



2019 Company Results

PT Medco Energi Internasional Tbk
(IDX Ticker: MEDC)

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The following presentation has been prepared by PT Medco Energi Internasional Tbk. (the "Company") and contains certain projections, plans, business strategies, policies of the Company and industry data in which the Company operates in, which could be treated as forward-looking statements within the meaning of applicable law. Such forward-looking statements, by their nature, involve risks and uncertainties that could prove to be incorrect and cause actual results to differ materially from those expressed or implied in these statements. The Company does not guarantee that any action, which may have been taken in reliance on this document will bring specific results as expected. The Company disclaims any obligation to revise forward-looking statements to reflect future events or circumstances

May 2020 Update

Before Covid

- 2027 7NC4 6.375% US\$650 mn to refinance 2021 maturities & 2022N tender/call
- Issued IDR Bond for refinance and optimize Finance Charges
- Sold 10% AMNT; US\$202 mn longstop Q1 2021; option to sell further 10% dependent upon IPO
- Ophir London office closed

After Covid

- Immediate safety protocols for office and field; some locations restarting office work
- Tender offer 2022N at par; well received; saved >US\$25 mn Finance Charges
- Changing Indonesian Gas Price Regulations; all reaffirm Presidential Decree to keep contractor whole
- 2020 US\$150 mn capital - opex reductions guidance increased >US\$200 mn
- Credit ratings reaffirmed
- Planning Rights Issue in Q3

Executive Summary

Consolidated EBITDA US\$660 mn, pro forma Ophir US\$802 mn

Ophir Acquisition: Accretive EBITDA US\$238 mn pro forma; synergies > US\$50 mn pa.

Oil & Gas: Production 103 mboepd, pro forma Ophir 115 mboepd

Oil & Gas: Bualuang Phase 4B first oil and Buntal-5 first gas

Portfolio Rationalization: Tunisia, Mexico sales, AMNT dilution in 2019 and 2020

Credit rating reaffirmed: B+ Fitch, B+ S&P, B1 Moody's , A+ Pefindo

Gross Debt US\$2.5 bn, met Net Debt to EBITDA pro forma Ophir 2.8x

2019 Financial Summary

- Consolidated EBITDA US\$660 mn, pro forma Ophir US\$802 mn
- Ophir acquisition immediately accretive EBITDA US\$238 mn pro forma
- Net Income US\$27 mn loss (2018 Net Loss US\$51 mn) with profits from the Oil and Gas and Power segments, offset by larger AMNT losses US\$49 mn, tax charge on AMNT dilution US\$17 mn, dry hole cost US\$14 mn and MPI provision US\$6.0 mn
- Met restricted group Gross Debt US\$2.5 billion target with US\$300 mn cash applied to Ophir acquisition
- Diluted AMNT, monetized shareholder loan, sold Tunisia & Mexico Block 5
- Restricted Group Net debt to EBITDA 3.4x, pro forma 2.8x
- Capex US\$313 mn, pro forma Ophir Capex US\$356 mn
- Strong liquidity with cash and cash equivalents US\$596 mn, 2020 & 2021 IDR Bond maturities secured in escrow

Operational Summary



- Production 103 mboepd, pro forma Ophir 115 mboepd. Cash costs US\$9.3/boe
- Completed developments in Temelat (South Sumatra), Bualuang Phase 4B (Thailand) and Buntal-5 (Natuna Block B)
- Meliwis gas development (East Java) first gas June/July 2020
- Successful exploration drilling Bronang-2 (Natuna Block B)
- Certified for ISO37001 Anti Bribery Management System



- Power generation sales 2,600 GWh
- Unscheduled maintenance in Sarulla and Batam
- Riau IPP construction completion 76% as of May 2020, in-service Q2 2021
- Won Bali PV tender for 2x25MWp facility and construction has begun on the 26MWp PV facility in Sumbawa



- AMNT 2019 production from stockpile 130 Mlbs copper and 56 Koz gold
- Phase 7 ore mining beginning in June 2020
- Working to extend the smelter project completion by 12-18 months

Active Portfolio Management

Closed and Integrated Value Adding Acquisitions

Acquisitions have added value through enhanced scale, control and organizational competence. Acquisition targets are screened to ensure:

