company		Non- controlling interests US\$	Total US\$
					US\$	US\$		
At 1.1.2023 (audited)	109,544,661	(4,901,049)	5,175,195	4,910,598	292,635,544	407,364,949	920,510	408,285,459
Profit for the period	-	-	-	-	27,145,252	27,145,252	858,774	28,004,026
Other								
comprehensive income for the period	-	-	-	628,233	(402,252)	225,981	728	226,709
Transactions with owners, recognised directly in equity:								
Repurchases of shares	-	(2,029,833)	-	-	-	(2,029,833)	-	(2,029,833)
Dividend paid	-	-	-	-	(47,105,313)	(47,105,313)	-	(47,105,313)
At 30.6.2023 (unaudited)	109,544,661	(6,930,882)	5,175,195	5,538,831	272,273,231	385,601,036	1,780,012	387,381,048
At 1.1.2022 (audited)	109,415,916	(2,150,021)	2,756,791	4,850,836	232,910,895	347,784,417	1,322,553	349,106,970
Profit for the period	-	-	-	-	104,990,104	104,990,104	969,388	105,959,492
Other								
comprehensive income for the period	-	-	-	(80,881)	137,393	56,512	5,172	61,684
Transactions with owners, recognised directly in equity:								
Issue of share capital	128,745	-	-	-	-	128,745	-	128,745
Repurchases of shares	-	(725,001)	-	-	-	(725,001)	-	(725,001)
Deemed capital contribution*	-	-	10,592	-	-	10,592	-	10,592
Dividend paid	-	-	-	-	(71,211,998)	(71,211,998)	-	(71,211,998)
At 30.6.2022 (unaudited)	109,544,661	(2,875,022)	2,767,383	4,769,955	266,826,394	381,033,371	2,297,113	383,330,484

Company	Share capital US\$	Treasury shares US\$	Capital and other reserves US\$	Translation reserve US\$	Retained earnings US\$	Total US\$
At 1.1.2023 (audited)	109,544,661	(4,901,049)	5,001,583	4,464,245	79,015,772	193,125,212
Profit for the period	-	-	-	-	77,903,369	77,903,369
Transactions with owners, recognised directly in equity:						
Repurchases of shares	-	(2,029,833)	-	-	-	(2,029,833)
Dividend paid	-	-	-	-	(47,105,313)	(47,105,313)
At 30.6.2023 (unaudited)	109,544,661	(6,930,882)	5,001,583	4,464,245	109,813,828	221,893,435
At 1.1.2022 (audited)	109,415,916	(2,150,021)	5,010,643	4,463,927	53,024,976	169,765,441
Profit for the period	-	-	-	-	65,311,265	65,311,265
Other comprehensive income for the period	-	-	-	318	-	318
Transactions with owners, recognised directly in equity:						
Issue of share capital	128,745	-	-	-	-	128,745
Repurchases of shares	-	(725,001)	-	-	-	(725,001)
Deemed capital contribution*	-	-	10,592	-	-	10,592
Dividend paid	-	-	-	-	(71,211,998)	(71,211,998)
At 30.6.2022 (unaudited)	109,544,661	(2,875,022)	5,021,235	4,464,245	47,124,243	163,279,362

* Pertained to deemed capital contribution by Master Resources International Limited ("MRIL"), a substantial shareholder of the Company, for the issuance of shares to a former director (and the former Chief Executive Officer) of the Company, as share-based payment.

E. Notes to the consolidated financial statements

1. Corporate information

The Company (Registration No. 201011034Z) is incorporated in Singapore with its principal place of business and registered office at 7 Temasek Boulevard #39-02, Suntec Tower One, Singapore 038987. The Company is listed on the Singapore Exchange Securities Trading Limited. These consolidated financial statements as at and for the six months ended 30 June 2023 comprise the Company and its subsidiaries (collectively, the "Group"). The principal activity of the Company is that of investment holding and provision of management support services. The principal activities of the Group are coal mining, coal trading and mining services.

2. Basis of preparation

The financial statements for the six months ended 30 June 2023 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 and International Financial Reporting Standards ("IFRS") 34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore and International Accounting Standards Board, respectively. The financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I) and IFRS, except for the adoption of new and amended SFRS(I) and IFRS that are relevant to the Group's operations. The adoption of the new and amended SFRS(I) and IFRS 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 periods.

