



PT Delta Dunia Makmur Tbk

Company Update

FY2023

18th March 2024



Corporate Structure



Company Representatives for FY 2023 Company Update



Dian Andyasuri
Director
Delta Dunia Makmur



Iwan Fuad Salim
Deputy Director
Delta Dunia Makmur

Key Presenters



Ronald Sutardja
President Director
Delta Dunia Makmur



Ashish Gupta
Commissioner
Delta Dunia Makmur

Highlights of FY 2023



Revenue increased 18% YoY
US\$1,833mn - highest ever.

EBITDA increased 13% YoY
US\$412mn - highest ever.



Contribution from **metallurgical coal was 19% of revenue**

On track with the Company's **ESG road map to reduce thermal coal to less than 50% of revenue by 2028.**



Free cash flow improved significantly to US\$233mn with cash position¹ at US\$543mn

Net Debt/EBITDA² at 1.65x - lowest in a decade.



OB Volume increased 14% YoY
621MBCM - highest ever.



Indonesia and Australia **revenues grew strongly** by 10% YoY and 44% YoY, respectively



Exceeded our FY 2023 guidance in Revenue, EBITDA, Coal Volume.

Meet our FY 2023 guidance in OB Volume and Capex.

Note:

1. Includes US\$250mn drawdown from BNI loan

2. DOID's Net Debt to EBITDA

FY 2023 Financial Performance: Robust operations leading to highest ever Revenue and EBITDA



Overburden Removal and Coal

621 MBCM
Up 14% YoY ▲

85 MT
Down 2% YoY ▼

Revenue and EBITDA

US\$1,833Mn
Up 18% YoY ▲

US\$412Mn
Up 13% YoY ▲

Capex

US\$121Mn
Down 20% YoY ▼

Operating Cash Flow and Free Cash Flow

US\$376Mn
Up 91% YoY ▲

US\$233Mn
Up 535% YoY ▲

Net Profit/(Loss)

US\$36Mn
Up 26% YoY ▲

Net Debt

US\$679Mn

Net Debt to EBITDA continuing to improve, now at 1.65x¹

45% of debt² is due in 2026
13% % due in 2027 and 26% due in 2028 or later

FY 2024 Guidance

FY24 Overburden Guidance
580 - 630 MBCM

FY24 Coal Guidance
75 - 80 MT

FY24 Revenue Guidance
US\$1,575 – 1,725Mn

FY24 EBITDA Guidance
US\$350 - 400Mn

FY24 Capital Expenditure Guidance
US\$150 - 190Mn

Note:
1. *DOID's Net Debt to EBITDA*
2. *Debt post the refinancing plan as of 6 March, 2024. This will change after the Bond refinance.*

Profit & Loss: Record FY overall Performance



US\$m, unless stated	4Q22	4Q23	Change	FY22	FY23	Change
Volumes						
Overburden Removal (mbcm)	136	159	▲ 17%	547	621	▲ 14%
Coal (mt)	23	21	▼ 7%	87	85	▼ 2%
Key Financials						
Revenue	405	470	▲ 16%	1,554	1,833	▲ 18%
EBITDA	93	111	▲ 19%	365	412	▲ 13%
<i>EBITDA Margin</i>	26.8%	26.8%	0%	27.1%	25.6%	▼ 1.5%
Operating Profit	31	45	▲ 48%	131	152	▲ 16%
Net Profit/(Loss)	8	14	▲ 78%	29	36	▲ 26%
EPS (in Rp)	Rp19	Rp30	▲ 54%	Rp56	Rp73	▲ 31%
Unit Financials (US\$)						
Cash costs ex fuel per bcm	1.48	1.57	▲ 6%	1.45	1.57	▲ 8%
Cash costs ex fuel per bcm/km	0.47	0.52	▲ 12%	0.48	0.50	▲ 6%

FY 2023 vs FY 2022

- **Overburden Removal up by 14%**
 - FY volume for Indonesia production was up 10% YoY, propelled by increases from key customers, while Australian operations grew by 28% YoY from the ramp up of new contracts.
- **Revenue up by 18%**
 - Both Indonesia and Australia posted strong revenue growth, reaching record high revenue of US\$1.833bn.
- **EBITDA up 13% and Net Profit up 26%**
 - Driven by higher volume and revenue
 - Record high EBITDA of US\$412mn
- **Cash costs ex fuel per bcm increased by 8%**
 - Ramp up cost in BUMA Australia for new contracts won in 2023
 - Inflation-driven cost increases
 - Spare-parts, tires and material for drilling & blasting cost (partly due to the war in Ukraine, partially mitigated with technology and operational excellence-led cost efficiencies)
 - Salary cost.

