

To the Honorable
Editor-in-Chief / Managing Editor

Subject: Release of PT Samindo Resources Tbk

Performance in the First Half of 2022, MYOH Booked a Profit of USD 7.8 million

Jakarta, 1 September 2022 – PT Samindo Resources Tbk (the Company), one of the integrated coal mining service providers in Indonesia managed to book a net profit of USD 7.8 million at the end of the first half of 2022. The Company's achievement is a reflection of various external conditions that overshadowed operational activities throughout the first semester.

The high price of coal is not necessarily positively correlated with the mining service industry. In fact, most large-capacity coal operators are actually holding back the pace of production. Although in the end someone revised the target, at the beginning of 2022, major operators are still very careful in setting production targets. As a result, contractors also tend not to experience a significant increase in volume. This unfavorable condition is also coupled with the ban on exports carried out by the government in early 2022. This policy automatically also hampers mining activities. The Company's own clients responded to this government policy by reducing operational capacity by up to 50%.

Natural factors also greatly influence mining activities in the first half of 2022. The high rainfall is the main one that restrains the pace of mining activity. Based on the internal records we managed to compile, there was an increase in maintenance time caused by rain by up to 36.2%. In the first half of 2021, the total maintenance time due to rain was 761 hours. Meanwhile, in the first half of 2022, the maintenance time due to rain jumped to 1,036 hours. The Company itself tries to take advantage of *the standby* time when it rains by carrying out maintenance. However, this also brings a side effect, namely an increase in the cost of spare parts.

Regarding heavy equipment maintenance, the Company itself has now entered its second year in carrying out independent maintenance. Previously, all maintenance of the Company's heavy equipment was carried out through third parties. The Company strives to reduce maintenance costs through third parties, considering its significant contribution to the cost of revenue. Until the end of the first semester of 2022, the Company has succeeded in reducing the cost of maintaining heavy equipment through third parties by 25.6%.

The efforts made by the Company in containing the cost rate are also carried out by reducing *standby* time due to work accidents. Until the end of June, there were no accidents recorded in the main coal mining activity (OB & coal getting). One of the efforts made by the Company to reduce work accidents is to change the working time from 3 *shifts* to 2 *shifts*. Longer working time ultimately limits operator activities outside of

working time and gives operators sufficient time off. Although actually receiving more benefits, the total costs incurred by the Company to operators can actually be saved up to 10.5%.

"Throughout this first semester, we were faced with many non-technical obstacles that were difficult for us to avoid," said Ahmad Zaki Natsir, Corporate Secretary of the Company. " Currently, we are also adapting to the transition from maintenance through third parties to independent maintenance, so there are some conditions that have not been maximized," added Zaki.

PT Samindo Resources Tbk at a Glance

Samindo Resources is *an investment holding company* with core competencies in providing coal mining services in terms of *overburden removal* and coal production (*coal getting*), coal *hauling* and geological *mapping and drilling*. As an *investment holding company*, the Company carries out these four production activities through four subsidiaries, namely PT SIMS Jaya Kaltim, PT Trasindo Murni Perkasa, PT Samindo Utama Kaltim and PT Mintec Abadi.

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