

**RNS**

Final Results

**Full Year Results Year ended 31 March 2020  
GREAT EASTERN ENERGY CORPORATION LIMITED**

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Great Eastern Energy Corp Ltd

02 June 2020

Market Abuse Regulation (MAR) Disclosure

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement

2 June 2020

**Great Eastern Energy Corporation Limited  
("Great Eastern" or "the Company")  
Full Year Results Year ended 31 March 2020**

Great Eastern Energy Corporation Limited (LSE: GEEC), the fully integrated, leading Indian Coal Bed Methane ("CBM") Company, is pleased to announce its Preliminary Results for the 12 months ended 31 March 2020.

**Abridged Financials for FY 2020:**

	FY 2020		FY 2019
		On constant currency basis	
Revenue	\$ 36.25m	\$ 36.76m	\$ 40.33m
Revenue recognized from security deposit received earlier	-	-	\$ 3.31m
Total Revenue	\$ 36.25m	\$ 36.76m	\$ 43.64m
EBITDA	\$ 20.95m	\$ 21.25m	\$ 27.87m
Exceptional item (One time write off)	-	-	\$ (0.75)m
PAT pre MTM / DTE*	\$ 6.99m	\$ 7.09m	\$ 9.93m
Cash Profit	\$ 11.66m	\$ 11.83m	\$ 15.61m
EPS** pre MTM / DTE	\$ 5.90c	\$ 6.00c	\$ 8.30c
Cash EPS**	\$ 9.80c	\$ 9.90c	\$ 13.10c
Net Debt	\$ 56.05m	\$ 61.09m	\$ 69.61m
Net Debt : Equity Ratio	0.65	0.65	0.81
Price (\$/mmbtu)***	\$ 10.27	\$ 10.42	\$ 10.43
Sales (mmscfd)	10.38		11.48

\* MTM (Mark to Market) is on account of the restatement of the foreign currency loans; DTE (Deferred Tax Expense) is on account of difference in depreciation rates used for financial accounts and tax accounts and other expenses like exchange fluctuation / MTM

\*\* Per GDR

\*\*\* Pricing is based in Indian rupee ("INR")

- The full set of the audited financial statement is available at the following link: <https://www.geecl.com/financials.php>
- Reassuringly, average gas Sales prices received held up and remain strong, and gas production increased from an average of 14.13 mmscfd in May 2019 to a full year average of 15.62 mmscfd, including choked production.
- Due to COVID-19, there was a national lockdown in India from March 23, 2020 onwards, which is now in the process of being relaxed. Following the year end, COVID-19 had an adverse impact on Sales in April and into May 2020. The Company has taken appropriate measures to optimize costs and increase efficiencies.
- Encouragingly, with easing of the lockdown measures and the Indian economy slowly opening up, Sales have already seen an increase in May 2020, and we now expect Sales to be at pre-lockdown levels by July 2020. Helpfully, all customers largely continue to remain with the Company and, over the last two months, we have renewed some contracts at the same selling price as before.
- The Company has sufficient liquidity to meet all its obligations.
- Shale gas and CBM reserves and resources in the Raniganj (South) block (as previously announced on November 15, 2018):
  - **OGIP of 6.13 TCF (best estimate) / 9.25 TCF (high estimate)**
  - **3P + 3C + 3U is 2,988.40 BCF (2.99 TCF)**
    - **Undiscounted value of \$13.78 billion**
    - **Discounted value of \$4.31 billion**
- Since the last announcement on 7 November 2019, the Company has obtained the environment clearance for starting its Shale exploration program and continues to be in the process of obtaining the balance of final approvals. The Company is engaging with various vendors for commencing the Shale program. Subject to the results obtained and analysed from the core wells, the Company intends to drill an optimum number of pilot production wells.
- According to market reports, GAIL (India) Limited's upcoming "Jagdishpur - Haldia & Bokaro - Dhamra pipeline" is expected to be operational by December 2020. This pipeline will provide the Company with the opportunity to expand its customer base and Sales significantly by accessing the huge market of Kolkata and also to the wider State of West Bengal. The transportation tariff of this

pipeline has been fixed at Rs. 71.08/mmbtu (\$0.94/mmbtu) including 12% for Goods and Services Tax.

