



PRESS RELEASE
PT HILLCON Tbk (HILL)

LISTED ON THE INDONESIA STOCK EXCHANGE MARCH 1, 2023

Jakarta, PT HILLCON Tbk (the Company), officially listed its shares on the Indonesia Stock Exchange with the stock code HILL. The company succeeded in obtaining IPO proceeds of IDR 552,875,000,000 (five hundred fifty two billion eight hundred and seventy five million rupiah) by issuing shares with an offering price of IDR 1,250 per share with a total of 442,300,000 new shares or 15 % of the issued and fully paid capital of the Company.

HILL's IPO has succeeded in attracting the interest of various investors, both foreign and domestic, to participate in the initial public offering of shares. The Company's Initial Public Offering was oversubscribed 5 times with a total shareholder of more than 9 thousand investors. This indicates the enthusiasm and optimism of Indonesian capital market investors for the company's future.

The proceeds from the IPO will be used to support the business development of the Company's subsidiary, PT Hillconjaya Sakti (HS), with details:

- 55% for working capital related to mining production costs, including costs related to fuel, overhead costs, maintenance of all heavy equipment;
- The remaining 45% will be used for capital expenditure which consists of purchasing equipment to support HS operational activities in the form of heavy equipment (main fleet and supporting fleet) along with other supporting facilities.

Founded in 1995, Hillcon started its business as a civil construction service provider before then expanding into the field of coal mining services in 2008 and then nickel mining services in 2013. To date, Hillcon has completed around 200 projects throughout Indonesia, both in civil construction and mining services.

Mining is one of the pillars of the Indonesian economy and a core part of the Government's industrial policy. Domestic policy over the last decade has focused on increasing added value for mineral commodities and has resulted in the development of local infrastructure to process extracted ore, leading to the increasing domestic demand for ore, by halting exports to foreign markets.

As the world's largest nickel producer, Indonesia is predicted to produce around 1.2 million tons of nickel in 2022 or equivalent to 37.5% of total global production. Indonesia is also the second largest stainless steel producer in the world after China. In terms of proven nickel reserves, Indonesia has a share of 22% or the equivalent of 21 million tons of nickel metal, and is predicted to remain the largest contributor to nickel ore and nickel ore supplies in the world with an estimated market share of 38% by 2024.

The nickel industry is one of the fastest growing sectors in Indonesia. Nickel products are currently experiencing very high demand, especially in the form of ferronickel and NPI (nickel pig iron). Indonesia also exports Mixed Hydroxide Precipitate (MHP) which is then further processed into nickel sulphate, the main ingredient for making electric vehicle (EV) batteries. In its development, the Indonesian nickel sector is expected to increase its production capacity to produce EV batteries domestically so that it can provide an increase in domestic demand for nickel in Indonesia.

Hersan Qiu, as the President Director of HILL, said "We would like to thank all parties who have participated in this IPO process. With the support of more than 9 thousand investors, we are committed to maintaining the trust that has been given and continuously improving the company's performance. We are optimistic that HILL can become a leading nickel mining service company and contribute to the development of the nickel industry in Indonesia."

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