



## Company Update

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PT Medco Energi Internasional Tbk  
Jakarta, 17 March 2020

**Welcome to the event**  
**Call will start at 8:00PM JKT**

# Summary

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- Tender Offer for 2022 Notes provides immediate liquidity (T+3) to investors by redeeming 2022 Notes at par, plus accrued interest
- Allows Medco to deleverage earlier and reduce negative carry
- Reducing 2020 capital & opex programs by ~\$150mn
- Deferral of 5mboed production due to lower investment and potential up to 5mboed due to softening oil demand
- In this low price environment, Medco has sufficient liquidity and supporting structures in place

# Strong Liquidity

- Cash and equivalents US\$1.2bn, undrawn facilities US\$250mn
- Three structures giving low price support
  - Fixed price TOP gas contracts 34% of 2020 production annual EBITDA floor ~US\$250mn
  - Cost recovery PSCs provide full recovery of expenditure before profit split
  - Hedging in place with floor US\$55/bbl Brent
- Gas contracts with TOP to blue chip customers:
  - Indexed-price: Sembrgas, Petronas & DS-LNG
  - Fixed-price: PLN, Pertamina, PGN & Petronas

## Near Term Maturities as at 29 Feb 2020

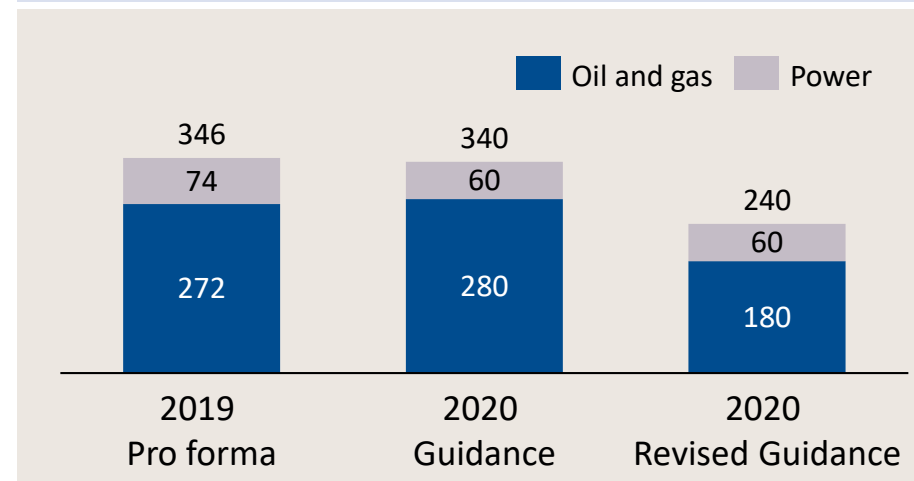
US\$ mn	Before Escrow
2020	115
2021	438
<b>RG Near Term Maturities</b>	<b>553</b>

Note: RG is Restricted group excluding Medco Power

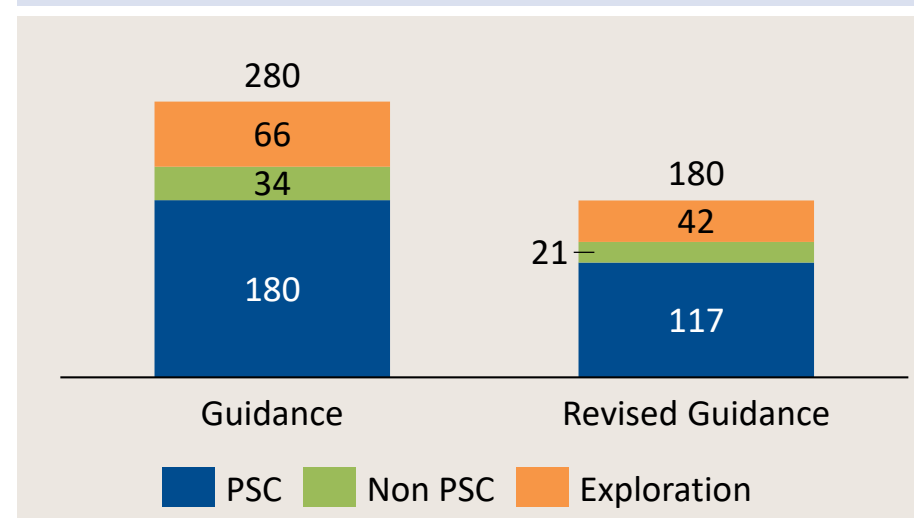
# 2020 Revised Guidance

- Targeting ~US\$100 mn 2020 Capex deferrals and savings, with potential for further 2021 reductions
- Defers ~5mboepd into 2021 and beyond
- Unchanged production capacity:
  - Bualuang Phase 4B Q4-19 [Thailand]
  - Temelat gas Q4-19 [Indonesia PSC]
  - Buntal-5 gas Q1-20 [Indonesia PSC]
  - Meliwis gas Q2-20 [Indonesia PSC]
- Identifying 15% Operating expenditures reduction in 2020 and 2021
- Improved Ophir synergies impacting 2020
- Unit cash costs maintained <\$10/boe