The financial statements are presented in United States dollar which is the Company's functional currency.

2.1 Use of judgments and estimates

In preparing the financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2022. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Note 7 – Income taxes and deferred tax provisions
- Note 11a – Calculation of loss allowance
- Note 11b – Trade and other receivables measured at fair value through profit or loss
- Note 12 – Deferred stripping costs and impairment review of deferred stripping costs
- Note 13 – Useful lives, depreciation and impairment review of property, plant and equipment

3. Seasonal operations

The Group optimises its mining sequence to maximise production in the second half of the year, taking into account the seasonal wet weather conditions in the first half of year, which affects the rate of coal mining and limits the speed of transportation and transshipments of coal for sale.

4. Segment and revenue information

The Group is organised into the following main business segments:

- Coal mining;
- Coal trading; and
- Mining services

Segment revenue represents revenue generated from external 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.

	Revenue		Gross Profit	
	6 months ended 30.6.2023 US\$ (Unaudited)	6 months ended 30.6.2022 US\$ (Unaudited)	6 months ended 30.6.2023 US\$ (Unaudited)	6 months ended 30.6.2022 US\$ (Unaudited)
Coal Mining	239,764,278	368,332,329	47,994,536	151,461,764
	239,764,278	368,332,329	47,994,536	151,461,764

Group	EBITDA		Profit Before Income Tax	
	6 months ended 30.6.2023 US\$ (Unaudited)	6 months ended 30.6.2022 US\$ (Unaudited)	6 months ended 30.6.2023 US\$ (Unaudited)	6 months ended 30.6.2022 US\$ (Unaudited)
	Coal Mining	57,318,601	163,084,368	48,218,510
Unallocated:				
Depreciation of property, plant, and equipment	-	-	(331,840)	(237,862)
Other gains - net	2,244,442	4,026,780	934,761	3,414,023
Group administration costs and directors' remuneration	(4,593,866)	(4,494,287)	(4,593,866)	(4,504,879)
Finance costs	-	-	(67,611)	(25,723)
	54,969,177	162,616,861	44,159,954	150,209,228

Revenue 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.

Group	Revenue	
	6 months ended 30.6.2023 US\$ (Unaudited)	6 months ended 30.6.2022 US\$ (Unaudited)
	China	176,397,745
Indonesia	57,651,274	83,514,341
Philippines	5,715,259	8,720,410
India	-	63,051,250
South Korea	-	33,898,224
Thailand	-	6,974,440
Total	239,764,278	368,332,329

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group:

	Group		Company	
	30.6.2023 US\$ (Unaudited)	31.12.2022 US\$ (Audited)	30.6.2023 US\$ (Unaudited)	31.12.2022 US\$ (Audited)
Financial assets:				
At amortised cost (including cash and bank balances)	190,372,134	278,698,045	65,046,697	115,078,714
At fair value through profit or loss	5,538,155	5,838,706	-	-
Financial liabilities:				
At amortised cost	97,613,659	116,279,653	27,171,311	106,121,793
Lease liabilities	67,213	28,571	-	-

6. Profit before income tax

6.1 Significant items

	Group		% Change
	6 months ended 30.6.2023 US\$ (Unaudited)	6 months ended 30.6.2022 US\$ (Unaudited)	
Interest income	(2,790,756)	(2,201,200)	27
Gain on disposal of property, plant and equipment - net	(16,314)	(178)	nm
Foreign exchange loss - net	1,535,764	697,347	120
Depreciation of property, plant and equipment	5,637,961	7,879,498	(28)
Depreciation of right-of-use assets	1,566,181	1,562,519	nm
Amortisation of deferred stripping costs	2,231,985	2,753,662	(19)
Share-based payment expense	-	10,592	(100)
Reversal of legal claim against a subsidiary	-	(2,500,000)	(100)
Amortisation of deferred gain	(96,936)	(84,411)	15
Allowance for (write-back of) inventory written-down	99,858	(335,216)	nm

nm – not meaningful

6.2 Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

7. Income tax expense

The Group calculates its income tax expense using 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. The major components of income tax expense in the consolidated statement of profit or loss are:

Group	Group	
	6 months ended 30.6.2023 (Unaudited)	6 months ended 30.6.2022 (Unaudited)
Income tax:		
- Current	10,295,616	31,875,278
- Underprovision in prior years	-	3,685,954
Withholding tax expense:	6,711,903	7,504,151
Deferred tax:		
- Current	(743,635)	1,193,536
- Overprovision in prior years	(107,956)	(9,183)
Total	16,155,928	44,249,736

8. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividend

	Group	
	6 months ended 30.6.2023 (Unaudited)	6 months ended 30.6.2022 (Unaudited)
Earnings per share ("EPS")		
Earnings for computing basic and diluted EPS (US\$)	27,145,252	104,990,104
Weighted average number of ordinary shares for the purposes of basic EPS ⁽¹⁾	1,396,501,569	1,408,777,201
Effect of dilutive potential ordinary shares:		
Share options ⁽²⁾	1,500,000	1,500,000
Weighted average number of ordinary shares for the purposes of diluted EPS ⁽¹⁾	1,398,001,569	1,410,277,201
Basic EPS based on weighted average number of ordinary shares (US cent)	1.94	7.45
Basic EPS based on weighted average number of ordinary shares (SG cent) ⁽³⁾	2.63	10.36
Diluted EPS based on weighted average number of ordinary shares (US cent)	1.94	7.44
Diluted EPS based on weighted average number of ordinary shares (SG cent) ⁽³⁾	2.63	10.34

(1) The calculation for the basic EPS is based on the weighted average number of ordinary shares in issue during the respective financial period. The calculation for the diluted EPS is based on the weighted average number of ordinary shares in issue during the respective financial period, plus the weighted average number of ordinary shares that would be issued on the conversion of all dilutive potential ordinary shares into ordinary shares.

(2) The employee stock option issued by the Group has a dilutive effect as the average market price of ordinary shares during the period exceeded the exercise price of the employee stock option.

(3) Numbers were translated using the 30 June 2023 and 2022 of US\$:S\$ exchange rates of 1.3534 and 1.3895 respectively.

9. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	Group		Company	
	30.6.2023 (Unaudited)	31.12.2022 (Audited)	30.6.2023 (Unaudited)	31.12.2022 (Audited)
Net asset value (US\$)	385,601,036	407,364,949	221,893,435	193,125,212
Number of issued shares	1,390,440,813	1,400,741,013	1,390,440,813	1,400,741,013
Net asset value per ordinary share (US cent)	27.73	29.08	15.96	13.79
Net asset value per ordinary share (SG cent) ⁽¹⁾	37.53	39.24	21.60	18.60

(1) Numbers were translated using the 30 June 2023 and 31 December 2022 of US\$:S\$ exchange rates of 1.3534 and 1.3492 respectively.

10. Dividends

	Group	
	6 months ended 30.6.2023 US\$ (unaudited)	6 months ended 30.6.2022 US\$ (unaudited)
Ordinary dividends paid:		
Final exempt 2022 dividend of SG 4.0 cents per share (2021: 5.0 cents per share)	(41,837,376)	(50,646,050)
Interim exempt 2023 dividend of SG 0.5 cent per share (2022: 2.0 cents per share)	(5,267,937)	(20,565,948)
	(47,105,313)	(71,211,998)
Dividend per share (net of tax)	0.034	0.051

11. Trade and other receivables

	Group		Company	
	30.6.2023 (Unaudited)	31.12.2022 (Audited)	30.6.2023 (Unaudited)	31.12.2022 (Audited)
Current asset:				
At amortised cost:				
Trade receivables from third parties	14,939,492	22,114,205	-	-
Less: Allowance for expected credit loss	(922,242)	(904,869)	-	-
	14,017,250	21,209,336	-	-
Other receivables from:				
- subsidiaries	-	-	60,099,482	50,358,353
- third parties	44,690,923	42,862,124	12,130	10,329
Less: Allowance for expected credit loss ^a	(36,138,127)	(36,247,773)	-	-
	8,552,796	6,614,351	60,111,612	50,368,682
Goods and services tax receivables	25,013	8,318	21,940	4,598
Value-added tax ("VAT") receivables	29,075,496	33,709,032	-	-
Prepaid income tax	17,183,136	42,741	-	-
Interest receivables	399	193,505	399	107,770
Total	68,854,090	61,777,283	60,133,951	50,481,050
Non-current asset:				
At amortised cost:				
Tax recoverable	12,413,631	12,287,939	-	-
At fair value through profit or loss ^b :				
Trade and other receivables under Cooperation Agreement	20,177,670	20,472,405	3,129,775	3,123,959
Less: Cumulative changes in fair value	(14,639,515)	(14,633,699)	(3,129,775)	(3,123,959)
	5,538,155	5,838,706	-	-
Total	17,951,786	18,126,645	-	-

