

# Analysts Meeting 1Q25 Performance Result

16 May 2025



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# Highlights



# ITM 1Q25 highlights

## Operational Performance



**Production**

**5.3 Mt**

2% QoQ / 7% YoY



**Sales**

**5.9 Mt**

-15% QoQ / 18% YoY

## Financial Performance



**Revenue**

**\$483 Mn**

-25% QoQ / -1% YoY



**Net Profit**

**\$66 Mn**

-35% QoQ / 8% YoY

## IMM and JBG received Green PROPER Award from Ministry of Environment



IMM and JBG, subsidiaries of ITM, have been honored with the Green PROPER Award in recognition of their successful implementation of sustainable environmental practices.

## IMM handed over 1,917 Ha of watershed rehabilitation area



IMM as one of ITM subsidiaries, remains committed to its responsibility in the watershed rehabilitation. In total, ITM has handed over a cumulative of 26,800 Ha.



# Softening the impact of the commodity downtrend



## Revenue maximization

- Achievement of sales volume target despite weakening demand
- Optimization of product pricing
- Strengthen third-party coal volume and impacts



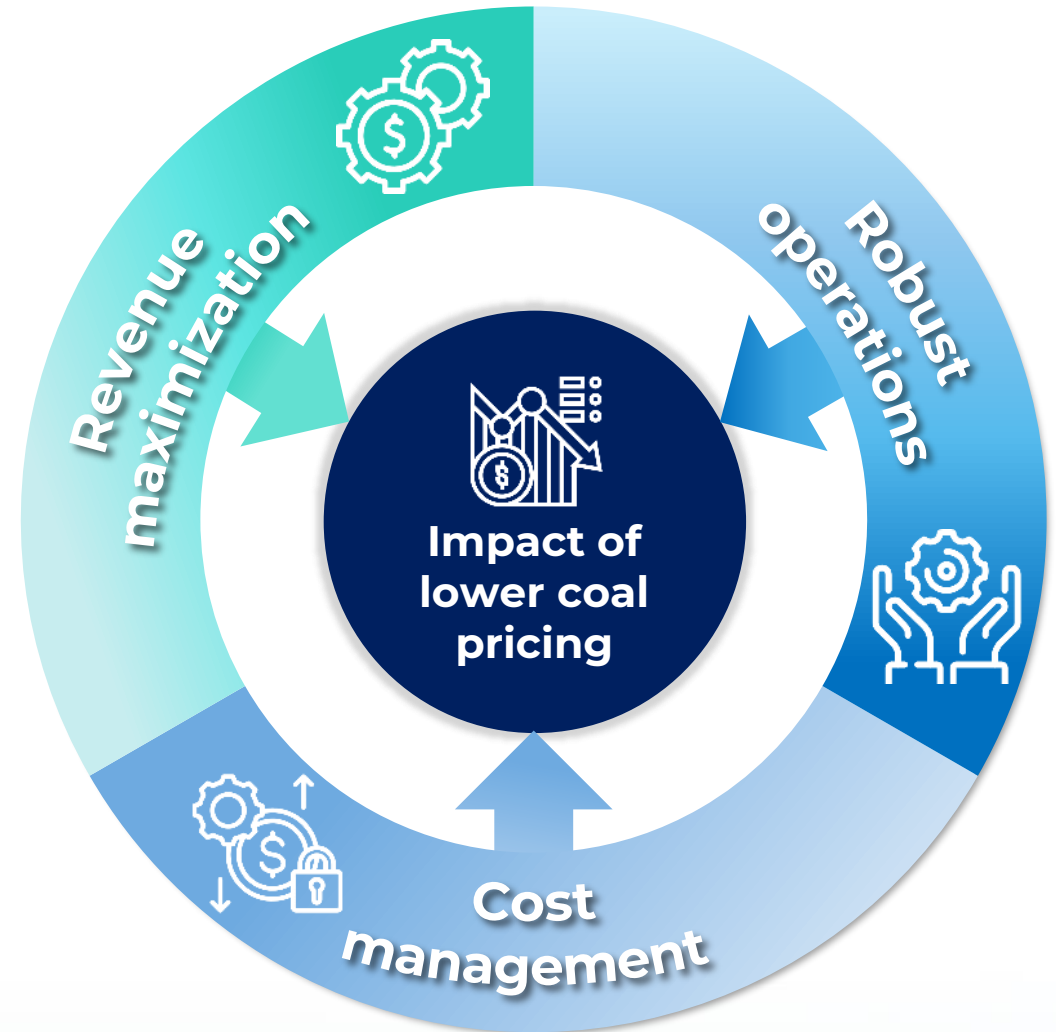
## Robust operations

- Operational excellence
- Achievement of key operational targets
- Better utilization of port and logistic operations



## Cost management

- Cost discipline and more prudent spending
- Identify any cost-saving potential.



# Revenue maximization to drive profitability upward

## Pricing optimization initiatives



**Strategically focus on premium market** to harness our coal quality as a competitive advantage.



**Utilize coal blending capability** to achieve desired coal quality for better pricing.

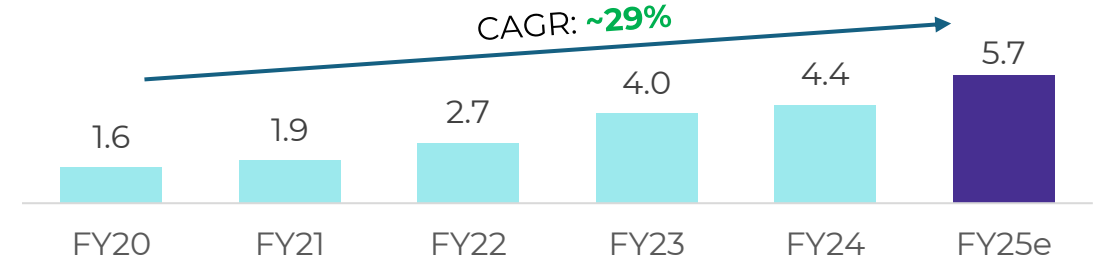


**Strictly maintain coal quality inspection standards** to ensure delivered coal specifications as per contract.

## Increase our competitiveness through third-party coal

Sales volume from third-party coal can help to **boost top-line revenue, enhance profitability, and help meet diverse customer needs.**

Unit: Mt



**ITM established an integrated trading platform** to leverage its infrastructure and coal trading expertise by focusing on three key areas: **(1) increasing volume, (2) optimizing blending, and (3) generating more revenue streams.**



**Coal purchase module** enables ITM to maximize sales volume and coal quality while capturing higher margins through strategic coal blending.



**Offtake module** enables ITM to secure a fixed volume of coal supply from suppliers.



**Logistics module** enables ITM to offer better shipping term to secure cost-effective shipping solutions and enhance delivery reliability.

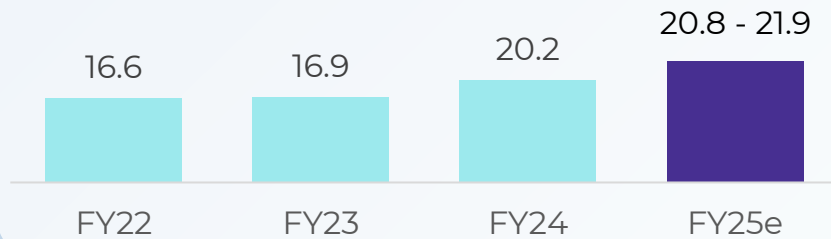


# Robust operations to reinforce the business performance

## Solid mining operations

Production volume trend

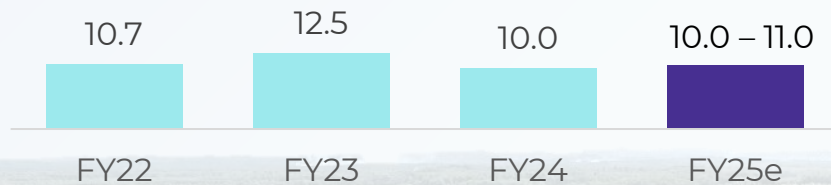
Unit: Mt



Increasing trend of the production target, with FY25 volume to increase by 3-8% YoY.

Stripping ratio trend

Unit: x



Controlled stripping ratio at 10-11x level with increasing trend of production.

## Supply chain optimization



Establish **higher buffer stock level** to safeguard against disruptions and enhance blending flexibility.



**Short-term supply chain optimization** enables optimal coal blending, improving margins and allowing our products to meet dynamic market preferences.

## Coal washing initiative



**Very high ash**  
~40-45%



**Normal level**  
~5-8%

**Coal washing at TCM creates an innovative value addition to existing products**

by converting very high-ash coal into high-quality coal that meets market standards and thus secure more favorable pricing.





# Cost management to boost margin and cost effectiveness



## Cost-conscious, efficiency-driven mindset

ITM continuously reviews all costs and implements prudent cost management to maintain strong cost discipline.

