



MEDIA RELEASE

For immediate release

Geo Energy Reports Net Profit of USD26.8 million for 1H2024 and Declares Dividend of 0.2 SG cent per share Amid Ambitious Growth Plans

- Despite maintaining stable coal sales of 3.2 million tonnes in 1H2024, the Group recognised lower revenue of USD169.4 million in 1H2024 primarily due to lower ICI4 prices averaging at USD56.13 per tonne in 1H2024, compared to USD70.46 per tonne in 1H2023.
- Higher general and administrative expenses and finance costs of USD6.2 million (1H2023: USD4.9 million) and USD9.9 million (1H2023: USD0.07 million) respectively in 1H2024 following the acquisition of PT Golden Eagle Energy Tbk in 2023.
- Cash profit per tonne from coal mining for 1H2024 remained healthy at an average of USD11.94 per tonne (1H2023: USD15.69 per tonne), despite lower ICI4 prices. This is in part due to the Group's resilient cost model where its cash cost decreases along with lower ICI4 prices. Furthermore, the Group aims to improve its cost efficiencies through the continuous optimisation of its mining plan. The Group's cash profit margin remains relatively stable at 23% in 1H2024 (1H2023: 24%).
- Declares a second interim dividend of 0.2 SG cent per share. This represents a dividend pay-out of 11.4%. The Company remains committed to its dividend policy and will assess the full-year results performance at year end before declaring its final dividend.
- Signing of the Cooperation Contract for the development and construction of the integrated infrastructure with two of the largest state-owned Chinese enterprises, CCCC First Harbor Consultants Co., Ltd ("**CCCC-FHC**") and Norinco International Cooperation Ltd ("**NORINCO**"), allowing its PT Triaryani ("**TRA**") coal mine to scale up the production of up to 25 million tonnes per annum, with logistical cost savings of up to USD10 per tonne. Assuming coal prices remain at the current levels, Geo Energy will then be able to generate an estimated USD400-USD500 million EBITDA per annum. This will allow the Group to expand its value proposition and diversify its revenue stream as an infrastructure provider.
- According to the International Energy Agency ("**IEA**"), coal remains the biggest energy source for electricity generation, supplying more than one-third of global electricity. Global electricity generation from coal has been consistently rising for the last two decades, with the highest increases coming from China and India in 2023.¹

¹ <https://www.cnbc.com/2024/05/14/china-india-still-rely-heavily-on-coal-climate-targets-remain-difficult.html>



Commenting on the Group's 1H2024 results and business outlook, Mr Charles Antony Melati, Executive Chairman & Chief Executive Officer of Geo Energy, said:

"In anticipation of seasonal heavier rainfall in the first half of the year, we have recalibrated our mining plan in SDJ and TBR coal mines, to open more pits and ramp up our coal production in 2H2024. For 1H2024, the Group posted total sales of 3.2 million tonnes.

Starting from July 2024, coal sales have increased as planned with the country going into its drier climate. As at the last week of July 2024, our production has averaged at 35,000 tonnes per day, which translates to over a million tonnes per month, just from SDJ and TBR coal mines.

Despite lower selling prices in 1H2024, the Group continues to have a strong cash profit margin, a testament to our resilient business model and efficient cost structure that our team has put in place.

As part of our ambitious growth plans, the Group has recently initiated the development of its world-class integrated infrastructure (hauling road and jetty owned by PT Marga Bara Jaya) with the signing of an EPC cooperation contract valued at around USD150 million, with a consortium comprising CCCC-FHC and NORINCO, two of the largest state-owned Chinese enterprises.

The deferred payment mechanism of the EPC contract ensures prudent cash management and risk mitigation, with a significant portion of the payment obligations to be met from positive cashflows generated by the completed Integrated Infrastructure.

To further unlock greater value for the Group and potentially reduce our capex investments, we have also entered into a non-binding cooperation MOU for further potential collaboration with the consortium, including but not limited to mining services, coal offtake, financing/investment, operations and maintenance of this integrated infrastructure.

Recognising underinvestment in both new and existing coal capacity globally, we have a clear, concise business roadmap that can expand our production capacity yearly, reduce our logistics costs and propel the Group to be one of the top coal producers in Indonesia.

Demonstrating our commitment to our dividend policy, we have declared an interim dividend of 0.2 SG cent, a dividend pay-out ratio of 11.4%.

Moving ahead, we will continue to take proactive steps to expand our value proposition within the energy value chain and position our business model towards our vision of becoming a billion-dollar energy group."

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This media release is to be read in conjunction with Geo Energy's announcement released on 8 August 2024, 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 major Indonesian coal producer with an established track record in operating coal mines, coal production and selling coal throughout the region. Geo Energy focuses on low-cost production of strategically-located premium coal assets, which are of low ash, low sulphur characteristics.

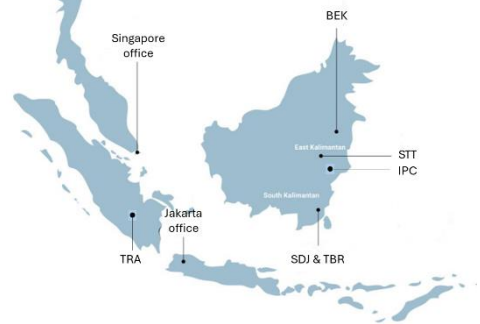
Working in collaboration with world-class business partners, Geo Energy was established in 2008 and listed on the Mainboard of the Singapore Stock Exchange in 2012. Geo Energy is also part of the Singapore FTSE-ST index.

The Group’s business strategy is mainly focused on acquisition of new mining concessions to increase production quantity and at the same time diversify its sources of coal. The Group owns five mining concessions through its subsidiaries in Kalimantan, Indonesia, as well as in South Sumatra, Indonesia.

The Group also owns a 49% equity stake in PT Internasional Prima Coal in Kalimantan, Indonesia as a joint venture with PT Bukit Asam Tbk, a state-owned coal mining company and one of the largest coal producers in Indonesia.

In addition, the Group also owns an infrastructure company, namely PT Marga Bara Jaya that is developing an integrated infrastructure with a targeted road haulage capacity of up to 50 million tonnes per year, which can support the growth plans of its TRA coal mine and also allow the Group to expand its value propositions within the energy value chain.

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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