Geo Energy Resources Ltd

(GERL SP/RE4.SI)

Sales volume doubled in 3Q25, yet profitability pressured by lower coal prices

Alyssa Tee / 65 6202 1193 / alyssa.tee@kgi.com

- **Strong 3Q25 sales volume amid pricing headwinds.** Geo Energy reported a 100% YoY surge in sales volume to 3.4Mt in 3Q25, driving revenue to US$136.6mn, a 62% YoY increase. However, net profit declined 55% YoY to US$3.2mn due to softer ICI4 coal prices averaging US$42.10/tonne down from US$51.64/tonne in 3Q24. Cash profit margin compressed to US$6.56/tonne from US$12.04/tonne, reflecting pricing pressures. Despite near-term headwinds, the company's resilient cost structure and strong balance sheet position it well for recovery.
- **Infrastructure expansion to unlock operational efficiencies.** The US$150mn MBJ Integrated Infrastructure Project has achieved 50% completion and remains on track for June 2026 completion. The 92km hauling road and jetty will reduce transportation costs by over US$10/tonne and enable TRA production to scale to 20-25Mt per annum. Third-party leasing of the infrastructure will create recurring revenue streams, enhancing future profitability.
- **Strategic vertical integration strengthens logistics control.** On 27 August 2025, Geo Energy announced acquisitions of, two integrated shipping companies, which will help enhance delivery certainty and reduce transportation costs. Funding for these acquisitions was secured on 29 September 2025, with a US$275mn loan facilities from Bank Mandiri.
- **Coal demand in Asia proves resilient despite transition efforts.** Despite global pressure to phase out coal, Asia's energy demand boom is reinforcing coal's dominance. With coal being both cheap and accessible, it is tough for developing countries to transition away from it especially given, economic growth targets, industrialization, and data center expansion. ICI4 prices recovered to US$47.09/tonne as of 13 November 2025 and are forecasted at US$48-50/tonne through 2026, supported by sustained Asian demand and Indonesia's supply discipline.

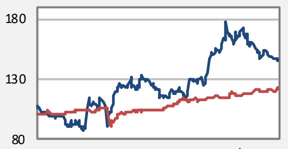
Financials & Key Operating Statistics

YE Dec (US$ 'mn)	2023	2024	2025F	2026F	2027F
Revenue	489.0	401.9	497.4	792.0	958.3
PATMI	62.7	37.3	8.7	136.4	203.9
EPS (cents)	4.45	2.65	0.61	9.59	14.34
EPS growth (%)	-61.2%	-40.4%	-77.0%	1471.5%	49.4%
DPS (Sing cents)	2.0	1.0	0.2	3.7	5.6
Div Yield (Y%)	5.7%	3.4%	0.6%	8.8%	13.2%
Net Profit Margin (%)	12.8%	9.3%	1.7%	17.2%	21.3%
Net Gearing (%)	60.4%	66.6%	52.3%	31.9%	6.3%
Price P/B (x)	1.89	1.48	2.13	2.13	2.13
ROE (%)	12.6%	6.9%	1.6%	19.9%	22.9%

Source: Company data, KGI Research

9M25 performance demonstrates operational resilience. For 9M25, revenue increased 68% YoY to US$426.2mn on sales volume of 9.7Mt compared to 4.9Mt in 9M24, while net profit rose 26% to US$23.2mn. The Group's cash profit averaged US$8.92/tonne for 9M25 compared to US$11.98/tonne in 9M24. With 9M25 production of 9.6Mt, the Group is on track

Outperform - Maintained			
Price as of 22 Dec 25 (SGD)	0.43	**Performance (Absolute)**	
12M TP ($)	0.76	1 Month (%)	0.0
Previous TP ($)	0.69	3 Month (%)	-4.3
Upside, incl div (%)	0.8	12 Month (%)	58.2
Trading data		**Perf. vs STI Index (Red)**	
Mkt Cap ($mn)	609		
Issued Shares (mn)	1,432		
Vol - 3M Daily avg (mn)	7.5		
Val - 3M Daily avg ($mn)	3.5		
Free Float (%)	47.8%		
Major Shareholders		**Previous Recommendations**	
Melati Charles Antonny	18.2%	2-Oct-24	OP S$0.68
Master Resources Ltd	15.2%	1-Apr-25	OP S$0.71
Heah Theare Haw	7.1%	10-Jun-25	OP S$0.69



to exceed its FY25 target of 10.5-11.5Mt. The company declared an interim dividend of 0.10 SG cent per share for 3Q25, bringing YTD interim dividends to 0.45 SG cent per share, a 21% payout ratio. Management remains committed to its dividend policy of at least 30% of net profit.

