



# Company Update 9M22

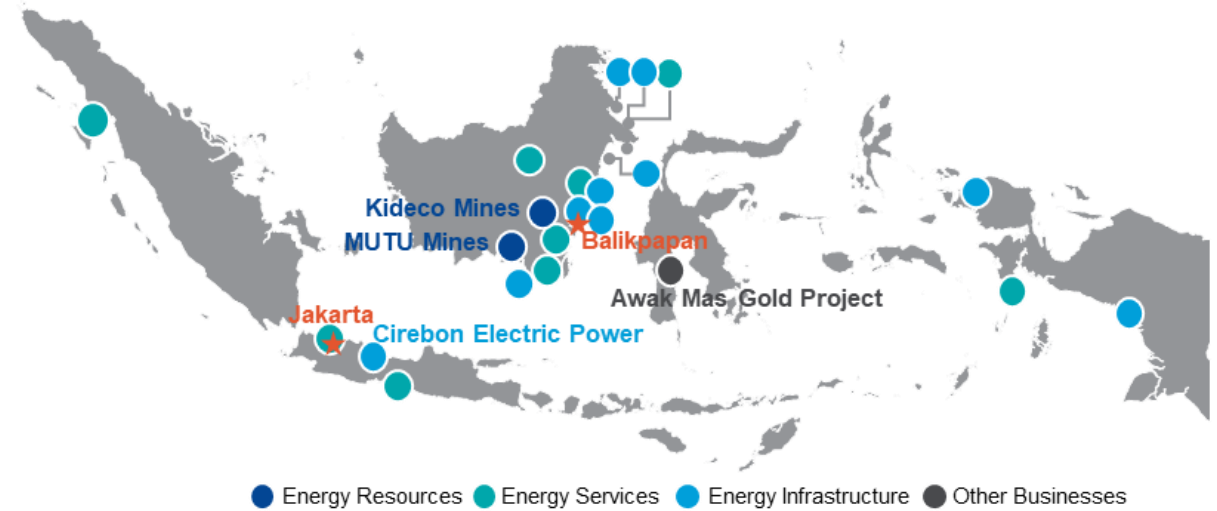
PT Indika Energy Tbk.

Nov 2022

# Indika Energy - To Energize Indonesia for a Sustainable Future



- ✓ An Investment Holding Company with portfolio spanning across Indonesia, especially in energy value chain.
- ✓ Well-placed to capture domestic economic growth and global economic recovery
- ✓ Provides complementary products and services to domestic and international customers
- ✓ Strong operating track-record, with focus on cost control and unlocking synergies within the Group
- ✓ Ongoing diversification initiatives such as renewables, digital technologies and gold mining (target 50% non-coal revenue by 2025)
- ✓ Strong focus on and commitment to ESG initiatives
- ✓ Prudent financial management, with established track record in debt and equity capital markets



Energy			Logistic & Infrastructure	Minerals	Green Business	Digital Ventures
Resources	Services	Infrastructure				
<ul style="list-style-type: none"> <li>Indonesia's 3<sup>rd</sup> largest coal miner<sup>(1)</sup></li> <li>Coal exploration and production through flagship Kideco and MUTU</li> <li>Coal trading (ICI and IETPL)</li> </ul>	<ul style="list-style-type: none"> <li>EPC and O&amp;M services in oil &amp; gas and power generation (Tripatra)</li> </ul>	<ul style="list-style-type: none"> <li>Transportation of bulk materials (SBS &amp; CTA)</li> <li>Electricity generation (CEP/CEPR)</li> </ul>	<ul style="list-style-type: none"> <li>Port and logistics services, as well as fuel storage (Interport)</li> </ul>	<ul style="list-style-type: none"> <li>Gold development Project</li> <li>Nickel Trading</li> </ul>	<ul style="list-style-type: none"> <li>Renewables energy through solar power</li> <li>Electric Vehicle</li> <li>Nature based solutions</li> </ul>	<ul style="list-style-type: none"> <li>Digital technology activities (integration of Group ICT systems)</li> <li>Digital transformation and analytics</li> </ul>

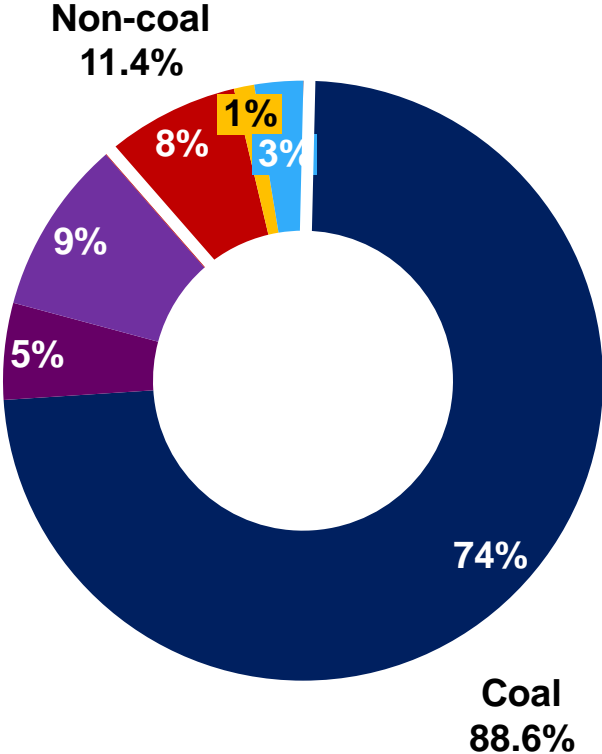
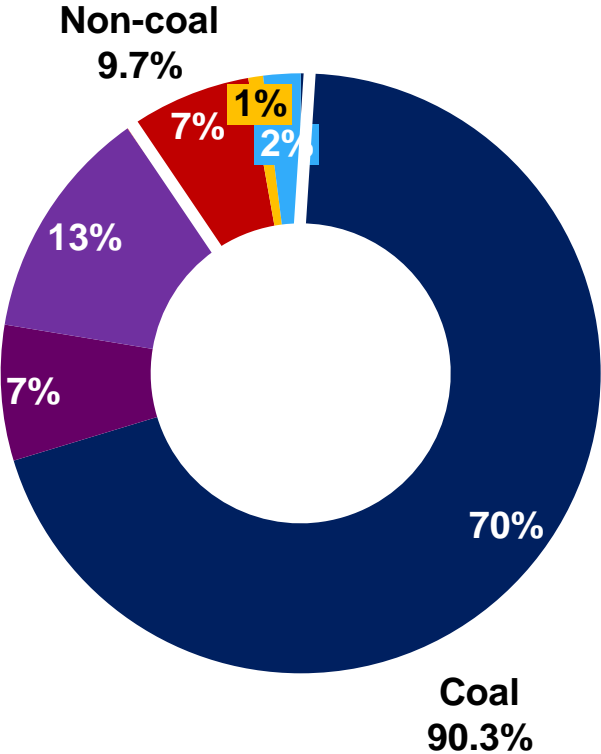
(1) As measured by 2019 production according to Wood Mackenzie

# Indika Energy – 9M22 Revenue Contribution



Revenue 9M22 : US\$3,133.4m

Revenue 9M21 : US\$1,993.8m



- Kideco
- MUTU
- Coal Trading
- Tripatra
- Interport
- Others

*\*) PTRO's figures have been excluded*

# Indika Energy's Consolidated Income Statement Highlights



Summary P&L	3Q22	3Q21	YoY	2Q22	QoQ	Year To Date		
						9M22	9M21	YTD YoY
Revenues	1,194.4	829.1	44.1%	1,108.2	7.8%	3,133.4	1,993.8	57.2%
COGS	(777.0)	(568.6)	36.7%	(700.1)	11.0%	(2,047.1)	(1,474.3)	38.9%
<b>Gross Profit</b>	<b>417.4</b>	<b>260.5</b>	<b>60.2%</b>	<b>408.1</b>	<b>2.3%</b>	<b>1,086.3</b>	<b>519.5</b>	<b>109.1%</b>
SG&A Expenses	(58.4)	(37.6)	55.1%	(52.6)	11.1%	(151.0)	(94.5)	59.8%
<b>Operating Profit</b>	<b>359.0</b>	<b>222.9</b>	<b>61.1%</b>	<b>355.5</b>	<b>1.0%</b>	<b>935.3</b>	<b>425.0</b>	<b>120.1%</b>
<b>Pre tax Profit</b>	<b>307.6</b>	<b>144.6</b>	<b>112.7%</b>	<b>298.2</b>	<b>3.1%</b>	<b>761.2</b>	<b>232.4</b>	<b>227.5%</b>
Adjusted EBITDA *)	382.0	275.1	38.9%	398.0	-4.0%	1,013.9	581.6	74.3%
Income Tax	(149.6)	(86.1)	73.9%	(154.6)	-3.2%	(374.8)	(157.3)	138.3%
<b>Profit (Loss) after tax from continued operation</b>	<b>158.0</b>	<b>58.5</b>	<b>169.8%</b>	<b>143.6</b>	<b>10.0%</b>	<b>386.5</b>	<b>75.2</b>	<b>414.3%</b>
Profit (Loss) from discontinued operation	0.0	(95.8)	100.0%	0.0	0.0%	0.0	(83.5)	100.0%
<b>Core Profit (Loss)</b>	<b>157.8</b>	<b>28.4</b>	<b>455.2%</b>	<b>145.7</b>	<b>8.3%</b>	<b>398.6</b>	<b>84.2</b>	<b>373.4%</b>
<b>Net Profit (Loss)</b>	<b>137.7</b>	<b>(18.0)</b>	<b>867.0%</b>	<b>125.6</b>	<b>9.7%</b>	<b>338.4</b>	<b>(6.0)</b>	<b>5785.2%</b>
Gross Margin(%)	34.9%	31.4%		36.8%		34.7%	26.1%	
EBIT Margin(%)	30.1%	26.9%		32.1%		29.8%	21.3%	
Core Profit Margin(%)	13.2%	3.4%		13.1%		12.7%	4.2%	
Net Profit Margin(%)	11.5%	-2.2%		11.3%		10.8%	-0.3%	

\*) Consolidated EBITDA plus dividends received from associates

\*\*) Core Profit refers to the current year's profit attributable to the owner 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

# 9M22 Business Highlights – Revenue Breakdown



Subsidiaries	9M22 (US\$ mn)	9M21 (US\$ mn)	YoY Chg	Remarks
Kideco	2,216.2	1,486.1	49.1%	ASP ▲ 55.4% (+US\$30.0/ton) from US\$54.2/ton in 9M21 to US\$84.2/ton in 9M22, Sales Volume ▼ -4.1% (-1.1MT) to 26.3MT in 9M22 due to lower annual target production in 2022.
Indika Resources	628.4	294.7	113.3%	MUTU's ASP ▲ 129.9% to US\$193.3 per ton in 9M22, Sales Volume ▼ 4.9% to 1.2 MT in 9M22 Coal Trading's Sales volume ▲ 32.4% to 5.2MT in 9M22, while ASP ▲ 58.5% (+US\$27.8/ton) to US\$75.3/ton in 9M22.
Tripatra	219.4	155.1	41.5%	higher contribution from Tangguh (+US\$50.1m) to US\$190.6m (where mostly derived from Reimbursement Contract) and new projects such as Star Energy Geothermal Salak (+US\$9.1m) and Cabott (+US\$7.1m) in 9M22
Interport	25.4	21.7	17.2%	Sales volume ▲ to 17.3 KBD in 9M22 vs 14.0 KBD in 9M21, although sales volume in 9M22 was still below the budget
Others	62.4	53.1	17.5%	
<b>Total Gross Revenue</b>	<b>3,151.8</b>	<b>2,010.7</b>	<b>56.8%</b>	
Elimination	(18.4)	(16.9)		
<b>Total Net Revenue</b>	<b>3,133.4</b>	<b>1,993.8</b>	<b>57.2%</b>	

# 9M22 Business Highlights- Gross Profit/ Margin



Subsidiaries	9M22 (US\$ mn)	9M21 (US\$ mn)	YoY Change	Remarks
<b>Gross Profit</b>	<b>1,086.3</b>	<b>519.5</b>	<b>109.1%</b>	
<b>Gross Margin (%)</b>	<b>34.7%</b>	<b>26.1%</b>		
Kideco	923.6	479.6	92.6%	ASP ▲ 55.4% (+US\$30.0/ton) from US\$54.2/ton in 9M21 to US\$84.2/ton in 9M22 Sales Volume ▼ 4.1% (-1.1MT) from 27.4 MT in 9M21 to 26.3 MT in 9M22 Cash cost inc Royalty ▲ (+US\$14.7/ton) from US\$33.3/ton in 9M21 to US\$48.0/ton in 9M22 mainly due to 1) higher royalty (+US\$14.7/ton) due to higher ASP or HBA index. 2) higher fuel cost (\$0.47/ liter in 9M21 vs US\$0.87/ liter in 9M22);
Indika Resources	142.0	50.6	180.5%	MUTU ASP ▲ +129.9% (+US\$109.2 per ton) to US\$193.3 per ton in 9M22; MUTU Sales Volume ▼ -4.9% to 1.2MT in 9M22 due to export ban in Jan 2022 and challenges in hauling & infrastructures MUTU Cash cost inc Royalty ▲ 85.5% (+US\$54.0/ton) to US\$117.2/ton in 9M22. Coal Trading ASP ▲ +58.5% (+US\$27.8/ton) to US\$75.3/ton and trading volume ▲ +32.4% (+ 1.3MT) to 5.2 MT in 9M22 Coal Trading Purchase price ▲ +53.1% (+US\$24.3/ton) to US\$69.9/ton in 9M22
Tripatra	11.7	(13.9)	184.7%	Gross profit margin improved to 5.4% in 9M22 from loss -8.9% in 9M21 due to improvement in BP Tangguh project where the lump sum contract incurred cost overrun in 9M21
Interport	9.6	6.4	48.3%	Total gross margin increased to 37.6% in 9M22 compared to 29.7% in 9M21 due to higher gross margin in KGTE from 44.7% to 51.7% in 9M22
Others	3.3	4.1	-19.4%	

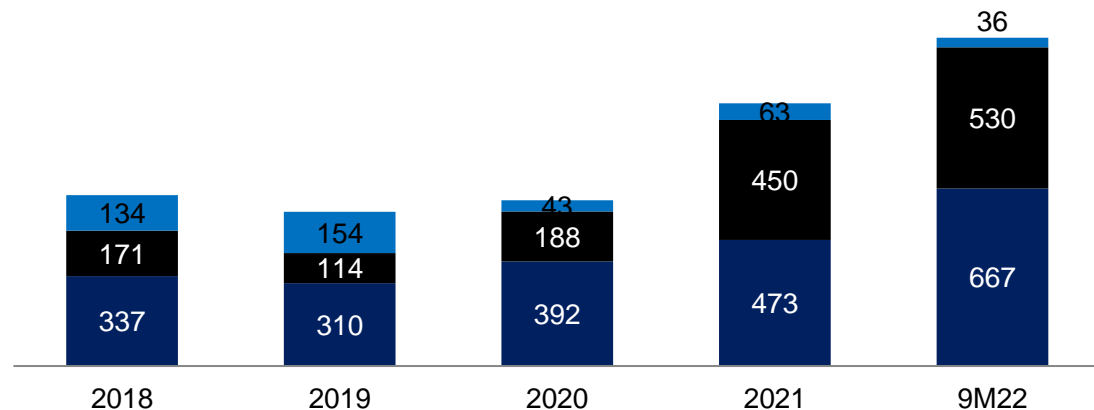
# Indika Energy – Sound Balance Sheet



## Cash Breakdown by Subsidiaries

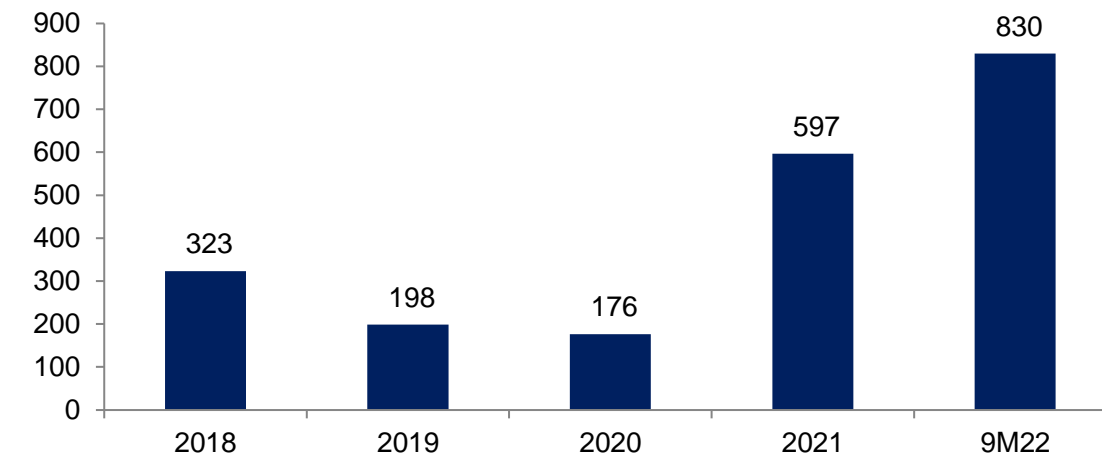
US\$ million

■ HoldCo & Others ■ Kideco ■ Tripatra



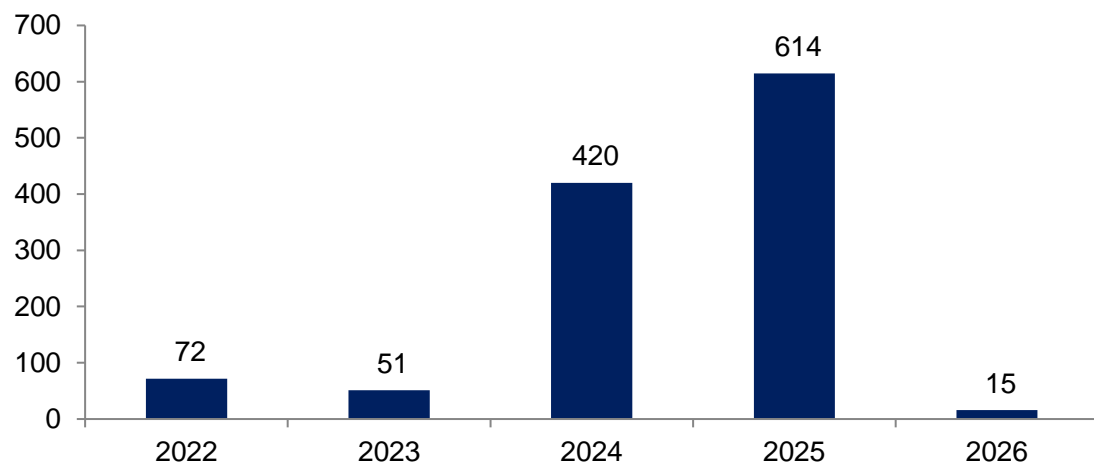
## LTM Free Cash Flow

US\$ million



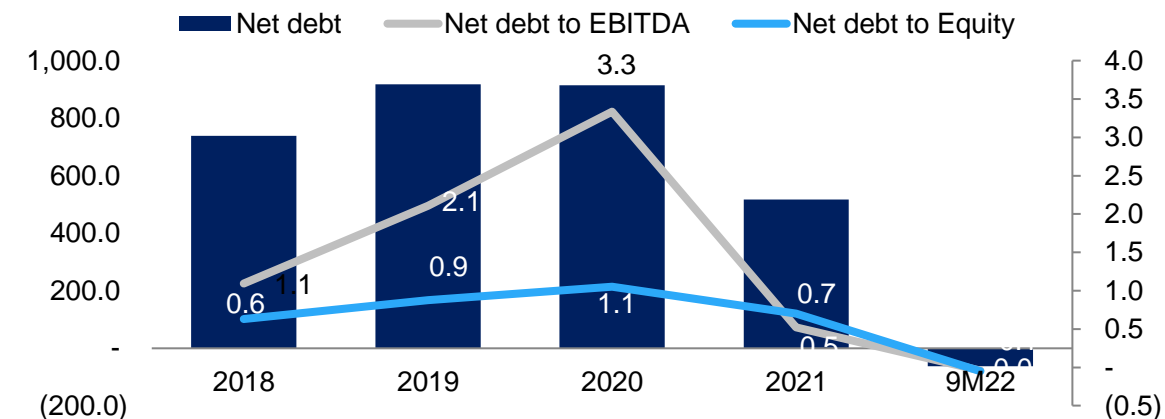
## Long Dated Debt Maturity Profile

US\$ million



## Net Debt Ratio

US\$ million

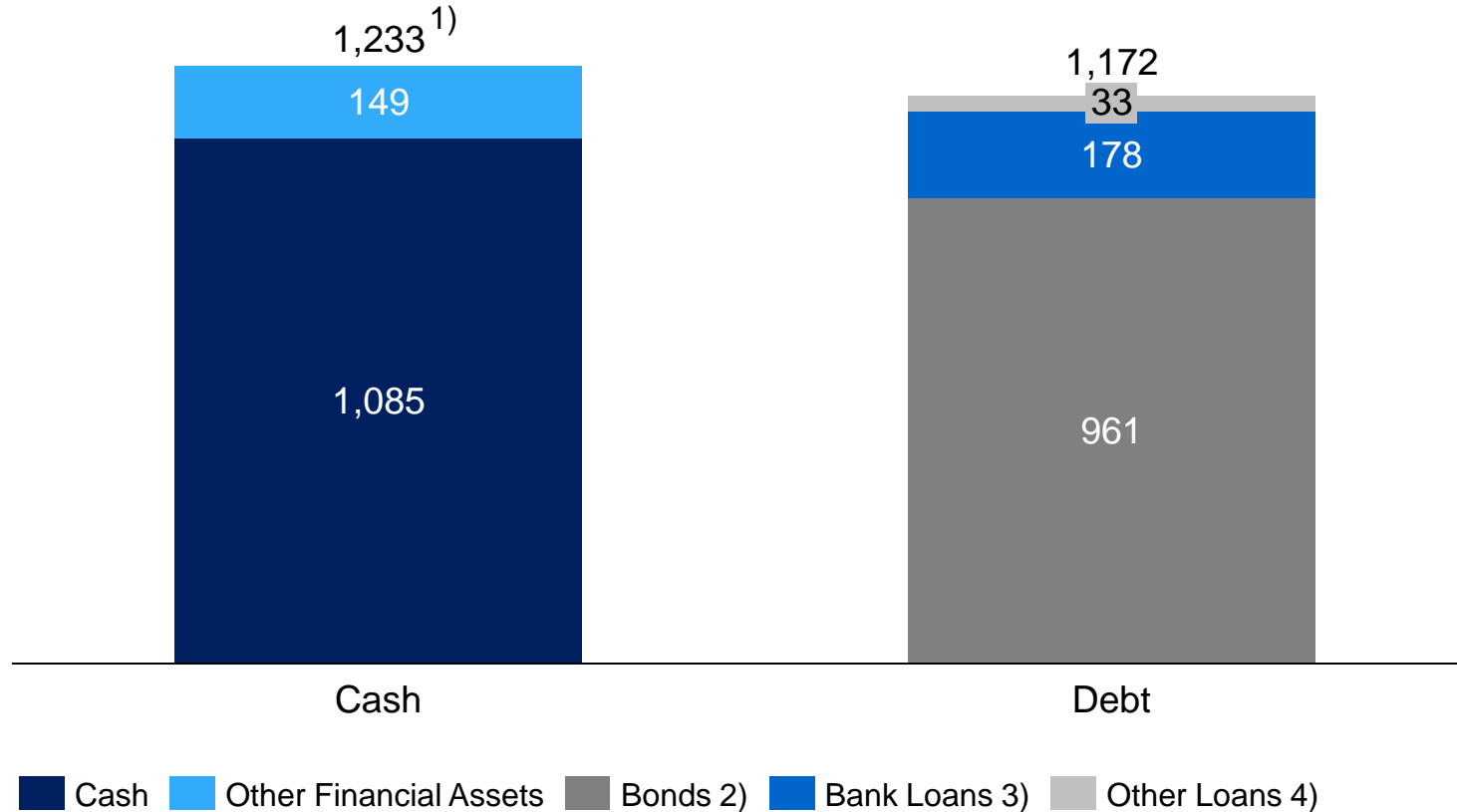


# Cash and Debt Position



## Cash and Debt Breakdown as of 30 Sept 2022

US\$m



1) Kideco: US\$530.8m, Tripatra: US\$36.1m, IIR: US\$127.7m, Interport: US\$7.5m, IMP: US\$4.3m, IMG: US\$9.5m; ITB: US\$3.4m, IMI: US\$15.3m, HoldCo: US\$498.9m\*  
 2) US\$362mn due 2024 and US\$599m due 2025  
 3) Tripatra: US\$13.1m; IIR: US\$13.1m; Interport: US\$59.6m, HoldCo: US\$91.9m  
 4). Tripatra: US\$32.7m

