

NEWS RELEASE

FOR IMMEDIATE DISTRIBUTION

3 May 2021

INDIKA ENERGY RESULTS FOR THE PERIOD ENDED MARCH 31, 2021

Indika Energy recorded Core Profit of US\$12.5 million in 3M21

Jakarta - **PT Indika Energy Tbk. (IDX: INDY), Indonesia's leading integrated and diversified company, reported its unaudited financial statements for the period ended March 31, 2021.**

Highlights

- **Revenues decreased by 9.2% YoY to US\$582.2 million** from US\$641.5 million reported in 3M20. The lower YoY figures were attributed to lower revenue contribution from Tripatra, Petrosea, MBSS and coal trading business, despite improved performance from Kideco and MUTU.,
- **Gross profit increased by 15.3% YoY to US\$120.9 million from US\$104.9 million reported in 3M20.** The consolidated gross margin improved from 16.4% to 20.8% in 3M21, mainly due to higher Kideco's performance (Kideco's GP margin 25.0% in 3M21 vs 18.0% in 3M20). The increase was partially offset by Tripatra's gross loss of US\$13.2 million in 3M21 due to additional cost incurred in BP Tangguh project.
- **Operating income increased 23.5% YoY to US\$84.9 million** from US\$68.7 million reported in 3M20, while operating margin improved to 14.8% from 10.7% in 3M20.
- **Finance cost increased by 15.3% YoY to US\$27.6 million in 3M21** vs US\$23.9 million in 3M20, mainly due to new bond with higher coupon rate (avg of 7.2% in 3M21 vs. avg of 6.2% in 3M20) and additional debt of US\$125 million at holding to fund diversification investment.
- **Others - net expenses decreased by US\$24.7 million to US\$7.2 million** in 3M21 mainly due to decrease in FX loss by US\$25.0 million to US\$2.8 million in 3M21. (US\$ at Rp14,572 as of March 31, 2001 vs Rp16,367 as of March, 31, 2020)
- **The Company booked Loss attributable to owners of the company of US\$9.4 million** in 3M21, compared to net loss of US\$21.0 million in 3M20.
- **Core Profit* US\$12.5 million reported** in 3M21 compared to Core Profit of US\$0.9 million reported in 3M20.

*) Core Profit (Loss) is defined as net profit (loss) attributable to Owners of the Company for the year excluding: 1) Provision for contingent liability related to acquisition of additional shares in Kideco; 2) amortization intangible assets of Kideco and MUTU; 3) impairment of asset; and 4) gain from a bargain purchase related to investment in Awakmas

PT Indika Energy Tbk.

Graha Mitra, 3rd Floor, Jl. Jend. Gatot Subroto Kav. 21, Jakarta 12930, Indonesia
T +62 21 2557 9888, F +62 21 2557 9889, www.indikaenergy.co.id

NEWS RELEASE

- The Adjusted EBITDA totalled US\$141.9 million for the period ending March 31, 2021**, compared to US\$102.3 million in the same period previous year, while LTM EBITDA was recorded at US\$313.6 million in 3M21
- Cash, Cash Equivalents and Other Financial Assets end of March 2021 stood at US\$772.8 million.**
- Capex spending during 3M21 was US\$10.6 million**, primarily US\$7.9 million spent in Petrosea for maintenance and replacement and US\$1.5 million in MBSS for vessel maintenance.

PT Indika Energy Tbk.

