GEO ENERGY GROUP
天然煤矿集团

MEDIA RELEASE
For immediate release

Geo Energy Achieves Net Profit of US$15.6 Million in 1H2026; Eyes Strong 2H2026 Financial Performance in View of Volume Ramp-Up, Strong Coal Prices and Contribution from MBJ Startup; Declares Interim Dividend of 0.10 SG cent per Share

Financial Performance Highlights

- In line with the Group's mining plan, higher production volume is expected in 2H2026 following the commencement of PT Marga Bara Jaya ("MBJ") Integrated Infrastructure operations, enabling annual production in TRA to have a significant ramp-up of its coal volumes. The Group delivered coal sales of 3.6 million tonnes in 1H2026 (1H2025: 6.3 million tonnes), but with expected higher volumes in 2H2026, it is on track to achieve targeted coal production of 11.5–12.5 million tonnes for 2026.

- The coal prices have surged significantly in 2026, with average ICI4 prices increasing to US$58.13 per tonne for 1H2026, from US$47.91 per tonne for 1H2025. This drove the increase in the average selling price from US$46.26 per tonne in 1H2025 to US$53.88 per tonne in 1H2026. Coal prices have since strengthened further by about 10% with ICI4 prices averaging US$63.14 per tonne in July 2026.

- As a result, the Group recorded strong cash profit from its coal mining segment at US$47.5 million, with improved cash profit per tonne averaging at US$13.30 per tonne, as compared to the US$10.19 per tonne in 1H2025 due to higher ICI4 prices. As the sharp increase took place toward the end of 1H2026, the full impact of this increased coal prices on the average selling price will be captured in 3Q2026.

- The Group recognised general and administrative expenses of US$10.6 million in 1H2026, slightly higher than the US$9.2 million of 1H2025, following expansion of its TRA coal mine operations, MBJ Integrated Infrastructure as well as the newly acquired barging companies, PT Trans Maritim Pratama ("TMP") and PT Bahari Segara Maritim ("BSM") in January 2026.

- The Group's depreciation and amortisation expenses in 1H2026 decreased to US$14.6 million (1H2025: US$19.9 million), mainly due to lower production volume.

- Reflecting the factors highlighted above, the Group's net profit for the period amounted to US$15.6 million (1H2025: US$20.1 million).

Dividends

- Committed to rewarding shareholders, the Company declares an interim dividend of 0.10 SG cent per share in 2Q2026.

- The interim dividends declared of 0.10 SG cent in 2Q2026, in addition to the 1Q2026 interim dividend declared and paid of 0.10 SG cent per share and share buybacks of 5,837,500 shares for US$2.4 million in July 2026 implies a capital return of 33% of the net profit for 1H2026. The Company remains committed to its dividend policy and will assess the full-year results performance at year end before declaring the final dividend.

Business Highlights

- As announced, the Group’s MBJ Integrated Infrastructure became operationally live on 16 July 2026, with the first coal loading from the TRA coal mine of about 50,000 tonnes transported through the MBJ hauling road to the jetty to be shipped to a local customer.

  The newly constructed 92-kilometre hauling road and jetty infrastructure will enable the Group to progressively scale TRA production to 20-25 million tonnes per annum, expected to deliver up to around US$350 million per annum in the Group’s EBITDA uplift solely from TRA cost savings. Beyond its own use, MBJ will lease spare hauling road and jetty capacity of another 20-25 million tonnes per annum to nearby miners, creating new recurring earnings streams.

  This reflects the infrastructure's scale, cost advantages, and strong commercial positioning.

- The Group has been in a phase of strategic expansion as it invested heavily in 1H2026 for the ramp-up of TRA mining operations of around US$20 million, overburden removal of the highwall to access further coal reserves at the joint boundary of TBR of around US$35 million, and the development of MBJ Integrated Infrastructure of around US$23 million which has gone operationally live on 16 July 2026, and spent around US$23 million to acquire controlling stakes in two marine logistics companies, as well as an increase in inventory values of around US$24 million driven by the higher fuel prices and mine stripping ratios.

- In addition, the Group's cash and cash equivalents decreased due to the increase in restricted cash and bank balances of around US$28 million as a result of the Indonesian government regulations that now require a retention of 50% of export proceeds for a year.

- These were funded by the Group’s operating cash inflow of US$49.2 million, proceeds from share placements of US$26 million, debt financing of around US$20 million for the acquisition of the two marine logistics companies, and existing cash and bank balances.

