

# Financial Year 1Q 2023 Results

June 5<sup>th</sup> , 2023



# Highlights of 1Q 2023



On track with our FY 2023 guidance.



Revenue rose 23% YoY at US\$409mn

EBITDA up 6% YoY at US\$74mn

Operating Profit up 4% YoY at US\$14mn



Indonesian & Australian **revenue grew** by 19.3% YoY and 35.4% YoY respectively

Won **new contract** from BHP and Mitsubishi Alliance



CAPEX 57% lower YoY

Free Cash Flow rebounded to US\$14mn



Contribution from **Metallurgical coal and Infrastructure business** was 15% of Revenue



OB Volume increased 9% YoY at 134 MBCM

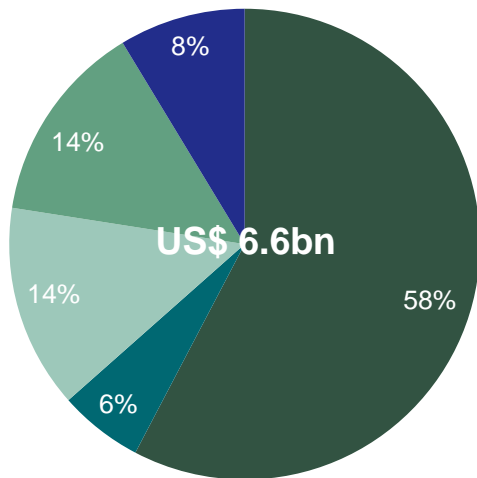
# Increasingly Diversified and High Quality Orderbooks



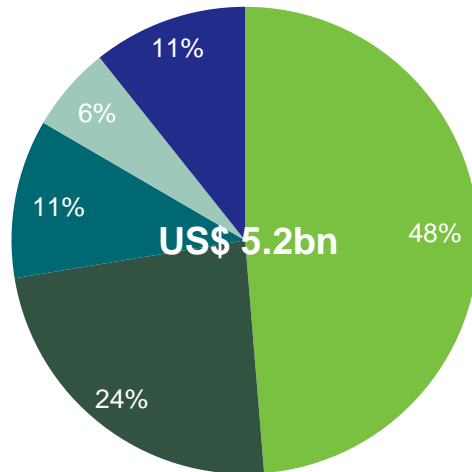
Continued optimization of Indonesia orderbook with increasing exposure to top tier customers, and exponential growth in Australia orderbook

## Indonesia Business

2018 Orderbook



1Q 2023 Orderbook

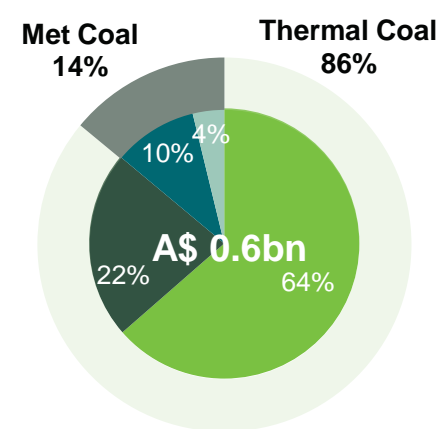


Legend: Bayan (green), Berau (dark green), Adaro (teal), Geo (light green), Kideco (medium green), Others (dark blue)

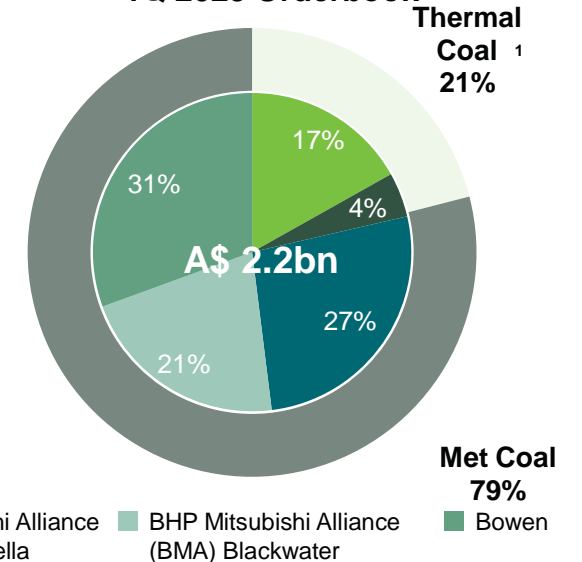
- The Company has been actively moving its coal exposure to projects with lower cost, lower strip ratio or where we can use more efficient equipment
- The next step for our Indonesian business will be to focus on diversifying commodities and sources of revenue
- Contract replacement / extension discussions commence 12-24 months prior to expiry
- Indonesia and Australia team has a strong track record of winning and extending contracts

