

FOR IMMEDIATE DISTRIBUTION

31 May 2024

INDIKA ENERGY RESULTS FOR THE PERIOD ENDED MARCH 31, 2024

**Recorded Net Profit of US\$20.1 million and
Spent US\$ 37.8 million CAPEX in 3M24**

Jakarta - **PT Indika Energy Tbk. (IDX: INDY)**, an Indonesian investment holding company, reported its unaudited financial statements for the period ended March 31, 2024.

Highlights

- **Revenues decreased by 37.4% YoY to US\$567.3 million in 3M24**, driven mainly by lower contribution from Kideco and Indika Resources, on the back of lower ASP and divestment of MUTU. Kideco ASP decreased by 28.5% to US\$62.5/ton in 3M24 with sales volume of 7.2 MT (-4.0% YoY). In 2024, MUTU were only consolidated for 2 months, following the closing of MUTU divestment by end of February 2024.
- **Gross profit declined 53.0% YoY to US\$ 93.6 million in 3M24 and consolidated gross margin dropped to 16.5% from 22.0% in 3M23**. Kideco recorded gross profit margin of 15.5% in 3M24 vs 23.8% in 3M23.
- **Operating income decreased by 67.3% YoY to US\$45.4 million in 3M24** and operating margin declined to 8.0% from 15.3% in 3M23.
- **The company recorded profit attributable to owners of the Company of US\$20.1 million in 3M24**.
- **Adjusted EBITDA totalled US\$63.0 million for the period ending March 31, 2024**, compared to US\$152.0 million in the same period previous year. LTM EBITDA recorded at US\$306.2 million in 3M24.
- **The Company spent total of US\$ 37.8 million for Capex**, of which US\$ 34.3 million or 91% for non-coal businesses.

PT Indika Energy Tbk.

Income Statement Highlights 3M24

Descriptions (in USD mn)	3M24	3M23	YoY	4Q23	QoQ
Total revenues	567.3	906.8	-37.4%	728.1	-22.1%
Kideco	452.6	659.3	-31.4%	517.1	-12.5%
Indika Resources	69.8	164.2	-57.5%	95.2	-26.7%
Tripatra	31.5	66.5	-52.6%	43.5	-27.5%
Interport	27.6	21.0	31.6%	31.1	-11.1%
Others	9.8	14.3	-31.3%	103.8	-90.5%
Elimination	(24.1)	(18.5)	30.3%	(62.6)	-61.5%
Cost of contracts and goods sold	(473.8)	(707.7)	-33.1%	(615.9)	-23.1%
Gross profit	93.6	199.1	-53.0%	112.2	-16.6%
Selling, general and administrative expenses	(48.1)	(60.0)	-19.9%	(46.3)	3.9%
Operating profit	45.4	139.0	-67.3%	43.0	5.6%
Equity in net profit of associates	5.1	7.3	-29.3%	3.7	40.4%
Investment income	4.2	5.1	-16.5%	5.3	-20.9%
Finance cost	(48.1)	(20.9)	130.1%	(23.0)	109.3%
Amortization of intangible assets	(0.3)	(33.7)	-99.0%	(1.3)	-74.8%
Final tax	(1.1)	(2.1)	-47.9%	(2.4)	-54.2%
Others- net	7.3	1.8	305.4%	7.0	5.0%
Profit (Loss) Income before tax	41.0	96.5	-57.5%	33.7	21.8%
Income tax expense	(14.1)	(28.1)	-49.7%	(25.2)	-43.9%
Profit (Loss) for the year/period :	26.9	68.4	-60.7%	31.4	-14.3%
Profit (Loss) attributable to owners of the company	20.1	58.9	-65.9%	25.8	-22.2%
Profit (Loss) attributable to non-controlling Interest	6.8	9.5	-28.6%	5.5	22.8%
Core Profit (Loss) of the Company **	20.1	127.4	-84.2%	26.2	-23.1%
Adjusted EBITDA*	63.0	152.0	-58.5%	95.1	-33.8%
LTM - Adjusted EBITDA*	306.2	1,217.3	-74.8%	395.1	-22.5%
EPS (USD/share)	0.0039	0.0113		0.0050	
Core EPS (USD/share)	0.0039	0.0245		0.0050	
Gross margin	16.5%	22.0%		15.4%	
Operating margin	8.0%	15.3%		5.9%	
Net margin	3.5%	6.5%		3.5%	
Core profit margin	3.5%	14.1%		3.6%	
Adjusted EBITDA Margin	11.1%	16.8%		13.1%	

