



GEO ENERGY GROUP
天然煤礦集團

GEO ENERGY RESOURCES LIMITED

(Incorporated in the Republic of Singapore on 24 May 2010)
(Company Registration Number 201011034Z)

SGX Announcement

THE PROPOSED ACQUISITION OF 100% OF THE ISSUED SHARES OF PT BARA ENIM SEJAHTERA

1. INTRODUCTION

- 1.1. The board of directors (the "**Board**") of Geo Energy Resources Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that PT Geo Energy Investama (the "**Purchaser**"), an indirect wholly-owned subsidiary of the Company, has on 27 March 2025 entered into a conditional shares sale and purchase agreement (the "**CSPA**") with PT Sinar Unggul Internasional (the "**Vendor**") and PT Bara Enim Sejahtera ("**BES**", and together with the Purchaser and the Vendor, the "**Parties**") for the proposed acquisition by the Purchaser from the Vendor of 100% of the issued shares (the "**BES Shares**") of BES (the "**Proposed Acquisition**").
- 1.2. The Group had (a) on 18 October 2023 acquired approximately 58.65% of the issued shares in the capital of PT Golden Eagle Energy Tbk ("**GEE**") and (b) on 28 December 2023 acquired a further approximately 14.46% of the issued shares in the capital of GEE pursuant to a mandatory tender offer. As at the date of this Announcement, the Group has a 73.11% shareholding in GEE. GEE is listed on the Indonesia Stock Exchange (ticker code: SMMT), and its main business activity is the production and sale of coal from its subsidiary, PT Triaryani ("**TRA**"). As at the date of this Announcement, GEE has an approximately 85% shareholding in TRA. Accordingly, the Group, through its shareholding in GEE, has an effective interest of approximately 60.37% in TRA as at the date of this Announcement.
- 1.3. As at the date of this Announcement, the Vendor owns 128,154 BES Shares representing approximately 99.99% of the total BES Shares. The remaining one BES Share (the "**Minority Share**"), representing approximately 0.01% of the total BES Shares, is owned by Mr. Hendra Wijaya (the "**Minority Shareholder**"). Pursuant to the terms of the CSPA, the Vendor will separately purchase the Minority Share from the Minority Shareholder on or prior to the Completion Date (as defined below) and subsequently sell all of the BES Shares to the Purchaser and its designated party (the "**Designated Second Purchaser**"), on the Completion Date, based on the terms and conditions as stipulated in the CSPA.
- 1.4. As mentioned in paragraph 2.2 of this Announcement, BES owns a 15% minority shareholding¹ in TRA. Accordingly, completion of the Proposed Acquisition will result in the Group increasing its effective interest in TRA from its current amount up to approximately 75.07%.
- 1.5. The final purchase consideration for the BES Shares amounts to Rp. 673.2 billion (approximately USD 40.8 million)² (the "**Final Purchase Consideration**"). The Purchaser will pay a down payment of the Final Purchase Consideration in the amount of Rp. 400 billion (approximately USD 24.2 million) (the "**Refundable Deposit Amount**") to the Vendor within 30 calendar days upon the execution of the CSPA. The Refundable Deposit Amount is secured with a share pledge of all of the BES Shares, as set out in paragraph 4.4 below.

¹ All information in this Announcement relating to BES is provided by the Vendor. As the Company has yet to conduct any due diligence on BES, it does not assume any responsibility for information relating to BES.

² For the purpose of this Announcement, an exchange rate of Rp. 16,500 : USD 1 is used to convert all values expressed in Indonesian Rupiah to United States Dollars for reference only.

- 1.6. As at the date of this Announcement, the Vendor and the Minority Shareholder are independent parties and do not have any shareholding interests, direct or indirect, in the Company, and are not related to the Company's directors, chief executive officer, controlling shareholders or their respective associates.