- Improved MedcoEnergi credit status and profitability
- Risks are manageable (knowledge of asset, organization capabilities, subsurface, markets)
- Growth potential and upside

2016	2016	2016/17	2017	2017	2019	2019
South Natuna Sea Block B	PT Newmont Nusa Tenggara	Block A, Aceh	PT Medco Power Indonesia	Macmahon Holdings Ltd.	PT Medco Power Indonesia	Ophir Energy plc
Access to offshore capabilities and Singapore and Malaysia gas market	Copper as a strategic component of electrification	Secured resources and project control	Regain full control of MPI	Access to core capabilities to improve mining operational efficiencies	Secured full alignment of MPI business strategy	Expanded Southeast Asian presence
						
US\$225MM	US\$650MM (net)	US\$65MM	US\$129MM	US\$143MM	US\$38MM	£408MM

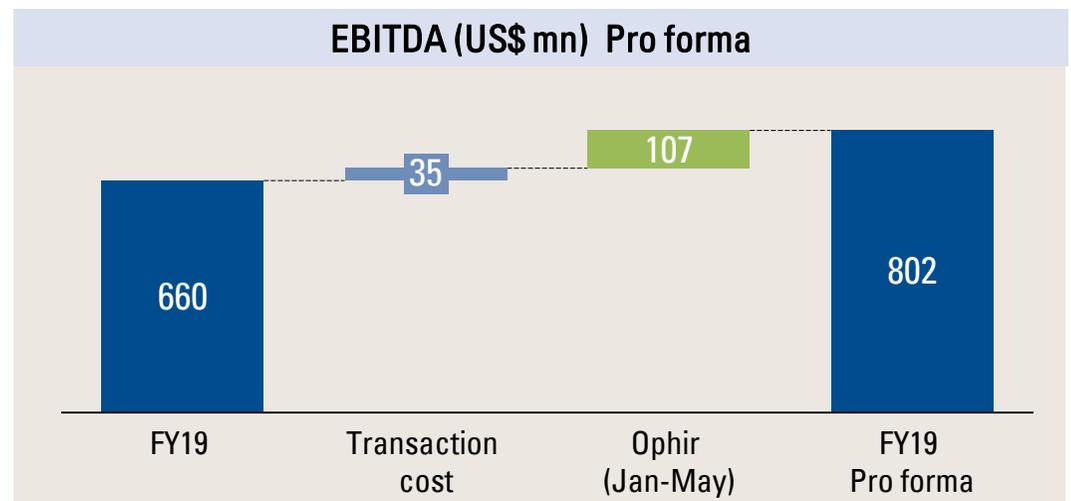
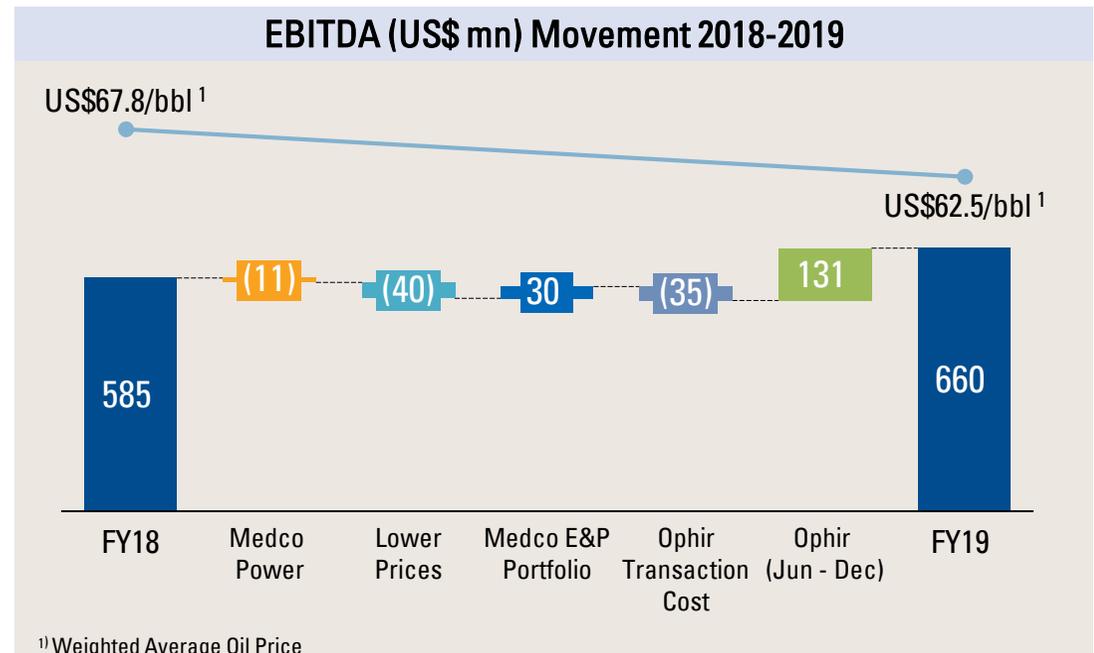
Portfolio Rationalization