### Manage uncontrollable cost pressures

Minimize the impact of the external volatility and uncontrollable cost



**Efficient fuel consumption** to soften the rising of fuel cost.



**Currency risk management** to mitigate the impact of exchange rate fluctuations.

### Implement internal cost efficiency

Pursue cost efficiency while ensuring productivity remain uncompromised



**Enhance mining cost efficiency** by optimizing mining sequences and stringent control of key operational indicators.



**Reduce overhead expenses** by cutting non-essential costs and controlling essential expenditures.

### Identify new areas for cost optimization

Proactively explore and unlock cost-saving opportunities



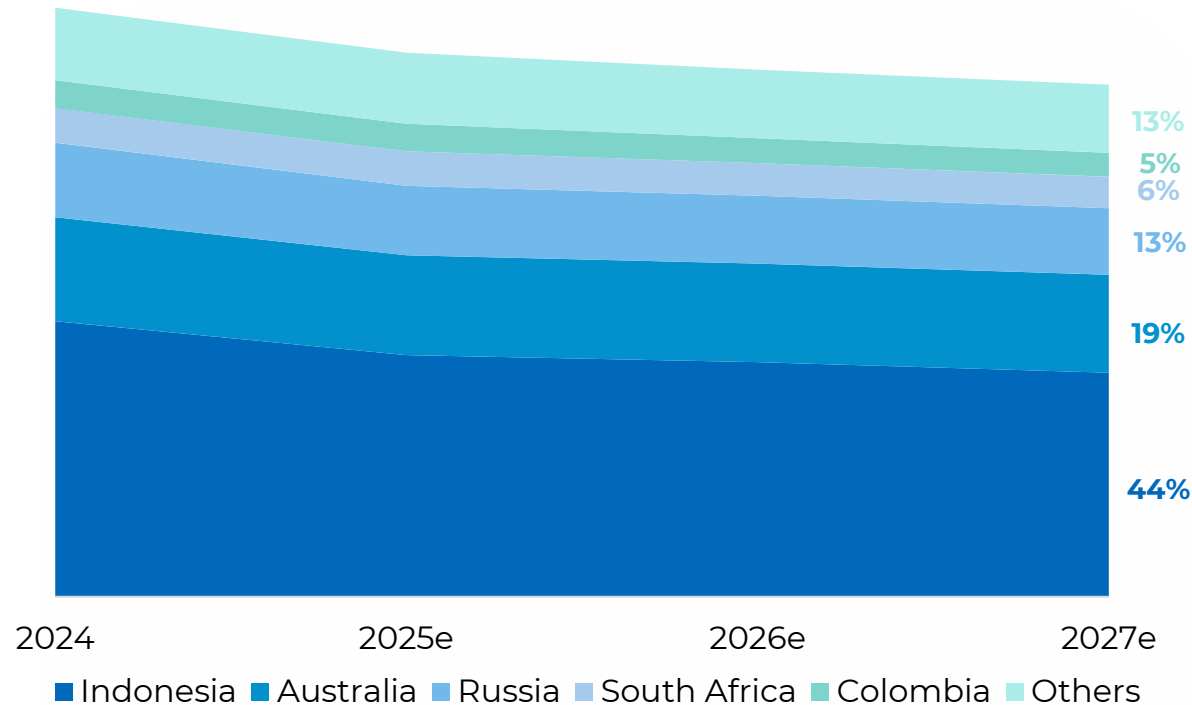
**Expand supplier options** by improving price competitiveness and flexibility.



**Optimize capital expenditure** by prioritizing key projects and improving asset utilization.

# Opportunities in Indonesia: tailwind in the coal industry

## The biggest coal exporter across the globe

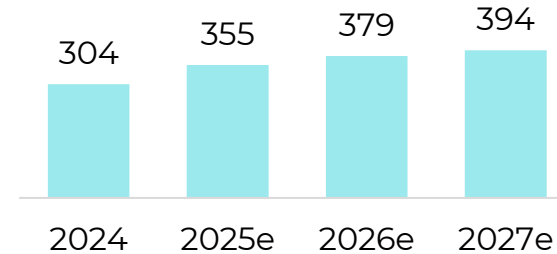


Source: IEA

Indonesia is projected to remain the **world's biggest coal exporter**, contributing to almost 50% of global thermal coal exports.

## Electricity output from coal

Unit: TWh



Source: PLN

Indonesia electricity generation from coal is still projected to grow, reflecting **stronger coal demand**.

## What's next: growth catalysts



**Indonesia population** is projected to **grow** from 284Mn in 2025 to **329Mn in 2050**.



Indonesia GDP will keep growing and ranks among **the top 5 global economies** in 2050.



Indonesia **shifted to coal phase-down**, from coal phase-out, signaling reliance on coal use.

Source: BPS, Goldman Sachs and national news



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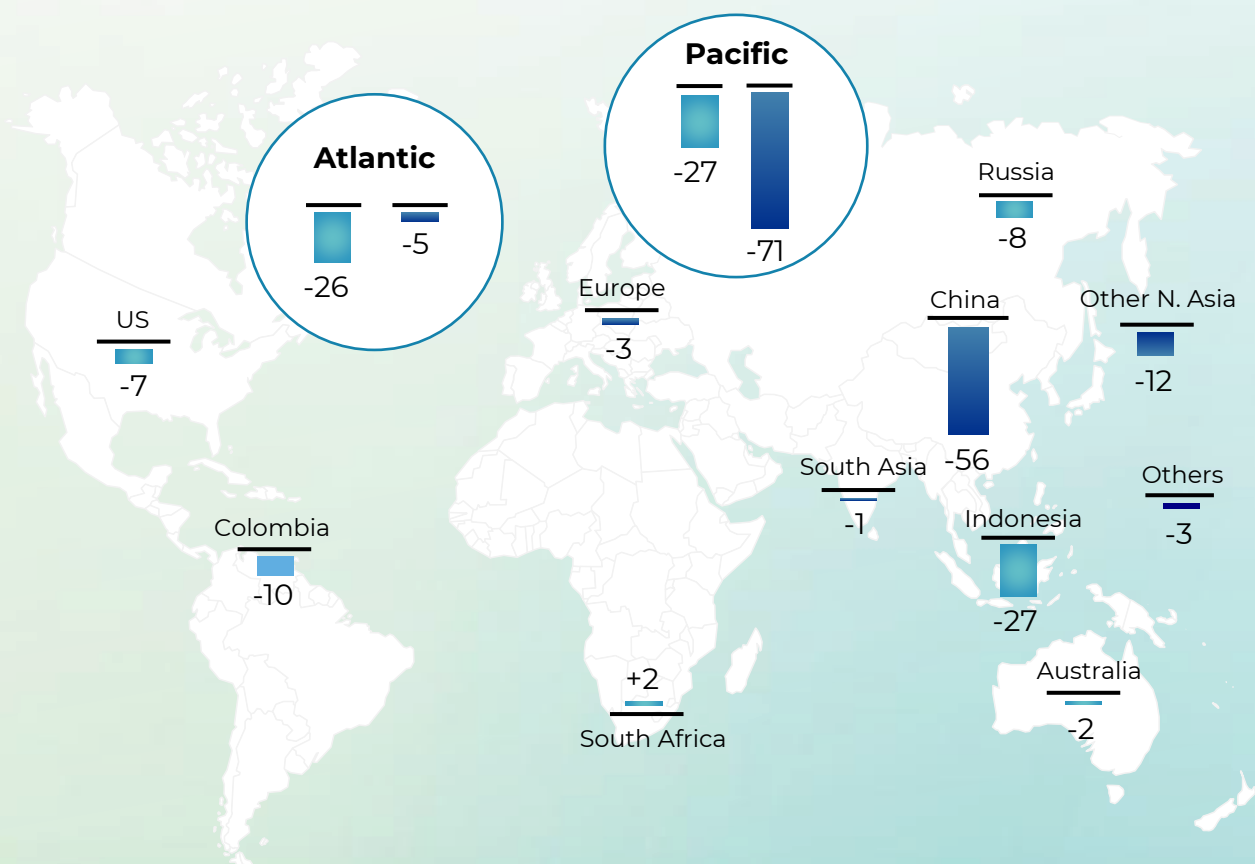
# Coal Market Trends

# Global thermal coal market

## Coal demand and supply change – 2025e vs 2024

Unit: Mt

■ Demand ■ Supply



Note: JKT = Japan, South Korea and Taiwan

## Demand trends

Global markets remain volatile amid trade and geopolitical tensions; higher tariffs weigh on industrial output and coal demand, with US policy adding further pressure.

- **China:** Lower thermal coal import forecasts due to weak demand, robust domestic supply, and rising renewables. Trade tensions risk further slower demand.
- **India:** Q2 coal demand lifted by heatwaves, but annual imports may fall on soft industrial activity and strong domestic supply. US tariffs have minimal impact on India.
- **JKT <sup>(1)</sup>:** Coal use curbed by weak power demand, strong nuclear and solar output, and Taiwan's shift to gas-fired power generation.
- **Europe:** Q2 coal burn to stay above 2024 levels as coal remains cost-competitive versus gas, but annual decline expected from ongoing phase-out.

