



# 1H 2023 Company Results

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PT Medco Energi Internasional Tbk  
(IDX Ticker: MEDC)  
Jakarta, October 2023



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PT Medco Energi Internasional Tbk ESG Risk Rating places it 25<sup>th</sup> in the Oil & Gas Producer industry and 23<sup>rd</sup> in the Oil & Gas Exploration and Production sub industry assessed by Sustainalytics. This Sustainability Report contains information developed by Sustainalytics ([www.sustainalytics.com](http://www.sustainalytics.com)). Such information and data are proprietary of Sustainalytics and/or its third party suppliers (Third Party Data) and are provided for informational purposes only. They do not constitute an endorsement of any product or project, nor an investment advice and are not warranted to be complete, timely, accurate or suitable for a particular purpose. Their use is subject to conditions available at <https://www.sustainalytics.com/legal-disclaimers>



MEDCOENERGI

# KEY MESSAGES

✓ Solid Operational Performance

✓ Improving Oil Prices

✓ Successful AMMN IPO

✓ Deleveraging and Dividends

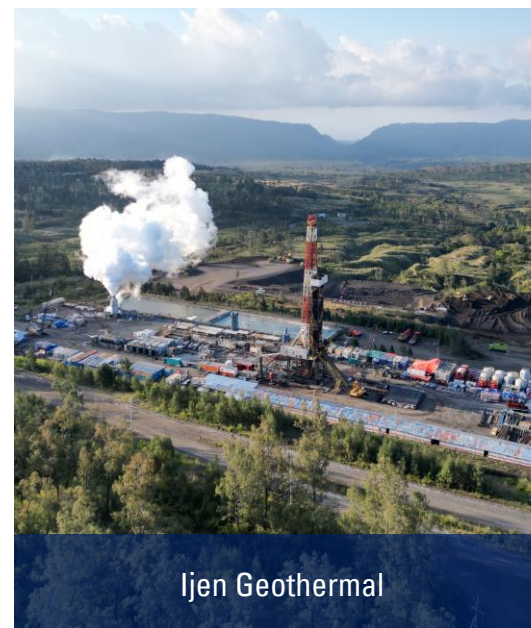
✓ Project Delivery

✓ Portfolio Management

✓ Energy Transition



Corridor - Central Grissik Plant



Ijen Geothermal



Sumbawa PV

# PERFORMANCE UPDATE

## FINANCIAL & OPERATIONAL PERFORMANCE



- Meet or exceed all 2023 operational guidance
- Full year 2023 EBITDA and Net Income consensus
  - AMMN Q2 2023 Net Income lower
- Medco has grown substantially since 2018
  - Hydrocarbon production 1.88x
  - Reserves and resources 2.40x and 1.60x
  - Power Generation capacity 1.42x
  - Gas: Liquids mix risen from 62% to 80%

## ENERGY TRANSITION AND SUSTAINABILITY



- On track to deliver 2025 and 2030 Climate Change targets
- EMA conditional import permit 600MW Bulan PV
- CCS studies in progress on Natuna and Corridor
- Batam combined cycle expansion PPA signed
- Natuna Bronang platform placed in service
- Progressing Ijen Geothermal and Bali PV projects

## GROWTH



- 20% CSPA non-op interest in Middle East producing asset
- Tanzania LNG project Government approvals progressing
- Natuna new exploration PSC, Beluga
- Corridor domestic GSAs in progress
- Natuna, Corridor and Ijen developments

## CAPITAL STRUCTURE

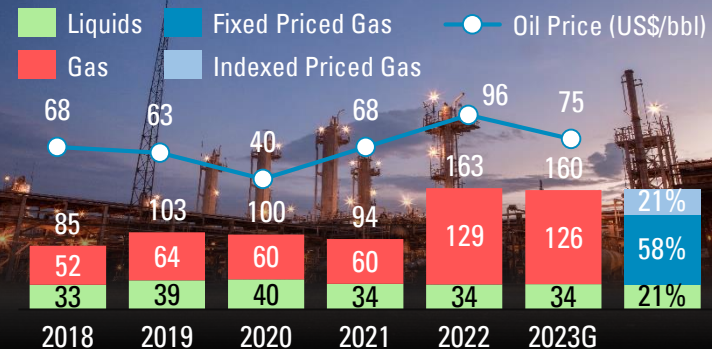


- Shareholder return 25% p.a. over 2018 – 2023<sup>1</sup>
- Dividend guidance IDR15-20/share
- Post AMMN IPO Medco ownership~21% of this US\$26+bn listed company
- Will de-lever to 2018 debt levels by 2023 year-end

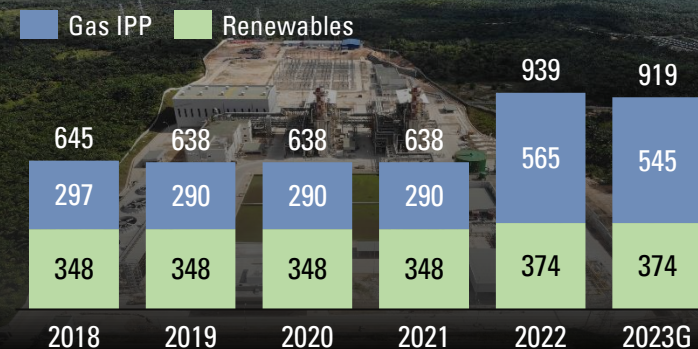


# OPERATIONAL AND FINANCIAL PERFORMANCE 2018 – 2023

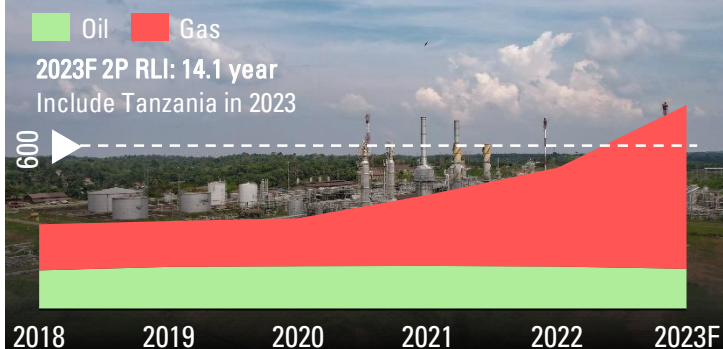
## HYDROCARBON PRODUCTION (MBOEPD)



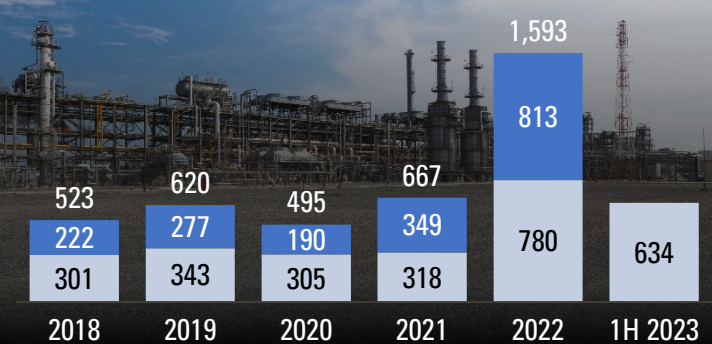
## POWER CAPACITY (MW)



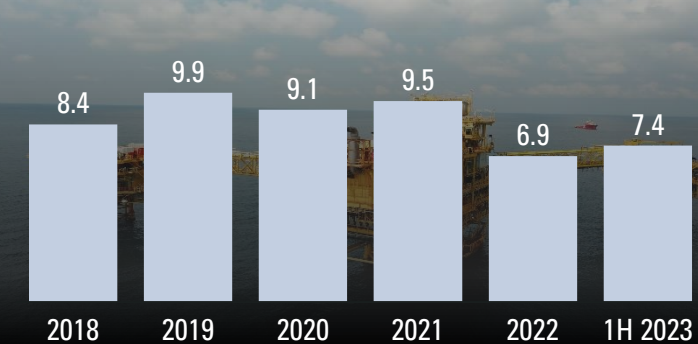
## 2P RESERVES (MMBOE)



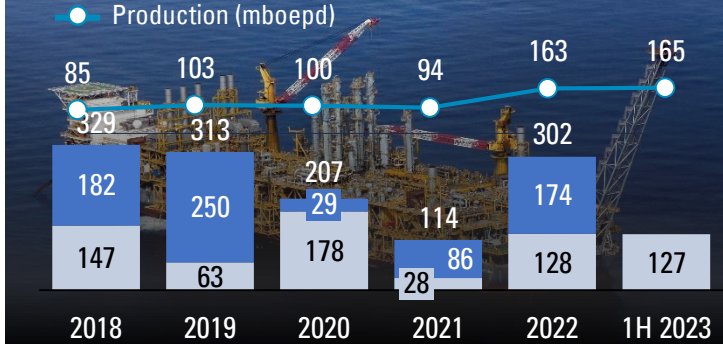
## EBITDA (US\$m)



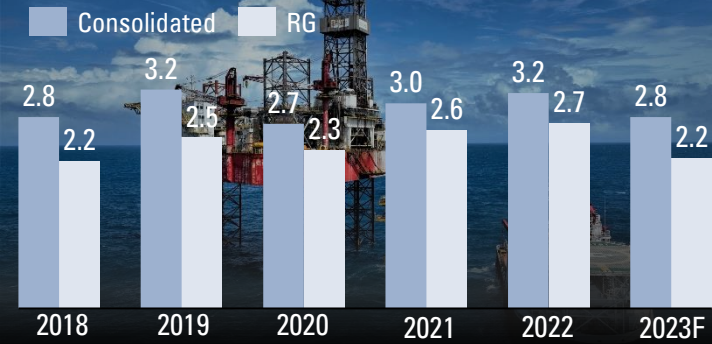
## CASH COST (US\$/boe)



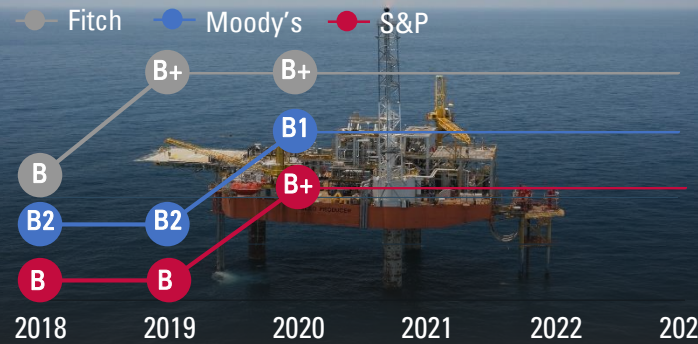
## CAPITAL SPEND (US\$m)



