

**2022**

**RESULTS BRIEFING**

**7 March 2023**



## Forward Looking Statements


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# **2022**


## **Financial Performance**

Revenue, EBITDA, and net profit for the year at  
US\$733.5 million, US\$284.4 million, and  
US\$163.6 million respectively


# 2022 Financial Highlights

**Record revenue  
of US\$733.5M**  14%

Up 14% from 2021, in spite of lower sales volumes at 10.2MT (2021: 11.4MT).

**Average selling price (“ASP”) of  
US\$72.14 per  
tonne**  28%

Up 28% from 2021, as average ICI4 increased 30% from 2021.

**Record gross  
profit of  
US\$272.1M**  4%

Up 4% from 2021.

Gross profit margin of 37% (2021: 41%) mainly due to higher strip ratios and increase in royalty rate.

# 2022 Financial Highlights

**Record EBITDA of  
US\$284.4M**  5%  
Up 5% from 2021.

**Net profit of  
US\$163.6M**  9%  
Down 9% from 2021.

Net profit for the year is after:

- Withholding taxes of US\$15.3M (2021: US\$1.6M)
- Loss allowance of US\$15.2M (2021: US\$6.5M)

M: Million

# 2022 Financial Highlights

**Cash and bank  
balances of  
US\$234.1M**  23%

Up 23% from 2021.

The Group has allocated cash generated from operating activities to payments for dividends, taxes, and repurchases of shares.

Dividend payments are aligned to the Group's dividend policy.

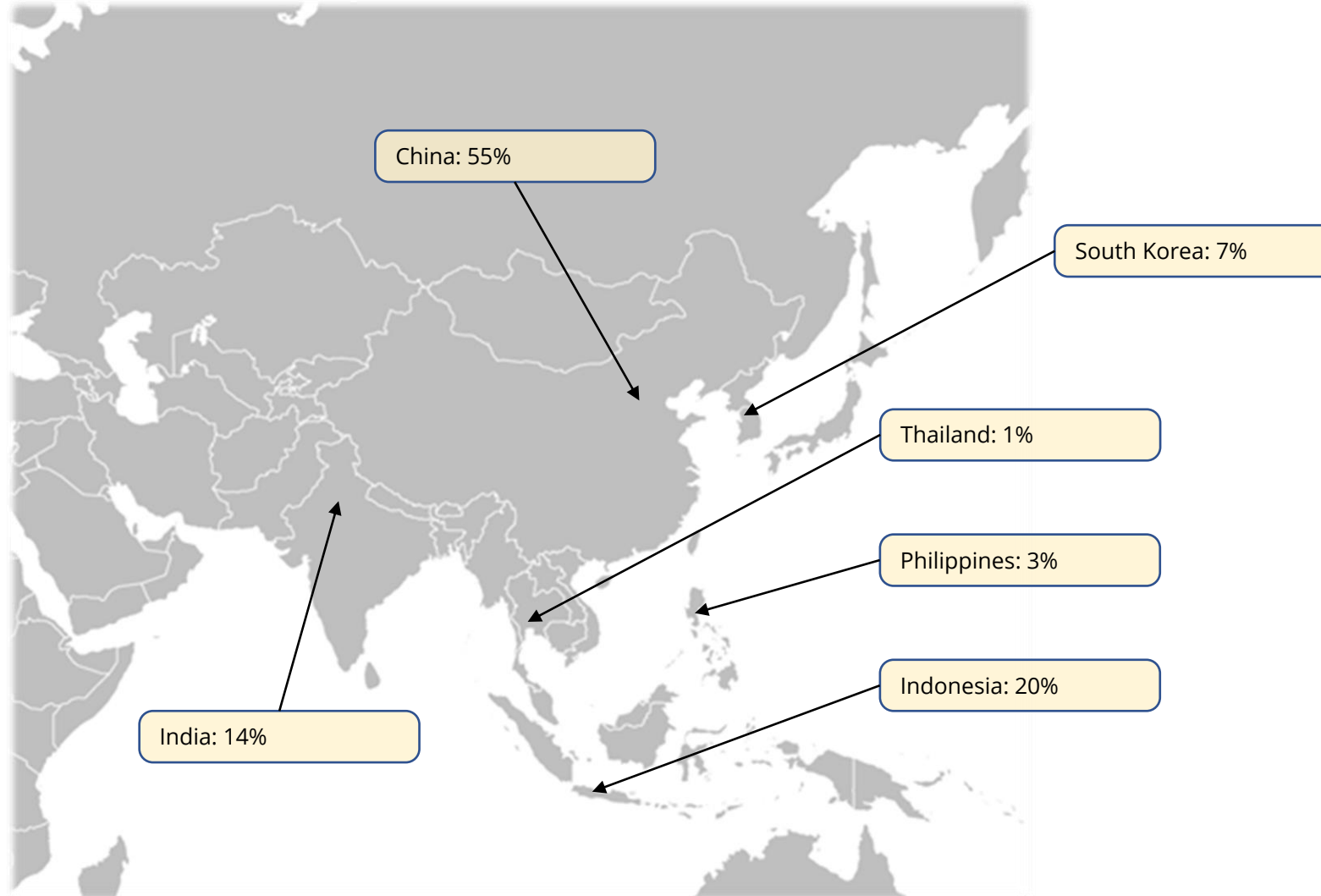
EBITDA allocation	US\$M
<b>EBITDA</b>	<b>284.4</b>
Dividends paid	101.7
Income taxes paid	83.5
Withholding taxes on dividends from subsidiaries	15.3
Repurchase of shares	2.8
Changes in working capital	20.2
Others	17.4
Net increase in cash and bank balances	43.5

