



# NEW DIRECTION FOR SUSTAINABLE GROWTH

**PT TBS Energi Utama Tbk**

**Investor Release - Management Discussion & Analysis**

12 Months Ending 31 December 2023

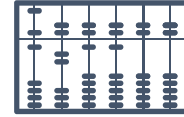
## Summary



Revenue  
**US\$501.3**  
Million



EBITDA Adjusted <sup>a)</sup>  
**US\$97.7**  
Million



Net Profit  
**US\$20.8**  
Million

## Navigating Global Challenges Towards Sustainable Growth

In 2023, the global economy encountered a notable deceleration, marked by a downturn in global GDP growth to 3.0%, a decline from the previous year's 3.50%. This slowdown was primarily attributed to escalating geopolitical tensions, which precipitated a surge in oil and food prices, consequently driving up global inflation rates. Responding to these economic headwinds, the US Federal Reserve opted to raise the Federal Funds Rate to 5.50% in October 2023.

Despite navigating these turbulent global conditions, Indonesia distinguished itself by maintaining a commendable growth rate of 5.05% year-on-year (yoy) throughout 2023. To safeguard its economy amidst these challenges, Bank Indonesia implemented proactive measures, notably increasing its benchmark interest rate to 6.00% by October 2023. This strategic move aimed to stabilize the Rupiah exchange rate and effectively manage inflationary pressures, which stood at 2.61% yoy by December 2023.

## Our Commitment To Transition Into Sustainable Business

In the face of fluctuating coal prices between 2022 and 2023, which resulted in a decrease in our average selling price (ASP) from ~\$105.7 in 2022 to ~\$77.7 in 2023, TBS stands resilient. Despite these challenges, our strategic diversification into power generation, electric vehicles (EVs), and waste management has fortified our position in the market.

In the full year of 2023, TBS reported robust financials, with revenue reaching US\$501.3 million, EBITDA Adjusted<sup>(a)</sup> of US\$97.7 million, and net profit of US\$20.8 million

Our positive performance was buoyed by operating Coal Fired Power Plant assets in Gorontalo and North Sulawesi, which provided stability amidst weakened coal prices. In addition, our commitment to transition into sustainable businesses by increasing investment to US\$84.4 million, an 85% increase. This rise was driven by our strategic acquisition of Asia Medical Enviro Services Pte. Ltd. (AMES) and PT Arah Environmental Indonesia (ARAH), marking our foray into the integrated waste management business. AMES, Singapore's leading medical waste processing company, boasts over 30 years of experience and is the market leader for medical waste management in Singapore, processing more than 5,000 tons of waste annually. ARAH, an established waste management firm in Indonesia, have the ability to processes over 38 tons of waste daily, with 15 years of industry experience.

Furthermore, TBS remains dedicated to advancing green energy initiatives, particularly in the realms of electric vehicles and renewable energy. Noteworthy progress has been made in our electric two-wheeler division, with 500 EVs hitting the roads alongside 108 Battery Swap Stations. Concurrently for our renewable business, on December 2023, we have signed a cooperation agreement for the lease of reservoirs for Batam Floating Solar Power Plant project. This partnership underscores our commitment to renewable energy initiatives and further enhances our sustainable development efforts.

# Summary – 2023 Key Achievement

## Strengthening our Capital Structure

### IDR 500 Bio Bonds

We completed the issuance of our first ever **IDR 500 Bio Bonds**, further optimizing our capital structure in **March 2023**

### USD 33 Mn Loan

PT Bank Mandiri (Persero) Tbk and PT Bank DBS Indonesia Provide Credit to Support **PT TBS Energi Utama Tbk's 2030 Carbon Neutrality Target**

## Delivering on our Transition Commitment



Asia Medical Enviro Services

We completed the acquisition of Asia Medical Enviro Services, a leading Waste Management Player in Singapore



ARAH

We completed the acquisition of ARAH Environmental, a leading Waste Management Player in Indonesia, **marking our regional play strategy**



We completed the cooperation agreement with BP Batam for our Floating Solar Project. **We successfully secured and signed PPA for the Project in February 2024**

## Driving Excellence Forward

### US\$ 36.9 mn EBITDA

Our coal mining and trading operations continue to generate positive cash flow and EBITDA for our business which is an outcome of our ability to maintain cost.

**NEW DIRECTION FOR SUSTAINABLE GROWTH**  
**80%**

Maintaining our Power Plant Capacity Factor as per required in PPA, enabling a stable cash flow generation

# Summary

## Financial and Operational Highlights

All figures are in million US\$ unless otherwise stated		FY2022	FY2023	Changes
<b>Operation</b>				
Sales Volume	mn ton	2.6	3.1	19.2%
Production Volume	mn ton	2.9	3.1	6.9%
Stripping Ratio (SR)	x	14.7	15.1	2.7%
NEWC Index Price	US\$/ton	360.2	172.8	-52.0%
Average Selling Price (ASP) - Mining	US\$/ton	105.7	77.7	-26.5%
FOB Cash Cost - Mining <sup>a)</sup>	US\$/ton	57.3	58.5	2.1%
EBITDA/ton - Mining <sup>c)</sup>	US\$/ton	40.9	12.8	-68.7%
Trading Volume	mn ton	3.5	2.7	-22.9%
Average Selling Price (ASP) - Trading	US\$/ton	85.7	71.2	-16.9%
FOB Cash Cost - Trading	US\$/ton	81.8	68.4	-16.4%
EBITDA/ton - Trading	US\$/ton	3.3	1.5	-54.5%
<b>Financial Performance</b>				
<b>Profit (Loss)</b>		<b>FY2022</b>	<b>FY2023</b>	<b>Changes</b>
Sales	US\$ mn	635.8	501.3	-21.2%
Cost of Goods Sold	US\$ mn	499.8	437.4	-12.5%
Gross Profit	US\$ mn	136.0	63.9	-53.0%
Operating Profit	US\$ mn	137.7	65.6	-52.4%
EBITDA <sup>b)</sup>	US\$ mn	103.9	23.1	-77.8%
EBITDA Adjusted <sup>h)</sup>	US\$ mn	167.6	97.7	-41.7%
Profit for the Period	US\$ mn	93.9	20.8	-77.8%
Profit for the Period after MI	US\$ mn	57.8	7.9	-86.3%
Operating Cash Flows <sup>d)</sup>	US\$ mn	121.2	37.2	-69.3%
Capex <sup>e)</sup>	US\$ mn	45.5	84.4	85.4%
<b>Balance Sheet</b>				
		<b>FY2022</b>	<b>FY2023</b>	<b>Changes</b>
Interest Bearing Debt	US\$ mn	367.7	403.0	9.6%
Cash and Cash Equivalents <sup>f)</sup>	US\$ mn	122.4	86.1	-29.7%
Net Debt <sup>g)</sup>	US\$ mn	245.3	316.9	29.2%
Total Assets	US\$ mn	899.3	947.8	5.4%
Total Liabilities	US\$ mn	475.6	524.2	10.2%
Total Equity	US\$ mn	423.7	423.7	0.0%
<b>Financial Ratios</b>				
		<b>FY2022</b>	<b>FY2023</b>	
Gross Profit Margin	%	21.4%	12.7%	
EBITDA Adjusted Margin	%	26.4%	19.5%	
Operating Profit Margin	%	21.7%	13.1%	

