

**PRESS RELEASE**

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## **Delta Dunia Group Demonstrates Operational Excellence and Enhanced Financial Robustness in Q1 2024**

- Revenue rose by 4% YoY to USD 426 million for Q1 2024.
- EBITDA grew by 8% year-on-year, supported by revenue growth and enhanced operational cost control, leading to an improved EBITDA margin from 20.8% in Q1 2023 to 21.6% in Q1 2024.
- Operating Cash Flow (OCF) increased to USD 61 million, contributing to the growth of cash position to USD 322 million.
- Capex was 80% higher YoY at USD 40 million, largely due to support for the ramp-up of an existing site and for RM capex.
- The Net Debt to EBITDA ratio remains healthy at 1.65x as of March 2024.
- Despite challenges, including heavier rainfall impacting productivity in Indonesia, the Group remains on track to achieve its full-year guidance.

**Jakarta, June 24<sup>th</sup>, 2024 - PT Delta Dunia Makmur Tbk (“Delta Dunia Group” or “the Group”, IDX: DOID)**, the parent company of PT Bukit Makmur Mandiri Utama (BUMA), BUMA Australia Pty Ltd (BUMA Australia), PT Bukit Makmur Internasional (BUMA International), PT Bukit Teknologi Digital (BTech), and PT BISA Ruang Nuswantara (BIRU), reported a robust operational and financial performance for Q1 2024.

### **Key Consolidated Financial Highlights (USD million, unless stated):**

	<b>1Q24</b>	<b>1Q23</b>	<b>YoY Change</b>
<b>Revenue</b>	426	409	4%
<b>EBITDA</b>	80	74	8%
<b>Operating Profit</b>	16	14	12%
<b>Net Profit/(Loss)</b>	(19)	(1)	NM
<b>Operating Cash Flow</b>	61	35	73%
<b>Free Cash Flow</b>	11	14	(19%)

The Group's performance benefited from a 1% YoY increase in overburden (OB) removal and coal volume, with significant double-digit growth in Australia. Despite challenges such as unexpected heavy rainfall in Indonesia impacting productivity, the Group remains on track to meet its 2024 full-year volume targets. The stability in OB removal amid adverse weather conditions reflects the Group's ongoing sites expansion, adept management and strategic preparedness.

In Q1 2024, the Group recorded revenue of USD 426 million, marking a 4% YoY increase. EBITDA for the Group grew by 8% YoY to USD 80 million, driven by enhanced revenue from strategic expansion efforts, and better cost control, which also improved the EBITDA margin from 20.8% in Q1 2023 to 21.6% in Q1 2024. The Group has also maintained prudent financial management, achieving a notable decrease of 9% in operating expenses from USD 24 million in Q1 2023 to USD 22 million in Q1 2024. Similarly, operating profit amounted to USD 16 million, indicating a 12% increase compared to the same period in the previous year.

Capital expenditures (Capex) increased by 80% YoY to USD 40 million, driven by the ramp-up of an existing client and repair and maintenance (RM) capex, aligning with the Group's FY guidance range of USD 150 million to USD 190 million. As the Group continues to expand its operations, maintaining strict control over capex remains a key focus, reflecting the Group's commitment to prudent financial management practices.

Excluding the forex translation loss, the Group's net income remained stable and comparable to the previous year, reflecting a steady financial performance in Q1 2024. While the Group reported a net loss of USD 19 million, USD 18 million higher loss compared to the same period in 2023, this was primarily driven by a USD 17 million forex loss due to the depreciation of the Indonesian Rupiah (IDR) and the Australian Dollar (AUD).

### **Contract Win and Diversification Fuel Growth**

The Group has strategically prioritized high-quality customers, highlighted by the successful extension of contract with Blackwater Operations Pty Ltd, a subsidiary of Whitehaven Coal Mining Limited, for pre-strip mining services at the Blackwater Mine in Australia for an additional 2 years. Active engagement with several other clients to finalize contract negotiations underscores our commitment to long-term relationships and customer base expansion. This approach not only ensures a steady revenue stream but also strengthens the Group's industry reputation.

