



7 December 2020

Share Price Data (as of December 7, 2020)

Ticker @IDX	DOID
Last Price (Rp)	420
Outstanding Shares (mn)	8,612
Market Capitalization (Rp bn)	3,617
Market Capitalization (USD mn) ¹	256

¹ based on 14,135 /USD exchange rate

Shareholder Structure

Northstar Tambang Persada Ltd	37.9%
Public	62.1%

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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 September 2020 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 EBITDA margin YoY of 33.0% for 9M 2020, despite 23% decline of EBITDA YoY of US\$151 million. Coal market remains weak and uncertain amidst COVID-19 pandemic, thereby affecting Company’s performance and profitability.

HIGHLIGHTS OF CONSOLIDATED RESULTS (in US\$M unless otherwise stated)			
Profitability	9M20	9M19	YoY
EBITDA	151	197	-23%
EBITDA Margin ³⁾	33.0%	30.6%	2.4%
Operating Profit	41	86	-52%
Operating Margin ³⁾	8.9%	13.3%	-4.4%
Net Profit (Loss)	(4)	28	-113%
EPS (in Rp)	(6)	46	-114%
Cash Flows			
	9M20	9M19	YoY
Capex ⁴⁾	18	59	-69%
Operating Cash Flow	203	97	110%
Free Cash Flow	186	38	383%
Balance Sheet			
	Sep-20	Dec-19	Δ
Cash Position ¹⁾	183	133	50
Net Debt ^{2) 5)}	450	577	(127)

QUARTERLY RESULTS (in US\$M unless otherwise stated)							
Volume	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20
OB Removal (mbcm)	97.0	94.1	110.0	79.0	87.3	81.1	61.3
Coal (mt)	12.2	12.0	13.6	12.2	12.0	10.3	11.5
Financials							
	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20
Revenue	214	221	255	191	194	158	142
EBITDA	54	57	86	39	63	39	49
EBITDA Margin ³⁾	27.3%	28.4%	35.0%	21.7%	35.9%	26.0%	37.0%
Operating Profit	17	20	49	3	24	2	15
Operating Margin ³⁾	8.5%	10.0%	20.0%	1.5%	13.9%	1.1%	11.2%
Net Profit (Loss)	1	3	24	(8)	(23)	15	4

PERFORMANCE HIGHLIGHTS

- Overburden removal volume for 3Q 2020 was 61.3 million bcm, 44% lower from 110.0 million bcm recorded in 3Q 2019. Coal production was 11.5 million tonnes in 3Q 2020, 16% lower compared to 13.6 million tonnes in 3Q 2019. Volume and rates were lower due to prolonged market weakness, mainly from lower global demand resulting from COVID-19 pandemic.
- Net revenues for 3Q 2020 was US\$142 million, 44% lower YoY than US\$255 million recorded in 3Q 2019. EBITDA was US\$49 million for 3Q 2020, a 43% decrease compared to US\$86 million in 3Q 2019. Timing difference between volume decline and impact of right-sizing adjustments, coupled with the cost of the those adjustments and additional health protocols, drove higher cost throughout 2020; however, positive impact of cost efficiencies were reflected in the 3Q 2020 results.
- Net profit of US\$4 million was recorded for 3Q 2020, 83% lower YoY compared to the US\$24 million recorded in 3Q 2019. In 2020, net profit or loss were significantly impacted by fluctuation of foreign exchange rate of IDR against USD, mainly on monetary assets. While it caused a significant foreign exchange loss in 1Q2020, there has been a recovery in 2Q 2020, with a slight weakening in 3Q2020. Year to date, Rupiah weakened by 7% against USD, resulting in US\$14 million foreign exchange loss for 9M 2020.
- Free cash flows were US\$186 million and operating cash flows were US\$203 million in 9M 2020 as a result of low capital expenditure and prudent working capital management. Total capital expenditure spent was US\$18 million for 9M 2020, 69% lower compared to the same period last year. The results are in line with our strategy of optimizing existing capacity and liquidity preservation in response to 2020 weak market. With net debt⁵⁾ of US\$450 million as of September 30, 2020, the Company’s consolidated net debt to EBITDA ratio was 2.4x.
- Prolonged COVID-19 pandemic has cast uncertainty in the global economy, including coal market, where recovery of global demand may be slower than expected. Given the situation, the Company shall remain focused on capacity optimization, cost efficiencies and liquidity preservation to allow the Company to adapt, sustain and seize opportunity with market recovers.

OTHER UPDATES

A. LIABILITY MANAGEMENT

- The Company actively manages the capital structure and debt maturity profile. In view of the US\$350 million 7.75% Senior Notes due 2022 (the “2022 Notes”) maturing in February 2022 and the current market prices of the 2022 Notes, the Company is actively considering open market repurchases of the 2022 Notes and may, depending on a variety of factors, including general business and market conditions, and sources of funding available to the Company, also conduct other liability management transactions, including tender offers and/or exchange offers for the 2022 Notes.

