



**15 November 2021**

### Share Price Data (as of 15 November, 2021)

Ticker @IDX	DOID
Last Price (Rp)	292
Outstanding Shares (mn)	8,612
Market Capitalization (Rp bn)	2,515
Market Capitalization (USD mn) <sup>1</sup>	177
<sup>1</sup> based on 14,206 /USD exchange rate	
<b>Shareholder Structure</b>	
Northstar Tambang Persada Ltd	37.9%
Public	62.1%

### Contact Us

Investor Relations Department  
[irteam@deltadunia.com](mailto:irteam@deltadunia.com)

PT Delta Dunia Makmur Tbk.  
 Pacific Century Place 38/F, SCBD Lot 10  
 Jl. Jend. Sudirman Kav. 52-53  
 Jakarta 12190 – Indonesia  
 Phone: +62 21 30432080  
 Fax: +62 21 30432081  
[www.deltadunia.com](http://www.deltadunia.com)

### Notes:

- 1) Cash position includes restricted cash in bank and current investments.
- 2) Debt includes only the outstanding contractual liabilities.
- 3) Net profit (loss) without foreign exchange gain or loss, and impairment loss
- 4) Capital expenditures as recognized per accounting standards.
- 5) Amount of outstanding debt per 30 June 2021 includes capitalized operating leases as a result of new PSAK 73, implemented prospectively effective 1 January 2020.

**Jakarta** – PT Delta Dunia Makmur Tbk. (“**DOID**” or the “**Company**”) presents its newsletter with consolidated financial and operating results that include its primary and wholly-owned subsidiary, PT Bukit Makmur Mandiri Utama (“**BUMA**”).

The Company recorded an improved volume of 17% QoQ to 90.4 million bcm and revenue increased by 31% QoQ to US\$248 million on the back of coal price remaining strong through the 3Q of the year and reflecting to our top line in 3Q21.

HIGHLIGHTS OF CONSOLIDATED RESULTS <i>(in US\$M unless otherwise stated)</i>					QUARTERLY RESULTS <i>(in US\$M unless otherwise stated)</i>									
Profitability	9M21	9M20	YoY		Volume	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21
EBITDA	150	151	-1%		OB Removal (mbcm)	110.0	79.0	87.3	81.2	61.2	52.1	65.0	77.0	90.3
<b>EBITDA Margin<sup>3)</sup></b>	<b>27.6%</b>	<b>33.0%</b>	<b>-5.4%</b>		Coal (mt)	13.6	12.2	12.1	10.3	11.5	11.4	12.7	12.3	13.9
Operating Profit	42	41	3%		<b>Financials</b>	<b>3Q19</b>	<b>4Q19</b>	<b>1Q20</b>	<b>2Q20</b>	<b>3Q20</b>	<b>4Q20</b>	<b>1Q21</b>	<b>2Q21</b>	<b>3Q21</b>
Operating Margin <sup>3)</sup>	7.8%	8.9%	-1.2%		Revenue	255	191	194	158	142	108	160	189	248
Net Profit (Loss)	(16)	(4)	336%		EBITDA	86	39	63	39	49	13	31	42	77
EPS (in Rp)	(27)	6	-585%		EBITDA Margin <sup>3)</sup>	35.0%	21.7%	35.9%	26.0%	37.0%	12.8%	21.8%	24.6%	33.3%
<b>Cash Flows</b>	<b>9M21</b>	<b>9M20</b>	<b>YoY</b>		Operating Profit	49	3	24	2	15	(21)	(1)	8	35
Capex <sup>4)</sup>	169	18	814%		Operating Margin <sup>3)</sup>	20.0%	1.5%	13.9%	1.1%	11.2%	-21.4%	-0.9%	5.0%	15.2%
Operating Cash Flow	152	203	-25%		Net Profit (Loss)	24	(8)	(23)	15	4	(19)	(26)	(7)	17
Free Cash Flow	(18)	186	-110%											
<b>Balance Sheet</b>	<b>Sep-21</b>	<b>Dec-20</b>	<b>Δ</b>											
Cash Position <sup>1)</sup>	371	147	224											
Net Debt <sup>2)5)</sup>	523	425	97											

