



MEDCOENERGI

**MedcoEnergi Announces
Audited Full Year 2020 Results**

Summary Results

Financial

- EBITDA US\$502 million
- Gross Profit US\$322 million
- Gross Debt US\$2.7 billion and Net Debt US\$2.3 billion
- Cash and cash equivalents US\$446 million

Operational

- Oil and gas production 100 mboepd
- Power sales 2,639 GWh, 31% from renewable sources
- Oil and gas cash production costs US\$9.0 per boe
- Capital expenditures US\$207 million

Jakarta, 31 May 2021 – PT Medco Energi Internasional Tbk¹ announces its 2020 full-year financial results (“FY2020”).

Roberto Lorato, CEO said “Clearly the low energy demand caused by the pandemic significantly impacted our performance last year. We had to adapt quickly to extraordinary circumstances in order to secure the health and safety of our employees, support local communities and manage our liquidity. Commodity prices have improved in 2021 but the pandemic is not over and gas volumes in some of our key markets remain subdued. We need to remain disciplined, but retain the flexibility to take advantage of the expected recovery.”

Financial Highlights

- EBITDA US\$502 million, 20% below 2019 due to lower gas demand and liquids prices.
- Oil prices US\$40.3/bbl, 36% below 2019 (US\$62.5/bbl) and gas prices US\$5.2/mmbtu, 23% below 2019 (US\$6.7/mmbtu).
- Full year 2020 was a US\$189 million loss, including Q4-2020 one-time non-cash write-downs of US\$93 million. Q4-2020 reported a Net Profit of US\$9 million, before impairments as liquids prices began to recover.
- AMNT² reported a US\$25 million profit with mine ore from the Phase 7 development benefiting from higher copper and gold prices.
- Oil & Gas capex was US\$144 million to complete the Meliwis project in East Java and four successful exploration wells in Natuna. Power capex was US\$63 million, to progress the Riau CCPP development and Ijen geothermal exploration drilling.
- Cash from Operations after capex was positive despite the low energy demand, with focused expenditure reductions and Ophir synergies. Cash and equivalents were US\$446 million.
- Supportive shareholders and proactive Liability Management allowed continued deleveraging.
- Debt was US\$2.7 billion, down 15% from 2019. Restricted group³ debt was US\$2.3 billion, down 6% and Net Debt³ was US\$2.0 billion, down 4% from 2019. Net Debt to EBITDA³ was 4.2x.
- Medco joined the Carbon Disclosure Project and will report in alignment with the TCFD⁴ recommendations for 2020 onwards.
- Scope-1 Green House Gas emission intensity continued to improve, reduced by 12% since 2018 and a multi-year forestation program removed 363,595 tons⁵ of CO2 from the atmosphere in 2020.

¹ PT Medco Energi Internasional Tbk (“MedcoEnergi” or “Company”)

² PT Amman Mineral Nusa Tenggara (“AMNT”)

³ Excluding PT Medco Power Indonesia (“MPI” or “Medco Power”)

⁴ Task Force on Climate-Related Financial Disclosure

⁵ Voluntary planting above permit compliance



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Operational Highlights

Oil and Gas

- Production 100mboepd, affected by low gas demand. Gas demand is recovering in 2021, but is still below pre pandemic levels.
- Oil and Gas cash costs US\$9.0/boe, and within guidance.
- Four commercial exploration gas discoveries were made in the South Natuna Sea Block B PSC with the Bronang-2, Kaci-2, West Belut-1 and Terubuk-5 wells.
- Completed the integration of Ophir Energy's systems, organization and office space.

Medco Power

- Power generation sales were 2,639 GWh, 31% from renewable sources.
- Medco Power formed a Strategic Alliance with the Kansai Electric Power Company to operate and develop gas IPP facilities.
- Exploration wells in Ijen, East Java discovered a steam reservoir and work is underway to prove the commercial viability of a new geo-thermal power facility.
- The 275MW Riau CCPP is 97% complete with commercial operation expected in Q4-2021 and construction is progressing on the 26MWp PV facility in Sumbawa for completion in Q1-2022.

AMNT

- AMNT began processing pit ore from Phase 7 and produced 294 Mlbs copper and 132 Koz gold from pit ore and stockpile processing in 2020.
- A Phase 8 development is now in progress.
- AMNT obtained a one year extension on its export license for a 579,444 Wet Metric Tons.

2021 Full Year Guidance

Company 2021 guidance:

- Oil & Gas production 95 mboepd
- Power sales 3,000 GWh
- Oil & gas unit cash costs below US\$10/boe
- Capital expenditures Oil & Gas US\$150 million and Power US\$65 million

Hilmi Panigoro, President Director, said "With the completion of our Kansai Electric alliance, exploration success and AMNT returning to profit it is pleasing to see Medco emerging from this difficult time as a stronger company. We are starting to see gains from our efforts on emissions and are renewing our medium term ESG and Energy Transition targets."

PT Medco Energi Internasional Tbk. ("MedcoEnergi") is a leading Southeast Asian Energy and Natural Resources company listed on the Indonesia Stock Exchange (MEDC-IDX). MedcoEnergi has three business segments, Oil & Gas, Power and Mining. MedcoEnergi explores for and produces oil and gas primarily in Indonesia and is expanding its presence in the Southeast Asia. The Group operates gas, geothermal and hydro power plants in Indonesia through Medco Power and a non-consolidated interest in Amman Mineral Nusa Tenggara which operates a large Indonesian copper and gold mine in Indonesia.

This document may contain projections, plans, strategies, policies and objectives of MedcoEnergi which should be treated as forward looking statements within the meaning of applicable law. Forward looking statements, by their nature, involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied in these statements. The Company does not guarantee that any action taken in reliance on this document will bring specific results.

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