

PT BUKIT ASAM Tbk

Corporate Presentation 9M 2020



Outline

1. Introduction

2. 9M 2020 Update

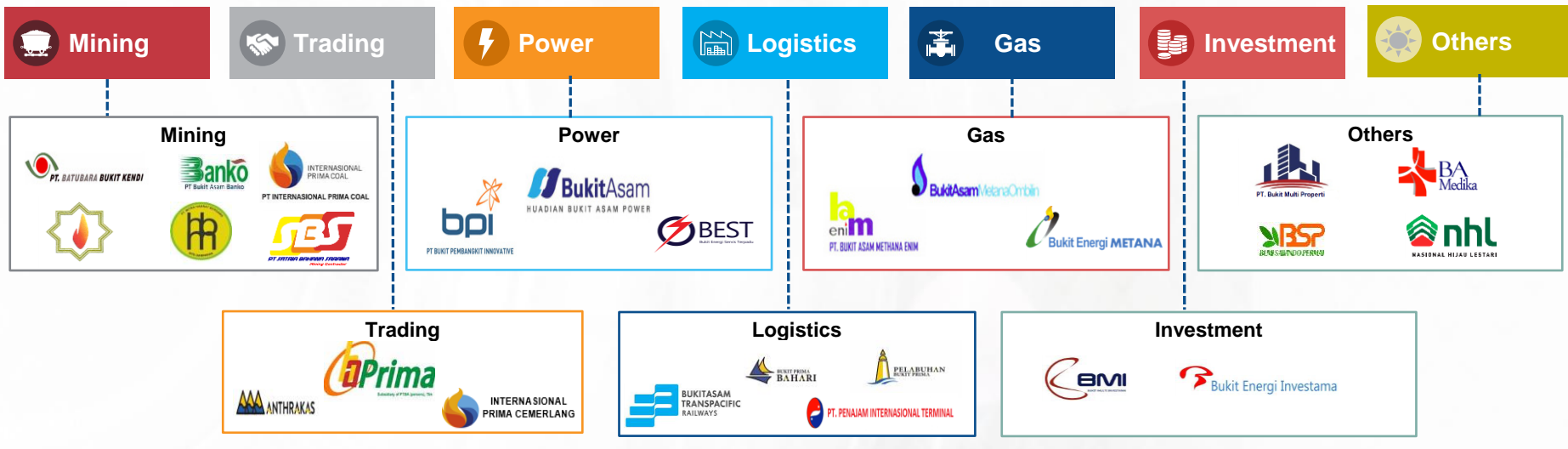
3. Company Overview



1. Introduction

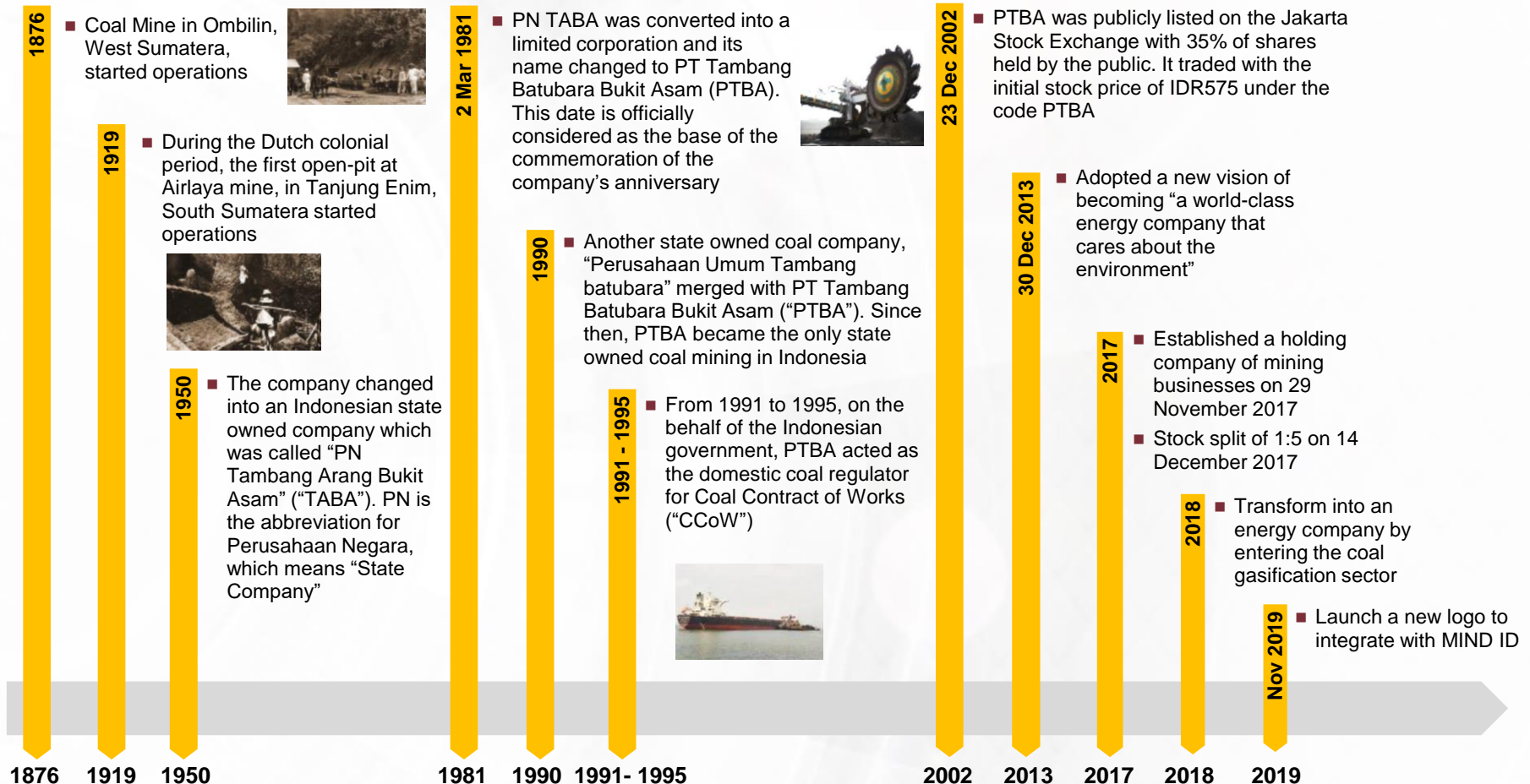


The Subsidiaries and Indirect Subsidiaries



PTBA continues to diversify its source of revenues – The Company's core coal mining business is supported by the development of other businesses in power generation, logistic, coal beneficiation, investment and others.