### PERFORMANCE HIGHLIGHTS

- Overburden removal volume for 3Q 2021 was 90.3 million bcm, higher 17% QoQ and 48% YoY. Coal production was 13.9 million tonnes, higher 13% QoQ and 21% YoY. Despite continuing higher rainfall than expected of 3Q, volume continued to gradually ramp up as planned. The Company is on track to meet the revised volume target for the year.
- Net revenues for 3Q 2021 was US\$248 million, higher 31% QoQ and 74% YoY. EBITDA was US\$77 million for 3Q 2021, higher 85% QoQ and 56% YoY. Net revenues has started to reflect the volume recovery and the strength in coal price of 2021 which resulted in higher rates charged by the Company. The Company also negotiated a compensation for difficult challenges, of which cumulative impact was reflected in 3Q 2021. Costs in 3Q 2021 was especially under pressure due to COVID-19 surge in July and August, as well as rain hours that were unusually high. EBITDA margin increased QoQ to 33.3% from the increase of production and cumulative impact of difficult mine compensation. The Company is on track to improve its profitability with increasing volume from new contracts and challenges that were well-addressed.
- Net loss has turned to net profit of US\$17 million for 3Q 2021 versus net loss US\$7 million in 2Q 2021, reflecting the improvement from commencing incremental volume.
- Free cash flows is negative by US\$18 million and operating cash flows was at US\$152 million in 9M 2021. Free cash flows reflected a significant incremental US\$89 million capital expenditure in 3Q 2021 required to support growth expected from new contracts signed in 2021 and on certain investment by the Group. As these contracts are still in ramp up phase, the full benefit of this capex will be reflected during 2022. Capex spending is expected to remain high for the remainder of the year as Company continues to prepare for incremental volumes. Net debt<sup>5)</sup> was US\$523million as of September 30, 2021 and the Company’s consolidated net debt to EBITDA ratio was 3.2x.
- Given the strong coal price recovery in 2021, the Company expects to continue with gradual volume recovery for the remainder of 2021. The Company is focused in carefully addressing operational challenges in order to accelerate recovery rate and improve profitability. Liquidity preservation, optimization of existing assets and cost efficiencies remains the primary strategies to seize growth opportunities in the strong market.

## OTHER UPDATES

### A. GROWTH EVENTS

#### a) Downer's Conditional Assets Acquisition

- The Company, through a newly established subsidiary in Australia, BUMA International Pty. Ltd. ("**BUMA International**"), signed a conditional agreement with Downer EDI Limited ("**Downer**") to acquire Downer's coal mining contractor business currently referred to as Open Cut Mining East business ("**Mining East**") in Australia. Subject to completion of conditions precedent, the transaction entails transfer of Mining East's assets, employees, employee entitlements and contracts from Downer to BUMA International ("**Transaction**")
- Mining East business comes with Queensland-based world class customers and highly-experienced management team. With production capacity of c.160 million bcm p.a. and c.10.5 million tonnes of coal, Mining East is also exploring a few strong pipelines for growth opportunities.
- Given BUMA's recent full drawdown of Mandiri loan facility in July 2021, this Transaction is fully funded for and expected to complete by end of year. With the expected incremental EBITDA from the Mining East business, BUMA remains confident to maintain healthy debt metrics.
- The Transaction is value-accretive and shall mark BUMA's entry into coking coal and opens up access to Australian market. This serves as the first step towards diversification, as well as expansion beyond Indonesia.