Balance Sheet: Net Debt to EBITDA ratio continues to improve, as we grow our business

US\$m, unless stated	FY22	FY23	Δ
Key Balance Sheet Items			
Cash Position ¹	181	543	362
Borrowings	962	1,222	260
Net Debt	781	679	(102)
BUMA ratios			
Net Debt to EBITDA ²	2.19x	1.67x	-
FCCR ²	5.27x	5.00x	-

US\$m, unless stated	4Q22	4Q23	Change	FY22	FY23	Change
Unit Financials (US\$)						
Operating Cash Flow	81	149	▲ 84%	197	376	▲ 91%
Free Cash Flow	45	74	▲ 66%	37	233	▲ N.M
Capital Expenditure	34	46	▲ 38%	151	121	▼ 20%

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

3. N.M = Not Meaningful
 4. Includes new loan from Bank Muamalat and BNI

Liquidity

- Net Debt to EBITDA ratio stands at 1.67x², marking the lowest level in a decade.

Borrowings

- Bank Loan⁴ US\$595mn (paid US\$ 45mn of US\$ 640mn)
- USD Bonds US\$365.7mn (buyback US\$34.3mn of US\$ 400mn)
- IDR Bonds US\$41mn (equivalent to IDR636bn)
- Other financing outstanding of US\$221mn

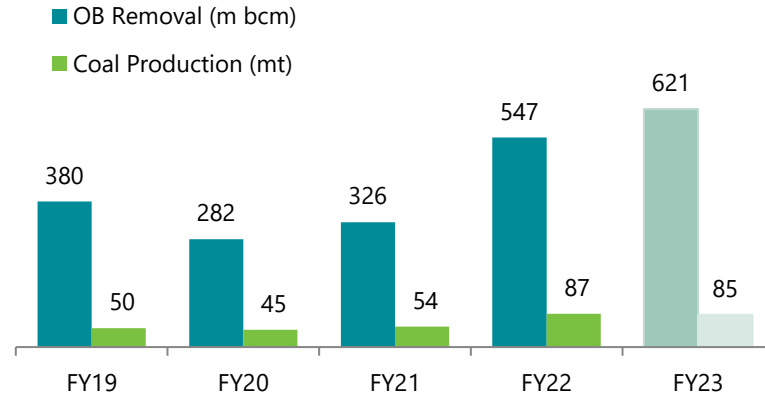
Operating Cash Flow (OCF) up by 91% from FY 2022

- The OCF increased by US\$179mn in FY23, mainly due to higher EBITDA, effective cost management despite inflationary pressure, improved working capital management and higher tax refund (US\$54mn)
- Translates to into positive Free Cash Flow (FCF) of US\$233mn and higher cash levels at US\$543mn in FY23.

5 Years Past Performance : Consistently improving Performance across all metrics

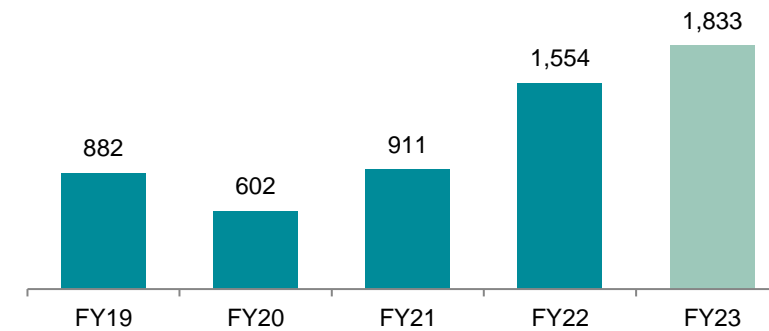


Volume



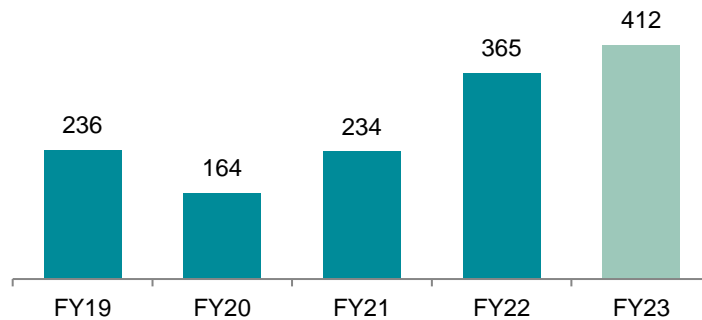
Revenue

(US\$ Mn)