## Supply trends

Rising trade barriers are triggering some supply chain shifts, but production cuts remain limited, keeping global markets likely oversupplied in 2025, though low prices may force some supply out.

- **Indonesia:** Exports are slow amid softer Asian demand, new Indonesian pricing rules, and tariff uncertainties.
- **Australia:** Exports are steady, although some producers are starting to trim output.
- **Others:** Russian margins are squeezed by low prices and high costs. In South Africa, coal railings improve, but weak Indian demand limits exports. Colombian producers (Cerrejón and Drummond) are cutting output to stay competitive in Asia. US exporters face tariff-related challenges.

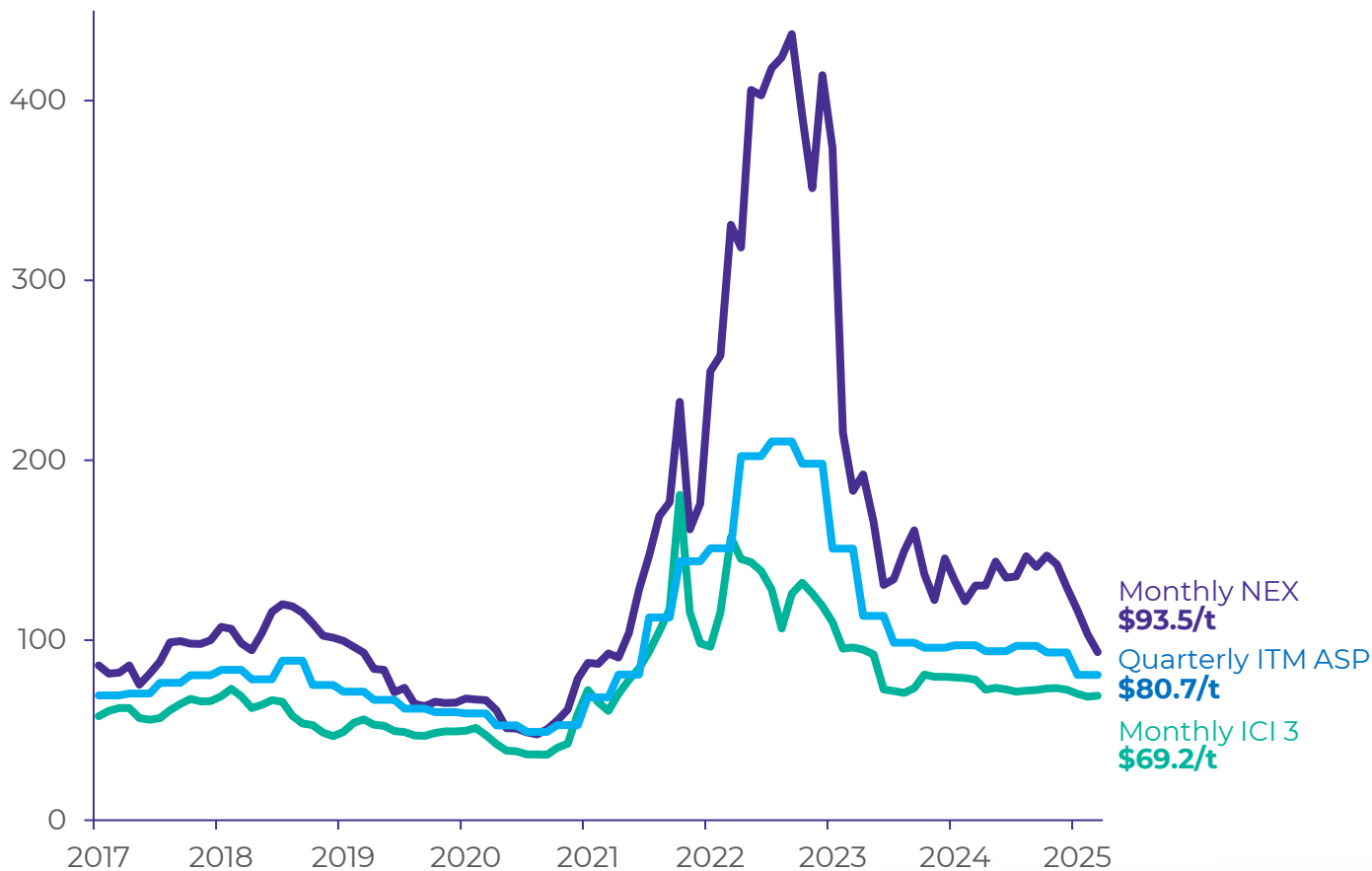


# ITM ASP vs thermal coal benchmark prices



## ITM ASP vs benchmark prices

Unit: \$/t



### ITM ASP

1Q25 **\$80.7/t** (-13% QoQ/-17% YoY)

02 May 2025

**NEX**  
**\$95.1/t**

**ICI 3**  
**\$62.5/t**



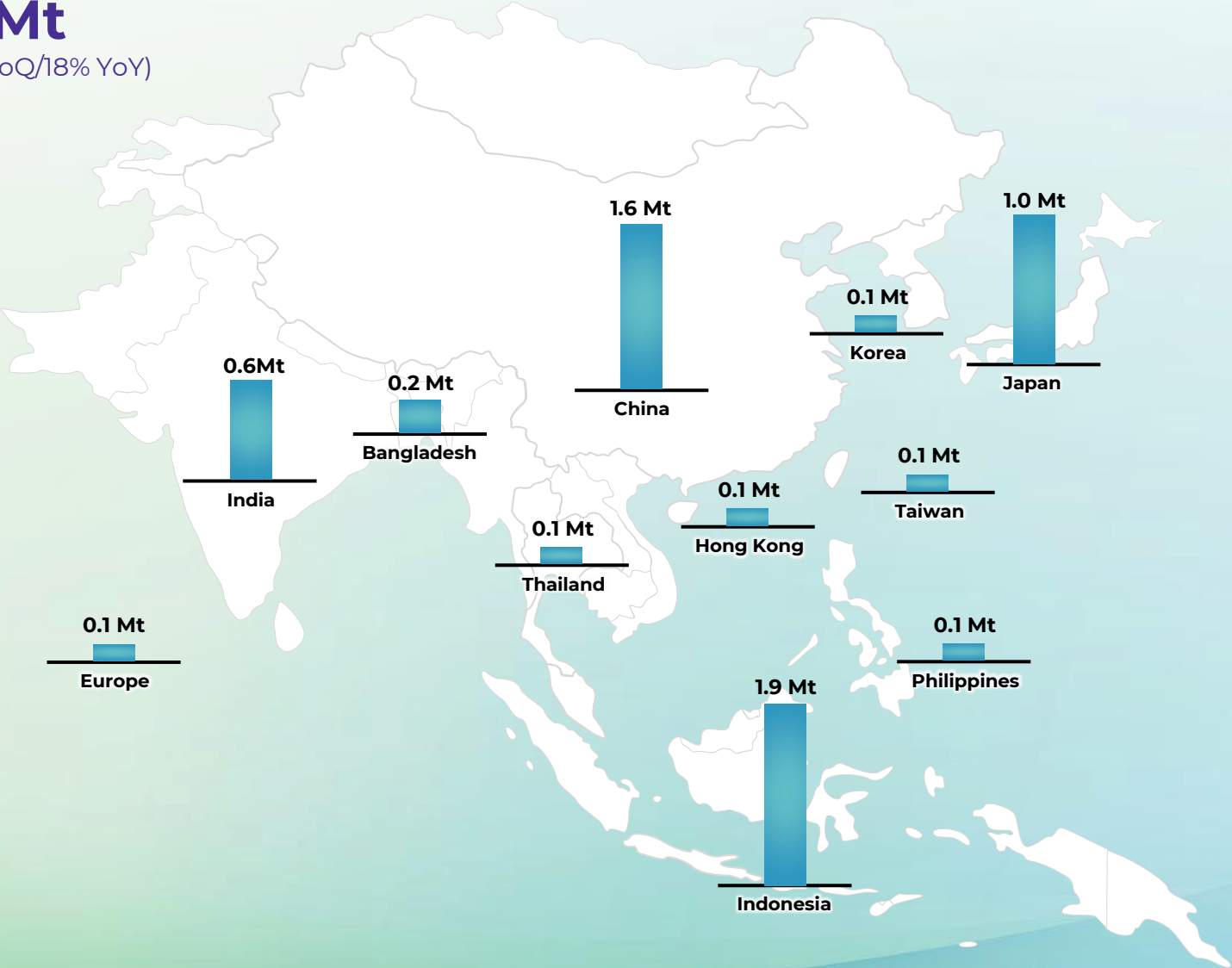
# ITM coal sales



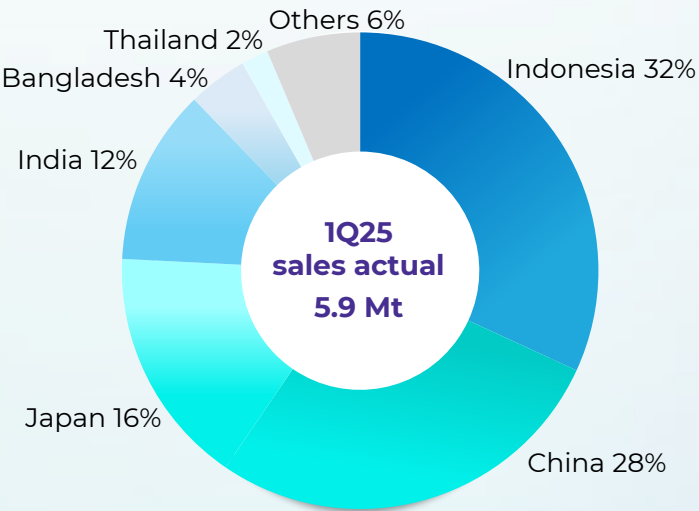
1Q25 coal sales volume based on sales destination