# Highlights of Recent Key Events

## New Fiscal Tariff



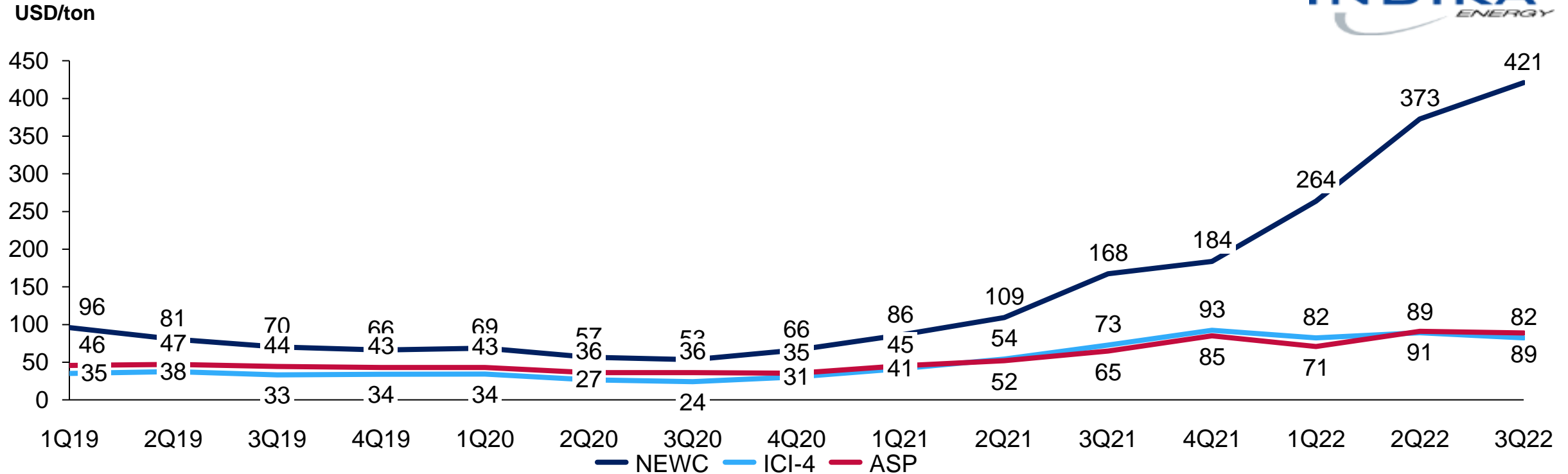
- On 11 April 2022, the Government of Indonesia has issued a new regulation Peraturan Pemerintah No 15/2022 about taxation on coal miners, including new royalty tariff for CCOW holders.
- With the new royalty tariff (from current 45%), IUPK holders will follow the prevailing income tax rate (22%)
- In addition, there will be profit sharing at 10% of net income, which will be applied on the following year after the conversion
- According to PP no 15/2022, New fiscal regime will be **effective the year after the coal miner receives the IUPK conversion**. In the case of INDY receives IUPK by 13 March 2023, new income tax, royalty, profit sharing will be applied as of 1 January 2024.

	CCOW	IUPK	HBA Price US\$/ton	Tariff General/Export	Tariff DMO	Impact on Net Income %**
Royalty	13.5% flat	DMO: 14% General: progressive from 14% to 28%	HBA < \$70	14%	14%	+24%
			70 ≤ HBA < 80	17%	14%	+9.4%
Income tax	45%	Prevailing (22%)	80 ≤ HBA < 90	23%	14%	-3.3%
			90 ≤ HBA < 100	25%	14%	-5.7%
Profit sharing tax	nil	4% to central 6% to local govt, based on income tax	HBA ≥ 100	28%	14%	-8.7%

\*) The HBA is a monthly average price based on Indonesia Coal Index (ICI), Newcastle Export Index (NEX), Globalcoal Newcastle Index (GCNC), dan Platt's 5900 in the previous month with quality adjusted to CV of 6322 kcal/kg GAR, Total Moisture 8%, Total Sulphur 0,8%, and Ash 15%.

\*\* ) cash cost ex royalty at US\$30/ton

# Thermal Coal Price



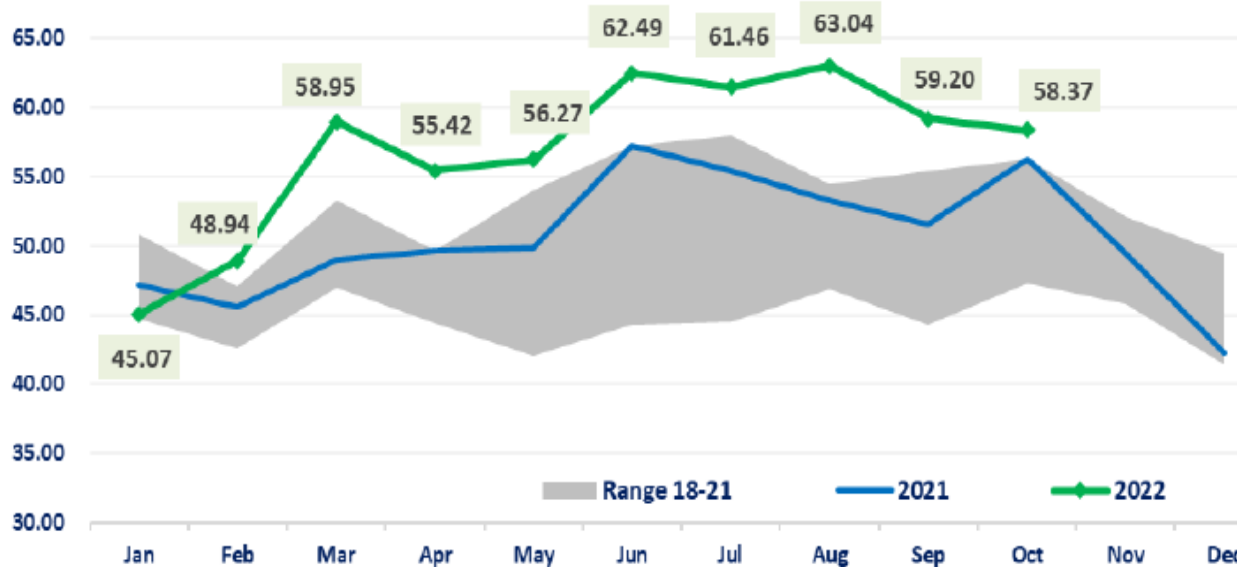
## Supply

- Geopolitical tension in Russia-Ukraine, has caused disruption in energy supply, including gas and thermal coal.
- Full implementation of the European Union's ban on Russian coal. In 2021, The EU imported 39 million tonnes of coal from Russia, equal to 36% of EU coal imports.
- NDRC is reported to boost additional domestic production up to 300MT in 2022 as a bid to reduce import.

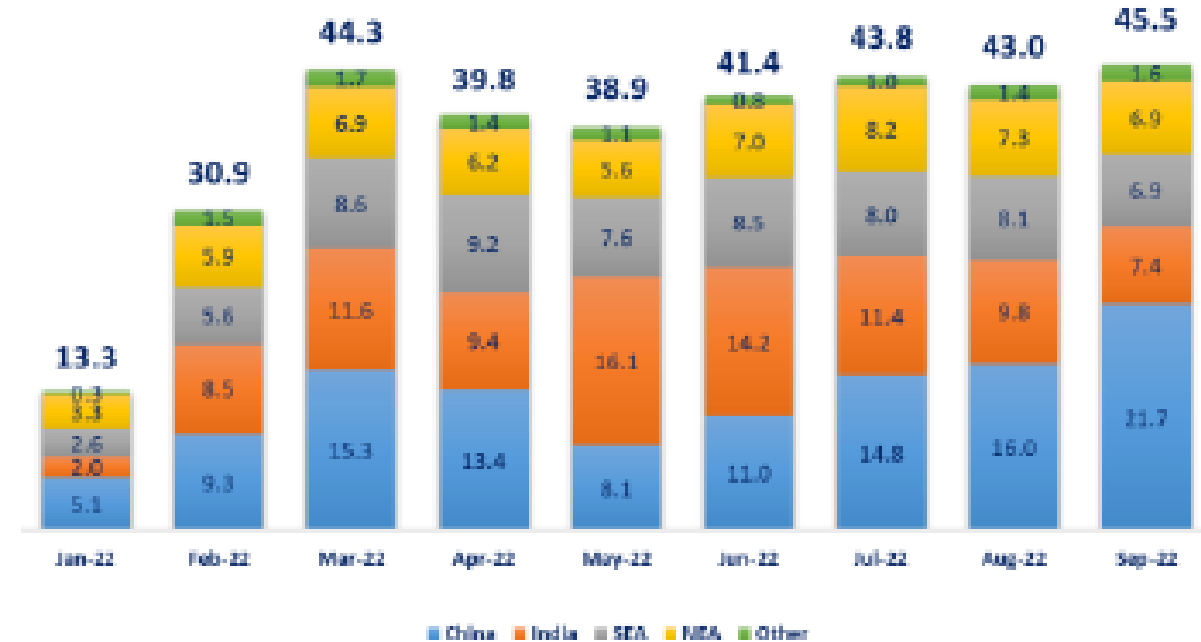
## Demand

- According to IEA, global coal consumption will reach 8.025 BT in 2022, higher than record in 2013, boosted by the consumption of China, India and SEA countries
- China's coal demand in 2022 is expected to remain robust and increase by 2% YoY.

Indonesia Coal Production [mt]



Export by Destination (Mt)



- Supply remained stable in the end of August with some delays specially from South Kalimantan due to rains and high swell in transportation
- Total production YTD Aug 22 was estimated 437.7 MT, rose 7.3% YoY or 66% of annual target of 663MT
- Total export YTD Jun 22 reached 208.6MT predominantly to China (62.2MT) and India (61.8MT)
- **ESDM continued to evaluate DMO performance. On 9 Aug 2022, MoEMR announced that 71 coal miners failed to meet their domestic market obligations, and that 48 of them are now banned from exporting coal.**
- The average coal stocks at PLN's Plants were still above its critical supply level of 15 days operations
- Indonesia domestic demand will continue to be higher than last year, especially from electricity sector

# Operational Highlights Vs Corporate Guidance



Operational Data Guidance	2022 Budget R	9M22	9M21	%
<b>KIDECO</b>				
Production (MT)	34.0	26.1	26.9	-2.9%
Strip Ratio (x)	5.4	5.1	5.1	-0.1%
Newcastle Benchmark (\$/ton)	240	356.6	120.8	195.2%
ICI-4 (\$/ton)	60	84.3	53.1	58.8%
Average Selling Price (\$/ton)	78.8	84.6	56.0	55.4%
Cash Cost xRoyalty (\$/ton)	35	33.1	28.7	15.5%
Overburden Volume (BCM)	190.5	132.2	136.2	-3.0%
<b>INDIKA RESOURCES</b>				
Coal Traded Volume (MT)	7.3	5.2	3.9	32.4%
MUTU production volume (MT)	1.8	1.4	1.3	13.7%
<b>INTERPORT</b>				
Volume KGTE (Kbd)	21.5	17.3	14.0	23.5%

CAPEX	2022 Budget (US\$M)	9M22 (US\$M)	%
Kideco	17.0	11.5	67.5%
Indika Resources	14.0	6.8	48.7%
Indika Hold Co.	1.0	1.2	123.0%
Interport	5.0	1.8	36.2%
IMG	12.0	3.9	32.3%
EMITS	21.0	0.7	3.3%
IMP	11.0	2.9	26.4%
Awakmas	32.0	11.6	36.1%
Tripatra	0.0	0.0	0.0%
<b>Total Capex</b>	<b>113.0</b>	<b>40.4</b>	<b>35.7%</b>

NEW INVESTMENTS	9M22 (US\$M)
Awakmas	34.0
IMP	8.5
Ilectra Motor Group	12.1
EMITS	5.1
Indika Ventures	1.1
Rockgeo	5.0
<b>Total</b>	<b>65.8</b>

Indika Energy has  
set out bold  
aspirations as part  
of its ESG  
commitment



**50%**

non-coal revenue by 2025



**Net-Zero**

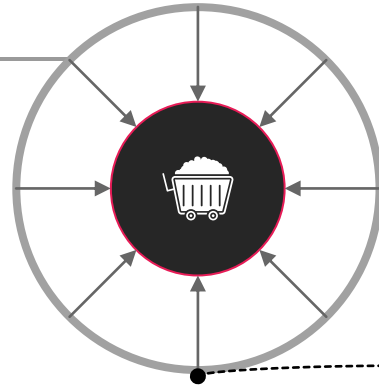
emissions by 2050

# Our Diversified Business Portfolio

# Transforming into a diversified business portfolio

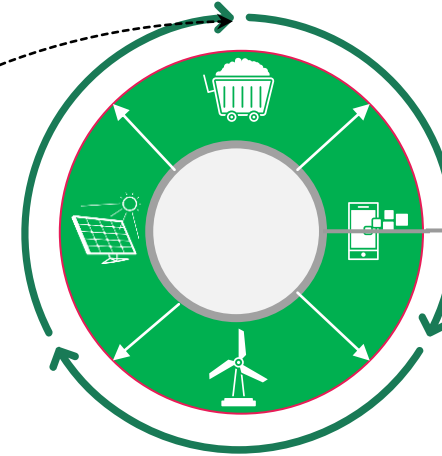
## Current: Coal as core business

Business that relies on coal, from resources, services and infrastructure



## Future: Diversified Business Portfolio

- ✓ Diversified Business Portfolio
- ✓ Significant growth
- ✓ Less volatility
- ✓ ESG investment



- ✓ Target to generate 50% revenue from non-coal businesses by 2025
- ✓ Growing the existing non-coal business and expanding into key areas of interest by leveraging our core competence
- ✓ Reducing exposure in coal related business, including through divestment
- ✓ Benefit of synergies across businesses

### Funding - Key Considerations

- ✓ Strong Cash & equivalent position of US\$1.2 bn per Sep 2022
- ✓ Recycle cash (proceeds from divestment can be used for diversification)
- ✓ Development through partnership
- ✓ Option for project funding
- ✓ Financial prudence and discipline maintained for all investments in accordance with the financial covenants

# Indika Energy People Know Today

Strong capabilities across the entire coal value chain

Field exploration of coal resources, production and trading



Coal contract mining and EPC services in oil & gas



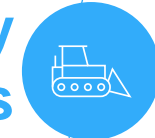
Transportation of bulk materials and port infrastructure



Coal-fired power plant



**Energy services**



**Energy resources**



**Energy infrastructure**



# The Future of Indika Energy

Unlocking sustainable development in Indonesia



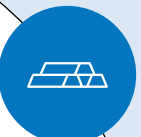
**Logistics & Infrastructure**



Logistic assets, EPC services, infrastructure, e.g. fuel storage



**Minerals**



Exploration of gold and other metals and minerals



**Green Businesses**



Renewable energy, EV mobility, green economies



**Digital Ventures**



Digital transformation and analytics



**Others**



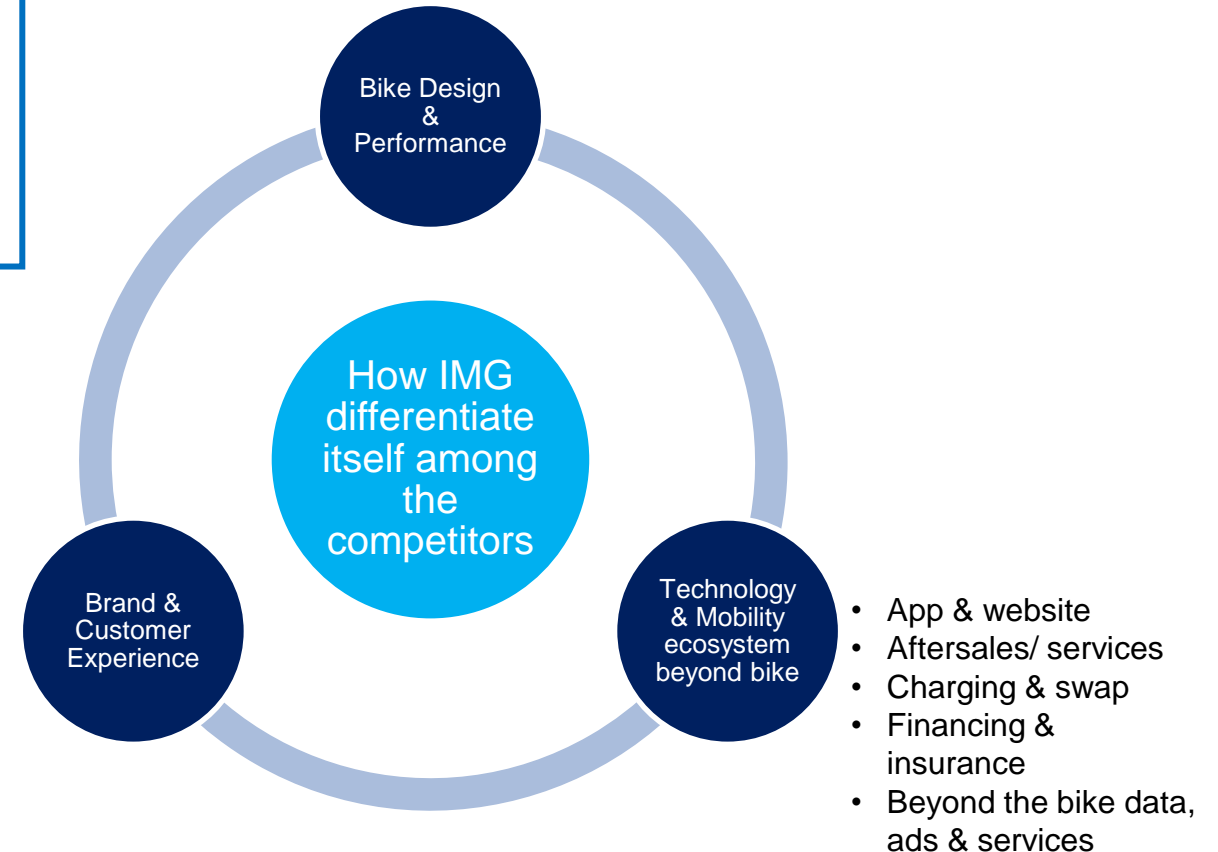
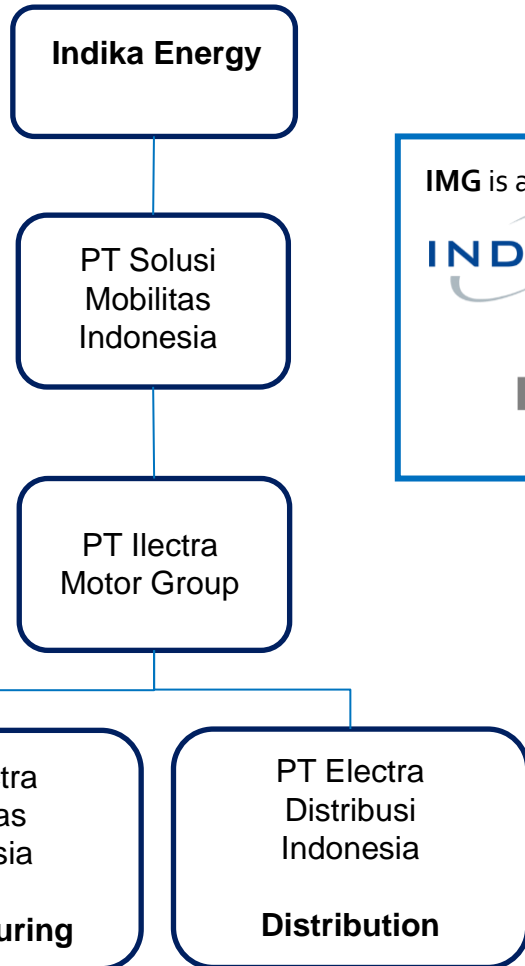
Business incubation to develop emerging new businesses