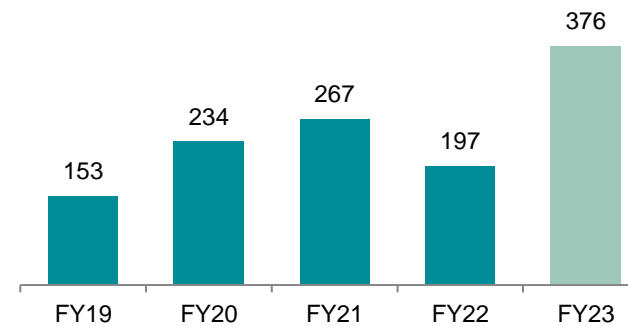
EBITDA

(US\$ Mn)



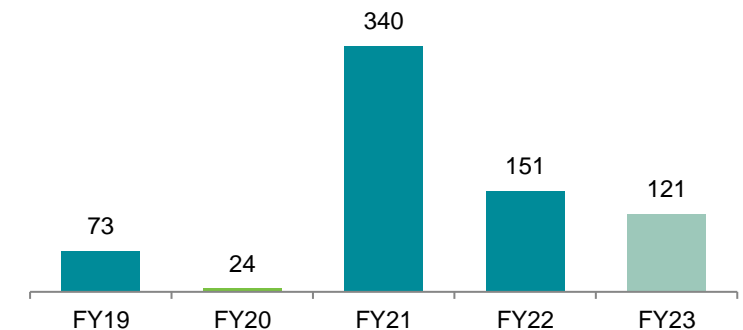
Operating Cashflow⁽¹⁾

(US\$ Mn)



Capex

(US\$ Mn)

