

PT BUKIT ASAM Tbk

Corporate Presentation Q1 2020



Outline

1. Introduction

2. Q1 2020 Update

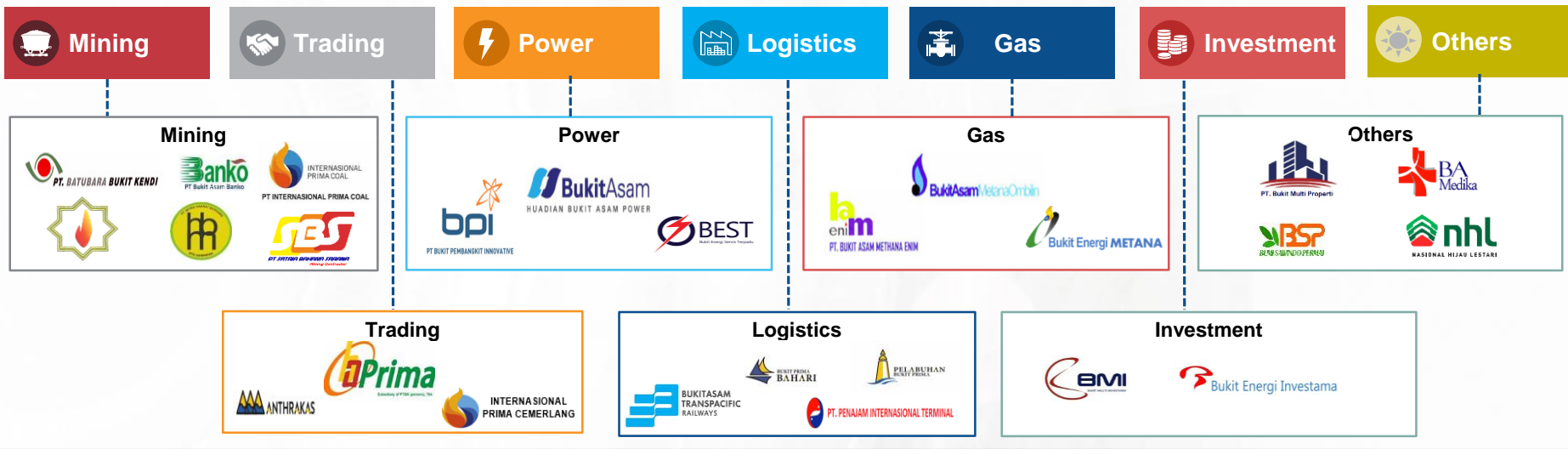
3. Company Overview



1. Introduction

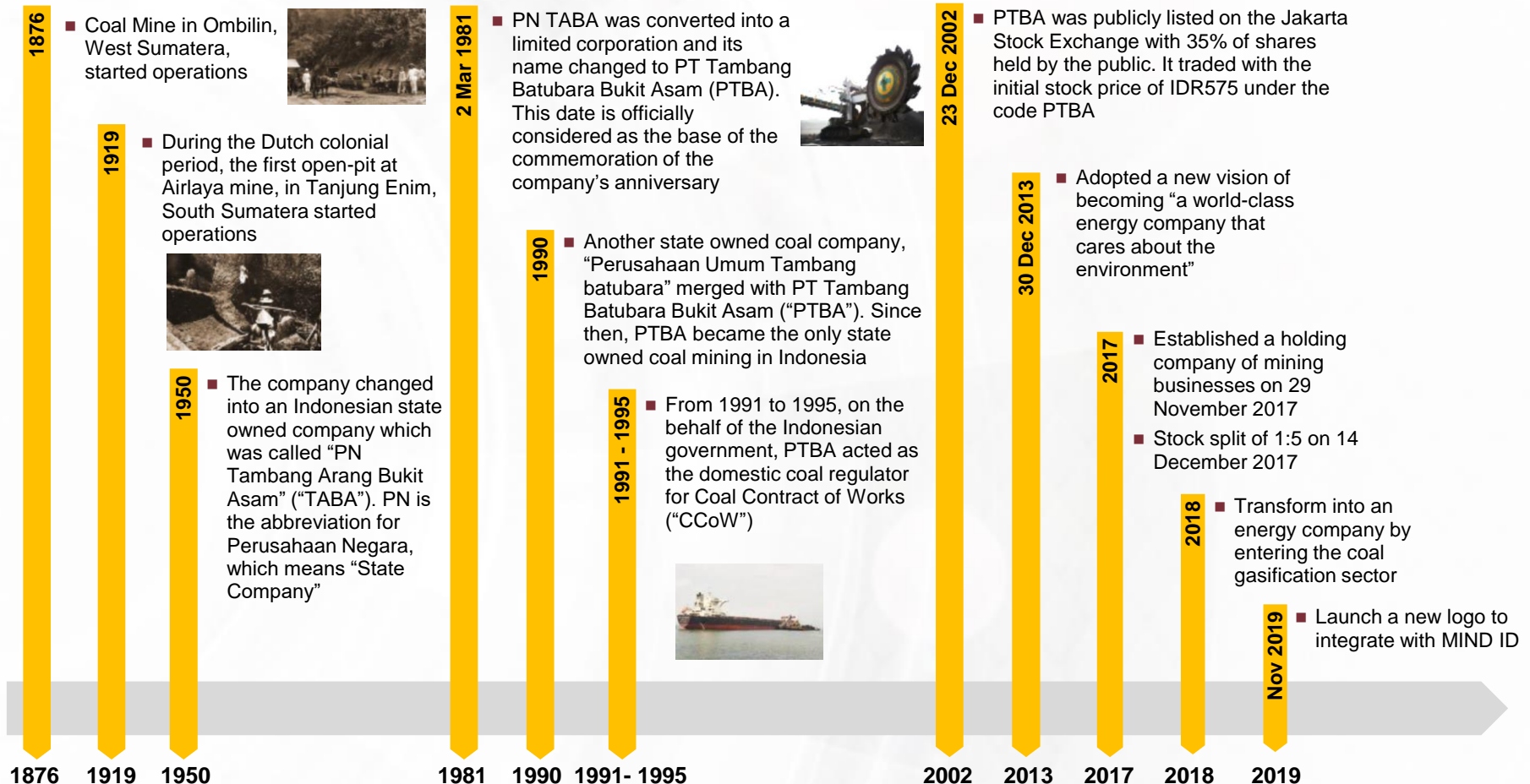


The Subsidiaries and Indirect Subsidiaries



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



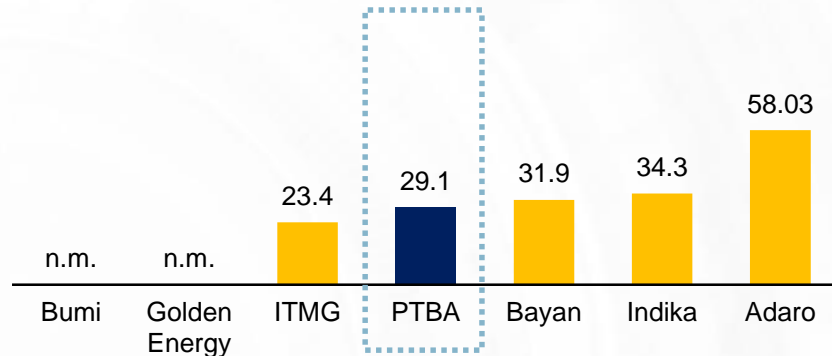