Descriptions (in USD mn)	3M21	3M20	YoY	4Q20	QoQ
Total revenues	582.2	641.5	-9.2%	538.6	8.1%
Kideco	414.9	376.4	10.2%	331.0	25.4%
Indika Resources	57.1	78.3	-27.1%	37.9	50.8%
Petrosea	91.1	103.6	-12.0%	90.8	0.3%
Tripatra	39.0	100.3	-61.1%	30.0	30.0%
MBSS	15.2	16.4	-7.3%	14.0	8.7%
Interport	7.1	1.2	513.3%	9.4	-24.8%
Others	13.0	12.0	7.6%	71.4	-81.9%
Elimination	(55.2)	(46.6)	18.4%	(45.8)	20.5%
Cost of contracts and goods sold	(461.2)	(536.6)	-14.0%	(499.0)	-7.6%
Gross profit	120.9	104.9	15.3%	39.6	205.4%
Selling, general and administrative expenses	(36.1)	(36.2)	-0.4%	(32.5)	10.9%
Operating profit	84.9	68.7	23.6%	7.1	1099.4%
Equity in net profit of associates	8.9	6.7	32.6%	11.4	-21.3%
Investment income	0.8	0.2	267.7%	3.9	-80.1%
Finance cost	(27.6)	(23.9)	15.3%	(48.4)	42.9%
Amortization of intangible assets	(33.9)	(33.9)	0.0%	(33.9)	0.0%
Final tax	(2.1)	(2.8)	23.4%	(2.7)	20.5%
Others- net	(7.2)	(4.8)	52.0%	9.4	-176.7%
Profit (Loss) Income before tax	23.8	(16.8)	241.3%	(49.9)	147.6%
Income tax expense	(26.9)	(0.9)	-2892.1%	(8.6)	-213.5%
Profit (Loss) for the year/period :	(3.2)	(17.7)	-82.1%	(58.5)	94.6%
Profit (Loss) attributable to owners of the company	(9.4)	(21.0)	55.5%	(65.0)	85.6%
Profit (Loss) attributable to non-controlling Interest	6.2	3.3	88.0%	6.6	-5.6%
Core Profit (Loss) of the Company	12.5	0.9	1357.3%	(46.7)	126.8%
Adjusted EBITDA *	141.9	102.3	38.8%	47.5	198.7%
LTM - Adjusted EBITDA *	313.6	411.2	-23.7%	319.6	-1.9%
EPS (USD/share)	(0.0018)	(0.0040)		(0.0125)	
Core EPS (USD/share)	0.0024	0.0002		(0.0090)	
Gross margin	20.8%	16.4%		7.4%	
Operating margin	14.6%	10.7%		1.3%	
Net margin	-1.6%	-3.3%		-12.1%	
Core profit margin	2.2%	0.1%		-8.7%	
Adjusted EBITDA Margin	24.4%	15.9%		8.8%	

* Includes dividends from associates (last twelve months period ended 31 Mar 2021)

NEWS RELEASE

The consolidated revenues decreased by 9.2% to US\$582.2 million in 3M21 from US\$641.5 million in 3M20. **) The lower YoY figures were attributed to lower contribution from Tripatra, Petrosea, MBSS and coal trading business, despite improved performance from Kideco and MUTU:

- a) **Kideco's revenue increased by 10.3% YoY to US\$414.9 million** due to higher average selling price (+5.1% YoY) and higher sales volume (+4.9% YoY). **Kideco sold 9.2 MT of coal at ASP of US\$45.2/ton in 3M21** compared to 8.8 MT of coal sold at ASP of US\$43.0/ton in 3M20. Kideco sold 6.1MT or 66% of sales volume for export market and 3.1 MT or 34% for domestic market. Kideco's export sales were dominated by China, Southeast Asia countries, and India with 37%, 14% and 10% of total sales volume, respectively.
- b) **Petrosea's revenue dropped 12.1% YoY to US\$91.1 million in 3M21** from US\$103.6 million in 3M20 due mainly to: 1) E&C decreased by 44.7% YoY to US\$12.8 million from US\$23.2 million in 3M20 with lower revenue contribution from Freeport (-56.9% YoY to US\$9.7million), but partially lifted with higher revenue contribution from FEED project in Awakmas (US\$2.3 million in 3M21 vs US\$0.2 million in 3M20); 2) POSB revenue decreased by 58.9% YoY to US\$3.5 million mainly due to completion of Tg Batu and lower revenue from Sorong 3) Contract mining increased by 6.2% YoY to US\$64.0 million in 3M21 due to more overburden volume in Kideco (+50.3% to 18.3 mbcm in 3M21) as a result of replacing BUMA in Kideco. The higher volume was partially offset by lower overburden volume in Tabang (-8.2% to 9.3 mbcm in 3M21) due to poor weather in the mine area and no volume contribution from BMB as the contract was discontinued in 2020 (4.9 mbcm in 3M20).
- c) **Tripatra's revenue decreased by 61.1% to US\$39.0 million compared to US\$100.3 million in 3M20.** The lower contribution, mainly due to: 1) BP Tangguh project which decreased 60.5% YoY from US\$84.5 million in 3M20 to US\$33.4 million in 3M21; 2) lower revenue from Emily project (US\$3.2 million in 3M21 vs US\$12.6 million in 3M20) and 3) completion of Vopak project (US\$1.8 million in 3M20).
- d) **Indika Resources' revenue decreased by 27.1% YoY to US\$57.1 million in 3M21 from US\$78.3 million in 3M20,** mainly due to lower contribution from coal trading which partially offset with higher revenue contribution from MUTU. MUTU's revenue increased by 39.4% YoY to US\$30.9 million in 3M21 with sales volume increased 25.1% YoY to 0.4 MT in 3M21 and ASP increased by 11.5% YoY to US\$76.9/ton in 3M21. Coal trading revenue decreased by 53.3% YoY to US\$26.2 million on 0.7 MT coal traded from US\$56.1 million on 1.9 MT coal traded in 3M20.
- e) **MBSS' revenue decreased 7.3% YoY to US\$15.2 million** from US\$16.4 million in 3M20. Barging revenue decreased by 10.6% to US\$10.7 million in 3M21 compared to US\$12.0 million in 3M20, mostly due to lower volume (6.0 MT in 3M21 vs 7.2 MT in 3M20). Transhipment revenue slightly increased 1.5% YoY to US\$4.5 million in 3M21 from US\$4.4 million 3M20, mostly due to higher volume (2.1MT in 3M21 vs 2.0 MT in 3M20).
- f) **Interport revenue increased by US\$5.9 million to US\$7.1 million** in 3M21 as fuel storage started operation in Nov 2020.

**) All subsidiaries revenue figures are before eliminations

NEWS RELEASE

Cost of Contracts and Goods Sold decreased by 14.0% YoY to US\$461.2 million in 3M21 from US\$536.6 million in 3M20. Kideco's cash costs excluding royalties decreased 6.3% YoY to US\$27.6/ton in 3M21 compared to US\$29.4/ton in 3M20 mainly due to lower SR (5.2x in 3M21 vs 5.3x in 3M20). Lower cost of contracts and goods sold figures YoY was partially offset by Tripatra's additional cost on BP Tangguh project in 3M21. Tripatra recorded cost overrun on BP Tangguh project which has resulted gross loss of US\$13.2 million in 3M21 vs gross profit of US\$7.1 million in 3M20.

Selling, General and Administrative expenses was stable YoY in the amount of US\$36.1million in 3M21. Lower salaries expenses and professional fee in 3M21 was offset with higher marketing expenses due to higher Kideco export sales and higher rental expenses in Indika Resources for tug boat and barge.

Finance costs increased by 15.3% to US\$27.6 million from US\$23.9 million in 3M20, primarily due to higher interest expenses due to new bond with higher coupon rate (avg 6.2% in 3M20 vs avg 7.2% in 3M21) and additional debt of US\$125m at holding to fund diversification investment..

The Company reported Loss Attributable to the Owners of the Company of US\$9.4 million in 3M21 compared to loss of US\$21.0 million in 3M20.

The Company reported Core Profit in 3M21 of US\$12.5 million compared to Core Profit of US\$0.9 million reported in 3M20.

Descriptions (in USD mn)	3M21	3M20	YoY	FY20	Change % 3M21 - FY20
Cash balance*	772.8	728.2	6.1%	792.1	-2.4%
Current assets	1,468.3	1,345.9	9.1%	1,394.1	5.3%
Total assets	3,565.5	3,520.8	1.3%	3,493.7	2.1%
Current liabilities	812.7	657.2	23.7%	707.7	14.8%
Total Debt**	1,666.1	1,526.8	9.1%	1,693.8	-1.6%
Shareholder equity	866.4	999.9	-13.4%	867.3	-0.1%
Current ratio (X)	1.81	2.05		1.97	
Debt to Ebitda (X)	5.31	3.71		6.18	
Net Debt to Ebitda (X)	2.88	2.11		3.60	
Debt to equity (X)	1.92	1.53		1.95	
Net debt to equity (X)***	1.03	0.80		1.04	