- Non-core assets sales to focus business on oil & gas, power, and copper mining
- Further portfolio upgrading through selective asset divestments

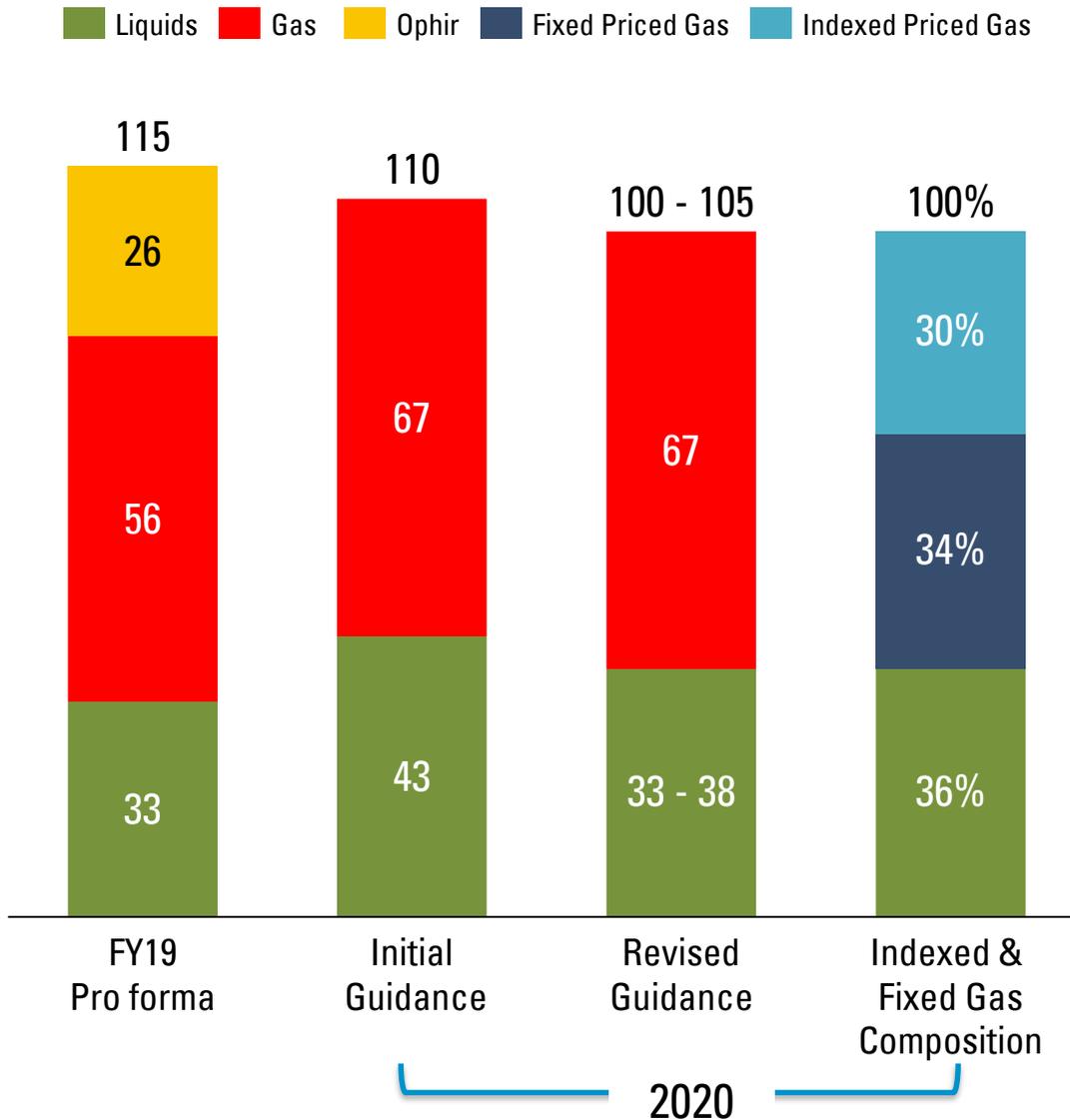
2017	2018	2018/2019	2018/2019	2019	2019	2019	2020
Bawean PSC	Medco Infrastruktur and Medco Mining	AMG (Energy Building)	Amman Mineral (AMNT)	Rimau and SSB PSCs	Mexico Block 5, EG, Aru, W Papua, Bangladesh, Vietnam	USA & Tunisia	Amman Mineral (AMNT)
Divested mature offshore asset	Divested water distribution project and small coal mine	Sale of 51% of property business	Monetized shareholder loan, conversion into AMNT equity, and additional sale of 3.7% of AMNT	Sale of 35% of mature assets	Sale of Ophir's deep water licenses	Sale of mature assets outside Southeast Asia	10% sale of AMNT and sold option for further 10% sale subject to IPO timing
	 						