PTBA is Indonesia's Oldest and Most Experienced Coal Producer



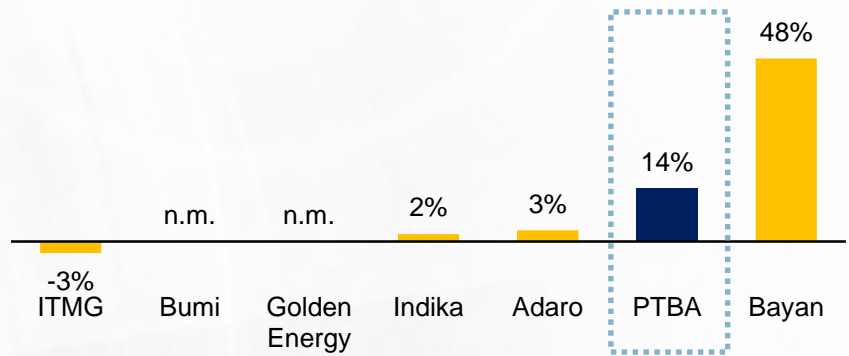
PTBA among peers

2019 Coal Production

(Mn ton)

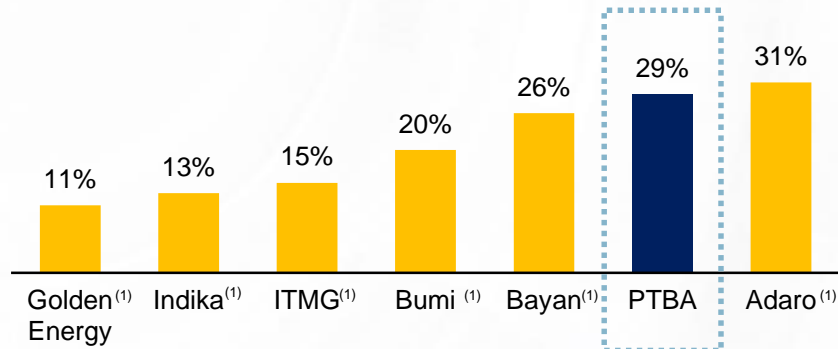


2016 - 2019 Production CAGR

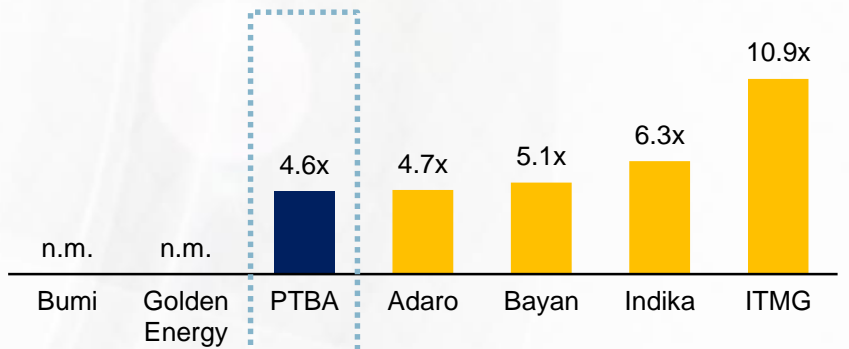


2019 EBITDA Margin

(%)



2019 Weighted Average Stripping Ratio



Source: Internal Analysis.

(1) Adjusted EBITDA.