## Australia Business

2021 Orderbook



1Q 2023 Orderbook



Legend: Meandu (green), Commodore (dark green), BHP Mitsubishi Alliance (BMA) Goonyella (teal), BHP Mitsubishi Alliance (BMA) Blackwater (light green), Bowen (medium green)

- Orderbook has grown almost 4 times, since we acquired the business in Dec 2021
- Growth is focused on met coal (met coal expected to grow 1.5x through 2050 in the 1.5°C scenario<sup>2</sup>) with world-class clients including BHP Billiton Mitsubishi Alliance
- Recent US\$43mn contract from BHP and Mitsubishi Alliance related to Saraji mine increases met coal exposure to nearly 80%

Source: 'The Energy Transition Dilemma' by LGIM & BHP (2022)

Note: Australian Orderbook as at 4Q 2021 and 1Q 2023. Indonesian Orderbook as at 4Q 2018 and 1Q 2023

1. The Commodore and Meandu contracts include progressive rehabilitation obligations. Currently the contracts are not split between thermal coal mining, and rehabilitation, so the revenue is included in thermal coal

2. Cumulative Demand to 2050, compared to prior 30 years, 1.5°C scenario as sourced from 'The Energy Transition Dilemma' by LGIM & BHP (2022)

# 1Q 2023 Financial Performance : Growth in Volume, Revenue and EBITDA



Overburden Removal and Coal	Revenue	EBITDA	FY23 Guidance		
<b>134 MBCM</b> Up 9% YoY <b>22 MT</b> Up 18% YoY	<b>US\$409M</b>  Up 23% YoY	<b>US\$74M</b>  Up 6% YoY <i>20.8% EBITDA Margin<sup>1</sup></i> <i>Down 3% YoY</i>	<b>FY23 Overburden Guidance</b> <b>560 - 630 MBCM</b>	<b>FY23 Coal Guidance</b> <b>75 - 80 MT</b>	<b>FY23 Revenue Guidance</b> <b>US\$1,525 – 1,675M</b>
<b>Operating Cash Flow</b> <b>US\$35 M</b>  Down 11% YoY, impacted by the increase in receivable balance, in line with the increase revenue.	<b>Net Profit/(Loss)</b> <b>US\$(1) M</b>  Effect of increase in finance cost due to changes in LIBOR	<b>Net Debt</b> <b>US\$794 M</b>  Net Debt to EBITDA of 2.15x >60% of debt are due 2026 or later	<b>FY23 EBITDA Guidance</b> <b>US\$335 - 390M</b>	<b>FY23 Capital Expenditure Guidance</b> <b>US\$105 - 145M</b>	

1. Margins are based on revenue excluding fuel.

# Q1 2023 P&L: Volume increase and strong Cost Management resulted in continued robust Operating Profit

US\$m, unless stated	1Q22	1Q23	Change
<b>Volumes</b>			
Overburden Removal (mbcm)	124	134	▲ 9%
Coal (mt)	18	22	▲ 18%
<b>Key Financials</b>			
Revenue	332	409	▲ 23%
EBITDA	<b>70</b>	<b>74</b>	▲ 6%
<i>EBITDA Margin</i>	<b>23.9%</b>	<b>20.8%</b>	▼ 3%
Operating Profit	13	14	▲ 4%
Net Profit/(Loss)	(0)	(1)	▼ 34%
EPS (in Rp)	Rp (0)	Rp (1)	▼ 56%
<b>Unit Financials (US\$)</b>			
Cash costs ex fuel per bcm	1.46	1.67	▲ 14%
Cash costs ex fuel per bcm/km	0.48	0.52	▲ 9%