US\$11MM	US\$17MM	US\$163MM	US\$252MM	US\$50MM	US\$19MM	US\$24MM	US\$212MM

Financial Highlights

- Realized oil priced fell US\$68/bbl to US\$63/bbl
- Ophir full consolidation June – December, offset by one time transaction costs
- Improved EBITDA margin 2019, Block A contribution offset by higher exploration expenses, and asset dispositions
- Ophir acquisition was accretive, after transaction costs and before synergy



2019 and 2020 Guidance: Production



2019 Actual

- Full year production above guidance 103 mboepd; pro forma 115 mboepd

2020 Guidance

- Revised 2020 guidance 100 – 105 mboepd
- Up to 5 mboepd 2020 production deferred due to reduced spending programs
- Potential further 5mboepd deferred if demand weakens
- Policy to hedge maximum 15% of production, up to 7% in put structures and remaining in collars. Targeting Brent floor of US\$55/bbl

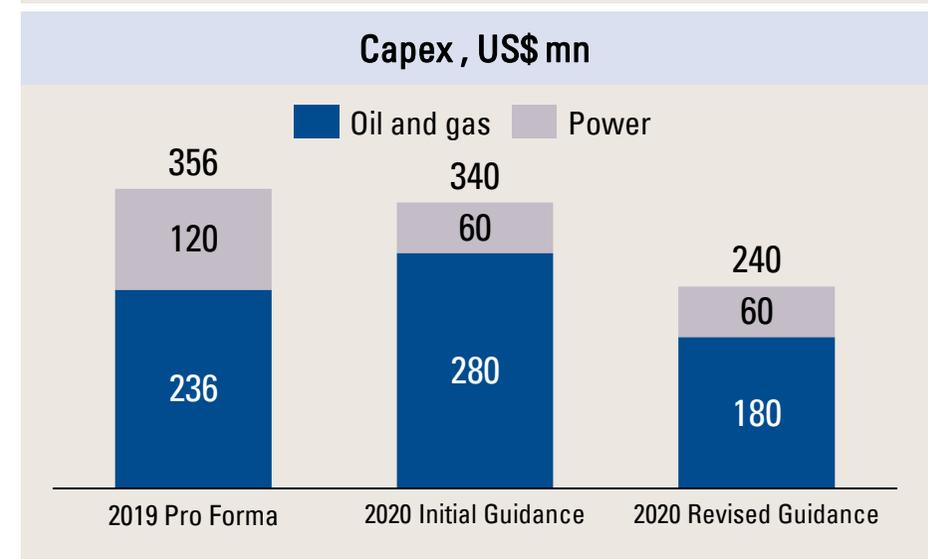
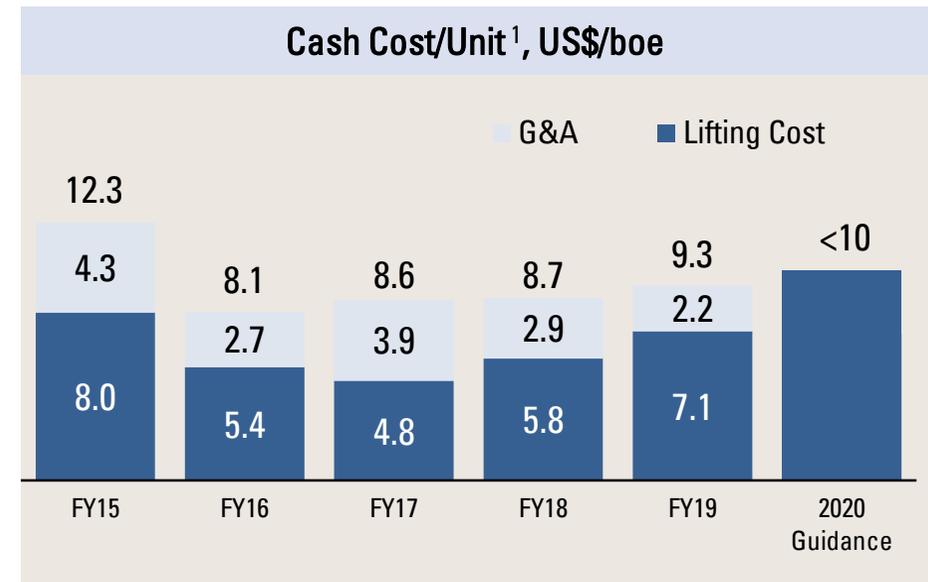
2019 and 2020 Guidance: Expenditure

