

First Quarter of 2023, IATA Posted USD 52.2 Million in Revenue and an Additional Coal Reserves



Jakarta, 3 May 2023 - PT MNC Energy Investments Tbk (IDX: IATA) announced its financial performance for the first quarter of 2023, with revenue reaching USD 52.2 million, which grew 29.3% year-on-year (yoy) from USD 40.4 million in Q1-2022.

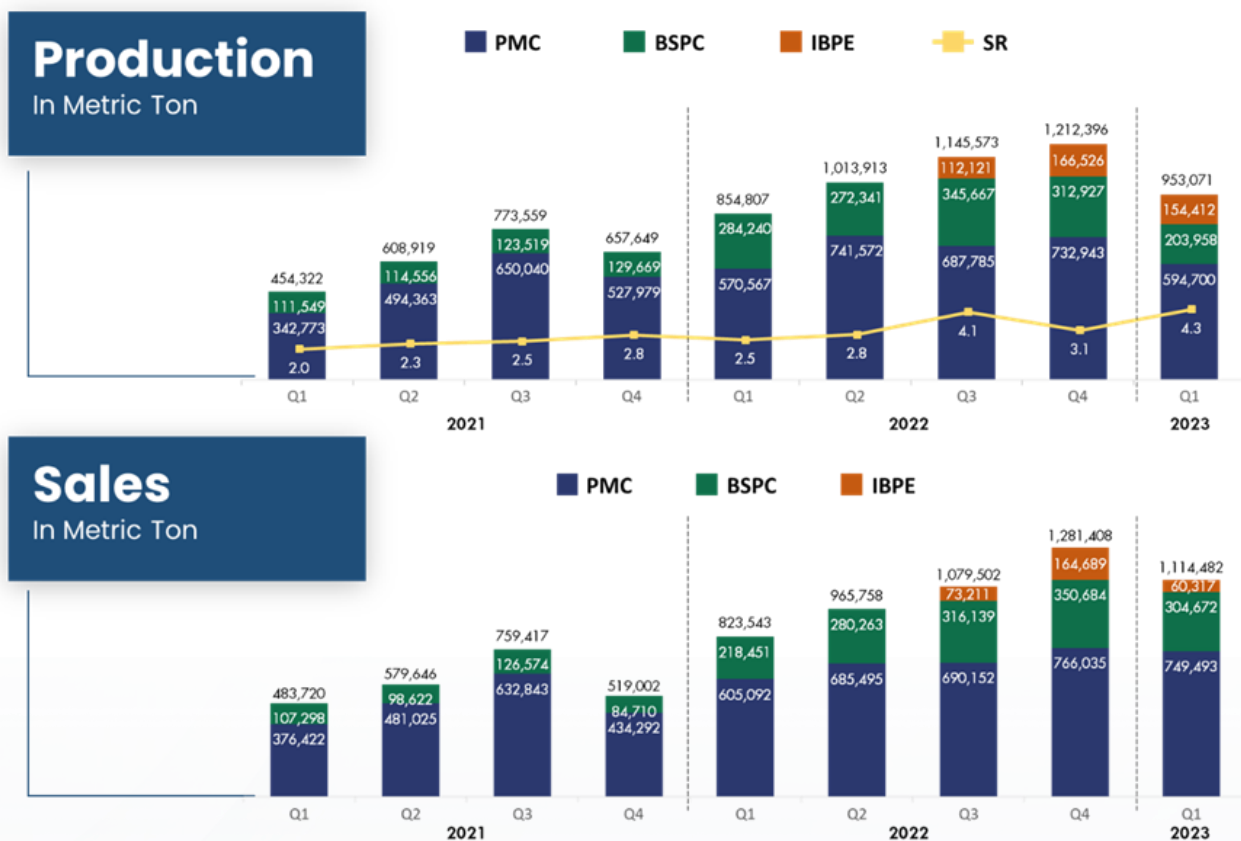
The Company recorded EBITDA of USD 22.1 million with a net profit of USD 15.8 million in Q1-2023, equivalent to EBITDA margin and net profit margin of 42.4% and 30.3%, respectively.

