



MEDCOENERGI

MedcoEnergi Announces Nine-Month 2021 Results

Summary Results

Financial

- EBITDA US\$508 million.
- Gross Profit US\$376 million.
- Net Debt to EBITDA¹ 2.9x.
- Strong liquidity with cash and cash equivalents US\$548 million.

Operational

- Oil and gas production 93 mboepd.
- Medco Power generated sales of 2,011 GWh.
- Oil and gas cash production cost US\$9.3 per boe.
- Capex expenditures US\$53 million.

Jakarta, 20 December 2021 – PT Medco Energi Internasional Tbk² (“MedcoEnergi”) announces its results for the period ended September 30, 2021 (“9M-2021”).

Roberto Lorato, CEO, said “I am pleased to report another period of improved results. Commodity prices remain volatile, but still at a comfortable level and domestic gas demand continues to recover after Covid induced economic lockdowns. The proposed acquisition of ConocoPhillips Indonesian Assets will strengthen MedcoEnergi’s position in South East Asia, provide synergies with our Sumatra operations and further support our Climate Change Strategy.”

Financial Highlights

- EBITDA was US\$508 million, a 25% increase year-on-year, mainly due to recovering commodity prices. The average sales price for oil was US\$64/bbl, 62% higher year-on-year (US\$39/bbl) and weighted average gas sales prices were US\$6.3/mmbtu, 23% higher year-on-year (US\$5.1/mmbtu).
- EBITDA in the third quarter was US\$190 million, improving from second quarter as both price and demand recover and production gradually ramps up post economic lockdowns.
- Net Profit was US\$56 million. All three business segments reported profit with Oil and Gas US\$140 million, Power US\$21 million and Amman Mineral Nusa Tenggara (AMNT) US\$48 million offset by headquarter and financing charges.
- Capital expenditures of US\$53 million is ramping up as demand recovers, but full year Capex will be below the Company’s 2021 guidance.
- Cash and cash equivalents were US\$548 million. Consolidated debt was US\$2.6 billion, down 10% from 9M-2020. Restricted group³ debt was US\$2.2 billion, down US\$305 million year-on-year. Net Debt³ was US\$1.8 billion and Net Debt to EBITDA¹ 2.9x.

Operational Highlights

Oil and Gas

- Oil and gas production was 93 mboepd, down 7% from 9M-2020 following extended downtime in the second quarter and low domestic gas demand during Indonesia’s economic lockdowns. Oil and gas production costs were US\$9.3 per boe.
- Oil and Gas capital expenditure of US\$33 million was spent to progress several oil and gas development projects in the South Natuna Sea Block B PSC. Work on these developments will continue into 2022 with first gas on the Hiu field expected in 2Q-22, first gas on Belida Extension Project in 4Q-22 and first oil on the Forel field and gas on Bronang field expected in 4Q-23.

¹ Annualized and excluding PT Medco Power Indonesia (“MPI” or “Medco Power”)

² PT Medco Energi Internasional Tbk (“MedcoEnergi” or “Perseroan”)

³ Excluding Medco Power



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- MedcoEnergi secured a 20 year PSC extension for the Senoro-Toili Block (Senoro) effective from December 2027.
- MedcoEnergi won seven awards in finance, planning, procurement control and operations from SKK Migas during the recent 2nd International Convention on Oil & Gas (IOG) 2021 held in Bali.

Medco Power

- Medco Power generated sales of 2,011 GWh, approximately 32% from renewable sources. Power sales were flat year-on-year, due to improving steam performance at Sarulla geothermal offset by lower electricity demand in Batam during the recent economic lockdowns.
- Power capital expenditure was spent finalizing the commissioning the 275MW Riau IPP, construction of the 26MWp PV facility in Sumbawa and the 30MW Phase-1 geothermal development at Ijen.

AMNT

- AMNT produced 163 Mlbs of copper and 95 Kozs of gold. Pit ore mining from Phase 7 is continuing as is the development of Phase 8.
- AMNT won two awards from the Indonesian Ministry of Energy and Mineral Resources for innovation in environmental management and mineral conservation.
- AMNT signed contracts for the development of its smelter and precious metal refinery with the China Non-ferrous Metal Industry's Foreign Engineering and Construction and PT Pengembangan Industri Logam.

2021 and 2022 Full Year Guidance

2021 Full Year Guidance:

- Oil & Gas production 94 – 95 mboepd
- Power sales 2,700 GWh
- Oil & gas unit cash costs below US\$10/boe
- Total capital expenditures for Oil & Gas US\$150 million and Power US\$65 million

2022 Full Year Guidance*:

- Oil & Gas production 155 mboepd
- Power sales 3,500 GWh
- Oil & gas unit cash costs below US\$10/boe
- Total capital expenditures for Oil & Gas US\$275 million and Power US\$50 million

* 2022 Guidance includes Corridor

Hilmi Panigoro, President Director, said "I am pleased to see our improved performance and the support of our stakeholders for the extension of Senoro-Toili PSC. The acquisition of Corridor now strengthens MedcoEnergi's position as Indonesia's leading independent energy and natural resources company and reaffirms our commitment to national 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 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.

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