**Notes:**

<sup>(a)</sup> FOB Cash Cost = COGS including royalty and selling expense - depreciation and amortization.

<sup>(b)</sup> EBITDA = Gross profit - G&A and selling expenses + depreciation and amortization.

<sup>(c)</sup> EBITDA/ton = Coal mining business only.

<sup>(d)</sup> Excludes payment in relation to Sulbagut-1 and Sulut-3 projects.

<sup>(e)</sup> Includes payment in relation to Sulbagut-1 and Sulut-3 projects.

<sup>(f)</sup> Includes restricted cash in Bank.

<sup>(g)</sup> Net Debt = interest bearing debt - cash and cash equivalents.

<sup>(h)</sup> EBITDA Adjusted = Operating Income + Depreciation & amortization expenses + PLN billed receivables + Domestic Market Obligation + Others.

# Summary

## Operating Segment Information

		FY2023					
		Coal Mining	Coal Trading	Power Generation <sup>(a)</sup>	Others <sup>(b)</sup>	Elimination	Consolidated
<i>All figures are in million US\$ unless otherwise stated</i>							
<b>Profit (Loss)</b>							
Sales	US\$ mn	241.6	191.2	59.2	9.3	-	501.3
Cost of Goods Sold	US\$ mn	(188.2)	(183.5)	(57.7)	(8.1)	-	(437.4)
Gross Profit	US\$ mn	53.4	7.7	1.5	1.2	-	63.8
Operating Profit	US\$ mn	27.2	4.4	46.8	(12.2)	(0.6)	65.6
<b>EBITDA</b>	<b>US\$ mn</b>	<b>32.5</b>	<b>4.4</b>	<b>(6.2)</b>	<b>(7.5)</b>	<b>0.0</b>	<b>23.1</b>
<b>EBITDA Adjusted <sup>(c)</sup></b>	<b>US\$ mn</b>	<b>32.5</b>	<b>4.4</b>	<b>65.5</b>	<b>(7.5)</b>	<b>2.7</b>	<b>97.7</b>
<b>Profit for the Period</b>	<b>US\$ mn</b>	<b>12.0</b>	<b>3.9</b>	<b>18.9</b>	<b>(14.5)</b>	<b>0.7</b>	<b>20.8</b>
Profit for the Period after MI	US\$ mn	1.5	2.0	16.0	(10.7)	(0.9)	7.9

### Key Highlights for FY2023 Results

- Our decision to enter into the power generation sector has proven its positive impact, contributing approximately 67% to our adjusted EBITDA. This strategic move has established itself as a stabilizing force in our financial performance amidst the fluctuating dynamics of coal prices.
- Our financial results for the 12-month period ending in 2023 have yet to fully reflect the effects of our recent expansion and acquisition in the waste management sector. This strategic move is poised to deliver more robust EBITDA and cash flow stability as we move into the fiscal year 2024 and beyond.
- Despite the downturn in coal prices, our coal mining and trading operations continue to generate positive cash flow and EBITDA for our business.
- As we advance, TBS will continue its commitment to grow its EV, renewable and waste management business in line with our TBS 2030 Agenda & Commitment.

#### Notes:

(a) Power Generation figures mainly come from the financials of GLP and MCL. Revenues are recognized from sales of electricity.

(b) Including PT Perkebunan Kaltim Utama I (PKU), PT Energi Baru TBS (EBT), PT Karya Baru TBS (KBT/Electrum) and PT Solusi Bersih TBS (SBT)

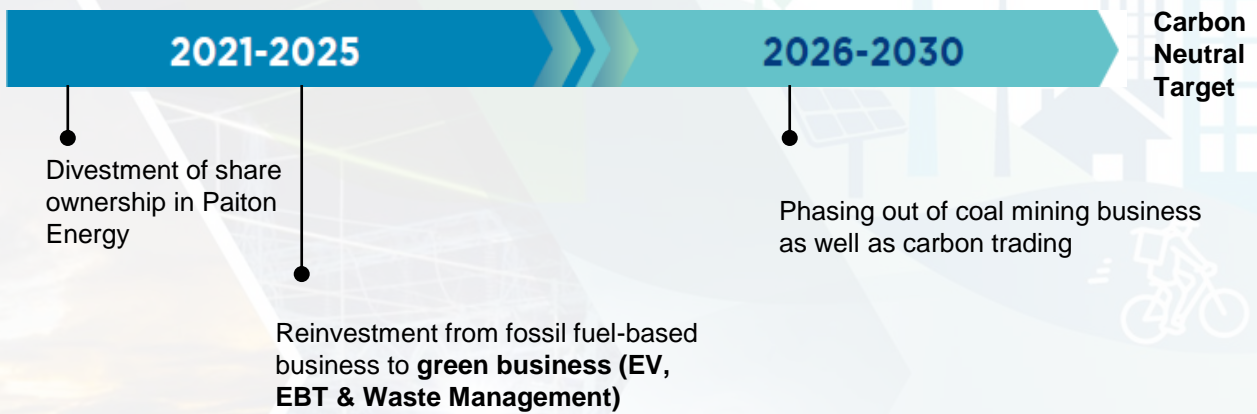
(c) EBITDA Adjusted = Operating Income + Depreciation & amortization expenses + PLN billed receivables + Domestic Market Obligation + Others

# Growth & Diversification Strategy

## Towards a 2030 Carbon Neutrality

The company is firmly committed to propelling Indonesia's shift towards sustainable energy. In line with this dedication to sustainable growth, our aim is to attain carbon neutrality by 2030, aligning with Indonesia's Net Zero Carbon 2060 objective. We steadfastly integrate Environmental, Social, and Governance (ESG) principles into our business and investment practices, underscoring our unwavering commitment to sustainability.