- **Overburden Removal increased by 9% from 1Q 2022**
  - 1Q 2023 reflects incremental volume predominantly from Indonesia
  - Australian operation focused on ramping up Bowen Coking Coal project
- **Revenue rose by 23% from 1Q 2022**
  - Both Indonesia and Australia posted strong revenue growth
- **EBITDA up 6% from 1Q 2022**
  - Driven by higher volume but overall margin slightly declined by 3%, primarily due to cost of inflation, which has been partially mitigated with cost efficiencies initiatives and will narrow down within the next quarters
  - Australian margin will be slightly impacted as it is ramping up with new contracts. This will be corrected in the following quarters as full operations took place.
- **Cash costs ex fuel per bcm increased by 14% from 1Q 2022**
  - Ramp up cost in BUMA Australia at the Bowen Coking Coal project
  - Spare part cost increased inline with commodities price, mitigated partially with technology and operational excellence-led cost efficiencies
  - Inflation-driven salary cost increases and as well a new tax policy on Benefit-in-Kind

# Balance Sheet: strong and resilient free cash flow due to lower capex



US\$m, unless stated	FY22	1Q23	Δ
<b>Key Balance Sheet Items</b>			
Cash Position <sup>1</sup>	181	144	(37)
Borrowings	962	939	(23)
Net Debt	781	794	13
Net Debt to EBITDA <sup>2</sup>	2.19x	2.17x	-
FCCR <sup>2</sup>	5.27x	4.94x	-

US\$m, unless stated	FY21	FY22	Change	1Q22	1Q23	Change
<b>Unit Financials (US\$)</b>						
Operating Cash Flow	267	197	▲ 26%	40	35	▼ 11%
Free Cash Flow	(188)	37	▼ N.M	(18)	14	▲ N.M
Capital Expenditure	340	151	▲ 56%	52	22	▼ 57%

1. Includes cash, cash equivalents and other current financial assets
2. Status of BUMA's in lieu of its Senior Notes and bank loan covenants

## ▪ Liquidity

- Free cash flow increased due to lower capital expenditure
- Net debt consistent at EBITDA ratio is 2.1x in 1Q 2023, a sign of continued minimum debt level.
- Major debt drawdown for expansion has been concluded. The Company is delivering EBITDA growth, debt metrics will improve significantly

## ▪ Borrowings

- Bank Loan US\$328mn (paid US\$ 22mn of US\$ 350mn)
- Senior Notes US\$400mn
- Other financing outstanding of US\$211mn

## ▪ Operating Cash Flow decrease by 11% from 1Q22

- The decrease of US\$ 5mn or 11%yoy, mainly due to the increase in receivable balance, in line with the increase revenue.
- 1Q 2023 Cash Flow does not reflect timing of sizeable receivables and tax fund realized in May 2023

## ▪ Free Cash Flow rebounded positively to US\$14mn

- The increase in FCF is due to higher EBITDA and lower capex with prudent capital management and technology and operational excellence-led cost management

# Q1 2023 ESG Update: Significant progress on our ESG initiatives



85% revenue from thermal coal in 1Q 2023 (target <50% of total revenue by 2028)



BUMA Australia has conducted progressive rehabilitation in area of 48.6 ha.



Continue to maintain carbon intensity at 0.0016 tonCO2e/ton in 2021 and 2022



In 2022, around 12% of total waste in BUMA and BUMA Australia were recycled



Maintain energy intensity at 0.036 GJ/ton in 2021 and 2022



In Q1 2023, BUMA kicked off refreshed **Carbon Footprint Assessment** for Indonesia operation. This granular assessment will **refresh and deepen the baseline for Indonesia footprint** to enhance and accelerate footprint reduction effort. **Data granularity is at site and fleet level**, laying a strong foundation for **profitable and effective implementation**.

# Q1 2023 Significant progress on our ESG initiatives



0 Fatality since 2020



>2,100 students joined BISA Ruang Vokasi program, aimed to improve the students' capacity to meet industry requirements



18% position in management is held by women



9% of total workforce in Australia sites is First Nation members



A member of  group

- BISA Ruang Nuswantara (“BIRU”) is established to drive positive change on an immersive scale through social education (BISA Ruang Vokasi), social environmental (Karya BISA) and women empowerment.
- BIRU's contribution to social and environment is done through program, starting with investing in **Torajamelo, a B-corp certified organization**, to empower women in local / indigenous communities.