* includes other financial assets and restricted cash

** total debt with interest bearing exclude accrued interest and issuance cost

*** total debt minus total cash balance divided by shareholder equity

NEWS RELEASE

Kideco Financial and Operational Highlights

Descriptions (USD mn)	1Q21	1Q20	YoY	4Q20	QoQ
Sales	414.9	376.4	10.3%	330.9	25.4%
Gross profit	103.7	67.6	53.4%	47.5	118.2%
Operating profit	91.7	56.9	61.2%	37.2	146.3%
Net income	51.1	25.1	103.5%	21.4	139.0%
EBITDA	97.2	62.3	56.0%	42.8	127.2%
Gross margin	25.0%	18.0%	39.2%	14.4%	74.0%
Operating margin	22.1%	15.1%	46.2%	11.2%	96.4%
Net margin	12.3%	6.7%	84.5%	6.5%	90.6%
EBITDA margin	23.4%	16.6%	41.5%	12.9%	81.2%
Overburden (mn bcm)	47.6	46.5	2.4%	45.6	4.3%
Production volume (MT)	9.1	8.8	3.6%	9.1	0.1%
Sales volume (MT)	9.2	8.8	4.9%	9.4	-1.9%
Stripping ratio (X)	5.2	5.3	-1.2%	5.0	4.3%
Cash Cost excl royalty (US\$/ton)	27.6	29.4	-6.3%	25.4	8.6%
Average selling price (US\$/ton)	45.2	43.0	5.1%	35.4	27.8%

Recent Development

- On 5 April 2021, INDY, together with its wholly-owned subsidiary namely PT Indika Energy Infrastructure has established a company namely PT Electra Mobilitas Indonesia ("EMI"). The purpose of EMI establishment is to explore potential electric vehicle business in Indonesia.

#

NEWS RELEASE

ABOUT INDIKA ENERGY

PT Indika Energy Tbk. ("Indika Energy") is Indonesia's leading integrated energy company through its strategic investments in the areas of **Energy Resources** – coal production (PT Kideco Jaya Agung, PT Multi Tambangjaya Utama); coal trading (Indika Capital Investment Pte. Ltd.); **Energy Services** – EPC - oil & gas (PT Tripatra Multi Energi, PT Tripatra Engineers & Constructors, PT Tripatra Engineering); EPC – contract mining (PT Petrosea Tbk. (IDX: PTRO).); **Energy Infrastructure** – marine transportation, ports & logistics for bulk goods and natural resources (PT MitraBhara Segara Sejati Tbk. (IDX: MBSS), PT Sea Bridge Shipping, PT Cotrans Asia, PT Indika Logistic & Support Services, PT Kuala Pelabuhan Indonesia); fuel storage (PT Kariangau Gapura Terminal Energi); coal-fired power plant (PT Cirebon Electric Power and PT Prasarana Energi Cirebon); **Other Portfolios** – gold production (Nusantara Resources Limited, PT Masmindo Dwi Area), IT enterprise (PT Xapiens Teknologi Indonesia), digital technology services (PT Zebra Cross Teknologi), renewable energy (PT Empat Mitra Indika Tenaga Surya and PT PT Electra Mobilitas Indonesia).

www.indikaenergy.co.id

FURTHER INFORMATION

Ricardo Silaen, CFA – Head of Investor Relations

Nicky Kurniawan – Head of Corporate Finance

E_investor.relations@indikaenergy.co.id

T +62 21 2557 9888

DISCLAIMER

This news release may contain certain financial information, projections, plans, strategies, and objectives of PT Indika Energy Tbk., that are not statements of historical fact which would be treated as forward looking statements within the meaning of applicable law.

Neither PT Indika Energy Tbk., its affiliates nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements in this communication.

This news release is for information only and is not an offer to sell or an invitation to buy any securities and neither this news release nor anything herein forms the basis for any contract or commitment whatsoever.