In 2023, our primary focus remains on reallocating profits from our fossil fuel-based operations towards our waste management, Renewable Energy and Electric Vehicles business. Moreover, from 2026 to 2030, we are strategically planning to phase out our existing coal mining ventures while exploring carbon trading mechanisms to mitigate our emissions. These initiatives are geared towards achieving our ambitious goal of carbon neutrality by 2030.



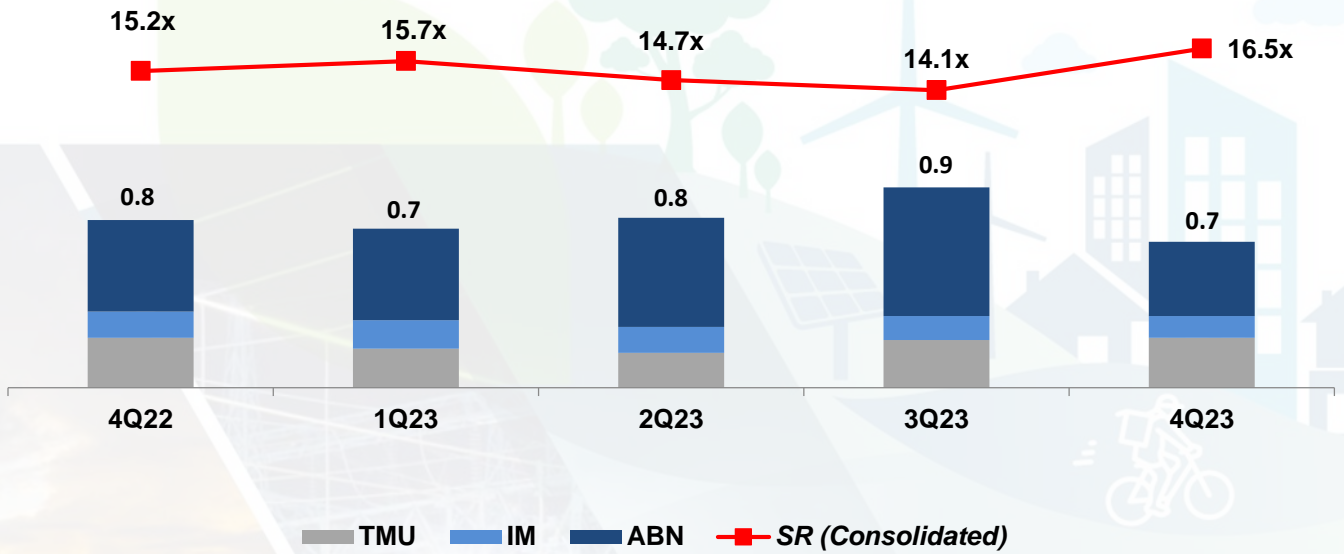
Renewable energy, electric vehicles, and waste management will be the company's primary growth pillars. The company plans to utilize the cash proceeds from our coal business, steady cash flow from our power plant operations to be reinvested into its future green business.



# Coal

## COAL MINING

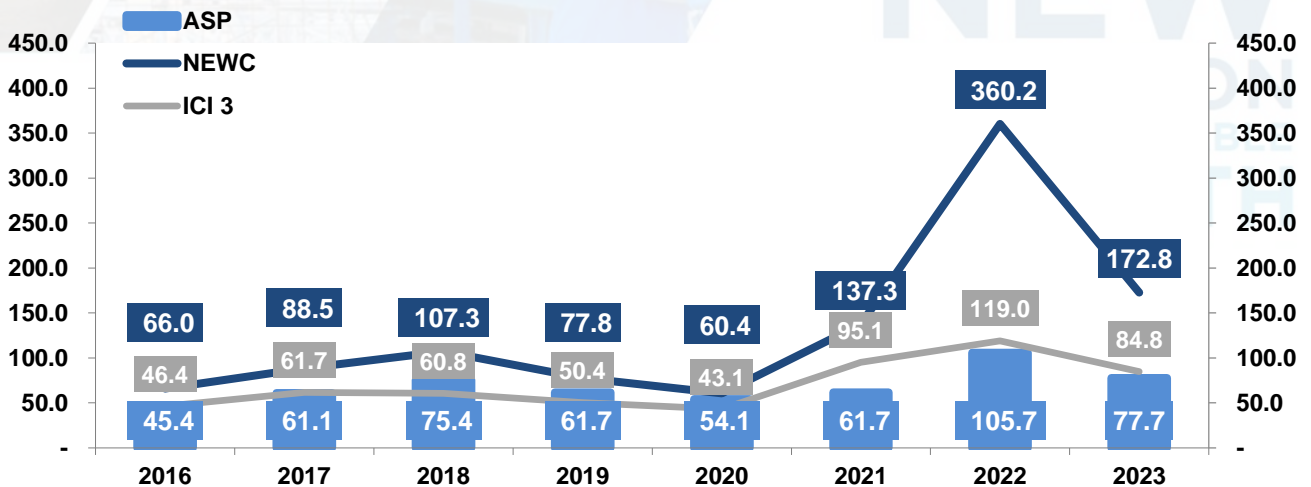
In the fiscal year ending December 2023, the Company achieved a production volume of 3.1 million tons, primarily driven by the collective efforts of its three mining subsidiaries: ABN, TMU, and IM. ABN stood out as the leading contributor, accounting for 61% of the total production volume, followed by TMU and IM at 26% and 13%, respectively.



Stripping Ratio in 4Q23 SR (16.5x) was slightly increased by 16.9% than in 3Q23 (14.1x) due to mining sequence activities at IM and TMU during the period, and y-o-y SR was 8.5% higher than in 4Q22 (15.2x).

The coal mining output of ASP witnessed a decline of 26.5% from US\$105.7 per ton in 2022 to US\$77.7 per ton in 2023. Nevertheless, this decline was still better than the correction of 52% in the NEWC Index, which plummeted from US\$360.2 per ton in 2022 to US\$172.8 per ton in 2023. Similarly, ICI 3 also witnessed a considerable decrease of 29% from US\$119.0 per ton in 2022 to US\$84.8 per ton in 2023.

