

PUBLIC EXPOSE 2021

PT Medco Energi Internasional Tbk

(IDX Ticker: MEDC)
Jakarta, 18 November 2021



MEDCOENERGI

CONTENTS

Performance Summary

Executive Summary	3
Operational Summary	4
Business Updates	5
Financial Summary	7

Business Guidance

2021 & 2022 Guidance	10
Climate Change Strategy	12
What to Expect in 2021	14

The following presentation has been prepared by PT Medco Energi Internasional Tbk. (the "Company") and contains certain projections, plans, business strategies, policies of the Company and industry data in which the Company operates in, which could be treated as forward-looking statements within the meaning of applicable law. Any forward-looking statements, by their nature, involve risks and uncertainties that could prove to be incorrect and cause actual results to differ materially from those expressed or implied in these statements. The Company does not guarantee that any action, which may have been taken in reliance on this document will bring specific results as expected. The Company disclaims any obligation to revise forward-looking statements to reflect future events or circumstances



EXECUTIVE SUMMARY

1H21 Oil & Gas Production: 94mboepd; Power Sales: 1,355GWh

Realized oil price US\$62.3/bbl. ~8.1% of production hedged in 2H-2021

All three business segments delivering profit

Cash and Cash Equivalents US\$551mn; Debt US\$2.6bn, US\$442mn debt¹ repaid in LTM.
Net Debt to EBITDA⁽¹⁾ at 3.1x, retain target of 3.0x leverage at mid-cycle prices

Credit Ratings affirmed: B+ Fitch, B+ S&P, B1 Moodys, idA+ Pefindo

Scope 1 emissions intensity down 15% since 2018
33% GWh Power sales from renewables

Closed Kansai Electric Strategic Alliance for LNG to Power
Won Singapore 100MW PV import license

Note:

1) Restricted Group (RG): excluding Medco Power

OPERATIONAL SUMMARY



MEDCOENERGI



- 1H-2021 Oil and gas production 94 mboepd. Production capacity is ~110 mboepd
- Slow recovery in Indonesian gas demand in key markets, expects domestic gas in Indonesia will continue to improve in 2022
- 1H-2021 Oil & Gas cash costs US\$9.6/boe, slightly higher due to costs to remedy unplanned shutdowns. Full year guidance remains below US\$10/boe
- Progressing on Gas development in South Natuna Sea Block B first gas expectation: Hiu Phase 2 by Q2-2022, Belida Extension by Q4-2022, Bronang in Q4-2023 and Forel oil development target onstream by Q4-2023.

- Power generated sales of 1,355 GWh, 33% from renewables
- Commissioning Riau gas IPP 275 MW ~100% complete, ready for operation by end of 2021
- Ijen Geothermal Phase-1 30MW development initiated
- Sumbawa Solar PV 26 MWp, more than 40% complete, on track for commercial operation in Q1-2022
- A consortium signed to develop 100 MW pilot Solar Power Import Project with capacity 670MWp in Pulau Bulan, Riau Province, following the award of in-principle import license from Singapore Energy Market Authority
- Kansai strategic alliance tendering for LNG to Power projects with AMNT Smelter as the anchor

- AMNT produced 103 Mlbs of copper and 55 Koz of gold from Phase 7 pit ore and stockpiles
- Phase 8 waste removal has begun
- Issued a Letter of Intent with EPC contractor and technical provider of the smelter project



BUSINESS UPDATE – OIL AND GAS

Gas volumes have begun to recover since lockdown restrictions fully eased October 2021. Oil prices volatile but around a high mean

Business updates

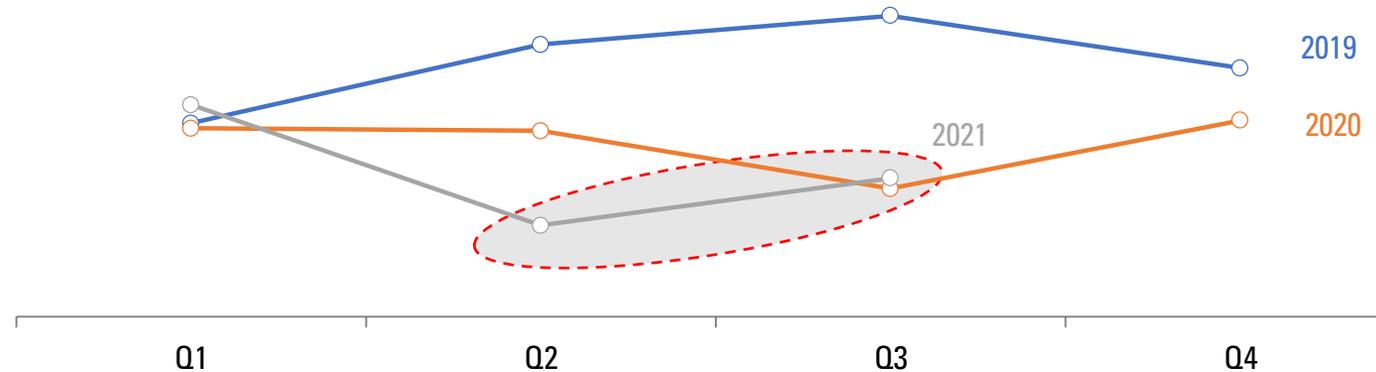
- 2021 production guidance 95 mboepd. Production capacity is ~110 mboepd
 - Indonesian gas demand still recovering; lockdown restrictions fully lifted on 18 October 2021
 - November 2021 entry production run rate is 102 mboepd
- The Company expects that the demand for domestic gas in Indonesia will continue to improve in 2022
- 2020 regulation on consumer US\$6/mmbtu price cap introduced but no financial or liquidity impact

Project updates

- Aceh gas production above expectation post extended Acid Frac shutdown
- DSLNG-Senoro-PAU planned maintenance shutdown completed
- Block B Hiu gas development and Forel oil development ongoing with improved economic terms