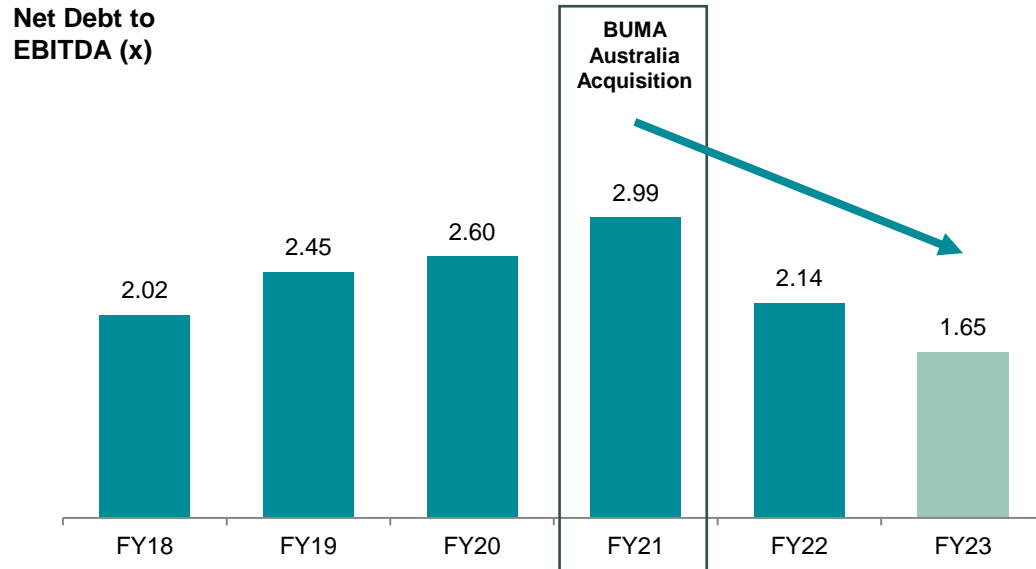


1. No operating cashflow guidance

Reducing Debt Ratios and Diversify Sources of Capital



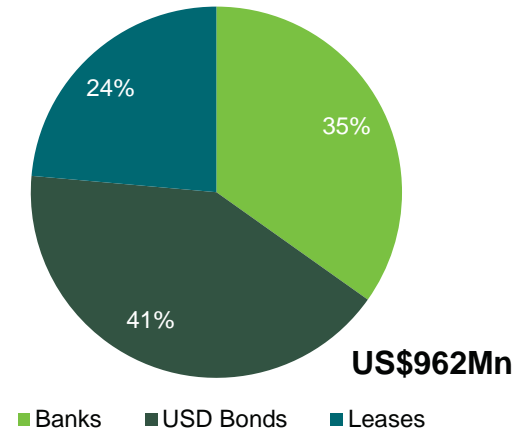
Debt Ratios at the Lowest Level



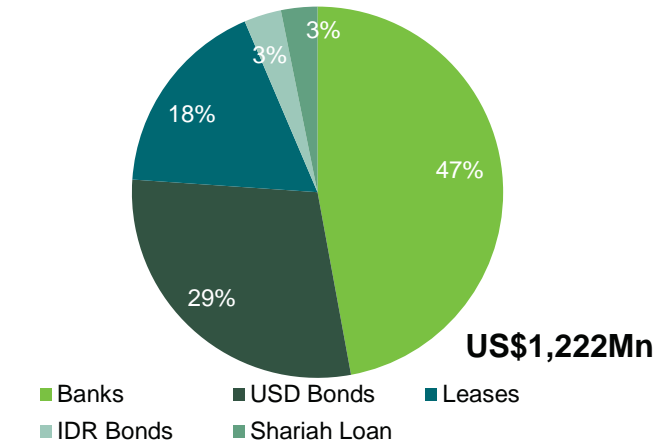
- Strong track record of **financial discipline**
- Fulfilled all the required covenants
- **Net debt to EBITDA ratio** has decreased substantially and **is the lowest in ten years** despite acquisition of BUMA Australia