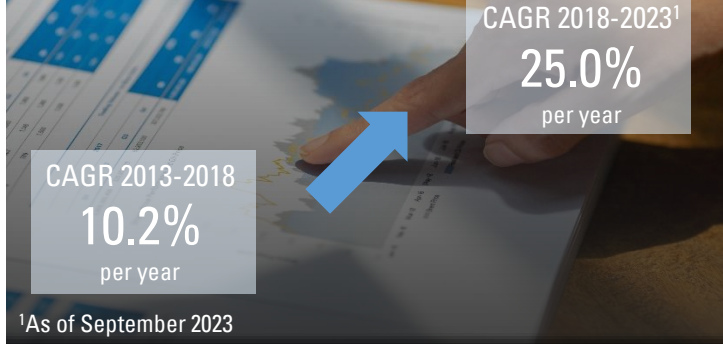
## DELEVERAGING (US\$bn)



## CREDIT RATING



## SHAREHOLDER RETURN



# WHAT TO EXPECT NEXT



New GSAs on Corridor and Senoro



Additional reserves from Corridor, Natuna, Senoro and Tanzania



Dividend payments and debt repayments



Selective portfolio management; close the Middle East acquisition



Complete ongoing Natuna projects; progress Corridor, Senoro and Tanzania developments



Investment decision on Bali PV; progress Bulan PV and Ijen Geothermal



Maintain ESG improvement trajectory and expand Energy Transition capability



MEDCOENERGI

# BUSINESS STRATEGY IS DELIVERING

Building a Leading Southeast Asian Energy and Natural Resources Company



## Oil & Gas



- Aggregator of large, mature producing assets
- Extend reserve life and add value through low risk exploration on producing licenses
- Increase efficiency, abate emissions, grow gas portfolio as a Transition Fuel
- Continue trajectory on ESG and credit ratings to deliver long term shareholder return



## Clean Power



- Grow Clean and Renewable Portfolio with larger scale projects
- Transition to Low Carbon Energy
- Build expertise on Geo-thermal, PV, LNG and Hydrogen



## Copper & Gold Mining



- World class copper resource
- Significant resource discoveries on the existing license
- Growing electrification will continue to support copper demand
- Successful IPO, current market cap US\$26+bn
- Medco owns ~21% of AMMN



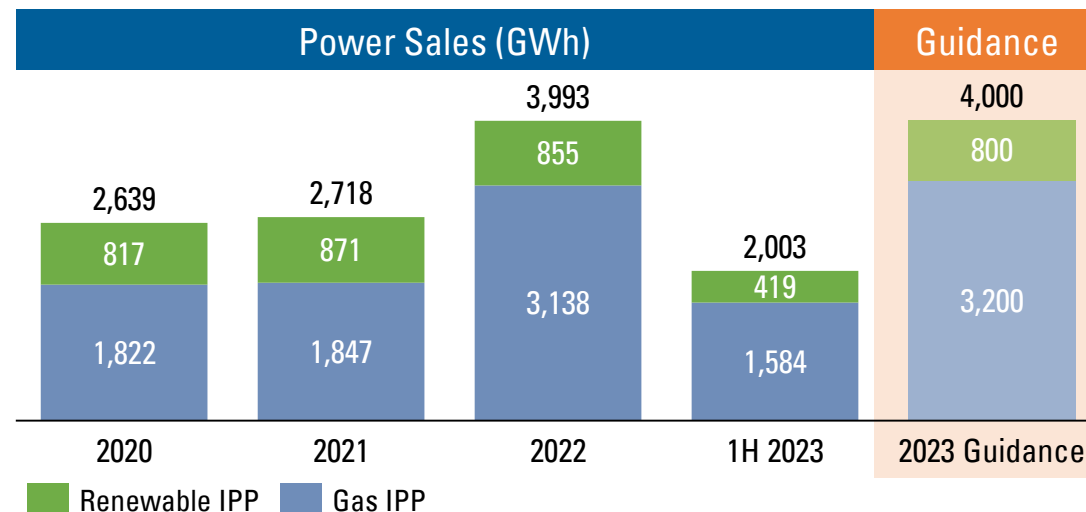
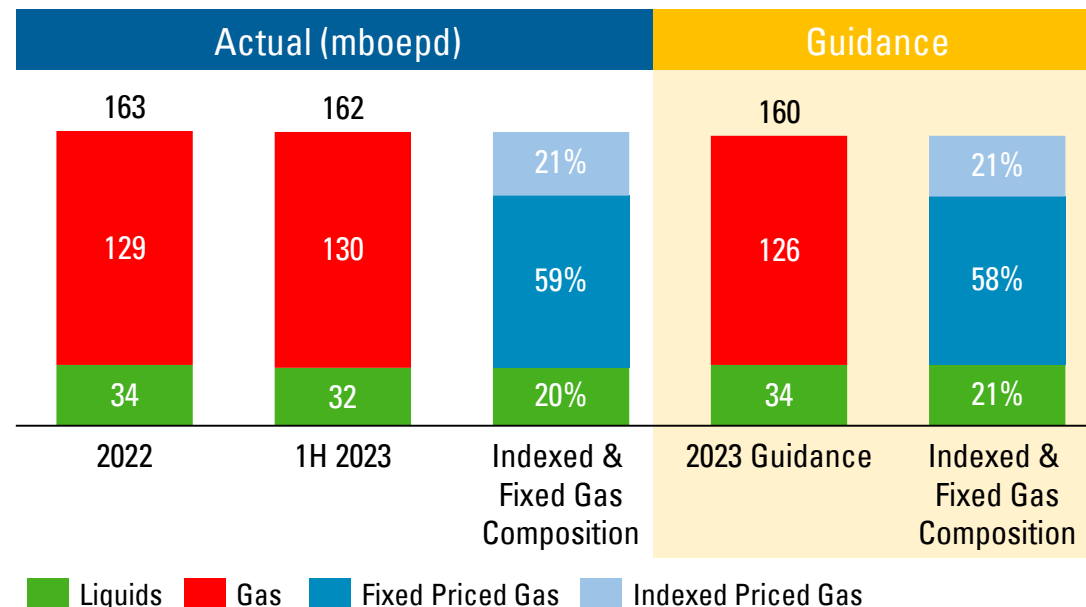
# PRODUCTION & POWER SALES

## 1H 2023

- Oil & Gas production 162 mboepd
- Production 80% gas and 20% liquids; 42% total production exposed to current price environment, 58% production at fixed prices
- Power 2,003 GWh sales following the Riau IPP 275 MW and Sumbawa PV 26 MWp new facilities

## 2023 Guidance

- Production guidance 160 mboepd
- Fixed price gas contracts with strong counterparties are natural hedge
- Hedged 4.3% of 2H-23 production at US\$51.86/bbl and 1.5% of 2024 production at US\$60/bbl
- Power sales guidance 4,000 GWh with 20% from Renewable IPP





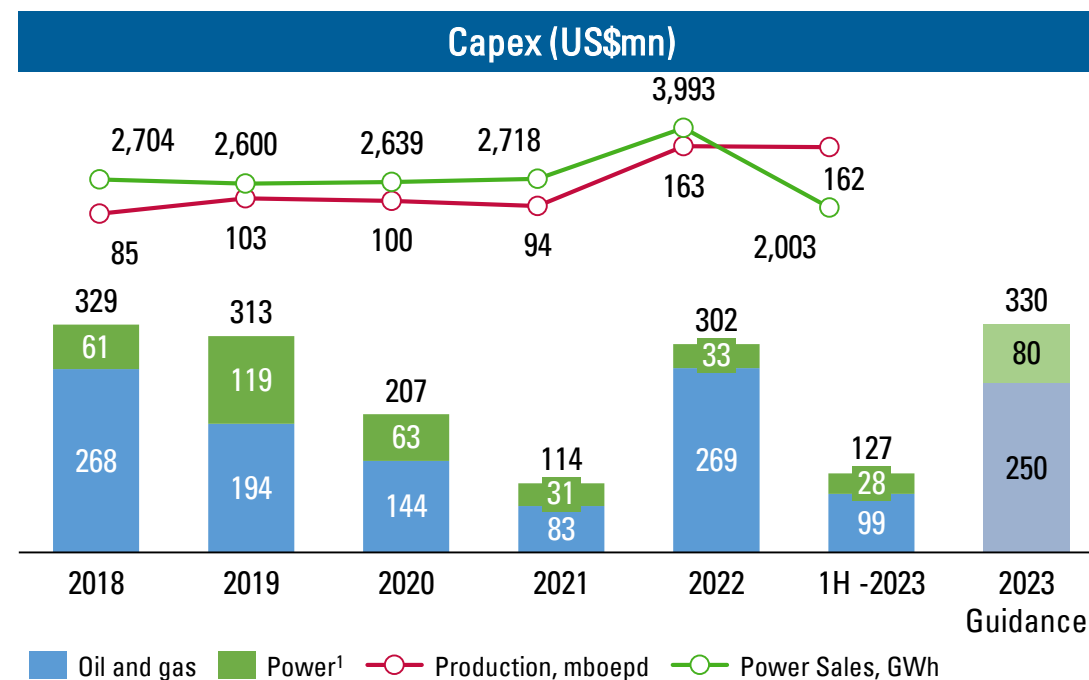
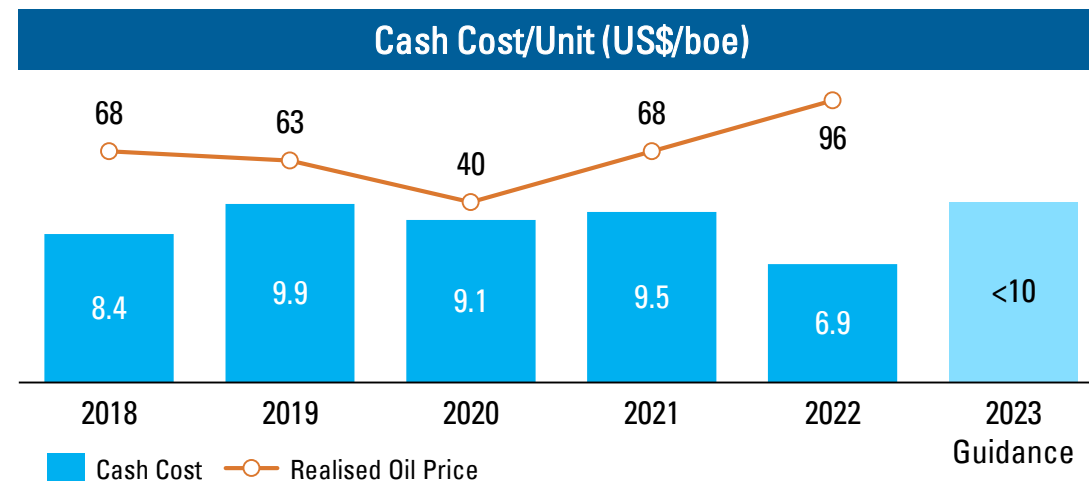
# CAPEX & OPEX