# Diversification Investments – Green Businesses

## Electric 2W – Establishment of Ilectra Motor Group (IMG)

IMG is a national company which focuses on B2C premium markets initially with a view to dominate Indonesia market in all segments including B2B



# Ilectra Motor Group



Ilectra Motor Group (IMG) is a lifestyle mobility solution company with aspiration to become a leading electric two wheelers champion and prime mover of the local green mobility ecosystem

- ALVA is a lifestyle mobility solution from IMG, part of Indika Energy, Alpha JWC Ventures, and Horizons Ventures' venture into the electric vehicles sector.
- IMG itself was founded to facilitate the partnership and build not only a two-wheeler brand, but also its supporting ecosystem, which is very much still nascent, including EV Infrastructure for which further collaborations to be built with a partnership network.
- IMG will come with sophisticated electric two-wheelers design and top-of-the line performance, completed with great customer experience, backed by supporting technology and mobility ecosystem

## Manufacturing Facility

Location : Cikarang, West Java  
COD : November 2022  
Size : 17.6K m2  
Capacity : 100,000 unit per year

## Distribution

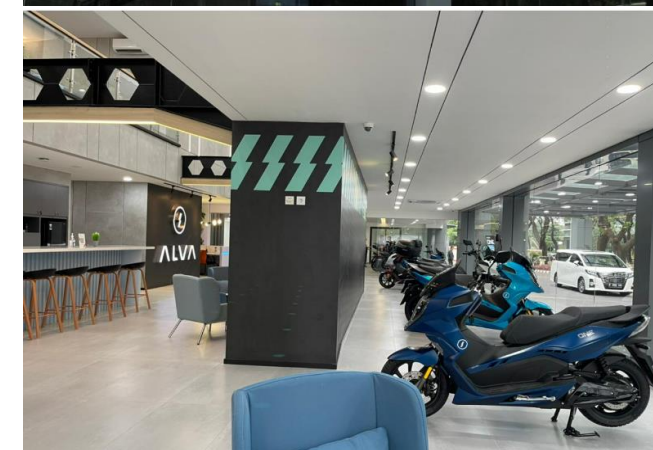
- Centralized
- Point of sales

## Experience Center

One stop center for showroom and bike services

Location:

- Jakarta : SCBD, Bintaro (coming soon)
- Bali (Coming soon)
- Surabaya (Coming soon)





# ALVA ONE

## Feel The Performance

### CHANGE THE GAME

**3 BATTERY WARRANTY**  
YEARS / 25.000KM

**2 FREE SERVICES**  
YEARS / 20.000KM

**2 PARTS WARRANTY**  
YEARS / 20.000KM

TRADE IN PROGRAM

ALVA  
24 HOURS  
ROADSIDE ASSISTANCE  
150590



### Alva Mobile APP

1. Remote On/Off
2. Bike Sharing Access
3. GPS Locator & Tracker
4. Battery Monitoring
5. Charging Station Locator
6. ALVA Experience Center Locator
7. ALVA Roadside Assistance
8. Monthly Saving Estimator

**90** KM/H  
TOP SPEED

**70** KM  
RANGE\*

\*on a single charge

**RP 34.990.000**

(OTR Jabodetabek) \*Delivery starting from November 2022

# Diversification Investments – Green Businesses

## Electric 2W – IMG's Vision to be the Leading E-Mobility Brand In Indonesia

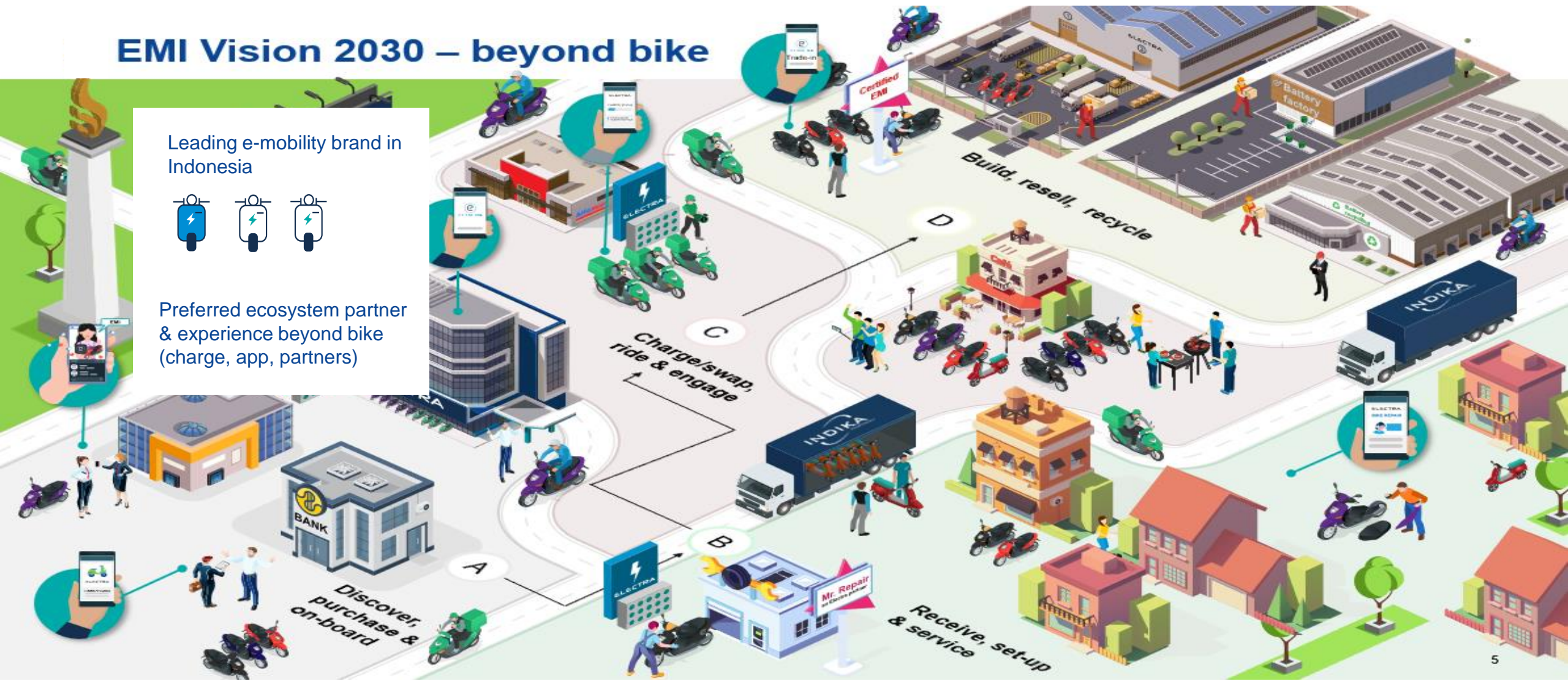


### EMI Vision 2030 – beyond bike

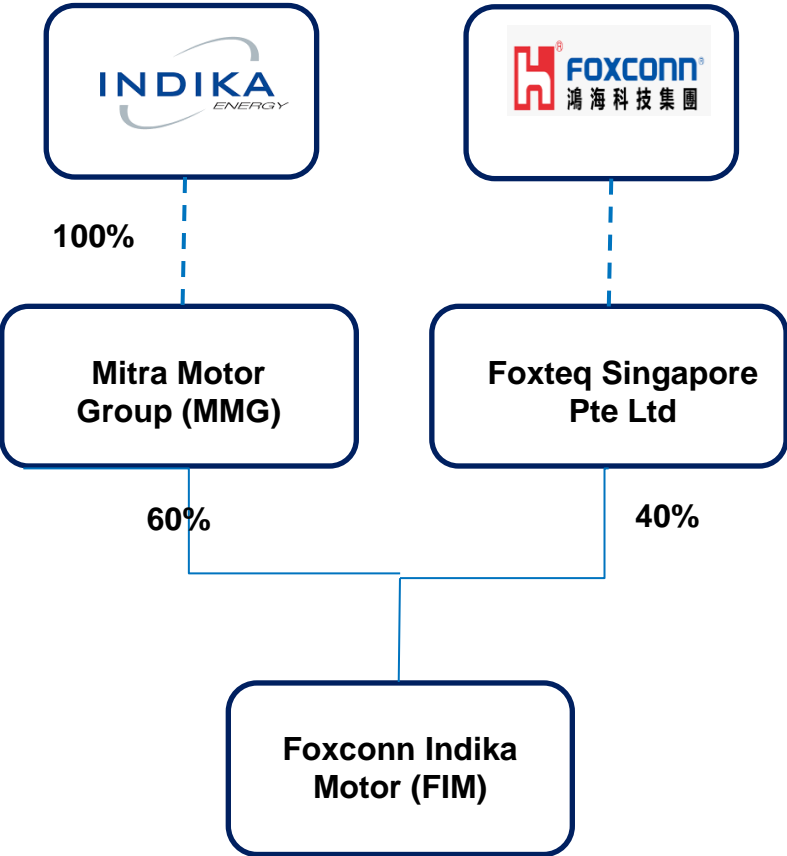
Leading e-mobility brand in Indonesia



Preferred ecosystem partner & experience beyond bike (charge, app, partners)



# EV 4W – Foxconn Indika Motor (FIM) to support EV Ecosystem in Indonesia



- On 22 Sept 2022, through fully owned PT Mitra Motor Group (MMG) has established a JV with Foxteq Singapore Pte Ltd (Foxconn Group) to develop E-bus business in Indonesia
- **Manufacturing - Commercial EV and Electric Batteries**

# EV Sector – To Develop EV Ecosystem in Indonesia



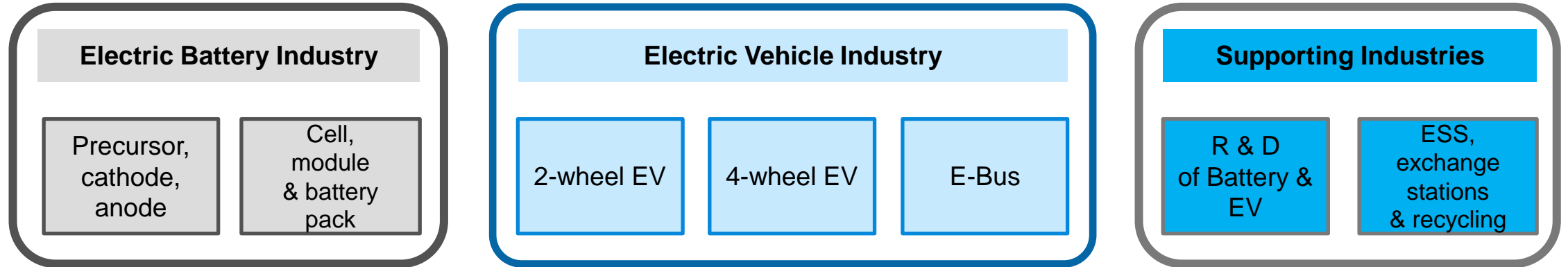
IBC

gogoro.

FOXCONN

MOU

Value Chain



INDY signed MOU together with PT Industri Baterai Indonesia (IBC), Hon Hai Precision Co. Ltd. (Foxconn), and Gogoro Inc. on 21 January 2022

- Collaboration between government and private sector
- Scheme BOL : Build – Operate- Localize
- Explore the cooperation with a wide scope of investment cooperation for comprehensive EV ecosystem in Indonesia

***“To transform the automotive industry in Indonesia from old and traditional automotive supply chain system to become modern open-access electric vehicle (EV) ecosystem, similar to android operating system in smartphone,” (Minister of Investment/ Head of IICB, Mr Bahlil Lahadalia)***

# EV Sector – Government Sets Up Favourable Policy in EV Sector

- Indonesia has aligned with global efforts to adopt EVs as a mean to tackle GHG emissions. The **government plans to introduce EVs to the public under the Low Carbon Emission Vehicles(LCEV) scheme.**
- Govt aims to be EV production hub in the region, aiming for an output of **600k EV cars and 2.5m EV 2W by 2030**

## Sector towards 2030 – Key Goals



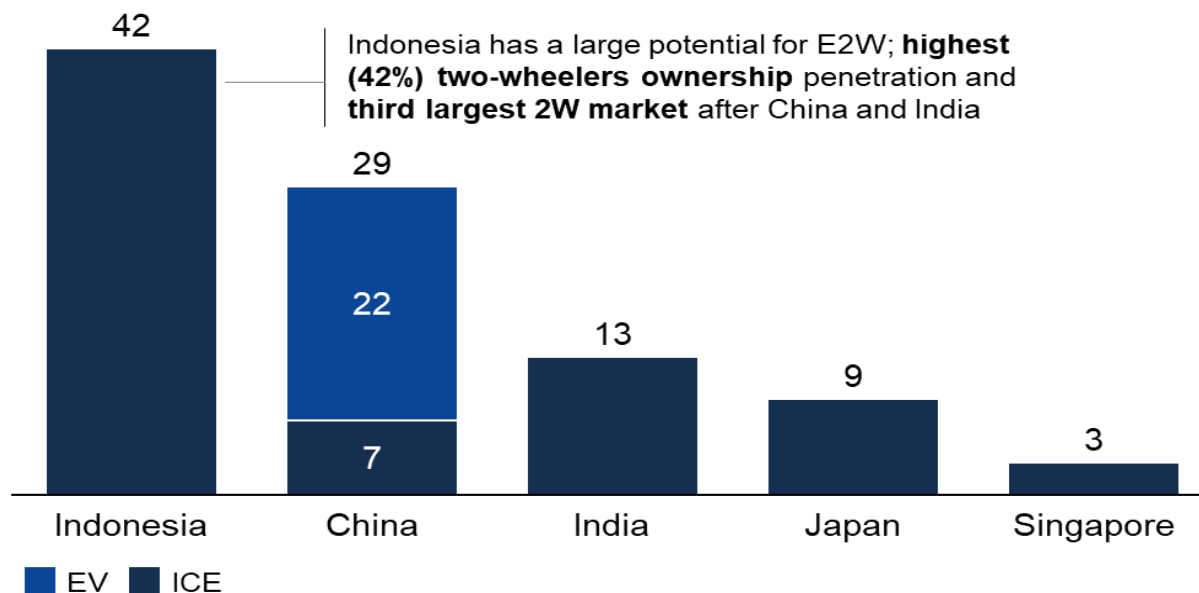
Fiscal Incentives	Non-Fiscal Incentives
<ul style="list-style-type: none"> <li>Import duty incentives for Completely Knock Down (CKD) and Incompletely Knock Down (IKD) EVs</li> <li>Tax incentives based on emissions and engine capacity of the EVs</li> <li>Tax incentives and tax holidays for imports of materials and machinery for EVs</li> <li>Incentives for research &amp; development</li> <li>Incentives for certification of human resources within the EV battery industry</li> <li>Incentives for certification of EVs, EV batteries and EV related products</li> </ul>	<ul style="list-style-type: none"> <li>Exceptions for limitations on road usage</li> <li>Rights for production of EV-related technology and products whose license/patents are held by the central/regional government</li> </ul>

# Diversification Investments – Green Businesses

## Electric 2W – Indonesia is the 3<sup>rd</sup> Largest Market for 2W in the World



2W ownership penetration, by country, 2019-20  
# owned per 100 population

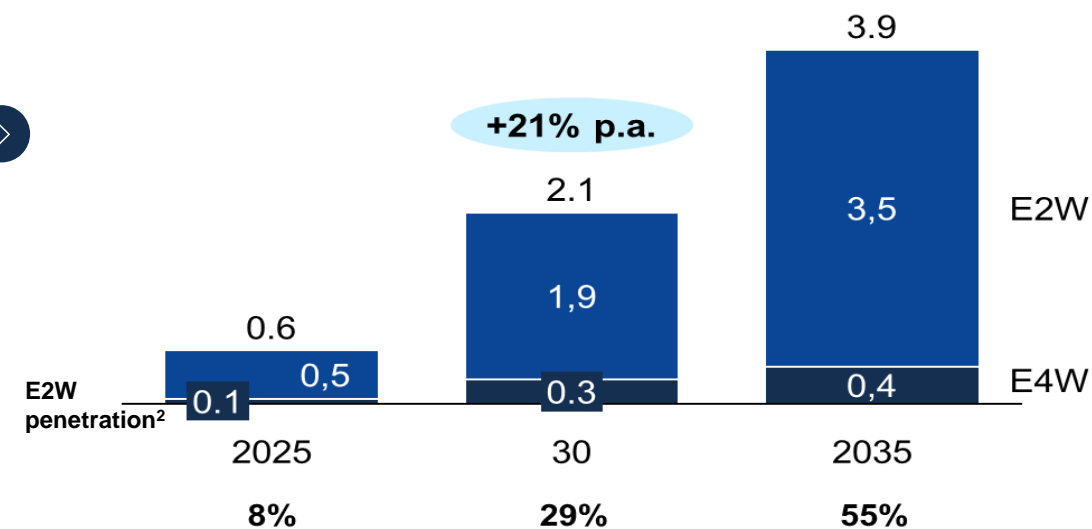


Yearly sales ( Mn vehicles)



Indonesia EV vehicle sales<sup>1</sup>,  
Million vehicles

Total Addressable Market ~US\$ 7 Bn in 2035



1. Includes BEV  
2. Total parc. EV/ (Total EV + ICE)

# Diversification Investments – Green Businesses

## Solar Power – EMITS



- Formed a JV to develop solar power business with Fourth Partner Energy Limited (4PEL), India’s leading solar developer, called Empat Mitra Indika Tenaga Surya (EMITS), with 51% stakes.
- EMITS will provide a one-stop-shop, renewable energy solutions platform for Indonesia’s commercial and industrial sectors.
- Aims to install 500MW in the next 5 year in Indonesia, combination of Utilities, Commercial & Industrial and Off Grid/ Mini Grid



EMITS has signed project with PT Mangole Timber Producer (Sampoerna Kayoe Group) on 7 March 22 to develop a hybrid solar power plant :

- PV Capacity : 12MWp and 3MWh Battery
- Location : Mangole, North Maluku
- Installation : Ground Mounted
- Contract Period : 20 years
- COD : June 2023

### Types of Market Segmentation

	C&I Solar PV	Off Grid	Sale to PLN
Concept	Install rooftop PV or ground mounting to save electricity bill	Clients supply their own electricity (off grid)	Build Solar PV and inject power to PLN's grid
Clients	Commercial & Industrial	Commercial & Industrial	PLN
Development time	<1 year	1-2 years	> 2 years

# Diversification Investments – Green Businesses

## Solar Power – EMITS has Total of 50MWp Projects in the Pipeline



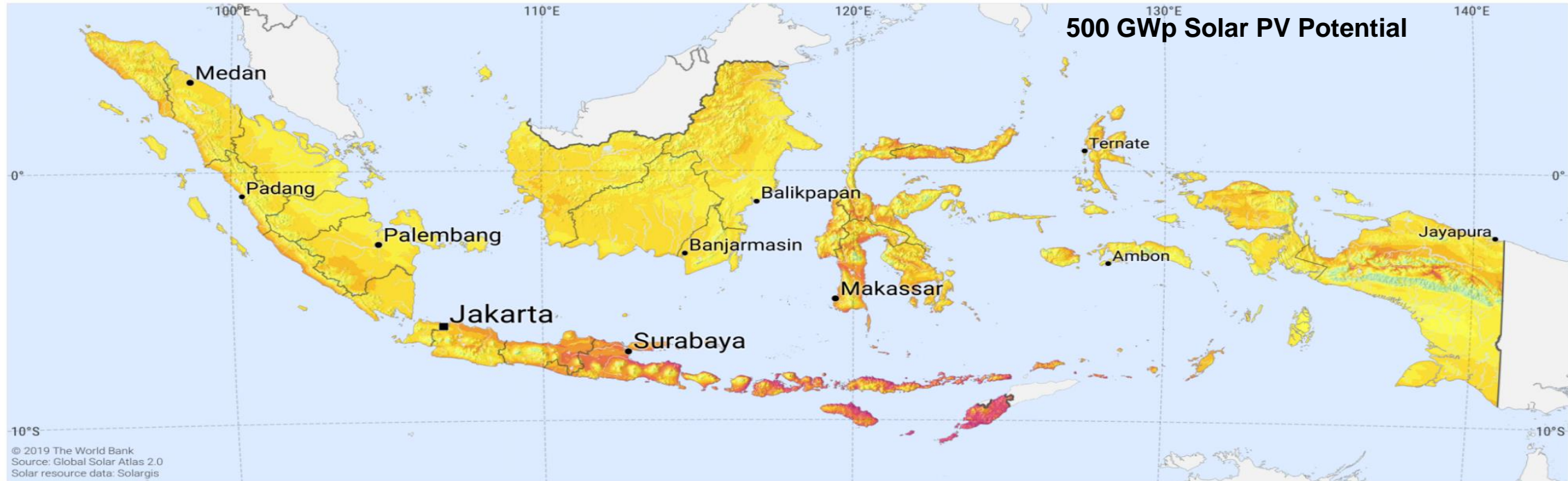
- Have installed almost 1MWp in Kideco's site and INDY's office building in Bintaro area
- Appr. 10MWp to be developed for INDY's consumption
- Projects come from various sectors, located across Indonesia