Valuation & Action: We maintain our **OUTPERFORM** rating with an increased target price of **S$0.76** from the previous S$0.69, remaining positive on Geo Energy, reflecting the higher sales volume and our view of resilience in coal demand over the longer run. Furthermore, our conservative valuation excludes potential upside from infrastructure toll revenues and shipping operations, which could provide material value creation, meaning there is more than one upside catalyst for our views to materialise.

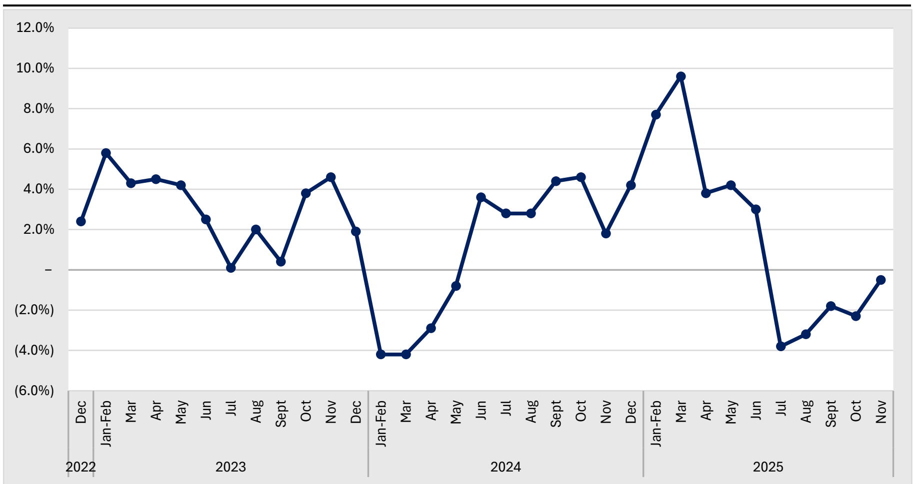
Risks: Global coal price volatility, decline in coal demand, Indonesian coal export tax implementation, government-mandated production cuts, evolving energy transition policies, environmental concerns, infrastructure project delays, and execution risks.

Macroeconomic outlook

Asia's energy demand reinforces coal's dominance. Despite global pressure to phase out coal, Asia's surging energy demand is proving the resilience of coal-fired power generation. Tactics to rapidly transition away from coal are failing across the region as electricity consumption accelerates, driven by economic growth, expanding manufacturing sectors, rising living standards, and proliferating data centers for AI and digital infrastructure. Countries across Asia are prioritizing energy security and affordability over aggressive decarbonization timelines, with coal remaining the most cost-effective and practical baseload power source capable of meeting massive demand growth.

Infrastructure challenges reinforce coal use. While renewable energy capacity is expanding, intermittency issues and grid infrastructure limitations prevent renewables from fully displacing coal in meeting baseload demand. Furthermore, setting up this infrastructure could take years, something which is not realistic given the spike in energy demand. This forces countries including Indonesia, Vietnam, the Philippines, and India continue to rely heavily on coal, with some even expanding coal-fired capacity to meet their needs. This dynamic significantly extends the runway for coal demand in Asia beyond previous transition forecasts.

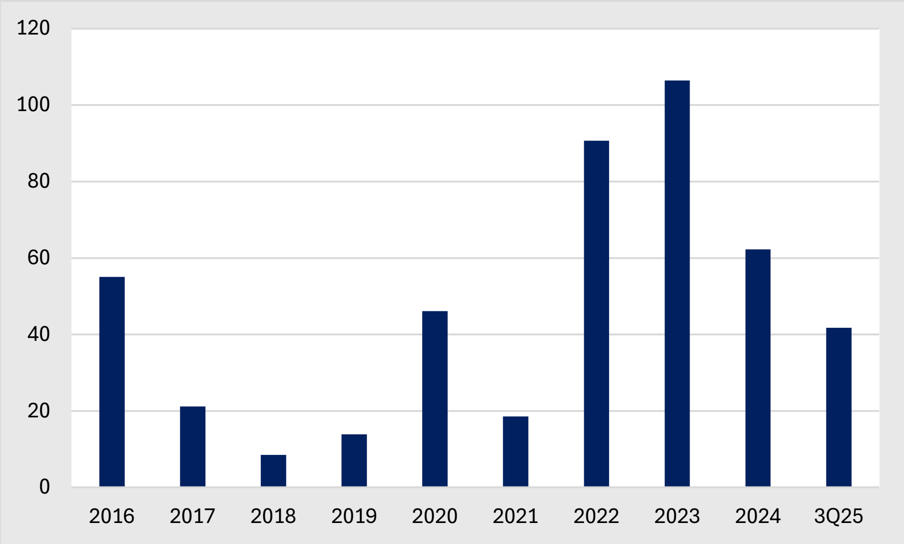
Figure 1: Monthly growth rate of China's raw coal production