2019 Actual

- 2019 capex US\$313 mn, US\$356 mn pro forma Ophir; at guidance
- 2019 Oil and Gas unit cash costs US\$9.3/boe¹

2020 Guidance

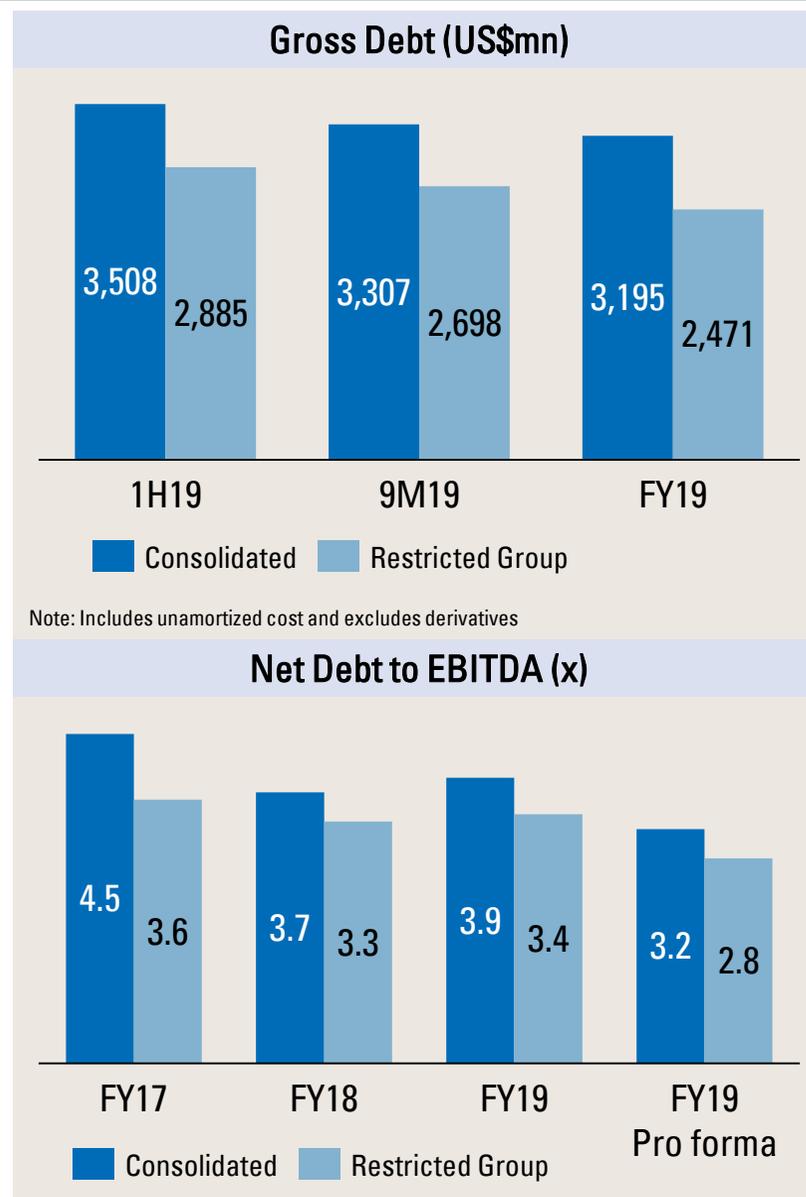
- 2020 Revised capex guidance, with US\$100 mn deferrals and savings
- 2020 expecting US\$80 mn (15%) operating expenditure reduction; targeting US\$100 mn
- Ophir synergies on track, 2020 Unit cash costs maintained <US\$10/boe
- Every 10% full year depreciation in IDR improves unit cost by ~50¢/boe