In addition, the Group continues to diversify geographically and into future-facing commodities with the acquisition of Atlantic Carbon Group, Inc. (ACG), the second-largest American anthracite producer operating four ultra-high-grade anthracite (UHG anthracite) mines in Pennsylvania, USA. This acquisition, expected to be completed in June 2024, marks a significant milestone for the Group, expanding from a mining service provider into a global mine owning business and accelerates the Group's commitment to reduce its dependence on thermal coal in its revenue. Importantly, the acquisition positions the Group as a pivotal player in the global UHG anthracite market, crucial to produce low-carbon steel (LC steel).

**Dian Andyasuri, Director at Delta Dunia Group**, commented, "In navigating through both challenges and opportunities, the Group has showcased our resilience and strategic foresight in maintaining growth momentum. By prioritising high-quality partnerships and expanding into new territories and commodities, we continue to strengthen our position in the industry while advancing towards our long-term objectives and mitigating potential risks beyond our control."

### **Enhanced Financial Robustness Through Strategic Refinancing**

In Q1 2024, the Group continued to strengthen its balance sheet, achieving a healthy Net Debt to EBITDA ratio of 1.65x as of March 2024, improving from 2.15x in Q1 2023. Operating cash flow increased significantly to USD 61 million, up from USD 35 million in Q1 2023. While free cash flow was USD 11 million, the Group's cash position grew to USD 322 million. The lower free cash flow reflects additional investments in Solar United Network Pte Ltd (SUN Energy), a solar panel engineering, procurement and construction (EPC) and developer with international project portfolio in Asia Pacific region, emphasizing the Group's commitment to transition towards a lower carbon economy.

As of March 2024, the Group's total debt decreased to USD 1.01 billion, down from USD 1.22 billion, due to a USD 153 million early bond repayment and further reductions from loan and lease amortization. This reduction, coupled with effective diversification of capital sources, facilitated the successful refinancing of its 2026 debt repayment obligations, improving its debt maturity profile.

**Iwan Fuad Salim, Director at Delta Dunia Group**, commented, "Our successful refinancing is a significant step forward for the Group, extending our debt maturity to 2029 and enabling an evenly distributed repayment schedule. This prudent adjustment ensures greater financial robustness to increase resilience, while providing flexibility to pursue growth initiatives. The successful refinancing demonstrates the strong trust and confidence of all our financial partners in the Group's performance and strategy. We are well-positioned to capitalise on emerging diversification opportunities, grow our geographical presence, improve our ESG (Environmental, Social, and Governance) footprint, and drive sustainable value creation for our stakeholders."

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**About PT Delta Dunia Makmur Tbk (Delta Dunia Group):**

Established in 1990, PT Delta Dunia Makmur Tbk (Delta Dunia Group) is a prominent holding company operating in Indonesia, Australia and at the completion of Atlantic Carbon Group, Inc.'s acquisition, USA. Our principal subsidiary, PT Bukit Makmur Utama (BUMA), is a leading provider of mining services to some of the largest miners in Indonesia and Australia (through BUMA Australia Pty Ltd).

In 2023, Delta Dunia Group expanded its portfolio with the addition of two new subsidiaries: PT Bukit Teknologi Digital (BTech), offering comprehensive mining technology solutions that empower companies within the mining industry, and PT BISA Ruang Nuswantara (BIRU), a social entity dedicated to education, vocational schools, and fostering a circular economy.

Listed on the Indonesia Stock Exchange (IDX Code: DOID), Delta Dunia Group is headquartered in Jakarta, Indonesia, and is supported by a workforce of over 16,000 employees across Indonesia and Australia. In June 2024, Delta Dunia Group was recognized among the Top 200 in the inaugural FORTUNE Southeast Asia 500 rankings, a prestigious list that identifies the region's largest companies by revenue.

**For further information, please contact:**

**PT Delta Dunia Makmur Tbk**

Corporate Communications

South Quarter Tower A, Penthouse Floor

Jl R.A. Kartini Kav. 8, Cilandak Barat Jakarta 12430

Phone: +6221 3043 2080

Email: [communications@deltadunia.com](mailto:communications@deltadunia.com)

Website: [www.deltadunia.com](http://www.deltadunia.com)

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