Diversified Sources of Capital

FY2022 Outstanding Debt



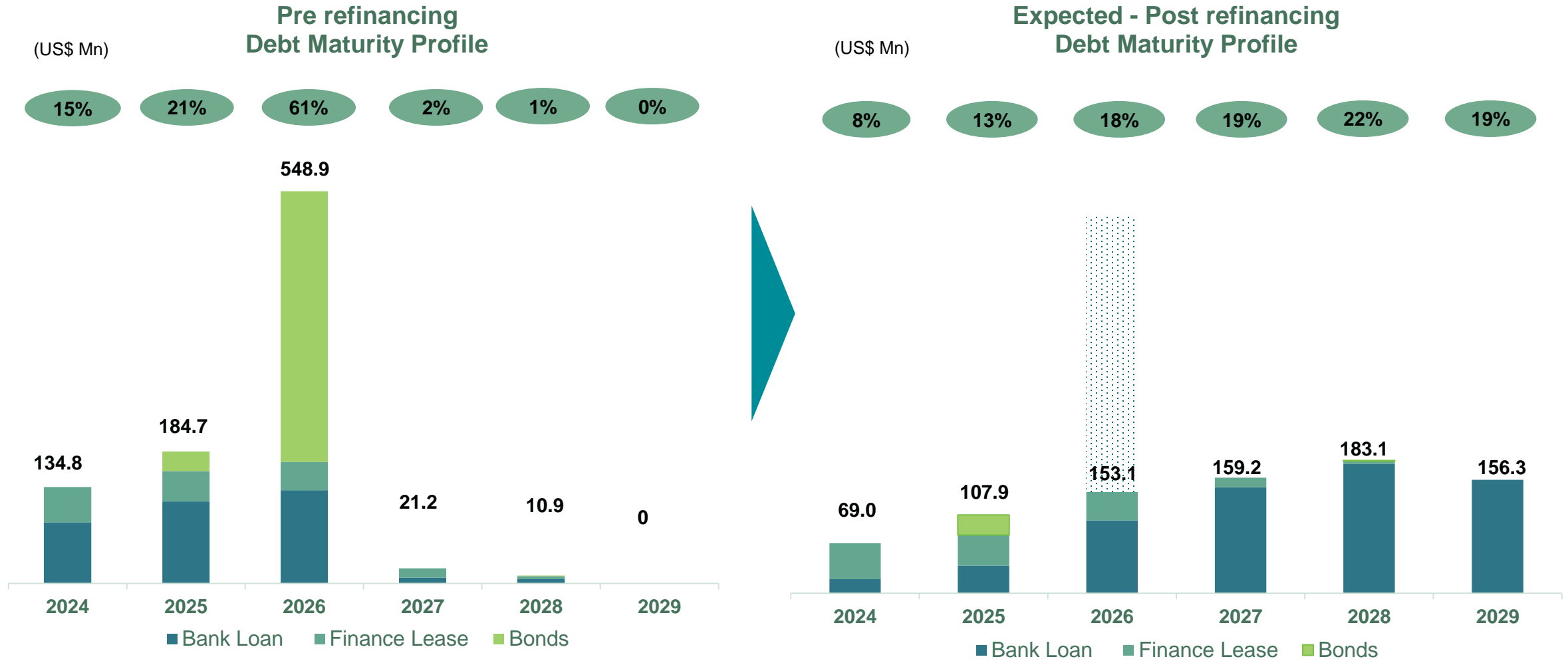
FY2023 Outstanding Debt



- **Shifting the debt wall in 2026** – signed a c.6-year US\$750mn facility with PT Bank BNI (Persero) Tbk and PT Bank Mandiri Tbk for refinancing and to drive our growth plans.
- **First Shariah Financing** – secured US\$60mn syndicated facility from PT Bank Muamalat Tbk in Sep 2023
- **First IDR bonds issuance** – issued IDR636Bn (US\$41mn) in Dec 2023

Strategy Managing Debt Maturity Profile

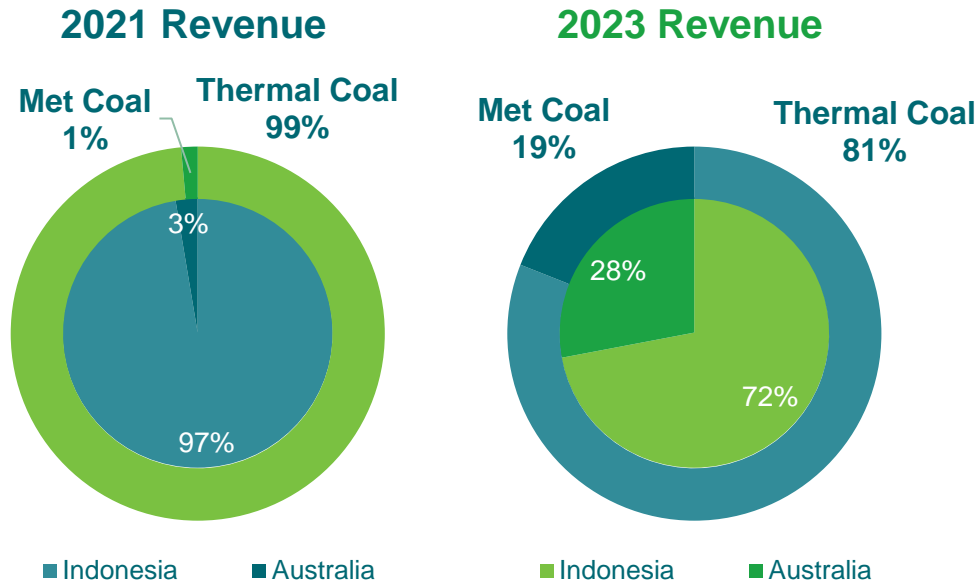
Shifting and Lowering the Debt Wall in 2026



Redefining Growth with Purpose Sustaining Momentum in Our ESG Initiatives



Geography and Commodity Diversification



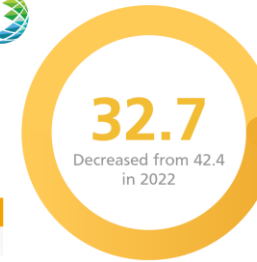
- **Strong position in top mining jurisdictions** – Tier 1 mining services company in Indonesia and Australia, two of the largest mining geographies in the world.
- **Continued progress on revenue diversification** – 19% of revenue is from non-thermal coal sources and progressing towards the 2028 target of less than 50% revenue from thermal coal.