#### b) Asiamet's Potentials

- DOID recently entered into a Heads of Agreement arrangement with Asiamet Resources Ltd. ("**Asiamet**") to secure exclusivity period to perform due diligence and negotiate a definitive agreement to partake into a gradual earn-in opportunity that eventually would translate into a majority ownership over PT Kalimantan Surya Kencana ("**KSK**"), Asiamet's subsidiary, a Contract of Work owner of a brownfield copper asset in Central Kalimantan ("**Proposed Transaction**"). The earn-in arrangement reflects a moderate capital requirement over the span of one to two years in exchange for a ready-to-go asset with good potential upsides that includes highly-experienced management team.
- It is a ready to produce copper-gold assets located in Kalimantan
- DOID has 90 days to complete the due diligence process and negotiate binding agreement over the earn-in arrangement.
- The Proposed Transaction, subject to completion of due diligence and negotiation of a binding agreement, is the perfect opportunity to set DOID's first step into mineral mining as part of diversification strategy. It is also expected to provide synergy to DOID's core competencies through BUMA, its subsidiary, as a mining contractor and infrastructure services provider.

Exhibit 1: Quarterly Production

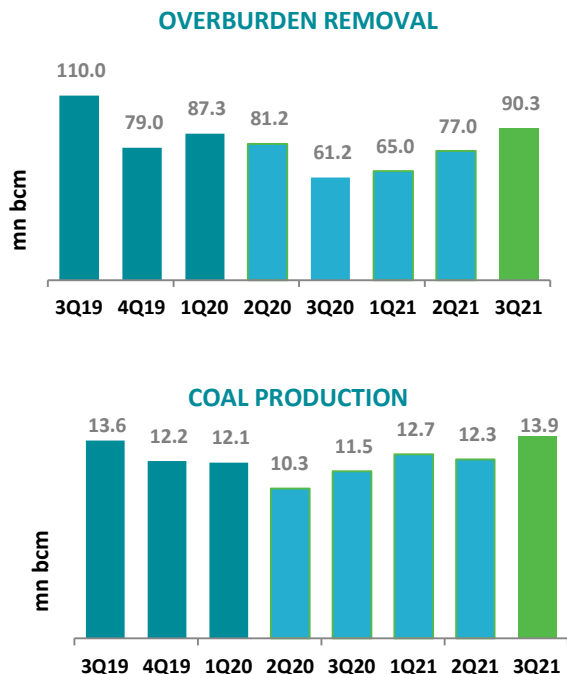


Exhibit 2: Debt Status