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



bukitasamptba



PT Bukit Asam Tbk



BukitAsamPTBA



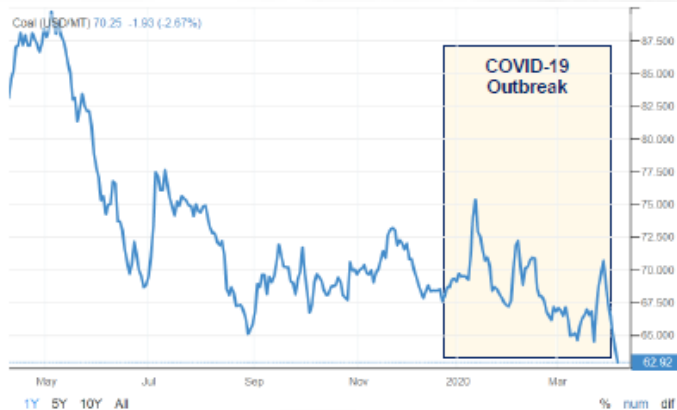
www.ptba.co.id

2. Q1 2020 Update



Impacts of Covid-19 to Coal Market

The Trend of Newcastle Coal Price

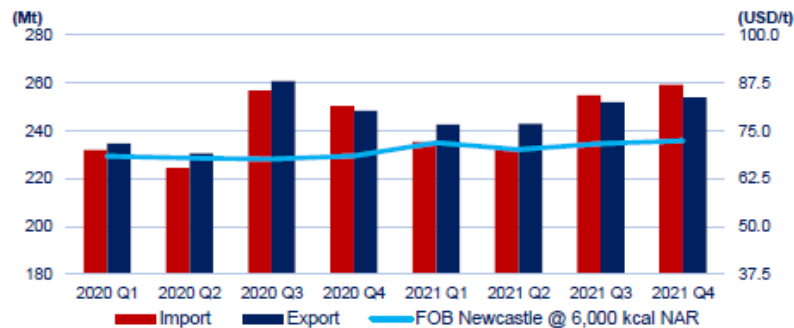


Lockdown in South Africa, as one of the world's major coal exporter with 7% of exports by 2019, will affect global coal supply even though the South Africa Government is currently reviewing export policies on a case by case.

India, as one of the world's major coal importer has announced a lockdown that will significantly affect global coal demand.

With global coal surplus conditions and pressures from lower oil and gas prices, several analysts predict that prices will fall in the middle of 2020 which will begin to stabilize by the end of 2020.

Coal Supply and Demand Projections



Sumber: Wood Mackenzie

In terms of domestic coal industry, there will be reduction in coal consumption by the PLN group due to a decrease in industrial electricity demand.

Actions taken by PTBA to mitigate The Covid-19 outbreak



1 Company Regulations

- Covid-19 Prevention Guidelines
- Provide The Protocol of Work From Home
- The Protocol of Campaign to Prevent Covid-19
- The Protocol to Access The Office, Site, and Employee Housing
- etc



2 Company Activities

- Checking Body Temperature
- Implementation of Work From Home for Jakarta Office
- Postpone The Business Trip
- Virtual Meeting
- Disinfectant Spraying
- etc



3 Equipment & Infrastructure

- Thermogun
- Hand Sanitizer
- Face Mask
- PPE
- Representative Hospital
- etc



Key Performance Highlights

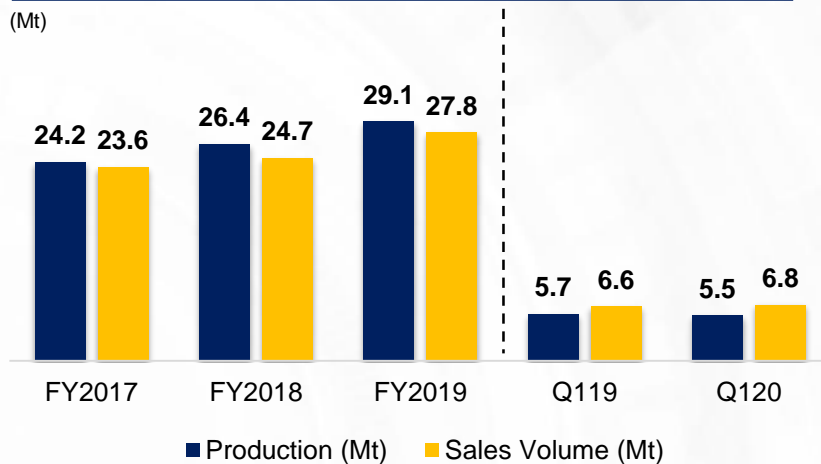
| | FY 2020 E | Q1 2020 | Q1 2019 | QoQ (% change) |
|---|-----------|---------|---------|-------------------|
| Sales volume (Mt) | 29.9 | 6.8 | 6.6 | 2.1 |
| Production (Mt) | 30.3 | 5.5 | 5.7 | -2.8 |
| Railway Capacity (Mt) | 27.5 | 6.5 | 5.8 | 12.1 |
| Revenue (IDR TN) | n.a. | 5.1 | 5.3 | -4.0 |
| Net Profit (IDR TN)* | n.a. | 0.9 | 1.1 | -20.6 |
| Weighted Average Selling Price (IDR/t) | n.a. | 741,845 | 772,058 | -3.9 |
| Stripping Ratio (x) | 4.7 | 4.4 | 4.6 | -4.4 |

Note: *net profit after minority interest

Key Operational Highlights

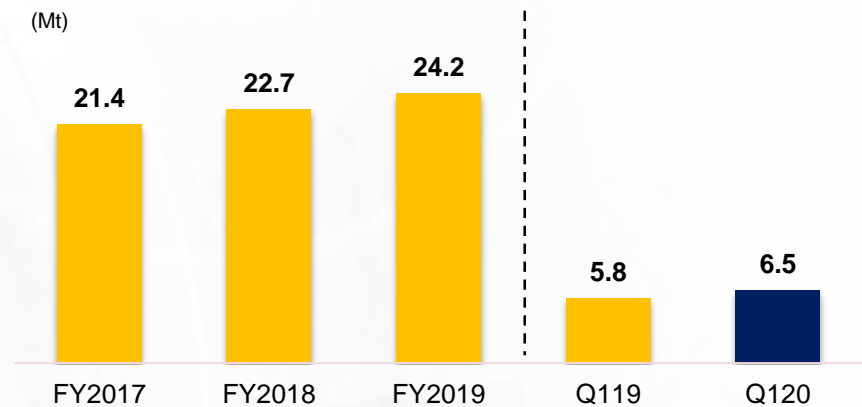
Production and Sales Volume

(Mt)