**Solar Farm at KIDECO campsite, Batu Kajang**  
Capacity of 409 kWp + Battery 100 kWh

# Diversification Investments – Green Businesses

## Solar Power – Huge Untapped Solar PV Potential in Indonesia



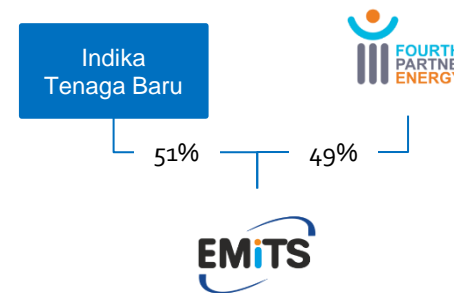
&



**Green Energy, Accelerated.**

JV Co Established  
in March 2021  
*Focused Area on C&I Market*

EMITS corporate structure

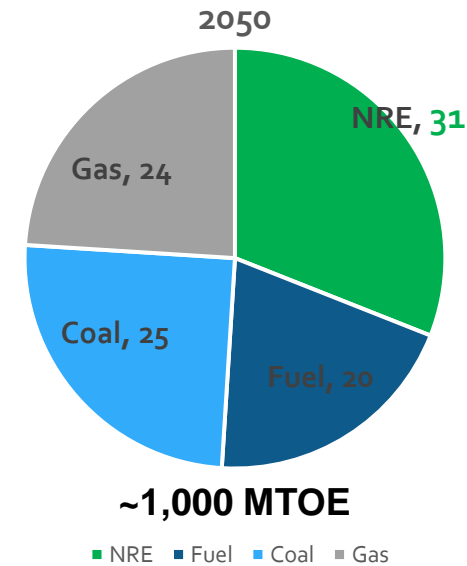
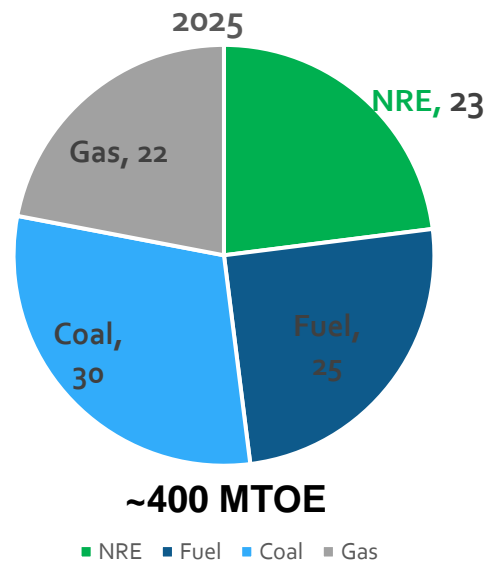
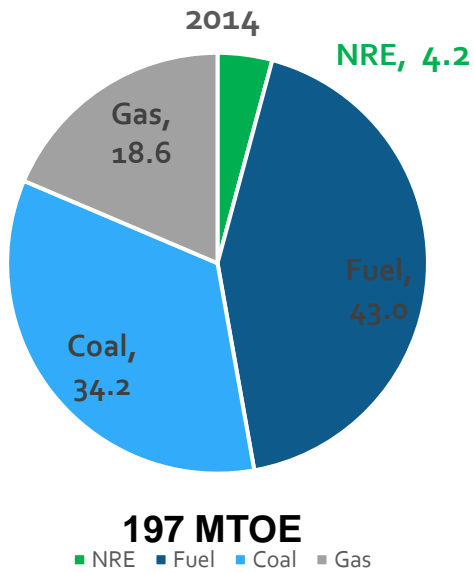


# Diversification Investments – Green Businesses

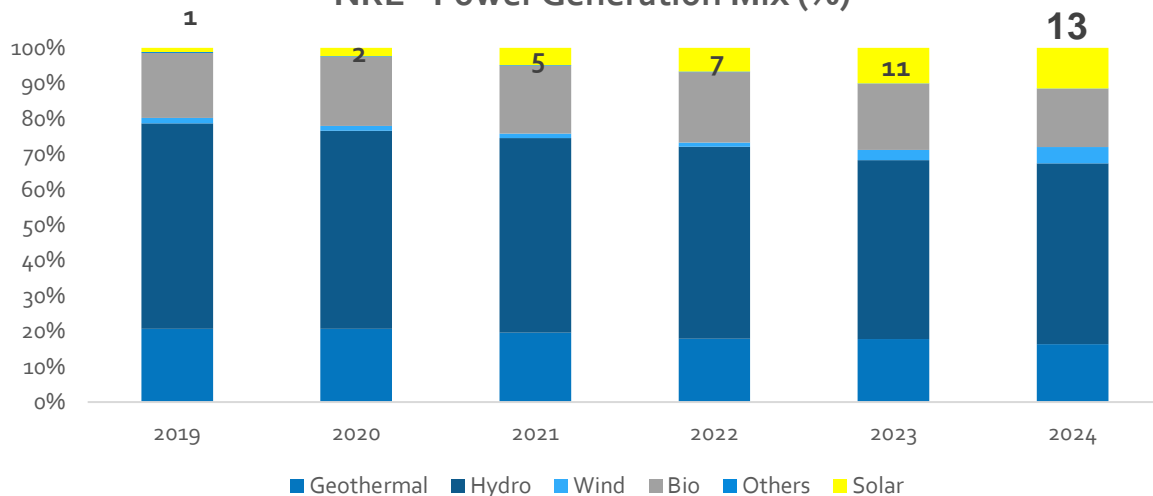
## Solar Power – Indonesia is to Rely More on New and Renewable Energy (NRE)



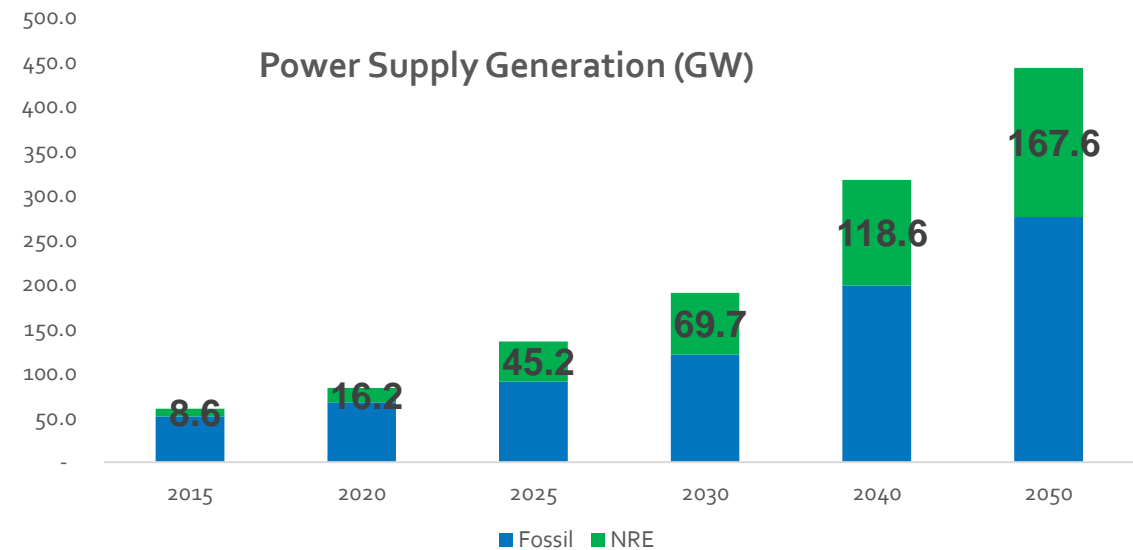
### National Primary Energy Mix (MTOE)



### NRE - Power Generation Mix (%)



### Power Supply Generation (GW)



### Policy To increase Solar Power capacity RUEN

6.5GW

- Target to develop solar power capacity by 2025
- The use of solar rooftop and floating solar power plant
- Fiscal and non-fiscal incentives for developer
- In August 21, MoEMR revised export tariff for electricity from rooftop solar panel (private) to PLN to 100% from previously 65%.

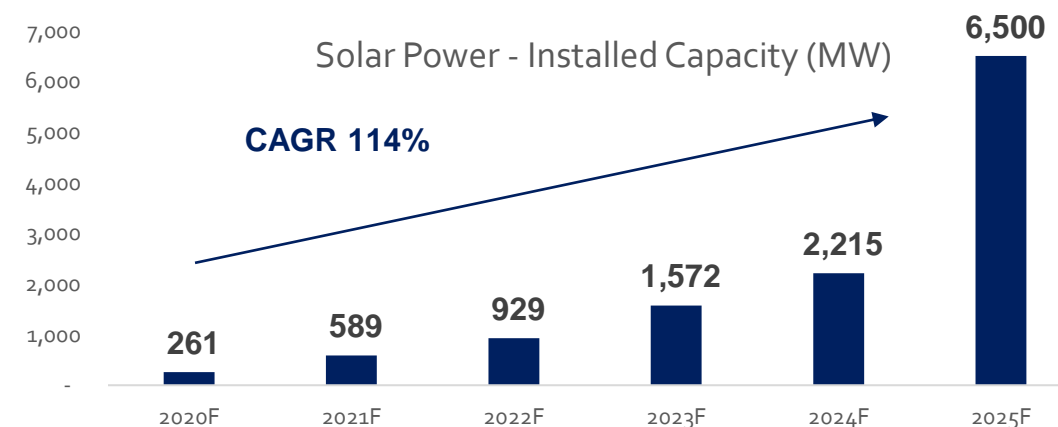
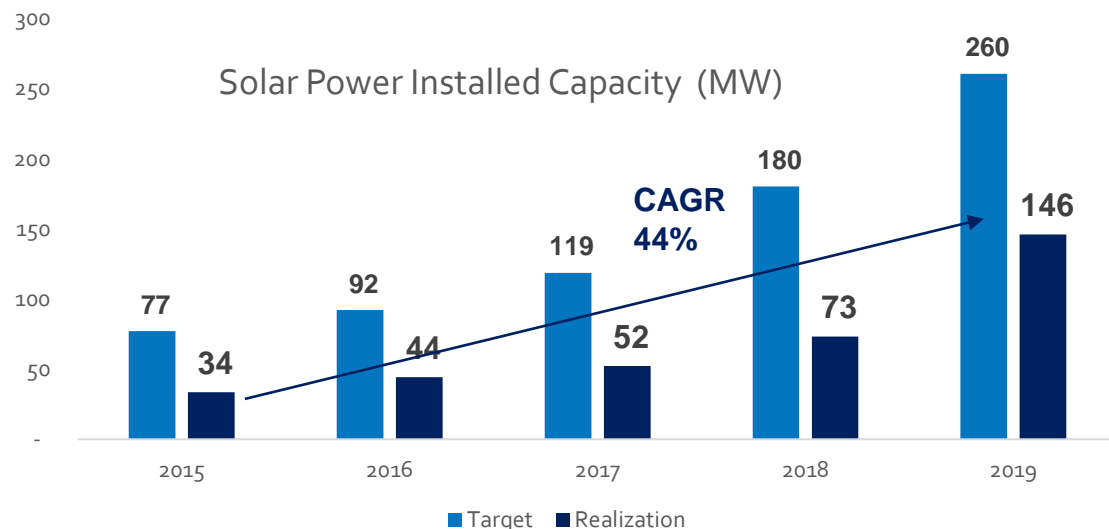
### Utilisation of rooftop for solar panel

30%

Requirement to utilize minimum of 30% rooftop area on government building for solar panel.

25%

Requirement to utilize minimum 25% of rooftop area on luxury houses, housing complex, and apartment through IMB (building licence)





### Energy Plantation



- Designated for planting Calliandra trees to produce wood pellets.
- The first sales are expected by the end of 2023
- Securing customers from Japan and South Korea



### Environment Services (Carbon & Water)



- Process of obtaining a carbon credit certificate that can be used for carbon offsets for the Group or can be sold to third parties

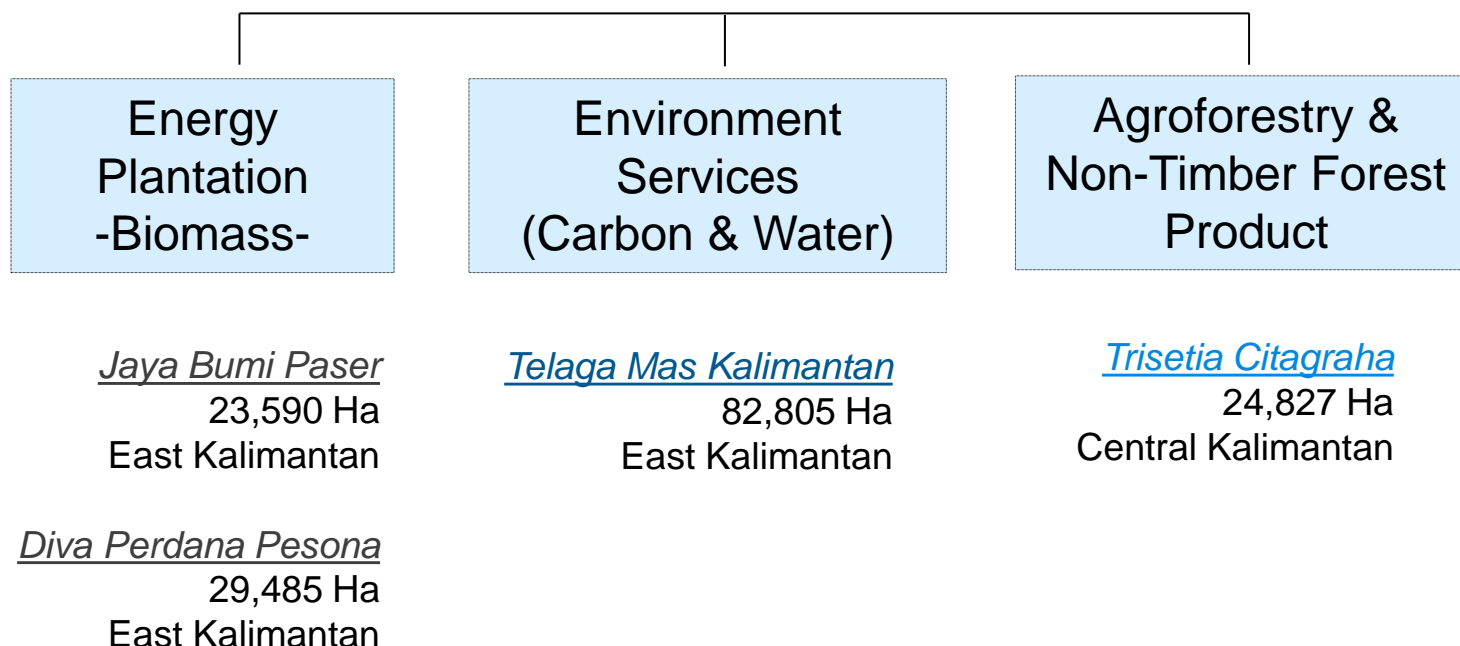
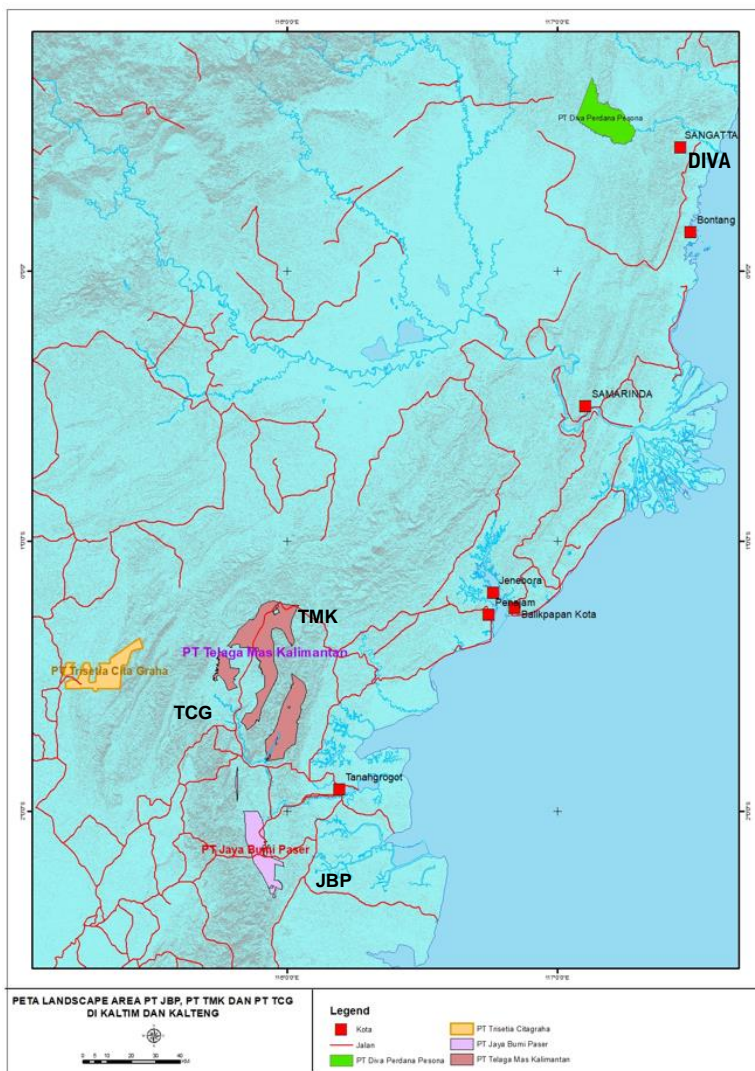


### Agroforestry & Non Timber Forest Product



- Develop agricultural products that sequester carbon in biomass, soils, essential oils and energy usage on farms

❑ Since its inception in 2019, Indika Nature currently owns 4 asset companies with various forestry licenses and a total of 174 thousands ha area under its management



□ Since its inception in 2019, Indika Nature currently owns 4 asset companies with various forestry licenses and a total of 174 thousands ha area under its management

# Diversification Investments – Minerals

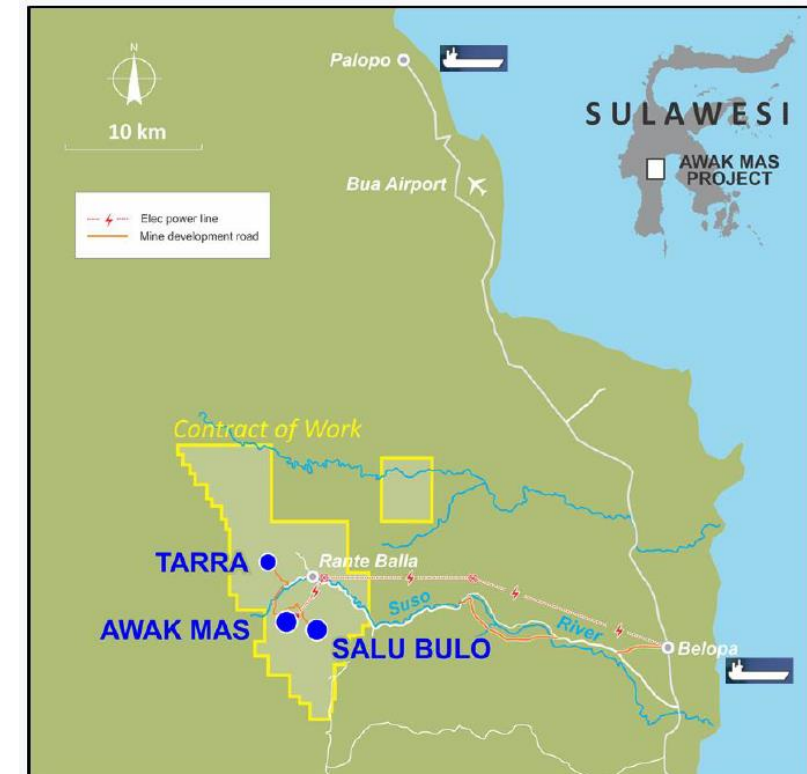
## Developing Gold Asset Project through Nusantara Resources



A Strategic investment in Nusantara Resources Limited. Nusantara owned 100% PT Masmindo Dwi Area which has sole rights to exploit in Awak Mas Gold Project



<b>Location</b>	: South Sulawesi, 370 km from Makasar
<b>Potential Resources</b>	: 2.29 million onz
<b>Potential Reserves</b>	: 1.45 million onz *(1.33g/t)
<b>License</b>	: COW (Contract of Work) amended in March 2018 (up to 2050)
<b>Total concession</b>	: 14,390Ha, explored area ± 2,000Ha
<b>Current Status</b>	: Land Compensation & Funding
<b>Timetable</b>	: Construction in 1Q23 Operation in 2025
<b>Production Output</b>	: 100,000 ounces (3,110 kg) annually life of mine 15 years



\* Reserve at USD1,700 per ounce gold price

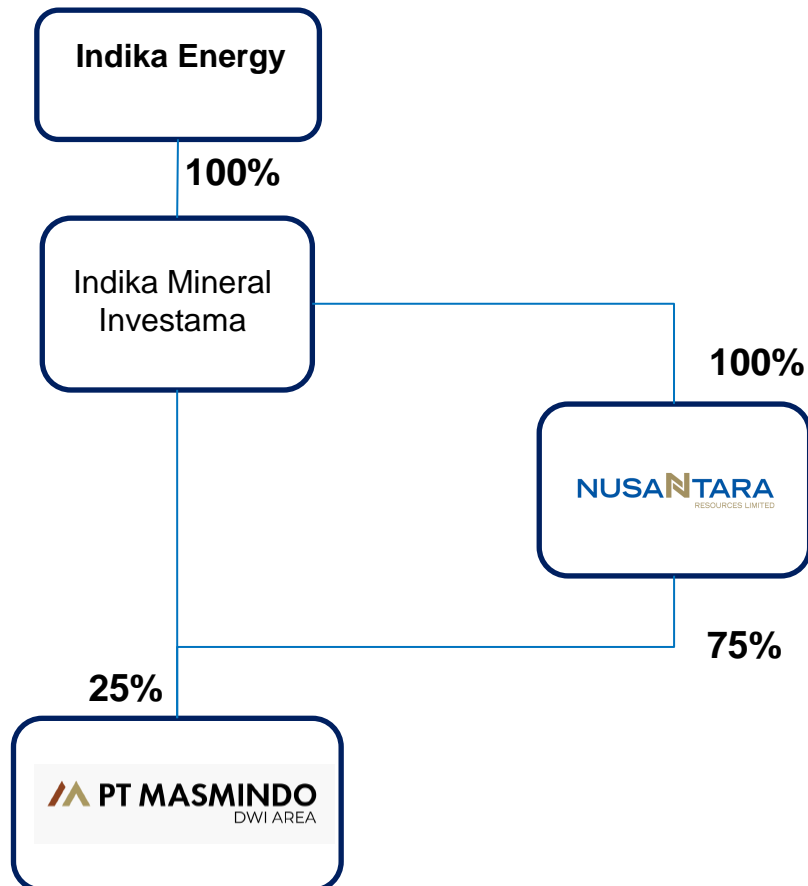
# Diversification Investments – Minerals

## Completed Further Acquisition to Accelerate Development of Awakmas Gold Project



### Ownership in Gold Project

Indika energy has direct and indirect 100% ownership in Awakmas project



### Investment in Gold Project

Period	Investment	Amount (US\$ M)
Dec-18	Initial Investment (19.9% in NUS)	5.1
2019 - 2020	Additional 7.9% shares of NUS, acquired in the period of 2019-2020, including through option and placement	7.5
Aug-20	Exercised option for 25% of direct shares in Masmindo	15.0
Oct-21	Acquisition of remaining 72.2% shares of NUS through SID	42.8
Nov-21	Advance to Masmindo	7.5
Mar-22	Advance to Masmindo	22.0
Jun-22	Advance to Masmindo	10.0
Oct-22	Sh loan to Masmindo	11.0
	<b>Total Investment in Nusantara (and directly on Masmindo)</b>	<b>120.9</b>