Key Milestones



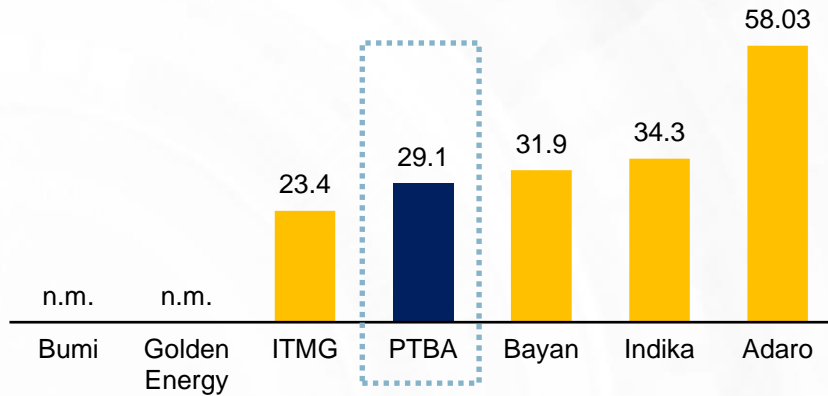
PTBA is Indonesia's Oldest and Most Experienced Coal Producer



PTBA among peers

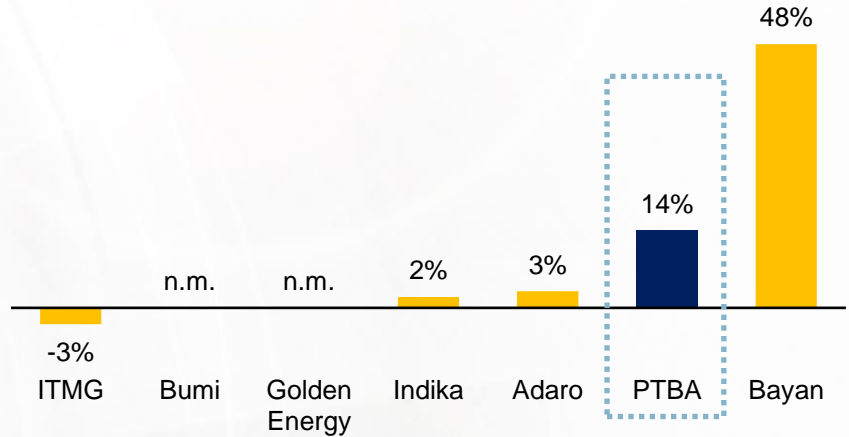
2019 Coal Production

(Mn ton)



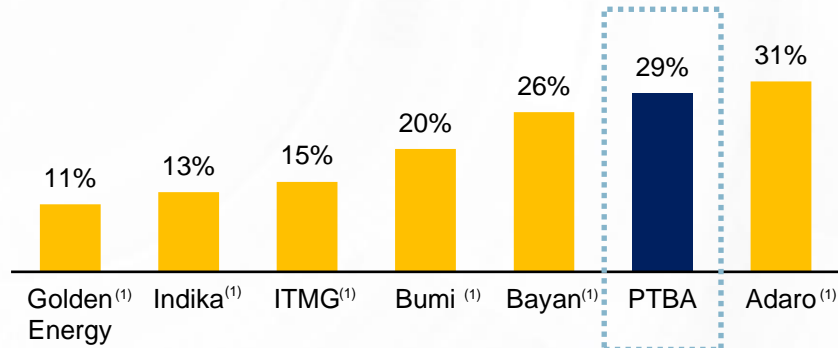
2016 - 2019 Production CAGR

(%)



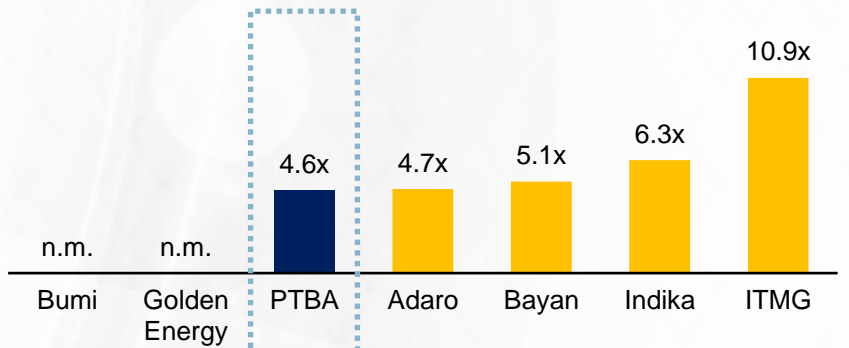
2019 EBITDA Margin

(%)



2019 Weighted Average Stripping Ratio

(x)



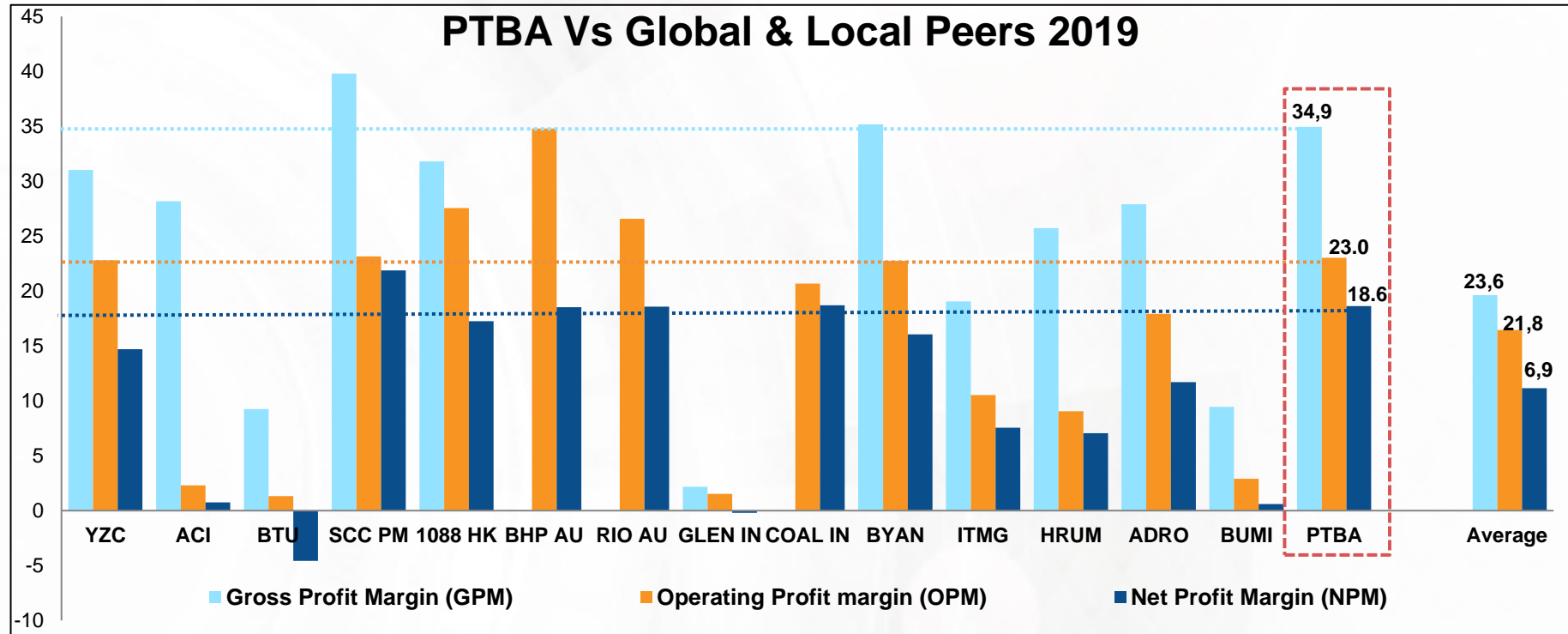
Source: Internal Analysis.

(1) Adjusted EBITDA.

PTBA is one of the fastest growing and lowest cost coal producers in Indonesia

PTBA among peers (cont.)

(%)



Source: Bloomberg, 3 November 2020

YZC : Yanzhou Coal Mining
 ACI : Arch Coal Inc. – USA (NYSE)
 BTU : Peabody Energy Corp – USA (NYSE)
 SCC PM : Semirara Mining & Power Co.
 1088 HK : China Shenhua Energy
 BHP AU : Billiton Ltd (Australia)
 RIO AU : Rio Tinto Ltd (Australia)
 GLEN IN : Glencore

COAL IN : Coal India Ltd
 BYAN : PT Bayan Resources - IDX
 ITMG : PT Indo Tambangraya Megah – IDX
 HRUM : PT Harum Energy – IDX
 ADRO : PT Adaro Energy – IDX
 BUMI : PT Bumi Resources – IDX
 PTBA : PT Bukit Asam - IDX

2. 9M 2020 Update



Trending Issue International Coal Market



South Korea

The unplanned stoppage of several reactors following two typhoons has created fresh uncertainty, however, and may support coal demand compared with previous expectations in the short term.