Source: National Bureau of Statistics of China

China's evolving coal policy maintains long-term demand. While China's coal demand has declined modestly in 2025, coal remains approximately 60% of China's electricity mix and the country's 15th Five-Year Plan provides flexibility to maintain coal as a baseline power source. Coal imports reached 488Mt in the first ten months of 2025, up 12.1% YoY. China has initiated 2026 thermal coal contract negotiations with Indonesia, seeking shorter-term contracts to maintain pricing flexibility, but the volume outlook remains supportive given China's massive electricity generation requirements and the need for dispatchable power to complement renewables. While we acknowledge that China has indeed cut down considerably on permitted coal plant capacity (Figure 2), we emphasize the stickiness of Coal and believe that a baseline level will remain present in the short to medium term. The continued AI boom further supports this as AI requires high energy output, which China's renewable infrastructure is yet to fully be able to self-sustain for now.

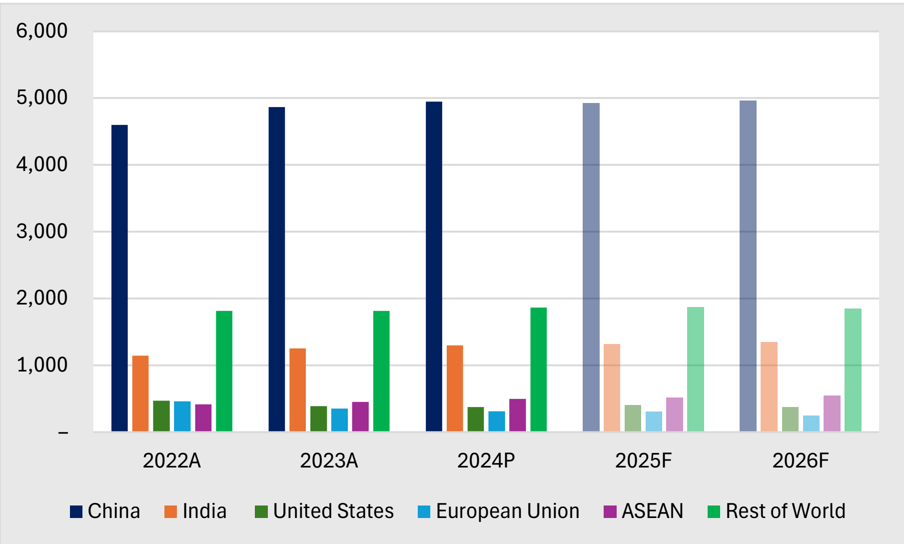
Figure 2: Newly permitted coal plant capacity during China's 13th and 14th five-year plan (gigawatts)



Source: Greenpeace, Reuters and KGI Research

China aside, India and Southeast Asia have also driven demand growth. While the street fixates on the lowered coal consumption from China, some have neglected the compelling story for ASEAN. India's thermal coal imports rose 3.6% YoY in the first ten months of 2025 to 170Mt, driven by strong power demand that continues to outpace domestic supply growth. India's electricity consumption is projected to grow robustly through the decade as the country industrializes and extends grid access to rural populations. Southeast Asian nations including Vietnam, Indonesia (for domestic consumption), and the Philippines maintain coal as the backbone of their energy systems, with demand growth supported by economic development and inadequate renewable alternatives to meet baseload requirements. In fact, IEA forecast coal consumption (Figure 3) in these regions to grow despite global push to move away from Coal.

Figure 3: Global coal consumption projection till 2026



Source: IEA, KGI Research

Indonesia's supply discipline not a headwind but a safeguard. Indonesia plans to scale back coal production in 2026 in response to price pressures, representing a strategic shift for the world's largest thermal coal exporter. The sector faces headwinds notably including a new coal export tax of up to 5% effective 2026. This has caused Indonesian coal exports to decline 8.9% YoY in October 2025. While some on the street see this as a headwind that could potentially suppress the Indonesian coal market, we view this change in a more favorable light. We believe that the planned production curtailment, combined with the export tax, while damaging to volumes, would have a netting effect against the benefit of price stabilization or even upside. Furthermore, this also addresses oversupply concerns.