NEWC Index Price vs ASP (US\$ per ton)



# Coal

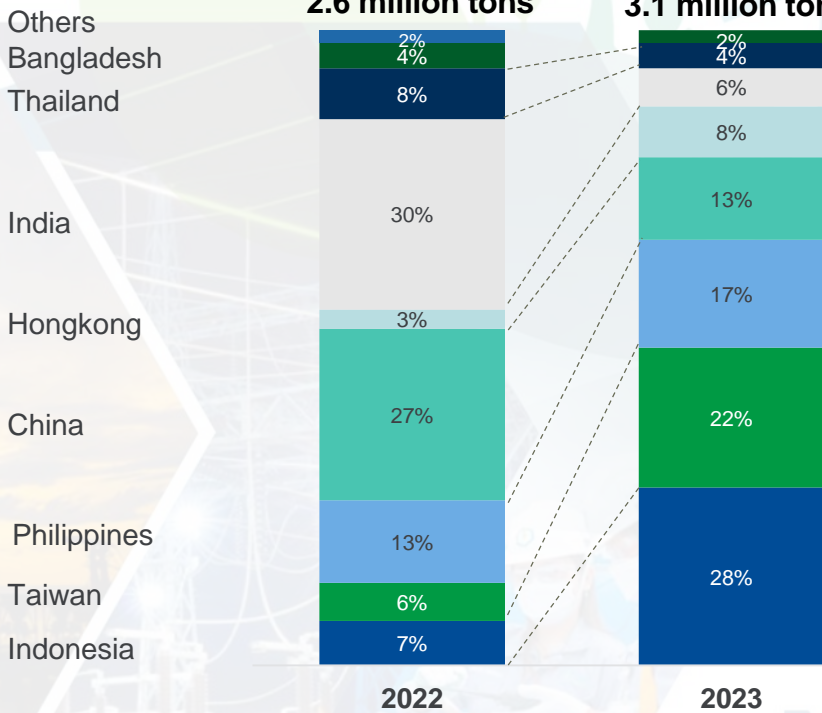
## COAL SALES

In 2023, the Company's coal sales were primarily concentrated in Indonesia, Taiwan, Philippines, and China, accounting for 80% of total sales volume. The composition of traders and end-users as a percentage of the total customer base shifted to 58% and 42%, respectively, compared to 84% and 16% at the end of 2022. Major international traders and end-users, including regional power plant companies, constituted the company's primary customers.

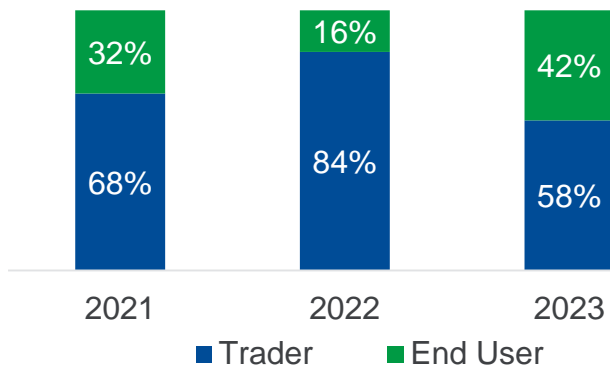
TBS is capitalizing on opportunities by significantly increasing its coal trading business sales volume, expanding it by 4.5 times from 2020 to 2023.

### Sales Destinations by Country

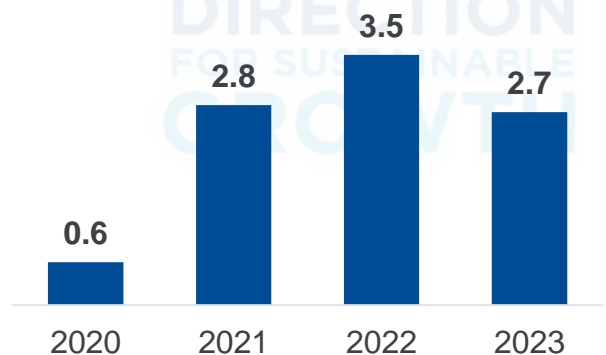
2.6 million tons      3.1 million tons



### Trader vs End User Composition (Based on volume sold)



### Volume Sales from trading





# Power Generation

PT Gorontalo Listrik Perdana

Sulbagut-1 2x50 MW –  
COD on December 31, 2021

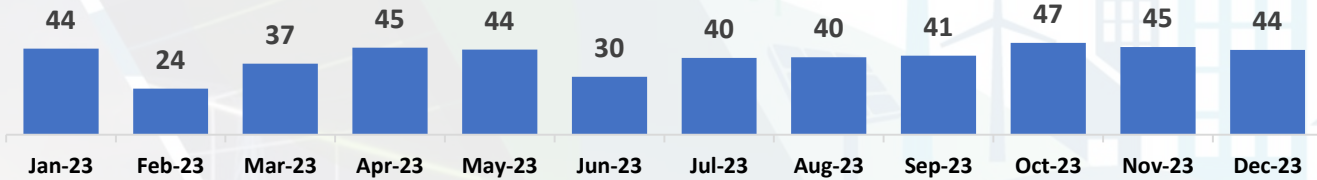
PT Minahasa Cahaya Lestari

Sulut-3 2x50 MW –  
COD on July 1, 2021

## PT Gorontalo Listrik Perdana ("GLP")

GLP was established in February 2016 to develop a Coal-Fired Power Plant project (CFPP) with a net capacity of 2x50 megawatts (MW) ("Sulbagut-1") located in the Gorontalo Province, Sulawesi. GLP is owned by the Company (80.0%) and Shanghai Electric Power Construction Co. Ltd ("SEPC") (20.0%). The COD certificate from PLN was issued on 31st December 2021, and the plant has been delivering power as planned in the PPA with the Total Output of the last twelve months until the end of December 2023, **481 Gwh.**

Total Output (in Gwh)