# Divestment - Reducing Exposure in Coal Related Business

## Completed

### PT Mitrabahtera Segara Sejati Tbk



- ✓ Signed CSPA to divest 51.0% stake in MBSS on 6 Aug 21 to PT Galley Adhika Arnawama (“GAA”) \*
- ✓ Transaction value of US\$41.31m (*based on agreed valuation of US\$81.0 m for 100% basis*)
- ✓ Transaction completed on 8 Oct 2021



## Completed

### PT Petrosea Tbk



- ✓ One of strategic directions to diversify away from coal
- ✓ Signed CSPA to divest 69.8% stake in PTRO on 18 Feb 22 to PT Caraka Reksa Optima (“CARA”) \*
- ✓ Transaction value of US\$146.58m (*based on agreed valuation of US\$210.0 m for 100% basis*)
- ✓ The Transaction completed on 28 July 2022

\* Effective date on 25 February 2022



Indika Energy has  
set out bold  
aspirations as part  
of its ESG  
commitment



**50%**

non-coal revenue by 2025



**Net-Zero**

emissions by 2050

# ESG: Setting 2025 Target Across Key ESG Metrics for Indika Energy

## Environmental



### SCOPE 1 GHG EMISSIONS INTENSITY

Target: -10% by 2025  
Achievement:  
0,0224 TC02eq/T Coal  
production  
26,8%



### LAND RECLAMATION

Target: 5.439 Ha by 2025  
Achievement:  
5.055 Ha in 2021  
11,5%

## Social



### HEALTH AND SAFETY

Target: 0 fatalities  
Achievement:  
0 fatalities



### COMMUNITY DEVELOPMENT

Target: 1% EBIT  
Achievement:  
Rp137 Billion  
1,2% EBIT

## Governance



### SUSTAINABILITY COMMITTEE

Target: To Form  
Sustainability Committee  
Achievement:  
Established



### CORPORATE GOVERNANCE

Target: Incorporate ESG KPI  
Achievement:  
Ongoing

# Performance highlights across key ESG metrics in 9M 2022



Scope 1 GHG emissions intensity

↓ **29.0%**

9M 2022: 0.022 tCO<sub>2</sub>e/ton coal prod  
Target: ↓ 10% by 2025



Land reclamation area

↑ **18.2%**

9M 2022: 303 hectares (total 5,358 ha)  
Target: ↑ 5% by 2025 (base: 4,533 ha)



Water withdrawal

↓ **18.3%**

9M 2022: 2,964 ML



Community relations

**0.43% of EBIT**

Spent on community development  
Target: 1% of EBIT every year



Gender equality

**13.0%**

Overall women representation  
Target: 10% by 2025



Health and safety

**Zero fatalities**

Target: zero fatalities every year

# Key ESG initiatives to drive impact throughout the past year



## Environmental



### Increased use of solar power

- Solar PV in INDY Bintaro office (313Kwp)
- Solar PV in Interport Business Park, Balikpapan (140 kWp)
- Solar cell lighting towers installed by Tripatra and Interport at project sites



### Kideco's waste management

- Retreading to maximize the use of old tires
- Reuse of old tires for road markings, erosion prevention, and for drop structures in reclamation areas



### Interport's Bank Sampah

- Working with its local communities to prepare a drop point facility to collect and send recyclable waste to local Bank Sampah
- Waste data is recorded and monitored regularly by site representatives



## Social



### Kideco's ESG Day

- A 10-day program to increase employees' knowledge of ESG through competitions and webinars with experts from external sources
- Focused on environmental management innovation, waste management, and women empowerment



### Interport's "A Perfect Day Everyday"

- A health & safety initiative to ensure the sustainability of zero accidents at Interport
- Monitoring achievement of targets daily instead of monthly, to handle quick recovery when issues occur

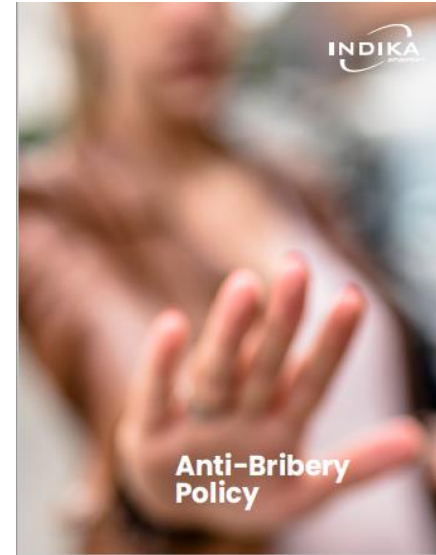
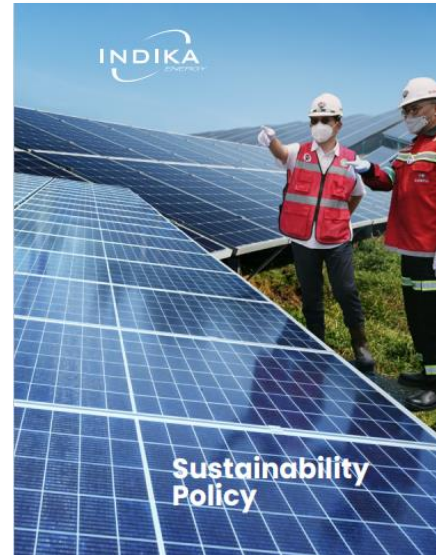
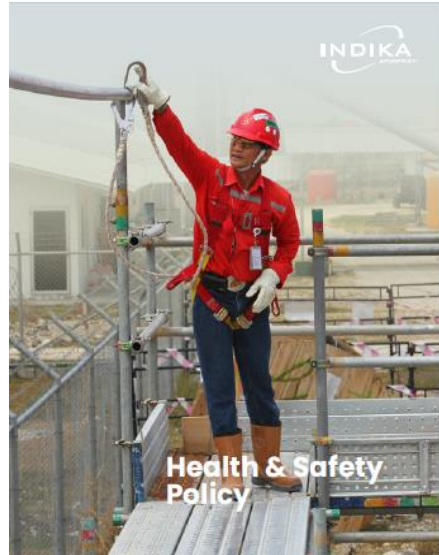


### Tripatra's Women-to-Women Mentoring

- Tripatra's program to empower and nurture women to be leaders
- Recently increased participation to 69 female employees – all paired up to work on various skills needed for professional development

# We also embarked on a comprehensive review of our company's ESG-related policy framework

As part of our efforts to improve our sustainability governance, we have developed and published five new policies on our website



## Contents

Each policy outlines the key elements of **our approach** and **our commitments** to mitigate any risks related to each issue

## Scope

These policies are relevant to **all employees** of Indika Energy, **Directors** and **management**, as well as **third parties** under our direct supervision

## Governance Mechanism

These policies have been approved by our **Board of Directors**. The **Sustainability Committee** will also oversee the implementation of these policies going forward

## Next Steps

We are also developing **3 other policies** related to: Human Capital, Human Rights, and Third Party Engagement

# We also expanded our network by joining ESG-related associations



United Nations  
Global Compact

## Overview

The UN Global Compact is a conviction rooted in universal principles to help the global marketplace to be more socially and economically inclusive.

By becoming a signatory of the UN Global Compact, we declare our commitment to uphold the UNGC Ten Principles in the areas of:

- **Human rights**
- **Labour**
- **Environment**
- **Anti-corruption**

## Other companies that have joined:



## Overview

Indonesia Business Council for Sustainable Development (IBCSO) is a CEO-led association of companies in Indonesia that share the commitment to **promote sustainable development through economic growth, ecological balance, and social progress.**

Its key activities include:

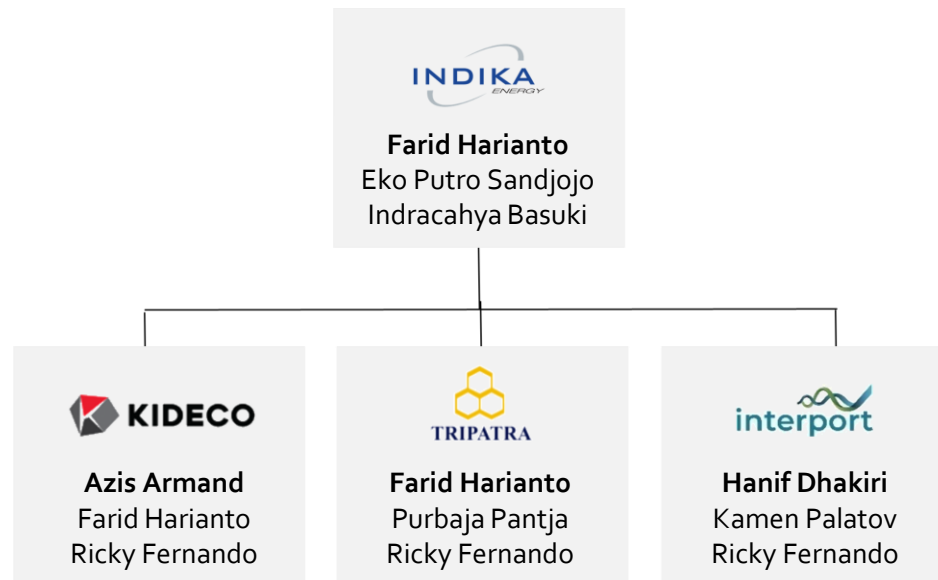
1. **Advocacy:** shaping the policy agenda for sustainability
2. **Project development:** solving challenges through practical initiatives
3. **Capacity building:** learn about sustainability through training, workshops, and seminars

## Other companies that have joined:



# We have established the Sustainability Committee to oversee Indika Energy's ESG strategy and performance

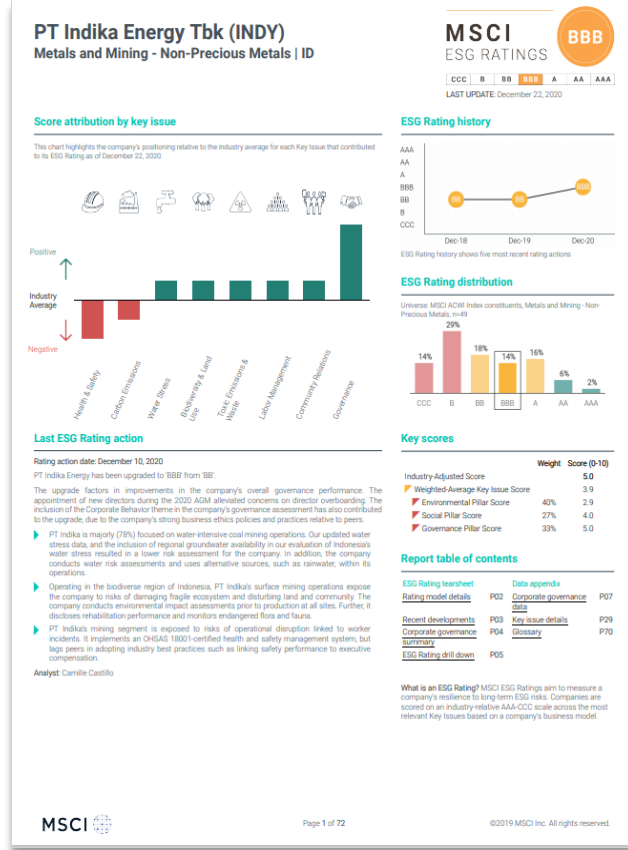
- Three of our subsidiaries have followed our footsteps in establishing their own Sustainability Committees



- Each Sustainability Committee has been holding regular quarterly meetings to discuss progress in ESG performance and initiatives, as well as to set the strategic direction for the coming quarters

# ESG: Upgrades of ESG Scores by Two Independent Global Providers

## MSCI from 'BB' to 'BBB'

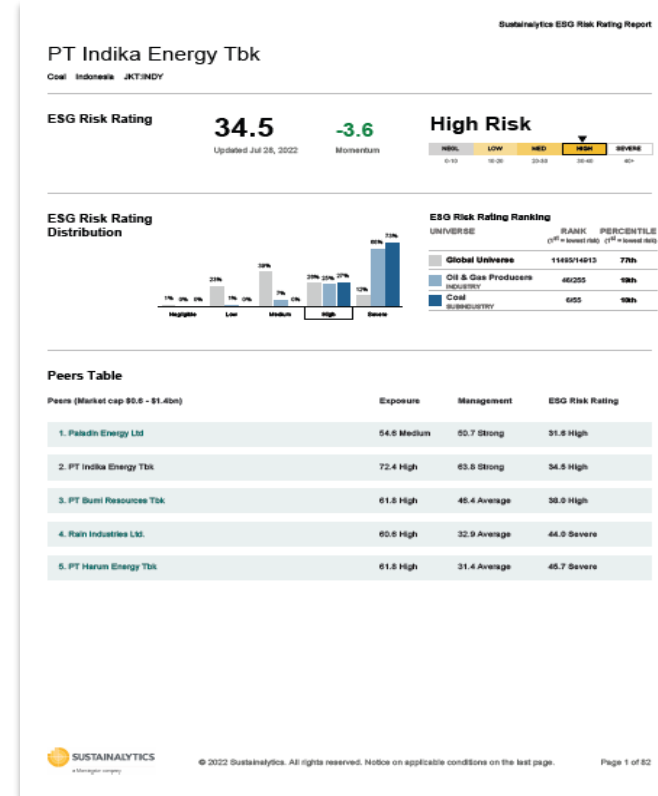


Last update: 22 December 2020  
Score: BBB

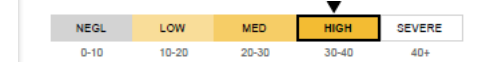


- The company falls into the **average scoring range** relative to global peers
- The most recent upgrade of MSCI ratings factored in the following improvements:
  - Appointment of new directors** during the 2020 AGM, which alleviated concerns on director overboarding
  - Company's **strong business ethics policies and practices** relative to peers

## SUSTAINALYTICS from 38.1 (High Risk) to 34.5 (High Risk)



Last update: 28 July 2022  
Score: 34.5 (High Risk)



- Exposure:** Our ESG risk exposure has constantly increased due to the increase in revenue contribution from coal businesses
- Management:** The company's overall management of material ESG issues is increasingly strong. ESG-related disclosure follows best practice, signaling strong accountability to investors and the public

# Appendix

## PT Indika Energy Tbk.

### 1 Energy Resources

- Established since 1991
  - 3rd largest coal producer
  - Resources 1,625 MT, reserves 569 MT as of end Dec 2017
  - 91.0% ownership as of 6 Dec. 2017
- Established since 1989
  - Bituminous thermal & coking coal
  - Resources 75.2 MT, reserves 40.6 MT
- Established since 2012
  - Coal trading, ~7.0 MT volume

### 2 Energy Services

- Established since 1973
  - Leading EPC and O&M services in oil & gas and power generation
  - 100% ownership

### 3 Energy Infrastructure

- Established since 2007
  - 20.0% owned 660MW, enviro-friendly supercritical technology
  - 6.25% owned 1000MW expansion, ultra supercritical technology (under construction)

### 4 Logistic & Infrastructure

- Established since 2018
  - Integrated logistic services
  - Build and operate fuel storage facility
  - Port Business Entity license to operate and provide port and logistic services at all Indonesia major ports

### 5 Minerals

- Established since 2011
  - Investment company in mineral mining
  - Developing gold project Awak Mas in South Sulawesi
  - Resources 2.3 million oz, reserves 1,45 million oz
  - 100% ownership

### 6 Green Businesses

- Established since 2021
  - Joint investment with Fourth Partner Energy Ltd to develop solar pv business in Indonesia
- Established since 2021
  - Develop electric two-wheeler & its ecosystem in Indonesia
- Established since 2020
  - Industrial Forest cession 160,000 ha
  - Develop woodpellet for biomass and carbon offset business

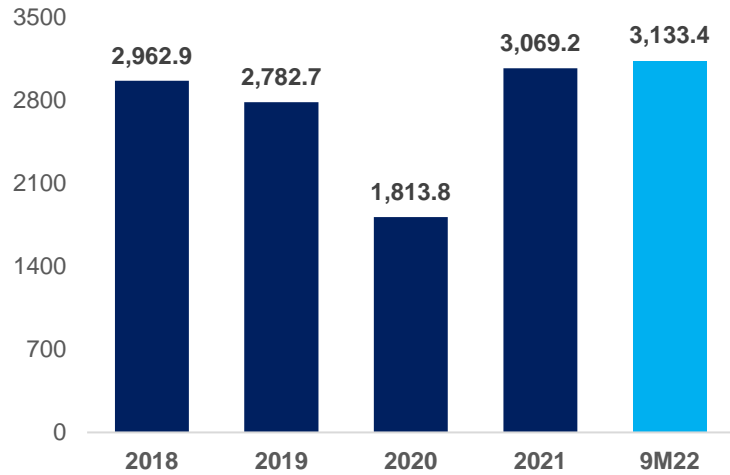
### 7 Digital Ventures

- Established since 2018
- Digital technology & transformation and analytics

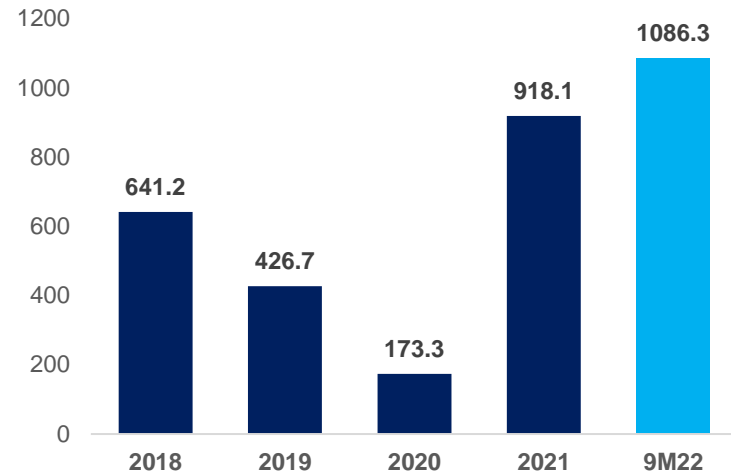
# Indika Energy's Financial Highlights



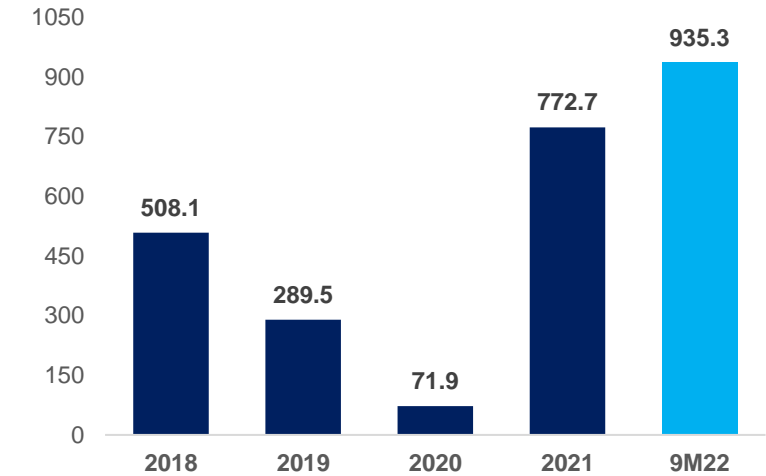
### Revenues (USD mn)



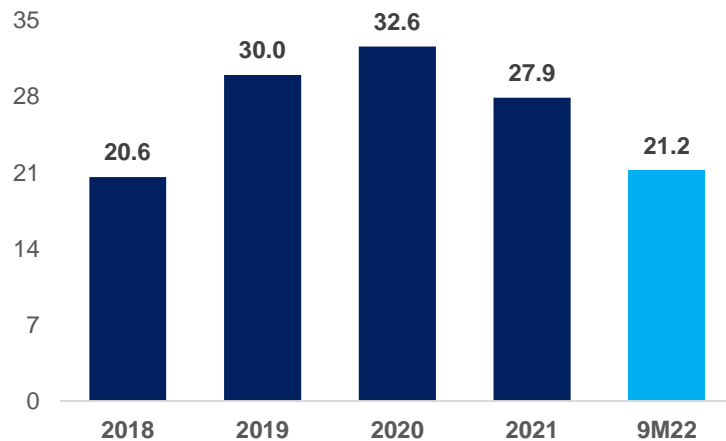
### Gross Profit (USD mn)



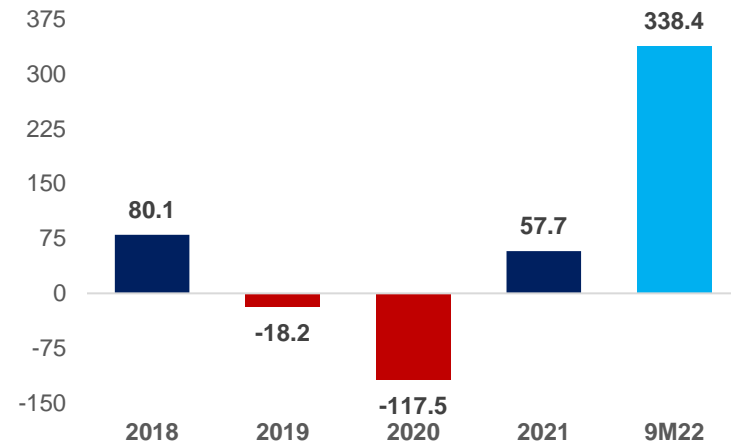
### Operating Profit (USD mn)



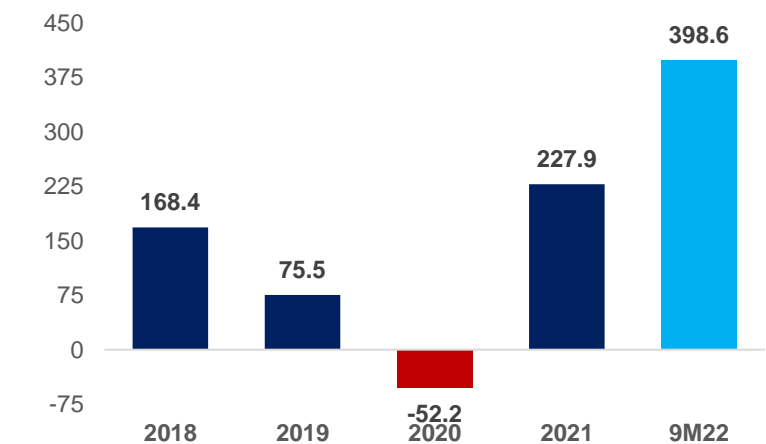
### Income from Associates (USD mn)



### Net Profit/Loss\* (USD mn)



### Core Profit/Loss\*\* (USD mn)



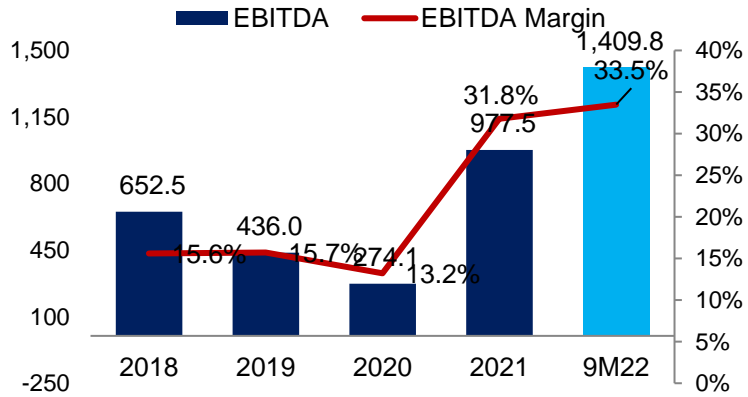
\* Profit/loss for the period attributable to owners of the company

\*\* Core Profit refers to the current year's profit attributable to the owner of the company, excluding non-operating gains / losses and related taxes (amortization of intangible assets, impairment of assets, fair value changes on contingent consideration obligation, gain on revaluation, acceleration on amortization of bond issuance cost, gain from bargain purchase).