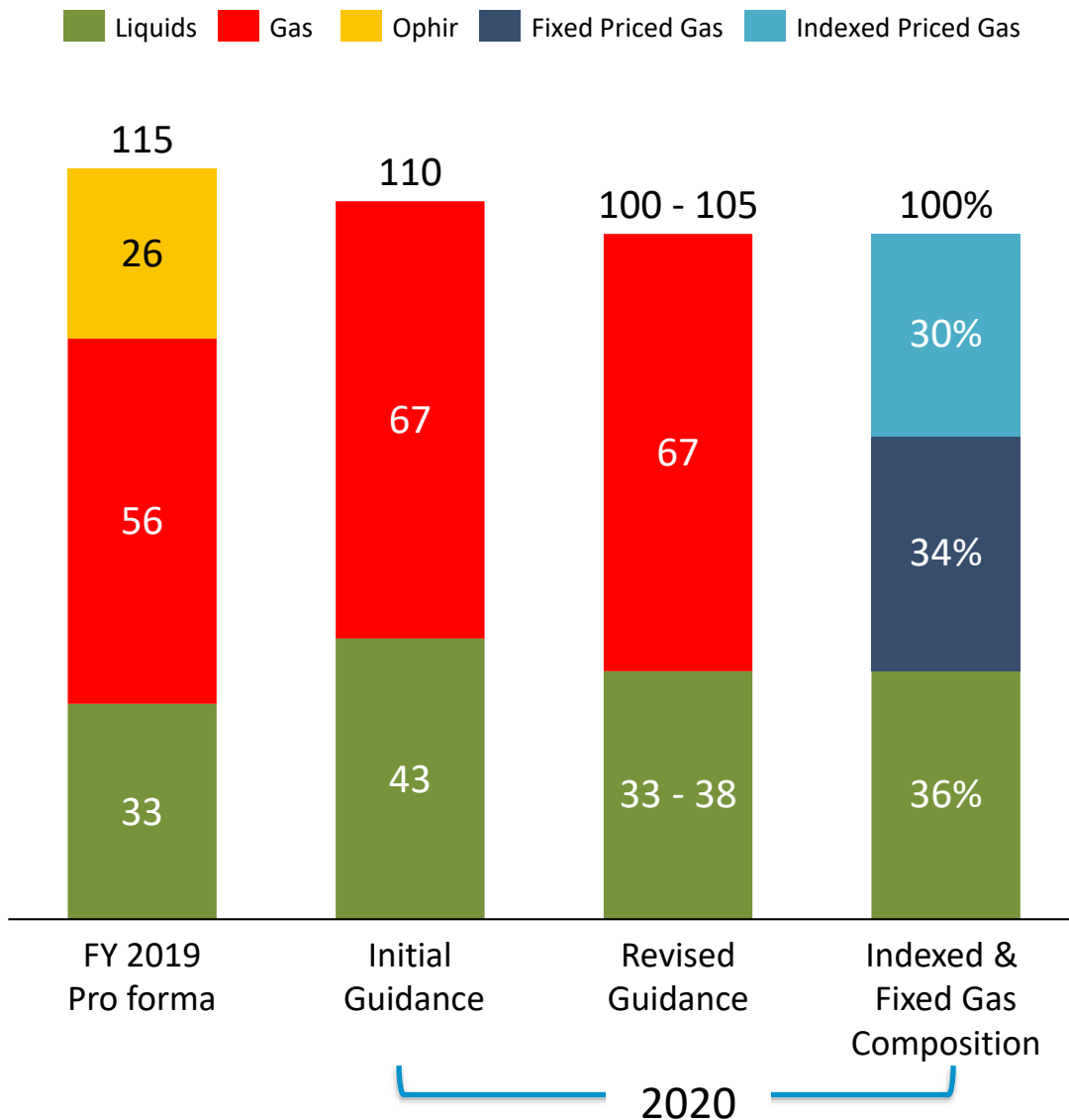
## Consolidated Capex, US\$ mn



## 2020 EP Capex Guidance, US\$ mn



# 2020 Revised Guidance



- Revised 2020 guidance 100 – 105mboepd
- Up to 5mboepd 2020 production deferred due to reduced spending programs
- Potential further 5mboepd liquids curtailment if demand weakens
- Total deferral of 5 – 10mboepd 2020 production due to lower investment and potential low demand

# 2020 Revised Guidance

## 2020 Guidance



## 2020 Revised Guidance



Note:

1) Capex includes US\$60mn of Medco Power



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