2 INFORMATION ON BES

- 2.1 BES is an Indonesian company engaged primarily in the mining industry, specifically focusing on the extraction and production of coal. BES operates in the region of South Sumatra, Indonesia, which is known for its significant coal deposits.
- 2.2 BES owns a 15% minority shareholding in TRA, which has a mining concession over a producing coal mine located in North Musi Rawas Regency, South Sumatra Province, with 2P (proved and probable) JORC reserves of 274 million tonnes as at 31 December 2023, based on the Independent Qualified Person's Report dated 16 February 2024.
- 2.3 Please refer to the table below for certain financial information relating to the BES Shares to be acquired pursuant to the Proposed Acquisition.³ The open market value of the BES Shares is not available as the BES Shares are not listed or traded on any securities exchange.

Book value attributable to the BES Shares	Rp. 1,181,250,386 (approximately USD 71,591)
Net tangible assets attributable to the BES Shares	Rp. 1,181,250,386 (approximately USD 71,591)
Net profits before income tax, after adjusting for the non-controlling interest in TRA, attributable to the BES Shares	Rp. 1,655,060,273 (approximately USD 100,307)

3 RATIONALE FOR THE PROPOSED ACQUISITION AND CHAPTER 10 OF THE LISTING MANUAL (AS DEFINED BELOW)

The Company believes that the Proposed Acquisition will bring the following key benefits to the Company and its shareholders:

- (a) completion of the Proposed Acquisition will result in the Group acquiring the 15% interest in TRA held by BES, which will allow the Group to streamline the ownership of TRA and more efficiently manage TRA's operations;
- (b) the Group will be able to benefit from TRA's financial performance without any dilution; and
- (c) the Proposed Acquisition is in line with the Group's business strategy to increase the Group's effective interest of coal reserves.

With respect to Chapter 10 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**"), the Company has determined that the Proposed Acquisition is in the ordinary course of the Company's business and does not constitute a "transaction" as defined under Chapter 10 of the Listing Manual.

³ Based on the unaudited financial statements of BES for the financial year ended 31 December 2024 ("**FY2024**"), which have been prepared in accordance with Indonesia Financial Accounting Standards. The Company does not assume any responsibility for the contents of the unaudited financial statements of BES for FY2024.

4 PRINCIPAL TERMS OF THE CSPA

4.1 Consideration

The Final Purchase Consideration shall be Rp. 673.2 billion (approximately USD 40.8 million).

The Final Purchase Consideration less the Refundable Deposit Amount (the “**Remaining Purchase Consideration**”) shall be paid by the Purchaser to the Vendor on the Completion Date.

4.2 Basis of Consideration

The Final Purchase Consideration was arrived at based on arm’s length negotiations between the Purchaser and the Vendor on a willing-buyer, willing-seller basis, after taking into account, *inter alia*, the rationale for the Proposed Acquisition set out in paragraph 3 of this Announcement.

The Group had acquired 73.11% of GEE at approximately USD 193 million. As TRA was the core asset of GEE and GEE owned approximately 85% of TRA, the implied valuation of the remaining 15% of TRA would have been approximately USD 46.6 million; and the Final Purchase Consideration of approximately USD 40.8 million represents a discount of over 12.5% from the implied valuation.

4.3 Refundable Deposit Amount

A Refundable Deposit Amount of Rp. 400 billion (approximately USD 24.2 million) shall be paid by the Purchaser to the Vendor within 15 calendar days upon the execution of the CSPA.

The Refundable Deposit Amount is provided to secure the Exclusive Rights to negotiate and proceed with the Proposed Acquisition and shall be fully refundable to the Purchaser without any cost reduction at the latest one business day upon the occurrence of any of the following events:

- (a) if the Purchaser, at its sole discretion and at any time prior to the Completion Date, decides not to proceed with the Proposed Acquisition due to unsatisfactory results of due diligence;
- (b) immediately upon termination of the CSPA; or
- (c) if the Proposed Acquisition is not completed by the Long Stop Date (as defined below) and not extended by the Parties.

In the event that the Vendor fails to refund the Refundable Deposit Amount within the prescribed timeframe, the Vendor shall incur a penalty at a rate of 12% per annum on the outstanding Refundable Deposit Amount.

4.4 Collateral

Each of the Vendor and the Minority Shareholder has executed a share pledge (the “**Share Pledges**”) for all of the BES Shares owned by them, respectively, in favour of the Purchaser against the Refundable Deposit Amount, which shall be effective upon the disbursement of the Refundable Deposit Amount.