## 1H 2023

- Oil & Gas capex US\$99mn, Power<sup>1</sup> US\$28mn.
- 1H 2023 capex spending for developments in Natuna, Corridor and Ijen Geothermal IPP
- Oil & gas cash costs<sup>2</sup> US\$7.4/boe

## 2023 Guidance

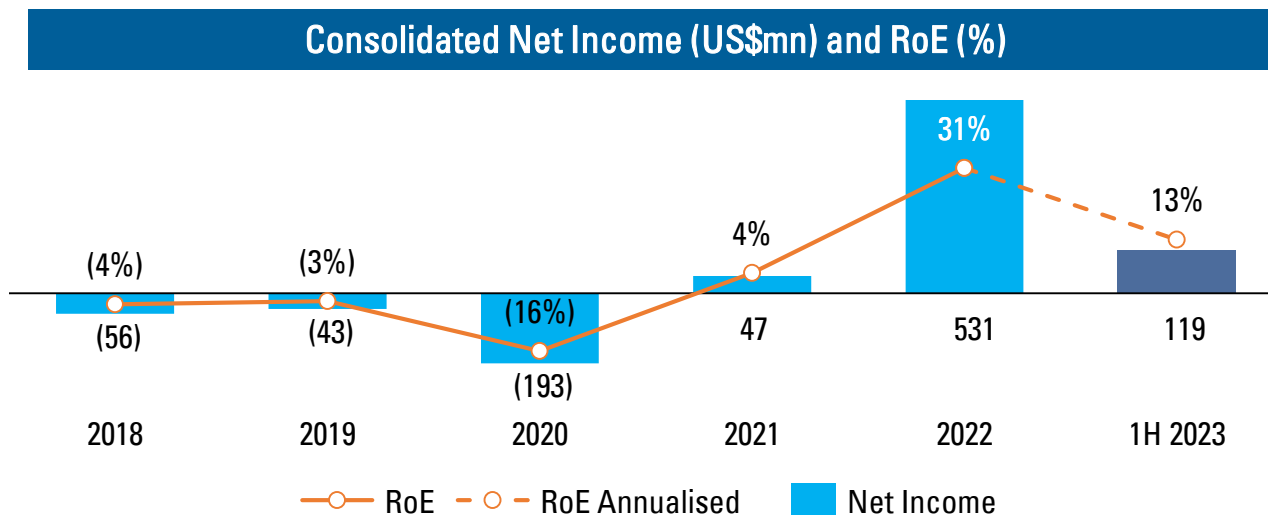
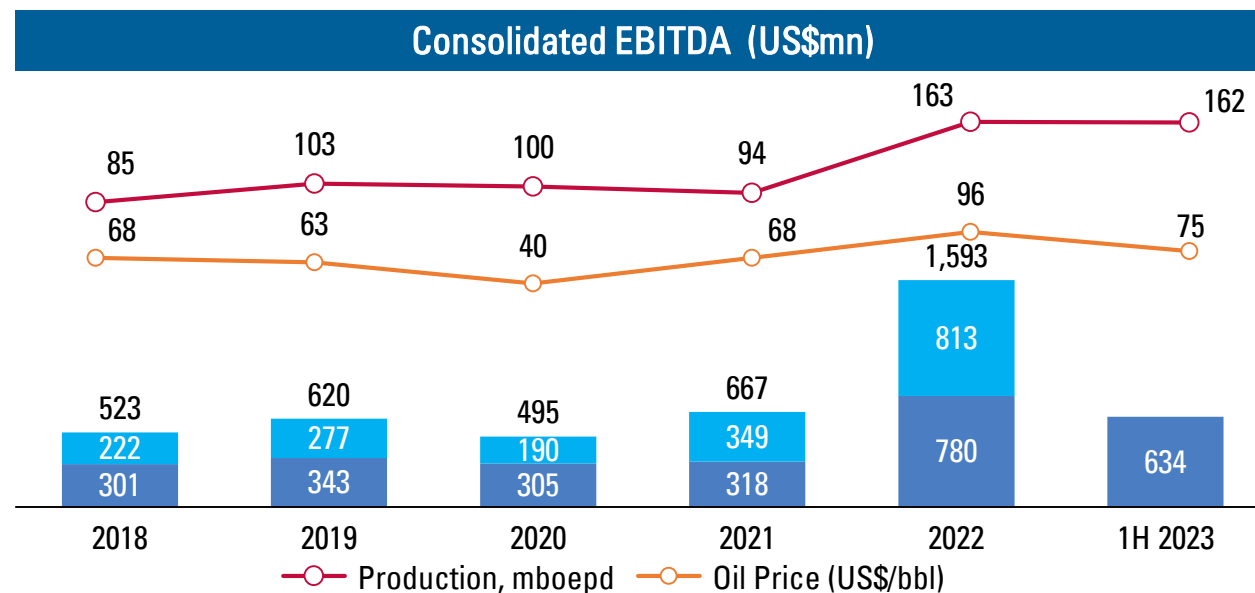
- Oil & Gas capex US\$250mn, focused on Natuna and Corridor developments
- Maintain Oil & Gas cash costs sub US\$10/boe
- Power<sup>1</sup> capex US\$80mn focused on Ijen Geothermal IPP



1) Net working interest  
 2) Unit cash cost excludes production and expenditure on Oman KSF service contract

# FINANCIAL PERFORMANCE

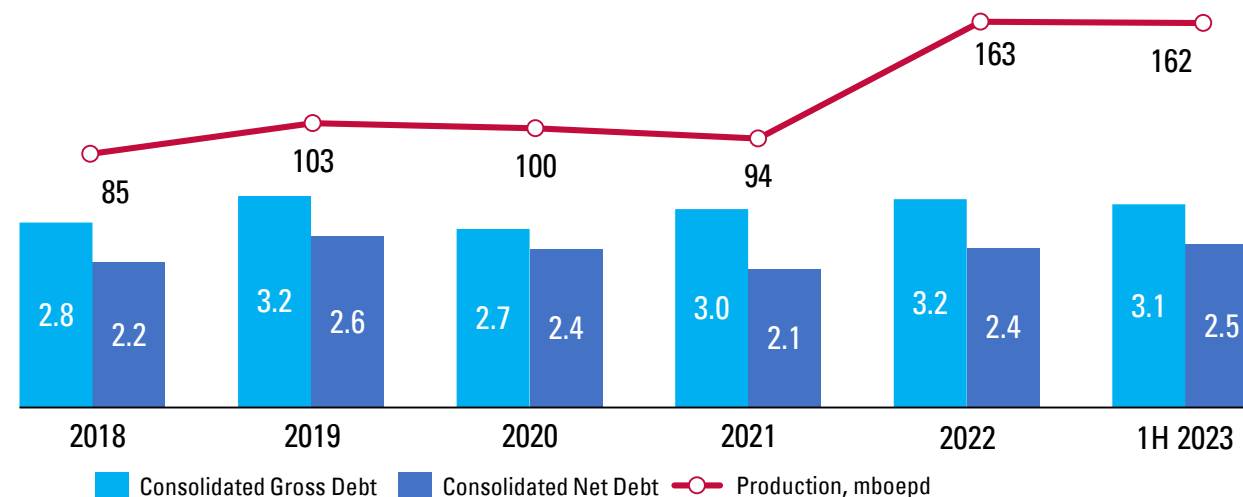
- EBITDA US\$634mn, Net Income US\$119mn, CFO US\$179mn
- Oil & Gas production 162 mboepd up 6% Y-o-Y
- Oil & Gas prices down 28% and 15% respectively Y-o-Y
- Power generated up 8% Y-o-Y, offset by non-cash Fx losses
- AMMN successful IPO on July 5<sup>th</sup> but lower Q2 earnings



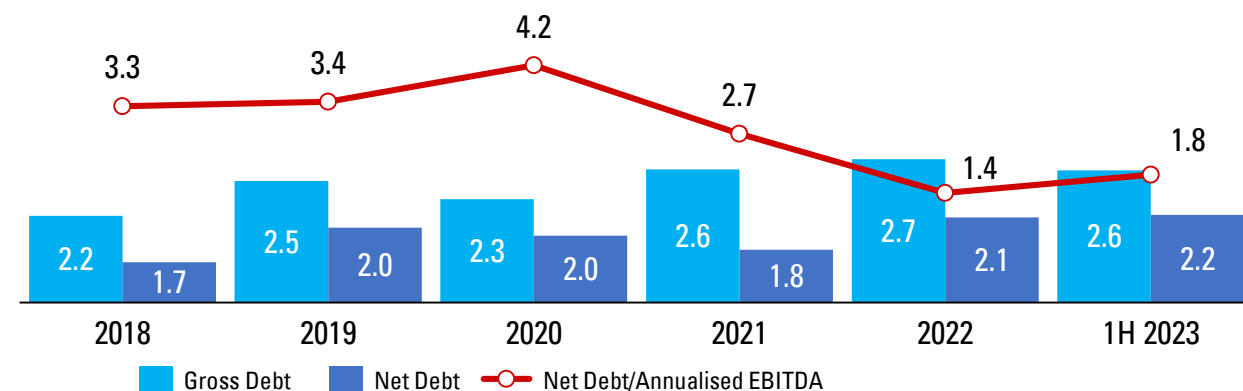
# CAPITAL STRUCTURE

- 2022 dividend: IDR39 per share
- Continue to deleverage through early buyback of USD/IDR Notes, early and scheduled amortizing repayments
  - Natuna acquisition, November 2016  
US\$240mn debt repaid 18 months
  - Ophir acquisition, May 2019  
US\$544mn debt repaid 18 months
  - Corridor acquisition, March 2022  
US\$850mn debt repaid 24 months
- Middle East acquisition expected to close Q4 2023
- Average shareholder return 25% p.a. during 2018 – 2023<sup>1</sup>