Financial Highlights Q1-2023

in thousand USD	Q1-2023	Q1-2022	%
Profit and Loss			
Operating Revenues	52,232	40,397	29.3%
Direct Costs	(17,819)	(11,068)	61.0%
Gross Profit	34,413	29,329	17.3%
Income Before Tax	20,670	23,225	-11.0%
Net Profit	15,807	16,395	-3.6%
EBITDA	22,147	23,552	-6.0%
in thousand USD	Q1-2023	FY-2022	%
Balance Sheet			
Current Assets	30,003	18,445	62.7%
Non-Current Assets	186,898	161,845	15.5%
Total Assets	216,901	180,290	20.3%
Current Liabilities	67,076	57,558	16.5%
Non-Current Liabilities	60,419	47,375	27.5%
Total Liabilities	127,495	104,933	21.5%
Total Equity	89,407	75,357	18.6%

In the first quarter of this year, IATA produced 953.1 thousand MT of coal, up by 11.5% yoy or an increase of nearly 100 thousand MT compared to Q1-2022's production. Meanwhile, from the sales perspective, IATA managed to market 1.1 million MT of coal in the first quarter of 2023, jumped 35.3% yoy from 823.5 thousand MT.

The Company aims a total production of 7 million MT this year, an increase of more than 65% from 2022. To meet the target, the Company also plans to start the production from IUP owned by PT Arthaco Prima Energy (APE) this year.



IATA manages 8 IUP-Production Operations in Musi Banyuasin, South Sumatra, and actively boosts production to meet the high demand for coal and continues to explore in the search for additional proven reserves.

Based on the latest report from the Indonesian Joint Committee for Mineral Reserves (KCMII), the Company's APE mine discovered additional coal reserves of 43.53 million MT with a GAR of 2,500 – 3,250 kg/kcal in the Phase 5 drilling program. The estimated APE's Phase 5 coal reserves have a Net Present Value (NPV) of USD 619.4 million, an Internal Rate of Return (IRR) of 55.7%, a Break Even Point (BEP) of 4.7 million MT, and a Payback Period of around 3 years.

Thus, now IATA has proven coal reserves of 386.6 million MT from only around 20% of the total mining area of 72,478 Ha. In addition, exploration activities are still being carried out in stages on the rest of 57,793 Ha mining area, where IATA believes coal reserves will continue to increase, as the exploration process shows new findings.

IUP	Area (ha)	GAR (kcal/kg)	Resources (MT)				Reserves (MT)
			Measured	Indicated	Inferred	Total	KCMI
Based on Indonesian Joint Committee for Mineral Reserves (KCMI)							
BSPC-N	4,708	3,200 - 3,300	74,500,000	29,500,000	26,700,000	130,700,000	83,270,000
BSPC-S	2,158	3,400 - 3,600	8,560,000	6,840,000	1,600,000	17,000,000	9,060,000
PMC	2,947	3,000 - 3,600	60,400,000	12,900,000	3,600,000	76,900,000	54,820,000
APE ¹	3,550	2,500 - 3,250	214,300,000	142,800,000	84,900,000	442,000,000	222,140,000
IBPE ²	1,322	3,060 - 3,375	10,100,000	16,300,000	4,900,000	31,300,000	17,270,000
Total	14,685		367,860,000	208,340,000	121,700,000	697,900,000	386,560,000

Potential Coal Tonnage

IUP	Area (ha)	GAR (kcal/kg)	Exploration Target (MT)
Based on Internal Assessment			
APE	11,450	2,500 - 3,200	350,229,434
IBPE	13,678	3,000 - 3,375	528,994,284
PE	4,424	2,500 - 3,300	2,663,460
TPS	6,015	2,500 - 3,200	5,026,290
SEP	8,596	2,600 - 3,500	942,890
EIBP	13,630		
Total	57,793		887,856,358

Total resources & potential coal:
1,585,756,358 MT

Note:

¹ APE Phase 1 – 5 findings only

² IBPE Phase 1 – 2 findings only

Drilling activities continue for IUPs which have not been fully explored. Reserves will increase if the results of the ongoing exploration show coal findings.

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Despite several challenges throughout the first quarter of this year, the Company continues to optimize its performance from both financial and operational standpoints. IATA's coal mine exploration activities continue to yield results, with KCMI reporting new findings on one of the Company's IUPs and bringing IATA's total coal reserves to 386.6 million MT.

We focus on increasing production to meet our target of 7 million MT by the end of this year. In addition, management continues to grow sales contracts, look for opportunities to acquire new mines, assess other prospects related to renewable energy, and optimize synergy and effectiveness in all lines to produce robust and sustainable business performance.

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-Henry Suparman, President Director of IATA

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