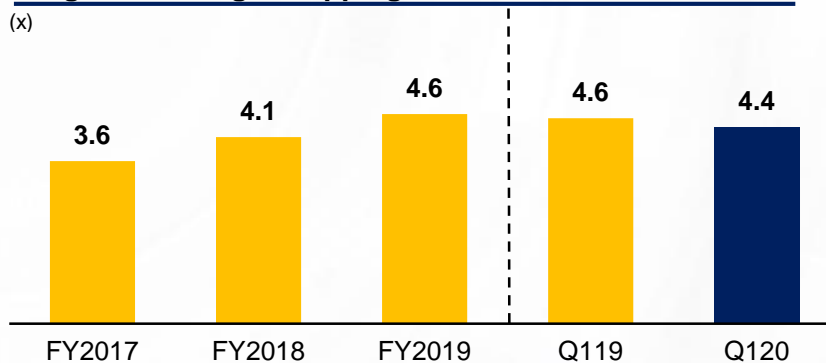
Railway Capacity

(Mt)



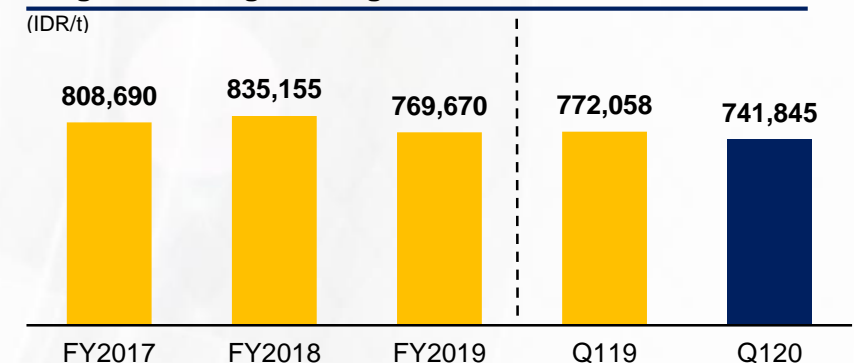
Weighted Average Stripping Ratio

(x)



Weighted Average Selling Price

(IDR/t)