Key ratios	
Return on Asset ("ROA")	29.1%
Return on Equity ("ROE")	40.2%
Enterprise Value / EBITDA <sup>(1)</sup>	0.4x
Price-earnings ratio <sup>(1)</sup>	2.10

M: Million

(1): Based on share price as at 31/12/2022

# Revenue by geographical location



Coal produced by the Group are sold to various geographical markets.

The Group does not face significant volume or counterparty risk as export sales are made to offtakers.

# Going Forward

- The RKAB production quota for 2023 has been approved at 8 million tonnes for SDJ and TBR coal mines and we will consider applying for an increase in RKAB to 10 million tonnes, if the coal market remains strong and weather conditions permit.
- Strong cash balance of USD234 million and minimal debt as at 31 December 2022 well-positions the Group for value accretive acquisition opportunities.
- ICI4 as at 3 March 2022 was US\$72.43 with the McCloskey M42 Futures Index coal price averaging at US\$76<sup>(1)</sup> for the rest of 2023. The global coal industry and prices are still expected to remain strong in 2023.
- The Group obtained recommendation from the Governor for the forestry permit (IPPKH) for STT. Further development, including exploration drilling, is planned after receiving the required IPPKH and permits.
- The Group plans to increase production and sale of coal from BEK mine.

<sup>(1)</sup> M42 Futures from SGX, extracted on 24 February 2023



# Share Performance

# Geo Energy shares are undervalued - trading at less than 1x EV/EBITDA

Geo Energy shares are undervalued given:

- US\$234 million of cash as at 31 December 2022;
- EBITDA of US\$284 million as at 31 December 2022; and
- net profit of US\$164 million as at 31 December 2022.

The Group's Enterprise Value (EV) as at 31 December 2022, excluding cash and treasury shares, was US\$107 million<sup>1</sup>. This implies an EV/EBITDA<sup>2</sup> of 0.4 times.

<sup>1</sup> At exchange rate US\$:S\$ 1.3492 as at 31 December 2022 and cash balance as at 31 December 2022

<sup>2</sup> EBITDA as at 31 December 2022

# Share Performance & Dividends

Geo Energy Resources Ltd

**0.320** SGD 3 March 2023

24-months highest: S\$ 0.575  
24-months lowest: S\$ 0.169



2021  
Total Dividend S\$ 0.09  
Payout ratio 51.5%  
Dividend Yield 26.9%\*

2022  
Total Dividend S\$ 0.09\*\*  
Payout ratio 57.0%  
Dividend Yield 27.7%\*

Source: MarketWatch

\* Dividend yield is calculated based on share price as at 31 December 2021 and 2022

\*\* Final dividend proposed of S\$0.04

# Thank You

For more information, please visit  
[www.geocoal.com](http://www.geocoal.com)