a. Credit-impaired receivables arising from advance payments for coal purchase

In 2019, the Group entered into a conditional sale and purchase agreement ("CSPA") with a third party coal mine owner to acquire interest in two mining concessions for which it had paid a refundable deposit. In addition, the Group also entered into two separate coal purchase contracts with the coal mine owner for which it had made advance payments for coal purchase. Due to the coal mine owner's inability to fulfil certain conditions precedent to the CSPA, as well as its failure to deliver the coal, the refundable deposit and the remaining balance of advance payments were reclassified as other receivables and became immediately repayable.

The total receivables and interest accrued outstanding as at 30 June 2023 was US\$37,532,468 (31 December 2022: US\$35,694,568). Expected credit losses ("ECL") are measured as the difference between the asset's gross carrying amount

and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. Any adjustment is recognised in profit or loss.

In determining the ECL, management has considered the following:

- The range of possible outcomes and 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 (valuation of vessels, the underlying mines and utilisation of road and jetty), expected timing of recovery and discount rate used.
- Internal information such as past due status and financial health (including repayment history) that were available without undue cost or effort, to determine whether there had been significant increases in credit risk since initial recognition.
- External public information available to the Group, which include credit ratings and market information that may indicate a significant increase in credit risk.

There has been no change in the estimation techniques or significant assumptions made during the period in assessing the allowance on the receivables arising from advance payments for coal purchase and deposit paid for acquisition of mining concessions. Based on the assessment performed, a full allowance for ECL on these balances have been made.

b. Financial assets at fair value through profit or loss

The trade and other receivables under Cooperation Agreement are classified under level 3 on the fair value hierarchy (31 December 2022: level 3), indicating inputs which are not based on observable market data. The fair value was determined using discounted cash flow method where 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 Cooperation Agreement.

There has been no change in the estimation techniques or significant assumptions made during the period in assessing the fair value of the receivables under Cooperation Agreement. Based on the assessment performed, management determined that there was no further fair value changes.

12. Deferred stripping costs

In 1H2023, the Group did not have any addition nor disposal of deferred stripping costs and charged amortisation expense of US\$2,231,985 to profit or loss (1H2022: US\$2,753,662).

13. Property, plant and equipment

In 1H2023, the Group acquired assets amounting to US\$7,951,889 (1H2022: US\$2,700,446) mainly for heavy equipment to support the life of mine plan of the coal mines. Disposal of assets amounted to US\$25,158 (1H2022: US\$633). During the period, the Group charged depreciation expense of US\$5,637,961 to profit or loss (1H2022: US\$7,879,498).

14. Right-of-use assets

In 1H2023, additions of US\$60,632 was made to right-of-use assets (1H2022: nil) and depreciation expense of US\$1,566,181 was charged to profit or loss (1H2022: US\$1,562,519).

15. Lease liabilities and borrowings

	Group		Group	
	30.6.2023 US\$ Secured (Unaudited)	30.6.2023 US\$ Unsecured (Unaudited)	31.12.2022 US\$ Secured (Audited)	31.12.2022 US\$ Unsecured (Audited)
Amount repayable in one year or less, or on demand	2,063,590	-	384,730	-
Amount repayable after one year	7,711,820	-	3,030,439	-
	9,775,410	-	3,415,169	-

Details of any collateral and security:

As at 30 June 2023, the Group's lease liabilities are secured by leased assets — motor vehicles. In 1H2023, the Group obtained equipment financing for its purchase of heavy equipment, which is secured by the equipment. The Group and Company's property loan is secured by its office premise located at 7 Temasek Boulevard, #39-02 Suntec Tower One, Singapore 038987.