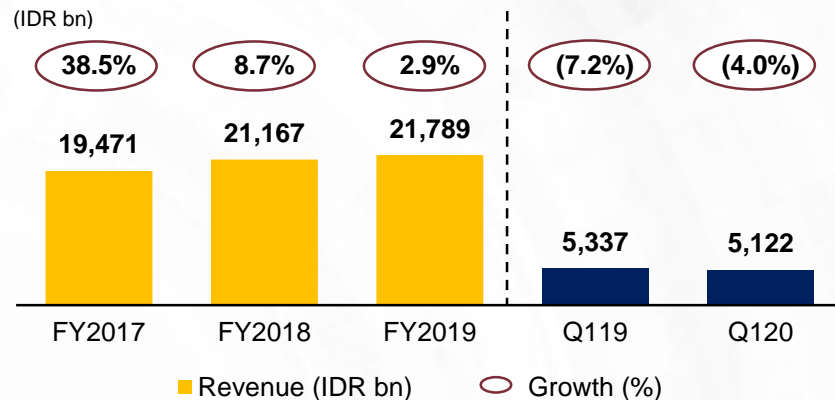


PTBA's achievement is still on track as planned

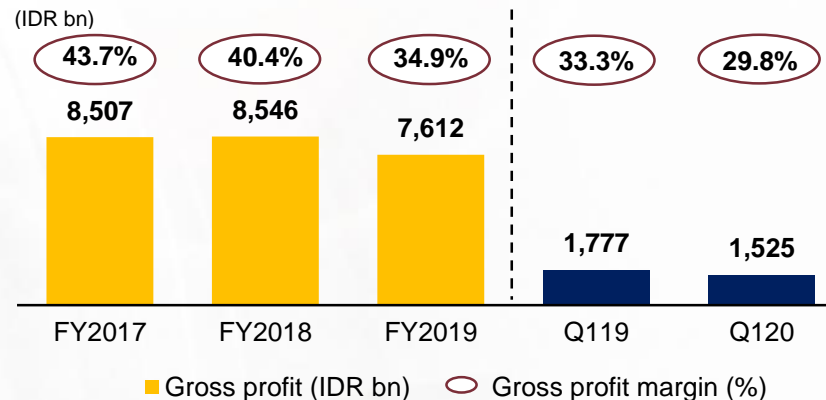


Key Financial Highlights

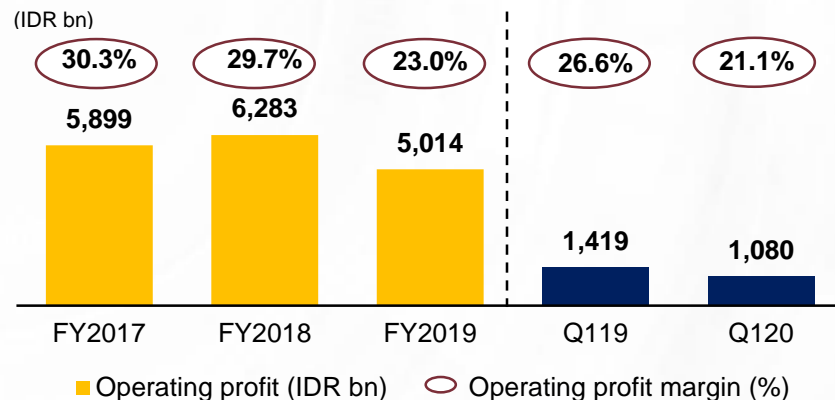
Revenue and Growth



Gross Profit and Margins

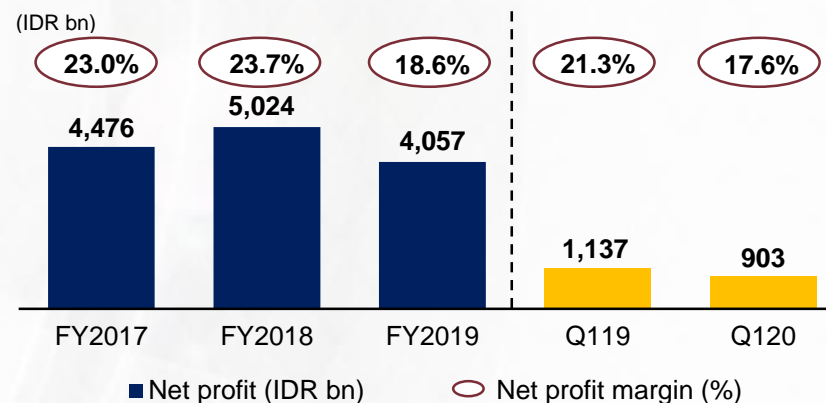


Operating Profit and Margins



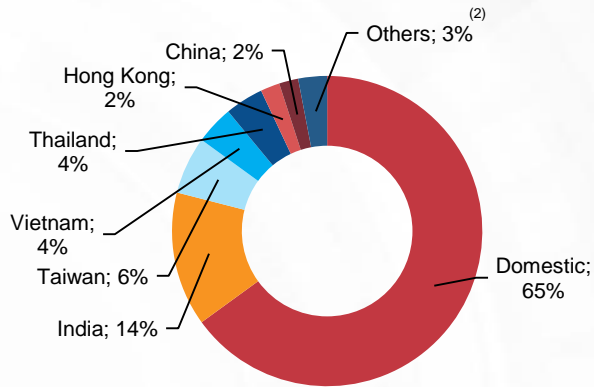
Net Profit and Margins

Note: net profit after minority interest

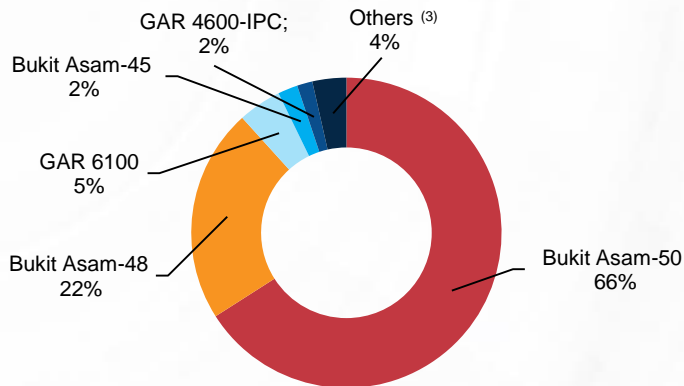


Key Financial Highlights (Cont.)

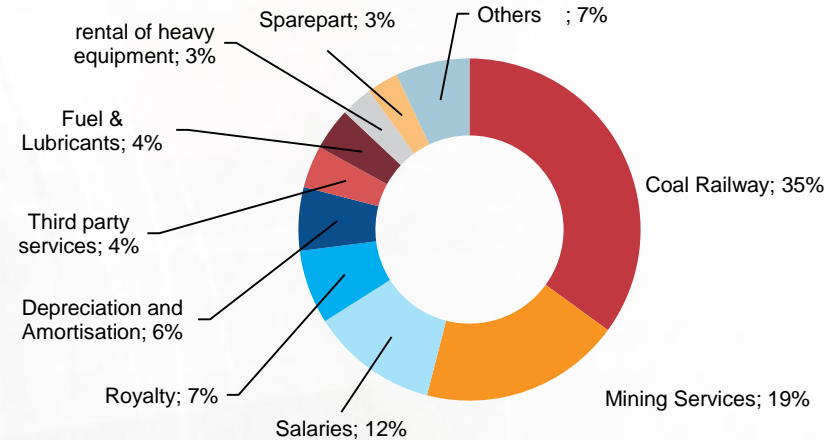
Sales Breakdown by Country⁽¹⁾



Sales Breakdown by Quality⁽¹⁾



Cost Breakdown



Total Cash Cost (FOB)⁽⁴⁾

| Cash cost (IDR '000/t) | Q120 | Q119 | % Peningkatan (Penurunan) |
|------------------------|------|------|---------------------------|
| Total | 579 | 587 | (1.31) |

(1) Breakdown based on sales distribution per ton.

(2) Others include Japan, Malaysia, Philippines, Australia.