Overall, Coal prices have reached stabilization with improved supply-demand balance. Looking at ICI4 prices over the past few months shows that the aforementioned factors such as Indonesia's supply cut, sustained Asian demand, and lack of infrastructure have already partially played out, with a recovery from US$40.45 in July 2025 to US$47.09 as of 13 November 2025, up 12% from the 3Q25 average. Current spot prices have recovered even further, stabilizing from around US$48-50 in early December 2025, but this may also be attributed to seasonal demand. Market forecast suggests that ICI4 will trade rangebound around US$48-50 throughout 2026. The combination of sustained Asian demand, supply discipline, and coal's enduring role in regional energy security provides a more stable pricing floor than previously anticipated. For low-cost, efficient producers like Geo Energy with premium thermal coal quality (4,200 kcal/kg GAR, low-ash, low-sulphur), this environment creates opportunities to gain market share as higher-cost producers curtail operations.

Business updates

MBJ infrastructure project on track to transform cost structure. The US$150mn MBJ project has reached 50% completion and remains on track for completion in June 2026. The 92km hauling road and jetty will deliver over US$10/tonne in transportation cost savings, providing a substantial competitive advantage. This infrastructure will also increase annual handling capacity to 40Mt-50Mt, enabling TRA production to scale to 20Mt-25Mt per annum. Critically, third-party leasing of excess haulage capacity will provide recurring, toll-based revenue independent of coal prices, creating value beyond traditional mining operations.

Figure 4: Geo Energy coal production (2021 – 1H25)

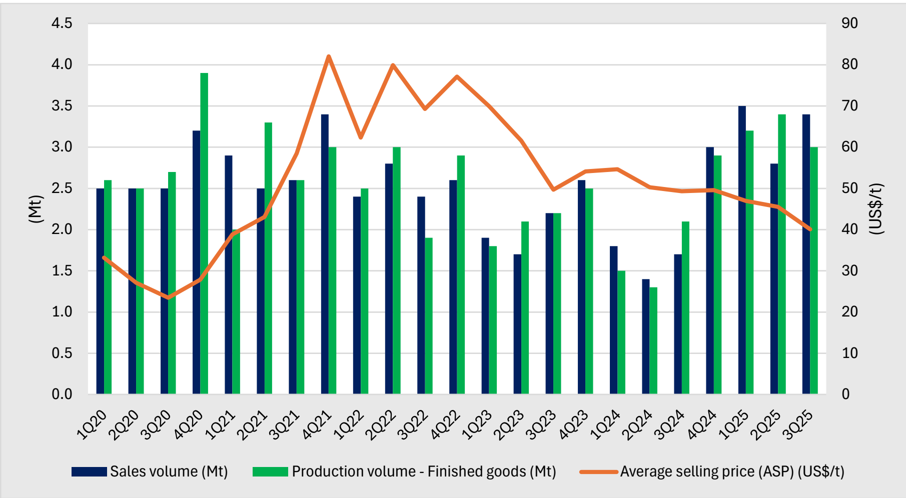
Revenue - Coal mining	2021	2022	2023	2024	9M25
Sales volume (Mt)	11.4	10.2	8.4	7.9	9.7
SDJ	4.6	4.3	2.0	1.6	1.6
TBR	6.7	5.8	6.0	5.1	5.8
BEK	0.1	0.1	0.2	0.2	0.0
TRA	0.0	0.0	0.2	1.1	2.2
Average Indonesian coal index price for 4200 GAR (ICI4) (US$/t)	65.85	86.06	62.96	53.93	45.98
Average selling price (ASP) (US$/t)	56.42	72.14	57.88	50.69	44.09
Production					
Production volume - Finished goods (Mt)	10.9	10.3	8.6	7.8	9.6
SDJ	4.5	4.3	2.1	1.4	1.5
TBR	6.3	5.9	6.0	5.1	5.9
BEK	0.1	0.1	0.2	0.2	0.0
TRA	0.0	0.0	0.3	1.2	2.2
Strip ratio - Sales (times)					
SDJ	2.1	1.5	3.5	7.0	4.2
TBR	1.0	2.8	4.8	3.0	2.4
TRA	0.0	0.0	2.6	2.9	2.4
Production cash cost (US$/t)	31.37	43.10	45.69	40.32	35.17
Cash profit (US$/t)	25.05	29.04	12.19	10.37	8.92

Source: company, KGI Research

Shipping acquisitions enhance vertical integration. The proposed acquisitions of PT Trans Maritim Pratama and PT Bahari Segara Maritim will enable Geo Energy to build supporting fleet capacity for TRA mine and MBJ's logistics operations, improving delivery certainty and reducing transportation costs. In an environment where margins are compressed, vertical integration provides both cost advantages and revenue diversification, providing some stability to their otherwise volatile revenue figures. These transactions are being funded partially through the US$275mn Bank Mandiri facilities secured in September 2025.

