

PT BUKIT ASAM Tbk

Corporate Presentation FY 2019



Outline

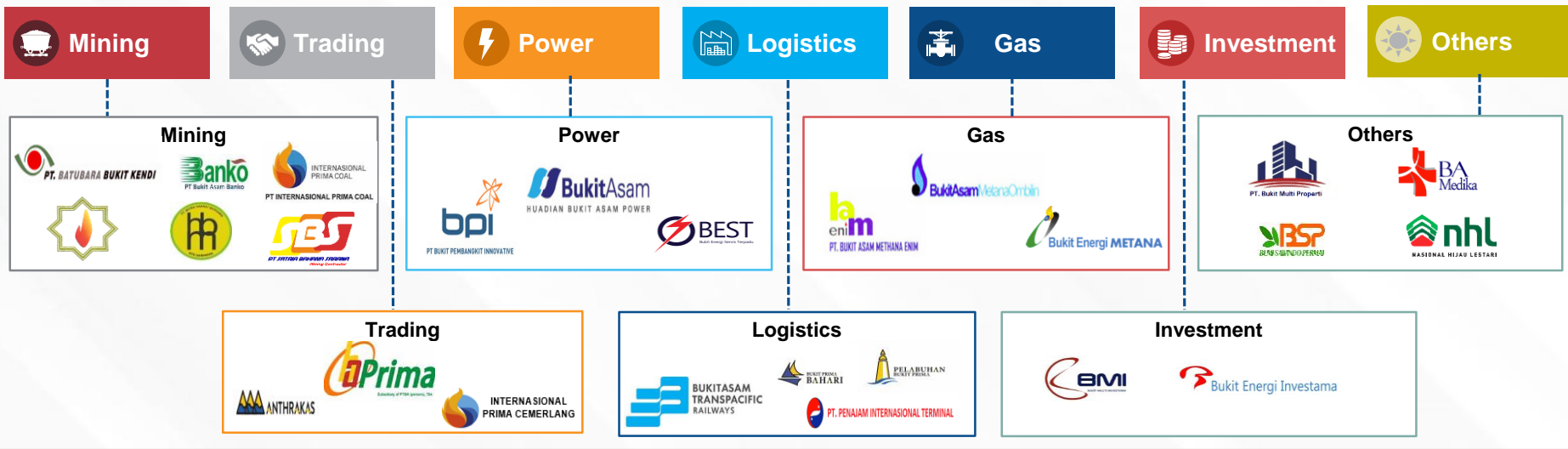
1. Introduction
2. FY 2019 Update
3. Company Overview