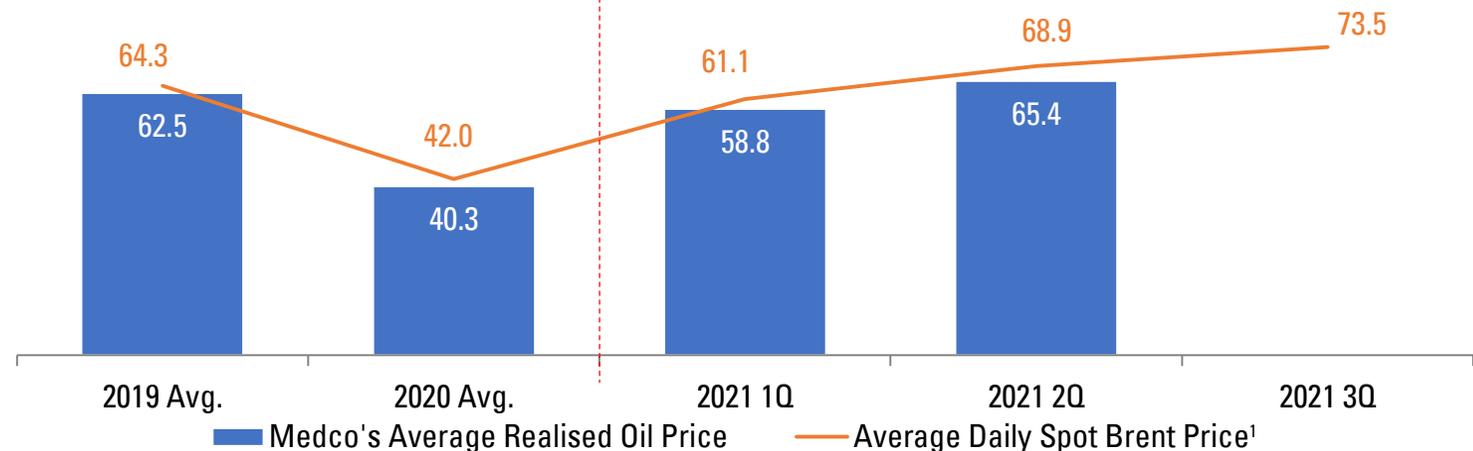
Gas volumes recovering

(bbtu/d)



Realised oil prices recovering

(US\$/bbl)



1) Average daily spot price of Brent oil for the relevant period



MEDCOENERGI



BUSINESS UPDATE – MPI and AMNT

MPI development pipeline weighted towards renewable sources. AMNT phase 7 production well timed with resurgence in copper prices.

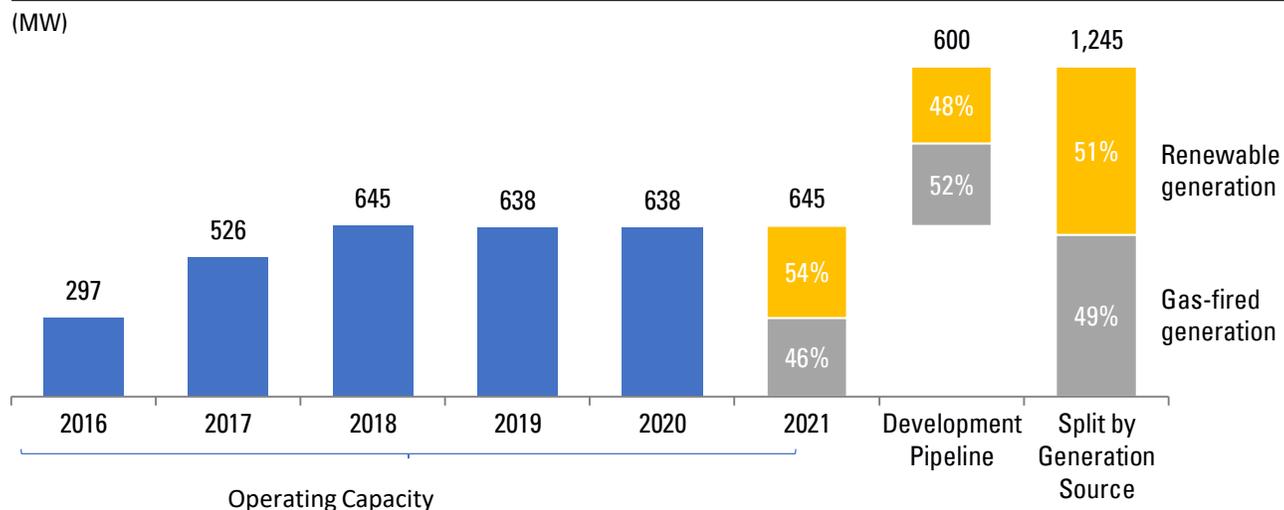
Medco Power Indonesia

- Commissioning Riau gas IPP 275 MW ~100% complete
- Sumbawa PV 26 MWp, more than 40% complete, on track for commercial operation in 1Q-2022
- Bali 2x25MWp tender; PPA negotiation progressing
- Ijen Geothermal phase 1 30MW development initiated
- Signed HoA with Pertamina Geothermal to jointly develop Geothermal fields in Indonesia
- New 100MW Bulan Singapore import project awarded
- Kansai strategic alliance tendering for LNG to Power projects with AMNT Smelter as the anchor

Amman Mineral Nusa Tenggara

- Amman Minerals produced 103 Mlbs of copper and 55 Koz of gold in 1H-21 from higher grade Phase 7 pit ore and stockpiles
- Issued a Letter of Intent with EPC contractor and technical provider of the smelter project

MPI: Strong pipeline of projects with increasing penetration of renewables in the mix



AMNT: Self-sustaining business which will become an important contributor to Medco in the near-term

Profitable since 4Q 2020, with production now accessing high-grader Phase 7 orebody

Copper prices +63.1% LTM, strong outlook given demand pull-through from electrification

Phase 8 waste removal has begun



FINANCIAL SUMMARY

- 1H 2021 EBITDA US\$318mn, Oil price US\$62.3/bbl, 61% up Y-o-Y, gas prices US\$5.9/mmbtu
- Profits on three business segment, Oil & Gas US\$88mn, Power US\$22mn and AMNT US\$33mn following price improvement and Phase 7 performance. Profits were offset by headquarters and financing charges. Consolidated Net Income US\$46.5mn
- 1H 2021 Capex US\$28mn, consistent with lower activity during COVID-19 restriction, expect to increase in 2H but remains within FY2021 guidance. Oil & Gas Capex US\$14mn and Power Capex US\$14mn
- Consolidated Debt US\$2.6bn, down 14% Y-o-Y. Restricted Group Debt² US\$2.2bn and Net Debt² US\$1.9bn, down 17% and 11% Y-o-Y respectively
- Net Debt to EBITDA² 3.1x due to improved EBITDA and deleveraging. Medco will use excess cash to continue to reduce debt Q-o-Q. Average loan life 5 years
- Strong liquidity, cash & cash equivalents US\$551mn. 2021 IDR Bonds maturities secured in escrow
- Climate change strategy published, continued progress on ESG and reporting in alignment with TCFD³

