



**MEDCOENERGI**

**MedcoEnergi Announces  
Audited First Half 2021 Results**

**Summary Results**

Financial

- EBITDA US\$318 million.
- Gross Profit US\$234 million.
- Net Debt to EBITDA<sup>1</sup> 3.1x.
- Strong liquidity with cash and cash equivalents US\$551 million.

Operational

- Oil & gas production 94 mboepd.
- Medco Power generated sales of 1,355 GWh.
- Oil & Gas cash production cost US\$9.6 per boe.
- Capex expenditures US\$28 million.

Jakarta, 26 October 2021 – PT Medco Energi Internasional Tbk<sup>2</sup> announced its audited results for the period ended June 30, 2021 (“1H-2021”).

Roberto Lorato, CEO, said “I am pleased to report improving first half results. Prices in the second half of 2021 have continued to improve and domestic gas demand is beginning to recover after Indonesia’s economic lockdowns. We have now published our Climate Change Strategy with the initial actions to reach Net Zero for Scope 1 and Scope 2 emissions by 2050, and Scope 3 by 2060.”

**Financial Highlights**

- EBITDA 1H-2021 was US\$318 million, a 15% increase year-on-year, mainly due to recovering commodity prices. Oil prices were US\$62.3/bbl, 61% higher year-on-year (US\$38.7/bbl) and weighted average gas prices were US\$5.9/mmbtu, 8% higher year-on-year (US\$5.4/mmbtu).
- EBITDA in the second quarter 2021 was US\$159million, slightly below first quarter EBITDA despite higher oil prices due to unplanned downtime and the associated costs in our international and Aceh assets.
- Net Profit in 1H-2021 was US\$46.5 million. All three business segments reported profit with Oil & Gas US\$88 million, Power US\$22 million and Amman Mineral Nusa Tenggara (AMNT) US\$33 million as Phase 7 performance continues to ramp up and were offset by headquarters and financing charges.
- Capital expenditures were US\$28 million consistent with the lower activity during COVID-19 restriction in 1H-2021. Expenditure will increase in the second half but full-year capital expenditure will remain inside the Company’s 2021 guidance.
- Cash and cash equivalents at 1H-21 were US\$551 million. Consolidated debt was US\$2.6 billion, down 14% from 1H-2020. Restricted group<sup>3</sup> debt was US\$2.2 billion, down US\$442 million year-on-year with Net Debt<sup>3</sup> US\$1.8 billion and Net Debt to EBITDA<sup>1</sup> 3.1x.
- The Company will continue to proactively manage its liabilities and deleverage quarter on quarter. All 2021 and 2022 IDR Bonds maturities, US\$123 million are secured in escrow.

**Operational Highlights**

**Oil & Gas**

- Oil & Gas production was 94 mboepd, down 7% from 1H-2020 due to maintenance and unplanned downtime, with domestic gas demand continuing to be subdued during Indonesia’s second quarter COVID lockdowns. Oil & Gas production cost per unit was US\$9.6 per boe.
- Oil & Gas capital expenditure was spent progressing several Oil & Gas development projects in the South Natuna Sea Block B PSC. These developments will continue into 2022 with first gas on the Hiu field expected

<sup>1</sup> Annualized and excluding PT Medco Power Indonesia (“MPI” or “Medco Power”)

<sup>2</sup> PT Medco Energi Internasional Tbk (“MedcoEnergi”, “Medco” or “Company”)

<sup>3</sup> Excluding Medco Power



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in 2Q-2022, first gas on Belida Extension Project in 4Q-2022 and first oil on the Forel field and gas on Bronang field expected in 4Q-2023.

### Medco Power

- Medco Power generated sales of 1,355 GWh in 1H-2021 with approximately 33% from renewable sources. Power sales rose by 19% year-on-year, mainly due to improving steam performance at Sarulla Geothermal offset by lower electricity demand in Batam during local lockdowns.
- Power capital expenditure was spent to continue commissioning the 275 MW Riau IPP, construction of the 26 MWp Solar PV facility in Sumbawa and the 30 MW Phase-1 geothermal development at Ijen.
- Medco Power announced that with a consortium it will develop a 100 MW pilot Solar Power Import Project with an installed generation capacity of 670 MWp from Indonesia to Singapore at Bulan Island, Kepulauan Riau Province following the award of an in-principle import license from Singapore's Energy Market Authority.

### AMNT

- AMNT produced 103.1 Mlbs of copper and 55 Koz of gold. Pit ore mining from Phase 7 is continuing as is the development of Phase 8.
- AMNT won two Mining Practice Awards from the Indonesian Energy and Mineral Resources Ministry for its contribution to the environmental and conservation management.

### 2021 Full Year Guidance

Company 2021 guidance is as follows:

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

Hilmi Panigoro, President Director, said "I am pleased to see our improved performance. The announcement of the Bulan Island Solar Power Project is another step towards our Climate Change Strategy and I fully endorse MedcoEnergi's commitment to achieve Net Zero by 2050."

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 key business segments, Oil & Gas, Clean Power and Copper Mining. MedcoEnergi explores for and produces oil and gas primarily in Indonesia and is expanding its presence in Southeast Asia. The Group operates gas, geothermal and hydro power plants in Indonesia through Medco Power Indonesia and a non-consolidated interest in Amman Mineral Nusa Tenggara which operates a large Indonesian copper and gold mine.

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.