5.9Mt

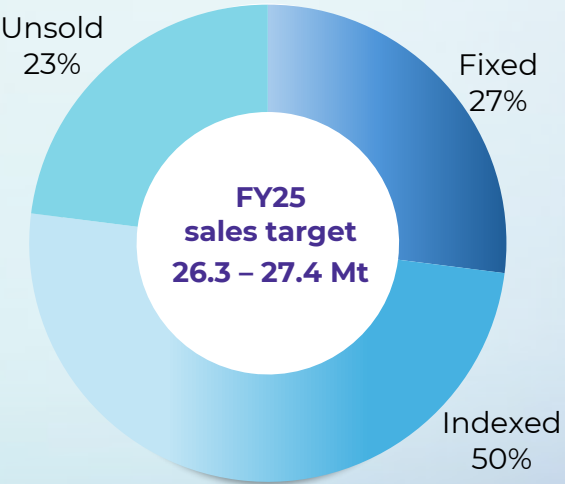
(-15% QoQ/18% YoY)



1Q25 coal sales %



FY25 Indicative coal sales





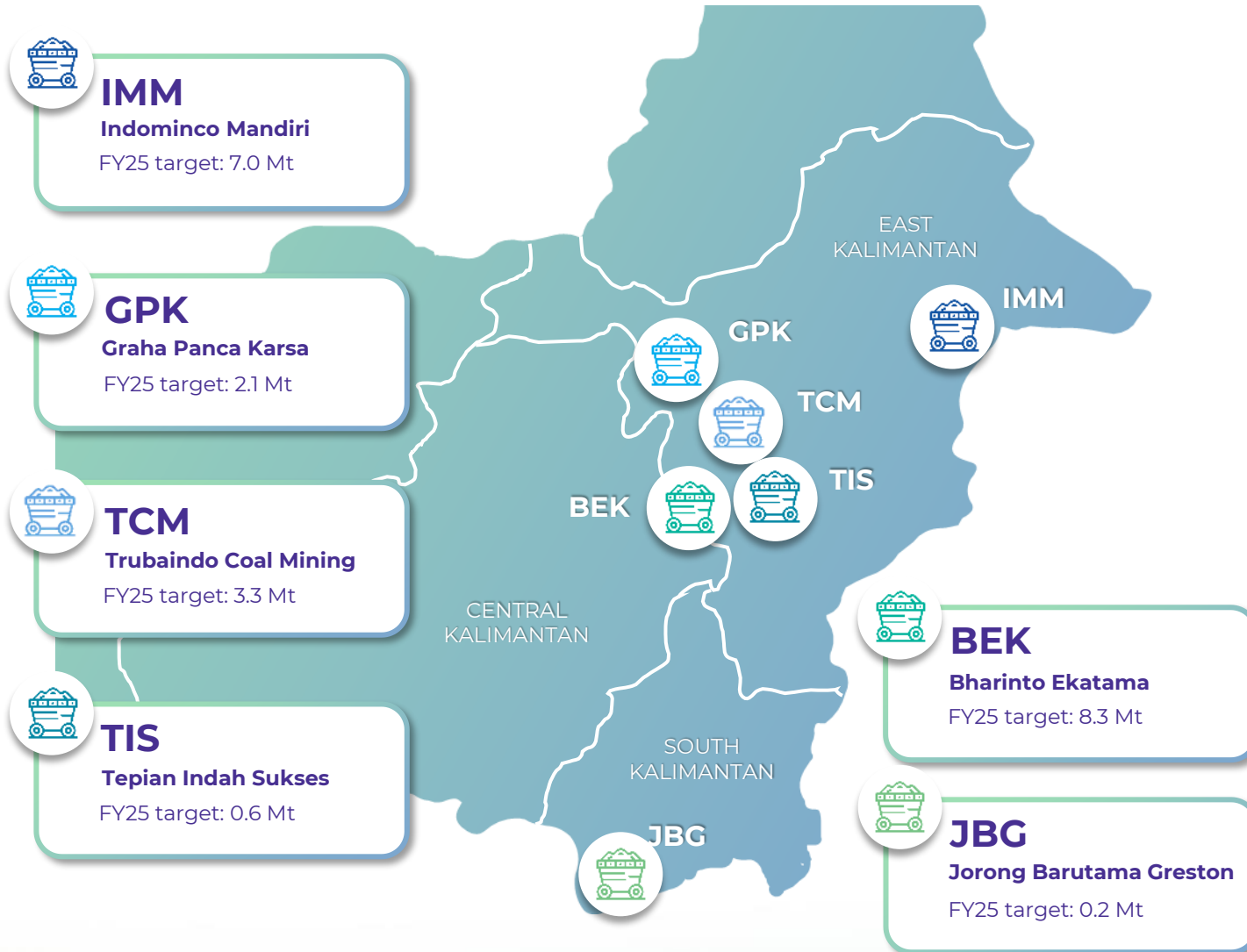
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# Operational Updates



# Coal mining operational summary



Note: Higher bound of production target is subject to further government approval.

## Target production

FY25: **20.8 – 21.9 Mt**

2Q25: **5.5 Mt**

## Coal production

1Q25: **5.3 Mt** 2% QoQ/ 7% YoY

## Strip ratio

1Q25: **8.8x** -9 QoQ/ -17% YoY





# Operational update – Indominco Mandiri

**IMM**

**Indominco Mandiri**

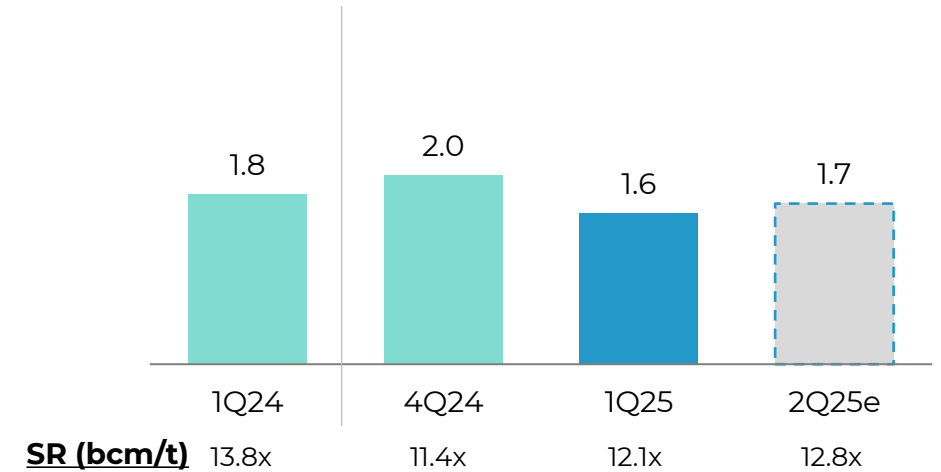
FY25 Target: 7.0 Mt

1Q25 Actual: 1.6 Mt

EAST  
KALIMANTAN



## Quarterly production (Mt)



- 1Q25 production achieved as according to target of 1.6 Mt with strip ratio of 12.1x.
- 2Q25 production is set higher than previous quarter at 1.7 Mt with strip ratio of 12.8x.