154 women entrepreneurs joined a **Wife-preneur** program



For more information visit our website  
[deltadunia.com](http://deltadunia.com)



<https://www.linkedin.com/company/pt-delta-dunia-makmur-tbk>



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# Appendix 1 – Financial Summary

# Consolidated Performance 1Q23



Consolidated Statements of Financial Position			
<i>In US\$ mn (unless otherwise stated)</i>	IQ23	FY22	YTD
Cash and cash equivalents	124	148	-16%
Other financial assets - current	20	33	-38%
Trade receivables - current	352	323	9%
Other current assets	167	148	13%
Fixed assets - net	756	790	-4%
Other non-current assets	131	129	1%
<b>TOTAL ASSETS</b>	<b>1,550</b>	<b>1,571</b>	<b>-1%</b>
Trade payables	201	188	7%
LT liabilities - current	121	114	6%
Other current liabilities	107	118	-9%
LT liabilities - non current	804	833	-3%
Other non-current liabilities	65	62	5%
<b>TOTAL LIABILITIES</b>	<b>1,298</b>	<b>1,315</b>	<b>-1%</b>
<b>TOTAL EQUITY</b>	<b>252</b>	<b>256</b>	<b>-2%</b>

Financial Ratios <sup>1)</sup>		
	IQ23	IQ22
Gross margin	10.6%	10.7%
Operating margin	3.8%	4.6%
EBITDA margin	20.8%	23.9%
Pretax margin	0.1%	0.6%
Net margin	-0.3%	-0.2%

Consolidated Statements of Profit or Loss and OCI			
<i>In US\$ mn (unless otherwise stated)</i>	IQ23	IQ22	YoY
Net revenues	409	332	23%
Revenue excl. fuel	356	291	22%
Cost of revenues	(372)	(301)	23%
<b>Gross profit</b>	<b>38</b>	<b>31</b>	<b>21%</b>
Operating expenses	(24)	(18)	34%
Finance cost	(20)	(15)	39%
Others - net	7	4	131%
<b>Pretax profit</b>	<b>1</b>	<b>2</b>	<b>-57%</b>
Tax expense	(1)	(2)	-38%
<b>Profit (loss) for the period</b>	<b>(1)</b>	<b>(0)</b>	<b>34%</b>
Other comprehensive income (loss) - net	(0)	(1)	-89%
<b>Comprehensive income (loss)</b>	<b>(1)</b>	<b>(1)</b>	<b>-50%</b>
<b>EBITDA</b>	<b>74</b>	<b>70</b>	<b>6%</b>
<b>Basic EPS (in Rp) <sup>2)</sup></b>	<b>(1)</b>	<b>(0)</b>	<b>56%</b>

**Notes:**

1) Margins are based on revenues excluding fuel

2) Reported Basic EPS translated into Rp using average exchange rate of Rp15,243 and Rp14,345 for 1Q23 and 1Q22 respectively

3) N.M. means not meaningful

# Quarterly Performance



US\$m, unless stated	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23
<b>Volumes</b>								
Overburden Removal (m bcm)	77.0	90.4	94.0	123.5	136.6	150.6	136.3	134.4
Coal (mt)	12.3	13.9	14.9	18.3	22.8	22.5	23.1	21.5
<b>Key Financials</b>								
Revenue	189	248	314	332	391	426	405	409
EBITDA	42	77	84	70	94	109	93	74
<i>EBITDA Margin</i>	24.6%	33.3%	29.8%	23.9%	27.7%	29.3%	26.8%	20.8%
Operating Profit	8	35	40	13	38	50	31	14
Net Profit/(Loss)	(7)	17	16	(0)	6	15	8	(1)
<b>Unit Financials (US\$)</b>								
Cash costs ex fuel per bcm	1.24	1.35	1.70	1.46	1.44	1.43	1.48	1.67
Cash costs ex fuel per bcm/km	0.45	0.42	0.58	0.48	0.49	0.48	0.47	0.52

# Indonesian and Australian Operations



## BUMA Consolidated Performance YTD

US\$m, unless stated	1Q22			1Q23		
	BUMA ID <sup>1</sup>	BUMA AU	BUMA Consol	BUMA ID	BUMA AU	BUMA Consol
<b>Volumes</b>						
O.B. Removal (mbcm)	94	29	<b>124</b>	106	29	<b>134</b>
Coal (mt)	16	3	<b>18</b>	18	4	<b>22</b>
<b>Key Financials</b>						
Revenue	250	82	<b>332</b>	299	111	<b>409</b>
EBITDA	57	14	<b>71</b>	62	14	<b>76</b>
<i>EBITDA Margin</i>	26.8%	17.7%	<b>24.30%</b>	24.6%	13.5%	<b>21.3%</b>