1. Introduction

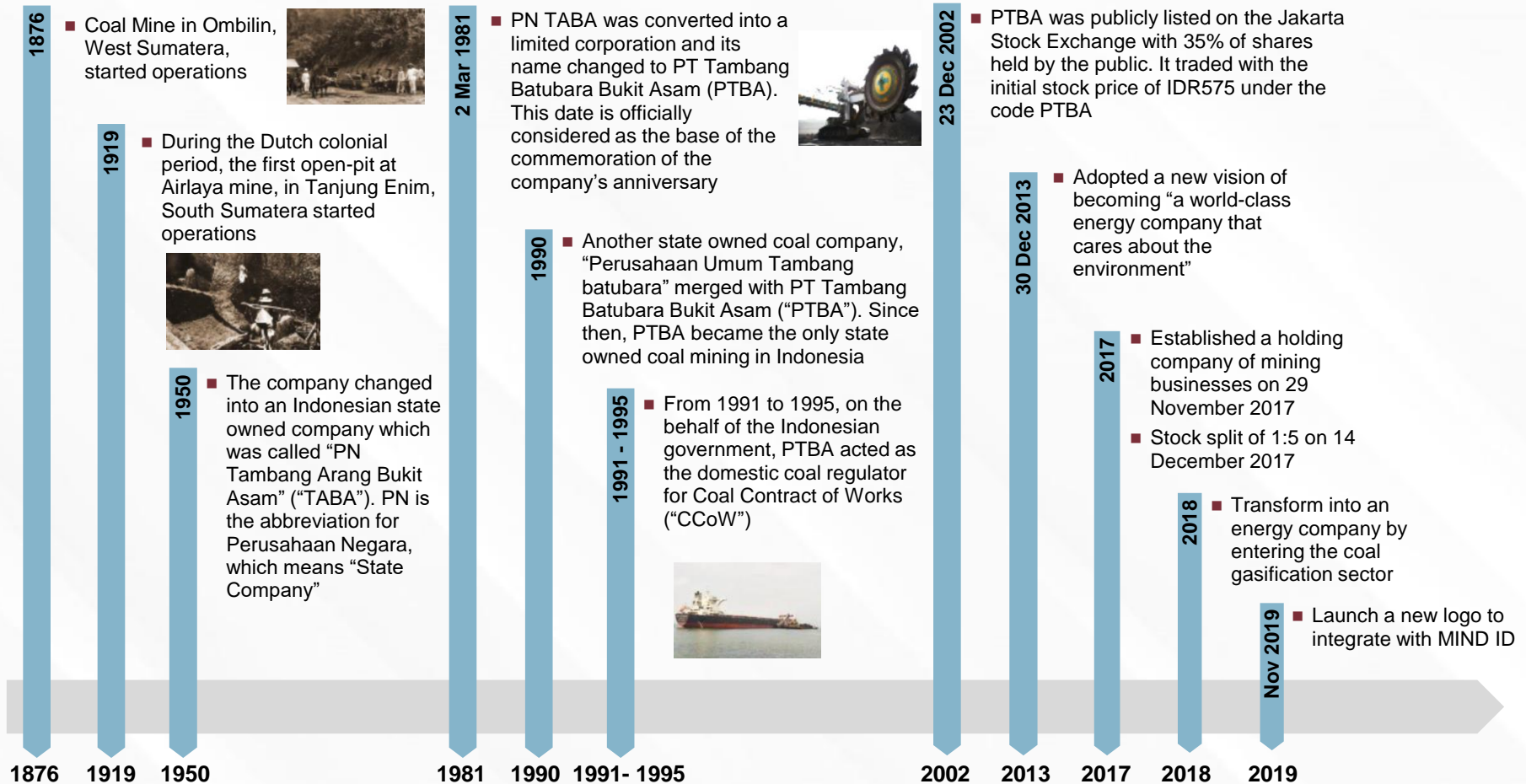


The Subsidiaries and Indirect Subsidiaries



- 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

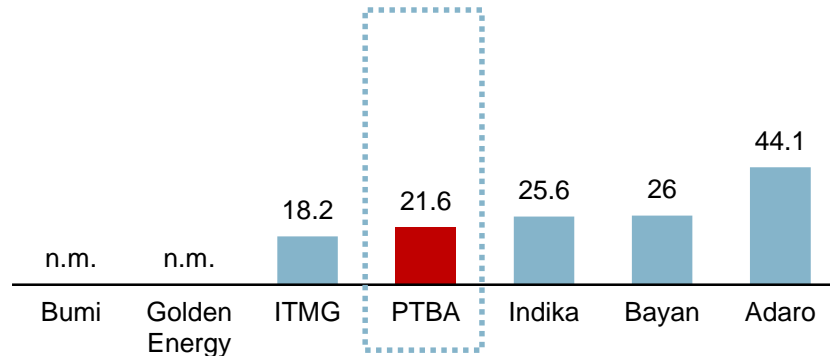


PTBA is Indonesia's Oldest and Most Experienced Coal Producer

PTBA among peers – 9M19

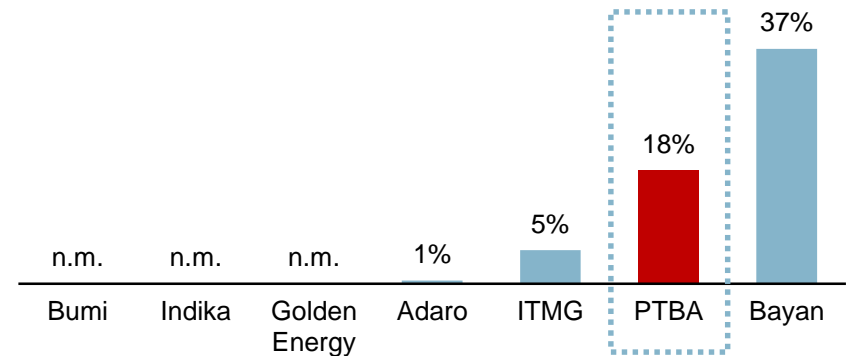
Coal Production⁽¹⁾

(Juta ton)



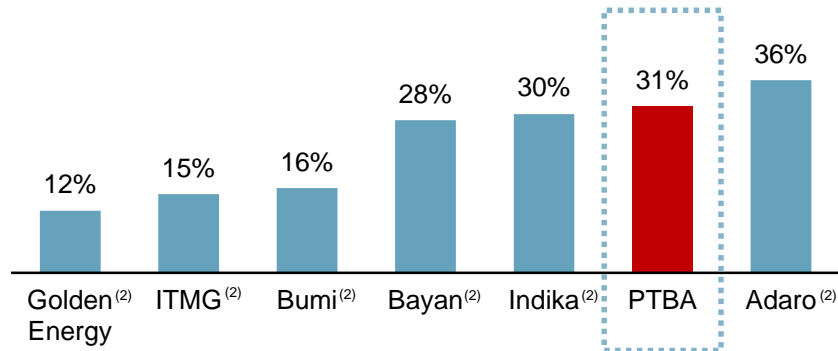
Production CAGR⁽³⁾

(%)



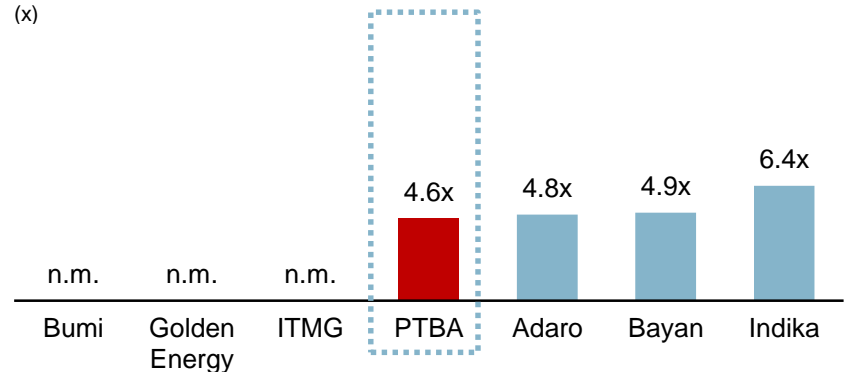
EBITDA Margin⁽¹⁾

(%)



Weighted Average Stripping Ratio⁽¹⁾

(x)



Source: Internal Analysis.

(1) Based on 9M19 performance

(2) Adjusted EBITDA.