China

China's Guangzhou and Fuzhou ports may be considering clearing some stockpiled imported coal because of tighter domestic supplies and higher prices. The move could signal a possible relaxation of import restrictions.

India

State-controlled mining firm Coal India (CIL) has revised its output target for the 2020-21 fiscal year ending 31 March to 660mn tons from an earlier projection of 710mn tons, in response to reduced demand because of the impact of the country's Covid-19 outbreak.



Europe

European coal markets are beginning to recover from a period of intense coal-gas competition that has plagued Atlantic coal markets since the beginning of 2019. Coal-to-gas switching fundamentals are improving in areas of Europe with rising natural gas prices.



Indonesia

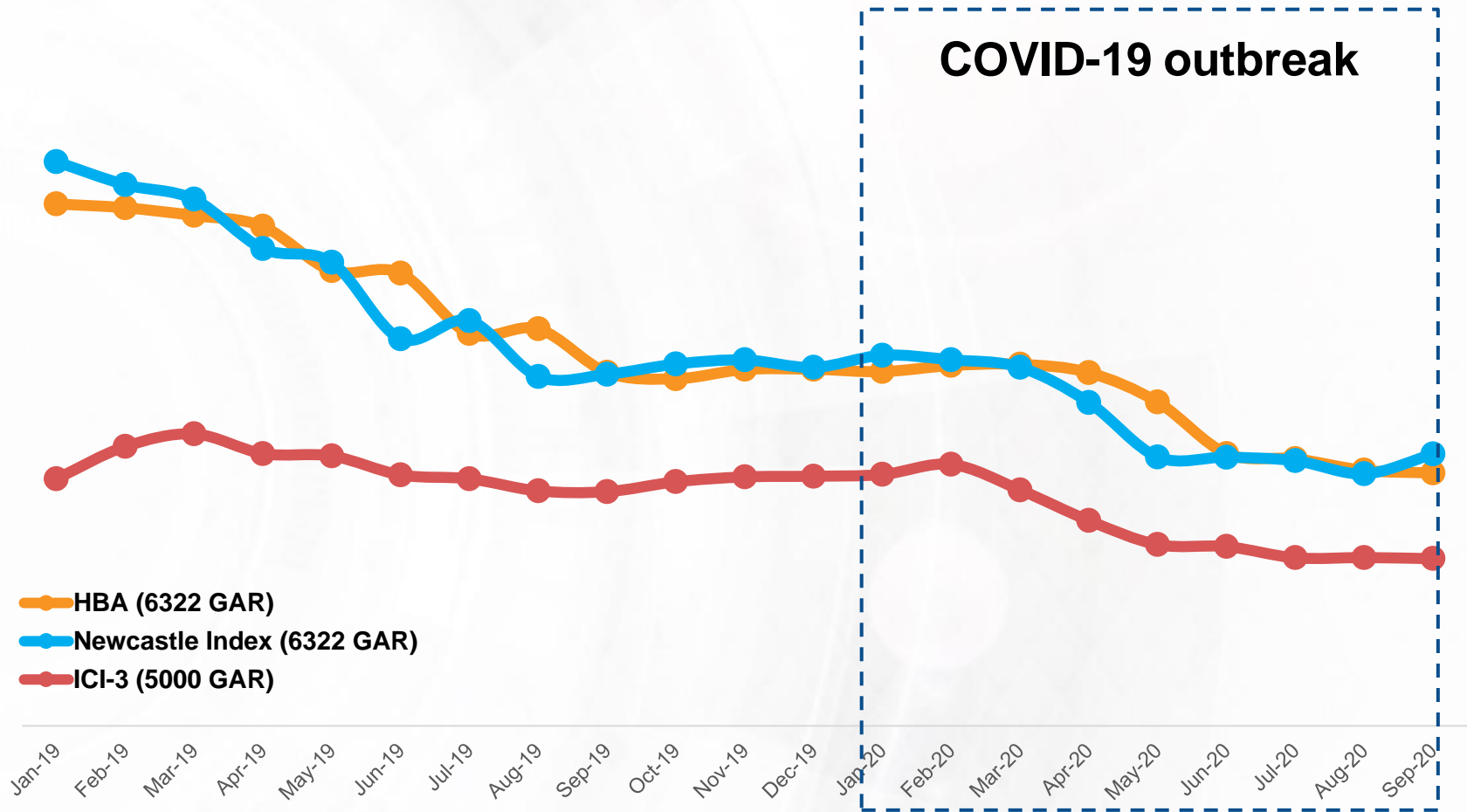
Most producers remain under intense cost and margin pressure. The Indonesian coal mining association requested to further reduce domestic market obligation (DMO) or waive penalties associated with non-fulfilment.

So far, the request has not been granted by the Indonesian Energy Ministry, despite the lower demand for coal. A reduction in DMO would offer financial relief to coal producers.

Source: Global thermal coal short-term outlook September 2020 – Wood Mackenzie and various other sources