¹⁾ Unit cash cost excludes production and expenditure on the Oman service contract

Commitment to deleverage

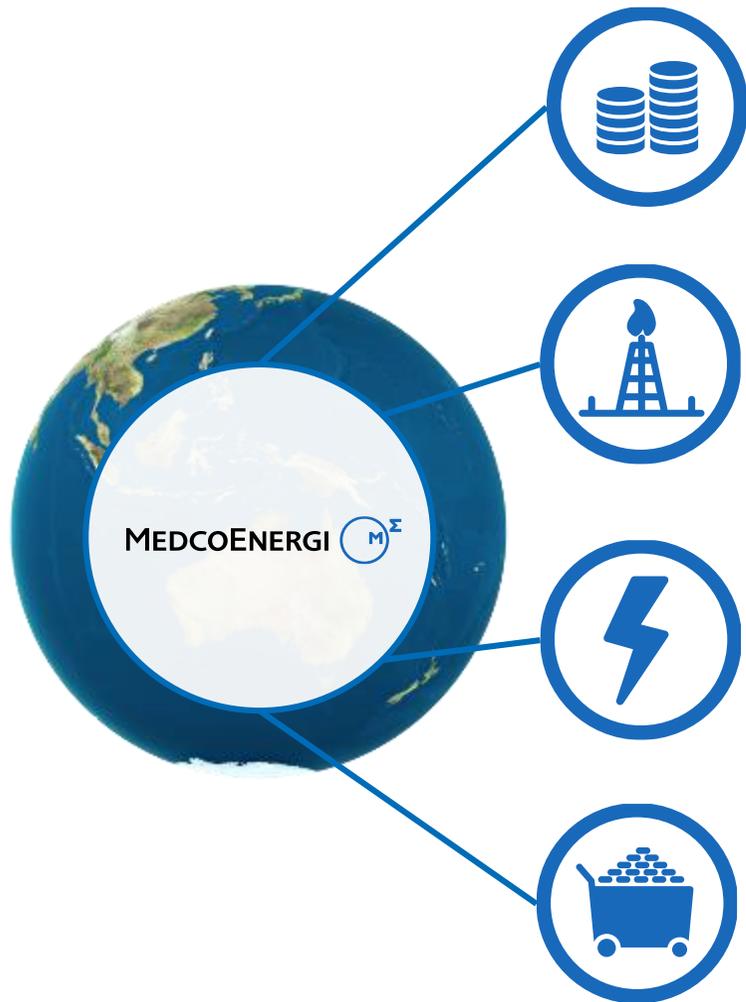
- IDR Bond maturities in 2020 and 2021 secured in escrow
- Year end restricted group Gross Debt, US\$2.5 bn after US\$300 mn cash applied to Ophir acquisition
- 2019 Net Debt US\$2.0 bn, Net Debt to EBITDA¹ pro forma 2.8x below 3.0x target
- Priority debt 6% of Total Assets



¹⁾ Restricted group. Pro forma results assume consolidation from 1 January 2019

What To Expect 2020-2021

Post Covid-19 Focus: Personnel protocols, asset integrity and support for local communities