1) Prices for Oil FY2020 US\$40.3/bbl, FY2019 US\$62.5/bbl) and Gas FY2020 US\$5.2/MMBTU, FY2019 US\$6.7/MMBTU

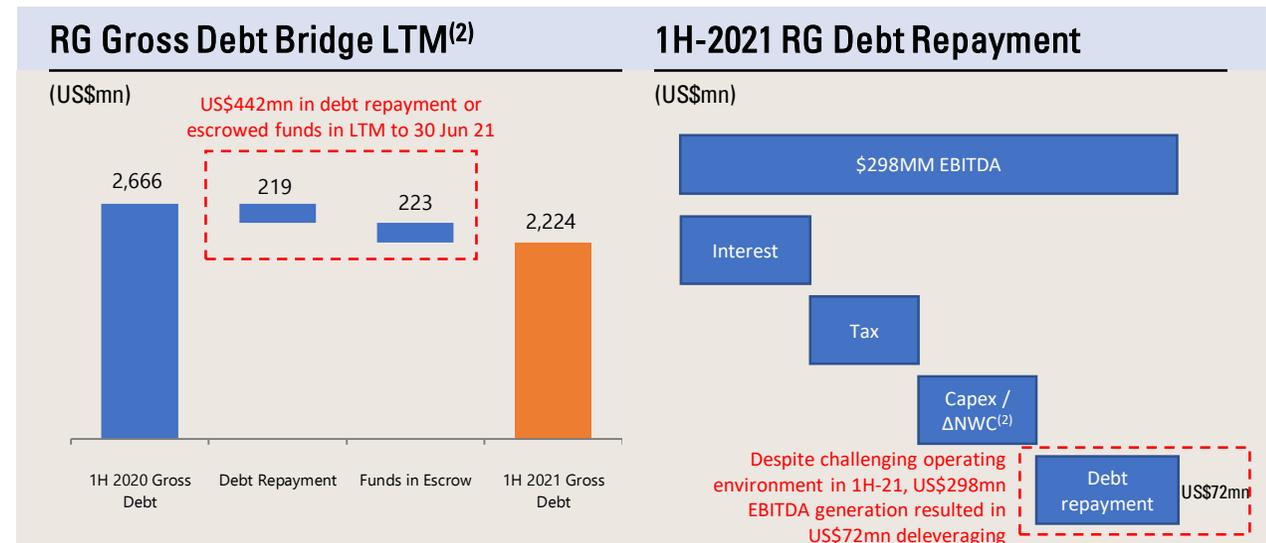
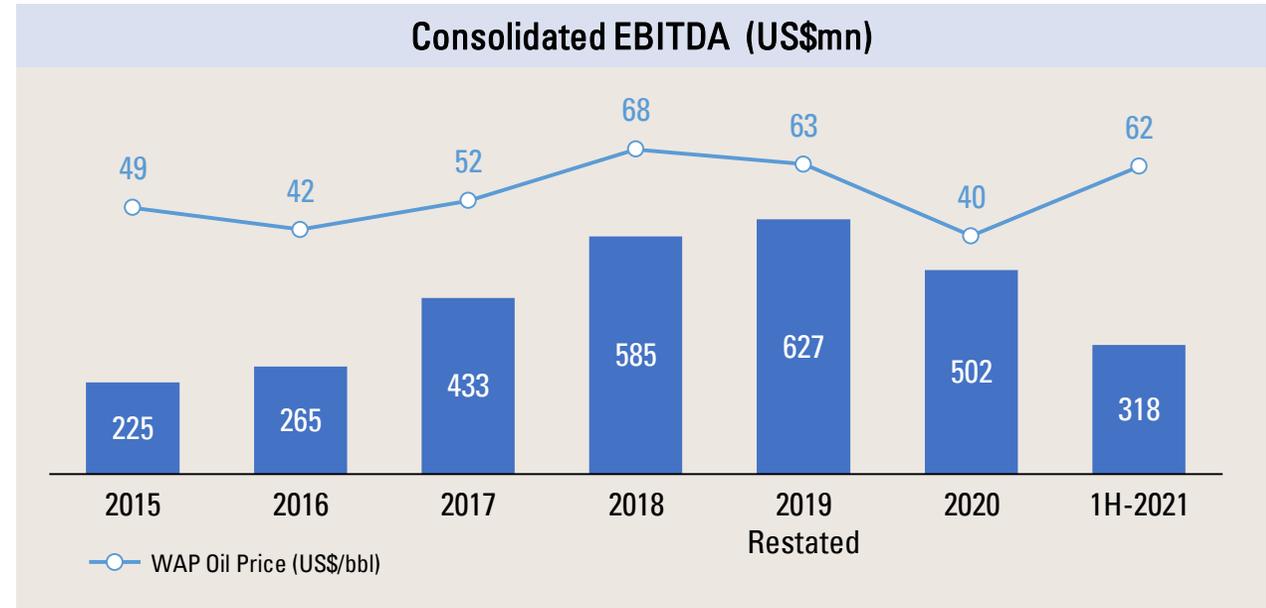
2) Restricted Group (RG): excluding Medco Power

3) Task Force on Climate-Related Financial Disclosure



FINANCIAL HIGHLIGHTS

- EBITDA 1H-2021 was US\$318 million, a 15% increase Y-o-Y, mainly due to recovering commodity prices
- Realized oil prices were US\$62.3/bbl, 61% higher Y-o-Y (US\$38.7/bbl). Weighted average gas prices US\$5.9/mmbtu, 8% higher Y-o-Y (US\$5.4/mmbtu)
- Debt repayment or escrowed funds of US\$442mn in LTM to 1H-2021
- Despite challenging operating environment in 1H-2021, US\$298mn RG EBITDA generation resulted in US\$72mn deleveraging at Restricted Group