16. Share capital

	Group and Company			
	30.06.2023 (Unaudited)	31.12.2022 (Audited)	30.06.2023 US\$ (Unaudited)	31.12.2022 US\$ (Audited)
	Number of issued ordinary shares			
At beginning of the period	1,420,873,113	1,419,953,113	109,544,661	109,415,916
Exercise of share options	-	920,000	-	128,745
At end of the period	1,420,873,113	1,420,873,113	109,544,661	109,544,661

There were no outstanding convertibles as at 30 June 2023 and 31 December 2022. The Company's subsidiaries do not hold any shares in the Company as at 30 June 2023 and 31 December 2022.

As at 30 June 2023, the Company's share capital, excluding treasury shares of 30,432,300 shares (Note 17), comprised 1,390,440,813 shares (31 December 2022: 1,400,741,013 shares).

17. Treasury shares

	Group and Company			
	30.06.2023 (Unaudited)	31.12.2022 (Audited)	30.06.2023 US\$ (Unaudited)	31.12.2022 US\$ (Audited)
	Number of ordinary shares			
At beginning of the period	20,132,100	8,900,000	4,901,049	2,150,021
Repurchased during the period	10,300,200	11,232,100	2,029,833	2,751,028
At end of the period	30,432,300	20,132,100	6,930,882	4,901,049

The Company acquired 10,300,200 of its own shares through purchases on the Singapore Exchange during the period. The total amount paid to acquire the shares was US\$2,029,833 and has been deducted from shareholders' equity. The shares are held as treasury shares.

PART 2 – Other information required by Listing Rule Appendix 7.2

1. Review

The statement of financial position of the Company and its subsidiaries as at 30 June 2023 and the related consolidated profit or loss and other comprehensive income, statement of changes in equity and consolidated statement of cash flows for the six months then ended and certain explanatory notes have not been audited or reviewed.

2 Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on.

As at 30 June 2023, the Company's share capital, excluding treasury shares, comprised 1,390,440,813 shares (31 December 2022: 1,400,741,013 shares; 30 June 2022: 1,408,973,113 shares). There were no outstanding convertibles as at 30 June 2023 and 30 June 2022.

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. The exercise period of the options commences after the first anniversary from the date of the grant. In 2019, 1,750,000 share options granted were forfeited as the option holders ceased to be full-time employees of the Company. In 2021 and 1H2022, 20,680,000 share options and 920,000 share options have been exercised, respectively. 1,500,000 share options remain outstanding as at 30 June 2023.

On 24 May 2023, the Group announced the grant of share options pursuant to the Geo Energy share option scheme. A total of 35,293,000 options was granted at the exercise price of S\$0.27 per share. The exercise period of the options commences after the first anniversary from the date of the grant.

The Company acquired 10,300,200 of its own shares through purchases on the Singapore Exchange during 1H2023. The total amount paid to acquire the shares was US\$2,029,833 and has been deducted from shareholders' equity. The shares are held as treasury shares.

Please refer to relevant announcements.

3. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of: (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

3.1 Income Statement

	Group	
	6 months ended 30.6.2023 (Unaudited)	6 months ended 30.6.2022 (Unaudited)
Revenue – Coal mining		
Sales Volume (million tonnes)	3.6	5.2
- SDJ	1.1	2.3
- TBR	2.5	2.8
- BEK	0.1	0.1
Average Indonesian Coal Index Price for 4,200 GAR ("ICI4") (US\$/tonne)	70.46	85.89
Average Selling Price ("ASP") (US\$/tonne)	65.76	71.12
Production		
Production Volume – Finished Goods (million tonnes)	3.9	5.5
- SDJ	1.0	2.3

- TBR	2.8	3.1
- BEK	0.1	0.1
Strip Ratio – Sales (times)		
- SDJ	2.1	2.6
- TBR	5.1	3.6
Production Cash Cost (US\$/tonne)	50.07	39.63
Cash Profit (US\$/tonne)	15.69	31.49

Financial performance (1H2023 vs. 1H2022)

Revenue decreased by US\$128.6 million to US\$239.8 million due to lower ASP and sales tonnage. The average ICI4 in 1H2023 was US\$70.46 per tonne, compared to US\$85.89 per tonne in 1H2022.