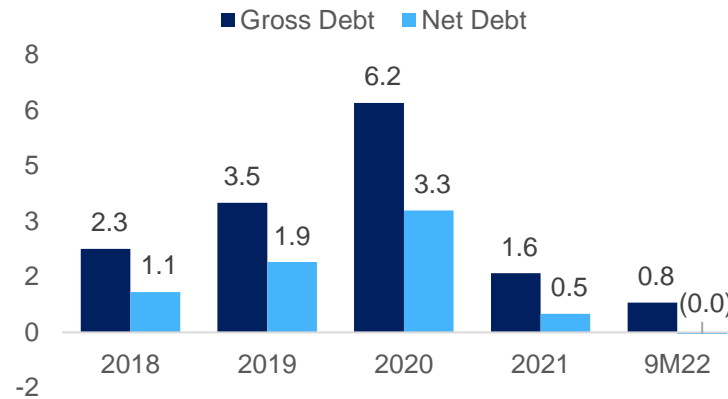
# Indika Energy's Key Business and Credit Ratios



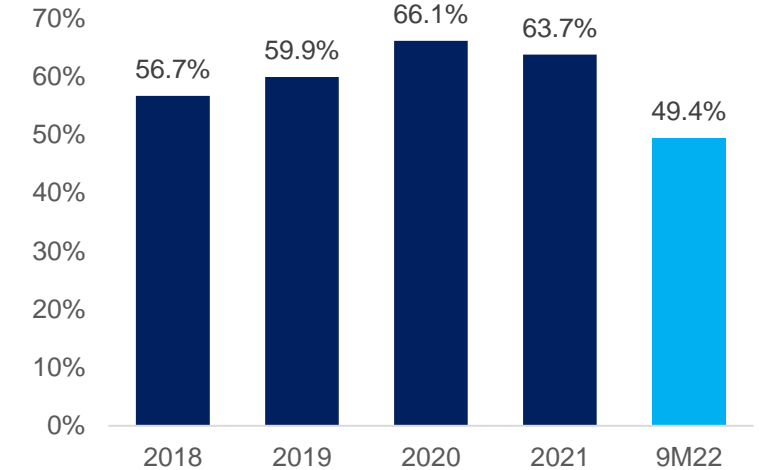
**LTM Adj EBITDA\* (USD mn) & LTM Adj EBITDA Margin (%)**



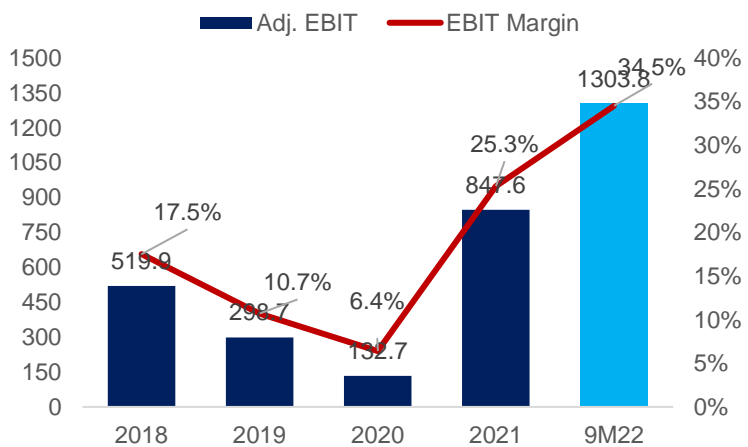
**Gross Debt & Net Debt / Adj. EBITDA (x)**



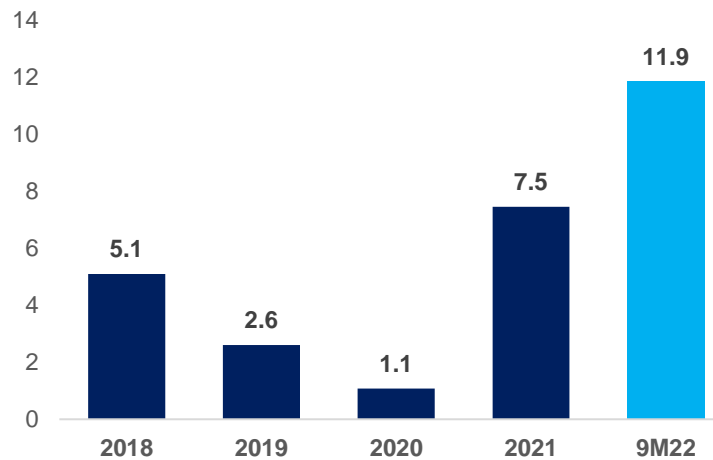
**Debt / Capital (%)**



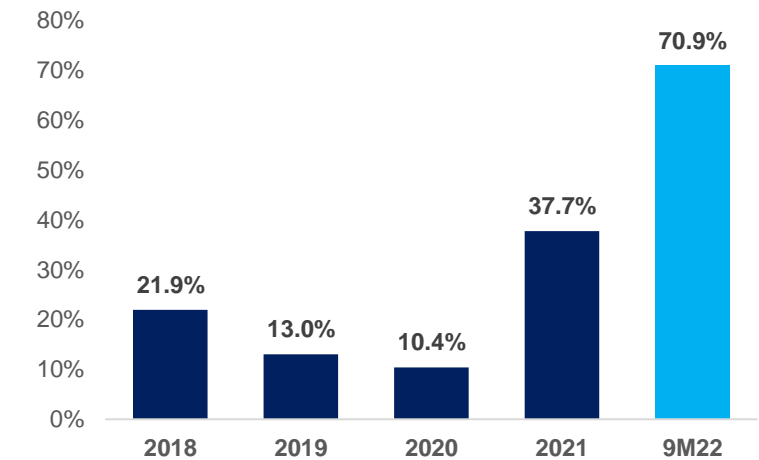
**Adj EBIT (USD mn) & EBIT Margin (%)**



**LTM Adj EBIT / Interest (x)**



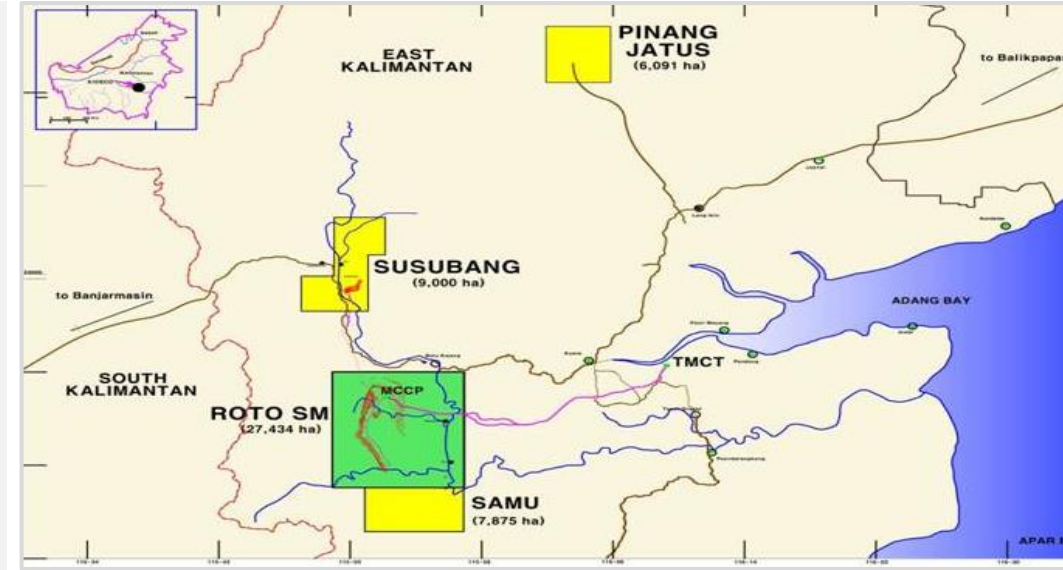
**LTM Adj. FCF / Debt (%)**



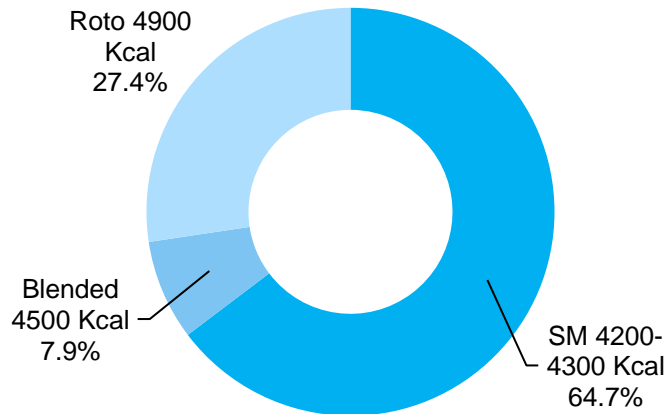
# Kideco – Leading Coal Producer in Indonesia



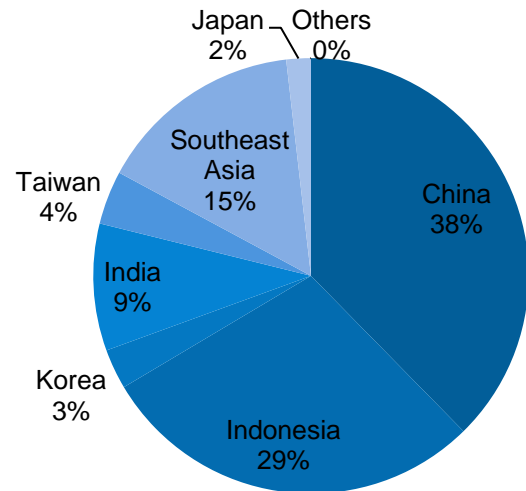
- Third largest coal producer in Indonesia
- Environmental friendly thermal coal with ultra-low sulphur of 0.1% and low ash of (2.1% to 4.9%)
- Attractive location with well-built infrastructure, and integrated value chain within the group, allowing for strong control over operation
- Low cost coal producer
- Resources of 1,550 MT and reserves of 531 MT based on JORC report Dec 2019
- Geographically diversified customer base



**Kideco Product Mix**

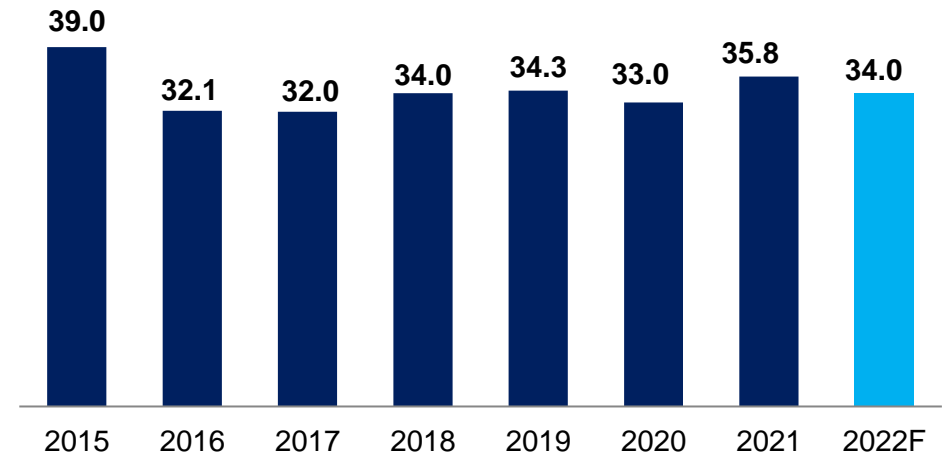


**Kideco Sales – by country**



**Kideco Production**

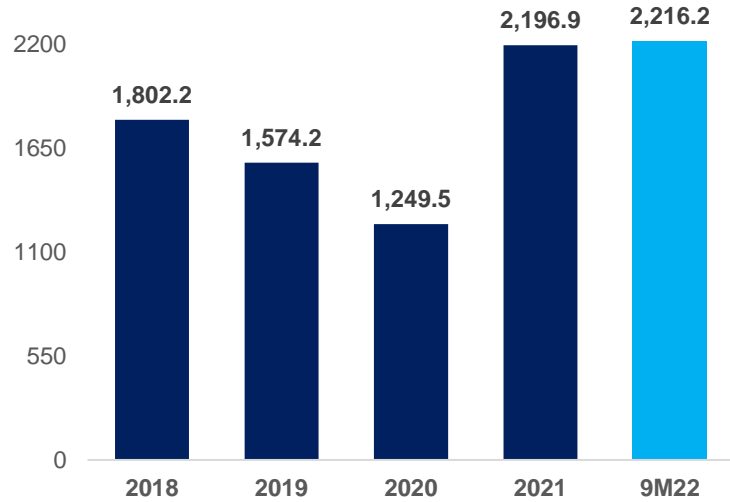
Million Ton ■ Actual ■ Gov Approval ■ Additional Target



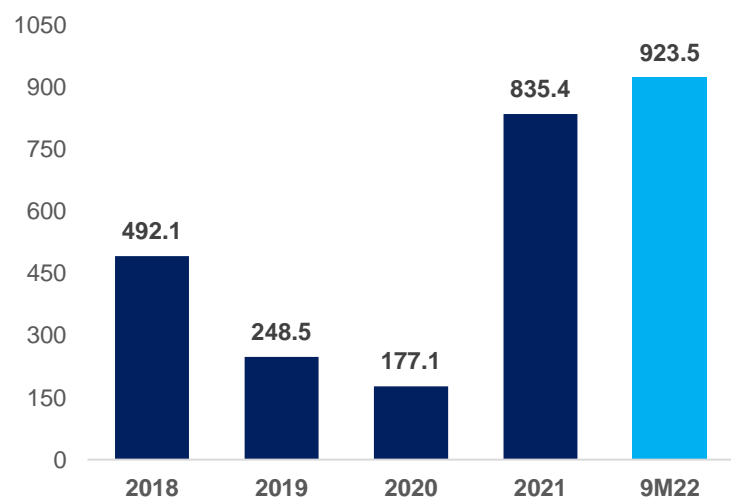
# Kideco's Financial Highlights



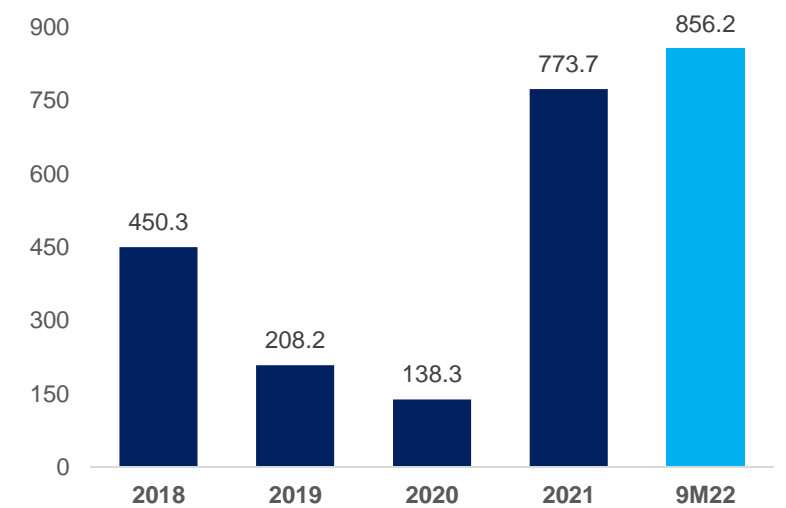
**Revenues (USD mn)**



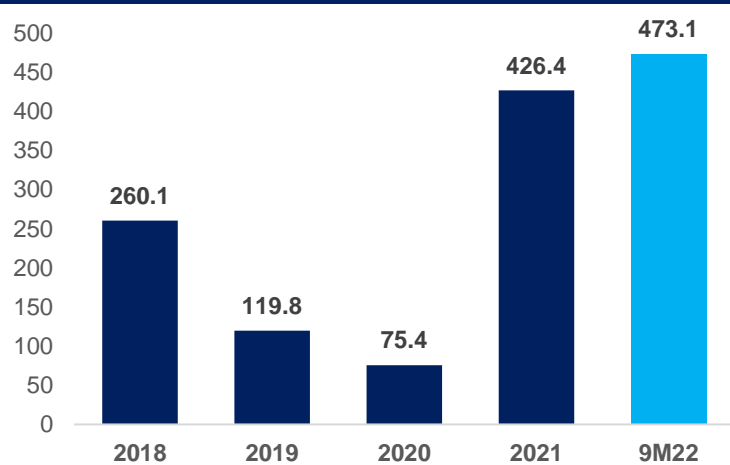
**Gross Profit (USD mn)**



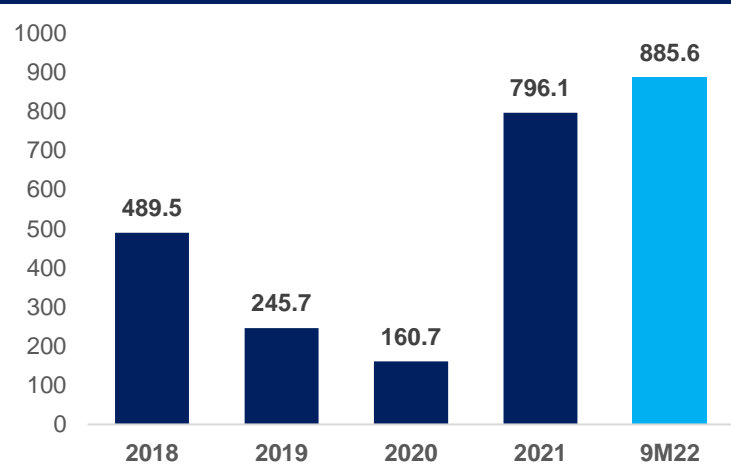
**Operating Profit (USD mn)**



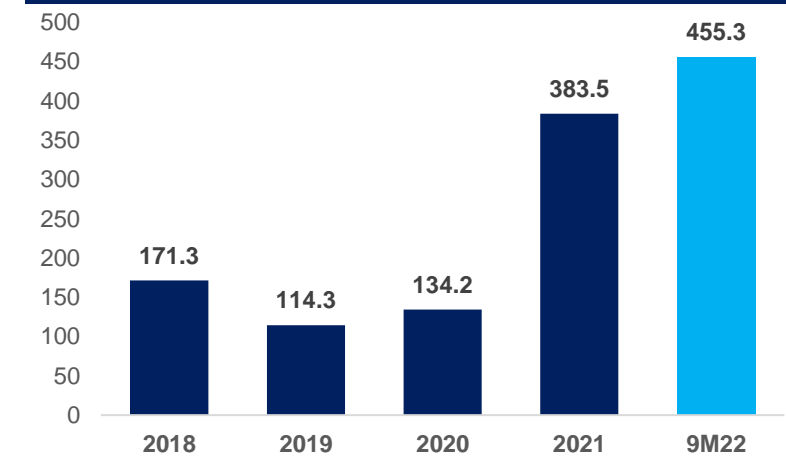
**Net Profit (USD mn)**



**EBITDA (USD mn)**



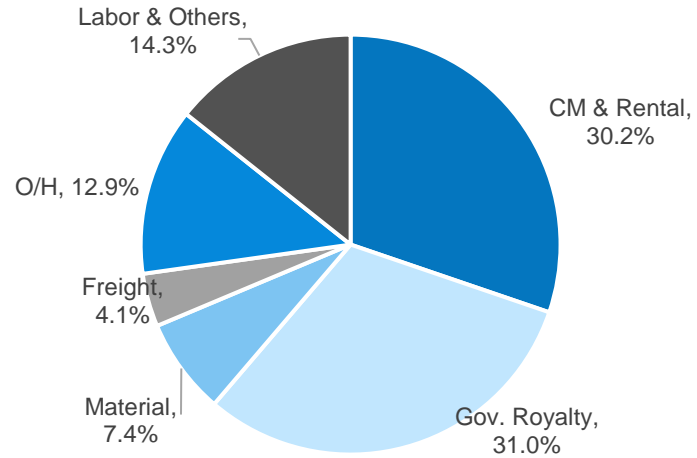
**Cash Balance (USD mn)**



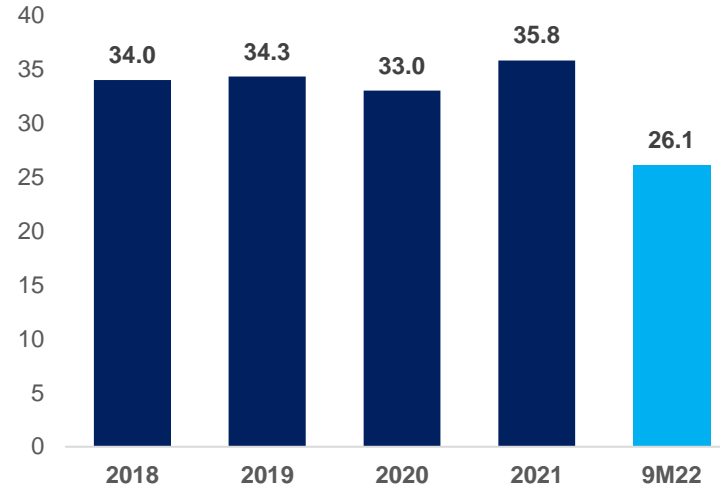
# Kideco's Operational Highlights



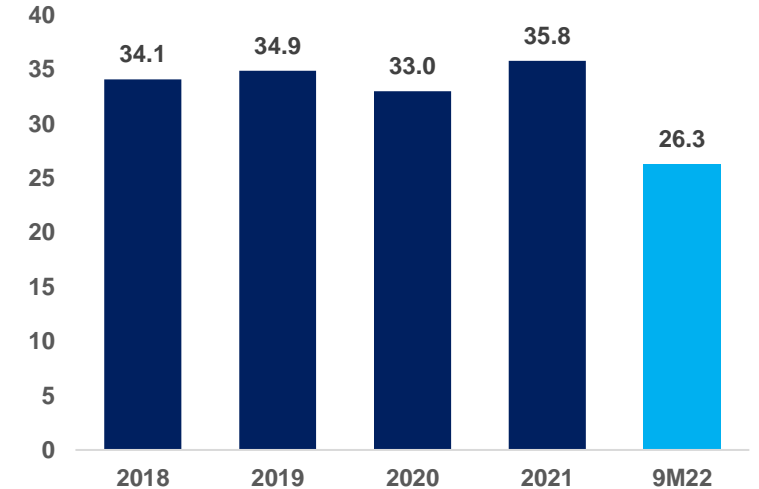
## Cash Cost Breakdown



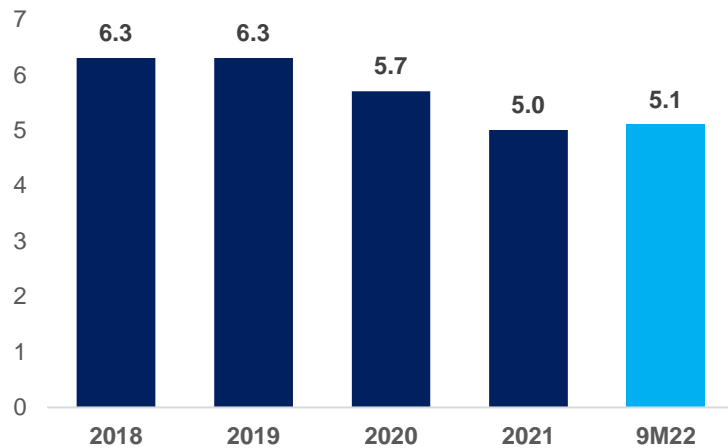
## Coal Production (mn ton)