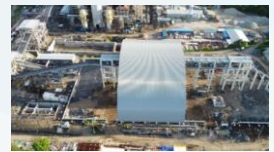
GLP Main plant



Main Building



GLP Coal Jetty

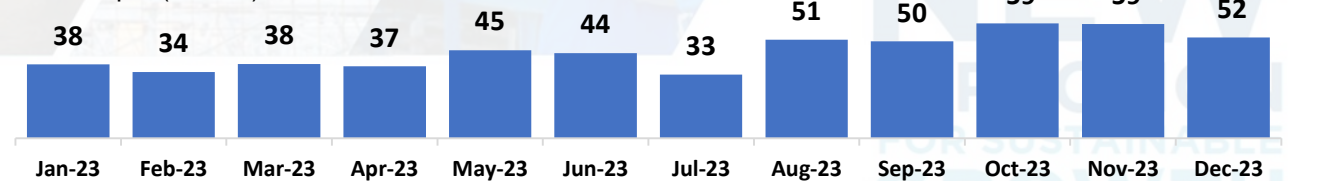


Coal Handling System

## PT Minahasa Cahaya Lestari ("MCL")

MCL was established in March 2017 and is owned indirectly by the Company (90.0%) and Sinohydro Corporation Limited ("SCL") (10.0%) to develop a 2x50 MW (Nett) CFPP Sulut-3 project in North Minahasa Regency, North Sulawesi Province. Sulut-3 has completed construction on time and achieved COD in July 2021. The plant has been delivering power as per plan in the PPA with the Total Output for the last twelve months until the end of December 2023, **538 Gwh.**

Total Output (in Gwh)



MCL Main plant



MCL Site Office



MCL Water System Operator

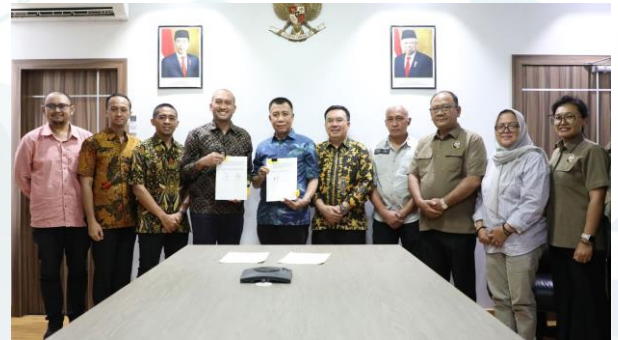
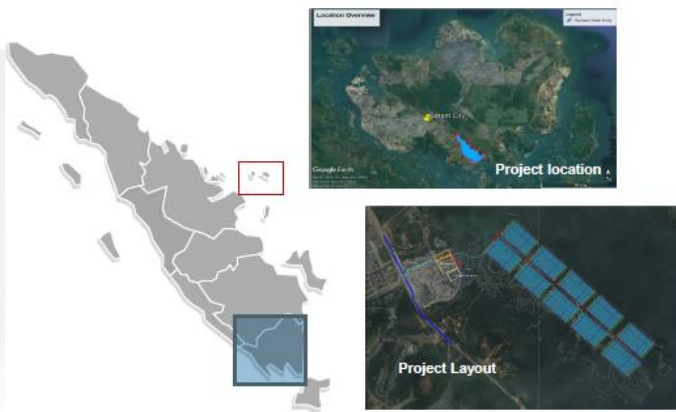


MCL Turbine #2

# Renewables

## PT Batam Tirta Surya ("BTS")

As part of the Company's strategic shift towards renewable energy, a joint venture (JV) was established with PLN Nusantara Power, with the Company holding a 49.0% ownership stake and PLN Nusantara Power holding 51.0%. This JV, known as BTS, is dedicated to the development of sustainable energy solutions. One notable project under this collaboration is the construction of a 46 MWp floating solar photovoltaic (PV) system utilizing the Tembesi Dam on Batam island. In February 2023, BTS secured a 25-year power purchase agreement (PPA) with PLN Batam, followed by the successful negotiation of a **rental concession for the Tembesi Reservoir with BP Batam in December 2023.**



Signing of Cooperation Agreement for Tembesi Reservoir with BP Batam

## PT Adimitra Energi Hidro ("AEH")

The Company acquired 49.0% stakes in AEH in December 2020 as part of the Company's strategic agenda toward renewable energy. AEH is developing a 2x3 MW Mini Hydro PLTMH Sumber Jaya project in Lampung Province. In February 2021, AEH signed a 25-year PPA with PLN and has successfully achieved financial close as of December 2021.

As of FY2023, AEH is positively progressing on the construction phase covering the tunnel, weir, and access road and is on track to reach COD by Mid-2024.



Tunnel Grouting Backfilling



Tunnel Excavation Outlet, Pouring concrete cyclops,



Weir Constructions

# ➤ Electric Vehicles

## PT Energi Kreasi Bersama (“Electrum”)

In 2021, PT Rekan Anak Bangsa and TBS established a joint venture, PT Energi Kreasi Bersama, under the brand “Electrum,” to develop and transform the electric vehicle ecosystem, covering electric motorcycle manufacturing, battery manufacturing technology, battery swap, charging station infrastructure, and financing.

By the end of 2023, Electrum continued its pilot process, delivering results while collecting extensive data to refine its business plan. Electrum has deployed 500 EVs bikes on the road, and 108 Battery Swap Stations to form a clear view of customer must-have specifications.



On June 23<sup>rd</sup>, 2023, Electrum inaugurated the groundbreaking of an electric motorbike factory in Cikarang. Electrum has finalized its business plan and technology partners for a mass rollout and to transform the EV ecosystem in Indonesia from manufacturing down to the required supporting charging infrastructure. **Electrum launch its owned commercial product named H5 in Q4 2023.**

### Key Operating Achievement



# 500

EV bikes on the Road



# 108

Battery Swap Stations installed

# Waste Management

## PT Solusi Bersih TBS (“SBT”)

TBS has established PT Solusi Bersih TBS, a sub-holding company dedicated to waste management, in July 2023, marking its entry into the waste management sector. As part of SBT expansion plan, throughout 2023 we have successfully closed two strategic acquisitions: in August 2023, we closed the acquisition of Asia Medical Enviro Services, a leading Singapore-based medical waste player, and in December 2023, we closed ARAH Environmental, an integrated waste management player in Indonesia with business interests across medical, commercial, industrial, electronic, and domestic waste. By diversifying its services, SBT aims to provide a one-stop solution for a broad spectrum of waste management needs, positioning itself as a key player in the regional waste management landscape.