1. Includes Infrastructure

## BUMA ID<sup>1</sup> Quarterly Progression

US\$m, unless stated	2Q22	3Q22	4Q22	1Q23
<b>Volumes</b>				
O.B. Removal (mbcm)	108	121	107	106
Coal (mt)	20	20	20	18
<b>Key Financials</b>				
Revenue	304	329	313	299
EBITDA	84	95	80	62
<i>EBITDA Margin</i>	32.8%	34.0%	30.8%	24.6%

## BUMA AU Quarterly Progression

US\$m, unless stated	2Q22	3Q22	4Q22	1Q23
<b>Volumes</b>				
O.B. Removal (mbcm)	28	30	30	29
Coal (mt)	3	3	3	4
<b>Key Financials</b>				
Revenue	86	97	92	111
EBITDA	10	14	14	14
<i>EBITDA Margin</i>	12.4%	15.5%	16.1%	13.5%

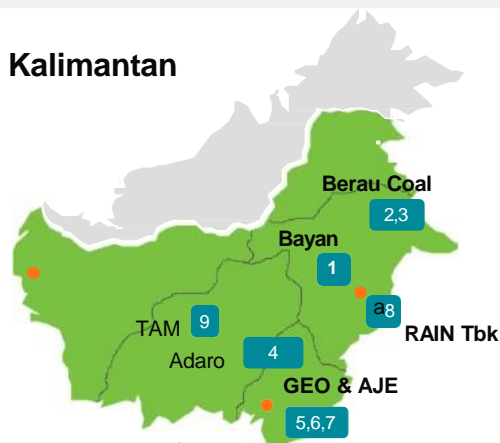
# Appendix 2 – Contract Summary

# Long Term Contracts with Successful Renewal History

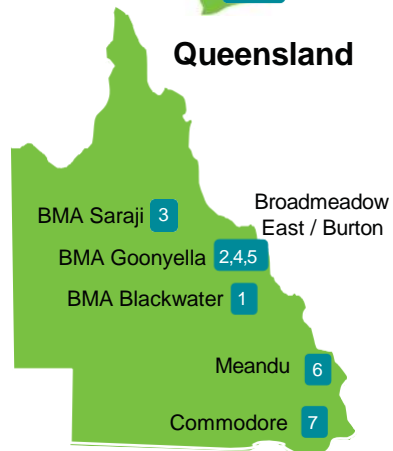


## Decades of relationships with key customers

### Kalimantan



### Queensland



No	Indonesia Customers	Years of Relationship
1	Bayan - Indonesia Pratama (IPR) <sup>1</sup>	15 years
2	Berau Coal (Lati) <sup>2</sup>	24 years
3	Berau Coal (Binungan) <sup>2</sup>	24 Years
4	Adaro (Tutupan)	21 years
5	Geo - Tanah Bumbu Resources (TBR) <sup>3</sup>	7 years
6	Geo - Sungai Danau Jaya (SDJ) <sup>3</sup>	7 years
7	Angsana Jaya Energi (AJE)	6 years
8	RAIN - Insani Baraperkasa (IBP)	5 years
9	Tadjahan Antang Mineral (TAM)	7 years

No	Australia Customers	Years of Relationship
1	BHP Mitsubishi Alliance (BMA-Blackwater)	10 years
2	BHP Mitsubishi Alliance (BMA-Goonyella)	14 years
3	BHP Mitsubishi Alliance (BMA-Saraji)	New
4	Bowen Coking Coal (Broadmeadow East)	1 year
5	Bowen Coking Coal (Burton)	1 year
6	Stanwell Corp (Meandu)	9 years
7	Millmerran Power Management (Commodore)	21 years

## Recent Contract Wins

- Apr 2023 - US\$ 43mn<sup>4</sup> contract with BHP and Mitsubishi Alliance to provide waste and coal mining services at the Saraji mine in central Queensland, Australia
- Feb 2023 – 3 year, US\$ 325mn<sup>4</sup> contract with Bowen Coking Coal for their Burton project
- Sep 2022 - 3 year, c.US\$ 290mn<sup>4</sup> contract extension with the BHP and Mitsubishi Alliance for their Goonyella metallurgical coal project
- May 2022 - 3 year, US\$ 220mn<sup>4</sup> contract with Bowen Coking Coal for their Broadmeadow East metallurgical coal project
- Feb 2022 - US\$ 400mn<sup>4</sup> contract extension at BMA's Blackwater mine