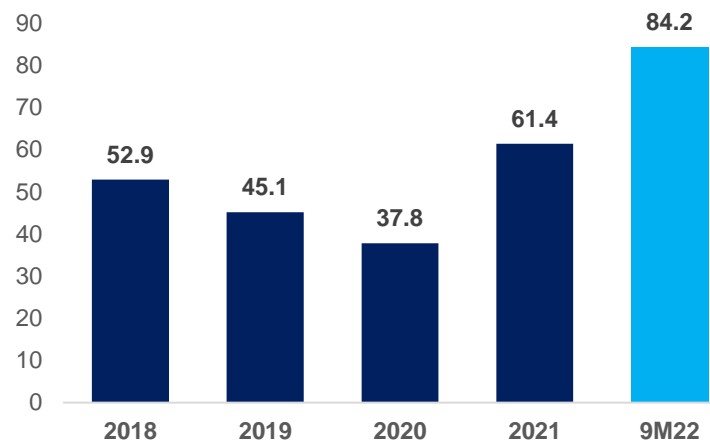
## Coal Sales (mn ton)



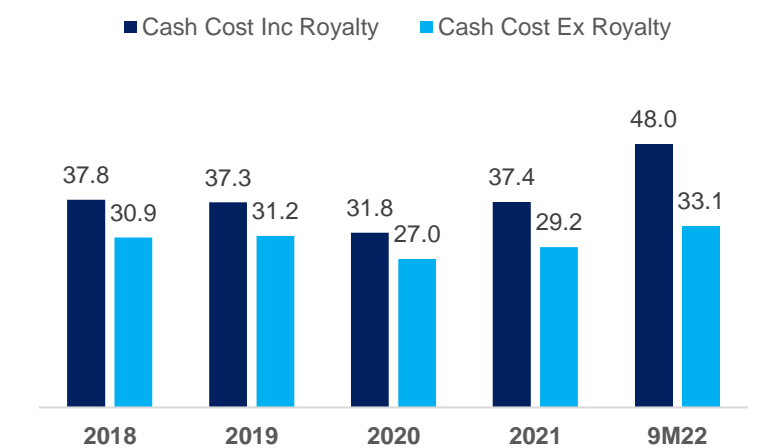
## Stripping Ratio (x)



## Average Selling Price (USD/ton)



## Cash Cost (USD/ton)



# Kideco's Operational Highlights

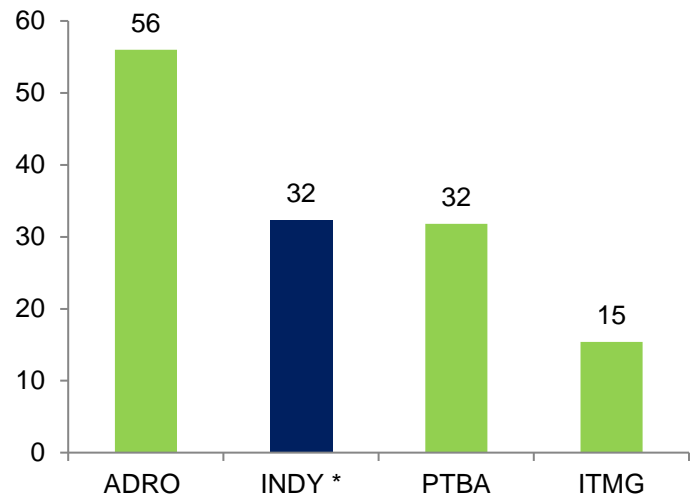


Summary P&L (US\$mn)	3Q22	3Q21	YoY	2Q22	QoQ	YTD		
						9M22	9M21	YoY
Sales	831.4	609.3	36.5%	820.1	1.4%	2,216.2	1,486.1	49.1%
Gross profit	349.5	239.6	45.9%	361.9	-3.4%	923.5	479.6	92.6%
Operating profit	326.6	223.6	46.0%	338.4	-3.5%	856.2	440.0	94.6%
<b>Net income</b>	182.7	123.5	47.9%	187.5	-2.5%	473.1	243.8	94.0%
EBITDA	335.6	229.2	46.4%	348.5	-3.7%	885.5	456.8	93.9%
Gross margin	42.0%	39.3%		44.1%		41.7%	32.3%	
Operating margin	39.3%	36.7%		41.3%		38.6%	29.6%	
Net margin	22.0%	20.3%		22.9%		21.3%	16.4%	
EBITDA margin	40.4%	37.6%		42.5%		40.0%	30.7%	
Overburden (mn bcm)	44.9	44.3	1.5%	44.7	0.5%	132.2	136.6	-3.3%
Production volume (Mt)	9.7	8.7	10.9%	8.7	10.5%	26.1	26.9	-2.9%
Sales volume (Mt)	9.3	9.4	-0.4%	9.0	3.8%	26.3	27.4	-4.1%
Stripping ratio (X)	4.7	5.1	-8.5%	5.1	-9.1%	5.1	5.1	-0.4%
Cash Cost excl royalty (US\$/ton)	32.2	29.5	9.3%	34.3	-5.9%	33.1	28.9	14.4%
Average selling price (US\$/ton)	88.9	64.9	37.0%	91.1	-2.4%	84.2	54.2	55.4%

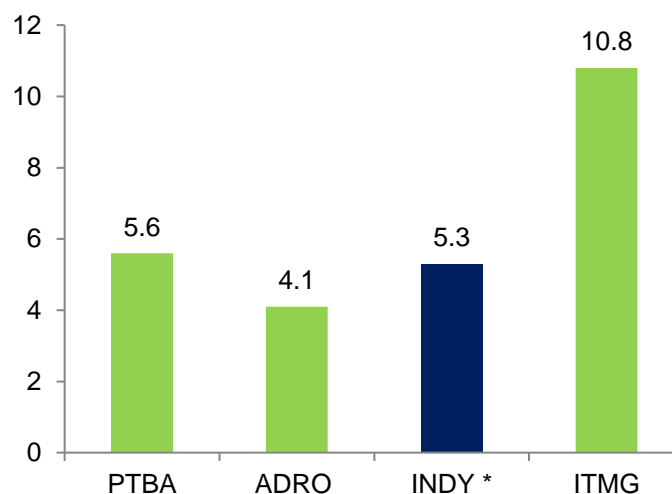
# Peer Comparison (6M22 Data)



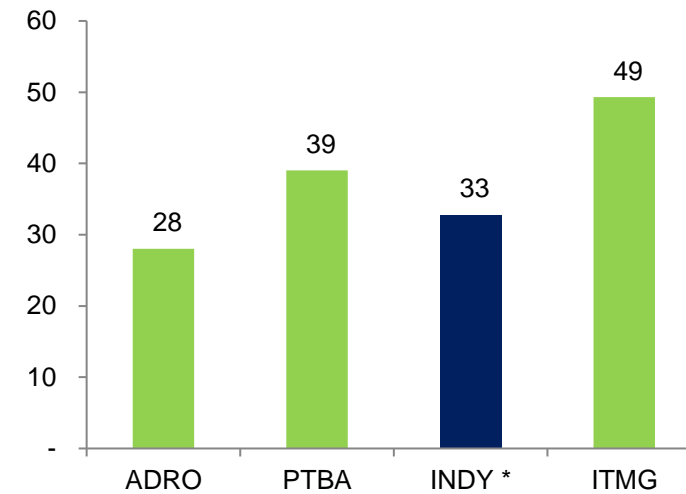
**PRODUCTION ANNUAL (MT)**



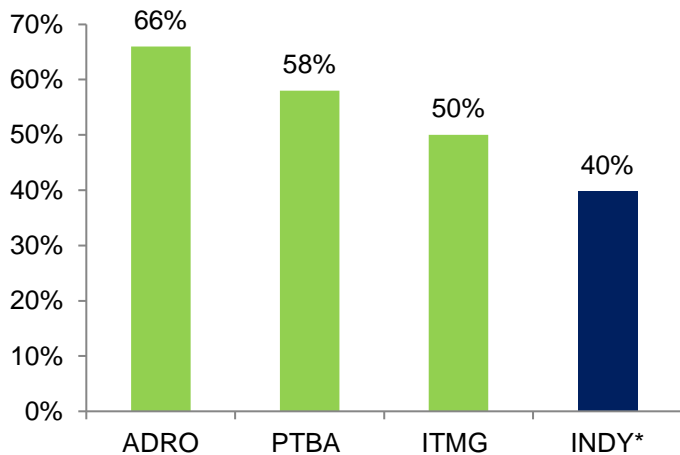
**STRIP RATIO (x)**



**CASH COSTS ex Royalty (US\$/t)**

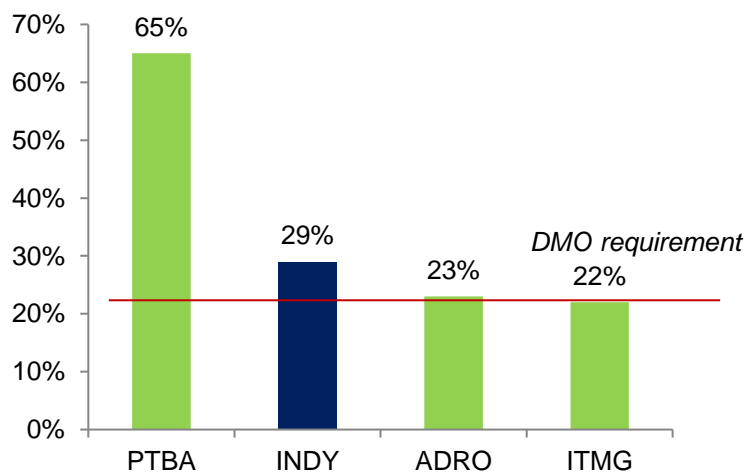


**EBITDA MARGIN**

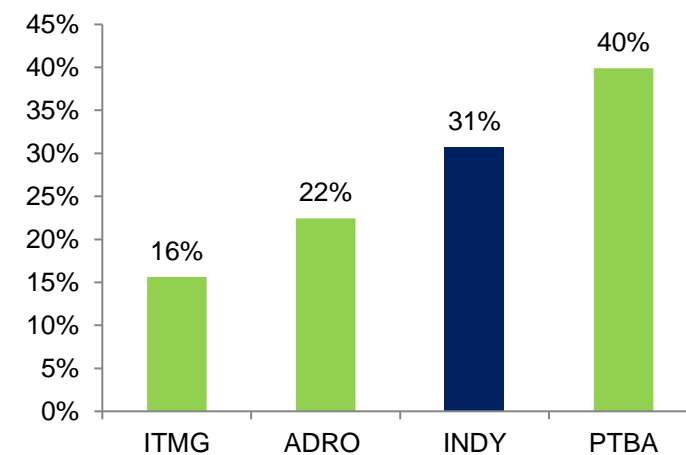


\*Kideco only

**Domestic Sales/ Total (DMO 25%)**



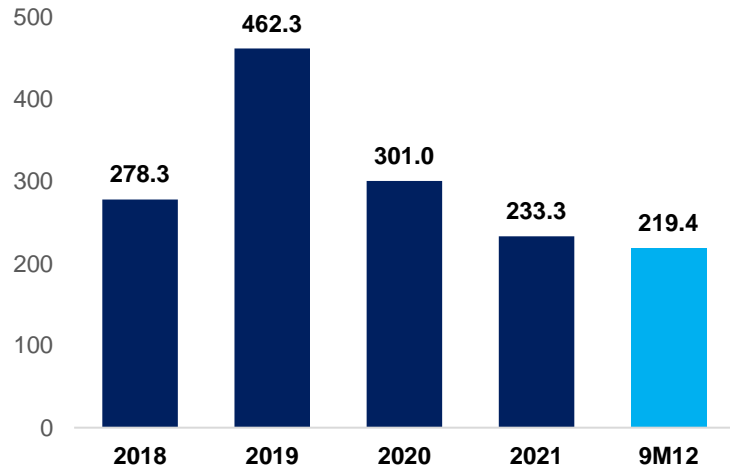
**RESERVE/RESOURCE RATIO**



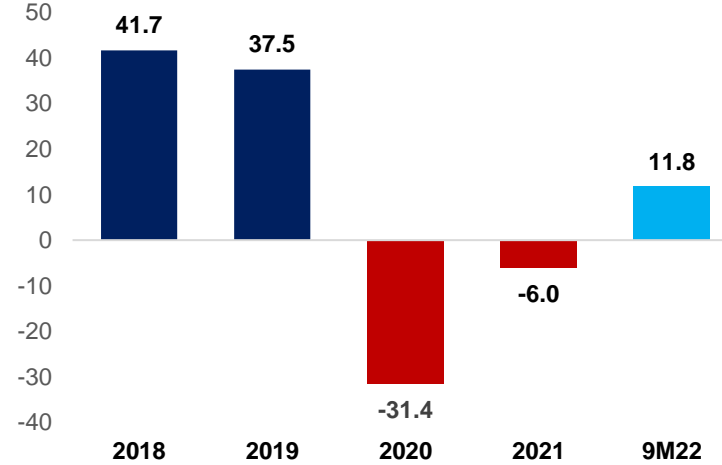
# Tripatra's Financial Highlights (1)



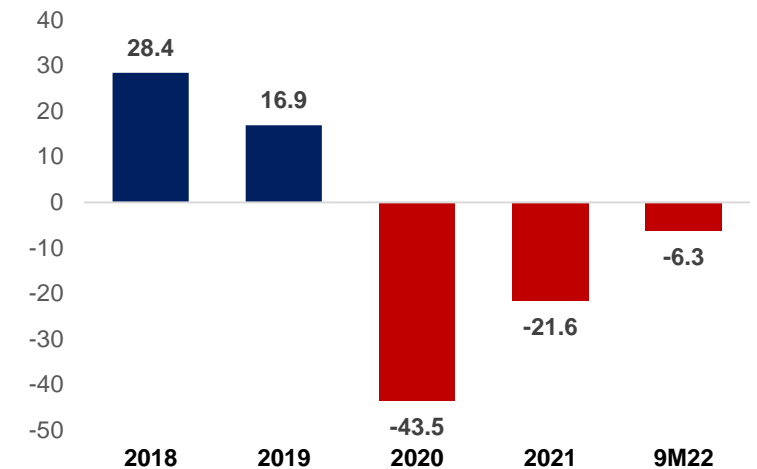
**Revenue (USD mn)**



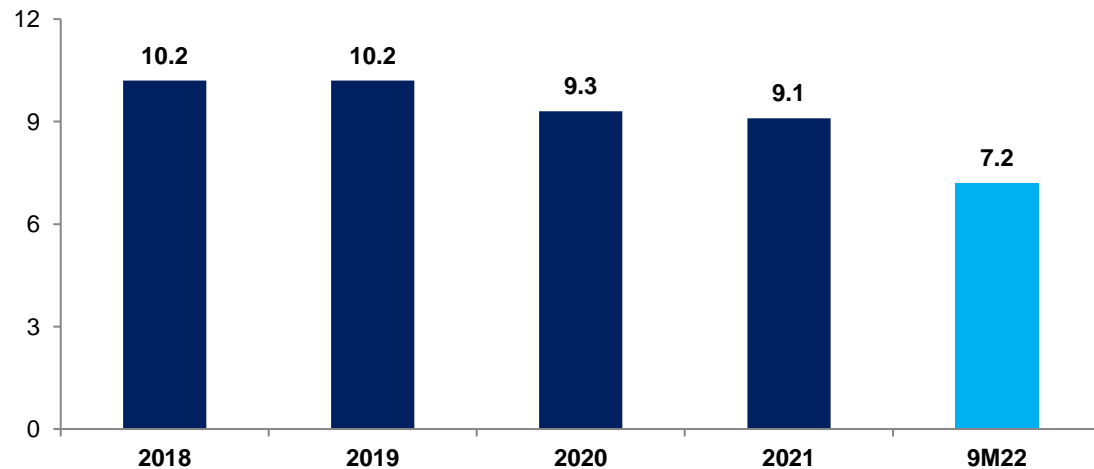
**Gross Profit (USD mn)**



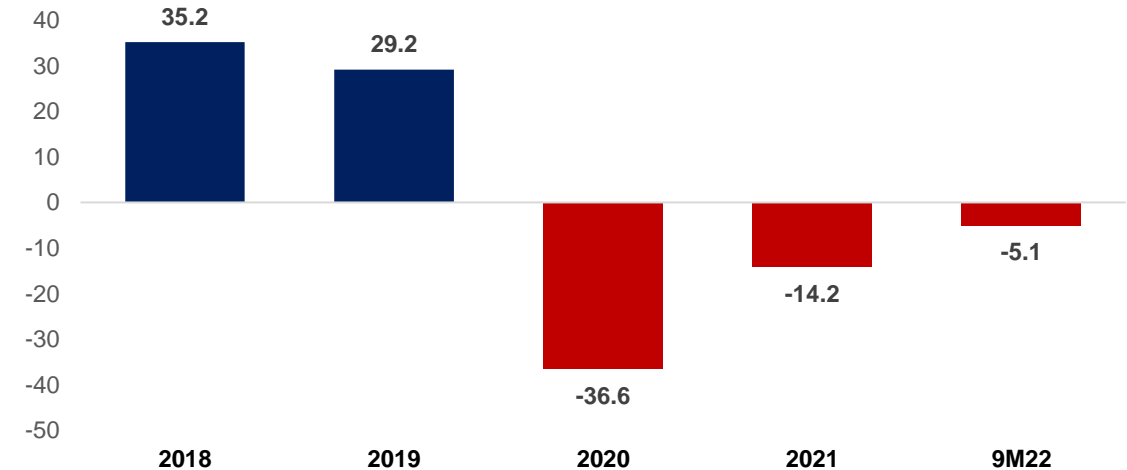
**Net Profit\* (USD mn)**



**Income from Associates (USD mn)**



**Adjusted EBITDA\*\* (USD mn)**



\* Profit/loss for the period attributable to owners of the company

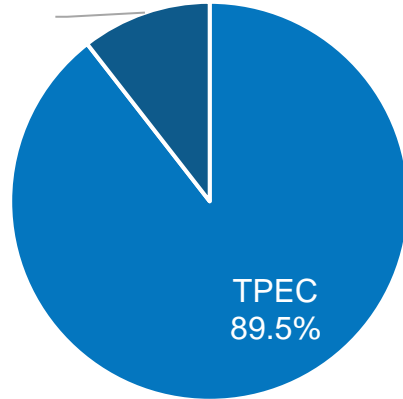
\*\* Including dividends from associates