# Operational update – Trubaindo Coal Mining

## TCM

### Trubaindo Coal Mining

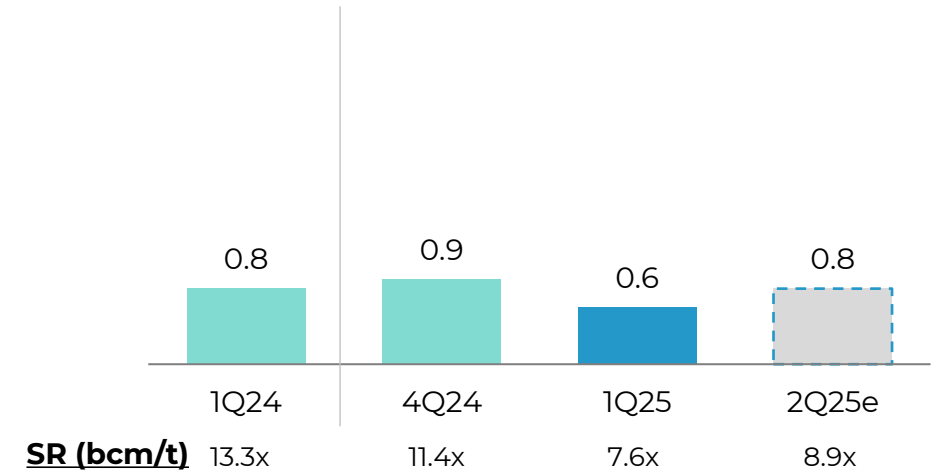
FY25 Target: 3.3 Mt

1Q25 Actual: 0.6 Mt

EAST  
KALIMANTAN



## Quarterly production (Mt)



- 1Q25 production was achieved as according to target of 0.6 Mt with lower strip ratio at 7.6x.
- 2Q25 production is targeted at 0.8 Mt with controllable strip ratio at 8.9x, following the higher production.

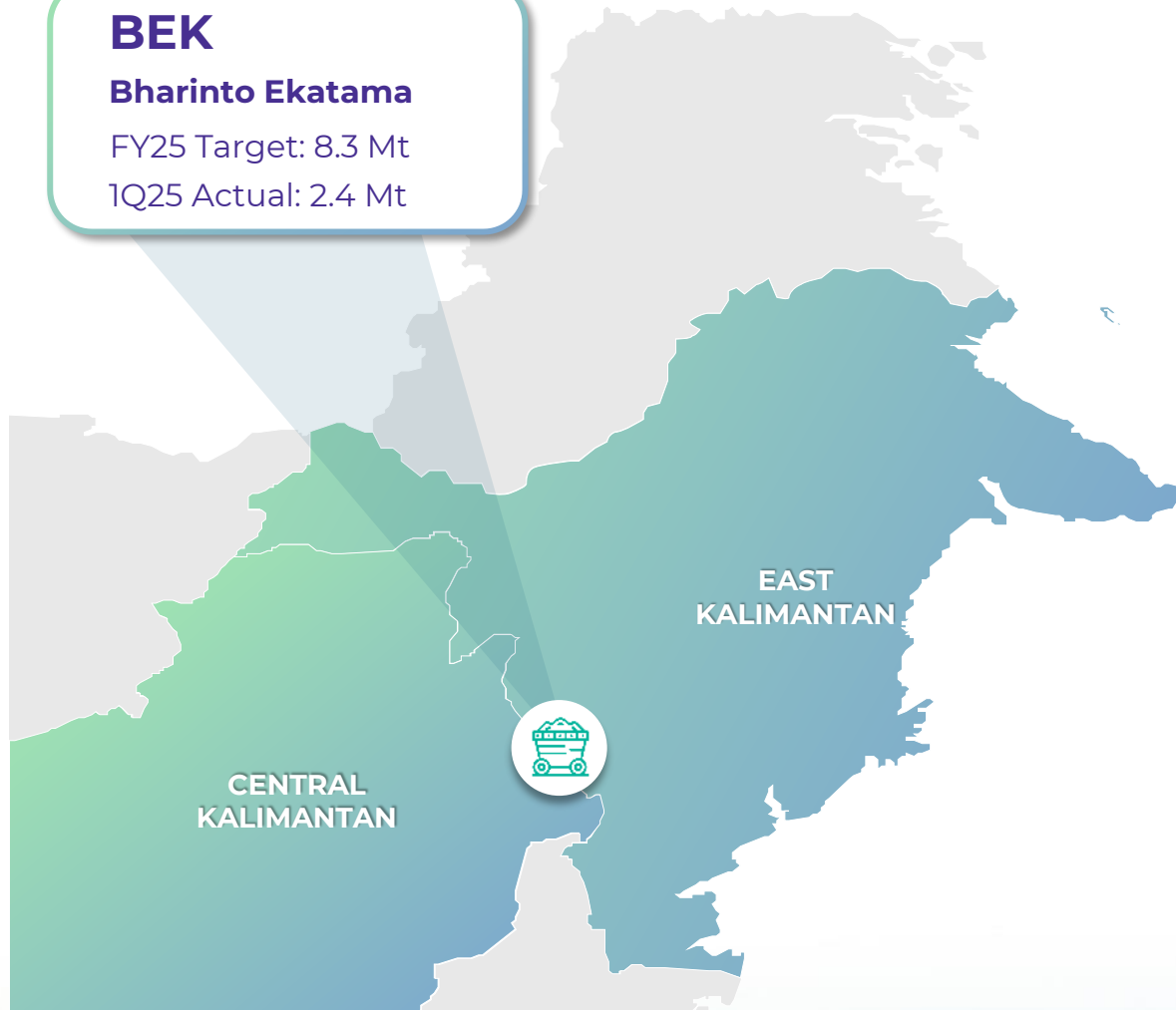
# Operational update – Bharinto Ekatama

## BEK

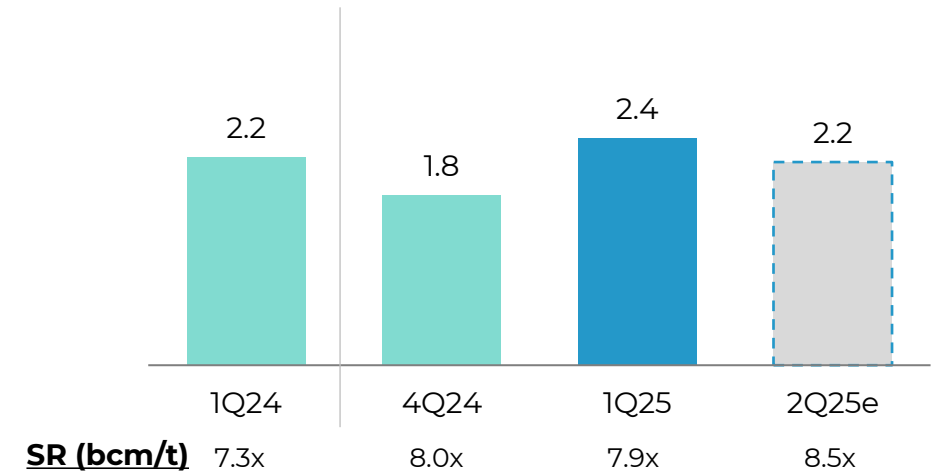
### Bharinto Ekatama

FY25 Target: 8.3 Mt

1Q25 Actual: 2.4 Mt



## Quarterly production (Mt)



- 1Q25 production surpassed the target at 2.4 Mt with lower strip ratio of 7.9x.
- 2Q25 production is targeted at 2.2 Mt due to heavier rainfalls as compared to 1Q25 with strip ratio of 8.5x.