## Consolidated Debt and Production (US\$ bn)



## Restricted Group Debt (US\$ bn)



1) CAGR 2018 – 2023 as of September 2023

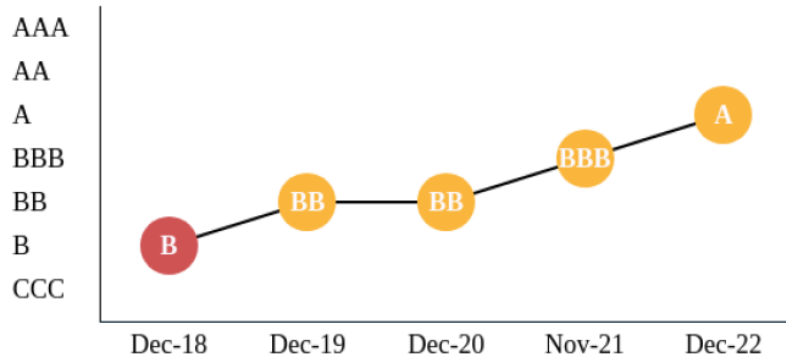


# APPENDIX



# ESG RATINGS

## ESG Rating history



ESG Rating history shows five most recent rating actions

## MSCI ESG RATINGS



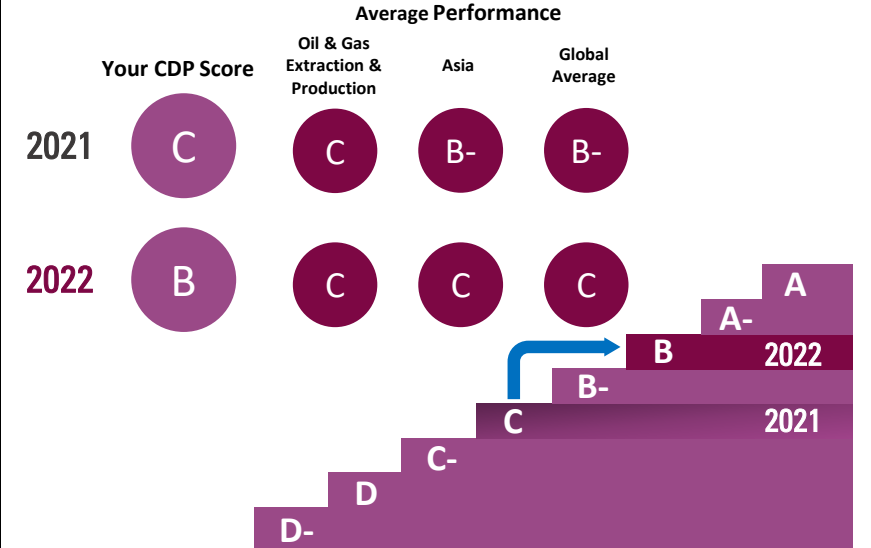
CCC	B	BB	BBB	<b>A</b>	AA	AAA
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As of 2022, PT Medco Energi Internasional Tbk received an MSCI ESG Rating of A.

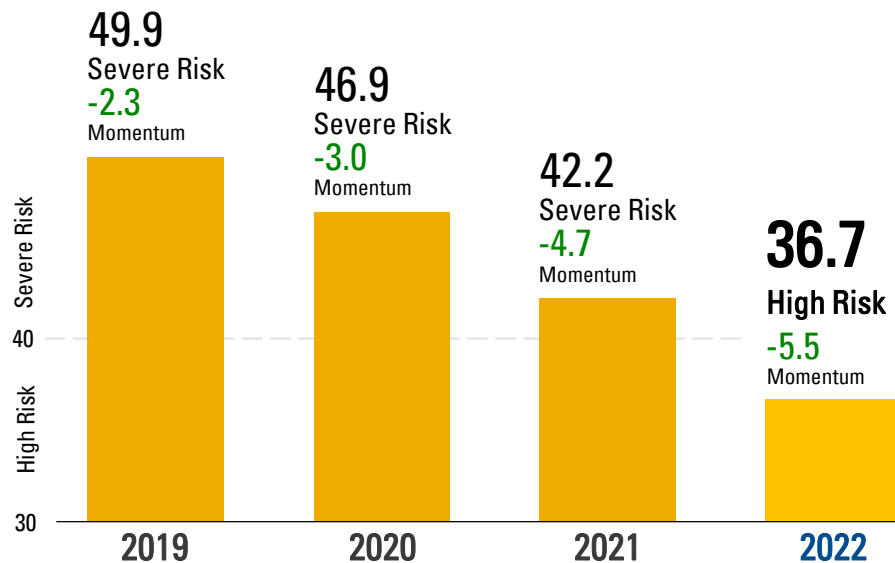
MSCI DISCLAIMER STATEMENT REFER TO CLOSING SLIDE

We support **TCFD** TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

## CDP SCORE REPORT - CLIMATE CHANGE



**Leadership (A/A-)** : Implementing current best practices  
**Management (B/B-)** : Taking coordinated action on climate issues  
**Awareness (C/C-)** : Knowledge of impacts on, and of, climate issues  
**Disclosure (D/D-)** : Transparent about climate issues



Ranking **69** out of 292  
**Oil & Gas Producers** 10 May 2023

Risk Categories

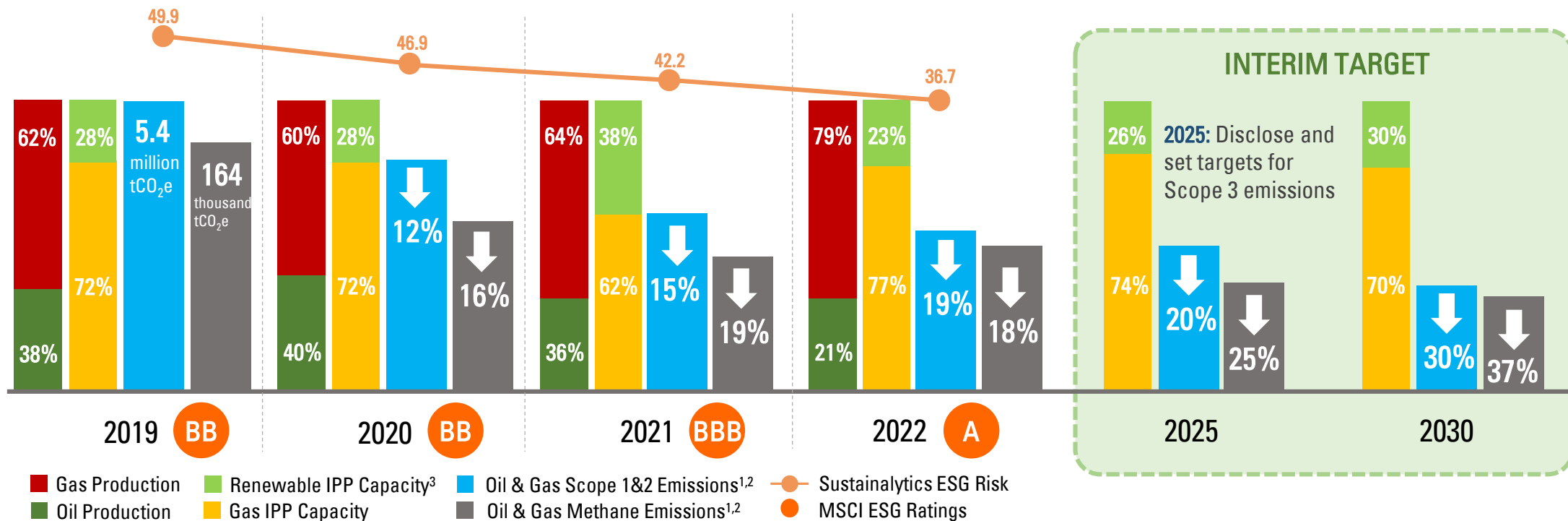
NEGL	LOW	MED	HIGH	SEVERE
0-10	10-20	20-30	30-40	40+



Indonesia Stock Exchange  
 member of **wfe** WORLD FEDERATION OF EXCHANGES

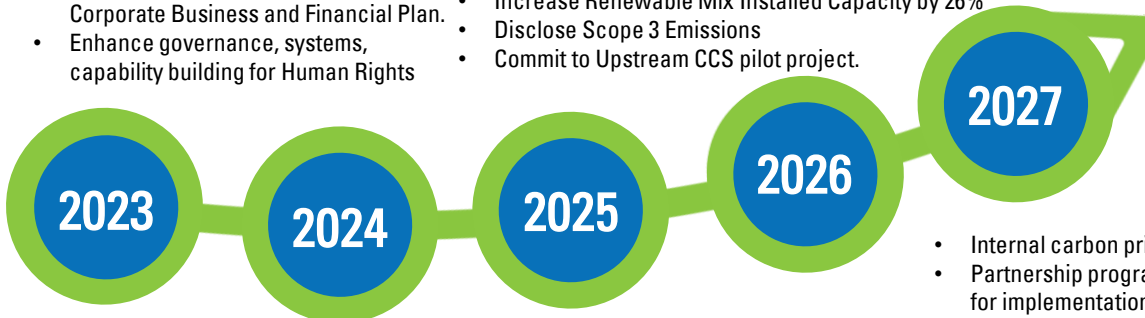
### MEDC admitted to IDX LQ45 LOW CARBON LEADERS since Nov 2022

# FOCUS ON CONSISTENT ESG IMPROVEMENT



## 2023 -2027 BUILD ON OUR SUSTAINABILITY SUCCESS

- Update Goals and KPIs based on 2022 Materiality Assessment
- Enhance Sustainability & Climate Change Capability
- Establish Human Rights Policy
- Quantitative Climate-related Risk Assessment
- Develop Just Transition Plan.
- Embed Climate Change Strategy in Corporate Business and Financial Plan.
- Enhance governance, systems, capability building for Human Rights
- Reduce 20% of E&P GHG Scope 1 & 2 Emissions
- Reduce 25% of E&P Methane Emissions
- Increase Renewable Mix Installed Capacity by 26%
- Disclose Scope 3 Emissions
- Commit to Upstream CCS pilot project.
- Further integrate Sustainability into business to enhance value creation
- Reach top quartile ESG performer in the Oil & Gas E&P sector in South East Asia
- Maintain or improve MSCI A, Sustainalytics 36.7, CDP B
- Materiality Assessment update for the next 5-year roadmap



- Internal carbon pricing and carbon trading: credit and offset.
- Partnership programmes to promote data transparency and for implementation of best practices along value chain.