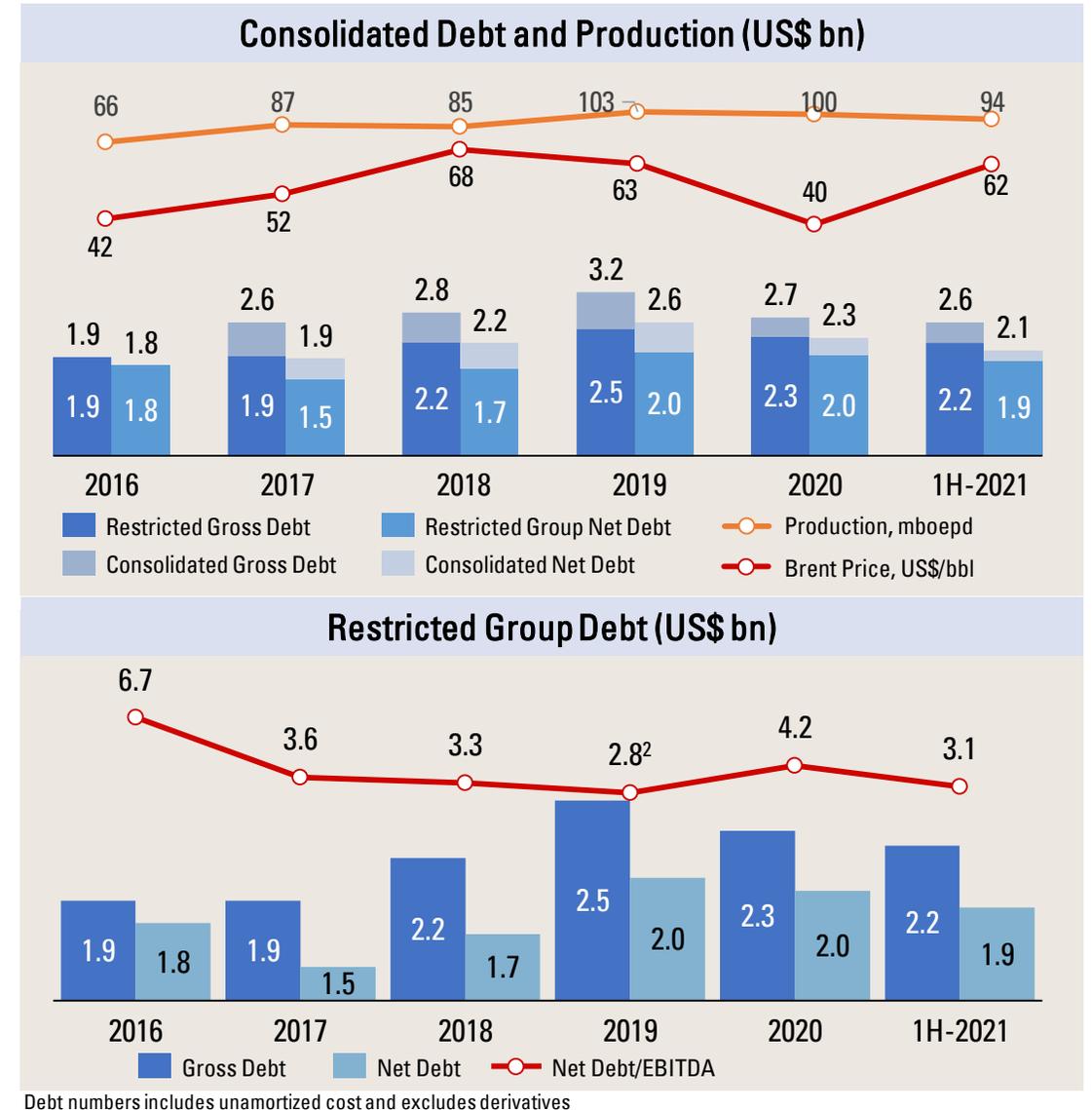


1) Restricted Group (RG): excluding Medco Power
 2) LTM EBITDA to 30 June 2021 was US\$497mn.
 3) Change in Net Working Capital.



DELEVERAGING

- Consolidated Debt US\$2.6bn, down 14% Y-o-Y. RG Debt US\$2.2bn and RG Net Debt US\$1.8bn, down 17% and 11% Y-o-Y respectively
- Ophir debt has been effectively repaid with scale, geographic diversity and credit enhancement retained
- RG Net Debt to EBITDA 3.1x. Will use excess cash to consistently deleverage each quarter. Average loan life 5 years.
- 1H-2021 Cash US\$551mn, closing 1H-21 with strong liquidity
- 2021 and 2022 IDR bond maturities already in escrow with 2023–24 capital market debt maturities US\$155mn as of September 2021



1) Restricted Group (RG): excluding Medco Power
 2) Pro forma result assume Ophir consolidated as of 1 January 2019



