

PRESS RELEASE

For Immediate Release

Delta Dunia Group Delivers Significant First Half Results and Progress on ESG Initiatives

Jakarta, September 29, 2023 – PT Delta Dunia Makmur Tbk (Delta Dunia Group), the parent company of PT Bukit Makmur Mandiri Utama (BUMA), BUMA Australia Pty Ltd (BUMA Australia), PT Bukit Teknologi Digital (B-TECH), and PT BISA Ruang Nuswantara (BIRU), reports robust volume and EBITDA growth, alongside achieving its lowest Net Debt-to-EBITDA ratio during the first half of 2023 (1H 2023).

Key highlights include:

- Total revenues surged to USD 0.86 billion, a substantial 19% year-on-year (YoY) growth.
- Strong operational performance demonstrated by producing 286 million bank cubic meters (bcm), a 10% YoY increase in overburden volume (OB), and 42 million metric tons (MT) of coal, a 2% YoY increase in coal production.
- EBITDA climbed to USD 175 million, a 7% YoY increase and underlining the Group's operational strength.
- Despite industry challenges, the Group maintained resilient margins, with a slight 3% YoY decline primarily attributed to inflationary pressures in Indonesian operations. In contrast, Australia successfully sustained its margins despite increased costs from new contracts.
- Net profit decreased modestly to USD 5 million, a 13% YoY decline, primarily driven by increased financing costs prompted by the rise in the London Inter-Bank Offered Rate (LIBOR).
- Capital expenditure (Capex) spending at USD 44 million, a 47% reduction YoY, a result of the successful completion of project ramp-up in Indonesia.
- Operational Cash Flow (OCF) surged to USD 143 million due to increased EBITDA, resulting in positive Free Cash Flow (FCF) at USD 105 million.
- The cash balance stood at USD 218 million by the end of 1H 2023.
- Strong financial health with a Net Debt-to-EBITDA ratio of 1.99x, the lowest in the past five years, reflecting prudent and disciplined financial management in a capital-intensive industry.

Additionally, in September 2023, BUMA marked a significant milestone by securing its first-ever syndicated Sharia financing with a total financing facility value of USD 60 million with PT. Bank Muamalat Indonesia Tbk. acting as the Mandated Lead Arranger (MLA), facility agent, and guarantee agent with an amount of USD 50 million in financing.

Dian Andyasuri, Director at Delta Dunia Group, stated, "Despite formidable challenges, we've not only weathered the storm but also achieved revenue growth. The results for 1H 2023 exemplify our core business transformation as we diversify our revenue streams. In the first half of this year, we achieved a significant shift in our revenue composition, with Metallurgical Coal and Infrastructure contributing 18%, marking a significant step towards reducing the proportion of revenue derived from thermal coal production, which now stands at 82%. This progress builds upon our Group's

FY2022 results when metallurgical coal revenue was at 13%.”

During 1H 2023, Delta Dunia Group made remarkable progress in its Environmental, Social, and Governance (ESG) initiatives. It secured an outstanding ranking as the second-highest performer in the global coal sub-industry and ranked among the top 15% in the global oil and gas industry, according to Sustainalytics ESG Risk Rating. The Group substantially improved its ESG Risk Rating from 42.4 in 2022 to 32.7 in July 2023, marking a significant 10-point (25%) increase. As a testament to its commitment to ESG, the Group inaugurated its social innovative subsidiary, PT BISA Ruang Nuswantara (BIRU), in September. Additionally, BUMA Australia actively advanced its mining rehabilitation and closure services, working on four operational sites.

Dian highlighted, "In Sustainalytics' assessment, Delta Dunia Group excelled in several key areas, encompassing carbon-related products and services, carbon emissions management within our operations, corporate governance practices, community engagement, and occupational health and safety measures, as well as emissions, effluents, and waste handling. Our determined efforts to mitigate carbon emissions have effectively shifted our classification from high-risk to moderate in carbon management. We are diligently advancing our rehabilitation and closure initiatives in our Australian operations, with over two decades of successful rehabilitation and environmental project outcomes. With the inauguration of BIRU, our objective is to bolster Indonesia's sustainable development further. This entails enhancing local workforce skills for global competitiveness through industry-tailored education and supporting social entrepreneurship, all while upholding our unwavering commitment to environmental preservation."

Simultaneously, Delta Dunia Group continued its share buyback program and acquired 1,285 million shares purchased by August 4, 2023, constituting 14.9% of the Company's outstanding shares.

"Delta Dunia Group's performance in the first half underscores our commitment to sustainable growth, financial strength, and dedication to environmental responsibility. The Group maintains its unwavering focus on delivering value to its stakeholders while spearheading positive change within the industry as we continuously evolve and diversify our business," Dian concluded.

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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 and Australia. Our principal subsidiary, PT Bukit Makmur Utama (BUMA), is a leading provider of mining services to some of the largest coal producers in Indonesia and Australia (BUMA Australia Pty Ltd).

In 2023, Delta Dunia Group expanded its portfolio with the addition of two new subsidiaries: PT Bukit Teknologi Digital (B-TECH), 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.

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