Positive Market Outlook

- Global coal consumption reached a new record in 2025 driven primarily by industrial demand. The market exhibits a stark geographic divide with Asia, led by China and India, accounting for over 83% of global use.[1]

- Coal is used not only to generate electricity, but also in steelmaking, cement production, and other industrial processes.[1] It continues to provide reliable baseload power and remains a critical component of many countries' energy mix due to its affordability, availability, and ability to provide stable round-the-clock electricity.

- Following the severe disruption of oil and natural gas transit through the Strait of Hormuz, global energy markets experienced a significant ripple effect with far-reaching implications and uncertainties for the global economy. As energy prices spikes, major power utilities across Asia and Europe initiated aggressive fuel-switching strategies to thermal coal to maintain power grid stability. According to market data report by Trading Economics[2], this sudden surge in baseline power sector demand drove thermal coal benchmark prices up toward $140 per tonne, approaching multi-year highs.

- The favourable demand outlook continues to support Indonesian thermal coal producers. Indonesian GAR 4,200 kcal/kg coal remains highly sought after by customers in China and India due to its relatively low ash and low sulphur characteristics, resulting in lower emissions compared to higher-rank thermal coal.

- McCloskey and M42 Futures Index have forecasted ICI4 prices to be up to around US$63 to US$65 per tonne for the remaining of 2026 and 2027.

Commenting on the Group's 1H2026 results and business outlook, Mr Charles Antonny Melati, Executive Chairman & Chief Executive Officer of the Group, said:

"The first half of the year marked a transformative chapter for Geo Energy. With the successful operational commencement of the MBJ Integrated Infrastructure in July 2026 and the acquisition of controlling stakes in two marine logistics companies in January 2026, the Group has now unlocked the full potential of our flagship TRA coal mine.

We expect a meaningful increase in coal production during the second half of 2026 and remain on track to achieve our targeted coal production of 11.5–12.5 million tonnes for the year, with a ramp-up to 25 million tonnes per annum targeted within the next few years. Supported by strong coal prices backed by fundamental coal demand across the region, as well as MBJ's long-term earnings potential and cost savings for the Group, we are well positioned to deliver sustainable growth and create significant long-term value for our shareholders.

[1] https://www.forbes.com/sites/rrapier/2026/07/26/global-coal-use-hit-a-record-in-2025-even-as-coal-power-declined/
[2] https://tradingeconomics.com/commodity/coal/news/533146

We also conducted a series of share buybacks in July 2026 as part of the Company's long term capital management. This is a natural step to take given the continued undervaluation of our current share price. It shows our confidence in the strength of the Group's business model and strategies. Along with the interim dividends declared, it also demonstrates our commitment to enhance and deliver value to our shareholders."

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This media release is to be read in conjunction with Geo Energy's announcement released on 7 August 2026, which can be downloaded via www.sgx.com and www.geocoal.com.

ABOUT GEO ENERGY RESOURCES LIMITED
(SGX Code: RE4 / Bloomberg Code: GERL SP / Reuters Code: GEOE.SI)

Geo Energy Resources Limited ("Geo Energy") is a leading Indonesian energy group focused on the efficient production of premium, low-ash and low-sulphur thermal coal from strategically located assets. Established in 2008 and listed on the Mainboard of the Singapore Exchange since 2012, Geo Energy is also part of the Singapore FTSE-ST Index.

Geo Energy's core strategy focuses on disciplined asset acquisition, production growth, and supply diversification. The Group owns three mining concessions through its subsidiaries in Kalimantan and South Sumatera, Indonesia.

The Group also holds a 49% equity interest in PT Internasional Prima Coal, a joint venture with PT Bukit Asam Tbk, one of Indonesia's largest state-owned coal producers.

To strengthen its position across the energy value chain, the Group increased its effective interest in PT Marga Bara Jaya ("MBJ") to 71.3%. MBJ is developing an integrated infrastructure project (road and jetty) with a targeted annual capacity of 40–50 million tonnes. This infrastructure supports production growth at the Group's TRA coal mine and enhances long-term operational efficiency.

Furthermore, the Group holds a 51% equity stake in established Indonesian shipping companies specialising in commodity logistics, including coal and other non-mining products in Indonesia. This strategic move enables the Group to rapidly expand its supporting fleet, optimise logistics for the TRA coal mine and MBJ jetty operations, and diversify revenue streams through third-party barging services.

For more information, please visit www.geocoal.com.

Issued on behalf of Geo Energy Resources Limited by 8PR Asia Pte Ltd.

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