1) Scope 1&2 E&P GHG and methane operational control emissions including Corridor & Ophir  
 2) Reduction from 2019 base year

3) Power renewable equity share installed capacity. Government of Indonesia target 2025: 23% and 2030: 25%



# MEDCOENERGI PORTFOLIO



● Production

● Development

● Exploration



● Power Installed

● Power Development



● Mining Production

● Mining Development

○ Mining Exploration



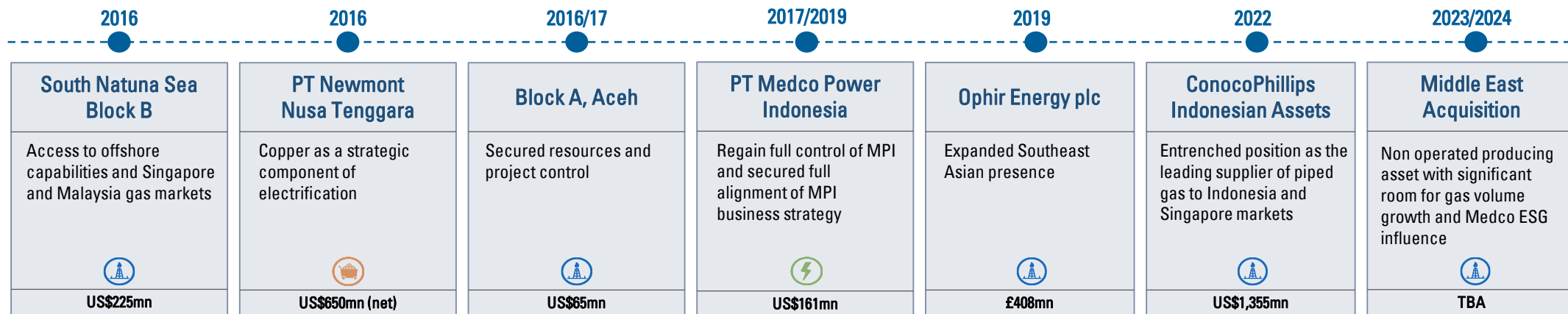
# PORTFOLIO MANAGEMENT

## Closed and Integrated Value Adding Acquisitions



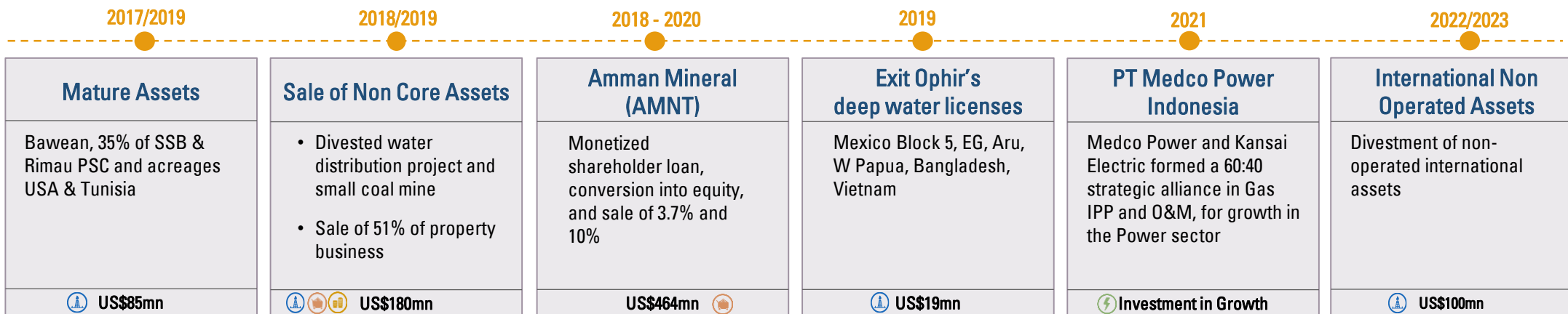
Acquisitions have added value through enhanced scale, control and organizational competence. Acquisition targets are screened to ensure:

- Improved MedcoEnergi credit status and profitability
- Manageable risk (knowledge of asset, organization capabilities, subsurface, markets)
- Growth & upside potential and consistent with MedcoEnergi's energy transition strategy



## Portfolio Rationalization

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







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# CORRIDOR BLOCK, INDONESIA



## Completed Corridor integration

### Key Facts

- Sumatra based PSC with 7 producing gas fields, and 2 producing oil fields
- Indirect ownership of gas pipelines to Duri and Singapore
- PSC extended to December 2043
- Energy Council “Asia Pacific Deal of The Year”

### Integration and Adding Value

- Immediately accretive with production volumes and sales prices above acquisition case
- Completed systems, organization and office integration
- Implemented ~US\$50mn operational, procurement, and commercial recurring synergy
- Signed new GSPL Gas Sales Agreement (GSA), further GSAs in progress
- Now focus on reserve additions and ESG targets



MedcoEnergi (operator) - 54% | Repsol - 36% | Pertamina - 10%





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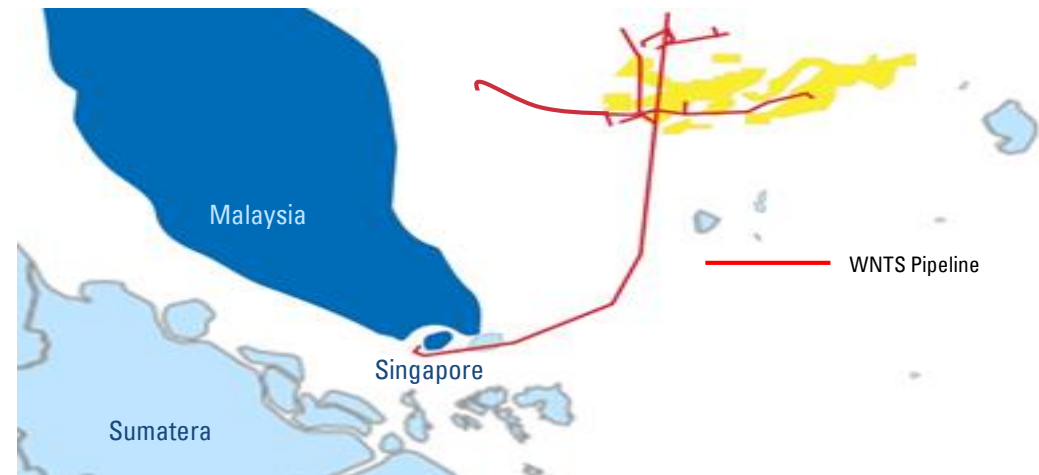
# SOUTH NATUNA SEA BLOCK B, INDONESIA



World-class offshore operational capabilities



- Operated offshore PSC in the South Natuna Sea, world class facilities, large hydrocarbon base, license expires October 2028
- Operated West Natuna Transportation System (WNTS), a 656 km 28" gas trunk line to Singapore
- Commodity linked priced gas sales into Singapore
- Progressing development of the four 2020 discoveries
- Hiu, Malong and Belida Extension placed into service in 2022, Bronang September 2023, Forel Q3 2024
- Signed new Q1 2023 GSA3 with SembGas

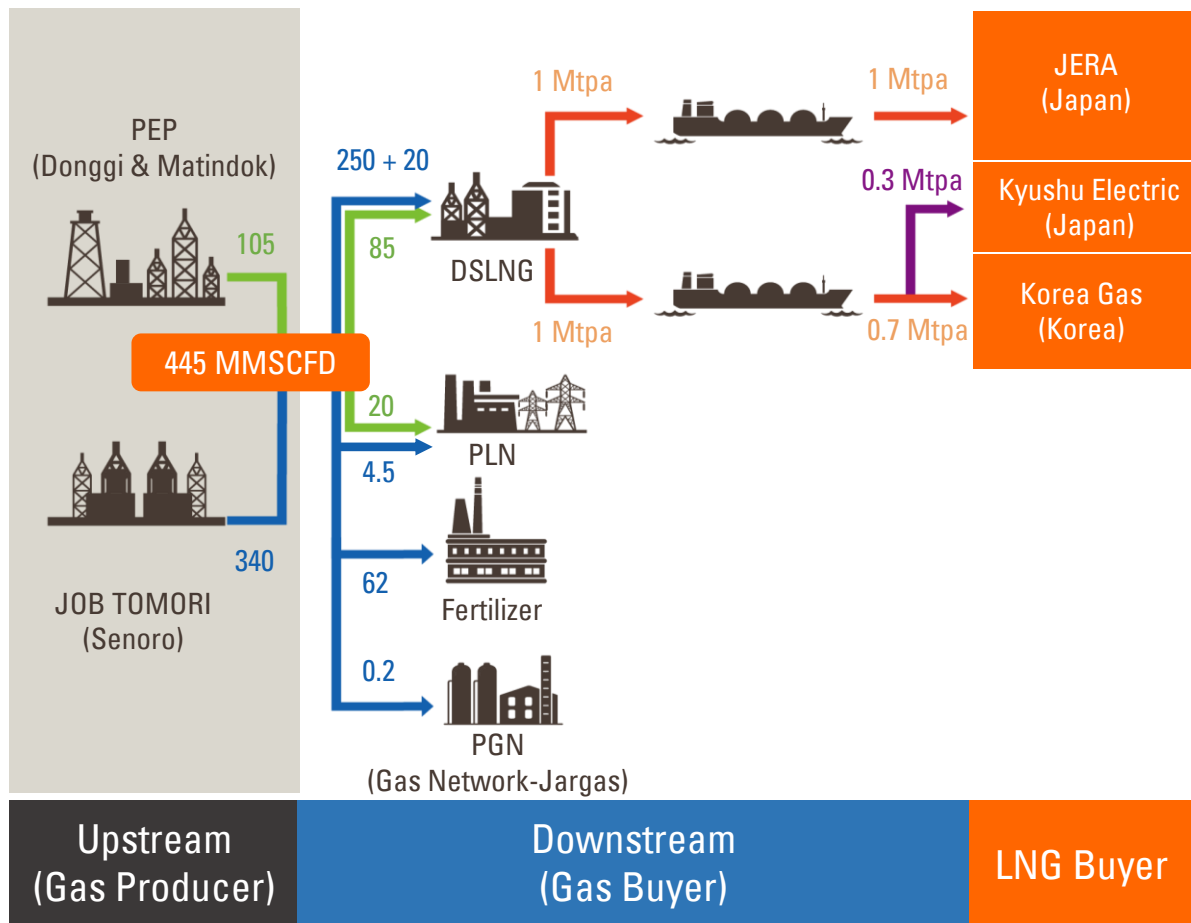




# SENORO-TOILI, INDONESIA



## Integrated phased gas development



- Joint Operated onshore license, first production Q3 2015
- 20 Year PSC Extension effective from December 2027, monetizing ~2.0 TCF gross reserves
- Progressing Senoro Phase 2 Development

