



IATA Issues Bonds and Sukuk Wakalah Phase 1 Year 2023

Jakarta, 8 September 2023 – In order to increase working capital and business development, PT MNC Energy Investments Tbk or the Company (IDX: IATA) will issue Shelf Bonds I MNC Energy Investments Phase I Year 2023 (“the Bonds”) with a maximum principal amount of Rp500 billion, as part of Shelf Bonds Offering Shelf Bonds I MNC Energy Investments which eyes fresh funds of up to Rp1 trillion.

Apart from that, the Company will also issue Shelf Sukuk Wakalah I MNC Energy Investments Phase I Year 2023 (“Sukuk Wakalah”) with a maximum investment capital of Rp250 billion, as part of Shelf Sukuk Offering Shelf Sukuk Wakalah I MNC Energy Investments with a fundraising target of Rp500 billion.

The Bonds and Sukuk Wakalah are not guaranteed by any particular collateral in the form of goods, income, or other assets belonging to the Company in any form and are not guaranteed by any party. All of the Company's assets, whether in the form of movable or immovable property, whether existing or which will exist in the future, except for the Company's assets which are specifically guaranteed to its creditors, serve as collateral for all of the Company's obligations to all its creditors which are not specifically guaranteed or without this special right including the Bonds and Sukuk Wakalah is pari passu based on a trusteeship agreement in accordance with the provisions in articles 1131 and 1132 of the Civil Code.

PT KB Valbury Sekuritas and PT MNC Sekuritas act as Managing Underwriters, while PT Bank Rakyat Indonesia (Persero) Tbk serves as the Security Trustee. These 2 capital financing schemes received idA- (Single A Minus) and idA-(sy) (Single A Minus Syariah) ratings from PT Pemeringkat Efek Indonesia (Pefindo).

The funds obtained from the issuance of the Bonds and Sukuk Wakalah after deducting related issuance costs, will be used as the Company's working capital for coal trading, loan facility payments, and providing loans to PT Bhakti Coal Resources (BCR) to accelerate the development of its subsidiaries' business in the coal mining sector.

Indicative Timetable

Bookbuilding Period	7 - 20 September 2023
OJK Effective Statement	27 September 2023
Offering Period	29 September - 3 October 2023
Allotment	4 October 2023
Payment from Investors	5 October 2023
Refund	6 October 2023
Distribution	6 October 2023
IDX Listing	9 October 2023

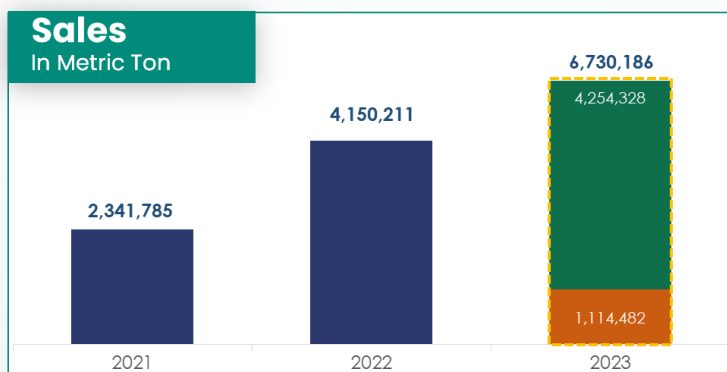
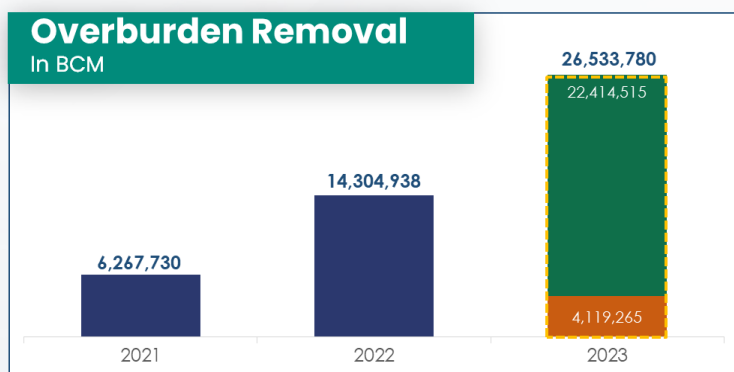
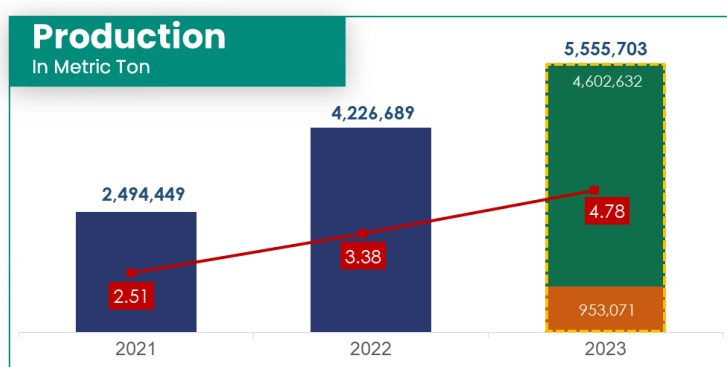
Coal Business Prospects

Despite facing several challenges such as rising fuel prices, royalty rates, and other operational costs, the Company is optimistic that the coal business still has the potential for positive growth in the second half of 2023.

Coal is an affordable energy source and the primary fuel in the electricity sector in some major countries like India and China (49.6% and 48%, respectively). The International Energy Agency (IEA) predicts global coal demand will reach 8,388 million tons, increasing by 0.4% in 2023. Exports account for 65.0% of IATA's total coal sales in 2023. Among all exports, China ranks first with 57.7%, followed by Vietnam and India at 21.6% and 19.4%, respectively.

The Government, through the Ministry of Energy and Mineral Resources, has set Indonesia's coal production target for 2023 at 694.5 million tons. This target is higher than 2022's production target of 663 million tons. Of this target, 176.8 million tons are intended for domestic consumption, while the remaining 517.7 million tons are targeted for export.

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. In 2024, the Company will start production from IUP owned by PT Arthaco Prima Energy (APE), which will contribute significantly to IATA's business growth.



■ 2021, 2022
 ■ Q1 2023
 ■ Q2-Q4 2023
 FY 2023
 + SR

Based on the report from the Indonesian Joint Committee for Mineral Reserves (KCMI), currently, IATA has coal reserves of 386.6 million MT. That total is generated from only around 20% of the Company's mining area of 72,478 Ha. IATA believes that coal reserves will keep increasing as the exploration process shows additional proven reserves, at least as much as 600 million MT for all IUPs.

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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