Production expansion positions company for scale. Geo Energy obtained approval for increased RKAB for its TBR coal mine of 8.5Mt. With MBJ infrastructure operational in 1H26, the Group will progressively increase TRA's production toward 20-25Mt per annum from 9M25 production of 2.2Mt. The timing of this capacity expansion, coinciding with Indonesia's planned sector-wide production cuts, positions Geo Energy to capture market share as industry discipline supports price stabilization. While figure 5 shows a general decline in ASP, hitting a low in 3Q25, it has since rebounded as we previously covered, likely trading within US$48-50. Therefore, with both an increase in production volumes and ASP, FY26 outlook seems increasingly positive for Geo Energy.

Figure 5: Historical sales volume, production volume and average selling price – 1Q20 - 3Q25



Source: Company, KGI Research

Outlook and Conclusion

FY25 on track with improving market backdrop. With 9M25 production of 9.6Mt, Geo Energy is well-positioned to exceed its FY25 target of 10.5-11.5Mt. The combination of recent price stabilization, Indonesia's supply discipline measures for 2026, and operational momentum provides a constructive outlook. The Group's price-linked cost model provides cushioning against volatility while maximizing profitability during price recoveries. Importantly, it seems that the macroeconomic backdrop for Asia coal demand is proving more resilient than the street anticipated.

Strategic positioning drives long-term value. Geo Energy has also demonstrated strong operational execution in 9M25, doubling sales volumes and increasing revenue despite challenging pricing. The company's positioning as a low-cost producer of thermal coal, combined with transformational infrastructure investments and vertical integration initiatives, differentiate it from peers.

Upcoming projects and acquisitions will act as a further catalyst for growth. Geo Energy's MBJ infrastructure and shipping acquisitions will drive substantial cost reductions and revenue diversification, enhancing margins regardless of coal price movements. With strong financial flexibility, consistent cash generation, and strategic assets positioned to benefit from Asia's enduring coal demand, the company is well-positioned to deliver sustained value creation as the regional energy landscape evolves more gradually than transition advocates projected.

Valuation

We maintain our **OUTPERFORM** rating, slightly raising our target price to **S$0.76** per share from S$0.69. Reflecting the spike in sales revenue but also limited due to the increased risk outlook with the unfavourable move in coal prices and fall in net income holding us back from a more aggressive rating. Our DCF valuation uses WACC of 9.3% and our revenue projections have been conservatively estimated based solely on coal production and sales volumes. It does not incorporate potential value creation from the MBJ infrastructure's toll-based revenue model or shipping operations, which could add 15-20% to fair value once operational in 2026. As these projects could potentially demonstrate revenue contribution, we expect to incorporate them more fully into our valuation framework when there is more material evidence to suggest so.

The OUTPERFORM rating reflects our continued view that Geo Energy's shares offer attractive upside potential, supported by strategic positioning, operational improvements, transformational infrastructure investments, and value creation opportunities not yet fully reflected in the current share price.

Figure 6: Discounted Cash Flow

(US$mn)	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
Production (mn tonnes)														
SDP (SDJ +TBR)	9.0	12.0	11.8	11.3										
TRA	3.0	6.6	12.5	16.0	18.0	20.8	23.0	24.8	25	25	25	25	25	24.3
BEK	0.0	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.7	
Total production	**12.0**	**19.4**	**25.1**	**28.1**	**18.8**	**21.6**	**23.8**	**25.6**	**25.4**	**25.7**	**25.7**	**25.7**	**25.7**	**24.3**
Average Selling Price (US$/t)	**46**	**49**	**49**	**49**	**48**	**47**	**47**	**47**	**47**	**47**	**47**	**47**	**47**	**47**
BEK fixed margin (US$/t)	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**2**	**-**
Total Revenue (US$mn) (factoring in 60.37% effective ownership of TRA mine)	**497**	**792**	**958**	**1,038**	**528**	**597**	**660**	**712**	**709**	**718**	**718**	**718**	**718**	**696**
TRA waste (Mbcm)	11.5	27	55	80	80	115	128	140	130	123	112	109	100	105.3
Operating cost (US$/tonne)														
SDP	40.0	34.0	34.0	34.0										
TRA	41.0	34.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0	28.0
Total	**434**	**543**	**612**	**655**	**304**	**352**	**389**	**419**	**418**	**423**	**423**	**423**	**423**	**411**
Gross Profit	63	249	346	383	224	246	272	293	291	295	295	295	295	285
OPEX	(37)	(61)	(74)	(80)	(40)	(45)	(50)	(54)	(54)	(55)	(55)	(55)	(55)	(53)
Dep & Amt	(31)	(29)	(30)	(30)	(33)	(47)	(52)	(56)	(55)	(56)	(56)	(56)	(56)	(53)
EBIT	(5)	159	242	273	151	153	170	183	182	184	184	184	184	179
FCF														
EBIT (1-22% tax)	(4)	124	189	213	118	120	132	143	142	144	144	144	144	140
Add: D&A	31	29	30	30	33	47	52	56	55	56	56	56	56	53
Less: Capex	(10)	(16)	(20)	(22)	(11)	(16)	(16)	(16)	(16)	(16)	(16)	(16)	(16)	(16)
Less: Changes in Working capital	49	(53)	(28)	(12)	(11)	(26)	(26)	(26)	(26)	(26)	(26)	(26)	(26)	(26)
FCF	66	84	171	210	129	125	142	156	155	158	158	158	158	151
PV (FCF)	**60**	**70**	**130**	**147**	**83**	**73**	**76**	**77**	**70**	**65**	**59**	**54**	**50**	**43**