(3) Production CAGR between 9M16-9M19

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

2. FY 2019 Update



Key Performance Highlights

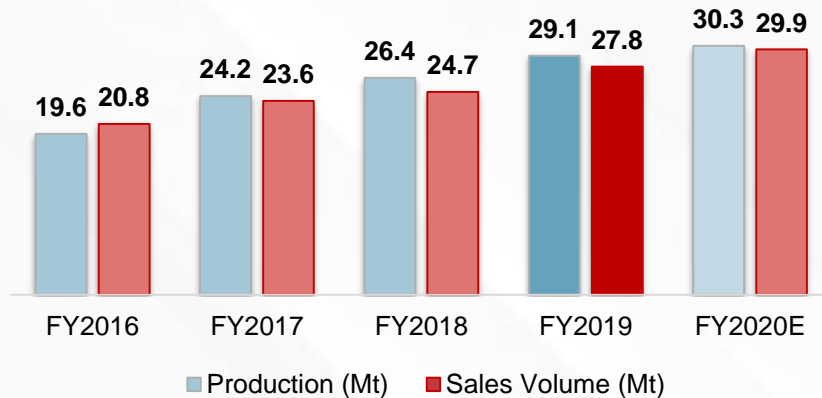
	FY 2020 E	FY 2019	FY 2018	YoY (% change)
Sales Volume (Mt)	29.9	27.8	24.7	12.6
Production (Mt)	30.3	29.1	26.4	10.2
Railway Capacity (Mt)	27.5	24.2	22.7	6.6
Revenue (IDR TN)	n.a.	21.8	21.2	2.8
Net Profit (IDR TN)*	n.a.	4.1	5.0	-19.3
Weighted Average Selling Price (IDR/t)	n.a.	769,670	834,558	-7.9
Stripping Ratio (x)	4.6	4.6	4.1	12.2

Note: *net profit after minority interest

Key Operational Highlights

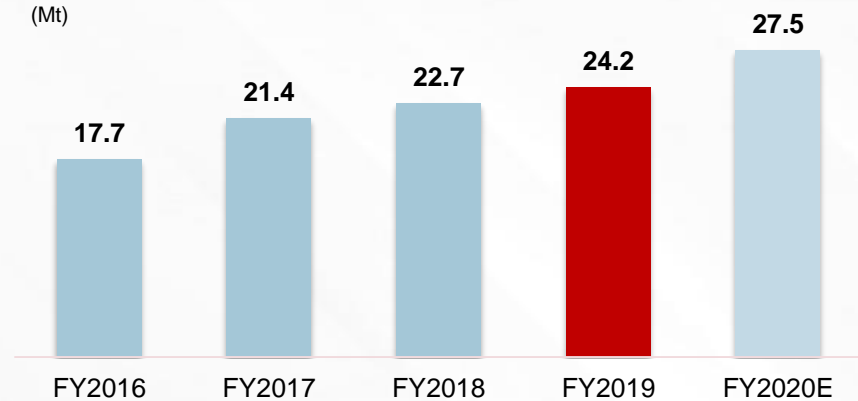
Production and Sales Volume

(Mt)



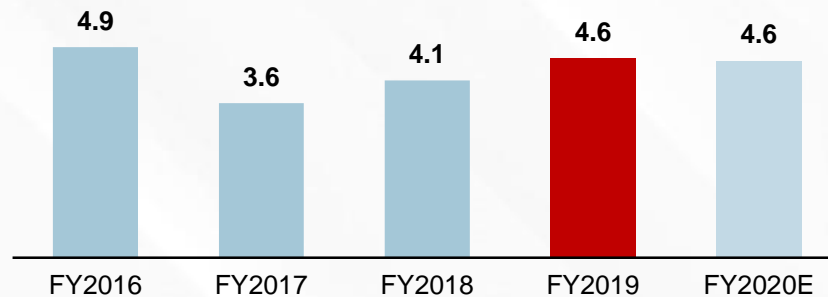
Railway Capacity

(Mt)



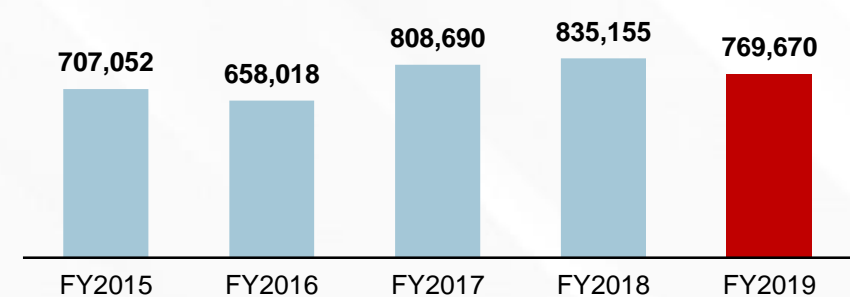
Weighted Average Stripping Ratio

(x)



Weighted Average Selling Price

(IDR/t)