(3) Others include Bukit Asam – 67, Bukit Asam – 64, GAR 4700 - IPC

(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

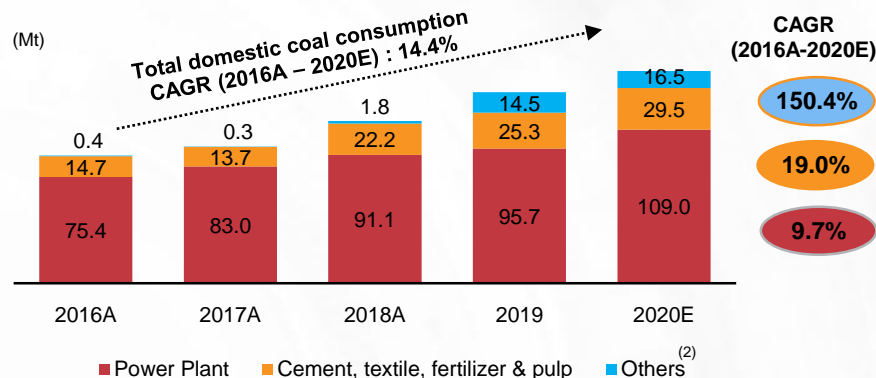
Financial Strength and High Dividend Payout Ratio



Captive Market for Domestic Market

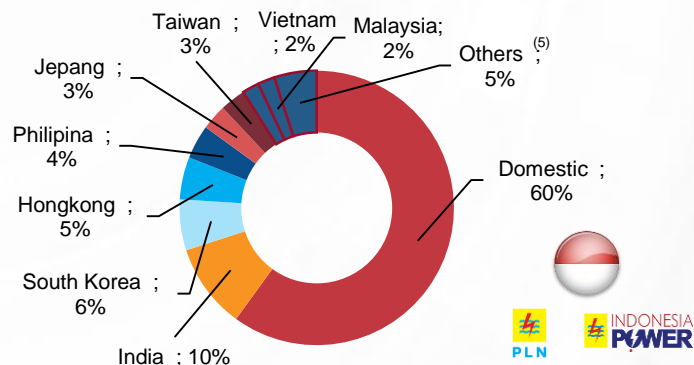
Domestic coal consumption expected to grow at ~14.4% ⁽¹⁾

- Overall coal domestic consumptions is expected to grow at 14.4%, largely driven by demand from power plants and Cement, textile, fertilizer & pulp industry



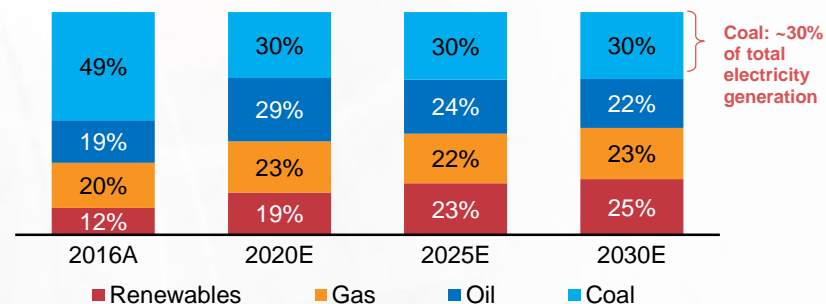
PTBA's sales breakdown per country FY 2019 ⁽⁴⁾

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⁾

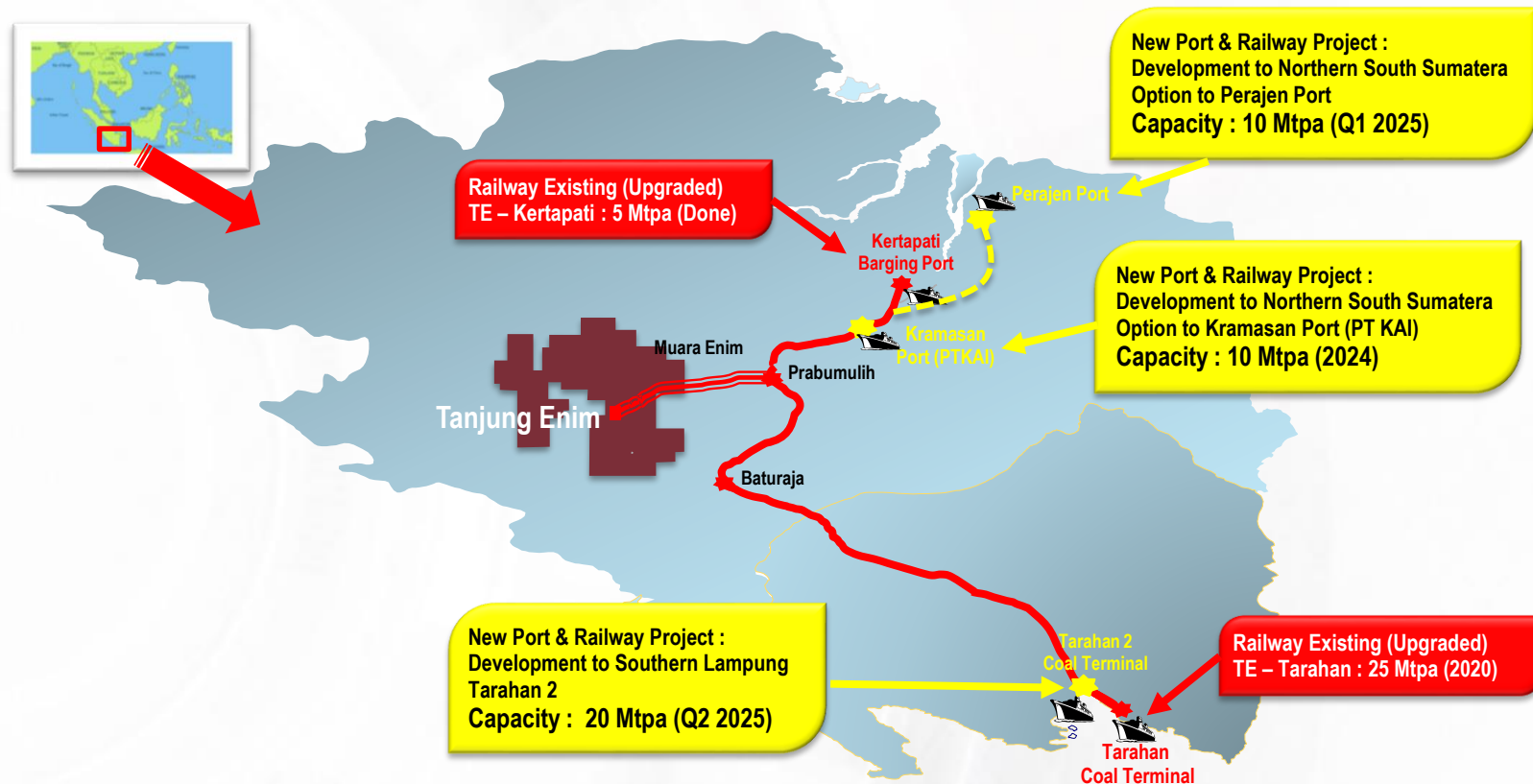


Note:

- 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



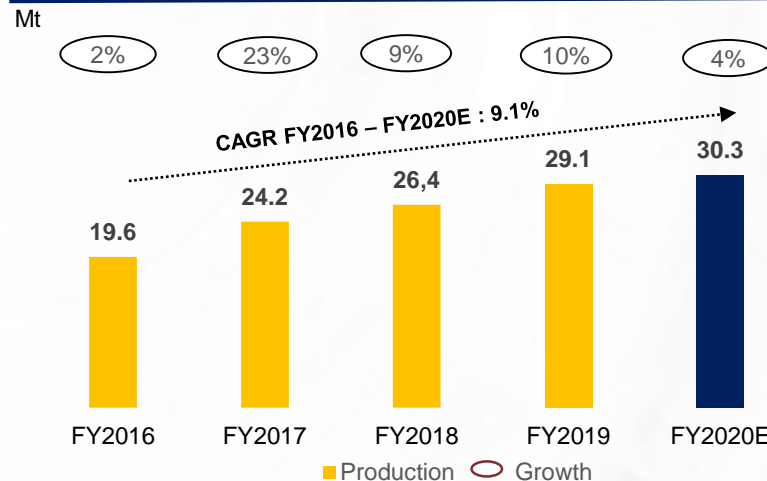
The Tanjung Enim Mine (27 Mtpa existing production capacity) and Tarahan Port (largest coal terminal in Sumatera, accommodating “Capesize” bulk carrier vessels of up to 210,000 DWT) are 100% owned and operated by PTBA

Expanding Railway Capacity and New Ports (Cont.)

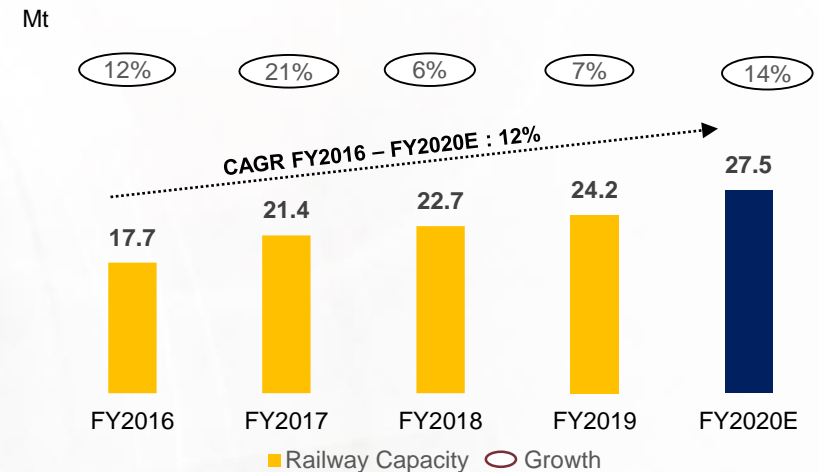
Optimisation of Railway Capacity and Future Expansion Projects

| | Previous capacity | Estimated capacity upgrade |
|----------------------------------|-------------------|----------------------------|
| New railway projects | | |
| Tanjung Enim – Perajen | n.a. | 10 Mtpa (Q1 2025) |
| Tanjung Enim – Kramasan (PT KAI) | n.a. | 10 Mtpa (2024) |
| Tarahan 2 | n.a. | 20 Mtpa (2025) |
| Railway upgrades | | |
| Tanjung Enim – Kertapati | 3.7 Mtpa | 5 Mtpa (Jan 2020) |
| Tanjung Enim – Tarahan | 20.3 Mtpa | 25 Mtpa (Dec 2020) |