The board of directors of BES has registered the Share Pledges in the shareholders register and special register of BES.

The Share Pledges shall subsist and remain in existence until the earlier of (a) the Completion Date or (b) the return of the full amount of the Refundable Deposit Amount to the Purchaser, along with its payment of penalty (if any).

4.5 **Conditions Precedent**

Pursuant to the terms of the CSPA, the following conditions precedent (the “**Conditions Precedent**”) must be fulfilled prior to the Completion Date:

- (a) legal due diligence, operational due diligence, technical due diligence, and financial due diligence of BES shall have been completed by the Purchaser and/or its appointed advisor or consultants, in which the results of due diligence are satisfactory to the Purchaser determined at the sole discretion of the Purchaser;
- (b) the Minority Share shall have been purchased by the Vendor from the Minority Shareholder in a proper legal procedure, resulting in the Vendor holding 100% of the BES Shares;
- (c) the resolutions of the shareholders of BES, approving the following matters, including but not limited to approval for (i) the Proposed Acquisition, (ii) change to the composition of the board of directors and board of commissioners of BES, (iii) amendment to the Articles of Association of BES (if any), and (iv) change to the shareholding composition of BES;
- (d) the issuance of approval from the relevant authority, including but not limited to approval for (i) the Proposed Acquisition, (ii) change to the composition of the board of directors and board of commissioners of BES, (iii) amendment to the Articles of Association of BES (if any), and (iv) change to the shareholding composition of BES;
- (e) the passing of the required corporate approvals or resolutions of the Vendor and the Purchaser to approve the transfer of BES Shares from the Vendor to the Purchaser;
- (f) BES having announced the change of control due to the Proposed Acquisition (i) in a nationally circulated newspaper (in the approved terms) and (ii) to employees, which should be made at least thirty calendar days prior to the calling of the general meeting of shareholders (“**GMS**”) of BES; and
- (g) delivery of the documents evidencing the payment of the settlement by BES of all compensation due and payable (if any), including but not limited to severance payments, any outstanding payments, and any related payments as required under the laws and regulations to all employees of BES who elect to resign from BES.

Completion of the Proposed Acquisition is subject to satisfactory results of the due diligence, to be determined at the sole discretion of the Purchaser and the fulfilment of all Conditions Precedent.

4.6 **Conditions Subsequent**

Pursuant to the terms of the CSPA, the following conditions subsequent must be fulfilled at the latest one business day after the Completion Date:

- (a) issuance of approval and/or notification receipt from the Minister of Law (formerly known as Minister of Laws and Humans Rights) of the Republic of Indonesia with respect to (i) the change of shareholding composition of BES due to the Proposed Acquisition, (ii) change to the composition of the board of directors and board of commissioners of BES, (iii) amendment to the Articles of Association of BES (if any), and (iv) change to the shareholding composition of BES;
- (b) BES having announced the Proposed Acquisition in a nationally circulated newspaper (in the approved terms); and
- (c) issuance of shares certificate in the name of the Purchaser and shareholders register of BES which reflects the shareholding composition of BES upon completion of the Proposed Acquisition.

4.7 **Undertaking**

Pursuant to the terms of the CSPA, the Vendor will separately purchase the Minority Share from the Minority Shareholder on or prior to the Completion Date and subsequently sell all of the BES Shares to the Purchaser and the Designated Second Purchaser, on the Completion Date, based on the terms and conditions as stipulated in the CSPA.

4.8 **Exclusive Rights**

The Vendor has granted the Purchaser the Exclusive Rights to negotiate and proceed with the Proposed Acquisition for a period expiring on one year from the date of execution of the CSPA, or such later date as mutually agreed in writing between the Parties, during which the Purchaser has an exclusive right to purchase the BES Shares.

4.9 **Right of Assignment**

Pursuant to the terms of the CSPA, the Purchaser has the right to assign or transfer, some or all of its rights or obligations under the CSPA to any of the Purchaser's affiliate or third party at its sole discretion without the prior written consent of the other Parties.