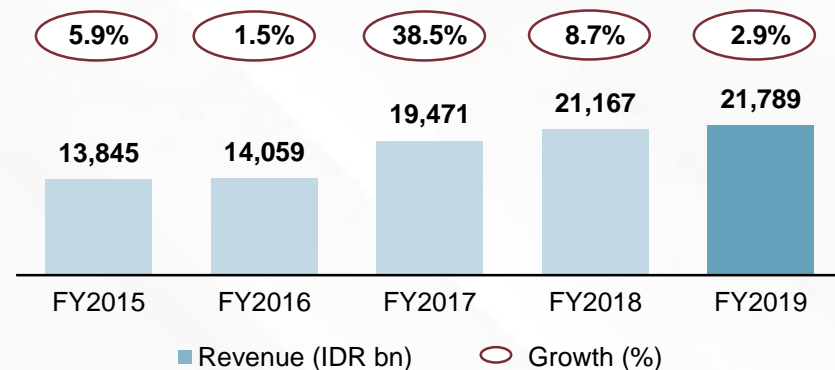


PTBA's achievement is still on track as planned

Key Financial Highlights

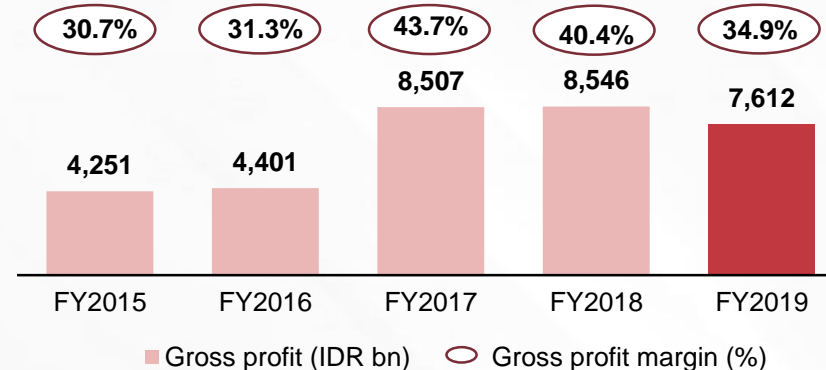
Revenue and Growth

(IDR bn)



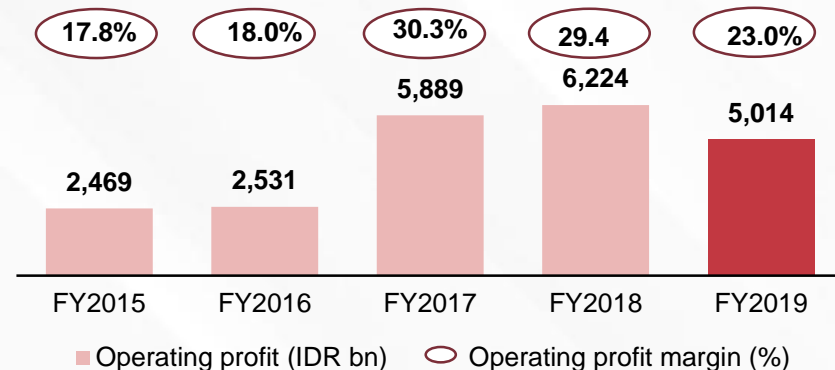
Gross Profit and Margins

(IDR bn)



Operating Profit and Margins

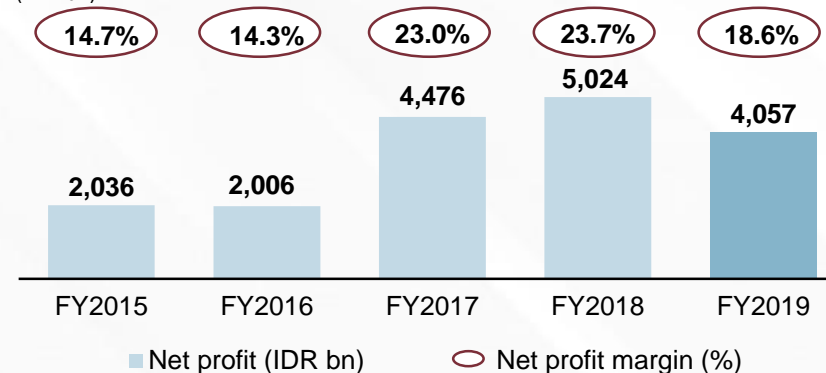
(IDR bn)



Net Profit and Margins

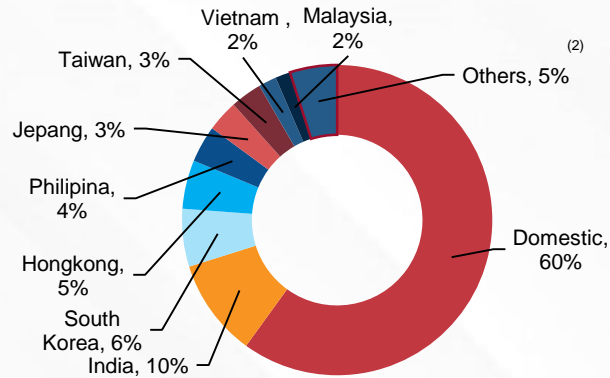
Note: net profit after minority interest

(IDR bn)

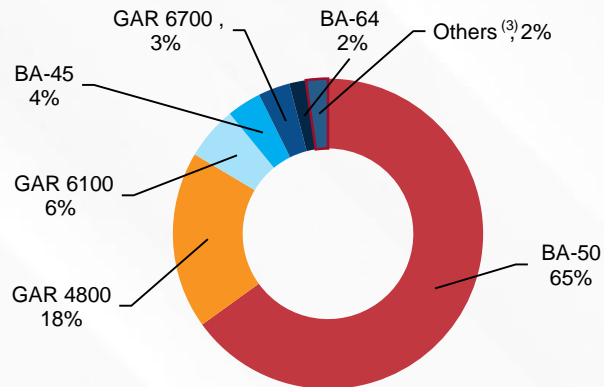


Key Financial Highlights (Cont.)