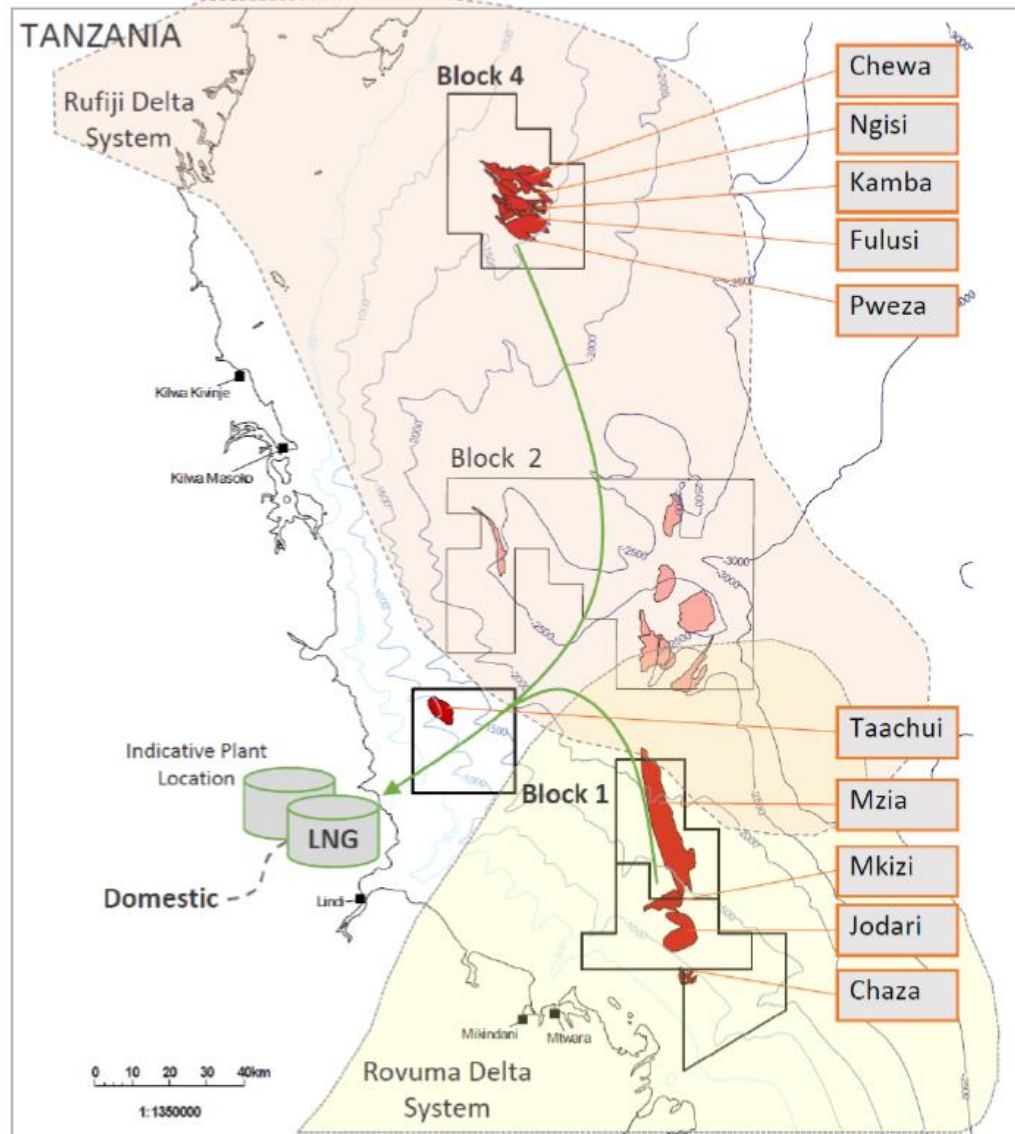


Structure	Upstream WI Senoro	Downstream
MedcoEnergi	30%	11.1%
Pertamina	50%	29.0%
Mitsubishi & Kogas	20%	59.9%

# TANZANIA LNG PROJECT



## Unlocking gas reserves of 12 TCF from Blocks 1 and 4



- Acquired through Ophir plc take-over in 2019
- The JV partners in Block 1 and 4 are Medco (20%), Shell (operator, 60%), and Pavilion Energy (20%)
- Block 1 & 4 and Block 2 (Equinor and ExxonMobil) have agreed to unitize the blocks and jointly develop the gas discoveries as an LNG project
- A Host Government Agreement (HGA) with a legal and commercial framework for the project and an Amended PSA, with revised fiscal terms and unitization of the blocks, is currently being negotiated
- The envisaged development is to build a 15 mtpa onshore LNG plant to liquefy the gas and sell to premium LNG markets



# MEDCO POWER



Expanding supply of clean and environmentally friendly energy



## BULAN ISLAND SOLAR PV POWER PLANT

### ~2 GWp

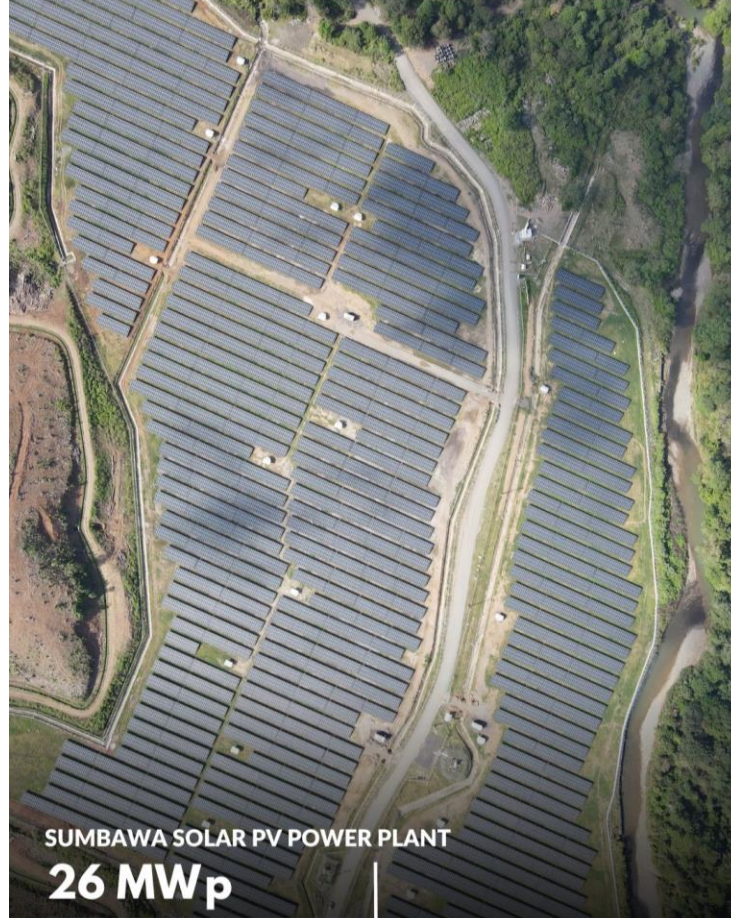
The consortium of Medco Power Indonesia, PacificLight, and Gallant Venture received conditional approval from EMA Singapore to import electricity to Singapore from solar farm on Bulan Island, Indonesia.



Offset over 357,000 tonnes of carbon emissions annually



Expected Commercial Operation Date by 2027



## SUMBAWA SOLAR PV POWER PLANT

### 26 MWp

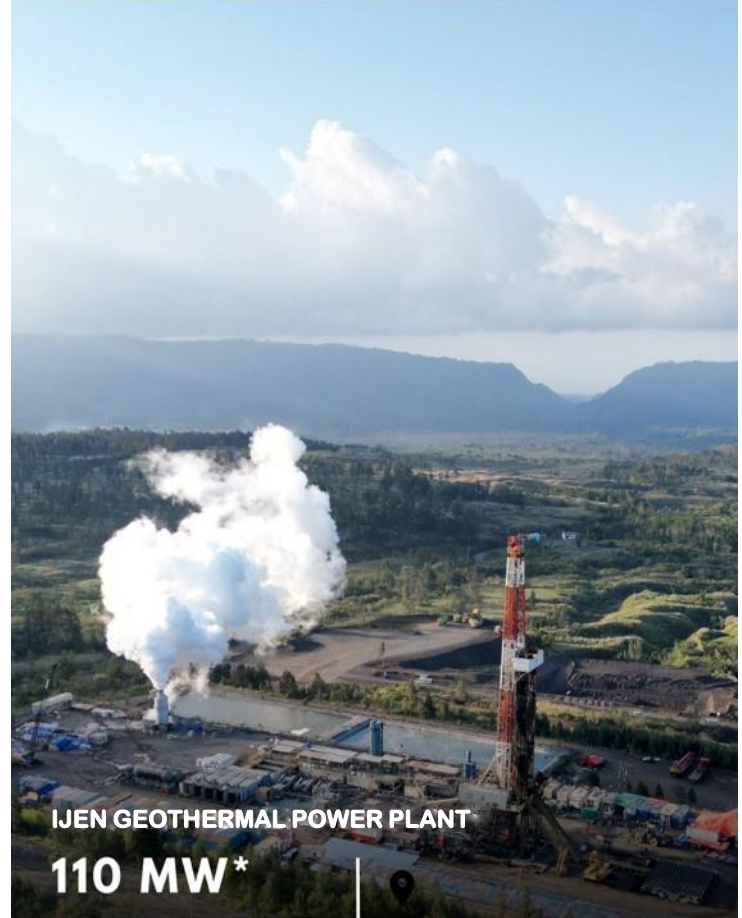
Indonesia's largest operating ground-mounted Solar PV Power Plant for captive Amman Mineral Nusa Tenggara mining operation.



Commercial Operation Date in June 2022



Reduced CO<sub>2</sub> around 40,000 ton/annum with cost savings in excess of USD 1 million/annum.



## IJEN GEOTHERMAL POWER PLANT

### 110 MW\*

A phase 1 development consists of 34 MW geothermal power facilities and ~28 km transmission line to Banyuwangi Substation.