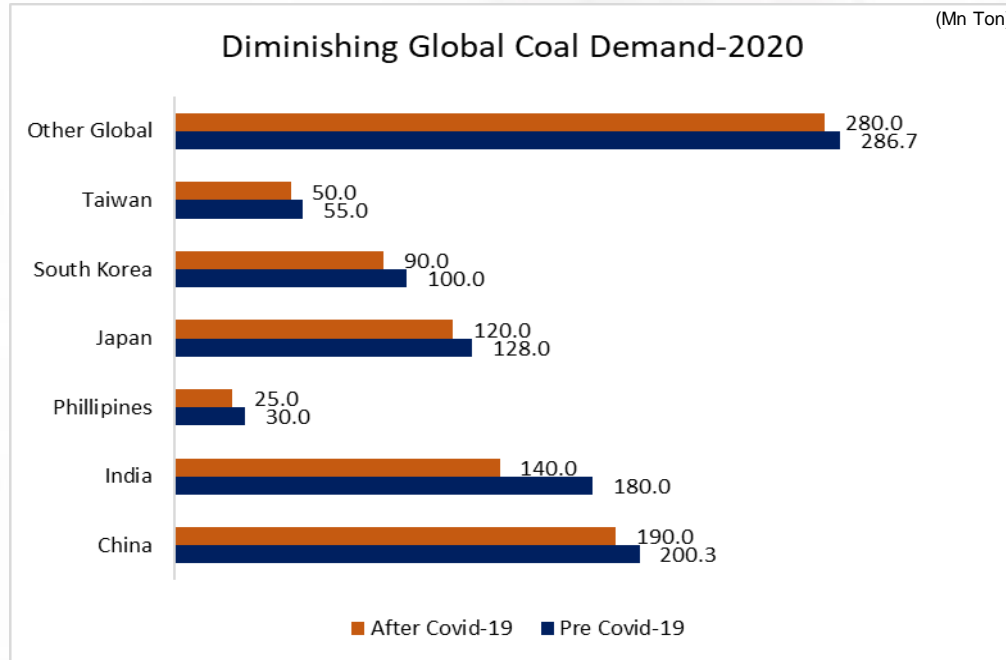


The Trend of Coal Price



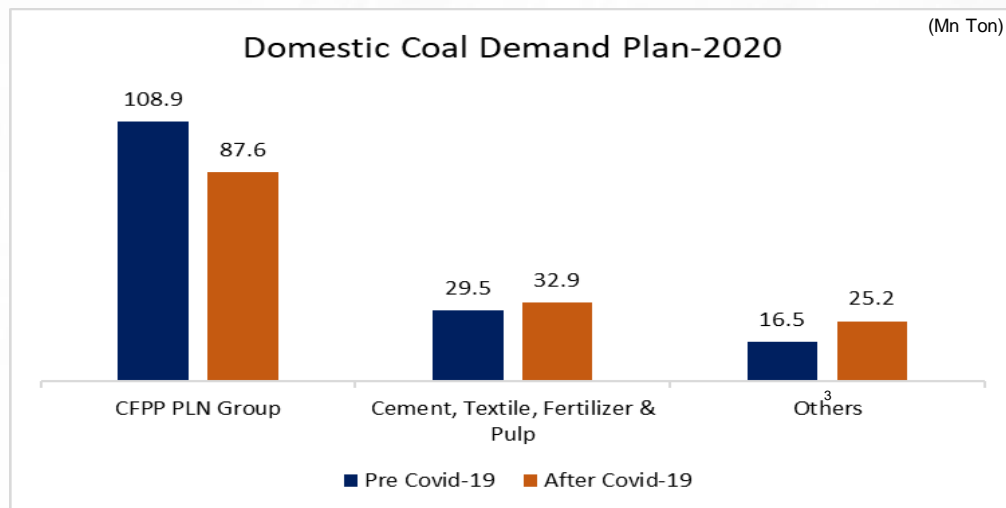
Newcastle coal prices has reached its dip on early September and the price started to recover on the following week. This rebound is mainly caused by the rumor that China is going to ease on coal import quota. China's Guangzhou and Fuzhou ports may be considering clearing some stockpiled imported coal because of tighter domestic supplies and higher prices. The move could signal a possible relaxation of import restrictions and boost imported coal price.

Impact of Covid-19 to Coal Market



Global Coal Demand¹

China's lockdown in the first quarter of 2020 and continued lockdowns in India and the Philippines have had a major impact on coal demand as these regions account for 65% of Indonesia's total coal exports.



Domestic Coal Demand²

Reduction coal demand on power plants because they do not operate at full capacity

Note:

1. APBI-ICMA (Indonesian Coal Mining Association)

2. Directorate General of Mineral and Coal, Ministry of Energy and Mineral Resources

3. Others include Metallurgy, Smelter and Briquette industries.

Actions Taken by PTBA to Mitigate The Covid-19 Outbreak



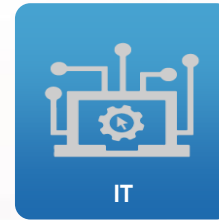
- Face mask provision
- Hand Washing facilities
- Hand sanitizer
- Disinfectant spraying



- Use of private vehicle
- Provision of vehicle facilities (shuttle bus/car) with implementation of Covid-19 protocol



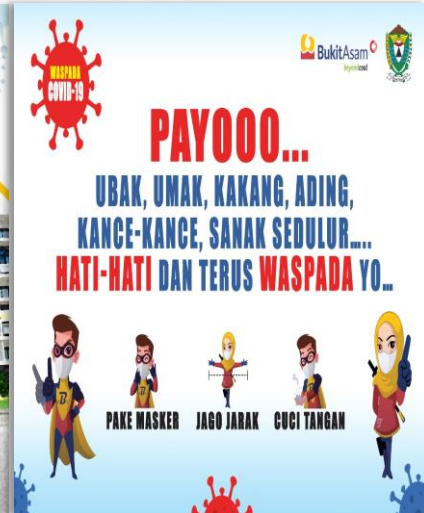
- Body temperature check
- Extra food & vitamin
- Representative hospital



- 'Peduli Lindungi' Apps
- Utilization of the CISEA
- Meeting Apps (Cloudx, Zoom, MS Team)
- Ekowa, Ekoline, Ekotel



- Social distancing
- Partial work from home policies for Jakarta Office
- Covid prevention campaign by Covid Rangers



PTBA Supports the Community



763

Handsanitizer 400 ml & 60 ml



303,695

Mask



112

Unit Tedmond & Portable Wastafel



Spraying of Disinfectants in the Company's Ring 1 Area



26 Ton

Rice



10

box



700

Protection Clothes dan Protective Goggles



107,720

Groceries Packages



3,750

Rosela for Health Workers



IDR 17.3 Billion

Total Fund Realization on Covid up to September 2020

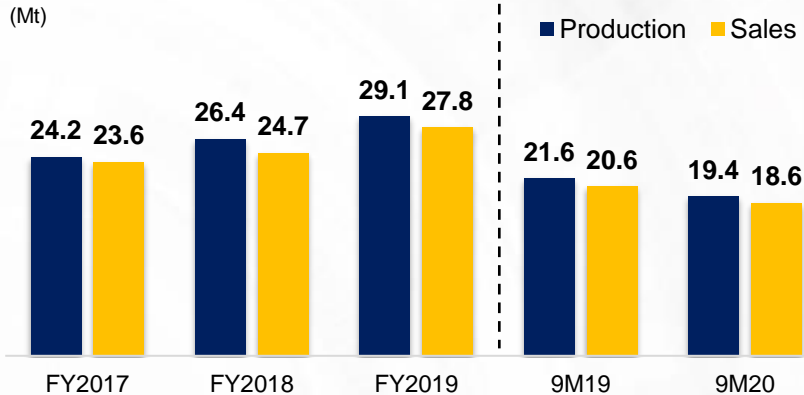
Key Performance Highlights

	FY 2020 E	9M 2020	9M 2019	YoY (% change)
Sales Volume (Mt)	24.9	18.6	20.6	-9.7
Production Volume (Mt)	25.1	19.4	21.6	-10.2
Railway Volume (Mt)	23.0	17.7	17.8	-1.0
Revenue (IDR TN)	N.A	12.8	16.3	-20.9
Net Profit (IDR TN)*	N.A	1.7	3.1	-44.3
Weighted Average Selling Price (IDR/t)	N.A	680,118	775,655	-12.3
Stripping Ratio (x)	4.3	4.4	4.6	-5.1

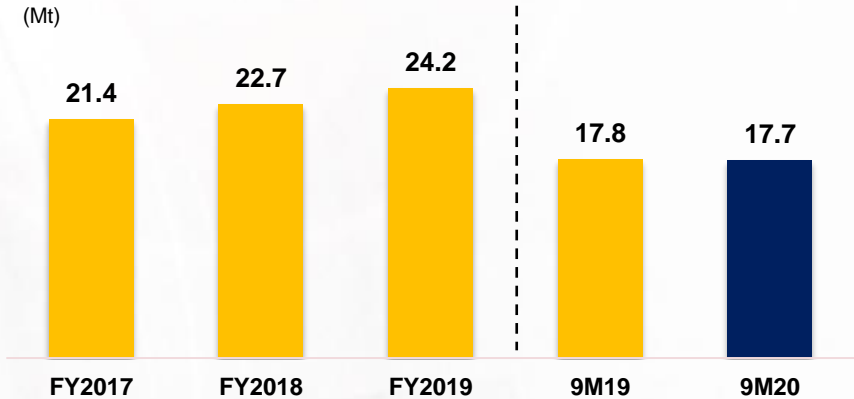
Note: *net profit after minority interest