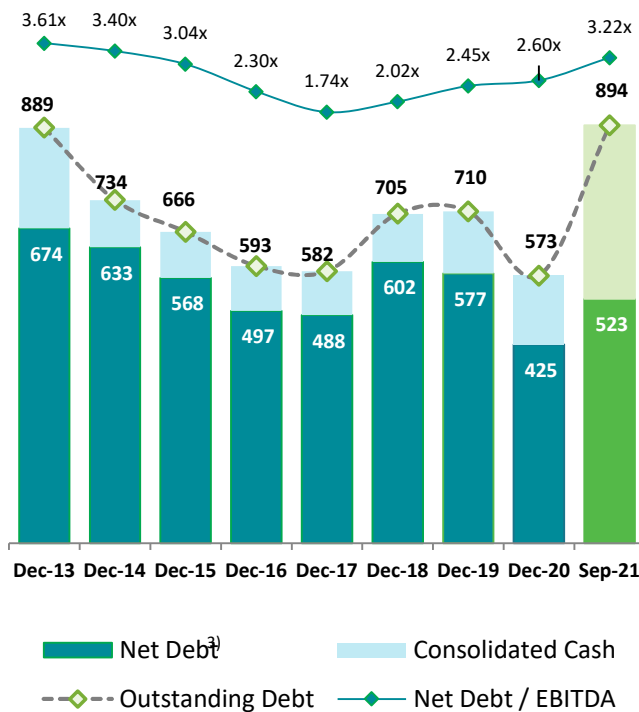


Exhibit 3: Consolidated Cash Flows<sup>2)</sup>

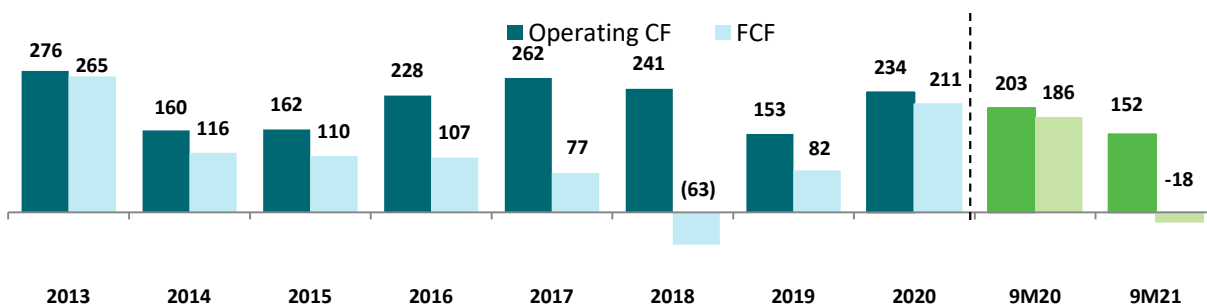
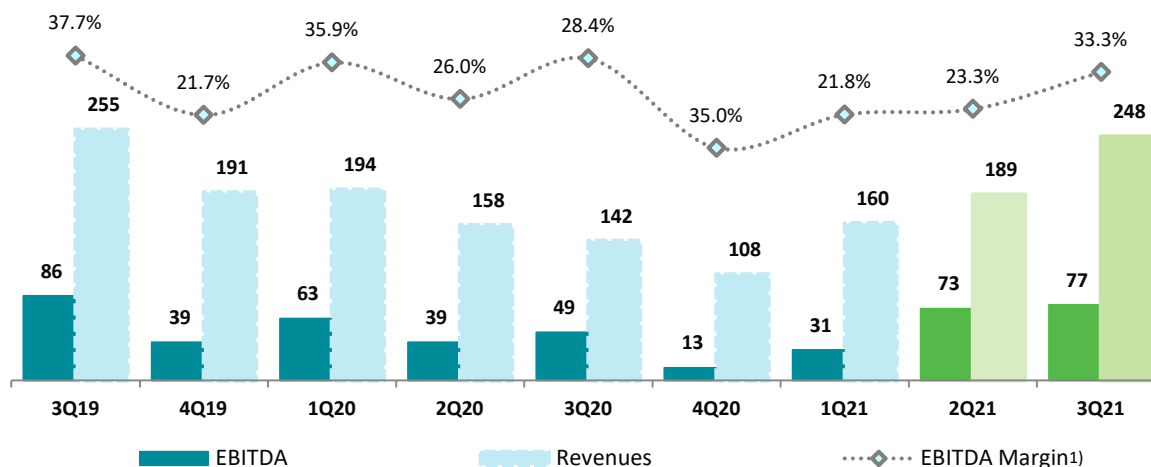


Exhibit 4: Quarterly Profitability Trend



Notes:

- 1) Margins are based on net revenues excluding fuel.
- 2) Free cash flows is defined before debt service, and excludes financing proceeds. Operational cash flows is free cash flows, before capital expenditures.
- 3) Amount of outstanding debt per 30 June 2021 includes capitalized operating leases as a result of new PSAK 73, implemented prospectively effective 1 January 2020.

**DOID'S CONSOLIDATED STATEMENTS  
OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME**

<i>In US\$ mn (unless otherwise stated)</i>	<b>9M21</b>	<b>9M20</b>	<b>YoY</b>
Net revenues	597	494	21%
<i>Revenue excl. fuel</i>	543	459	18%
Cost of revenues	(516)	(432)	19%
<b>Gross profit</b>	<b>81</b>	<b>62</b>	<b>30%</b>
Operating expenses	(39)	(22)	79%
Finance cost	(48)	(39)	23%
Others - net	(8)	(3)	200%
<b>Pretax profit</b>	<b>(14)</b>	<b>(1)</b>	<b>1643%</b>
Tax expense	(2)	(3)	-24%
<b>Profit (loss) for the period</b>	<b>(16)</b>	<b>(4)</b>	<b>336%</b>
Other comprehensive income - net	0	8	-95%
<b>Comprehensive income (loss)</b>	<b>(16)</b>	<b>5</b>	<b>-433%</b>
<b>EBITDA</b>	<b>150</b>	<b>151</b>	<b>-1%</b>
<b>Basic EPS (in Rp) <sup>2)</sup></b>	<b>(27)</b>	<b>(6)</b>	<b>327%</b>

