Indika Energy Sells Coal Mine to Petrindo Jaya for $218 Million

By Heru Andriyanto

Under the conditional sale and purchase agreement, Petrindo will acquire all 2.26 billion shares in Multi Tambangjaya Utama (MUTU), a subsidiary of Indika Energy that operates the mine, for $218 million.

The sale of MUTU is part of the company's strategy "to reduce coal-related businesses and expand our non-coal business portfolios," Indika Energy Vice CEO Azis Armand said in a public filing. The company aims to increase the share of non-coal businesses in its overall revenue to 50 percent by 2025.

MUTU specializes in the production of bituminous and coking coals and operates within a concession mine area spanning 24,970 hectares in North Kalimantan.

"Indika Energy will continue to develop businesses in alignment with our Environmental, Social, and Governance commitments and work towards achieving carbon neutrality by 2050," added Azis.

Indika Energy runs a diverse range of businesses, from energy and minerals to logistics, IT, and healthcare, with nearly 20 subsidiaries.

Source:

Jakarta Globe, 25 September 2023.