Consistent Progress in our ESG Journey



ESG Risk Rating

Negligible	Low	Medium	High	Severe
0-10	10-20	20-30	30-40	40+



Ranking

Global Universe
12231 out of 15718

Oil & Gas Producers
41 out of 300

2nd in Coal Sub-Industry



For more information visit our website
deltadunia.com



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



<https://www.linkedin.com/company/pt-bukit-makmur-mandiri-utama>



<https://www.linkedin.com/company/buma-australia/>

Appendix 1 – Financial Summary

Consolidated Performance FY 2023



Consolidated Statements of Financial Position

<i>In US\$ mn (unless otherwise stated)</i>	Dec-23	Dec-22	YTD
Cash and cash equivalents	498	148	236%
Other financial assets - current	45	33	37%
Trade receivables - current	360	323	14%
Other current assets	122	148	-18%
Fixed assets - net	711	790	-10%
Other non-current assets	139	129	7%
TOTAL ASSETS	1,884	1,571	20%
Trade payables	175	188	-7%
LT liabilities - current	187	114	64%
Other current liabilities	167	117	50%
LT liabilities - non current	1,004	833	20%
Other non-current liabilities	69	62	12%
TOTAL LIABILITIES	1,611	1,315	23%
TOTAL EQUITY	273	256	6%
Financial Ratios ¹⁾			
	FY23	FY22	
Gross margin	15.3%	15.1%	
Operating margin	9.4%	9.8%	
EBITDA margin	25.6%	27.1%	
Pretax margin	3.7%	3.0%	
Net margin	2.2%	2.1%	

Consolidated Statements of Profit or Loss and OCI

<i>In US\$ mn (unless otherwise stated)</i>	FY23	FY22	YoY
Net revenues	1,833	1,554	18%
Revenue excl. fuel	1,614	1,347	20%
Cost of revenues	(1,587)	(1,350)	18%
Gross profit	246	204	21%
Operating expenses	(95)	(72)	31%
Finance cost	(88)	(70)	26%
Others - net	(3)	(21)	-84%
Pretax profit	60	40	49%
Tax expense	(24)	(12)	107%
Profit (loss) for the period	36	29	26%
Other comprehensive income (loss) - net	(0)	(11)	-100%
Comprehensive income (loss)	36	18	100%
EBITDA	412	365	13%
Basic EPS (in Rp) ²⁾	73	56	31%

Cost of Revenues

	FY23	FY22	YoY
Depreciation	256	230	11%
R&M Costs	426	324	31%
Employee costs	357	298	20%

Notes:

1) Margins are based on revenues excluding fuel

2) Reported Basic EPS translated into Rp using average exchange rate of Rp15,255 and Rp14,871 for FY23 and FY22 respectively

3) N.M. means not meaningful

Quarterly Performance



US\$m, unless stated	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23
Volumes								
Overburden Removal (mbcm)	123.5	136.6	150.6	136.3	134.4	151.9	175.3	159.3
Coal (mt)	18.3	22.8	22.5	23.1	21.5	20.2	21.9	21.4
Key Financials								
Revenue	332	391	426	405	409	448	506	470
EBITDA	70	94	109	93	74	101	127	111
<i>EBITDA Margin</i>	23.9%	27.7%	29.3%	26.8%	20.8%	25.4%	28.3%	26.8%
Operating Profit	13	38	50	31	14	34	59	45
Net Profit/(Loss)	(0)	6	15	8	(1)	6	17	14
Unit Financials (US\$)								
Cash costs ex fuel per bcm	1.46	1.44	1.43	1.48	1.67	1.58	1.50	1.57
Cash costs ex fuel per bcm/km	0.48	0.49	0.48	0.47	0.52	0.49	0.48	0.52

Indonesian and Australian Operations



BUMA Consolidated Performance YTD

US\$m, unless stated	FY22			FY23		
	BUMA ID ¹	BUMA AU	BUMA Consol	BUMA ID	BUMA AU	BUMA Consol
Volumes						
O.B. Removal (mbcm)	430	117	547	472	149	621
Coal (mt)	74	12	87	71	14	85
Key Financials						
Revenue	1,197	357	1,554	1,320	513	1,833
EBITDA	316	53	368	334	87	420
<i>EBITDA Margin</i>	31.4%	15.4%	27.3%	29.6%	17.8%	26.3%

1. Includes Infrastructure

BUMA ID¹ Quarterly Progression

US\$m, unless stated	1Q23	2Q23	3Q23	4Q23
Volumes				
O.B. Removal (mbcm)	106	114	132	120
Coal (mt)	18	17	18	18
Key Financials				
Revenue	299	318	365	339
EBITDA	62	80	102	90
<i>EBITDA Margin</i>	24.6%	29.2%	32.5%	30.9%