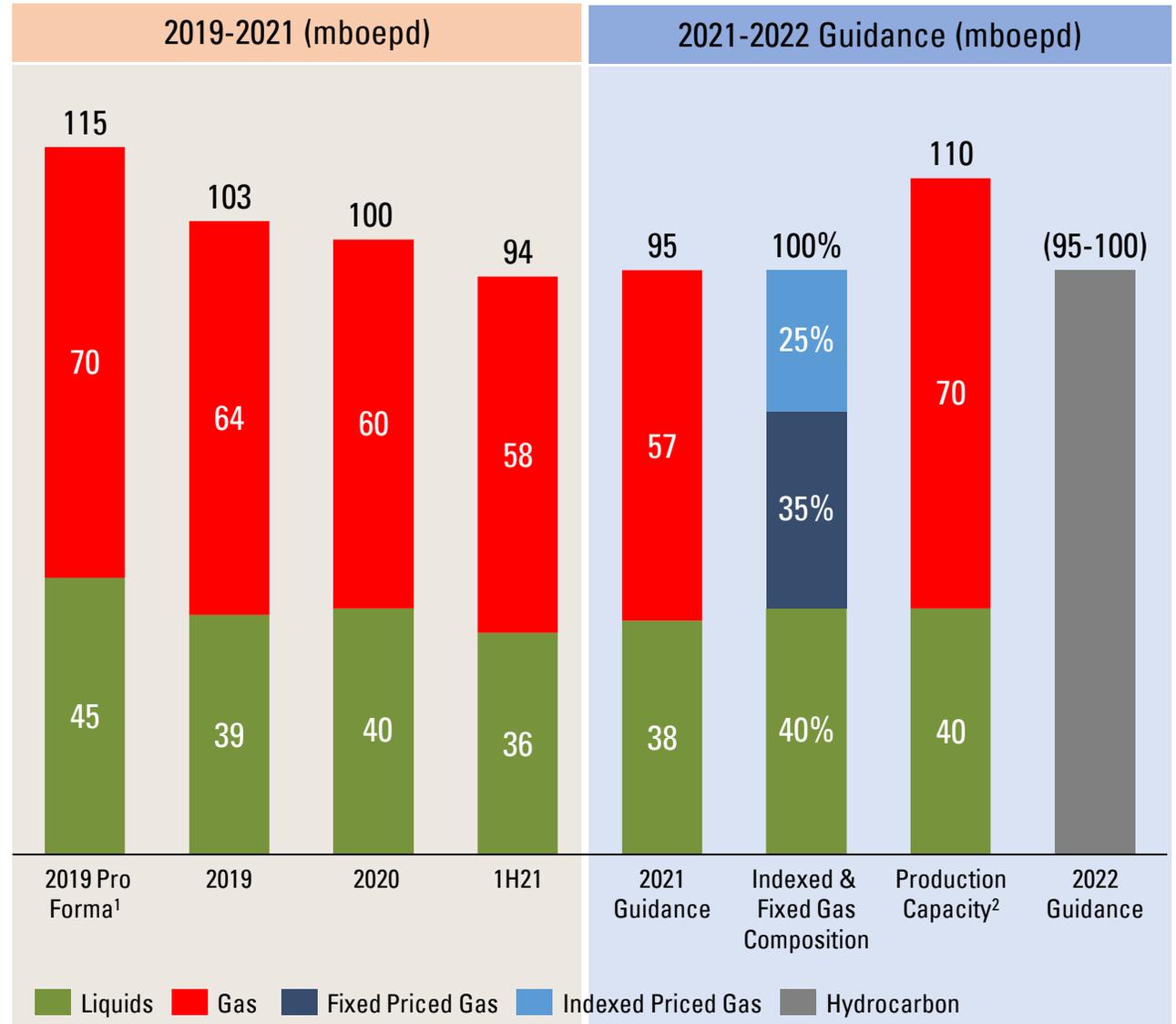
2021 GUIDANCE: PRODUCTION

1H-2021 Actual

- Production 94 mboepd within guidance
- Hedge puts of ~14% 2021 production, 2H-2021 ~8.1% at ~US\$50/bbl, 1H-2022 3.8% production at ~ US\$51/bbl as at June 2021
- Gas demand below normal pre-COVID-19 levels

2021 & 2022 Guidance

- 2021 guidance 95 mboepd
 - Q2-2021 unplanned downtime in Aceh and Vietnam, 2 – 3 mboepd
 - Weak Gas demand in East Java, Aceh and Singapore (LNG competition)
- Company policy is to hedge up to 20% of production
- Fixed price Gas contracts are a natural hedge
- 2022 production guidance 95-100mboepd, Company expects demand for domestic gas in Indonesia will continue to improve in 2022



1) Pro forma result assume Ophir consolidation from 1 January 2019
 2) Production capacity for gas is Maximum Daily Contracted Quantity