Exhibit 1: Quarterly Production

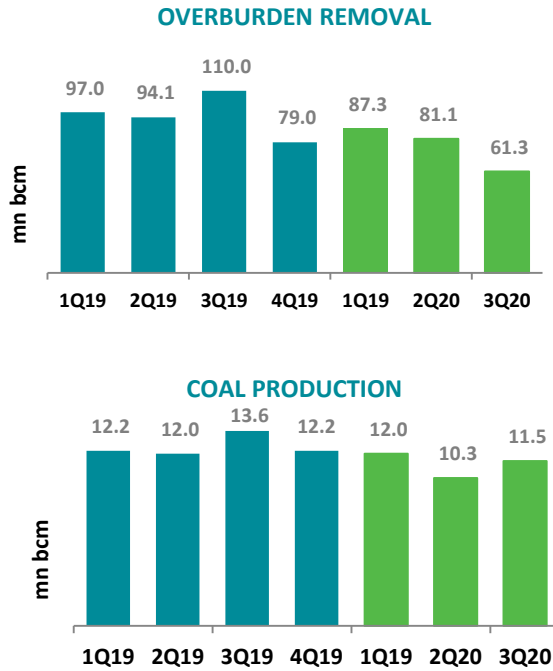


Exhibit 2: Debt Status

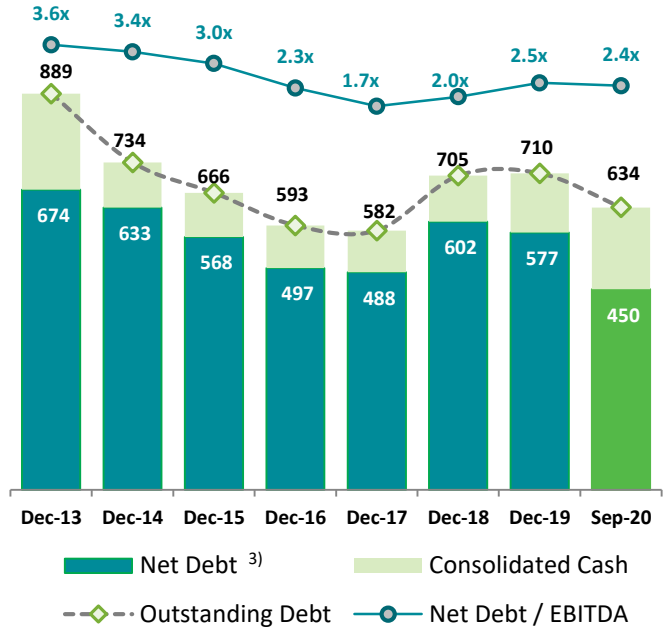


Exhibit 3: Consolidated Cash Flows²⁾

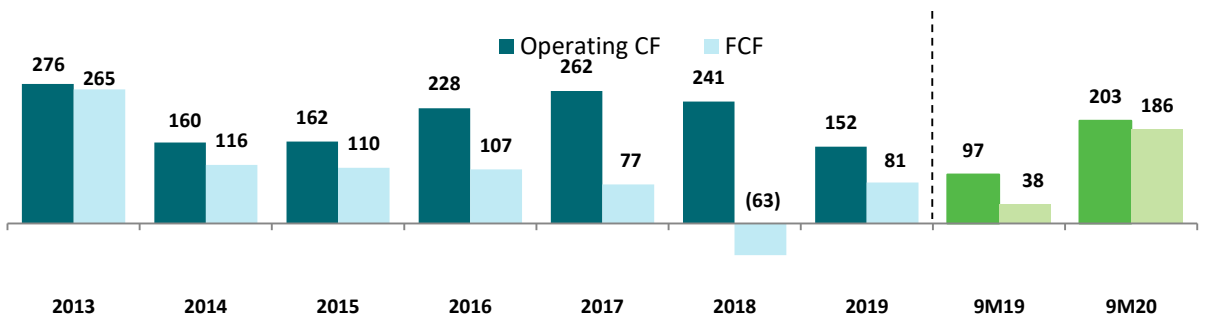
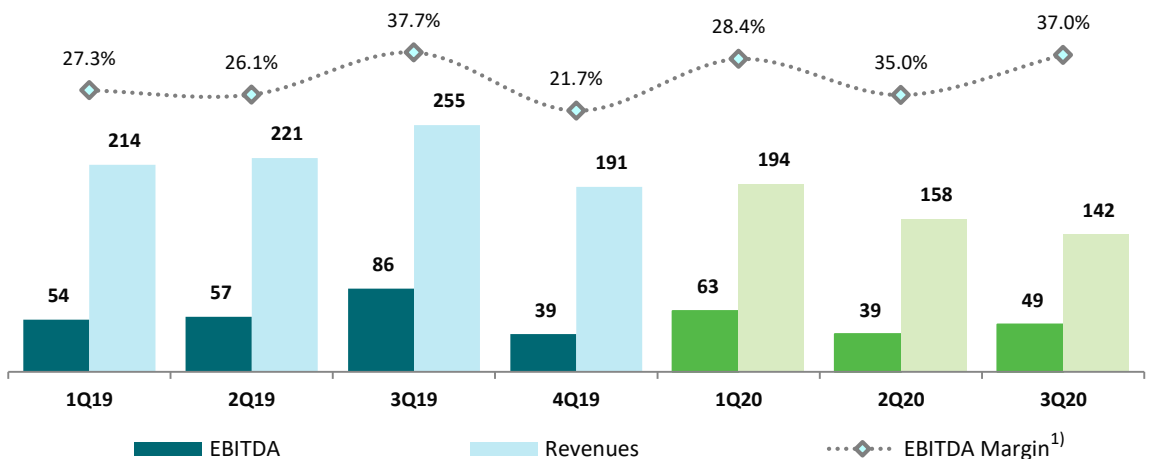