Bondowoso, East Java

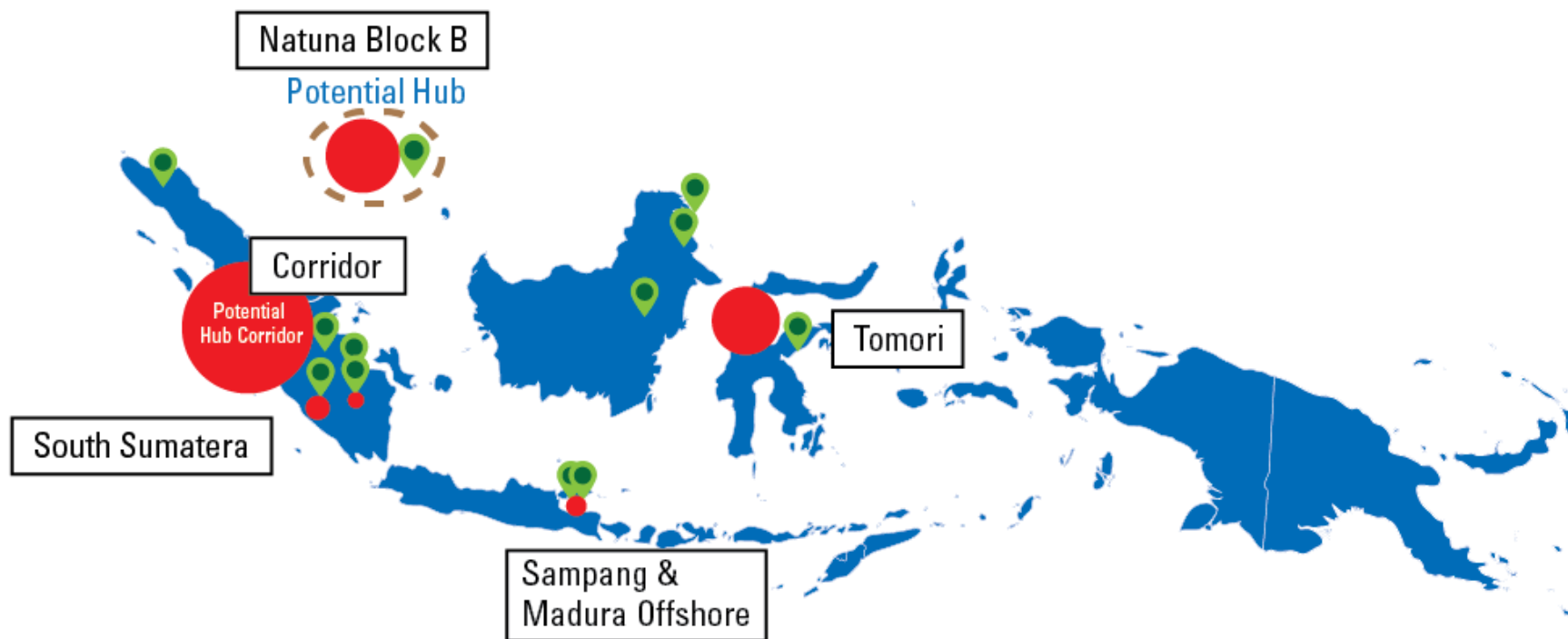


- Phase 1 Commercial Operation Date in Q4 2024
- Phase 2 Commercial Operation Date in Q4 2026

\*Contracted Capacity (PPA)

# CARBON CAPTURE & STORAGE (CCS) OPPORTUNITIES

Medco operates 10 producing PSCs in Indonesia with significant CO<sub>2</sub> Storage potential



## CCS Opportunities

- CCS technology can unlock development of Medco high CO<sub>2</sub> gas fields
- Medco PSCs can provide CO<sub>2</sub> storage & management for adjacent PSC high CO<sub>2</sub> gas fields
- Medco PSCs have potential to become CO<sub>2</sub> storage hubs for CO<sub>2</sub> intensive industries including from neighboring countries

## CCS Progress

- CCS is an element of Medco's climate change strategy
- CO<sub>2</sub> storage volume has been estimated for all Medco assets
- Indonesian CCS regulations have rapidly progressed in 2023
- Feasibility studies now ongoing to mature potential CCS projects
- MOUs signed with external parties for potential CCS projects



# CORE BUSINESS STATISTICS

Build long-term value with a portfolio of sustainable energy and natural resource businesses

## CLIMATE CHANGE STRATEGY

### US\$ BOND RESTRICTED GROUP

#### Oil & Gas



Production **162** mboepd

**80/20**

% of Gas/Liquids

**41/59**

% of Indexed/Fixed Price

**11** Onshore Production Assets **5** Offshore Production Assets

Safety Records	1H-23	1H-22
• Number of Fatalities	0	0
• Lost Time Incident Rate	0.0	0.0
• Total Recordable Incident Rate	0.28	0.27

#### Clean Power



Installed Capacity **919** **1,925** MW IPP MW O&M

**50** MWp  
Bali Solar PV

**34** MWe  
Ijen Geothermal Phase 1

Transition & Renewable Power Under Construction

**6** Operated Gas-Fired IPPs **1** Operated Geothermal IPP **1** Solar PV IPP

Safety Records	1H-23	1H-22
• Number of Fatalities	0	0
• Lost Time Incident Rate	0.0	0.0
• Total Recordable Incident Rate	0.0	0.0

#### Copper & Gold Mining



Production **134** **172** Mlbs Copper Koz Gold

**900,000** Tonnes per annum

Copper Concentrate Smelter Capacity

Under Construction

**21%** Ownership **17.1** bn pounds of copper and **23.2** mn ounces of gold reserves

**25,000** ha Mineral mining rights area **120,000** Tonnes per day of Ore



# OIL AND GAS STATISTICS

MEDCOENERGI

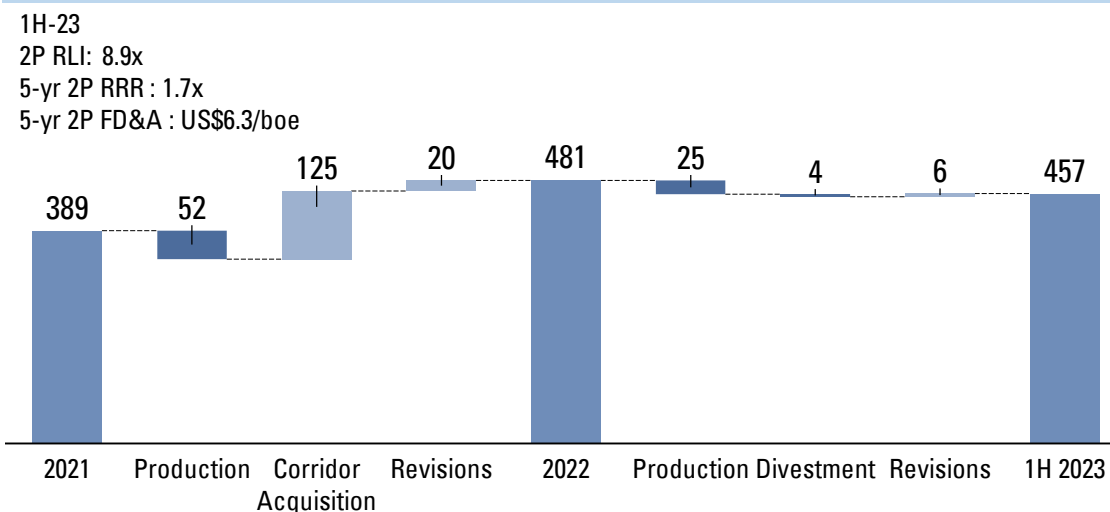


Metrics	1H 2023	1H 2022	YoY Δ%	FY 2022	FY 2021	YoY Δ%
<b>Production<sup>1</sup></b>						
Oil, MBOPD	32.1	33.5	(4.3)	33.5	34.4	(2.6)
Gas, MMSCFD	709.2	651.9	8.8	704.1	319.7	120.3
<b>Lifting/Sales</b>						
Oil Lifting, MBOPD	30.3	31.6	(3.9)	32.6	33.6	(3.0)
Gas Sales, BBTUPD	672.6	618.9	8.7	667.1	299.8	122.5
Oman Service Contract, MBOPD	7.7	7.4	3.8	7.4	7.2	2.8
<b>Average Realized Price</b>						
Oil, US\$/bbl	75.2	104.4	(27.9)	96.2	68.0	41.5
Gas, US\$/MMBTU	7.2	8.5	(15.3)	8.2	6.5	26.2
Fixed gas price, US\$/MMBTU	6.2	7.1	(12.2)	6.8	6.4	6.2
Indexed gas price, US\$/MMBTU	9.9	11.8	(16.4)	11.6	6.7	73.1
<b>ESG Indicators</b>						
Scope 1&2 GHG emissions <sup>2</sup> , million tCO <sub>2</sub> e				4.3	4.4	(2.3)
Scope 1&2 GHG emissions intensity <sup>2</sup> (tCO <sub>2</sub> eq/1,000 TOE Production)				286	279	2.5
Methane emissions <sup>2</sup> , thousand tCO <sub>2</sub> e				133	131	1.5
E&P Recordable Incident Rate (TRIR)				0.24	0.39	(38.5)