* Includes dividends from associates (last twelve months period ended 31 March 2024)

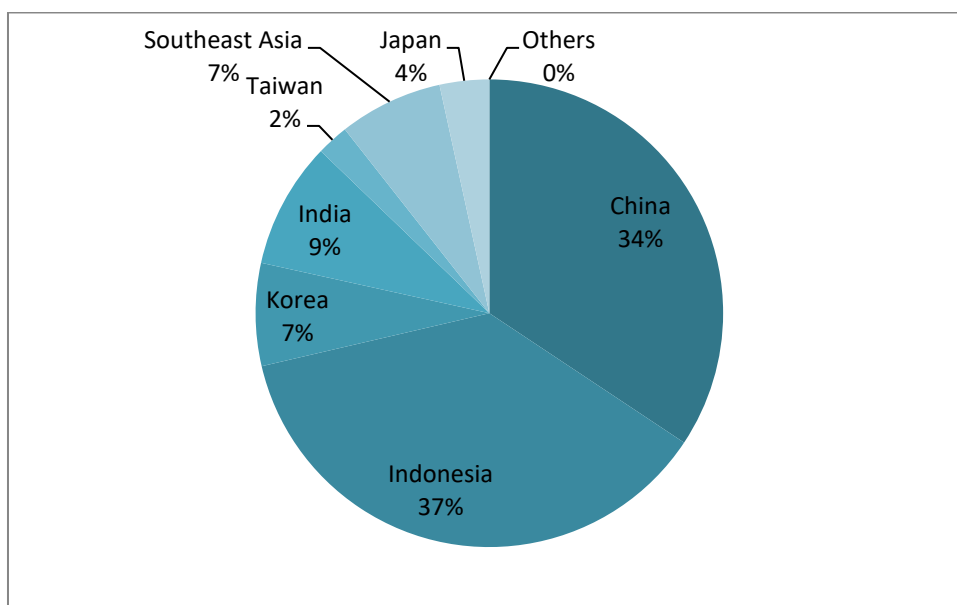
** Core Profit (Loss) is defined as net profit (loss) attributable to Owners of the Company for the year excluding amortization of intangible assets of Kideco and MUTU

The consolidated revenues decreased by 37.4% YoY to US\$567.3 million in 3M24 from US\$906.8 million in 3M23, mainly due to lower contributions from Kideco and Indika Resources.

- a) Kideco's revenue decreased by 31.4% YoY to US\$452.6 million in 3M24 on the back of ASP declined by 28.5% YoY to US\$62.5/ton with sales volume decreased by 4% to 7.2 MT (in line with RKAB of 29.4MT in 2024). In terms of market destination, in 3M24 Kideco sold 2.7MT or 37% of sales volume to domestic and 4.6MT or 63% of sales volume to export market. (ICI-1: US\$120.1/ton in 3M24 vs US\$201.2/ton in 3M23; ICI-3:

US\$78.8/ton in 3M24 vs US\$84.8/ton in 3M23; ICI-4: US\$57.2/ton in 3M24 vs US\$63.2/ton in 3M23).