Key Operational Highlights

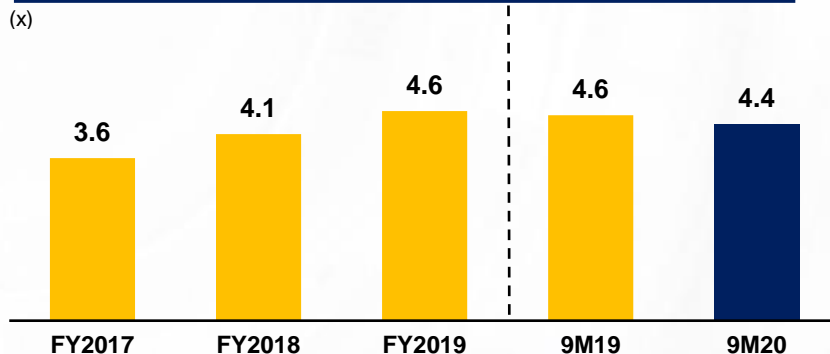
Production and Sales Volume



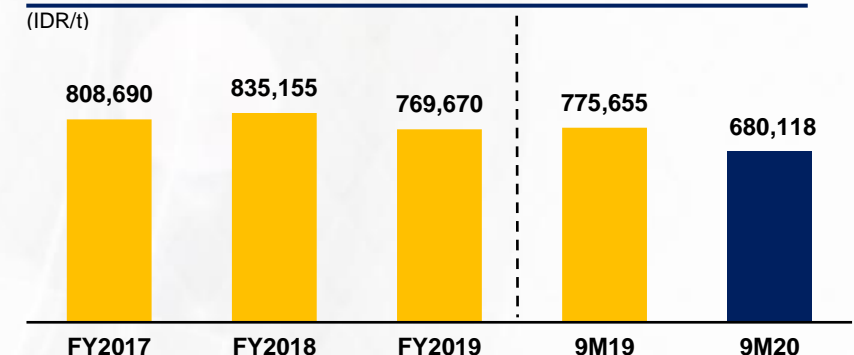
Railway Volume



Weighted Average Stripping Ratio



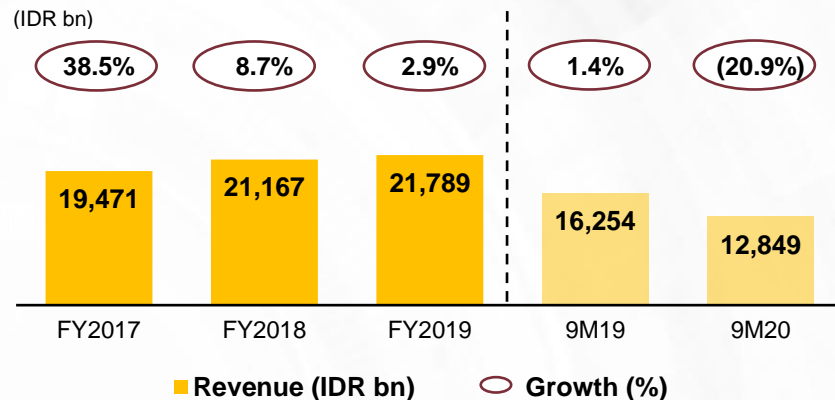
Weighted Average Selling Price



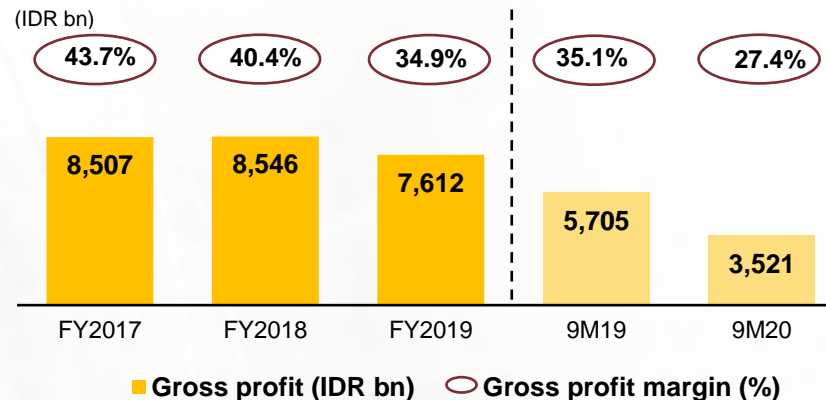
PTBA's achievement is still on track as planned

Key Financial Highlights

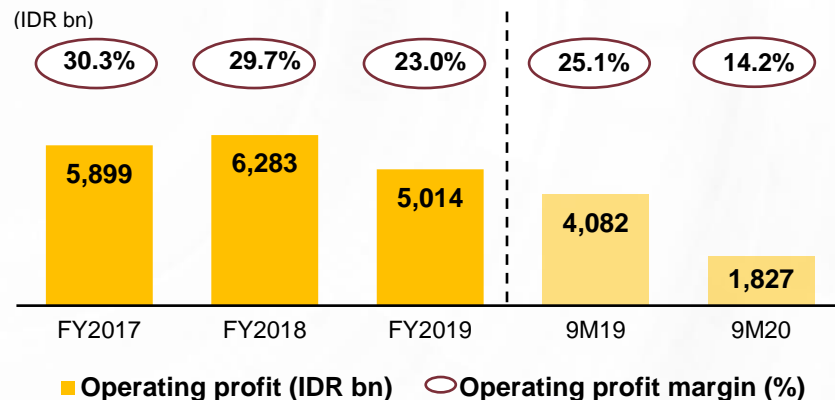
Revenue and Growth



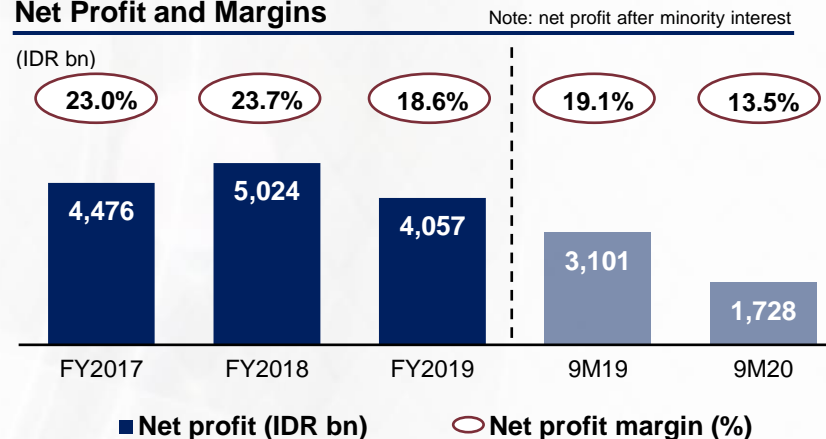
Gross Profit and Margins



Operating Profit and Margins

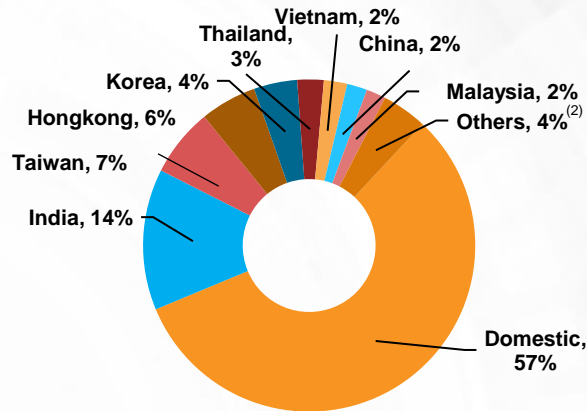


Net Profit and Margins

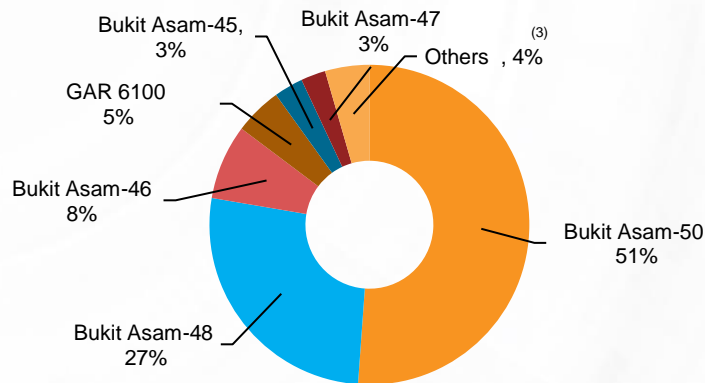


Key Financial Highlights (Cont.)