- Prudent liquidity management and forward planning
- Rights issue completed by Q3 2020
- EBITDA ~US\$250 mn from fixed price TOP gas contracts
- Further portfolio management

- Operating & procurement synergies, cash costs < \$10/boe
- Deferred and reduced capital investment
- Safely complete Meliwis development project
- Cost recovery PSCs support low price environments

- Safely progress Riau IPP, completion mid 2021
- Expanded conventional O&M business
- Complete Ijen geothermal appraisal well drilling
- Complete Bali and Sumbawa PV

- Deliver phase 7 development, first ore production mid 2020
- Smelter project deferral
- Updated JORC for both Batu Hijau and Elang
- Progress IPO plan

Asset Portfolio

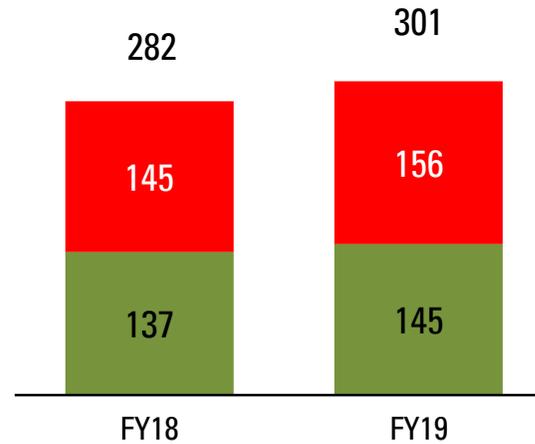


Oil and Gas Statistics

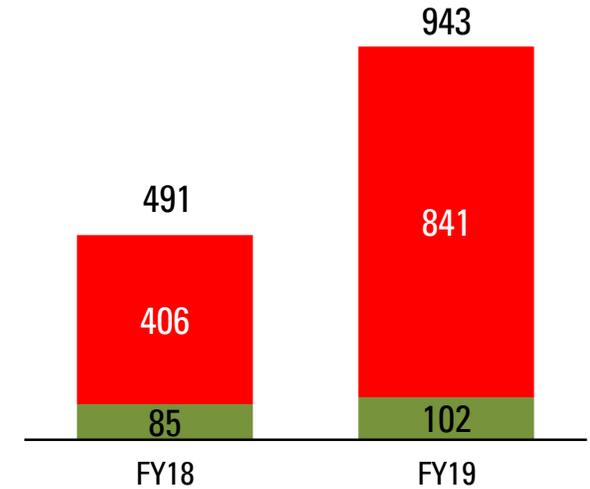
Metrics	FY18	FY19	YoY Δ%
Production^o			
Oil, MBOPD	32.8	39.3	19.8
Gas, MMSCFD	279.2	341.9	22.5
Lifting/Sales			
Oil Lifting, MBOPD	26.5	31.4	18.5
Gas Sales, BBTUPD	267.8	323.7	20.9
Oman Service Contract, MBOPD	7.2	7.3	-
Average Realized Price			
Oil, USD/barrel	67.8	62.5	(7.8)
Gas, USD/MMBTU	6.4	6.7	4.7

- 2019 five-year average 2P Reserves Replacement Ratio 1.1x, with 2P Reserves Life Index of 8.4 Years
- 5-year 2P F&D cost US\$12.5/boe post Ophir acquisition
- Average realized gas price US\$6.7/MMBTU; blend of fixed US\$6.4/MMBTU and indexed US\$7.0/MMBTU contracted gas sales
- Long term gas contracts underpinned by take-or-pay