BUMA AU Quarterly Progression

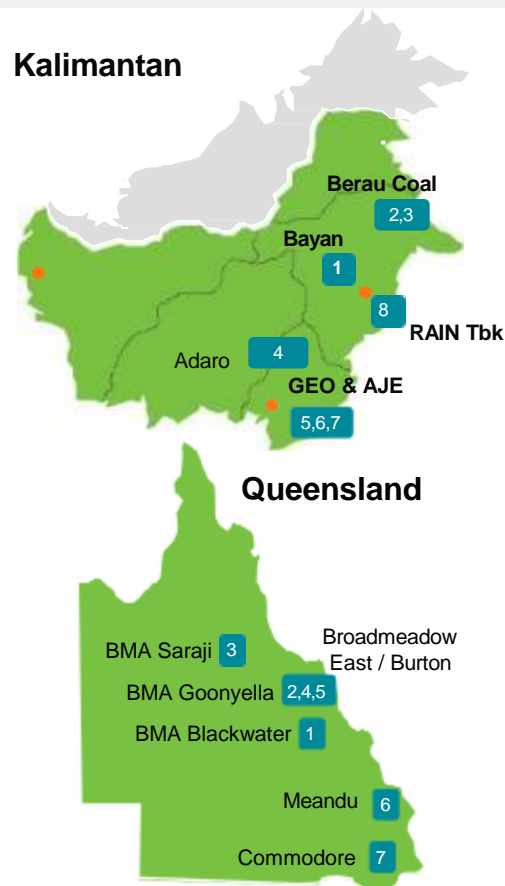
US\$m, unless stated	1Q23	2Q23	3Q23	4Q23
Volumes				
O.B. Removal (mbcm)	29	38	43	39
Coal (mt)	4	3	4	3
Key Financials				
Revenue	111	129	142	131
EBITDA	14	24	26	22
<i>EBITDA Margin</i>	13.5%	19.3%	19.6%	18.2%

Appendix 2 – Contract Summary

Long Term Contracts with Long History of Renewal



Decades of relationships with key customers



No	Indonesia Customers	Years of Relationship
1	Bayan - Indonesia Pratama (IPR) ¹	17 years
2	Berau Coal (Lati) ²	26 years
3	Berau Coal (Binungan) ²	26 Years
4	Adaro (Tutupan)	23 years
5	Geo - Tanah Bumbu Resources (TBR) ³	9 years
6	Geo - Sungai Danau Jaya (SDJ) ³	9 years
7	Angsana Jaya Energi (AJE)	8 years
8	RAIN - Insani Baraperkasa (IBP)	6 years

No	Australia Customers	Years of Relationship
1	BHP Mitsubishi Alliance (BMA-Blackwater)	11 years
2	BHP Mitsubishi Alliance (BMA-Goonyella)	15 years
3	BHP Mitsubishi Alliance (BMA-Saraji)	1 year
4	Bowen Coking Coal (Broadmeadow East)	2 year
5	Bowen Coking Coal (Burton)	2 year
6	Stanwell Corp (Meandu)	10 years
7	Millmerran Power Management (Commodore)	22 years

Contract Wins

- Apr 2023 - US\$ 43mn⁴ contract with BHP and Mitsubishi Alliance (BMA) to provide waste and coal mining services at the Saraji mine in central Queensland, Australia,. This is our 3rd site with BMA.
- Feb 2023 – 3 year, US\$ 325mn⁴ contract with Bowen Coking Coal for their Burton project

- ✓ 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 BMA, Adaro and Bayan, awarding contracts to BUMA
- ✓ Contract replacement/extension discussions commence 12 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 AUD/USD of 0.64

Appendix 3 – BUMA Management

Highly Experienced Team

We attract best-in-class talent to help deliver on our long-term strategy

BUMA Key Management



Indra Dammen Kanoena
President Director

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



Nanang Rizal Achyar
Vice President Director

- Director of People & Culture unit since 2021
- Started at BUMA in 2004



Silfanny Bahar
Chief Financial Officer

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



Sumardi
Director

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



Elsahmul Asyur
Director

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

BUMA Australia Key Management



Colin Giligan
CEO
BUMA Australia

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



Russell Taylor
COO

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



Engelbert Bets
CFO

- 20+ years of experience in the resources and construction industries.
- He has CMA, CPA and a member of Australian Institute of Company Directors