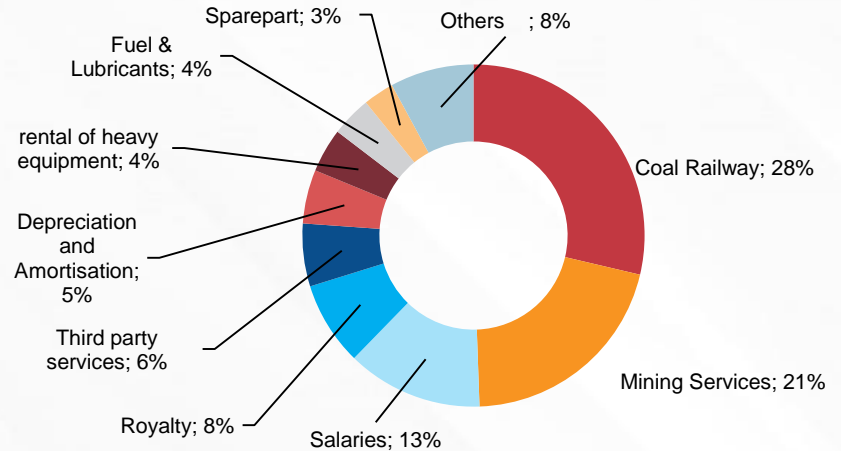
Sales Breakdown by Country⁽¹⁾



Sales Breakdown by Quality⁽¹⁾



Cost Breakdown



Total Cash Cost (FOB)⁽⁴⁾

Cash cost (IDR '000/t)	2018	2019	% Peningkatan (Penurunan)
Total	590	581	(1,50)

(1) Breakdown based on sales distribution per ton.

(2) Others include Thailand, Sri Lanka, China, Cambodia, Australia, Myanmar, Pakistan.

(3) Others include semi-ans, BA-55, GAR 4700, GAR 4600, GAR 5800.

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

3. Company Overview



Company Overview



Captive Market for Domestic Market

Expanding Railways Capacity and New Ports

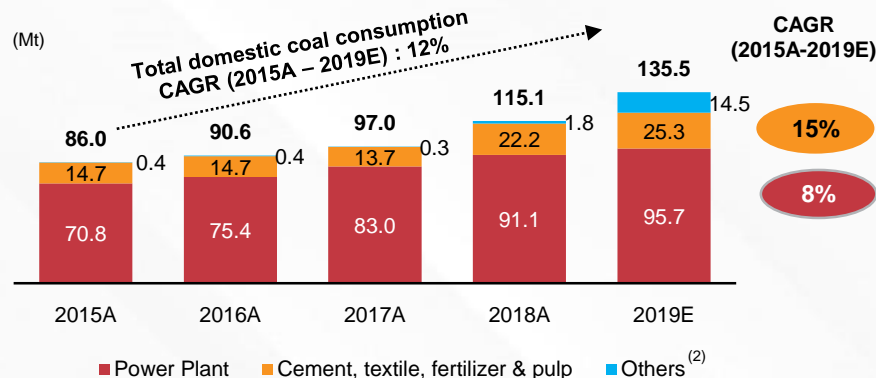
Development Projects

Financial Strength and High Dividend Payout Ratio

Captive Market for Domestic Market

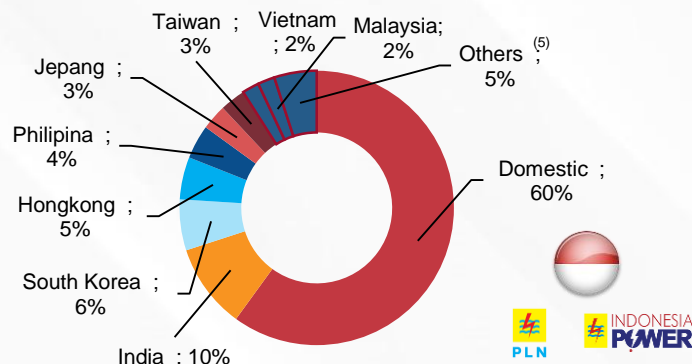
Domestic coal consumption expected to grow at ~12% ⁽¹⁾

- Overall coal domestic consumptions is expected to grow at 12%, largely driven by demand from power plants and Cement, textile, fertilizer & pulp industry



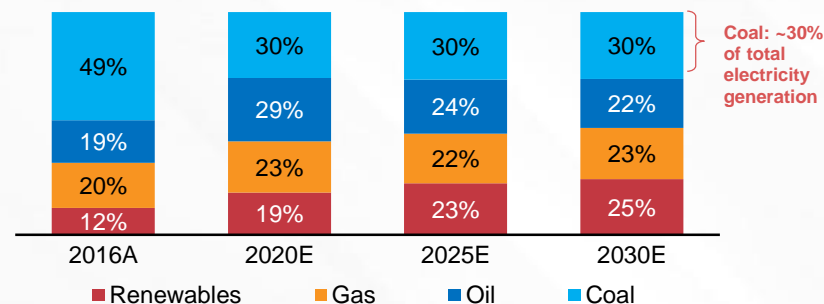
PTBA's sales breakdown per country FY 2019 ⁽⁴⁾

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

New Barging Port Project
Construction of Prajin Barging Port
■ Capacity : 10 Mtpa (2024)

Indonesia



Prajin Barging Port

Kertapati
Barging Port

Railway Project (New)
Development to Northern South Sumatera
Option to Prajin Barging Port
Capacity: 10 Mtpa (2024)