Exhibit 4: Quarterly Profitability Trend



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 September 2020 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>	9M20	9M19	YoY
Net revenues	494	690	-28%
<i>Revenue excl. fuel</i>	459	644	-29%
Cost of revenues	(432)	(568)	-24%
Gross profit	63	123	-49%
Operating expenses	(22)	(37)	-41%
Finance cost	(39)	(44)	-12%
Others - net	(3)	1	-296%
Pretax profit	(1)	43	-102%
Tax expense	(3)	(15)	-80%
Profit (loss) for the period	(4)	28	-113%
Other comprehensive income - net	8	2	352%
Comprehensive income (loss)	5	30	-84%
EBITDA	151	197	-23%
Basic EPS (in Rp) ²⁾	(6)	46	-114%

DOID'S FINANCIAL RATIOS ¹⁾

	9M20	9M19
Gross margin	13.6%	19.0%
Operating margin	8.9%	13.3%
EBITDA margin	33.0%	30.6%
Pretax margin	-0.2%	6.6%
Net margin	-0.8%	4.4%

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

<i>In US\$ mn (unless otherwise stated)</i>	Sep-20	Dec-19	YTD
Cash and cash equivalents	154	87	76%
Other financial assets - current	29	46	-36%
Trade receivables - current	179	223	-20%
Other current assets	79	116	-32%
Fixed assets - net	528	590	-10%
Other non-current assets	72	120	-41%
TOTAL ASSETS	1,041	1,182	-12%
Trade payables	45	85	-47%
LT liabilities - current	112	122	-8%
Other current liabilities	33	50	-35%
LT liabilities - non current	517	581	-11%
Other non-current liabilities	49	63	-24%
TOTAL LIABILITIES	756	901	-16%
TOTAL EQUITY	285	281	2%

Notes:

1) Margins are based on net revenues excluding fuel

2) Reported Basic EPS translated into Rp using average exchange rate of Rp14,640 and Rp14,173 for 9M20 and 9M19, respectively

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

<i>In US\$ mn (unless otherwise stated)</i>	9M20	9M19	YoY
Net revenues	494	690	-28%
<i>Revenue excl. fuel</i>	459	644	-29%
Cost of revenues	(432)	(568)	-24%
Gross profit	63	123	-49%
Operating expenses	(20)	(35)	-43%
Finance cost	(39)	(44)	-12%
Others - net	(3)	0	-582%
Pretax profit	(1)	44	-97%
Tax expense	(3)	(15)	-79%
Profit (loss) for the period	(2)	29	-106%
Other comprehensive income - net	8	2	349%
Comprehensive income (loss)	6	31	-79%
EBITDA	153	199	-23%

**BUMA'S STATEMENTS
OF FINANCIAL POSITION**

<i>In US\$ mn (unless otherwise stated)</i>	Sep-20	Dec-19	YTD
Cash	146	69	111%
Restricted cash in bank - current	3	29	-91%
Trade receivables - current	179	223	-20%
Due from related party - current	94	94	0%
Other current assets	78	115	-32%
Fixed assets - net	527	589	-11%
Other non-current assets	70	120	-41%
TOTAL ASSETS	1,097	1,239	-11%
Trade payables	45	85	-47%
LT liabilities - current	112	122	-8%
Other current liabilities	33	52	-37%
LT liabilities - non-current	517	581	-11%
Other non-current liabilities	47	63	-24%
TOTAL LIABILITIES	754	903	-16%
TOTAL EQUITY	343	336	2%