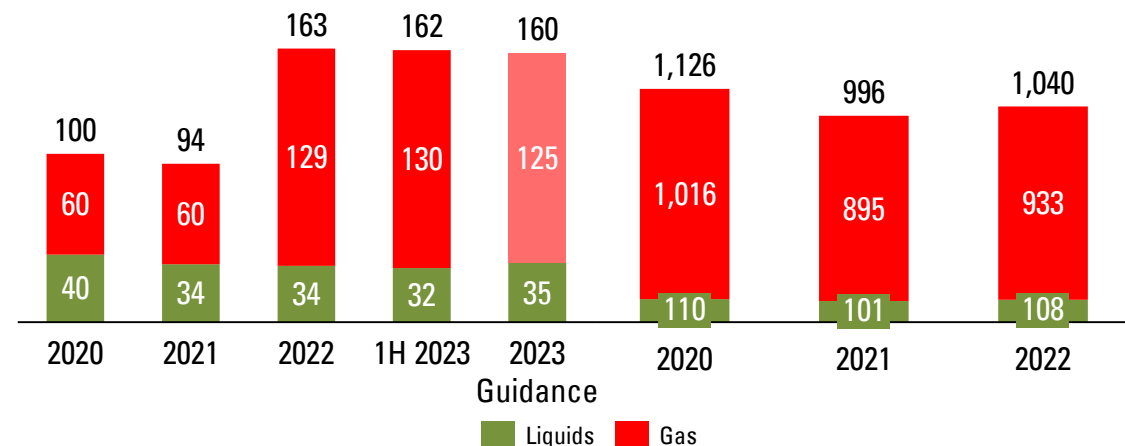
1) Includes Oman Service Contract

2) Operational control

## Net 2P Reserves, MMBOE



## Net Hydrocarbon Production<sup>1</sup>, MBOEPD



## Net Contingent Resources, MMBOE





# MEDCO POWER STATISTICS

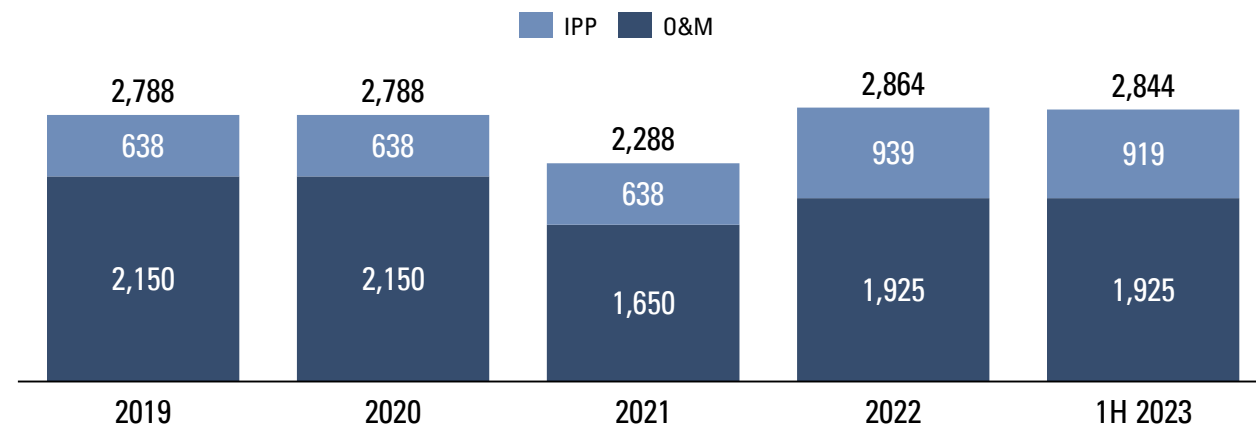
MEDCOENERGI



Metrics	1H 2023	1H 2022	YoY Δ%	FY 2022	FY 2021	YoY Δ%
<b>IPP Sold and O&amp;M Capacity<sup>1</sup></b>						
IPP Sold, GWh	2,003	1,857	7.9	3,993	2,718	46.9
Renewables, GWh	419	424	(1.2)	855	871	(1.8)
Gas IPP, GWh	1,584	1,433	10.6	3,138	1,847	69.9
O&M Capacity, MW	1,925	1,925	0.0	1,925	1,650	16.7
<b>Average Realized Price<sup>2</sup></b>						
IPP, ¢/kWh	3.7	3.4	8.8	3.6	4.2	(14.8)
<b>ESG Indicators</b>						
Renewable installed capacity <sup>3</sup> (%)				23	38	(39.5)
Scope 1&2 GHG emissions <sup>4</sup> (thousand tCO <sub>2</sub> e)				1,364	859	58.8
Scope 1&2 GHG emissions intensity <sup>4</sup> (tCO <sub>2</sub> eq/MWh)				0.49	0.54	(9.3)
Power Recordable Incident Rate (TRIR)				0.00	0.00	N/A

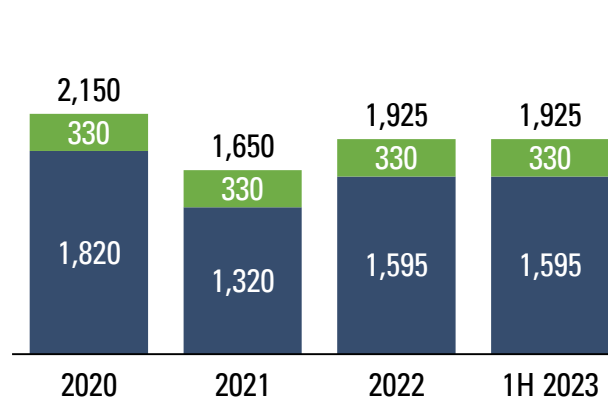
- 1) Gross 100% interest and includes Sarulla production
- 2) Excludes Fuel Component
- 3) Equity share
- 4) Operational control

## Gross Operating Installed Capacity, MW

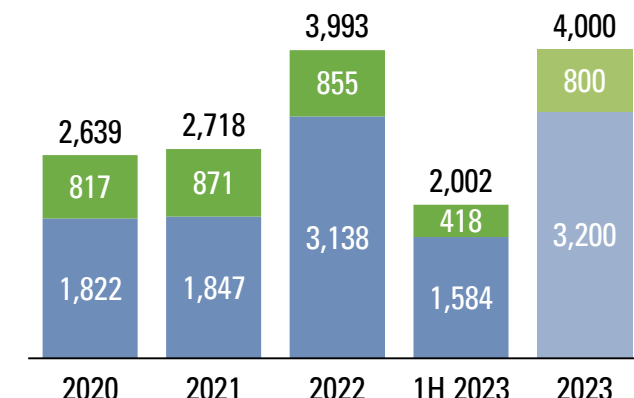


Note: Decrease in O&M installed capacity due to contract expiry of Mobile Power Plant in 2021.

## O&M Power Capacity Gross 100%, MW



## IPP Power Sold Gross 100%, GWh



Renewables O&M O&M

Renewables IPP Gas IPP



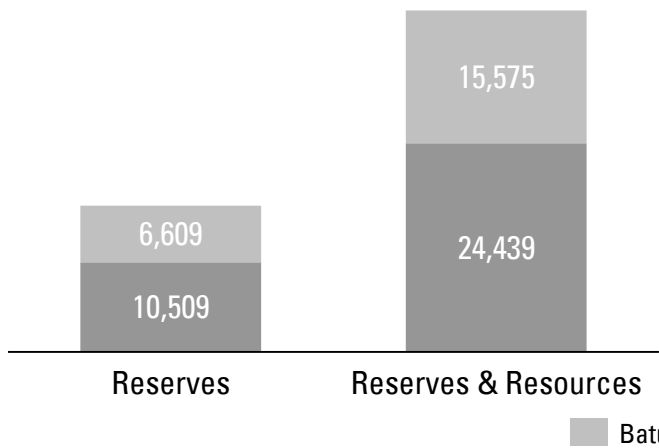
# AMMAN MINERAL STATISTICS

MEDCOENERGI

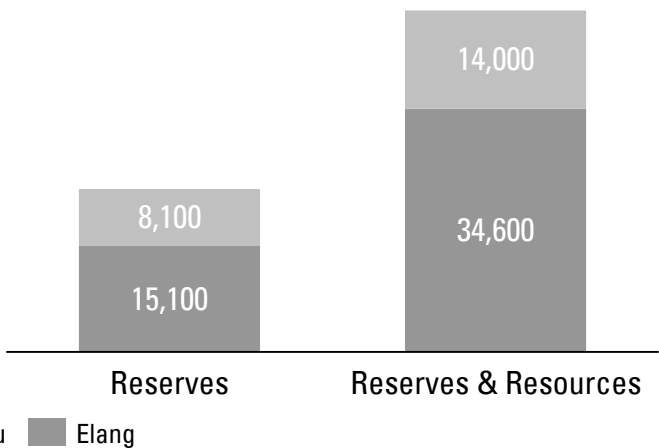


Metrics	1H 2023	1H 2022	YoY Δ%	FY 2022	FY 2021	YoY Δ%
<b>Production</b>						
Copper, Mlbs	133.7	208.7	(35.9)	463.9	233.7	98.5
Gold, Kozs	171.5	350.5	(51.1)	730.7	156.5	367.0
<b>Sales</b>						
Copper, Mlbs	76.3	186.5	(59.1)	451.4	227.9	98.1
Gold, Kozs	119.3	322.4	(63.0)	703.5	152.5	361.4
<b>Average Realized Price</b>						
Copper, US\$/lb	4.5	4.2	5.8	3.6	4.2	(21.2)
Gold, US\$/oz	2,004	1,852	8.2	1,737	1,762	(1.4)

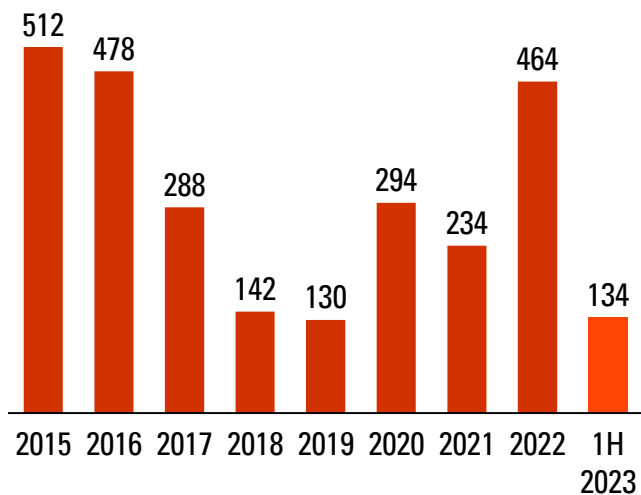
Copper Gross Reserves & Resources (Mlbs)  
31/12/2022



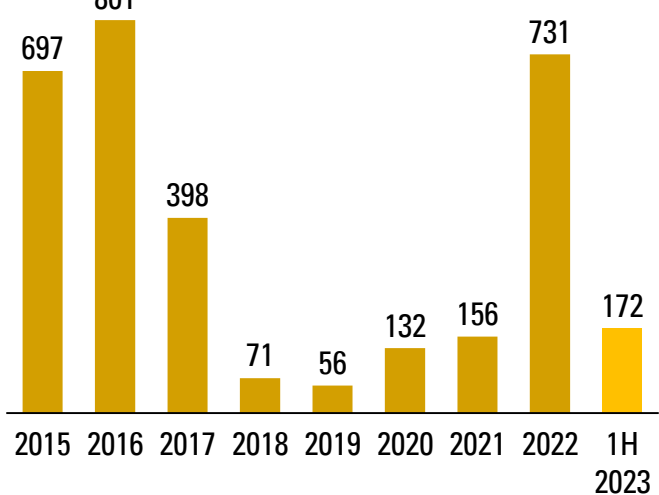
Gold Gross Reserves & Resources (Koz)  
31/12/2022



Copper Production (Mlbs)



Gold Production (Koz)





# FINANCIAL STATISTICS (1H 2023 vs 1H 2022<sup>1</sup>)

AVERAGE REALIZED PRICE			REVENUE			GROSS PROFIT			EBITDA		
Oil Price	US\$75.2 /bbl	▼ 28%	Consolidated	US\$1,116 million	▲ 1%	Consolidated	US\$470 million	▼ 24%	Consolidated	US\$634 million	▼ 19%
Gas Price	US\$7.2 /MMBTU	▼ 15%	Restricted Group	US\$949 million	▼ 9%	Restricted Group	US\$432 million	▼ 22%	Restricted Group	US\$608 million	▼ 19%
CASH & CASH EQUIVALENT <sup>2</sup>			TOTAL DEBT			DEBT TO EQUITY			NET DEBT TO EBITDA		
Consolidated	US\$604 million	▲ 16%	Consolidated	US\$3,070 million	▼ 5%	Consolidated	1.7 times	▼ 24%	Consolidated	1.9 times	▲ 12%
Restricted Group	US\$439 million	▲ 13%	Restricted Group	US\$2,602 million	▼ 8%	Restricted Group	0.8 times	▼ 18%	Restricted Group	1.8 times	▲ 9%

1) Restated

2) Cash &amp; Cash Equivalent includes restricted cash in banks



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