PV (FCF) [Enterprise Value]	1056.8
Plus Net Borrowing (US$m)	-213.8
FCF to equity (US$m)	843.1
FCF to equity (S$m)	1087.6
Cost of equity	12.2%
After Tax Cost of Debt	6.5%
WACC	9.33%
Number of shares outstanding (S$m)	1,432
Current Share Price*	0.43
FX rate (USD/SGD)*	1.29
DCF Equity Value (S$m)	1087.58
Target Price	**0.76**
Upside / (Downside)	**78.65%**

**Our target price is based on the fully diluted number of shares.*

Source: KGI Research

Financials

YE 31 Dec

INCOME STATEMENT (US$)	2023	2024	2025F	2026F	2027F
Revenue *	**488,974,701.0**	**401,898,621.0**	**497,350,600.0**	**792,029,569.0**	**958,272,062.5**
Cost of sales	(409,741,264.0)	(349,253,685.0)	(434,255,100.0)	(543,470,280.0)	(612,495,000.0)
Gross Profit	**79,233,437.0**	**52,644,936.0**	**63,095,500.0**	**248,559,289.0**	**345,777,062.5**
Other income	12,530,799.0	35,767,698.0	4,973,506.0	7,920,295.7	9,582,720.6
General and administrative expenses	(22,266,897.0)	(22,202,004.0)	(27,475,038.3)	(43,753,928.8)	(52,937,629.2)
Other expenses	25,266,351.0	(5,671,744.0)	(14,763,062.7)	(24,675,035.5)	(30,266,853.2)
Profit from Operations	**94,763,690.0**	**60,538,886.0**	**25,830,905.0**	**188,050,620.3**	**272,155,300.7**
Finance income/(expenses)	(5,556,033.0)	(17,388,864.0)	(14,702,808.9)	(13,167,696.6)	(10,802,341.2)
Profit before Tax	**89,207,657.0**	**43,150,022.0**	**11,128,096.1**	**174,882,923.8**	**261,352,959.6**
Income tax	(26,464,458.0)	(5,890,241.0)	(2,448,181.2)	(38,474,243.2)	(57,497,651.1)
PATMI	**62,743,199.0**	**37,259,781.0**	**8,679,915.0**	**136,408,680.5**	**203,855,308.5**