### Solusi Bersih TBS

#### Singapore Based Medical Waste Management



Medical Hazardous Waste Management



#### Indonesian Integrated Waste Management Company

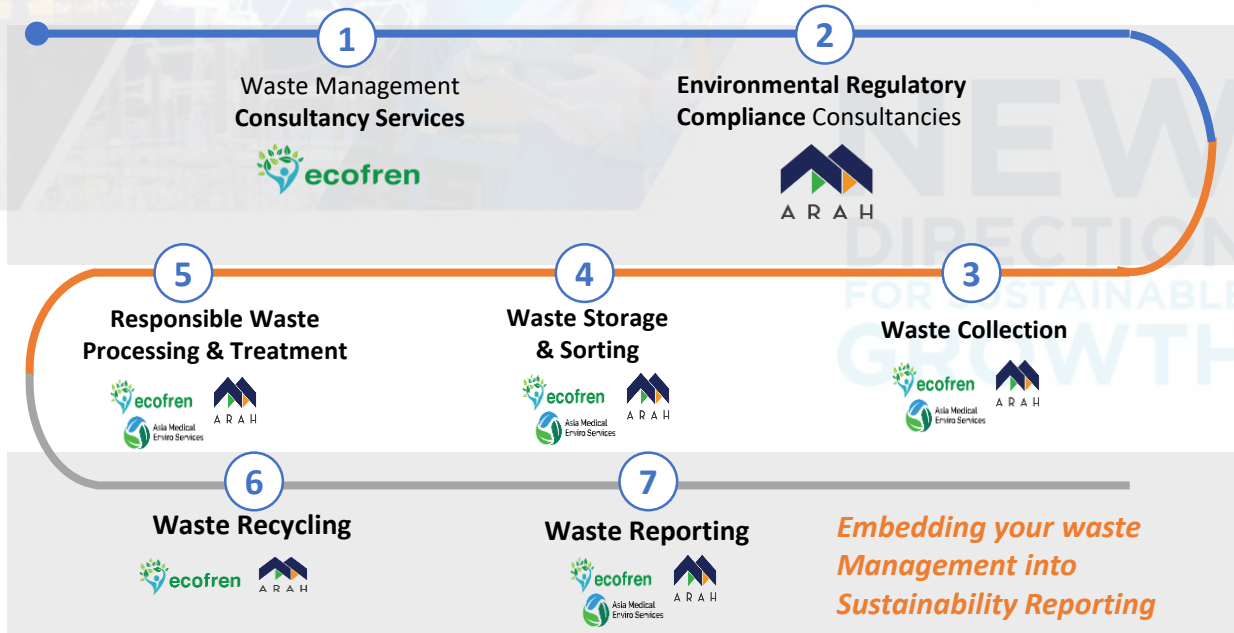


Medical & Commercial Hazardous Waste Management



Consultancies & Domestic Waste Management

Providing an integrated Waste Management Services Offerings:



# ➤ Financial

## PROFIT (LOSS)

### SALES

The Company recorded consolidated sales of US\$501.3 million in 2023, which were contributed by coal mining and trading amounting to US\$432.8 million, power generation at US\$59.2 million, and other sources at US\$9.3 million. The consolidated sales in 2023 decreased by 21% compared to those in 2022.

### COST OF GOODS SOLD

The cost of goods sold decreased by 12.5% year-on-year, mainly due to lower expenses for mining contractors linked to the ICI coal price index and mining activities.

### EBITDA

EBITDA adjusted<sup>a)</sup> decreased by 41.7% to US\$97.7 million, reflecting current market pressure on global coal prices. Despite this correction, our CFPP operations sustained the Company's positive EBITDA performance. Additionally, we anticipate growth in future EBITDA from our newly established waste management ventures.

### PROFIT FOR THE PERIOD

After accounting for finance income of US\$5.3 million, a finance cost of US\$38.0 million, and a tax expense of US\$12.0 million, the Company recorded a total profit for the period of US\$20.8 million in FY2023. This represents a year-on-year decrease of 77.8% from the previous period.

### FINANCIAL RATIOS

During FY2023, we witnessed declines in significant financial metrics. For instance, the gross profit margin decreased to 12.7% in FY2023. Nonetheless, our diversified portfolio played a pivotal role in reinforcing our resilience. Despite the decrease in both the EBITDA adjusted margin, down to 19.5%, and the operating margin, which declined to 13.1%, we effectively sustained profitability amid challenging market conditions.

**NEW  
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FOR SUSTAINABLE  
GROWTH**

#### Notes:

<sup>(a)</sup> EBITDA Adjusted = Operating Income + Depreciation & amortization expenses + PLN billed receivables + Domestic Market Obligation + Others

## BALANCE SHEET

### ASSETS

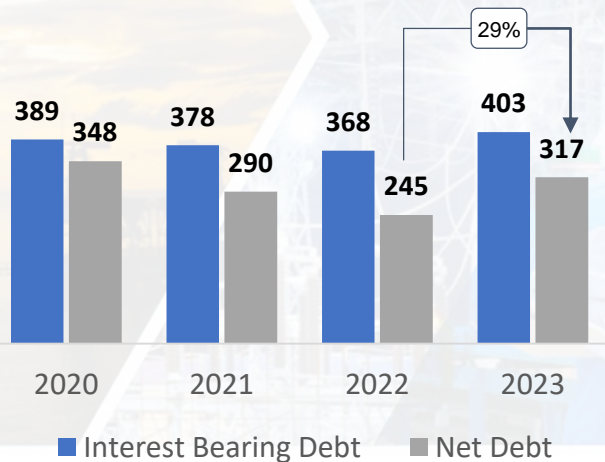
As of FY2023, total assets increased by 5.4% to US\$947.8 million compared to FY2022. This growth was primarily fueled by the acquisition of waste management companies AMES and ARAH, as well as long-term investments and mining properties. However, it was offset by a decrease in cash and cash equivalents. Our total assets have grown by more than 2.7 times since FY2017 (18% CAGR), amounting to a staggering US\$947.8 million by FY2023.

### LIABILITIES

As of FY2023, total liabilities increased by 10.2% to US\$524.2 million. The net debt rose to US\$316.9 million, primarily due to the issuance of bank loans to acquire productive medical waste management assets in Singapore, known as AMES. Despite this increase, our payment capability remains robust, with a healthy ratio of 3.2x Net Debt to EBITDA and interest payment coverage of up to 3.0x.