Ian Briggs
General Counsel

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



Kate Van Kempen
GM People & Culture

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



Barry Mckeown
GM HSE

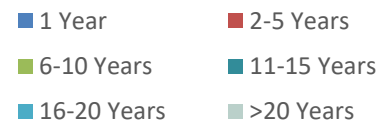
- 30 years of experience in the resources sector in Australia and Africa

Tenure with Company¹

Managers' Years of Service

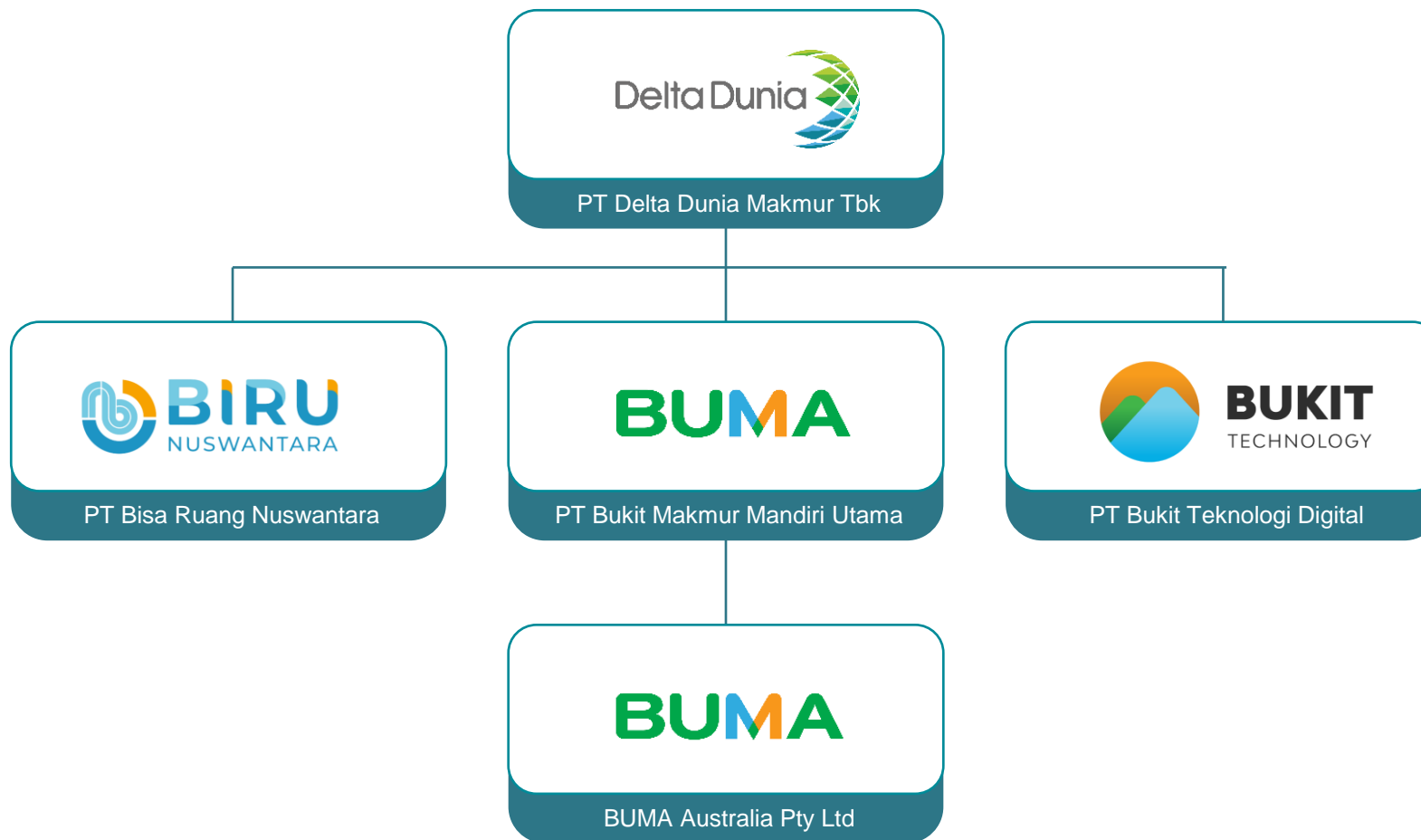


Managers' Years of Service



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

Corporate Structure



>16.000
Employed in Indonesia
and Australia



>70.000
Communities impacted
directly and indirectly

Thank You