# Tripatra's Financial Highlights (2)

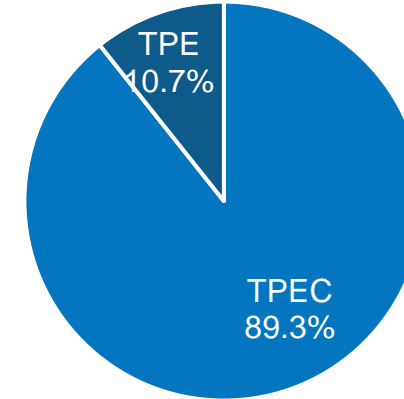


## Revenues Breakdown by Value

9M22: US\$219.4 mn

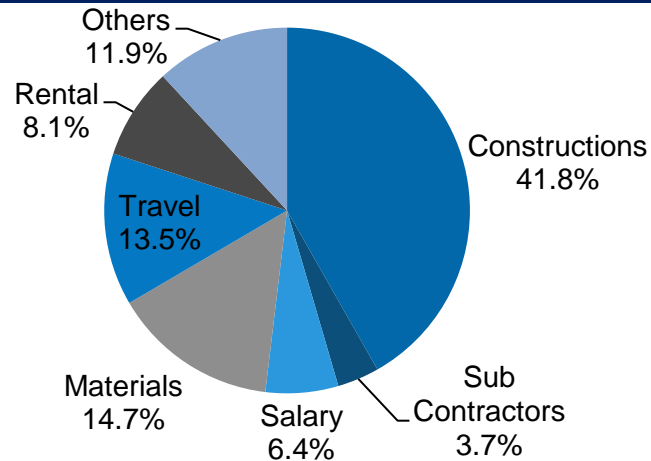


9M21 : US\$155.1 mn

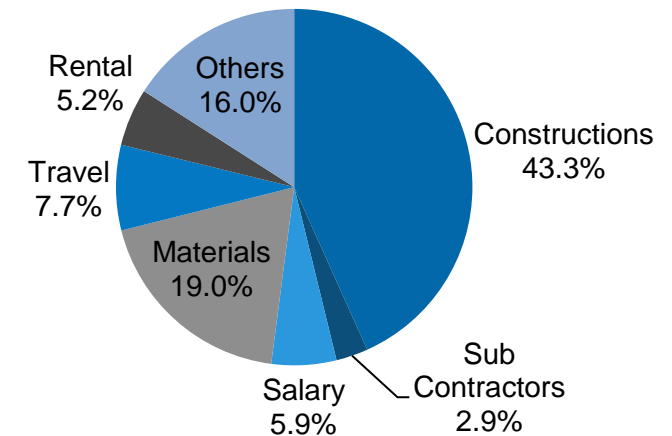


## Cost Structure

9M22: US\$205.3 mn



9M21: US\$168.9 mn



# Tripatra Backlog

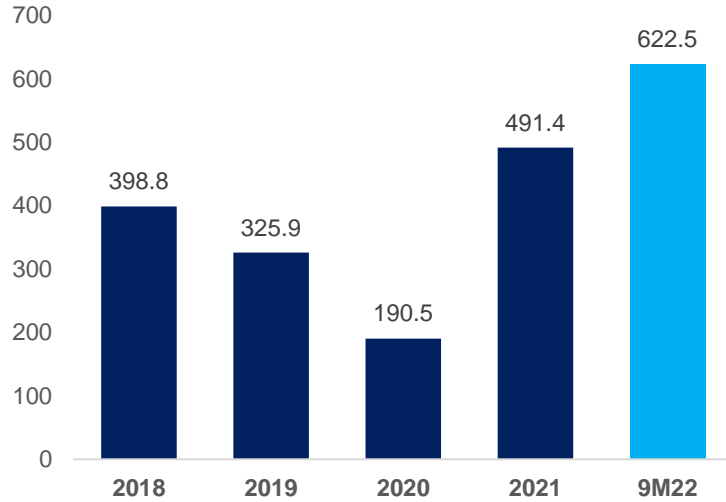


Descriptions	Remaining Contract Value	New Contract/ Adjustment Value in 2022	Revenue Recognition	Remaining Contract Value
	Per 31 Dec 2021		Per 30 Sept. 2022	Per 30 Sept, 2022
<b>Tripatra</b>				
Tripatra Engineers & Constructors	253.5	10.4	196.3	67.6
Tripatra Engineering	23.3	48.9	23.1	49.1
<b>Total (USD mn)</b>	<b>276.8</b>	<b>59.4</b>	<b>219.4</b>	<b>116.8</b>

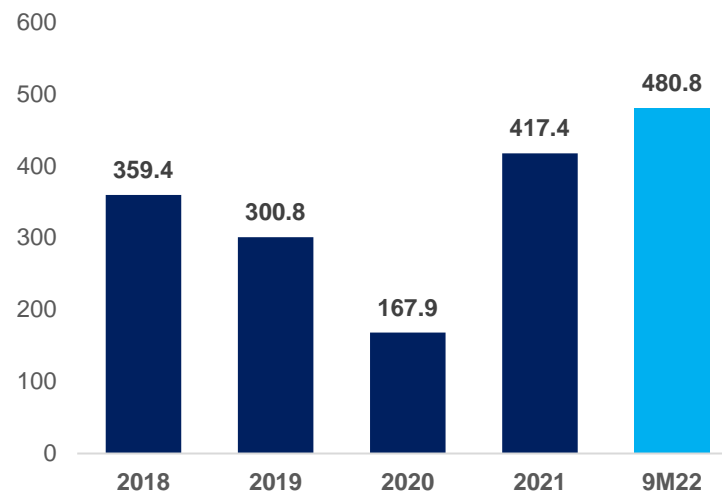
# Indika Resources' Financial Highlights



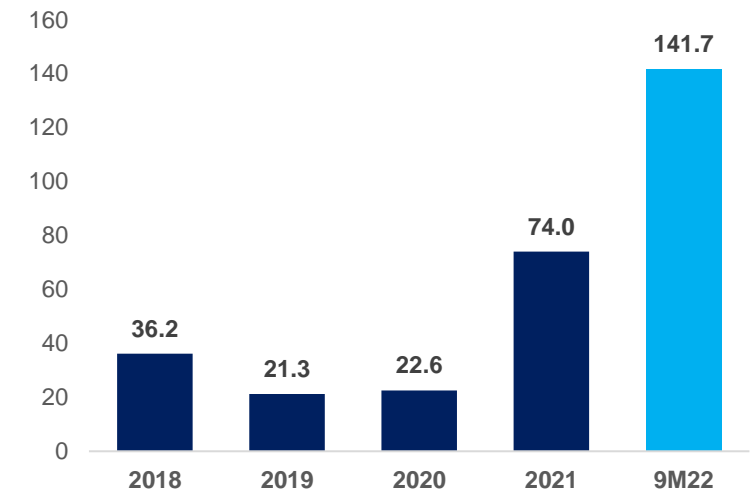
**Revenues (USD mn)**



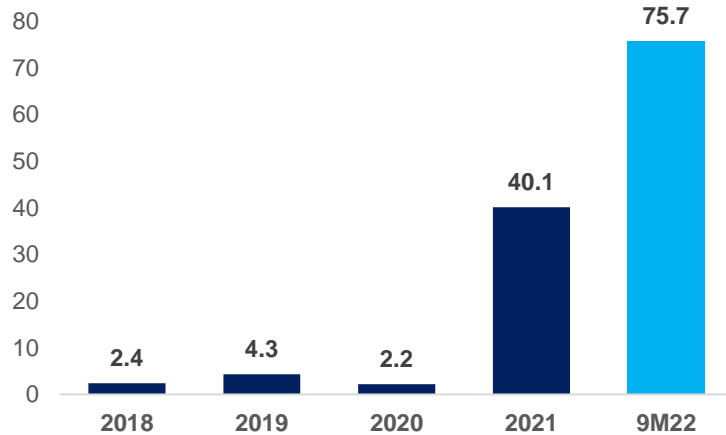
**Cost of Good Sold (USD mn)**



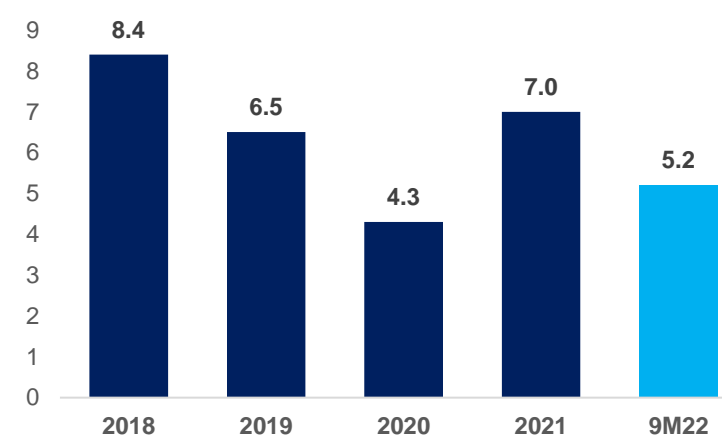
**Gross Profit (USD mn)**



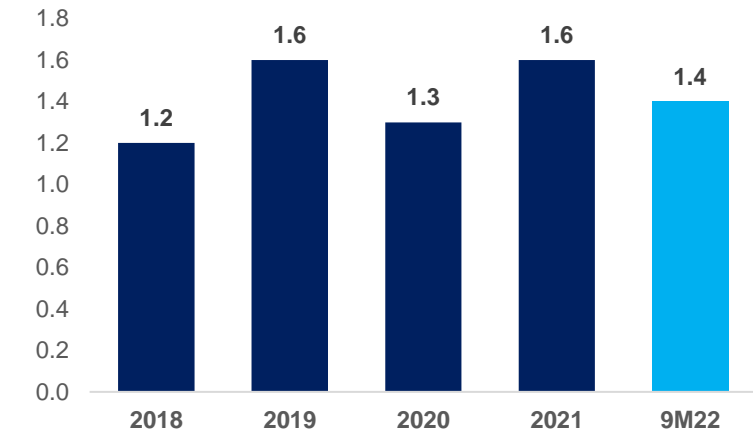
**Net Profit (USD mn)**



**Coal Trading Vol. (mn ton)**



**MUTU Production Vol. (mn ton)**

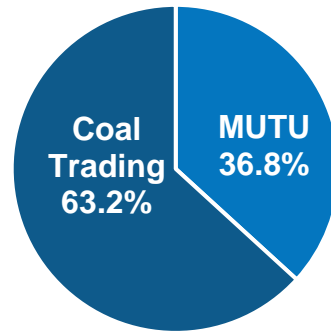


# Indika Resources' Financial Highlights (2)

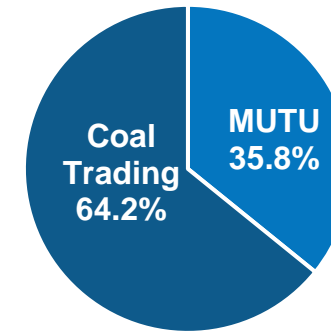


## Revenues Breakdown

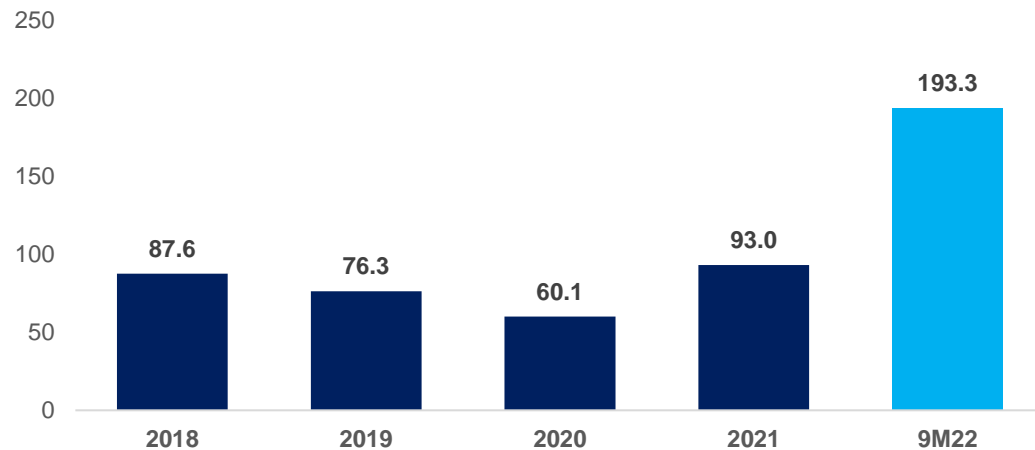
9M22: US\$628.5 mn



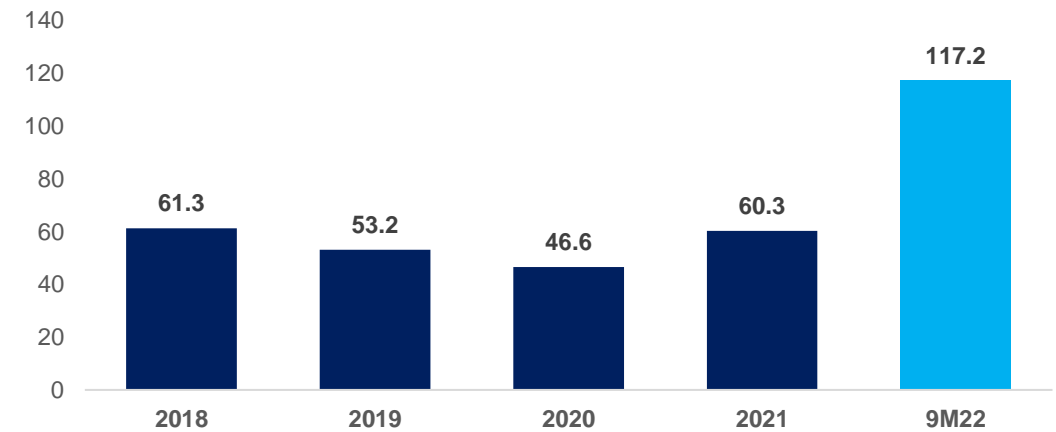
9M21: US\$294.7 mn



## MUTU ASP (USD/ton)



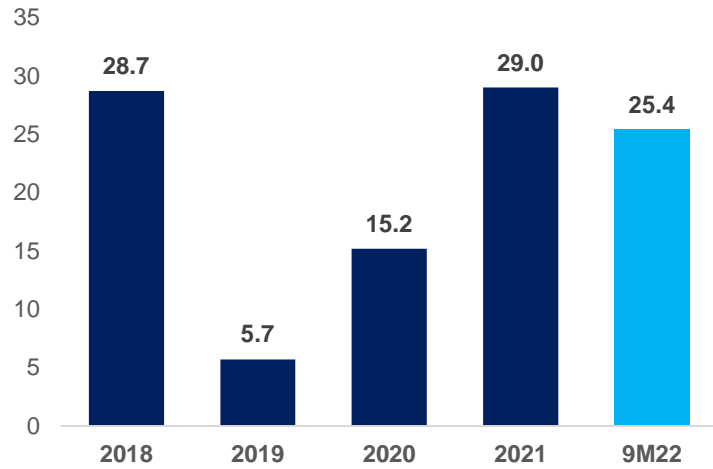
## MUTU Cash Cost ex Royalti (USD/ton)



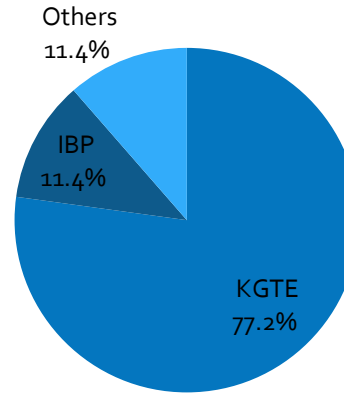
# Interport's Financial Highlights



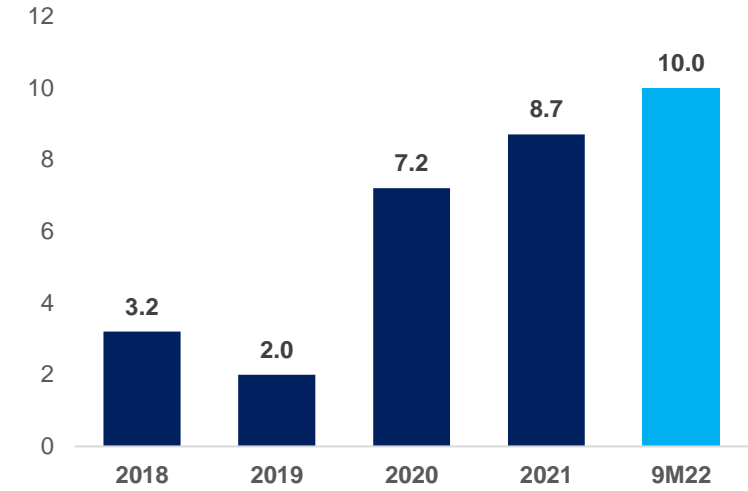
### Revenues (USD mn)



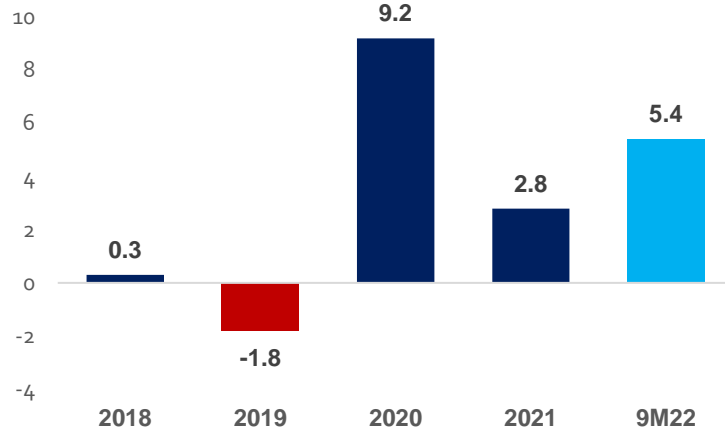
### Revenue Breakdown 9M22



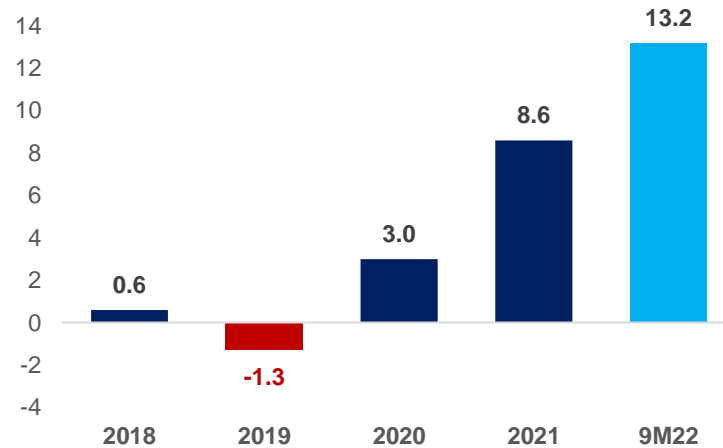
### Gross Profit (USD mn)



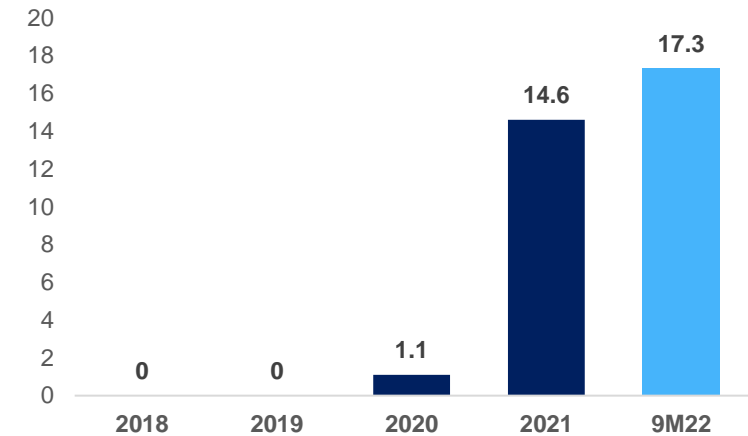
### Net Profit (USD mn)



### EBITDA (USD mn)



### Fuel Storage Vol. (KBD)



# Notes Outstanding



MOODY'S


Ba 3  
Stable Outlook (as of Oct. 2021)

The Senior  
Notes are rated:

FitchRatings

BB - / Stable Outlook  
International Ratings (as of May 2022)


A + / Stable Outlook  
National Ratings (as of May 2022)



Indo Energy Capital III Pte. Ltd.

USD 333.4mn  
5.875% 7-year Senior Notes  
Reg S / 144A  
due 2024

November 2017



Indo Energy Capital IV Pte. Ltd.

USD598.9 mn  
8.250% 5-year Senior Notes  
Reg S / 144A  
due 2025

October 2020

\*) as per 30 Nov 2022 the outstanding of the 2024 Notes is US\$333.4m and the 2025 Notes is US\$598.9m

# Strong Focus on and Commitment to ESG Initiatives



## Environmental

- ✓ **Comply with all Indonesian environmental laws, regulations and standards**
- ✓ **Strong focus on five key elements**
  - ✓ Climate change (Greenhouse gas and carbon emissions)
  - ✓ Water & effluents
  - ✓ Waste management
  - ✓ Biodiversity conservation
  - ✓ Environmentally friendly initiatives
- ✓ **Environmentally friendly technologies at operations**
  - ✓ Ultra-supercritical coal-fired technology which reduces CO<sub>2</sub> emissions
  - ✓ Solar panels at Kideco and CEP
  - ✓ Low ash and sulfur Kideco coal relatively cleaner burning
  - ✓ Industry 4.0 (decreased materials, fuel and spare parts usage)
- ✓ **Environmental management practises recognized by governments**
  - ✓ Kideco received Gold PROPER award from Ministry of Environment and Forestry
- ✓ **Promote green activities, including by partnering with local communities**
- ✓ **Contribute to Indonesia's wildlife protection efforts**

## Social Responsibility

- ✓ Focus on supporting long-term economic growth and improving the quality of life in regions of operation

<b>Education</b>	<ul style="list-style-type: none"> <li>• Develop education infrastructure</li> <li>• Provide scholarships and key skills vocational training</li> </ul>
<b>Health and Safety</b>	<ul style="list-style-type: none"> <li>• Employees receive mandatory health and safety specialized training</li> <li>• Comply with Indonesian safety and health standards</li> <li>• Engage in programs to promote healthier living in the community</li> </ul>
<b>Community</b>	<ul style="list-style-type: none"> <li>• Significant portion of site workforce from local areas</li> <li>• Support small community businesses</li> <li>• Sponsor infrastructure development in local communities</li> <li>• Collaboration with key welfare organisations (Indorelawan)</li> </ul>



Intercultural Innovation Awards (UNAOC<sup>(1)</sup> and BMW Group)

*"Achievements in promoting national tolerance and diversity"*

## Governance

- ✓ Continuously implementing and improving good corporate governance
- ✓ Recent addition of three individuals to Board of Directors, including a female member (representing 20% of the board)
- ✓ Robust anti-bribery management system – Indika Energy, IIR and Petrosea obtained ISO37001, while the other subsidiaries are in the process of obtaining
- ✓ Complying with prevailing laws and regulations

### Corporate Principles

Transparency

Accountability

Responsibility

Independence

Fairness & Equality

(1) United Nations Alliance of Civilizations

**THANK YOU**