- India LNG imports for March 2020 were 20.40% higher than March 2019 and the cumulative imports for FY 2020 were 17.20% higher than period of FY 2019. As per the publically available data, the average delivered LNG price for FY 2020 was US\$10/mmbtu. Transporting this to the eastern region via the above mentioned pipeline would entail the additional transportation mentioned therein.
- Direct listing of equity shares / securities by Indian companies on overseas stock exchanges has been recently permitted by the Government of India. Further clarifications regarding the modalities of the same are expected soon. Great Eastern will be following developments with interest as, subject to further clarifications, its current intention would be to substitute its GDR's, currently listed on the Main Market of the London Stock Exchange, with a listing of its underlying equity securities at an appropriate opportunity. An article regarding this is available at the following link: [https://www.business-standard.com/article/companies/govt-allows-indian-public-companies-to-directly-list-shares-overseas-120051700584\\_1.html](https://www.business-standard.com/article/companies/govt-allows-indian-public-companies-to-directly-list-shares-overseas-120051700584_1.html)

**Prashant Modi, Managing Director & CEO of Great Eastern, said:**

"Despite the impact of a slowing World economy, the Global COVID-19 pandemic and a slowdown in the growth rate of the Indian economy, Revenue and Sales volume have largely remained resilient. The Board would like to highlight that the Company's business and balance sheet has been able to comfortably withstand the severe impact of these events.

"In response, we have a focused plan of further optimising production, cutting costs, and increasing efficiencies. We will be pursuing further organic growth in the huge market of Kolkata and also to the wider State of West Bengal when the GAIL pipeline is complete, where that will allow us to expand our customer base and Sales volumes. We look forward to progressing our Shale project that represents another excellent organic growth opportunity for Great Eastern once all approvals are in place later this year.

"With the steps being taken by the government to accelerate the growth of the Indian economy, demand for hydrocarbons in India will continue to grow, as is evident from the rising imports."

**For further information please contact:**

**Great Eastern Energy Corporation** [www.geecl.com](http://www.geecl.com)  
**Limited**

Yogendra Kr. Modi	Executive Chairman	+44 (0) 20 3470 0470
Prashant Modi	Managing Director & CEO	
Jonathan Keeling	VP - Investor Relations	+44 (0) 7717 559 522

**SP Angel Corporate Finance LLP** +44 (0) 20 3470 0470

Rob Rees  
Richard Hail

## **About the Company**

A fully integrated gas production, development and exploration Company in India. Gas is being produced from the Raniganj (South) block in West Bengal, which covers 210 sq. km with 9.25 TCF of Original Gas-in-Place. The Company's second license is the Mannargudi block in Tamil Nadu, which covers 667 sq. km with 0.98 TCF of Original Gas-in-Place.

## **Chairman's Statement**

While the Indian economy faces a difficult situation in the wake of COVID-19 pandemic, the country has certain fundamental resilience which would help it tide over the crisis.

In the midst of the otherwise gloomy situation, the government has made an attempt to convert the crisis into an opportunity to push new and bold reforms which should yield positive results.

The Board is confident that the overall state of the economy will recover soon and continue to remain robust.

The Company has achieved a strong financial performance and continues to drive future growth through increasing the production at the Raniganj (South) Block.

Great Eastern has contributed towards the national effort of reducing pollution through use of clean fuel. By using gas in its own operations and by supplying gas to its customers, Great Eastern has helped improve the air quality and environmental footprint in the Company's operational area.

The Company has continuously engaged with the local community and raised their quality of life by distributing food, organising medical camps, health initiatives, and sports activities, which have been widely appreciated. The Company is also engaging with the local administration and community to help during these trying times of COVID-19.

The Company's second asset, Mannargudi block, is situated in the state of Tamil Nadu, and covers an area of 667 sq. km with 0.98 TCF Original Gas-in-Place. The block is currently under Arbitration with the Government.