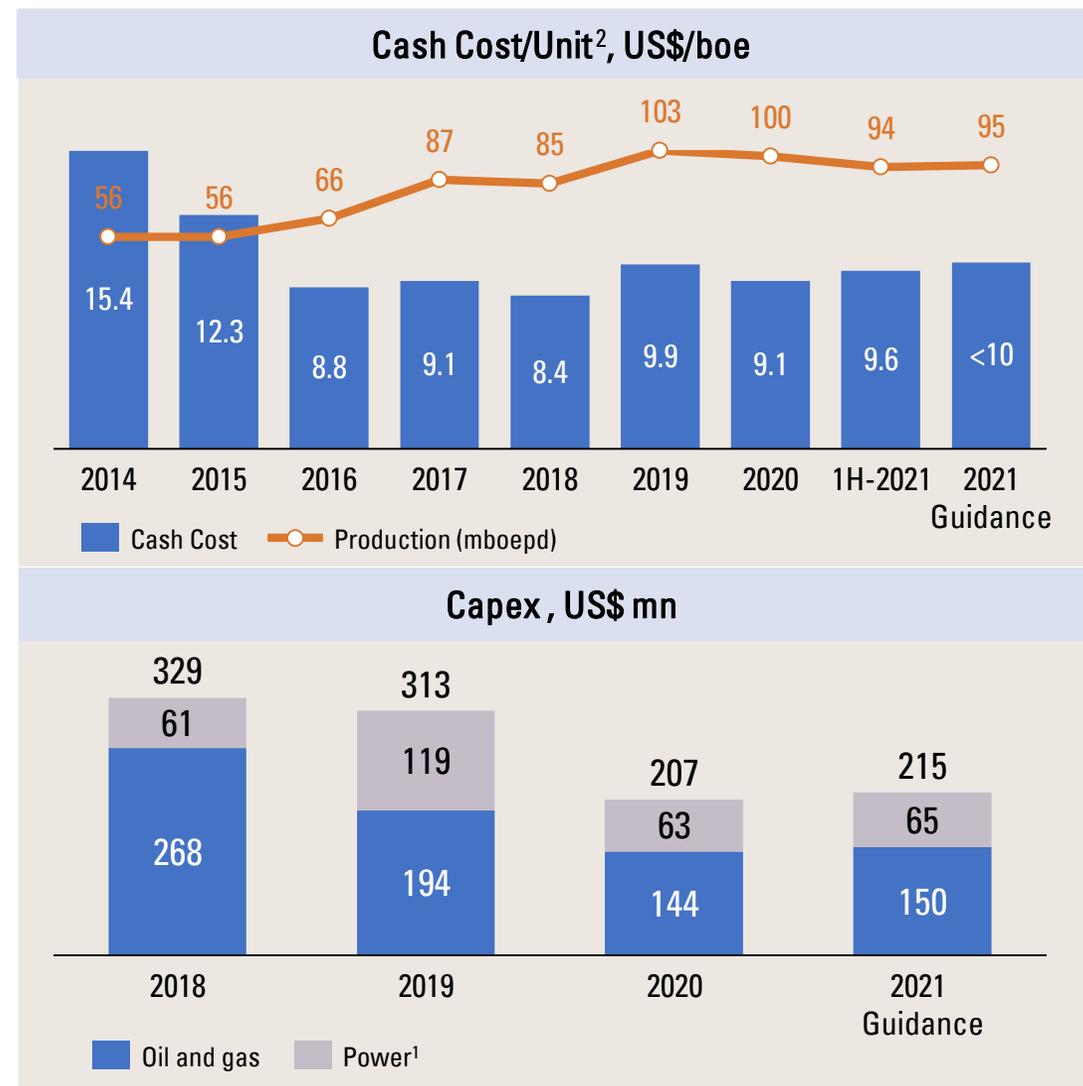
2021 GUIDANCE: EXPENDITURE

1H-2021 Actual

- Oil & Gas Capex US\$14mn. Activities ramping up but will be under full year guidance of US\$150mn
- Power¹ US\$14 mn, to progress Riau Project commissioning. On track to meet or be under full year guidance of US\$65mn
- Oil and Gas cash costs US\$9.6/boe, slightly higher due to costs to remedy unplanned shutdowns in Q2. FY2021 within guidance

2021 Guidance

- Oil & Gas Capex US\$150mn, Power¹ US\$65mn
- Remain disciplined on expenditure but retain flexibility if demand recovers
- Oil and Gas cash costs <US\$10/boe



1) Power capex is working interest Riau (51%) and Ijen (51%)
 2) Unit cash cost excludes production and expenditure on Oman KSF service contract

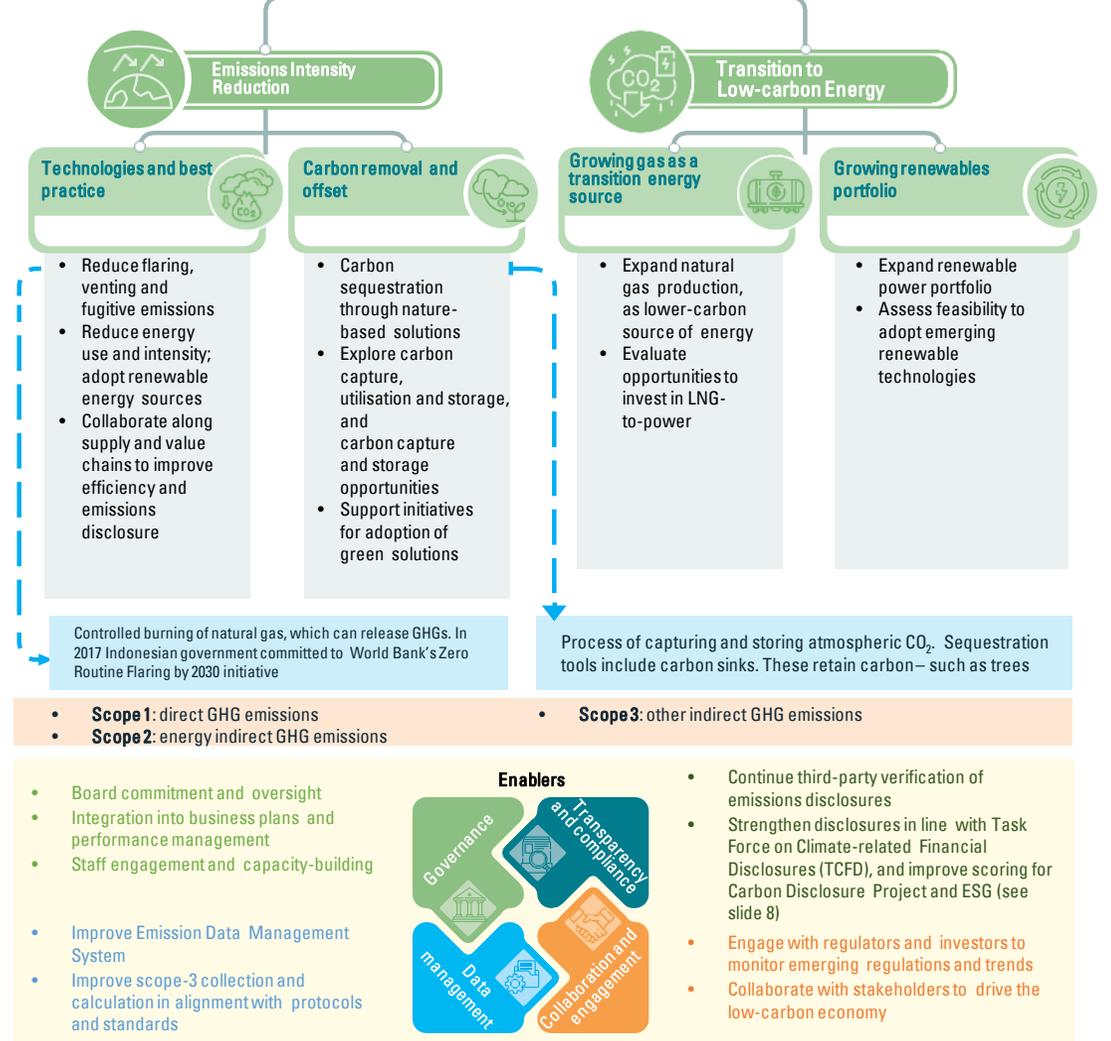


CLIMATE CHANGE STRATEGY

Medco has committed to achieve Scope 1 & 2 Net Zero emissions by 2050, and Net Zero including Scope 3 by 2060.