BALANCE SHEET (US$)	2023	2024	2025F	2026F	2027F
Cash and cash equivalents	135,804,104.0	118,073,057.0	196,217,433.6	291,708,001.3	451,828,296.6
Trade and other receivables	75,731,896.0	113,021,404.0	78,628,015.8	125,214,915.7	151,496,813.0
Inventory	46,362,342.0	34,359,717.0	37,132,601.5	46,471,452.7	52,373,668.7
Other current assets	48,257,707.0	52,193,008.0	39,177,268.1	52,259,150.1	63,228,048.0
Current Assets	**306,156,049.0**	**317,647,186.0**	**351,155,318.9**	**515,653,519.8**	**718,926,826.2**
Property, plant and equipment	444,292,288.0	484,604,230.0	476,955,310.1	475,254,658.1	476,733,405.3
Other non-current assets	186,919,386.0	215,614,213.0	204,354,952.3	204,966,666.6	201,329,446.8
Non-current Assets	**631,211,674.0**	**700,218,443.0**	**681,310,262.3**	**680,221,324.6**	**678,062,852.1**
Total assets	**937,367,723.0**	**1,017,865,629.0**	**1,032,465,581.3**	**1,195,874,844.4**	**1,396,989,678.4**
Trade and other payables	95,173,713.0	133,320,613.0	128,168,676.3	160,403,105.0	180,775,478.3
Borrowings (current)	10,674,294.0	19,768,734.0	20,288,856.0	19,786,716.8	17,749,572.1
Other current liabilities	16,780,676.0	6,768,192.0	10,036,414.9	10,166,188.8	10,276,097.8
Current Liabilities	**122,628,683.0**	**159,857,539.0**	**158,493,947.2**	**190,356,010.6**	**208,801,148.2**
Borrowings (non-current)	215,572,429.0	208,278,520.0	213,758,398.0	208,467,982.2	187,005,126.9
Other non-current liabilities	99,562,188.0	109,727,859.0	111,282,408.1	111,711,343.0	111,988,586.3
Non-current liabilities	**315,134,617.0**	**318,006,379.0**	**325,040,806.0**	**320,179,325.2**	**298,993,713.2**
Shareholders equity	419,103,556.0	449,450,740.0	458,379,857.0	594,788,537.5	798,643,846.0
Non-controlling interests	80,500,867.0	90,550,971.0	90,550,971.0	90,550,971.0	90,550,971.0
Total Equity	**499,604,423.0**	**540,001,711.0**	**548,930,828.0**	**685,339,508.5**	**889,194,817.0**
Total Liabilities and Equity	**937,367,723.0**	**1,017,865,629.0**	**1,032,465,581.3**	**1,195,874,844.4**	**1,396,989,678.4**

CASH FLOW STATEMENT (US$)	2023	2024	2025F	2026F	2027F
Net income before tax	89,207,657.0	43,150,022.0	11,128,096.1	174,882,923.8	261,352,959.6
Depreciation & non cash adjustments	(10,512,292.0)	25,686,290.0	31,122,386.4	45,621,710.9	36,905,129.5
Change in Working Capital	(69,238,564.0)	19,664,131.0	49,353,255.7	(53,137,720.7)	(28,396,697.0)
Income Tax Paid	(55,004,169.0)	(17,764,802.0)	(2,448,181.2)	(38,474,243.2)	(57,497,651.1)
Retirement benefit obligation paid	(50,116.0)	(16,698.0)	0.0	0.0	0.0
CF from operating activities	**(45,597,484.0)**	**70,718,943.0**	**89,155,557.0**	**128,892,670.7**	**212,363,740.9**
Purchase/Disposal of PPE	(7,083,901.0)	(5,906,626.0)	(8,242,724.6)	(14,441,851.3)	(17,941,104.5)
Other CFI	(180,883,906.0)	(43,210,089.0)	5,685,151.0	0.0	0.0
CF from investing activities	**(187,967,807.0)**	**(49,116,715.0)**	**(2,557,573.6)**	**(14,441,851.3)**	**(17,941,104.5)**
Dividends Paid	(56,406,315.0)	(10,382,843.0)	0.0	0.0	0.0
Debt Raised / (Repaid)	223,004,386.0	2,057,839.0	6,000,000.0	(5,792,555.0)	(23,500,000.0)
Equity Raised / (Bought Back)	(2,029,833.0)	9,049,010.0	249,202.0	0.0	0.0
Other Cash from Financing	(27,447,049.0)	(40,949,817.0)	(14,702,808.9)	(13,167,696.6)	(10,802,341.2)
CF from financing activities	**137,121,189.0**	**(40,225,811.0)**	**(8,453,606.9)**	**(18,960,251.6)**	**(34,302,341.2)**
Net increase in cash & cash equiv.	(96,444,102.0)	(18,623,583.0)	78,144,376.6	95,490,567.8	160,120,295.3
FX effects	263,857.0	(717,836.0)	0.0	0.0	0.0
Beginning Cash	231,976,799.0	135,796,554.0	116,455,135.0	194,599,511.6	290,090,079.3
Ending Cash	**135,796,554.0**	**116,455,135.0**	**194,599,511.6**	**290,090,079.3**	**450,210,374.6**