# Operational update – other mines

## GPK

**Graha Panca Karsa**

FY25 Target: 2.1 Mt

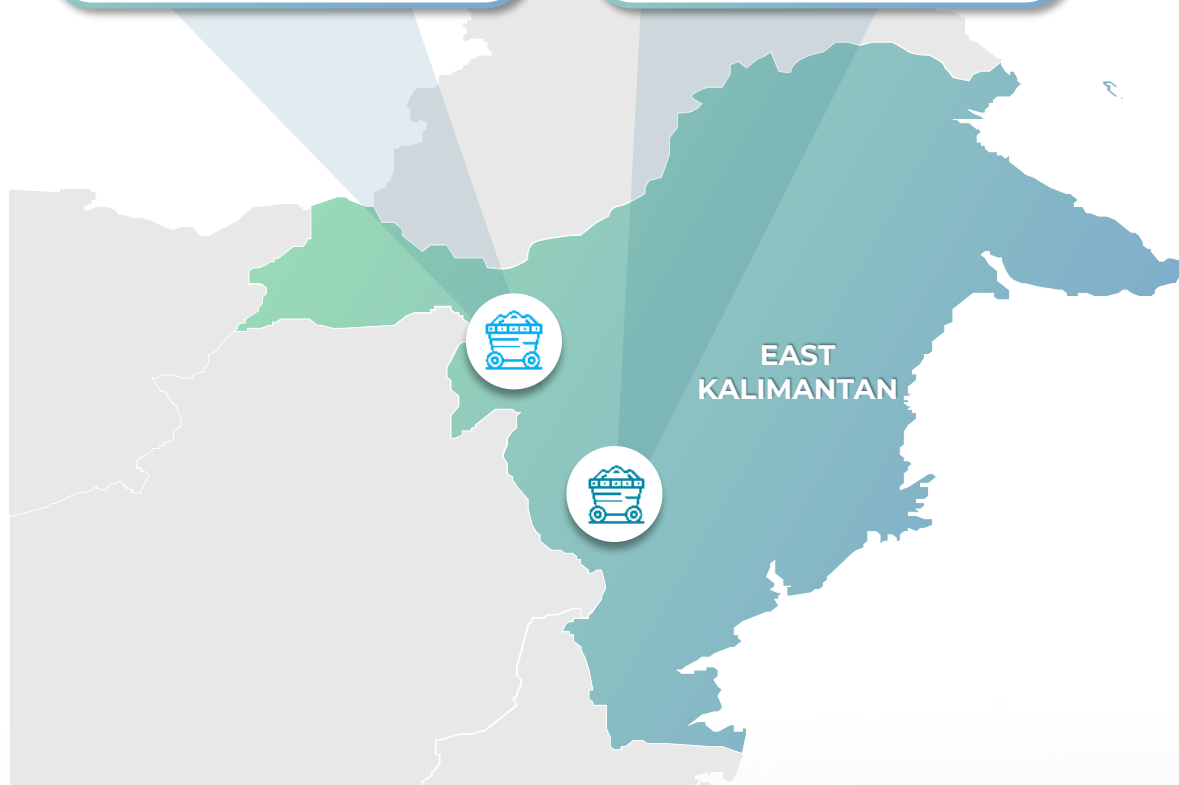
1Q25 Actual: 0.6 Mt

## TIS

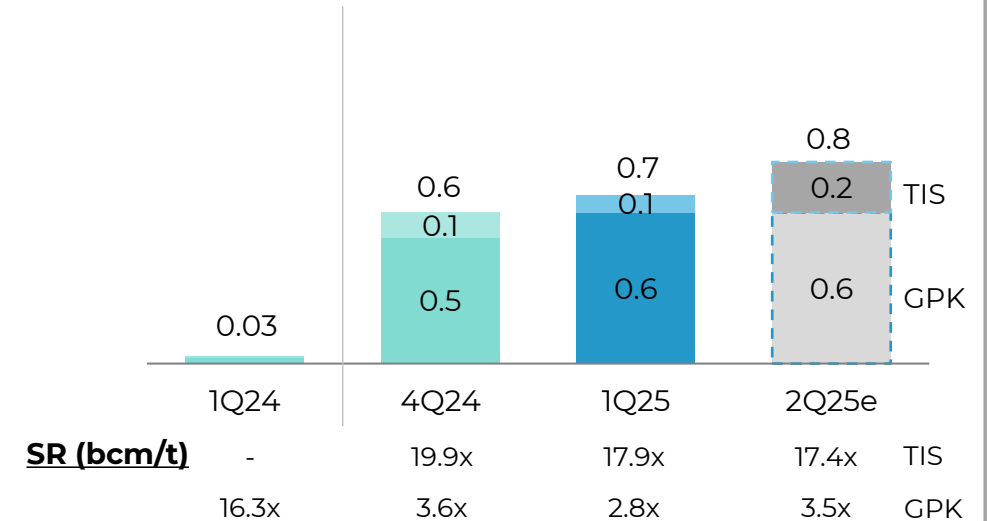
**Tepian Indah Sukses**

FY25 Target: 0.6 Mt

1Q25 Actual: 0.1 Mt



## Quarterly production (Mt)



- 1Q25 production of GPK reached the target of 0.6 Mt with strip ratio at 2.8x, while TIS also achieved the targeted production of 0.1 Mt with lower strip ratio at 17.9x.
- 2Q25 production of GPK is maintained at 0.6Mt, while TIS is targeted higher at 0.2 Mt. Strip ratio at both mines are maintained from previous quarter.

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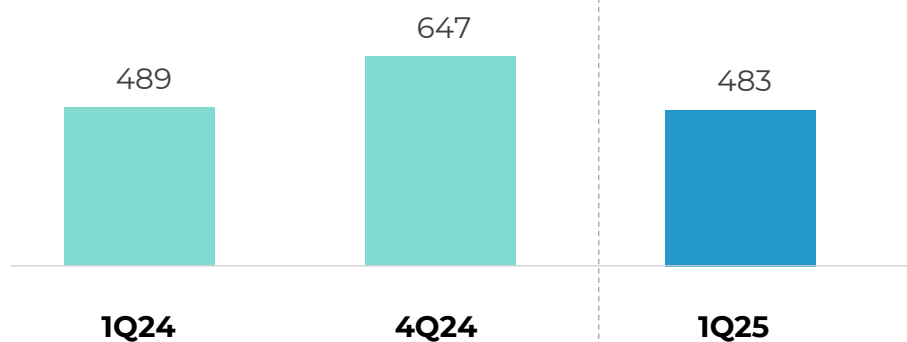
# Financial Updates

# Financial performance – profitability

## INCOME STATEMENT

### REVENUE

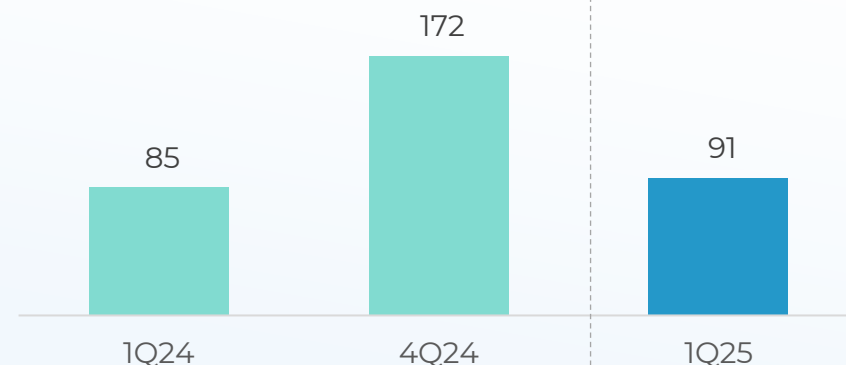
Unit: \$ Mn



	1Q24	4Q24	1Q25
Average selling price (\$/ton)	97	93	81
Gross profit (\$ Mn)	119	219	135
Operating Income (\$ Mn)	73	157	81
Gross profit margin (%)	24%	34%	28%
Operating income margin (%)	15%	24%	17%
EBITDA margin (%)	17%	27%	19%
Net profit margin (%)	13%	16%	14%

