IATA’s Newly Acquired Coal Mines Appoints Additional Contractors to Increase Production

Jakarta, December 13, 2021 – PT Bhakti Coal Resources (BCR), a company in the process of being acquired by PT Indonesia Transport & Infrastructure Tbk (IATA), has appointed PT Darma Henwa Tbk (DEWA) and PT MNC Infrastruktur Utama (MIU), as two additional mining contractors. The move is to increase coal mining and production in BCR’s Mining Business Permit (IUP).

Before DEWA and MIU, three existing contractors were already hired under Mining Business License (IUP) owned by BCR: PT Bara Permata Mining, PT Cipta Bersama Sukses, and PT Universal Support.

The additional appointment aims to fulfill the production target for PT Putra Muba Coal (PMC), PT Bhumi Sriwijaya Perdana Coal (BSPC), PT Indonesia Batu Prima Energi (IBPE), and PT Arthaco Prima Energi (APE) from 2.5 million MT in 2021 to 8 million MT in 2022.

By the end of 2021, BCR revenue is projected to reach USD 74.8 million with EBITDA of USD 33 million.
The Transaction

Earlier this month, IATA signed a Conditional Sale and Purchase Agreement (CSPA) with PT MNC Investama Tbk (BHIT) to acquire a 99.33% stake in BCR. The transaction was valued at USD 140 million is 23% lower than the valuation of BSPC and PMC, which reached USD 181.9 million.

BCR holds 9 IUPs in Musi Banyuasin, South Sumatera, including:

- The already operating BSPC and PMC, are producing coal with a GAR range of 2,800 – 3,600 kcal/kg. BSPC has an estimated total resource of 130.7 million MT, while PMC has 76.9 million MT, with estimated total reserves of 83.3 million MT and 54.8 million MT, respectively.

- IBPE and APE will start producing coal in 2022. While PT Energi Inti Bara Pratama (EIBP), PT Sriwijaya Energi Persada (SEP), PT Titan Prawira Sriwijaya (TPS), PT Primaraya Energi (PE), and PT Putra Mandiri Coal (PUMCO) are set to operate within one or two years from now. These seven IUPs have promising estimated total resources of over 1.4 billion MT.

Besides coal mines, BCR owns other supporting infrastructure such as jetties and a 12 km hauling road. BCR will also build new jetties and hauling roads to expand its production capacity.

This material transaction will be fulfilled by issuing new shares through a Rights Issue, which will be completed in semester 1 of 2022.

For further information, please contact:

Natassha Yunita – Head of Investor Relations
natassha.yunita@mncgroup.com

PT Indonesia Transport & Infrastructure Tbk
MNC Tower, 22/F Floor, MNC Center
Jl. Kebon Sirih No. 17-19, Menteng
Jakarta Pusat 10340, Indonesia
Phone: +6221 3912 935
www.indonesia-air.com

DISCLAIMER
By accepting this Press Release, you agree to be bound by the restrictions set out below. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

The information and opinions contained in this Press Release have not been independently verified, and no representation or warranty, expressed or implied, is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of, the information or opinions contained herein. It is not the intention to provide, and you may not rely on this Press Release as providing, a complete or comprehensive analysis of the condition (financial or other), earnings, business affairs, business prospects, properties or results of operations of The Company or its subsidiaries. The information and opinions contained in this Press Release are provided as at the date of this presentation and are subject to change without notice. Neither The Company (including any of its affiliates, advisors and representatives) nor the underwriters (including any of their respective affiliates, advisors or representatives) shall have any responsibility or liability whatsoever (in negligence or otherwise) for the accuracy or completeness of, or any errors or omissions in, any information or opinions contained herein nor for any loss howsoever arising from any use of this Press Release.

In addition, the information contained in this Press Release contains projections and forward-looking statements that reflect The Company's current views with respect to future events and financial performance. These views are based on a number of estimates and current assumptions which are subject to business, economic and competitive uncertainties and contingencies as well as various risks and these may change over time and in many cases are outside the control of The Company and its directors. No assurance can be given that future events will occur, that projections will be achieved, or that The Company's assumptions are correct. Actual results may differ materially from those forecasts and projected.

This Press Release is not and does not constitute or form part of any offer, invitation or recommendation to purchase or subscribe for any securities and no part of it shall form the basis of or be relied upon in connection with any contract, commitment or investment decision in relation thereto.