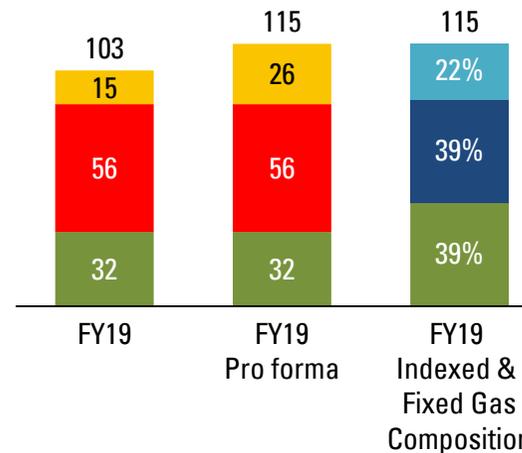
Net 2P Reserves, MMBOE



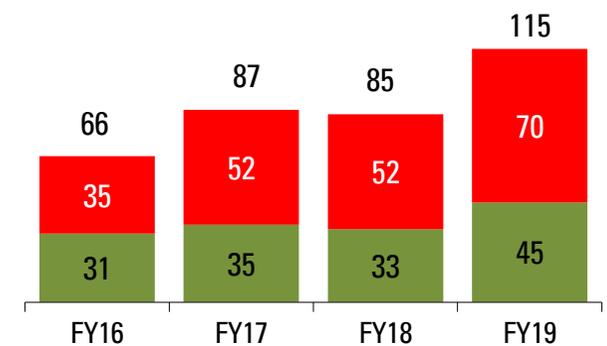
Net Contingent Resources, MMBOE



Net Production^o, MBOEPD



Net Hydrocarbon Production^o, MBOEPD



^o Includes Oman Service Contract and pro forma Ophir

■ Liquids
 ■ Gas
 ■ Ophir
 ■ Fixed Priced Gas
 ■ Indexed Priced Gas

Successful Integration of Ophir

Recurring synergies ~US\$50mn

One-time capital saving
US\$130mn



Business & Process
> US\$5mn

- Centralized treasury functions for cash management and authority matrix
- Accessed restricted cash US\$57mn
- Migrated multiple overseas data centers to Jakarta
- Centralized Procurement Tender Boards
- Business process alignment
- Adopted Medco SAP closing multiple Financial, Procurement and Maintenance systems



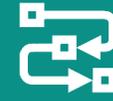
Production & Operations
> US\$10mn

- Standardized HSE incident reporting
- Safe handover of Operations without business interruption
- 2019 Production 26 mboepd (Ophir Initial Guidance: 25 mboepd)
- Ophir assets Proforma Opex/bbl: US\$14/boe (Ophir Initial Guidance US\$16/boe)
- Contract cross assignment to access best rates



People & Offices
> US\$40mn

- London Office and Service office closed end of March 2020
- Headcount reduced by 51 to date. Further 33 by mid 2020
- Ophir staff directly engaged through 'Integration Management Office'
- Integrated Organizations and localized manpower.



Capital & Projects
US\$130mn

- Portfolio rationalization US\$100mn+ savings
- Safe handover of Bualuang and Meliwis Projects without disruption
- Contract cross assignment to access best rates
- 2019 Capex US\$166mn (Ophir Initial Guidance US\$150mn)

Financial Statistics (2018 vs 2019)

Average Realized Price			Revenue			Gross Profit			EBITDA		
Oil Price	US\$62.5 /bbl	8%	Incl. MPI	US\$1,438 million	18%	Incl. MPI	US\$592 million	6%	Incl. MPI	US\$660 million	13%
Gas Price	US\$6.7 /MMBTU	5%	Excl. MPI	US\$1,163 million	18%	Excl. MPI	US\$495 million	8%	Excl. MPI	US\$594 million	17%
Blended Price	US\$47 /boe	--	Pro forma Ophir	US\$1,335 million	36%	Pro forma Ophir	US\$570 million	7%	Pro forma Ophir	US\$736 million	45%
Cash & Cash Equivalent ¹			Total Debt			Net Debt to EBITDA			Debt to Equity		
Incl. MPI	US\$596 million	5%	Incl. MPI	US\$3,195 million	14%	Incl. MPI	3.9 times	6%	Incl. MPI	2.4 times	16%
Excl. MPI	US\$433 million	16%	Excl. MPI	US\$2,471 million	12%	Excl. MPI	3.4 times	3%	Excl. MPI	2.1 times	2%
Pro forma Ophir	US\$433 million	16%	Pro forma Ophir	US\$2,471 million	12%	Pro forma Ophir	2.8 times	17%	Pro forma Ophir	2.2 times	6%

Ophir results are consolidated from 1 June 2019. Pro forma results assume consolidation from 1 January 2019. Pro forma Ophir in this slide includes only restricted group

¹⁾ Cash & Cash Equivalent includes restricted cash in banks



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