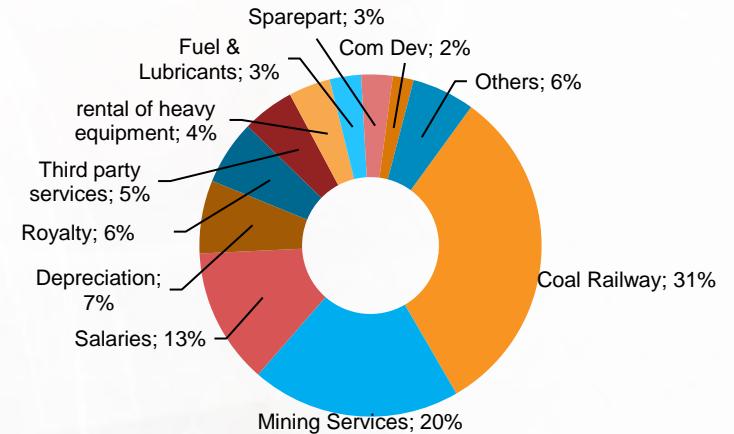
Sales Breakdown by Country⁽¹⁾



Sales Breakdown by Quality⁽¹⁾



Cost Breakdown



Total Cash Cost (FOB)⁽⁴⁾

Cash cost (IDR '000/t)	9M20	9M19	% Peningkatan (Penurunan)
Total	558	575	(3.0)

(1) Breakdown based on sales distribution per ton.

(2) Others include Japan, Philippines, Australia, Cambodia, Pakistan, Brunei Darussalam.

(3) Others include Bukit Asam-67, Bukit Asam-64, SEMI-ANS, GAR 4200-IPC.

(4) Total Cash Cost include COGS, G&A, Selling Expenses, Inventory and Royalty, exclude Depreciation and Amortisation

3. Company Overview



Company Overview

Captive Market for Domestic Market

Expanding Railways Capacity and New Ports

Development Projects

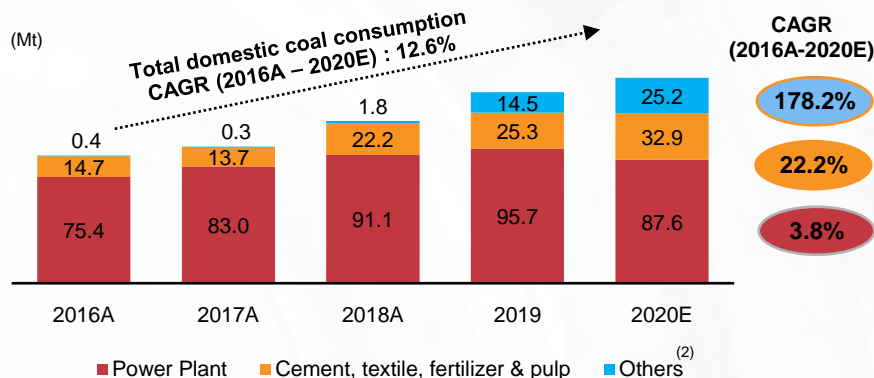
Financial Strength and High Dividend Payout Ratio



Captive Market for Domestic Market

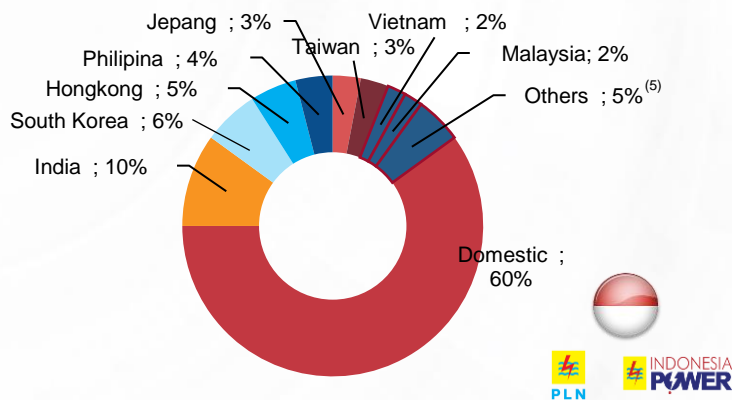
Domestic coal consumption expected to grow at ~12.6% ⁽¹⁾

- Overall coal domestic consumptions is expected to grow at 12.6%, largely driven by demand from power plants and Cement, textile, fertilizer & pulp industry



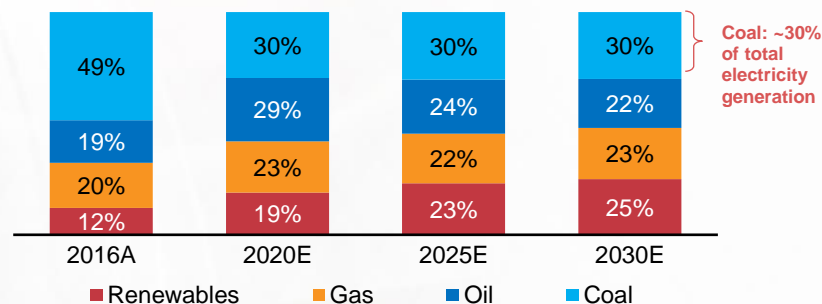
PTBA's sales breakdown per country FY 2019 ⁽⁴⁾

Given its strong relationship with PLN and abundant reserves (>100 years' reserve life), PTBA was the highest coal DMO supplier company in 2019



Coal remains the key source of Indonesia's energy over time ⁽³⁾

- Indonesia's energy mix is expected to undergo a transformation over the next decade that would result in more coal being consumed ⁽¹⁾
- Indonesia plans to increase power generation by 35 GW Program, of which 20GW is expected to be generated using coal ⁽¹⁾