Following the increase in China's domestic coal output¹ and resumption of imports from Australia, the coal prices have normalised in 2023 but it is expected that average coal prices will remain well above their five-year average.² Following the net-zero initiatives, coal supply constraints are increasing due to the ageing resources of the existing mines and a lack of mine approvals, as well as the lack of accessibility to financing.³ Consequently, the coal demand uptick is expected to outpace supply, resulting in a price premium in the medium to long term. Longer-term coal market prospects remain promising as coal remains the dominant energy source for power generation.⁴

During the period, the Group sold 1.1 million tonnes and 2.5 million tonnes of 4,200 GAR coal from the SDJ and TBR coal mines respectively, and another 0.1 million tonnes of 3,400 GAR coal from the BEK coal mine, totalling 3.6 million tonnes of coal sold. The Group recorded **cash profit from coal mining segment** of US\$57.2 million, averaging US\$15.69 per tonne, as compared to the US\$31.49 per tonne in 1H2022. The decrease in the cash profit was a result of lower ASP and higher cash costs per tonne, mainly due to (i) the geology at our TBR mine resulting in higher stripping ratio during the period, as well as (ii) the increase in royalty rate payable to the Indonesian government from 3% to 5% - 8% depending on the HBA reference prices, with effect from September 2022.

Group	Coal mining	Coal trading	Total
(All figures in US\$'000 except as indicated)			
6 months ended 30.6.2023 (unaudited)			
Volume (tonnes)	3,646,037	-	3,646,037
Revenue	239,764	-	239,764
Cost of sales	(191,770)	-	(191,770)
Gross profit	47,994	-	47,994
<u>Non-cash items:</u>			
Allowance for inventory written-down	100	-	100
Depreciation & amortisation	9,104	-	9,104
Cash profit	57,198	-	57,198
6 months ended 30.6.2022 (unaudited)			
Volume (tonnes)	5,179,153	-	5,179,153
Revenue	368,332	-	368,332
Cost of sales	(216,871)	-	(216,871)
Gross profit	151,461	-	151,461
<u>Non-cash items:</u>			
Write-back of allowance for inventory written-down	(335)	-	(335)
Depreciation & amortisation	11,958	-	11,958
Cash profit	163,084	-	163,084

Profit before income tax of US\$44.2 million in 1H2023 includes:

- Other income of US\$3.0 million. The decrease of US\$1.7 million was mainly due to reversal of legal claim against a subsidiary of US\$2.5 million in 1H2022 after the claim was dropped, partially offset by an increase in interest income earned from amounts placed in short-term investments and deposits of US\$0.6 million in 1H2023 and reversal of allowance for ECL following receipt from customer;
- General and administrative expenses of US\$4.9 million, which was largely comparable to 1H2022;

¹ McCloskey: Coal Report – 563, 30 June 2023

² Department of Industry, Science and Resources Australia: Resources and energy quarterly update, 3 June 2023

³ Whitehaven Coal: Long term thermal coal pricing – external forecasts, June 2023

⁴ International Energy Agency: Coal, 11 July 2023

- Other expenses of US\$1.9 million. The increase of US\$0.6 million from 1H2022 was mainly due to foreign exchange losses arising from IDR depreciation, following the receipt of VAT refund for tax period December 2021 in January 2023;
- Finance costs of US\$0.1 million. The slight increase from 1H2022 was mainly due to equipment financing obtained in May 2023 for purchase of heavy equipment; and
- Depreciation and amortisation of US\$9.4 million. The decrease of US\$2.8 million from 1H2022 was mainly due to lower sales volumes.

Income tax expense was US\$16.2 million with effective tax rate of 37%. The effective tax rate has increased from 29% in 1H2022 due to higher percentage of withholding tax on dividends received from the Company's Indonesian subsidiaries in relation to the Group's profit before tax.

Overall, the Group recorded a net profit of US\$28.0 million for the period.

3.2 Financial Position

Group

Current Assets

Current assets decreased by US\$59.2 million to US\$279.6 million as at 30 June 2023.

Cash and bank balances decreased by US\$84.6 million to US\$149.5 million as at 30 June 2023, mainly due to dividends and taxes paid totalling US\$91.6 million, offset by cash generated from operations.