**DOID'S FINANCIAL RATIOS <sup>1)</sup>**

	<b>9M21</b>	<b>9M20</b>
Gross margin	14.9%	13.6%
Operating margin	7.8%	8.9%
EBITDA margin	27.6%	33.0%
Pretax margin	-2.6%	-0.2%
Net margin	-3.0%	-0.8%

**DOID'S CONSOLIDATED STATEMENTS  
OF FINANCIAL POSITION**

<i>In US\$ mn (unless otherwise stated)</i>	<b>Sep-21</b>	<b>Dec-20</b>	<b>YTD</b>
Cash and cash equivalents	357	112	219%
Other financial assets - current	18	35	-49%
Trade receivables - current	239	151	58%
Other current assets	103	69	50%
Fixed assets - net	582	501	16%
Other non-current assets	93	106	-12%
<b>TOTAL ASSETS</b>	<b>1,392</b>	<b>974</b>	<b>43%</b>
Trade payables	150	50	203%
LT liabilities - current	82	134	-40%
Other current liabilities	61	35	74%
LT liabilities - non current	792	433	83%
Other non-current liabilities	59	58	4%
<b>TOTAL LIABILITIES</b>	<b>1,144</b>	<b>710</b>	<b>61%</b>
<b>TOTAL EQUITY</b>	<b>248</b>	<b>264</b>	<b>-6%</b>

**Notes:**

1) Margins are based on net revenues excluding fuel

2) Reported Basic EPS translated into Rp using average exchange rate of Rp14,327 and Rp14,640 for 9M21 and 9M20, respectively.

**BUMA'S STATEMENTS  
OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME**

<i>In US\$ mn (unless otherwise stated)</i>	<b>9M21</b>	<b>9M20</b>	<b>YoY</b>
Net revenues	597	494	21%
<i>Revenue excl. fuel</i>	543	459	18%
Cost of revenues	(516)	(432)	19%
<b>Gross profit</b>	<b>81</b>	<b>63</b>	<b>30%</b>
Operating expenses	(35)	(20)	73%
Finance cost	(48)	(39)	23%
Others - net	(3)	(3)	31%
<b>Pretax profit (loss)</b>	<b>(5)</b>	<b>(1)</b>	<b>-439%</b>
Tax benefit (expense)	(2)	(3)	-28%
<b>Profit (loss) for the period</b>	<b>(7)</b>	<b>(2)</b>	<b>298%</b>
Other comprehensive income - net	0	8	-95%
<b>Comprehensive income (loss)</b>	<b>(6)</b>	<b>6</b>	<b>-193%</b>
<b>EBITDA</b>	<b>154</b>	<b>153</b>	<b>0%</b>

**BUMA'S STATEMENTS  
OF FINANCIAL POSITION**

<i>In US\$ mn (unless otherwise stated)</i>	<b>Sep-21</b>	<b>Dec-20</b>	<b>YTD</b>
Cash	347	103	237%
Restricted cash in bank - current	7	9	-20%
Trade receivables - current	239	151	58%
Due from related party - current	94	94	0%
Other current assets	93	69	36%
Fixed assets - net	581	499	16%
Other non-current assets	90	106	-15%
<b>TOTAL ASSETS</b>	<b>1,451</b>	<b>1,031</b>	<b>41%</b>
Trade payables	150	50	203%
LT liabilities - current	82	135	-40%
Other current liabilities	103	34	197%
LT liabilities - non-current	791	433	83%
Other non-current liabilities	59	57	4%
<b>TOTAL LIABILITIES</b>	<b>1,185</b>	<b>709</b>	<b>67%</b>
<b>TOTAL EQUITY</b>	<b>266</b>	<b>322</b>	<b>-17%</b>