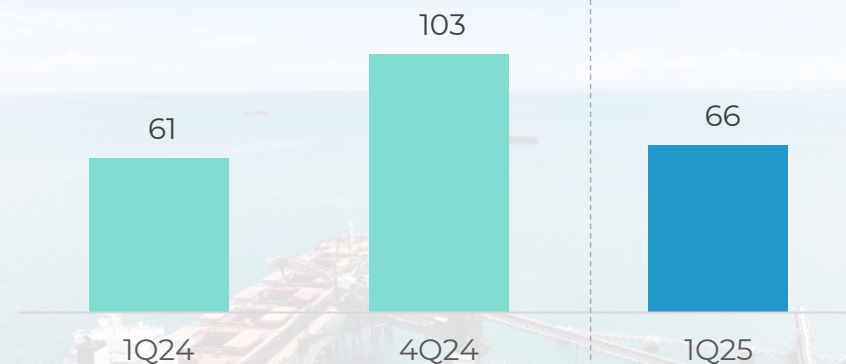
### EBITDA

Unit: \$ Mn



### NET PROFIT

Unit: \$ Mn



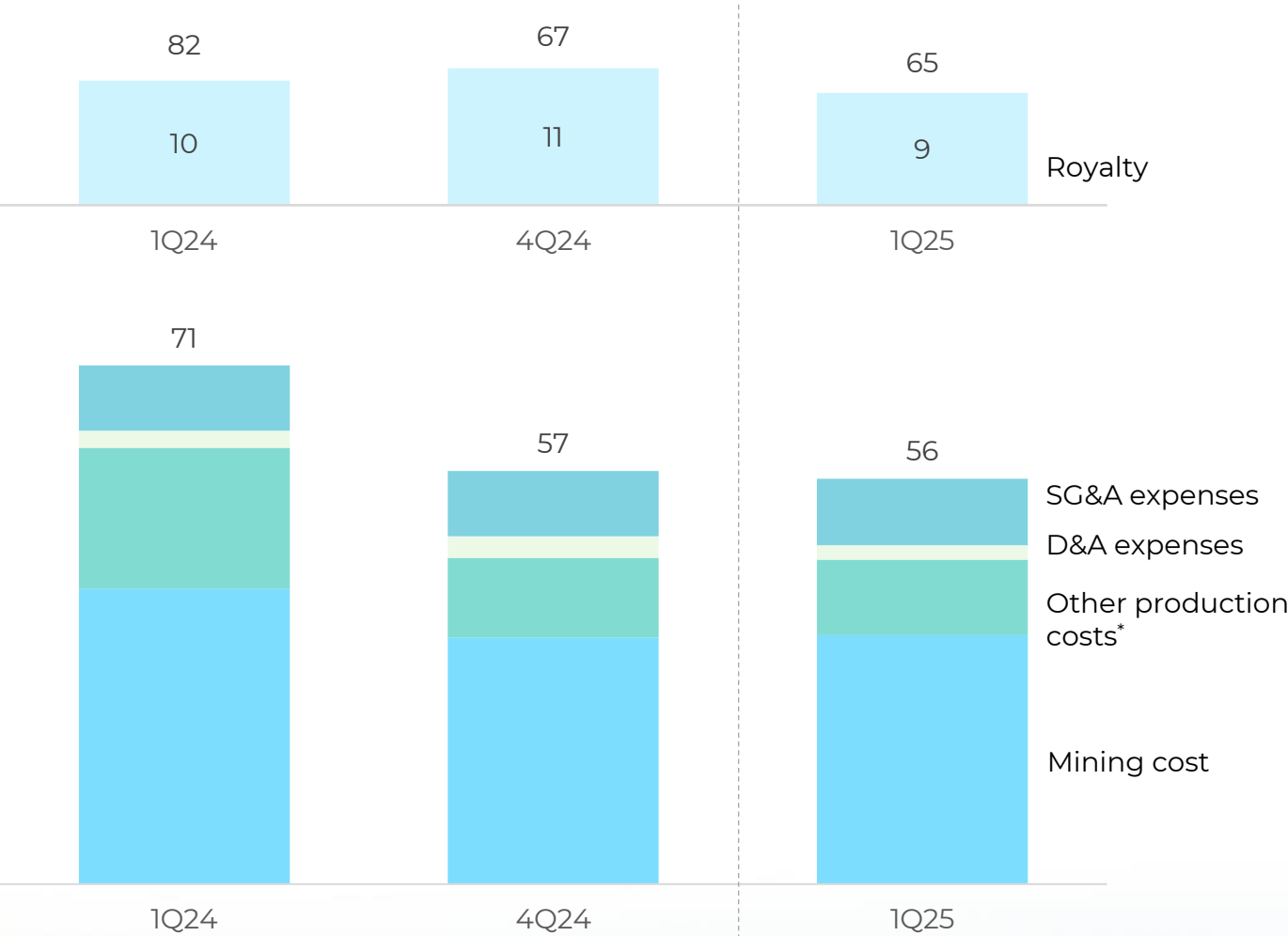


# Financial performance – cost



## TOTAL COST BREAKDOWN

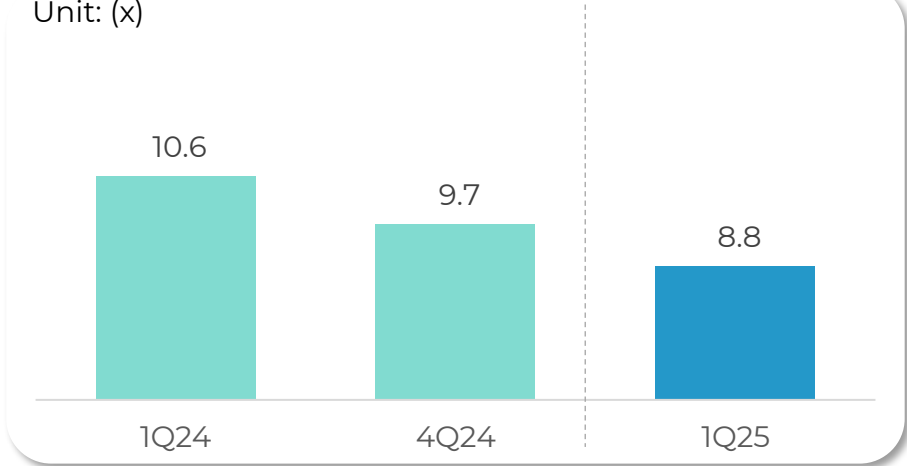
Unit: \$/ton



\*Include repair and maintenance, salaries and allowances, inventory adjustment, others etc.

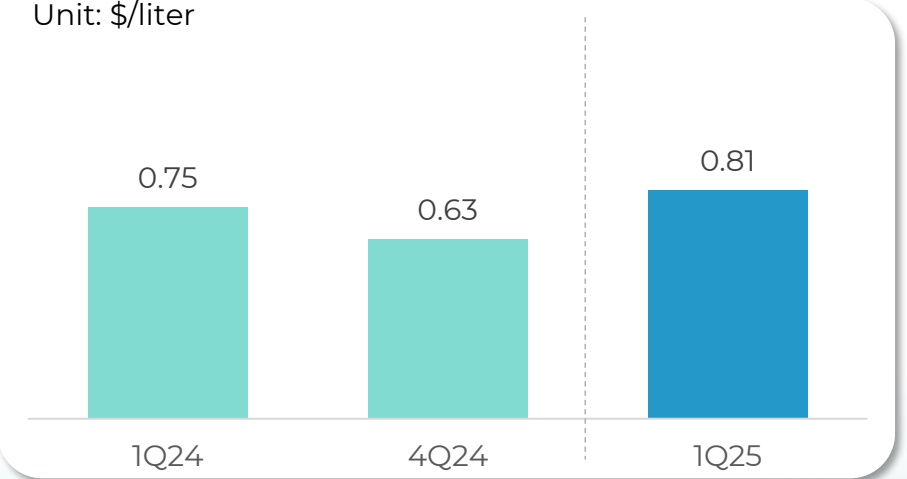
## STRIP RATIO

Unit: (x)



## FUEL PRICE

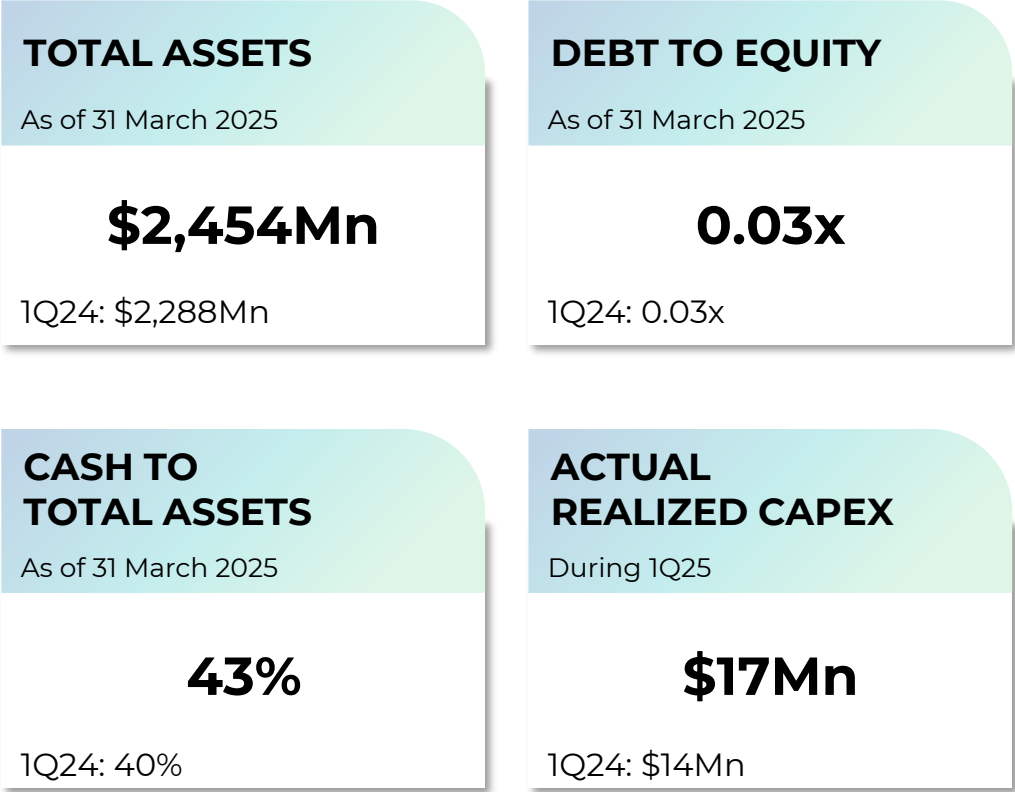
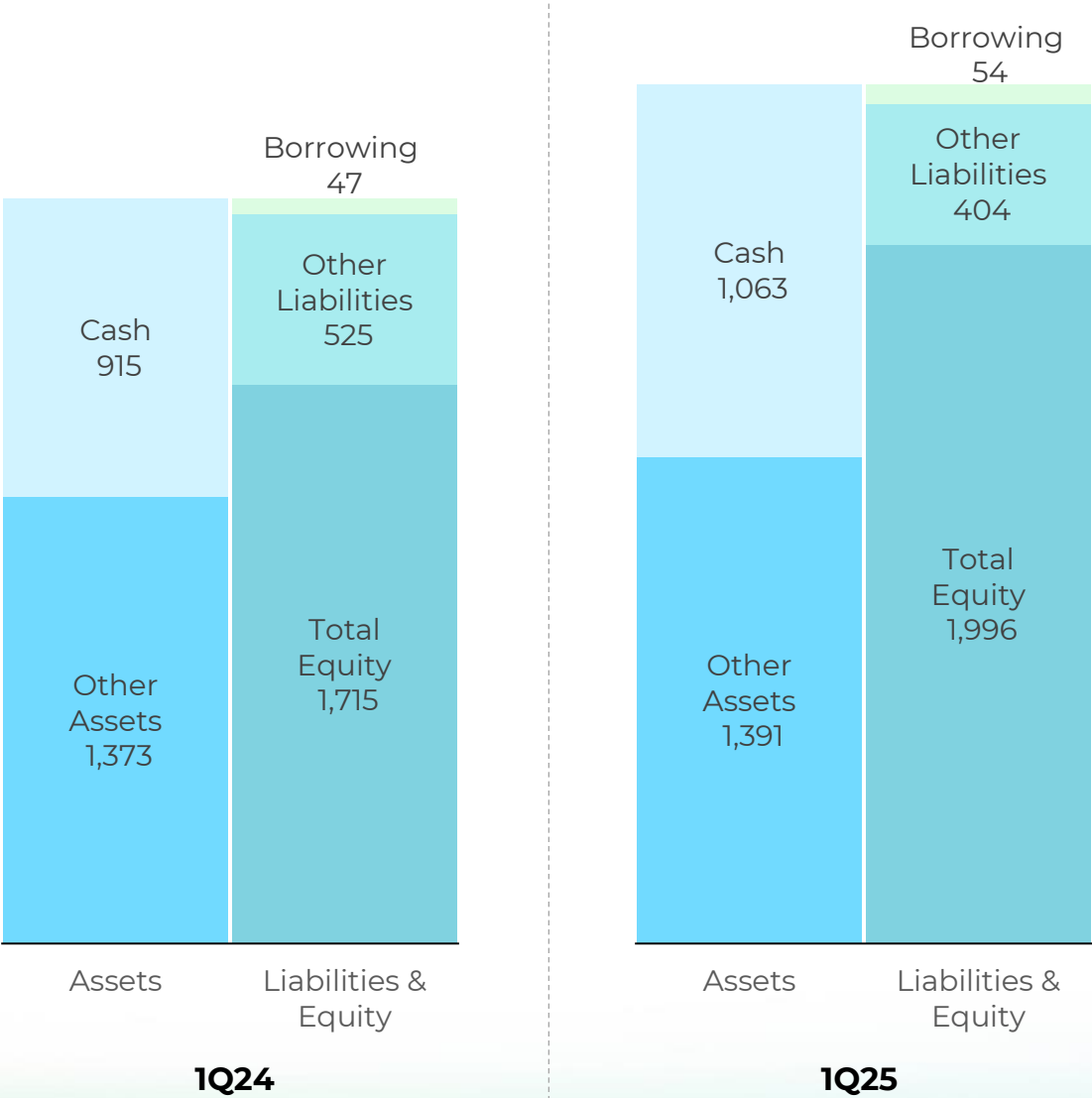
Unit: \$/liter