Trade and other receivables of US\$68.9 million as at 30 June 2023 comprised trade receivables of US\$14.0 million and non-trade receivables of US\$54.9 million. The increase of US\$7.1 million from US\$61.8 million as of 31 December 2022 was mainly due to increases in prepaid income taxes of US\$17.1 million, partially offset by a decrease in VAT receivables of US\$4.6 million following receipts of refund and lower trade receivables.

Deposits and prepayments increased by US\$9.5 million to US\$21.5 million as at 30 June 2023 mainly due to advances paid for integrated mine support and infrastructure services as well as royalties paid in advance of sales to the government.

Inventory increased by US\$8.8 million to US\$39.7 million as at 30 June 2023 mainly due to higher production costs and temporary increases arising from loading time around period end. Shipments were made subsequently after the period end, which will be reflected in 2H2023 results.

Non-current Assets

Non-current assets increased by US\$1.4 million to US\$225.6 million as at 30 June 2023, due to (i) purchases of property, plant and equipment, mainly heavy equipment to support TBR mine's production, totalling US\$8.0 million, (ii) increases in restricted cash deposits of US\$1.6 million, and (iii) advances paid of US\$1.6 million for new office premise in Jakarta; partially offset by decreases in deferred stripping costs, PPE and ROU due to amortisation and depreciation, and receipts of trade and other receivables.

Current Liabilities

Current liabilities decreased by US\$40.3 million to US\$95.3 million as at 30 June 2023 mainly due to the decreases in trade and other payables of US\$31.7 million and income tax payable by US\$10.3 million following payments during the period. Trade and other payables decreased due to lower production volume during the period.

Non-current Liabilities

Non-current liabilities increased by US\$3.4 million to US\$22.4 million as at 30 June 2023, mainly due to increase in bank borrowing of US\$4.7 million used to finance the purchase of heavy equipment.

Company

Current Assets

Current assets decreased by US\$50.0 million to US\$65.1 million as at 30 June 2023, mainly due to decrease in cash and bank balances by US\$59.7 million from dividend payments and settlement of intercompany loans, partially offset by increase in intercompany receivables of US\$9.7 million.

Non-current Assets

Non-current assets mainly comprised investment in subsidiaries of US\$178.7 million and PPE of US\$5.0 million. The decrease of US\$0.2 million was mainly due to the depreciation of PPE and utilisation of deferred tax assets.

Current Liabilities

Current liabilities decreased by US\$7.6 million to US\$24.3 million as at 30 June 2023, mainly due to payments made for FY2022 accrued staff bonus and settlement of accrued interest on intercompany loans.

Non-current Liabilities

Non-current liabilities as at 30 June 2023 comprised bank borrowing. The decrease of US\$71.3 million from 31 December 2022 to US\$2.8 million is due to settlement of intercompany loans of US\$71.1 million and principal repayments made for bank borrowing of US\$0.2 million.

3.3 Cash Flow

Group

Cash Flow (1H2023 vs. 1H2022)

Net cash used in operating activities was US\$28.1 million. Operating cash flows before movements in working capital was an inflow of US\$49.3 million. The Group made income tax payments of US\$37.8 million during the period.

Working Capital

Working capital movement was negative US\$39.7 million in 1H2023, mainly due to payments during the period for balances outstanding from 2022 and earlier part of the year, when production volumes were higher.

Net cash used in investing activities of US\$6.3 million was mainly due to additions to PPE of US\$7.9 million, advances paid for purchase of PPE of US\$1.3 million, offset by interest received of US\$2.9 million.

Net cash used in financing activities of US\$48.7 million was mainly due to dividends paid of US\$47.1 million, withholding taxes paid of US\$6.7 million, and repurchases of shares of US\$2.0 million, partially offset by proceeds from equipment financing of US\$6.8 million.

Overall, total cash and cash equivalent as at 30 June 2023 was US\$149.4 million.

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

The Rencana Kerja Anggaran Biaya ("RKAB") production quota for 2023 has been approved at 8 million tonnes for its SDJ and TBR coal mines. In 1H2023, total production was 3.9 million tonnes and total sales was 3.6 million tonnes. The temporary difference in the volumes arose from loading time around period end and shipments were made subsequently after the period and to be reflected in 2H2023 results.