Kideco's Sales Volume by Country 3M24



- b) **Indika Resources' revenue decreased by 57.5% YoY to US\$69.8 million in 3M24** from US\$164.2 million in 3M23, driven by lower contribution from coal trading and MUTU. In 3M24, revenue of coal trading declined by 26.7% YoY to US\$51.7 million, as sales volume increased 18.4% YoY to 1.0MT and ASP declined by 35.1% YoY to US\$50.0/ton. MUTU's revenue decreased by 80.7% YoY to US\$18.1 million as MUTU financials were only consolidated for 2 months, following the closing of MUTU's divestment by end of February 2024. MUTU's ASP declined by 29.7% YoY to US\$113.8/ton in 2M24 with sales volume of 0.2MT (-72.5% YoY).
- c) **Interport's revenue increased 31.6% YoY to US\$27.6 million in 3M24** mainly due to higher contribution from Cotrans. In 3M24, Interport revenues consisted of Cotrans of US\$17.2m, KGTE (fuel storage) of US\$5.9m, Interport business park (IBP) of US\$3.0m and ILSS of US\$1.4m.
- d) **Tripatra's revenue decreased by 52.6% to US\$31.5 million in 3M24**, mainly driven by lower contribution from nearly complete project (Tangguh) and have not acquired new large projects. Additional revenue came from Shell (US\$4.0m), Akasia Bagus (US\$2.6m), Pupuk Kaltim and Medco.

Cost of Contracts and Goods Sold decreased by 33.1% YoY to US\$473.8 million in 3M24 from US\$707.7 million in 3M23. Kideco's cash costs including royalties decreased by 20.5% YoY to US\$51.4/ton in 3M24 compared to US\$64.7/ton in 3M23, primarily due to lower royalty expense as a result of: 1) lower HBA (following the new formula which was effective as of Aug 2023) and 2) higher domestic sales volume (2.7MT in 3M24 vs 2.1MT in 3M23).

Gross profit declined 53.0% YoY to US\$93.6 million in 3M24 from US\$199.1 million reported in 3M23. The consolidated gross margin dropped to 16.5% from 22.0% in 3M23, mainly driven by lower GP margin in Kideco (15.5% in 3M24 vs 23.8% in 3M23) and MUTU (28.6% in 3M24 vs 37.8% in 3M23).

SG&A expenses decreased by 19.9% YoY to US\$48.1 million in 3M24 from US\$60.0 million in 3M23 mainly due to 1) lower PNBPs related to Kideco 2) decrease in marketing fee inline with lower revenue from Kideco and MUTU, and 3) lower rental in MUTU.

Equity in net profit of associates decreased by 29.3% to US\$5.1 million in 3M24 from US\$7.3 million mainly due to lower contribution from CEP, CEPR, and SBS.

Finance cost decreased by US\$1.1 million (-5.4% YoY) to US\$19.8 million in 3M24 mainly due to lower bond interest by US\$3.2m on lower bond principal resulting from early retirement of bond in 2H23. The decrease was partly offset by higher interest expenses from bank loan by US\$1.5m.

Others - net income increased US\$5.5m (+307.5%) to US\$7.3m in 3M24 mainly due to gain on divestment of MUTU.

The Company reported Profit Attributable to the Owners of the Company and Core profit of US\$20.1 million in 3M24.

The Company spent US\$37.8 million in 3M24 for Capex, of which we spent US\$3.5m or 9% of total for coal business (Kideco). On new businesses/non-coal, Capex mainly spent on Indika Minerals (primarily for Awakmas project) US\$28.5m, Indika Nature US\$2.4m, IMG US\$1.2m and Kalista US\$0.4m.

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PT Indika Energy Tbk.

Balance Sheet Highlights 3M24*

Descriptions (in USD mn)	3M24	3M23	YoY	FY23	Change % 3M24 - FY23
Cash balance*	767.8	1,350.1	-43.1%	696.3	10.3%
Current assets	1,421.9	2,057.3	-30.9%	1,220.1	16.5%
Non current asset held for sale	6.8	0.0	100.0%	264.0	100.0%
Total assets	3,137.5	3,645.4	-13.9%	3,113.1	0.8%
Current liabilities	1,008.1	1,218.5	-17.3%	935.1	7.8%
Total Debt**	1,088.0	1,055.7	3.1%	1,087.6	0.0%
Shareholder equity	1,391.4	1,373.6	1.3%	1,377.1	1.0%
Current ratio (X)	1.4	1.7		1.3	
Debt to Ebitda (X)	3.6	0.9		2.8	
Net Debt to Ebitda (X)	1.1	Net Cash		0.8	
Debt to equity (X)	0.8	0.8		0.8	
Net debt to equity (X)***	0.2	Net Cash		0.3	