- Hydrocarbons will be a large part of the world’s energy mix for the medium term, especially in Asia
- Portfolio rebalancing by major oil and gas companies is continuing to create opportunities for regional players
- Companies holding hydrocarbon assets in the future will be those with transparency, governance and practices consistent with investors highest values
- **Medco Actions focused around three Strategies**
 - Emissions Intensity Reduction
 - Transition to Low Carbon Energy
 - Manage Emerging Physical Climate Risks
- **The Enablers for success**
 - Governance
 - Data management
 - Transparency and compliance
 - Collaboration and engagement

Managing Transition Risks





MEDCOENERGI

MANAGING TRANSITION RISKS

12%

Reduced E&P Scope 1 intensity
2018-2020

60%/52%/89%

of 2021 production / 2P reserves /
Contingent Resources is gas

54%

of 2021 operating power
generation capacity is renewable
energy

294m lbs

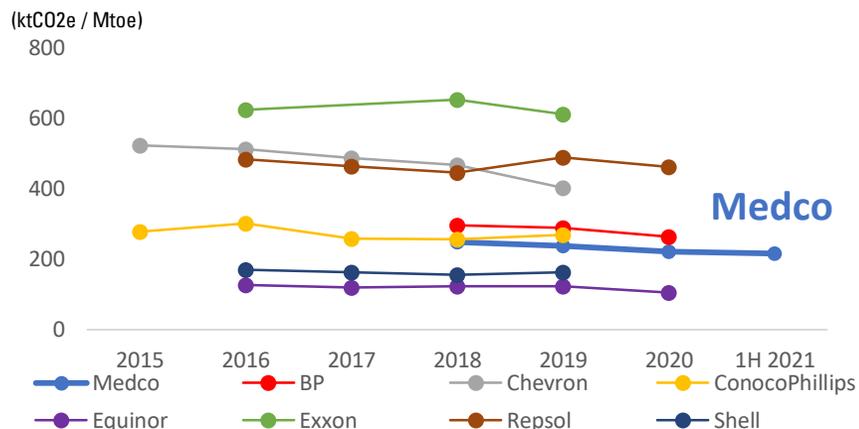
copper production (renewable
assets require 3-15x more copper
than conventional power)

136,749

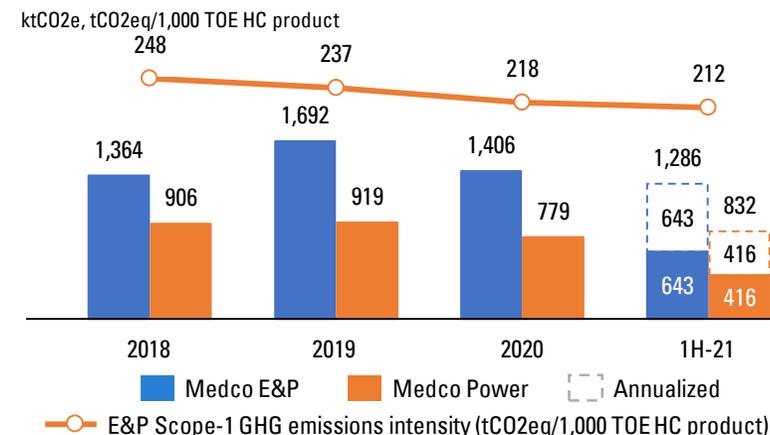
Tons CO2 eq. 2020 offset from
renewables⁽¹⁾

E&P and MPI Scope-1 GHG Emissions⁽²⁾ (in 1,000 tCO2eq)

GHG Scope 1+2 (Intensity) – Global O&G Companies⁽³⁾

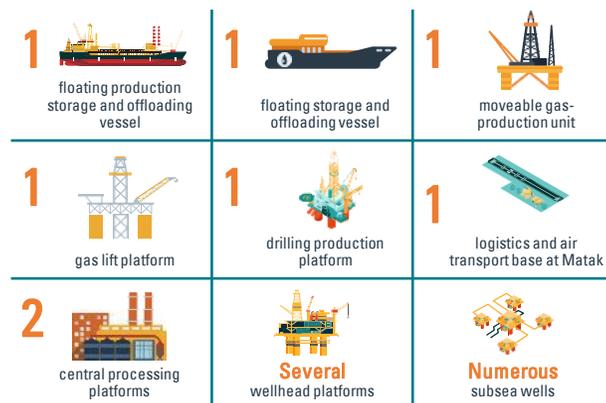


GHG Scope 1+2 (Intensity) – Medco E&P and MPI

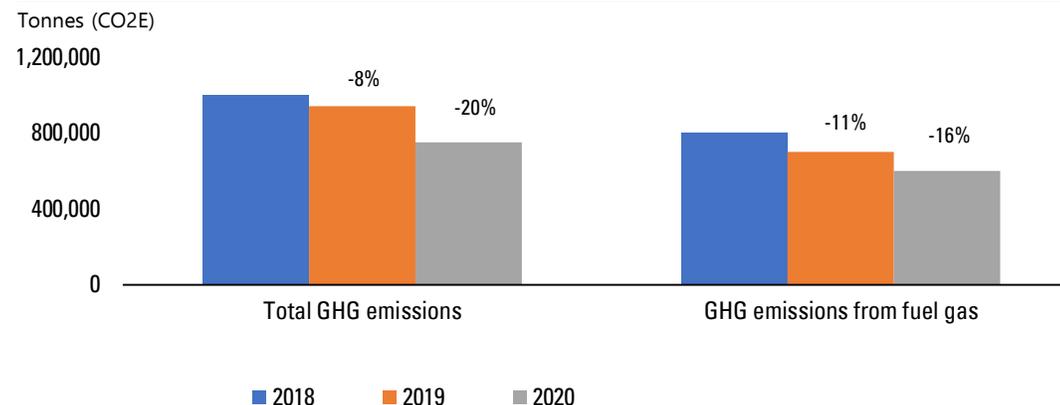


Since acquisition Medco has reduced GHG emissions from South Natuna Sea Block B⁽²⁾

SNSB facilities



SNSB Reduced Total GHG Emissions by 20%, 2019-20



1) Based on ESDM (Ministry of Energy and Mineral Resources) 2016 emission factor in Java, Madura, and Bali (Jamali).
2) All data is verified by third parties, except for 1H-21 figures.
3) Source: Public filings.