The Group continues to target 8 million tonnes of coal sales for 2023, if weather conditions permit.

5. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

Following the increase in China's domestic coal output⁵ and resumption of imports from Australia, the coal prices have normalised in 2023, from an average ICI4 price of US\$86.06 in 2022 to an average ICI4 price of US\$70.46 per tonne in 1H2023. Nonetheless, it is expected that average coal prices will remain well above their five-year average.⁶

⁵ McCloskey: Coal Report – 563, 30 June 2023

⁶ Department of Industry, Science and Resources Australia: Resources and energy quarterly update, 3 June 2023

Longer-term coal market prospects remain promising as coal remains the dominant energy source for power generation, which supplies over a third of global electricity.⁷ The Asia-Pacific region accounts for around 80% of global coal demand, and hence, the demand increase in Asia will be sufficient to offset the decline in Western countries.⁸ Further, China approved more than 50 gigawatts of new coal power in the first half of 2023 and stated that coal power will still grow at a 'reasonable pace' into 2030.⁹ China's coal imports remained at elevated levels with overseas purchases doubling in the first half of 2023.¹⁰

Coal supply constraints are increasing due to the ageing resources of the existing mines and a lack of mine approvals resulting from the net-zero initiatives.¹¹ The lack of accessibility to financing further restricts the growth in coal supply. Consequently, the coal demand uptick is expected to outpace supply, resulting in a price premium in the medium to long term.

On 26 July 2023, the Group announced an acquisition of a controlling stake in a listed Indonesian coal mining group with over 300 million tonnes of 2P reserves. The value accretive acquisition also secures the Group an infrastructure that would allow ramping up of production towards 25 million tonnes per annum in the future, thereby transforming us to become one of the top coal producers in Indonesia with a long-term sustainability of over 20 years of mining life as well as positioning us to beneficially capture the uptick in future coal demand.

The Group is also exploring potential investments in non-coal businesses to diversify its business portfolio. When such investment materialises, the Group will make an announcement on SGXNet in due course.

6. If a decision regarding dividend has been made: -

(a) Whether an interim (final) ordinary dividend has been declared

The directors are declaring second interim dividend in respect of the financial year ending 31 December 2023.

(b)(i) Amount per share

Name of dividend:	Interim
Dividend type:	Cash
Dividend rate:	S\$0.005 per ordinary share

(b)(ii) Previous corresponding period

Name of dividend:	Interim
Dividend type:	Cash
Dividend rate:	S\$0.02 per ordinary share

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country whether the dividend is derived

Dividend declared is tax exempt (one-tier).

(d) The date the dividend is payable

The interim dividend will be paid on 6 September 2023.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined

The book record date is 30 August 2023 at 5.00 pm, and the ex-dividend date will be 29 August 2023 at 5.00 pm.

⁷ International Energy Agency: Coal, 11 July 2023

⁸ Economist Intelligence: Fossil fuel demand to continue expanding this decade, 10 July 2023

⁹ <https://oilprice.com/Energy/Coal/China-Has-Approved-More-Than-50-Gigawatts-Of-New-Coal-Power.amp.html>

¹⁰ <https://www.channelnewsasia.com/business/chinas-july-coal-imports-surge-heatwaves-drive-power-use-3684791>

¹¹ Whitehaven Coal: Long term thermal coal pricing – external forecasts, June 2023

7. If no dividend has been declared/recommended, a statement to that effect and provide the reasons for the decision

Not applicable.

8. If the group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect

No IPT mandate has been obtained from shareholders and there is no IPT.

9. Negative confirmation pursuant to Rule 705(5)

We, Charles Antony Melati and Dhamma Surya, being Directors of the Company, do hereby confirm, on behalf of the Board of Directors of the Company (the "Board") that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited financial results for the six months ended 30 June 2023 to be false or misleading in any material aspect.

10. Confirmation Pursuant to Rule 720(1) of the Listing Manual

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7.7 of the Listing Manual) under Rule 720(1) of the Listing Manual.

On behalf of the Board of Directors

Charles Antony Melati

Executive Chairman and Chief Executive Officer

10 August 2023