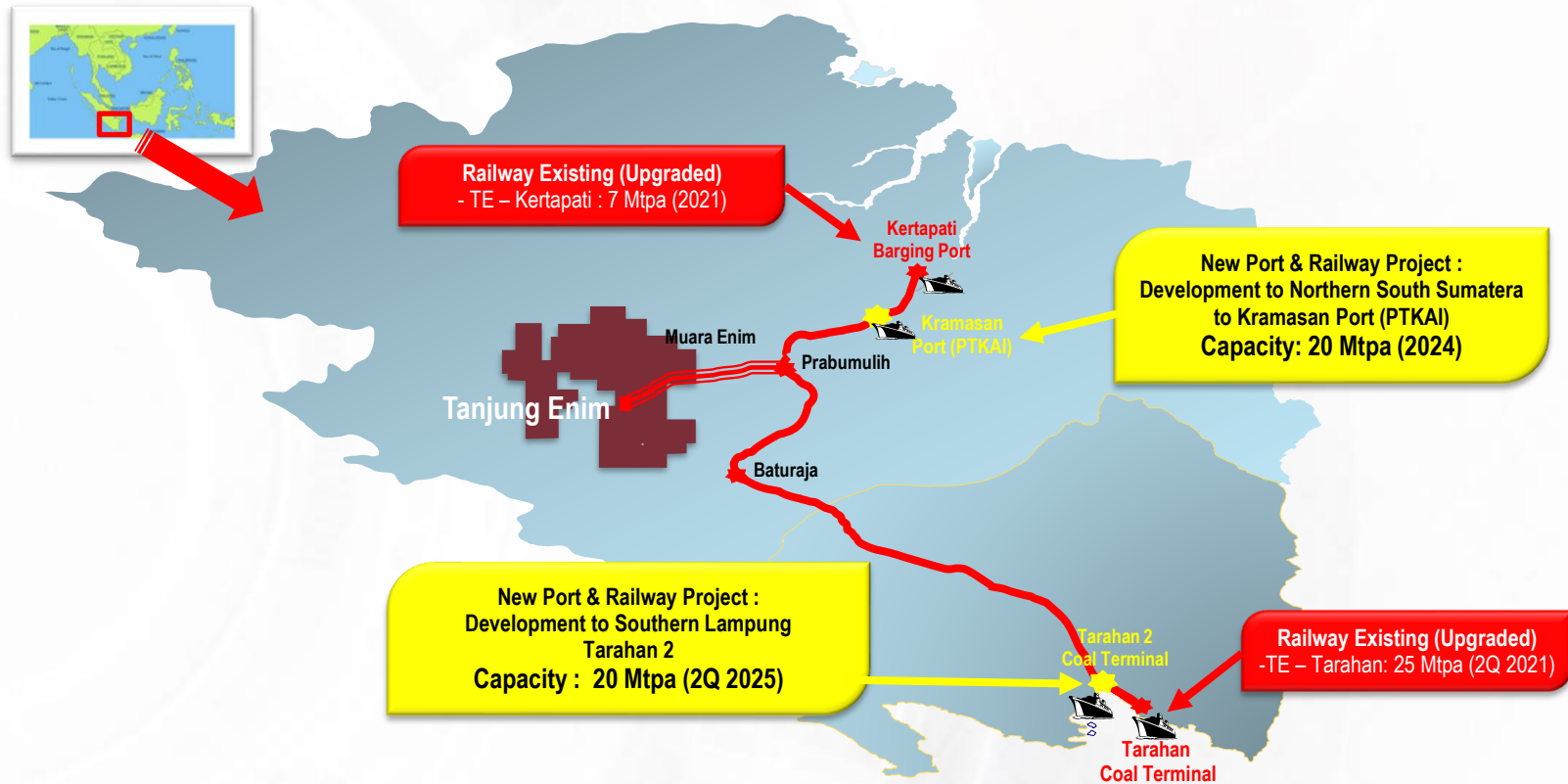


Note:

- Directorate General of Mineral and Coal, Ministry of Energy and Mineral Resources
- Others include Metallurgy, Smelter and Briquette industries.
- 2020E – 2030E forecasted electricity generation composition as reported by the Indonesia Energy Statistics (World Bank, Indonesia Energy Statistics). 2016A data based on BMI.
- Breakdown based on sales distribution per country in tons FY2019
- Others include Thailand, Sri Lanka, China, Cambodia, Australia, Myanmar, Pakistan.

Significant Coal Sales Exposure to Indonesia Market and Benefiting The Most from Growth in Domestic Coal Demand

Expanding Railway Capacity and New Ports



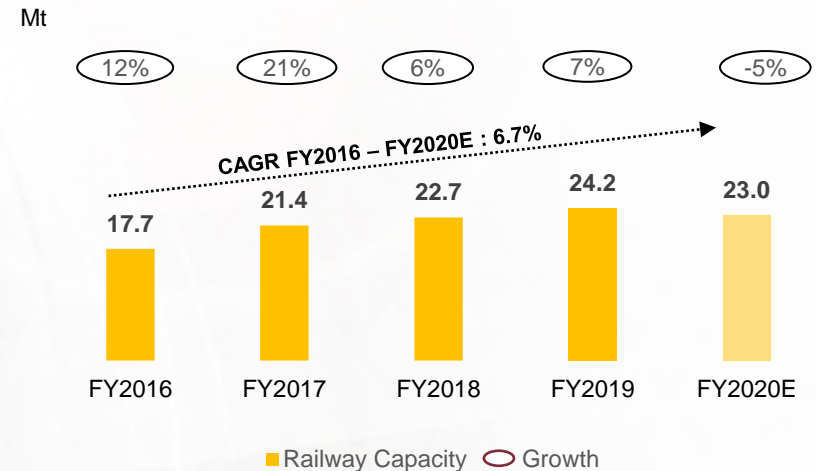
The Tanjung Enim Mine and Tarahan Port (largest coal terminal in Sumatera, accommodating “Capesize” bulk carrier vessels of up to 210,000 DWT) are 100% owned and operated by PTBA

Expanding Railway Capacity and New Ports (Cont.)

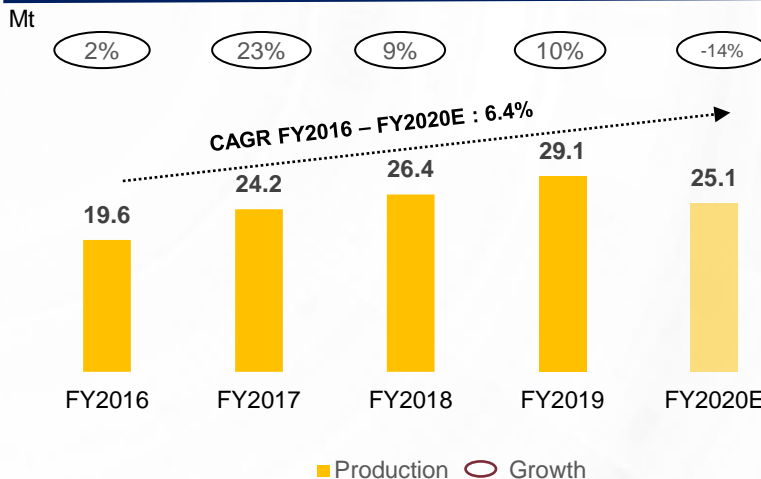
Optimization of Railway Capacity and Future Expansion Projects

	Previous Capacity	Estimated Capacity Upgrade
New Railway Projects		
Tanjung Enim – Kramasan (PT KAI)	n.a.	20 Mtpa (2024)
Tarahan 2	n.a.	20 Mtpa (2025)
Railway Upgrades		
Tanjung Enim – Kertapati	5 Mtpa	7 Mtpa (2021)
Tanjung Enim – Tarahan	20.3 Mtpa	25 Mtpa (Q2 2021)

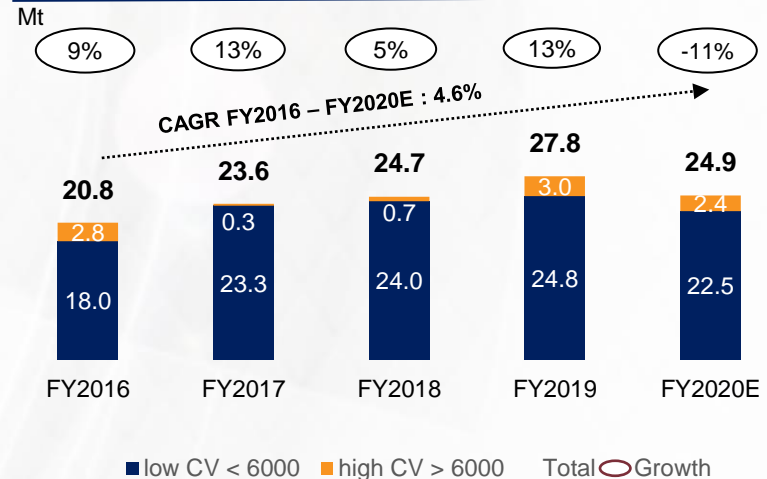
Railway Volume



Production Volume



Sales Volume



Production and sales volume have increased year on year basis; FY2019 production is 29.1 Mt (+10% YoY, vs 26.4 Mt in FY2018) and FY2019 sales is 27.8 Mt (+13% YoY, vs 24.7 Mt in FY2018)