Lahat

Tanjung Enim

Muara Enim

Prabumulih

Baturaja

Shortcut
TE - Baturaja

Railway Project (New)
Development to Southern Lampung
Tarahan (Tarahan-II)
Capacity: 20 Mtpa (2024)

Tarahan Port

Phase 2
Tarahan

New Port
Phase 2 Tarahan Port Development
■ Capacity : 20 Mtpa (2024)

Railway (Upgraded):

Capacity: up to 30 Mtpa

- TE – Kertapati: 5 Mtpa (Q1 2020)
- TE – Tarahan : 25 Mtpa (2020)

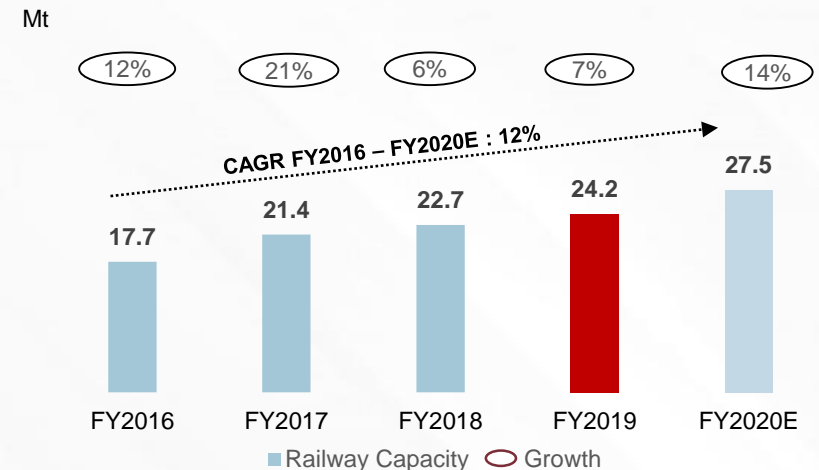
The Tanjung Enim Mine (27 Mtpa existing production capacity) and Tarahan Port (largest coal terminal in Sumatera, accommodating “Capesize” bulk carrier vessels of up to 210,000 DWT) are 100% owned and operated by PTBA

Expanding Railway Capacity and New Ports (Cont.)

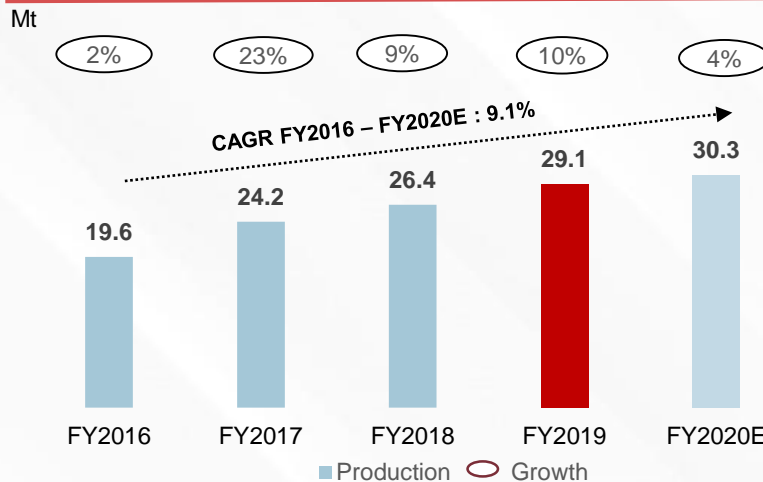
Optimization of Railway Capacity and Future Expansion Projects

	Previous Capacity	Estimated capacity upgrade
New railway projects		
Tanjung Enim – Prajin	■ n.a.	■ 10 Mtpa (2024)
Tarahan Second Line	■ n.a.	■ 20 Mtpa (2024)
Railway upgrades		
Tanjung Enim – Kertapati	■ 3.7 Mtpa	■ 5 Mtpa (Q1 2020)
Tanjung Enim – Tarahan	■ 20.3 Mtpa	■ 25 Mtpa (Dec 2020)