KEY RATIOS	2023	2024	2025F	2026F	2027F
Profitability					
Core EPS	4.5	2.7	0.6	9.6	14.3
Core EPS Growth (%)	(61.2)	(40.4)	(77.0)	1,471.5	49.4
DPS (SGD Cents)	2.0	1.0	0.2	3.7	5.6
Dividend Yield (%)	5.7	3.4	0.6	8.8	13.2
Profitability					
EBITDA margin	14.4%	7.5%	-0.9%	20.0%	25.3%
Net margin	12.8%	9.3%	1.7%	17.2%	21.3%
ROE	12.6%	6.9%	1.6%	19.9%	22.9%
ROA	6.7%	3.7%	0.8%	11.4%	14.6%
Financial Structure (x)					
Total Debt/Equity	0.9	0.9	0.9	0.7	0.6
Net Gearing	0.6	0.7	0.5	0.3	0.1
Market Valuation (x)					
Price / Earnings	16.5	11.7	1.9	29.3	43.9
Price / Book	1.9	1.5	2.1	2.1	2.1
Price / Sales	0.8	0.8	0.9	0.6	0.5
EV / EBITDA	13.9	33.1	-231.3	7.3	4.9

** Forecasted revenue is based on effective ownership of 60.37% of TRA mine.*

KGI's Ratings

Rating	Definition
Outperform (OP)	We take a positive view on the stock. The stock is expected to outperform the expected total return of the KGI coverage universe in the related market over a 12-month investment horizon.
Neutral (N)	We take a neutral view on the stock. The stock is expected to perform in line with the expected total return of the KGI coverage universe in the related market over a 12-month investment horizon.
Underperform (U)	We take a negative view on the stock. The stock is expected to underperform the expected total return of the KGI coverage universe in the related market over a 12-month investment horizon
Not Rated (NR)	The stock is not rated by KGI Securities.
Restricted (R)	KGI policy and/or applicable law regulations preclude certain types of communications, including an investment recommendation, during the course of KGI's engagement in an investment banking transaction and in certain other circumstances.

Disclaimer

This report is provided for information only and is not an offer or a solicitation to deal in securities or to enter into any legal relations, nor an advice or a recommendation with respect to such securities. This report is prepared for general circulation. It does not have regard to the specific investment objectives, financial situation and the particular needs of any recipient hereof. You should independently evaluate particular investments and consult an independent financial adviser before dealing in any securities mentioned in this report.

This report is confidential. This report may not be published, circulated, reproduced or distributed and/or redistributed in whole or in part by any recipient of this report to any other person without the prior written consent of KGI Securities. This report is not intended for distribution and/or redistribution, publication to or use by any person in any jurisdiction outside Singapore or any other jurisdiction as KGI Securities may determine in its absolute discretion, where the distribution, publication or use of this report would be contrary to applicable law or would subject KGI Securities and its connected persons (as defined in the Financial Advisers Act, Chapter 110 of Singapore) to any registration, licensing or other requirements within such jurisdiction.

The information or views in the report ("Information") has been obtained or derived from sources believed by KGI Securities to be reliable. However, KGI Securities makes no representation as to the accuracy or completeness of such sources or the Information and KGI Securities accepts no liability whatsoever for any loss or damage arising from the use of or reliance on the Information. KGI Securities and its connected persons may have issued other reports expressing views different from the Information and all views expressed in all reports of KGI Securities and its connected persons are subject to change without notice. KGI Securities reserves the right to act upon or use the Information at any time, including before its publication herein.

Except as otherwise indicated below, (1) KGI Securities, its connected persons and its officers, employees and representatives may, to the extent permitted by law, transact with, perform or provide broking, underwriting, corporate finance-related or other services for or solicit business from, the subject corporation(s) referred to in this report; (2) KGI Securities, its connected persons and its officers, employees and representatives may also, to the extent permitted by law, transact with, perform or provide broking or other services for or solicit business from, other persons in respect of dealings in the securities referred to in this report or other investments related thereto; and (3) the officers, employees and representatives of KGI Securities may also serve on the board of directors or in trustee positions with the subject corporation(s) referred to in this report. (All of the foregoing is hereafter referred to as the "Subject Business".)

However, as of the date of this report, neither KGI Securities nor its representative(s) who produced this report (each a "research analyst"), has any proprietary position or material interest in, and KGI Securities does not make any market in, the securities which are recommended in this report.

Each research analyst of KGI Securities who produced this report hereby certifies that (1) the views expressed in this report accurately reflect his/her personal views about all of the subject corporation(s) and securities in this report; (2) the report was produced independently by him/her; (3) he/she does not carry out, whether for himself/herself or on behalf of KGI Securities or any other person, any of the Subject Business involving any of the subject corporation(s) or securities referred to in this report; and (4) he/she has not received and will not receive any compensation that is directly or indirectly related or linked to the recommendations or views expressed in this report or to any sales, trading, dealing or corporate finance advisory services or transaction in respect of the securities in this report. However, the compensation received by each such research analyst is based upon various factors, including KGI Securities' total revenues, a portion of which are generated from KGI Securities' business of dealing in securities.