# Financial position



## BALANCE SHEET





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# Q&A Session



# QoQ and YoY financial performance

Unit: US\$ thousand	1Q25	4Q24	QoQ (%)	1Q24	YoY(%)
Net Revenues	482,516	647,321	(25%)	489,237	(1%)
Gross Profit	135,350	219,308	(38%)	119,361	13%
Gross Profit Margin	28%	34%		24%	
Selling Expenses	(42,624)	(47,925)	(11%)	(38,431)	11%
General And Administration Expenses	(12,064)	(14,745)	(18%)	(7,649)	58%
Operating Income	80,662	156,638	(49%)	73,281	10%
Operating Income Margin	17%	24%		15%	
EBITDA	91,263	172,155	(47%)	84,853	8%
EBITDA Margin	19%	27%		17%	
Finance Costs	(1,351)	(1,318)	3%	(931)	45%
Finance Income	11,463	10,839	6%	10,241	12%
Others, Net	(5,096)	(30,658)	(83%)	(3,597)	42%
Profit Before Income Tax	85,678	135,501	(37%)	78,994	8%
Income Tax	(19,255)	(32,660)	(41%)	(17,637)	9%
<b>Net Profit</b>	<b>66,423</b>	<b>102,841</b>	<b>(35%)</b>	<b>61,357</b>	<b>8%</b>
Net Profit Margin	14%	16%		13%	

# ITM group structure



**PT Indo Tambangraya Megah Tbk.**  
(65% shares owned by Banpu and 35% by Public)

**INDONESIAN STOCK EXCHANGE**  
**IPO 18<sup>th</sup> Dec 2007 (Ticker: ITMG)**

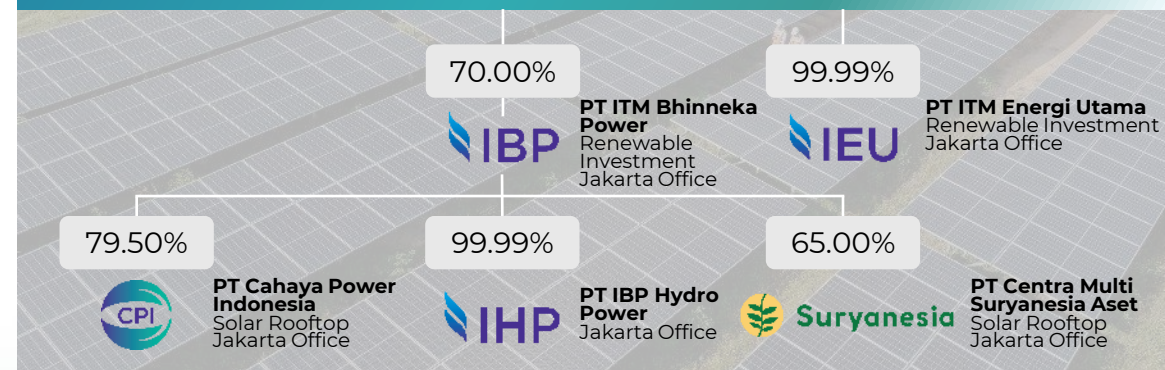
## MINING

	99.99%	99.99%	99.00%	99.99%	70.00% <sup>1</sup>	99.99%	99.99%	99.99%
	<b>PT Indominco Mandiri</b> (CCOW Gen I) Exp: Mar 2028 East Kalimantan	<b>PT Trubaindo Coal Mining</b> (CCOW Gen II) Exp: Feb 2035 East Kalimantan	<b>PT Bharinto Ekatama</b> (CCOW Gen III) Exp: Jun 2041 East and Central Kalimantan	<b>PT Jorong Baturama Greston</b> (CCOW Gen II) Exp: May 2035 South Kalimantan	<b>PT Graha Panca Karsa</b> (IUP) Exp: Sep 2029 East Kalimantan	<b>PT Tepian Indah Sukses</b> (IUP) Exp: Apr 2029 East Kalimantan	<b>PT Nusa Persada Resources</b> (IUP) Exp: May 2033 <sup>2</sup> Central Kalimantan	<b>PT Kitadin</b> East Kalimantan
<b>RESERVES</b>	<b>35 Mt</b>	<b>75 Mt</b>	<b>98 Mt</b>	<b>2 Mt</b>	<b>63 Mt</b>	<b>3 Mt</b>	<b>77 Mt</b>	
<b>RESOURCES</b>	<b>687 Mt</b>	<b>599 Mt</b>	<b>474 Mt</b>	<b>67 Mt</b>	<b>128 Mt</b>	<b>11 Mt</b>	<b>143 Mt</b>	
	5,600-6,200 kcal/kg	6,100-6,500 kcal/kg	6,100-6,500 kcal/kg	4,300-4,400 kcal/kg	3,900 kcal/kg	6,400 kcal/kg	5,500 kcal/kg	
							Preparation phase	Post-mining phase

## ENERGY SERVICES

99.99%	99.99%	99.99%	99.99%
<b>PT Tambang Raya Usaha Tama</b> Mining Contractor Jakarta Office	<b>PT Energi Batu Bara Perkasa</b> Coal Trading Jakarta Office	<b>PT ITM Indonesia</b> Investment Jakarta Office	<b>PT ITM Batubara Utama<sup>3</sup></b> Investment Jakarta Office

## RENEWABLE AND OTHERS



Note: Reserves and Resources is as of 31 Dec 2024. The number disclosed above is based on the updated coal resources and reserves as of 31 Dec 2023 prepared by competent persons (considered suitably experienced under the JORC Code) and deducted from coal production volume during 2024.

<sup>1)</sup> Owned by ITM through its 95.07% ownership in SME <sup>2)</sup> NPR mine is not yet in operation <sup>3)</sup> IBU owned remaining 4.93% ownership in SME