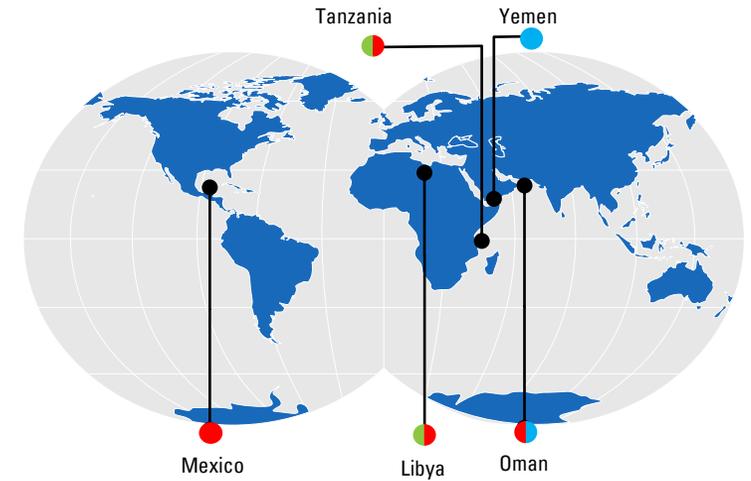
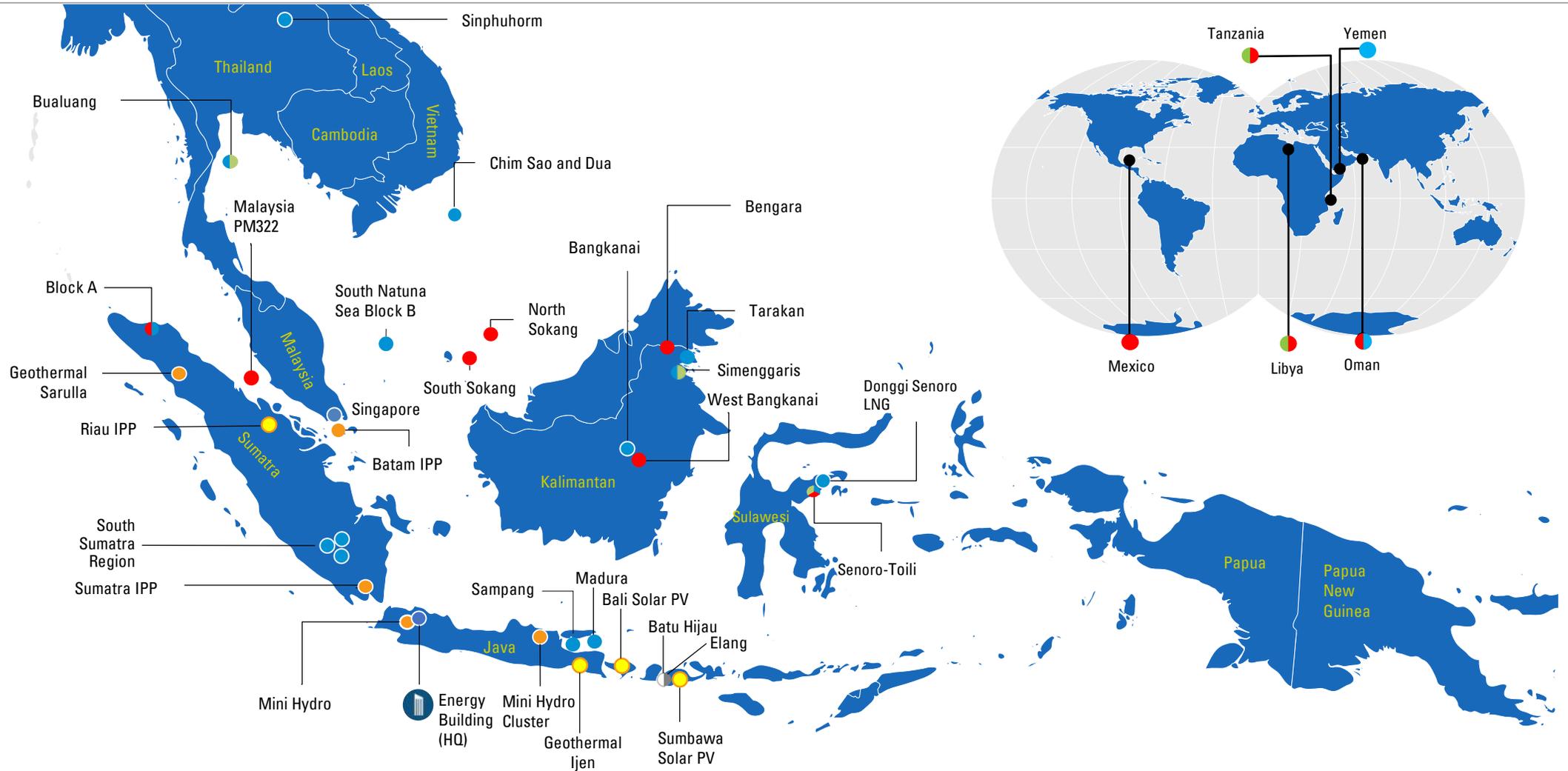
WHAT TO EXPECT IN 2021

Covid-19: Maintain and adapt Strict Protocols

- ✓ Disciplined capital investment and portfolio management
- ✓ Prudent liquidity and liability management. Consistently repay debt quarter-on-quarter
- ✓ Maintain cost focus with Oil and Gas cash costs < US\$10/boe
- ✓ Place into service Riau IPP and Natuna Hiu development
- ✓ Progress next stage of POD preparation for Natuna discoveries and appraise Ijen Geothermal
- ✓ Capture MPI renewables and LNG-Power projects and AMNT IPO
- ✓ Secure GSA renewals/new GSAs and PSC License extensions
- ✓ Evaluate credit enhancing acquisitions and portfolio management to progress Climate Change strategy
- ✓ Renew 2022-2027 ESG and Energy Transition targets



ASSET PORTFOLIO



- Production
- Development
- Exploration



- Power Installed
- Power Development



- Mining Production
- Mining Development
- Mining Exploration



PT Medco Energi Internasional Tbk

The Energy Building 53rd Floor

SCBD Lot 11A

Jl. Jend. Sudirman, Jakarta 12190

Indonesia

P. +62-21 2995 3000

F. +62-21 2995 3001

E. investor.relations@medcoenergi.com

Website : www.medcoenergi.com