* 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

Kideco Financial and Operational Highlights 3M24

Descriptions (USD mn)	1Q24	1Q23	YoY	4Q23	QoQ
Sales	452.6	659.3	-31.4%	517.1	-12.5%
Gross profit	70.3	156.8	-55.1%	84.4	-16.6%
Operating profit	52.3	133.6	-60.8%	65.1	-19.6%
Net income	36.2	90.4	-60.0%	36.3	-0.4%
EBITDA	60.1	134.7	-55.4%	65.9	-8.9%
Gross margin	15.5%	23.8%		16.3%	
Operating margin	11.6%	20.3%		12.6%	
Net margin	8.0%	13.7%		7.0%	
EBITDA margin	13.3%	20.4%		12.7%	
Overburden (mn bcm)	38.3	37.5	2.3%	42.6	-10.1%
Production volume (MT)	7.0	6.9	1.7%	7.8	-10.2%
Sales volume (MT)	7.2	7.5	-4.0%	8.0	-8.9%
Stripping ratio (X)	5.4	5.4	0.5%	5.4	0.1%
Cash Cost incl royalty (US\$/ton)	51.4	64.7	-20.6%	54.3	-5.3%
Cash Cost excl royalty (US\$/ton)	35.8	34.7	3.2%	37.6	-4.8%
Average selling price (US\$/ton)	62.5	87.3	-28.5%	65.0	-3.9%

Latest Development

- On 16 May 2024, the Company successfully conducted tender offer on the 2025 Notes in the principal amount of US\$309 million. Upon the settlement of the tender offer, the remaining outstanding of the 2025 Notes is US\$225.1 million.

- On 7 May 2024, the Company announced a successful issuance for an aggregate principal amount of US\$ 350 million bonds with a 5-year tenor, non-callable in the first 2 years, and a coupon of 8.75%. The bond ratings were assigned BB- by Fitch, and Ba3 by Moody's.
- On 6 May 2024, AGMS of the Company approved to distribute final cash dividend from the Company's FY23 earnings amounting to US\$ 30 million or US\$0.00577 per share. Recording date is on 20 May 2024 and payment date is on 5 June 2024.
- On 3 May 2024, the Company has fully repaid and cancelled Indika Energy Capital III Pte. Ltd.'s 5.875% Senior Notes due 2024 at redemption price equal to 100.00%. Earlier the Company had issued 30-day notice on 2 April 2024.

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ABOUT INDIKA ENERGY

PT Indika Energy Tbk. ("Indika Energy") is an Indonesia's diversified investment 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); **Energy Infrastructure** coal-fired power plant (PT Cirebon Electric Power and PT Prasarana Energi Cirebon); **Logistic & Infrastructure** - ports & logistics (PT Indika Logistic & Support Services, PT Kuala Pelabuhan Indonesia); fuel storage (PT Kariangau Gapura Terminal Energi) – marine transportation for bulk goods and natural resources (PT Sea Bridge Shipping and PT Cotrans Asia); **Minerals** – gold production (Nusantara Resources Limited); bauxite production (PT Mekko Metal Mining) nickel trading (PT Rockgeo Energi Nusantara); **Digital Ventures** - IT enterprise (PT Xapiens Teknologi Indonesia), digital technology services (PT Zebra Cross Teknologi), **Green Business** - Nature based solution (PT Indika Multi Properti), Renewable Energy (PT Empat Mitra Indika Tenaga Surya), **Electric Vehicle** – E2W (PT Illectra Motor Group) – E4W commercial (PT Foxconn Indika Motor, PT Energi Makmur Buana, Kalista Nusa Armada) - Battery (Industri Baterai Nusantara), **Healthcare** – (PT Bioneer Indika Group)

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FURTHER INFORMATION

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