4.10 **Due Diligence**

The Purchaser shall have the right to conduct financial, legal, operational, and technical due diligence on BES prior to the Completion Date. Upon signing of the CSPA and up to the Long Stop Date, the Vendor shall grant access to the Purchaser and their respective officers, employees, advisers, consultants and other authorised representatives to conduct due diligence on BES, including but not limited to accounting, environmental, financial, legal, operational, tax and technical due diligence, subject to such scope as may be agreed between the Parties.

4.11 **Completion Date and Long Stop Date**

The completion of the Proposed Acquisition shall take place on the date on which the deed of share sale and purchase and/or acquisition deed (as applicable), with respect to the transfer of BES Shares from the Vendor to the Purchaser, along with the acquisition of BES by the Purchaser, are executed by the Vendor and the Purchaser (the "**Completion Date**").

On the Completion Date, the Vendor shall cause:

- (a) a GMS of BES and deliver the GMS resolution of BES to approve (i) the Proposed Acquisition, (ii) the appointment of BES' new directors and commissioners nominated by the Purchaser effective on the Completion Date (if deemed necessary by the Purchaser), and (iii) amendment to the Articles of Association of BES based on proposal of amendment by the Purchaser (if any); and
- (b) the authorised party of the Vendor, together with the authorised party of the Purchaser and the Designated Second Purchaser, to execute the deed of share sale and purchase before a notary and/or the acquisition deed (as applicable) for the transfer of BES Shares from the Vendor to the Purchaser and the Designated Second Purchaser, whereby the deed of share sale and purchase and/or the acquisition deed (as applicable) will state that the Remaining Purchase Consideration of BES Shares have been paid by the Purchaser and have been received by the Vendor in accordance with the CSPA.

The long stop date for the completion of the Proposed Acquisition shall be one year from the date of the CSPA or any other date as agreed in writing by the Parties (the "**Long Stop Date**").

4.12 **Duration and Termination**

The CSPA shall be effective and continue perpetually until (a) the Long Stop Date or (b) terminated by mutual agreement of all Parties.

If the Proposed Acquisition is not completed by the Long Stop Date, the CSPA shall automatically terminate unless extended at the sole discretion of the Purchaser.

Each of the Purchaser and the Vendor may terminate the CSPA upon the occurrence of certain events as stipulated in the CSPA.

4.13 Other Salient Terms of the CSPA

The CSPA contains provisions relating to the Proposed Acquisition, including representations, warranties and covenants regarding commercial terms. Subject to the terms of the CSPA, including the requirement to bring any claim within a prescribed period, any representations and warranties made by the Vendor and BES under the CSPA shall remain valid after the Completion Date.

Under the CSPA and subject to the terms as stipulated therein, including the requirement to bring any claim within a prescribed period, the Vendor shall indemnify and hold harmless the Purchaser from any and all losses suffered or borne by the Purchaser arising from the following matters:

- (a) any inaccuracies or violations of any representations and warranties made by the Vendor and BES in the CSPA or other agreements or instruments relating to the Proposed Acquisition; or
- (b) any failure to comply with agreements, promises and agreements made by the Vendor and and BES in the CSPA or other agreements or instruments relating to the Proposed Acquisition.

5 SOURCE OF FUNDS

The Company intends to finance the Refundable Deposit Amount and the Final Purchase Consideration with internal cash resources.

6 INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for the directors' shareholdings in the Company and as disclosed in this Announcement, none of the directors or controlling shareholders of the Company or their associates has any interest, direct or indirect, in the Proposed Acquisition.

7 CAUTION IN TRADING

Shareholders are advised to exercise caution in trading their shares. The Proposed Acquisition is subject to, *inter alia*, the fulfilment of the Conditions Precedent set out in paragraph 4.5 above and there is no certainty or assurance as at the date of this Announcement that the Proposed Acquisition will be completed or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments. Shareholders are advised to read this Announcement and any further announcements by the Company carefully. Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

8 DOCUMENTS AVAILABLE FOR INSPECTION

The CSPA is made available for inspection during the normal business hours at the Company's registered office at 7 Temasek Boulevard, #39-02 Suntec Tower One, Singapore 038987 for three (3) months from the date of this Announcement.

BY ORDER OF THE BOARD

Charles Antony Melati
Executive Chairman and CEO
28 March 2025