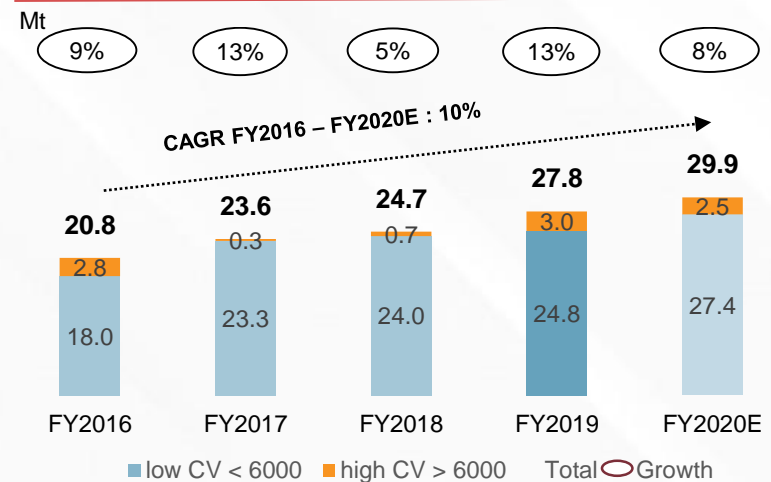
Increasing Railway Capacity



Increasing Production



Increasing 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

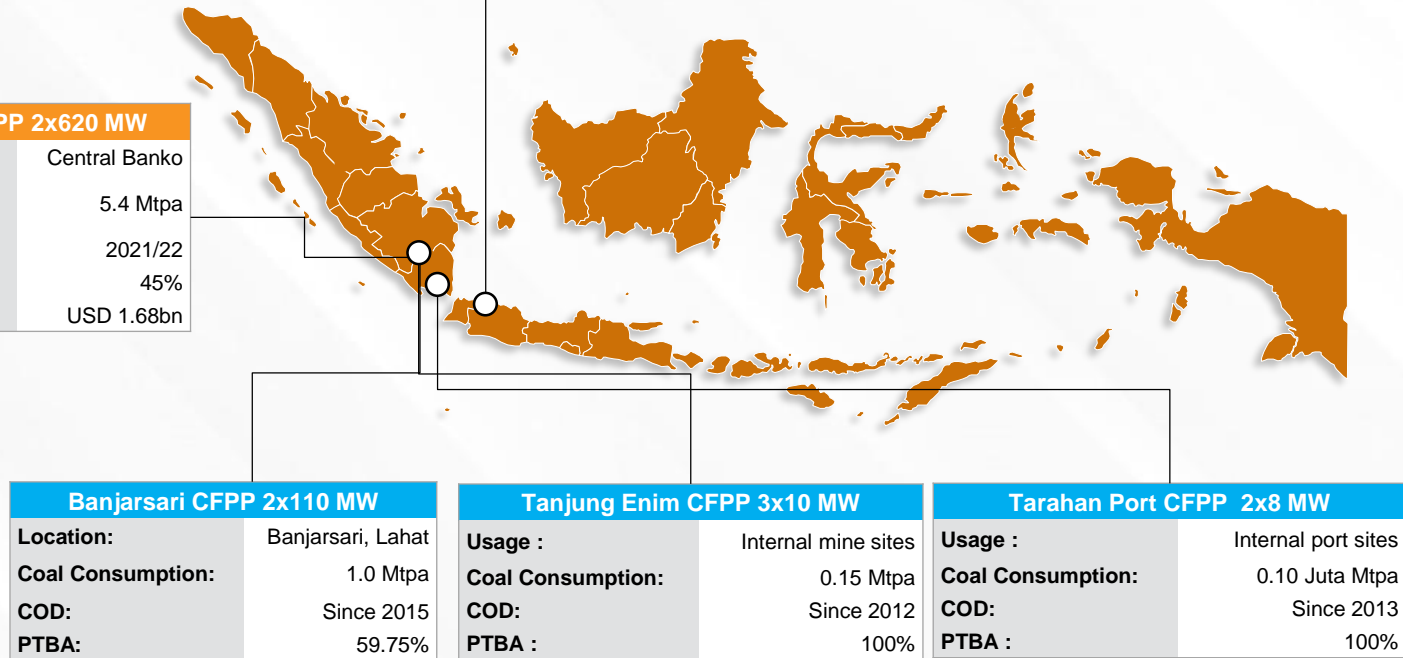
Total Power Plants ~ 1,500 MW

Rooftop Solar PV APII 241 Kwp

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

Sumsel 8 CFPP 2x620 MW

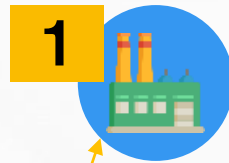
Location:	Central Banko
Coal Consumption:	5.4 Mtpa
COD:	2021/22
PTBA:	45%
Investment:	USD 1.68bn



Legend:

Construction Operated

Development Projects – Coal to Chemical



COAL TO DME



PERTAMINA



Product
Coal Consumption

: DME
: 6.5 mtpa



COAL TO UREA, DME, POLYPROPYLENE



PERTAMINA

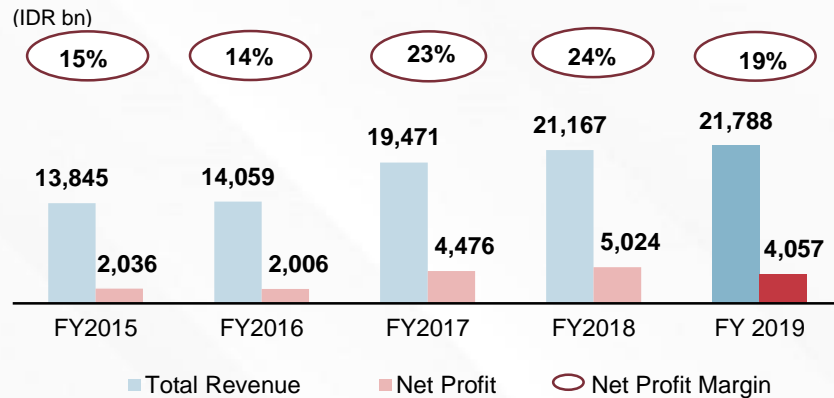


Product
Coal Consumption

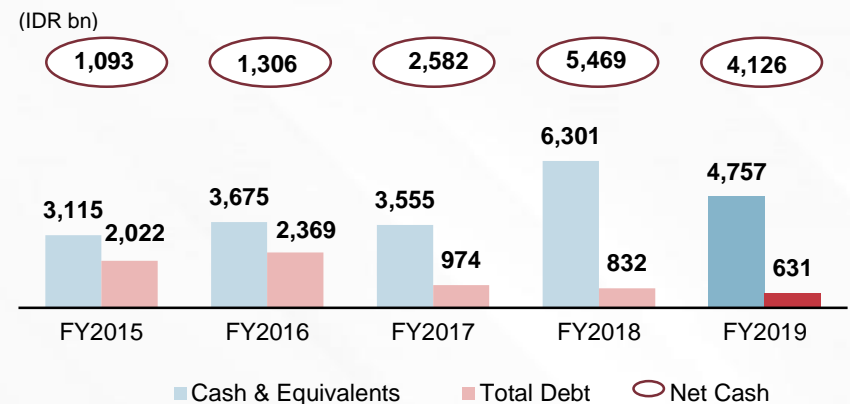
: DME, Urea, Polypropylene
: 8.1 mtpa

Financial Strength and High Dividend Payout Ratio

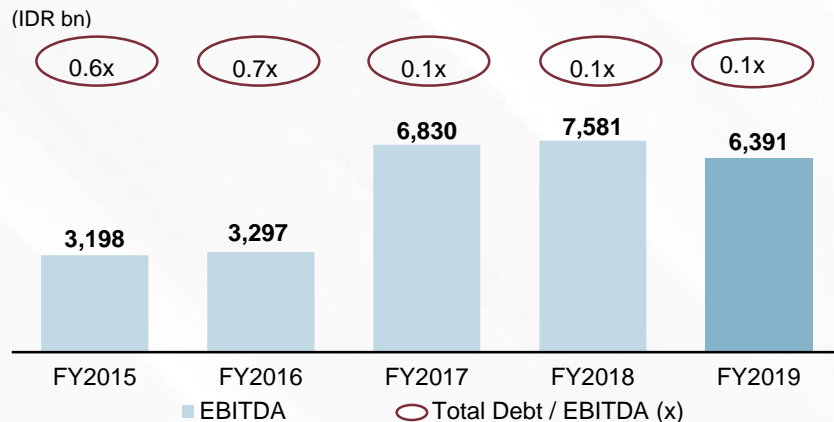
Total Revenue, Net Profit and Net Profit Margin



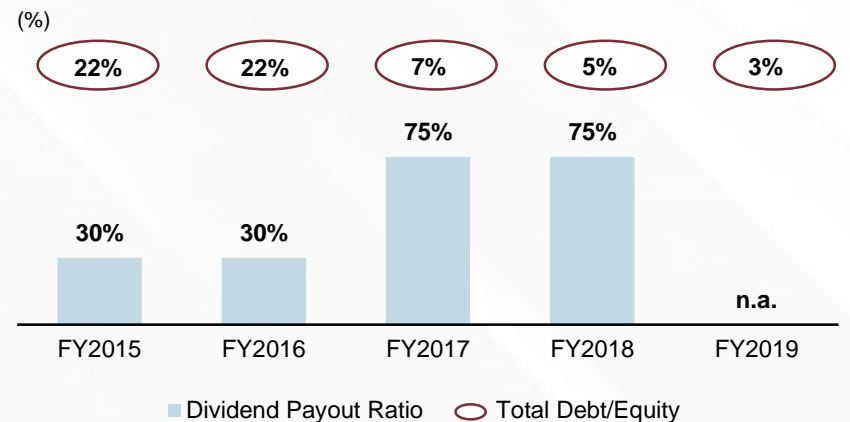
Minimal Debt ⁽¹⁾ with Overall Net Cash Position ⁽²⁾



EBITDA and Total Debt ⁽¹⁾ / EBITDA Ratio



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

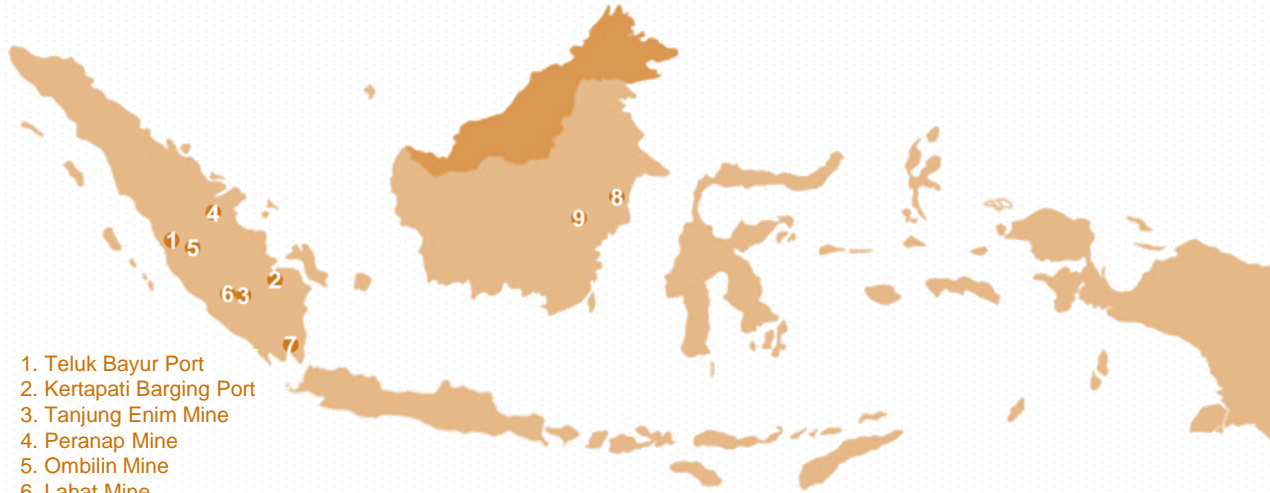


Significant improvement in operating margins driven by favourable transportation and increasing the portion of in-house mining contractor

Strong balance sheet with low net gearing and good cash flows

(1) Total debt includes bank borrowings and finance lease obligations.

(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	: Hartono
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	: hartono@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.