

# IATA Kicks Off Rights Issue Offering

Jakarta, 17 October 2022 - The Financial Services Authority ("OJK") approved PT MNC Energy Investments Tbk ("IATA" or "the Company") to process the Rights Issue. The Company issues a maximum of 14,840,555,748 Series B Shares offered at an Exercise Price of Rp 180 with a ratio of 13:10 (13 Rights for every 10 shares held by shareholders). Thus, the Rights Issue is worth a maximum of Rp 2,671,300,034,640. After the completion of this Rights Issue, IATA will be directly owned by PT MNC Asia Holding Tbk ("BHIT").

In addition, the Company will provide a sweetener by issuing a maximum of 2,968,111,149 Series I Warrants, in which every 5 shares resulting from the exercise of the Rights is attached to 1 Series I Warrant with an exercise price of Rp 210.

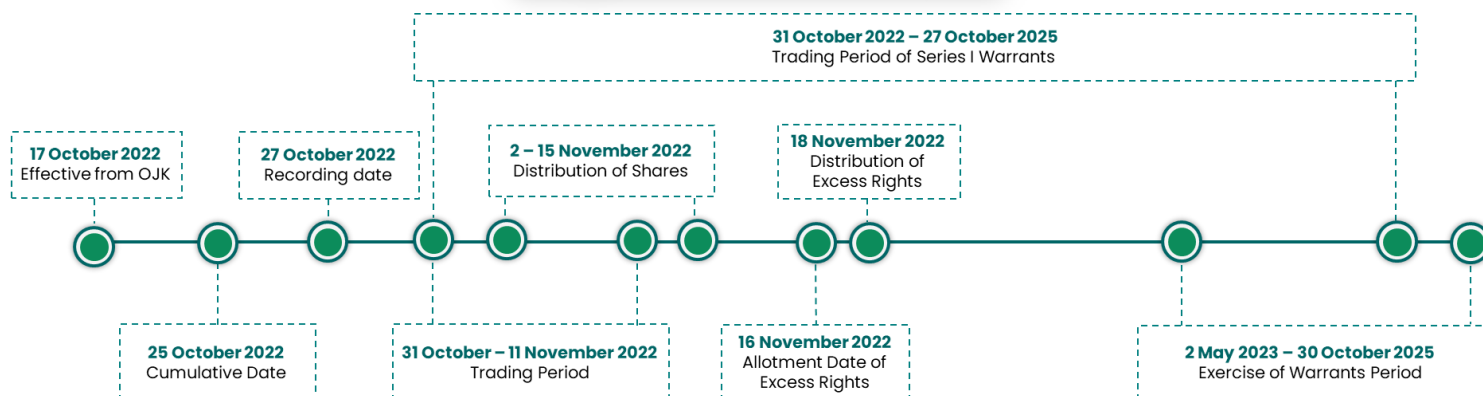
The proceeds will be used for:

1. Repayment of all the Company's promissory notes issued to BHIT with cash and/or by converting receivables into the Company shares incurred for the takeover of PT Bhakti Coal Resources ("BCR").
2. Capital injection to PT Bhakti Migas Resources ("BMR") for its investment in business development in the oil and gas sector. BMR is currently evaluating its exploration opportunities in Eastern Indonesia, namely the Semai III Block in Papua.
3. Capital injection to BCR for working capital and business development in its coal mining sector.

## Rights Issue Structure

<b>Issuer</b>	PT MNC Energy Investments Tbk ("IATA")
<b>Rights Issue Ratio</b>	13 new shares for 10 existing shares
<b>Rights Issue Shares</b>	14,840,555,748 Series B Shares
<b>Right Issue Price</b>	IDR 180
<b>Rights Issue Proceeds</b>	IDR 2.7 trillion (USD 173.5 million)
<b>Warrant Ratio</b>	1 warrant for 5 shares from exercised rights
<b>Warrants</b>	2,968,111,149 Series I Warrants
<b>Warrant Price</b>	IDR 210
<b>ROE</b>	61.94%
<b>Use of Proceeds</b>	<ul style="list-style-type: none"> <li>• Repayment of all the Company's promissory notes issued to BHIT with cash and/or by converting receivables into the Company shares incurred for the takeover of PT Bhakti Coal Resources ("BCR")</li> <li>• Capital injection to PT Bhakti Migas Resources ("BMR") for its investment in business development in the oil and gas sector. BMR is currently evaluating exploration opportunities in Eastern Indonesia, namely the Semai III Block in Papua.</li> <li>• Capital injection to BCR for working capital and business development in its coal mining sector</li> </ul>

## Rights Issue Schedule



As is well known, the Company shifted its main business pillar, which was previously engaged in commercial air transportation and freight services, to become a company engaged in energy and investment by acquiring a 99.33% stake in BCR, the parent company of 8 coal companies located in Musi Banyuasin, South Sumatra. With 1.6 billion MT of coal reserves owned by BCR, IATA took strategic steps to take advantage of the increasing coal demand and rising coal commodity prices momentum. IATA views that by sharpening its focus to become an energy and investment company, especially in the coal sector, will boost the Company's business prospects.

## Resources & Reserves

### Estimation Resources and Reserves Public Statement – KCMI

IUP	Area (ha)	GAR (kcal/kg)	Resources (MT)				Reserves (MT)
			Measured	Indicated	Inferred	Total	KCMI
<b>Based on Indonesian Joint Committee for Mineral Reserves (KCMI)</b>							
<b>BSPC-N</b>	4,708	3,200 - 3,300	74,500,000	29,500,000	26,700,000	130,700,000	83,275,520
<b>PMC</b>	2,947	3,000 - 3,600	60,400,000	12,900,000	3,600,000	76,900,000	54,822,642
<b>APE<sup>1</sup></b>	1,720	2,500 - 3,250	24,700,000	162,100,000	39,100,000	225,900,000	109,100,000
<b>IBPE<sup>2</sup></b>	960	3,375	10,100,000	16,300,000	4,900,000	31,300,000	6,220,000
<b>Total</b>	<b>10,335</b>		<b>169,700,000</b>	<b>220,800,000</b>	<b>74,300,000</b>	<b>464,800,000</b>	<b>253,418,162</b>

### Potential Coal Tonnage

IUP	Area (ha)	GAR (kcal/kg)	Exploration Target (MT)
<b>Based on Internal Assessment</b>			
<b>APE</b>	13,280	3,000 - 3,500	566,329,434
<b>IBPE</b>	14,040	3,100 - 3,500	528,994,284
<b>BSPC-S</b>	2,158	3,600 - 3,800	24,386,000
<b>PE</b>	4,424		2,663,460
<b>TPS</b>	6,015		5,026,290
<b>SEP</b>	8,596		942,890
<b>EIBP</b>	13,630		
<b>Total</b>	<b>62,143</b>		<b>1,128,342,358</b>

Total resources & potential coal:  
**1,593,142,358 MT**

Note:

<sup>1</sup> APE Phase 1, 2 and 3 findings only

<sup>2</sup> IBPE Phase 1 findings only

Drilling activities continue for IUPs which have not been fully explored. Reserves will increase if the results of the ongoing exploration show coal findings.

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