Moreover, our ability to meet debt obligations at the holding level, excluding Project Financing for PLTU, remains positive, with a value of 1.8x Net Debt to EBITDA and 2.7x Interest Coverage. These figures underscore our capacity to sustain growth and efficiently finance our future project development obligations.

Interest Bearing Debt and Net Debt<sup>(a)</sup>  
(US\$ million)



**TBS  
Consol**

Net Debt /  
EBITDA Adjusted



EBITDA Adjusted/  
Interest expenses



**TBS  
Holding**  
(Excluding  
Power  
Business and  
including Coal  
Business,  
Waste  
Management,  
Renewable  
Energy,  
Electric  
Vehicles and  
Plantation)

Total Debt /  
EBITDA Adjusted



EBITDA Adjusted/  
Interest expenses



### EQUITY

TBS has a good track record of positive growth. Equity has grown over 2.4x since 2017 to US\$423.7 million by FY2023 (16% CAGR).

Notes:

<sup>(a)</sup> Including cash and cash equivalents and restricted cash in bank.

## CASH FLOWS

### CASH FLOWS FROM OPERATING ACTIVITIES

Net cash flows operating activities in FY2023 generated US\$37.2 million, less than net cash provided by operating activities of US\$107.2 million in FY2022<sup>(a)</sup>. An increase in taxes impacted the operating cash flow temporarily. The additional positive cash flow from the waste management businesses would strengthen our future cash flow from operating activities.

### CASH FLOWS FROM INVESTING ACTIVITIES

Net cash flows used in investing activities in FY2023 of US\$101.8 million increased from net cash flows used in investing activities in FY2022<sup>(b)</sup> of US\$29.3 million. This was mainly due to the strategic acquisition of a medical waste management business.

### CASH FLOWS FROM FINANCING ACTIVITIES

Net cash flows provided by financing activities FY2023 is US\$9.9 million, higher than net cash flows used in financing activities FY2022 of US\$38.7 million. This was mainly due to proceeds from bank loans and bonds payable.



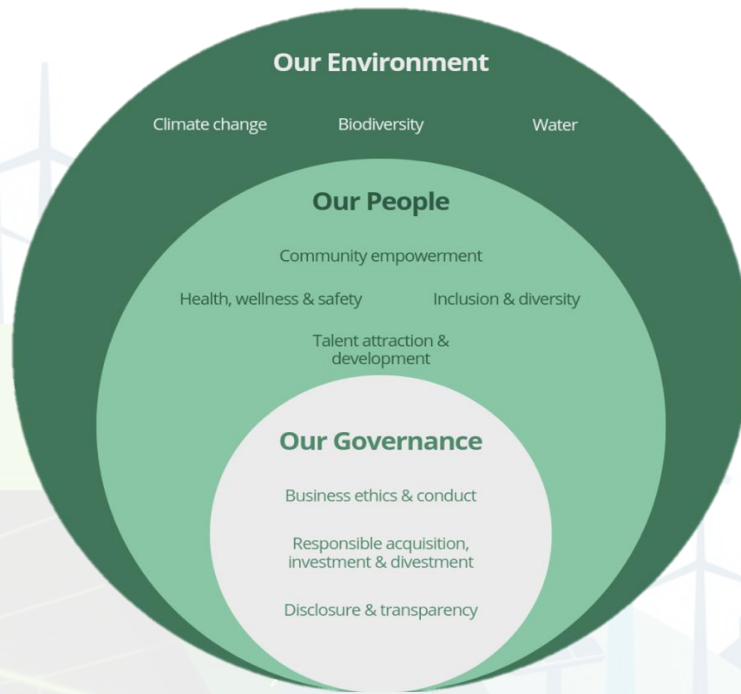
**NEW**  
DIRECTION  
FOR SUSTAINABLE  
GROWTH

**Notes:**

(a) Net cash flows from operating activities exclude payment of US\$14.0 million in 9M22 related to the Sulbagut-1 and Sulut-3 projects.

(b) Net cash flows from investing activities include payment of US\$14.0 million in 9M22 related to the Sulbagut-1 and Sulut-3 projects.

# Our approach to Sustainability



## TBS 2030 ambitions

### Environmental



#### Climate change

We will be **carbon neutral by 2030**, including by **increasing energy efficiency** across our operations

#### Biodiversity

We will **revegetate, and conserve** lands within our operations to restore to its origin habitat.

#### Water

We will **maintain the quality of water** used in our operations by targeting the treated water to be above national water quality standards

### Social



#### Community empowerment

We make a **positive contribution to the communities** in which we operate. In the sense of Just Transition, we will find **socially responsible solutions**.

#### Health, safety & wellness

We commit to **zero serious incidents and employee wellness** across our operations

#### Inclusion & diversity

We create an **equitable and inclusive** working environment which promotes diversity. We will strengthen the share of **women in all management** positions, aiming for 30% by 2030.

#### Talent attraction & development

We commit to enable our **people to grow alongside our business growth** and be **resilient to change** as part of our Just Transition initiative.

### Governance



#### Business ethics & conduct

We commit to uphold our **business ethics** and extends our supply chain. We use risk-based approach to ensure business runs in a responsible and transparent way

#### Responsible acquisition, investment & divestment

Our **growth is sustainable**. ~80% of our revenue will expected to come from **sustainable projects by 2025**.

#### Disclosure & transparency

We will continue to **proactively** promote the **adoption of the most recognized reporting standards** to increase our transparency.



# ➤ 2024 Guidance

- **Coal Mining Business Production**

The Company achieved 2023 production target of 3.1 million tons with an actual stripping ratio of 15.1, respectively. For 2024, the Company is targeting coal production of 3.0 – 3.5 million tons with stripping ratio of 12.5x – 13.0x.

- **Coal Sales**

The Company plans to continue building well-diversified market destinations and expanding its customer base for coal in 2024 while maintaining product quality and timely delivery, as well as optimizing the current favorable coal price into the Company's ASP.

- **Coal Fired Power Plant**

We expect our Coal Fired Power Plant business will continue on providing a stable cash flow to our business given our current Take-or-Pay Power Purchase Agreement with PLN. We expect EBITDA from our Coal Fired Power Plant to be stable at ~US\$60-US\$65 million going forward

- **Electric Vehicles**

We anticipate launching an additional product line, Electrum H3, by 2024, as part of our ongoing efforts to expand our market presence. We remain committed to building upon the positive trajectory of our current user base and aim to further increase our user base in the future.