- ✓ Proven track record of winning and renewing contracts in both Indonesia and Australia
- ✓ Focus on quality customers and highly profitable contracts
- ✓ Strong ability to attract business as demonstrated by world class, reputable clients such as BHP, Adaro and Bayan, awarding contracts to BUMA
- ✓ Contract replacement/extension discussions commence 12 – 24 months prior to expiry
- ✓ Enhanced customer diversification provides higher resilience of order book

1. In 1Q21, signed an extension and expansion contract with Bayan to 2031. Bayan relationship started in 2007 but the Group did not work continuously at the Bayan mine sites  
 2. CCoW licensed  
 3. Life of mine contract  
 4. Converted at AUDUS\$ of 0.72

# Appendix 3 – BUMA Management



# Highly Experienced and Reputable BUMA Management with Strong Track Record

Attracted best-in-class talent to help deliver on the long-term strategy

## BUMA Key Management



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**Sorimuda Pulungan**  
President Director

- 25+ years of experience in mining industry
- Previously, General Manager of mining technology division at Vale



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**Nanang Rizal Achyar**  
Director

- Director of People & Culture unit since 2021
- Started at BUMA as Human Resources manager in 2004



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**Indra Dammen Kanoena**  
Director

- 25+ years of experience in management function
- Previously Human Resources manager at Vale and Freeport Indonesia



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**Silfanny Bahar**  
Chief Financial Officer

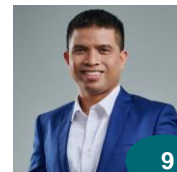
- 22+ years in Finance in various sectors such as Financial Institutions and Energy
- Previously, Finance Director at Shell Indonesia



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**Sumardi**  
Director

- 26+ years of mining contractor service experience
- Previously at Adaro Energy and Pama

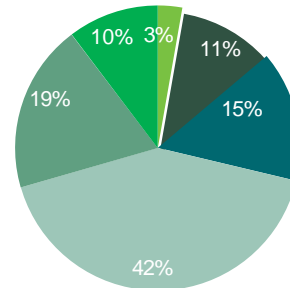
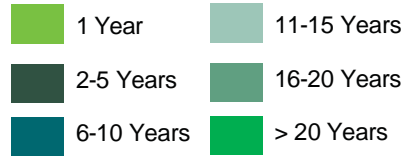


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**Elsahmul Asyur**  
Director

- Over 25 years of mine engineering / planning experience
- Previously Mine planning manager at Leighton Contractors

### Managers' Years of Service



Tenure with Company<sup>1</sup>

1. Refers to BUMA with respect to Indonesian operations and Downer Mining East with respect to Australian operations

# Highly Experienced and Reputable BUMA Australia Management with Strong Track Record

Attracted best-in-class talent to help deliver on the long-term strategy

## BUMA Australia Key Management



**Colin Giligan**  
CEO  
BUMA Australia

- 25+ years of global mining leadership experience
- Previously CEO of Downer Mining

4



**Barry Mckeown**  
GM HSE

- 30 years of experience in the resources sector in Australia and Africa

3



**Kate Van Kempen**  
GM People & Culture

- 16 years of experience dealing with people and culture
- Previously General Manager of Human Resources at Thiess

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**Ian Briggs**  
General Counsel

- 30 years of experience in both private practice and corporate legal
- Held position of Chief Legal Counsel at Downer

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**Ryan Kirkwood**  
GM Plan

- 15+ years of experience in operations management
- Previously General Manager at Downer and Group Plant Manager at Ventia

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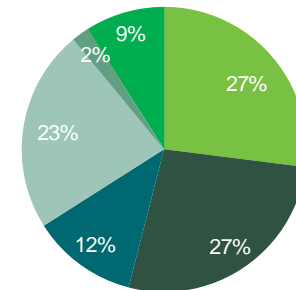
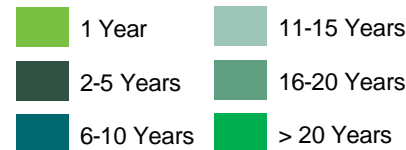


**Russell Taylor**  
GM Operations

- 25+ years of experience in resources industry
- Previously General Manager at Downer Mining

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### Managers' Years of Service



Tenure with Company<sup>1</sup>

1. Refers to BUMA with respect to Indonesian operations and Downer Mining East with respect to Australian operations

**Thank You**