Development Projects – Power Plants

Total Power Plants ~ 1,500 MW

Rooftop Solar PV AP II 241 kWp

Location:	Soekarno Hatta Airport
COD:	2020
PTBA:	50%
Investment:	USD 194,400

Sumsel-8 CFPP 2x620 MW

Location:	Central Banko
Coal Consumption:	5.4 Mtpa
COD:	2021/22
PTBA:	45%
Investment:	USD 1.68bn

Banjarsari CFPP 2x110 MW

Location:	Banjarsari, Lahat
Coal Consumption:	1.0 Mtpa
COD:	Since 2015
PTBA:	59.75%

Tanjung Enim CFPP 3x10 MW

Usage:	Internal mine sites
Coal Consumption:	0.15 Mtpa
COD:	Since 2012
PTBA:	100%

Tarahan Port CFPP 2x8 MW

Usage:	Internal port sites
Coal Consumption:	0.10 Juta Mtpa
COD:	Since 2013
PTBA:	100%

Legend:

Under Construction Operated

Development Projects – Coal to Chemical



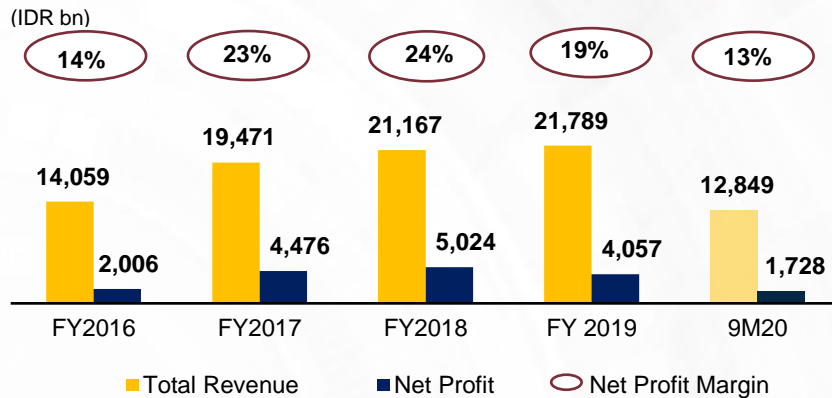
Coal to Chemical Plant (Produce 1.4 million ton DME)



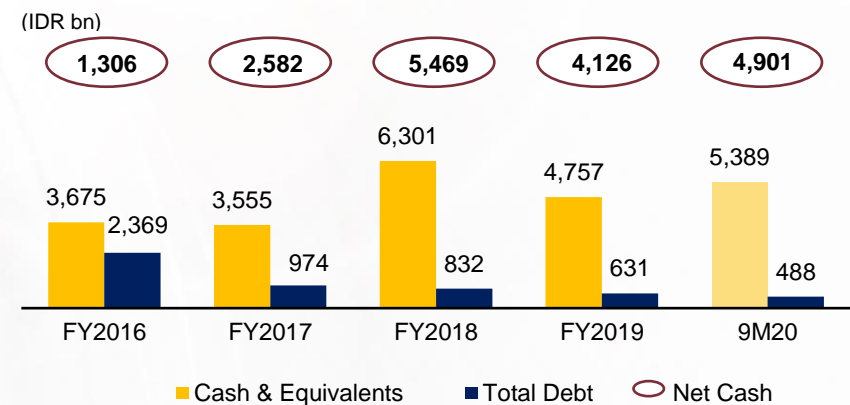
Product	: DME
Coal Consumption	: 6 Mtpa

Financial Strength and High Dividend Payout Ratio

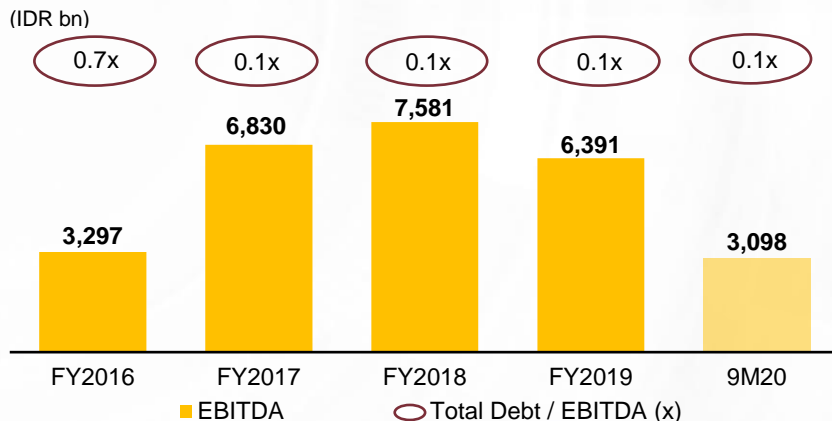
Total Revenue, Net Profit and Net Profit Margin



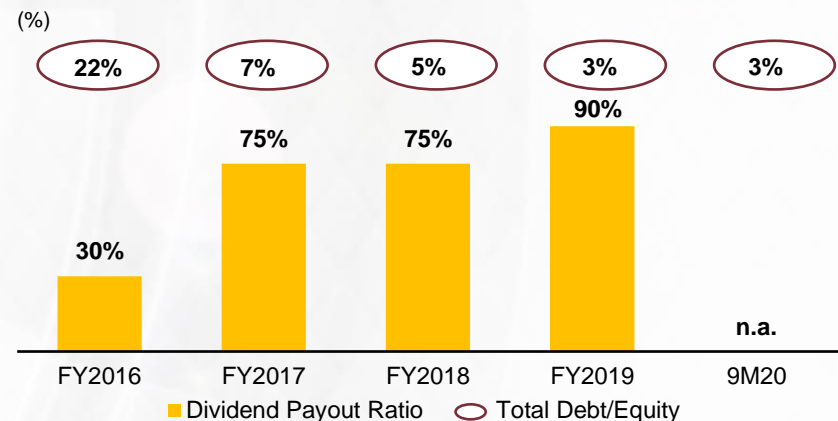
Minimal Debt ⁽¹⁾ with Overall Net Cash Position ⁽²⁾



EBITDA and Total Debt ⁽¹⁾ / EBITDA Ratio



Low Leverage ⁽¹⁾ with Min. 30% Dividend Payout Ratio Over The Last Few Years



Significant improvement in operating margins driven by favourable transportation and increasing the portion of in-house mining contractor

Strong balance sheet with low net gearing and good cash flows

(1) Total debt includes bank borrowings and lease obligations, except lease obligations of PSAK 73.
 (2) Net cash not included deposits more than three months.



1. Teluk Bayur Port
2. Kertapati Barging Port
3. Tanjung Enim Mine
4. Peranap Mine
5. Ombilin Mine
6. Lahat Mine
7. Tarahan Port
8. IPC Mine
9. Tabalong Mine

For More Information :

Contact	: Finoriska Citraning
Position	: Investor Relations Manager
Address	: PT Bukit Asam Tbk Menara Kadin, 15 th Floor, Jl. Rasuna Said, Blok X-5 Kav. 2 & 3, Jakarta 12950 Indonesia
Telephone	: +62 21 5254014
Facsimile	: +62 21 5254002
E-mail	: fcitraning@bukitasam.co.id
Website	: www.ptba.co.id

Disclaimer:

This presentation contains forward-looking statements based on assumptions and forecasts made by PT Bukit Asam Tbk management. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and speak only as of the date they are made. We undertake no obligation to update any of them in light of new information or future events.

These forward-looking statements involve inherent risks and are subject to a number of uncertainties, including trends in demand and prices for coal` generally and for our products in particular, the success of our mining activities, both alone and with our partners, the changes in coal industry regulation, the availability of funds for planned expansion efforts, as well as other factors. We caution you that these and a number of other known and unknown risks, uncertainties and other factors could cause actual future results or outcomes to differ materially from those expressed in any forward-looking statement.