- **Waste Management**

In 2024, we anticipate growing our Singapore Medical Waste Business by securing new contracts and ensuring the delivery and renewal of existing ones. Additionally, we plan to continue expanding our Indonesian business while applying cost discipline learned from our operations in Singapore. We anticipate that the financial results generated from waste management in both Singapore and Indonesia will grow by 7-10% by the end of 2024, and will be reflected in our overall financial results.

- **Renewables**

In 2024, we anticipate and target for us to secure few additional PPAs especially across Solar Power Plant, Wind and Hydro. At the time of the writing of this report, we have successfully secured a Power Purchase Agreement with PLN Batam for a 46 MWp Floating Solar Power Plant.

- **Investments**

The Company spent US\$84.4 million on investments in 2023. The majority of the investments was allocated for our Waste Management Acquisitions. In 2024, the Company will continue on its transition strategy with investment to be allocated for Electric Vehicle business, Renewable Energy and Waste Management in line with the Company's Green Energy ambitions. In relation to the Company's commitment to achieve carbon neutrality in 2030, the Company is targeting to spend up to US\$500 million until 2025 across renewable energy, Electric Vehicles and Waste Management.

- **Growth**

The company is fully committed to pursuing its vision by continuously exploring opportunities to source potential projects and brownfield/operating assets. We are continually looking into waste management, renewable energy and Electric Vehicles ecosystem businesses.

# Snapshot of PT TBS Energi Utama Tbk

PT TBS Energi Utama Tbk is a publicly listed integrated energy company with 4 core business pillars covering Coal Mining & Trading, Plantation, Power Generation and Sustainable Centered Business.

The Company currently operates through its subsidiaries which are:

## Coal Mining & Trading

- PT Adimitra Baratama Nusantara (ABN)
- PT Indomining (IM) (indirectly through PT Toba Bumi Energi (TBE))
- PT Trisensa Mineral Utama (TMU)
- PT Adimitra Baratama Niaga (Adimitra Niaga)
- Adimitra Resources Pte. Ltd. (Adimitra Resources) (both indirectly through ABN),

## Plantation

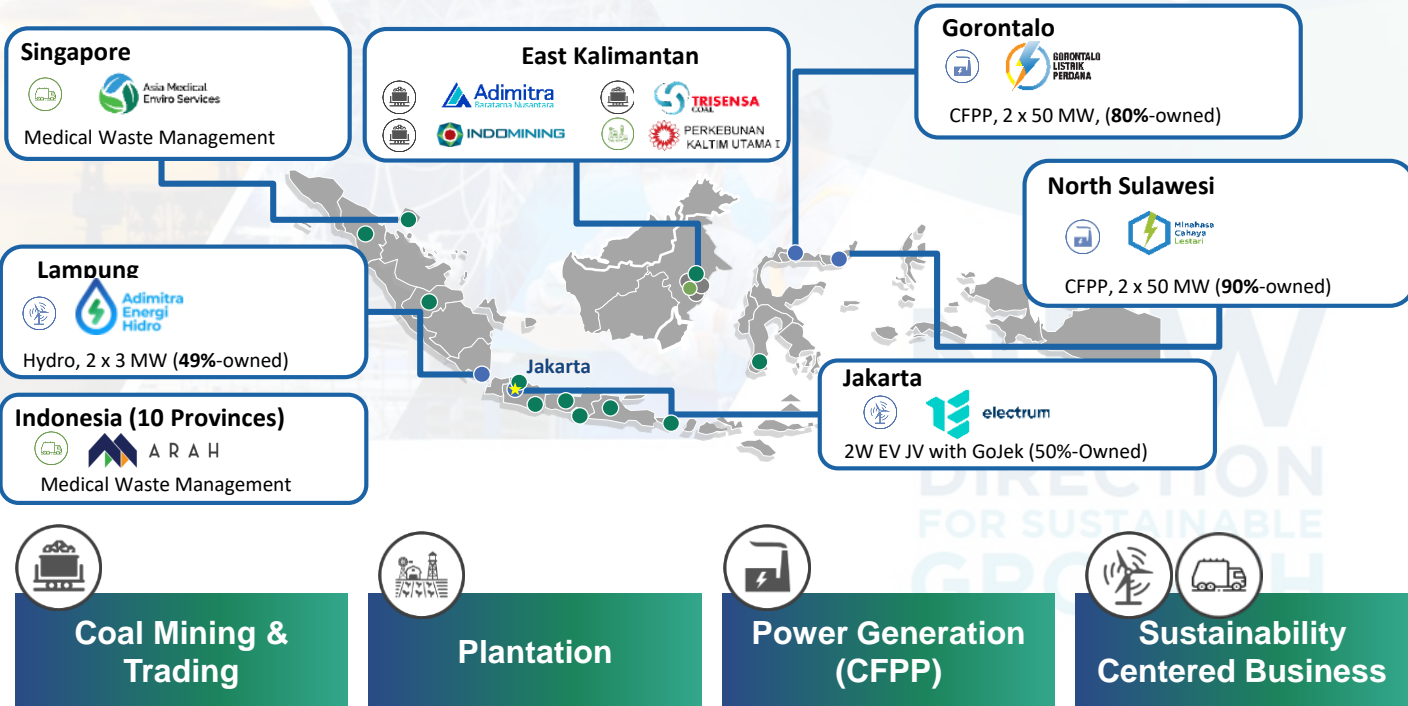
- PT Perkebunan Kaltim Utama I (PKU)

## Power Generation (CFPP)

- PT Gorontalo Listrik Perdana (GLP)
- PT Minahasa Cahaya Lestari (MCL) (indirectly through PT Toba Bara Energi (Toba Energi))

## Sustainable Centered Business (Renewable, Electric Vehicle & Waste Management)

- Asia Medical Enviro Services Pte. Ltd
- PT Arah Environmental Indonesia
- PT Bayu Alam Sejahtera
- PT Karya Baru TBS (indirectly through PT Toba Bara Energi (Toba Energi))
- PT Energi Karya Bersama (PT EKB)
- PT Adimitra Energi Hidro (Minority Ownership)



## Contact Us

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