



**MEDCOENERGI**

## MedcoEnergi Announces First Quarter 2021 Results

### Summary Results

#### Financial

- EBITDA US\$159 million.
- Net Income US\$5 million.
- Net Debt to EBITDA<sup>2</sup> 3.0x.
- Cash and cash equivalents US\$695 million.

#### Operational

- Oil and gas production 101 mboepd.
- Medco Power generated sales of 666 GWh.
- Oil and gas cash production costs US\$8.7 per boe.
- Capex expenditures US\$9 million.

Jakarta, 26 June 2021 – PT Medco Energi Internasional Tbk<sup>1</sup> announces its consolidated financial statements for the period ended 31 March 2021 (“1Q 2021”).

Roberto Lorato, CEO said, “I am pleased to see these improved results with positive Net Income and rising EBITDA. Commodity prices appear to have recovered, although gas demand remains weak. Our operational and safety performance remain strong, though the pandemic is clearly not over and we must maintain our strict health protocols.”

#### **Financial Highlights**

- EBITDA US\$159 million, almost double from Q4-2020 mainly due to recovering commodity prices. Oil prices were US\$58.8/bbl, 14% higher year-on-year (US\$51.3/bbl) with gas prices US\$5.7/mmbtu, essentially flat.
- Net Income was US\$5.1 million due to both Oil and Gas operations and Amman Mineral Nusa Tenggara generating positive earnings and benefiting from recovering commodity prices.
- Oil & Gas capex was US\$6 million, low gas demand allowing expenditure deferrals. The Company will retain financial flexibility to respond to improved gas demand. Power capex was US\$3 million to progress commissioning of the Riau 275MW CCGPP.
- Net Debt to EBITDA<sup>2</sup> was 3.0x, significantly improved following higher commodity prices and recent deleveraging. Restricted Group Debt<sup>2</sup> was US\$2.3 billion, down 14% and Net Debt<sup>2</sup> US\$1.8 billion, down 7% from 1Q-2020. Consolidated Debt was US\$2.7 billion, down 19% from 1Q-2020.
- The Company has cash and cash equivalents of US\$695 million. 2021 IDR Bond maturities are secured in escrow and due to proactive liability management average loan life is now 5.1 years.
- MedcoEnergi joined the Carbon Disclosure Project and will report in alignment with the TCFD<sup>3</sup> recommendations for 2020 onwards.

<sup>1</sup> PT Medco Energi Internasional Tbk (“MedcoEnergi” or “Company”)

<sup>2</sup> Excluding PT Medco Power Indonesia (“MPI” or “Medco Power”)

<sup>3</sup> Task Force on Climate-Related Financial Disclosure



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## Operational Highlights

### Oil and Gas

- Oil and gas production was 101 mboepd, flat year-on-year despite a larger gas portfolio. Gas demand remains subdued, notably in Aceh and East Java.
- Unit cash costs were US\$8.7 per boe, in line with full year guidance.
- South Natuna Sea Block B has been granted improved economic terms upon completion of the ongoing Forel oil development.
- Conducted an acid fracturing program on two Alur Siwah wells to optimize future gas production in Aceh.

### Medco Power

- Medco Power generated sales of 666 GWh, a 4% decrease year on year, mainly due to lower electricity demand, 32% was generated from renewable sources in Q1-2021.
- The Riau 275MW CCGPP is 97% complete, commissioning is continuing and the facility is on track for commercial operation in Q4-2021.
- The strategic alliance with Kansai Electric Power Company closed on 31 March 2021, strengthening Medco Power competitiveness in future gas power projects.
- Construction is progressing on the Solar 26MWp PV facility in Sumbawa, with commercial operation expected in 1Q-2022.

### AMNT

- AMNT produced 48 Mlbs of copper and 34 Koz of gold as AMNT continued to access pit ore from Phase 7. 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 and smelter project completion 27% as of January 2021.

### 2021 Full Year Guidance

#### 2021 Company 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, "Both MedcoEnergi and our communities have faced some very challenging times due to the COVID-19 pandemic. We have made a positive financial start to 2021 and MedcoEnergi will continue to support the recovery, including renewing our commitment to long term sustainable economic and social development."

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.