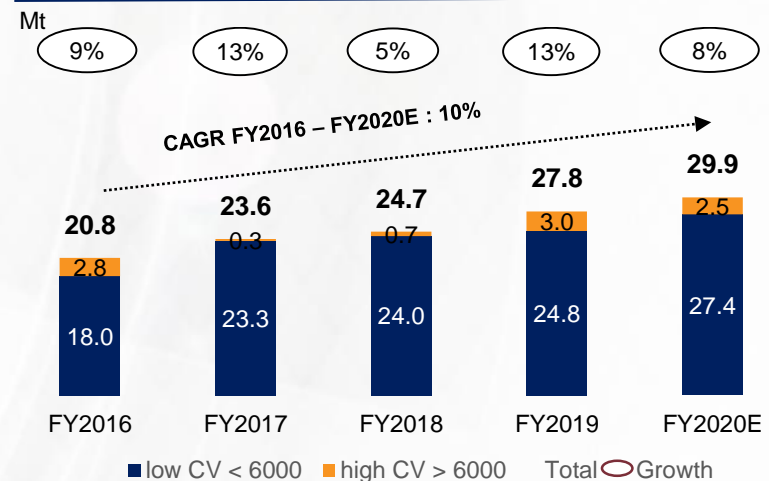
Increasing Production



Increasing Railway Capacity



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

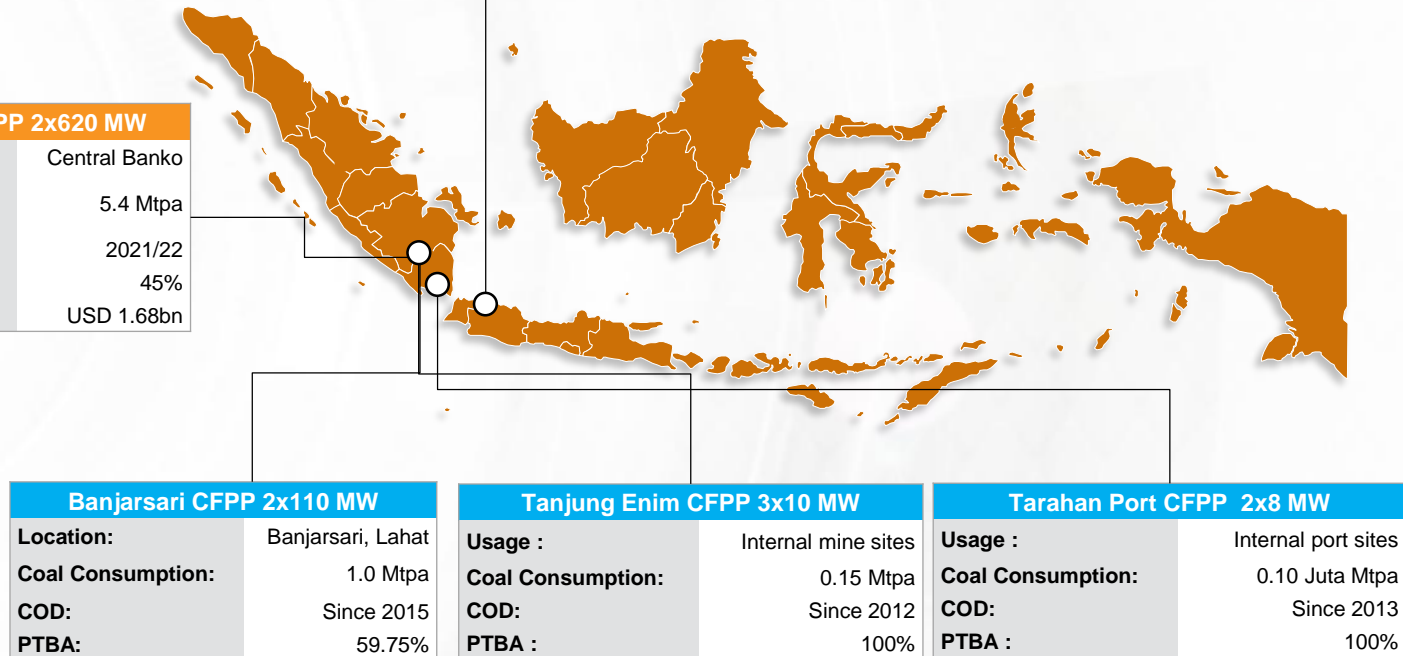
Total Power Plants ~ 1,500 MW

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



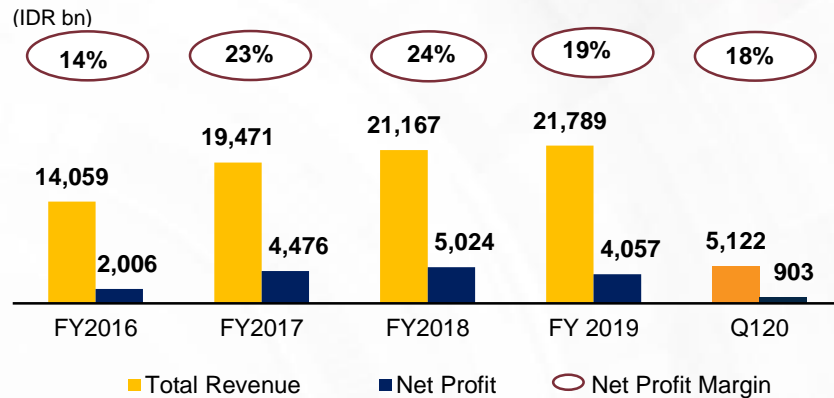
Coal to Chemical Plant (Produce 1 - 1.8 million ton Methanol)



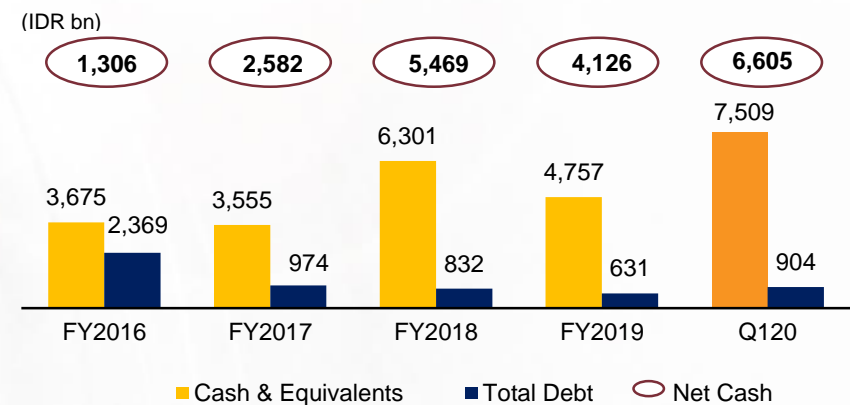
Product : Methanol
Coal Consumption : 6.0 Mtpa

Financial Strength and High Dividend Payout Ratio

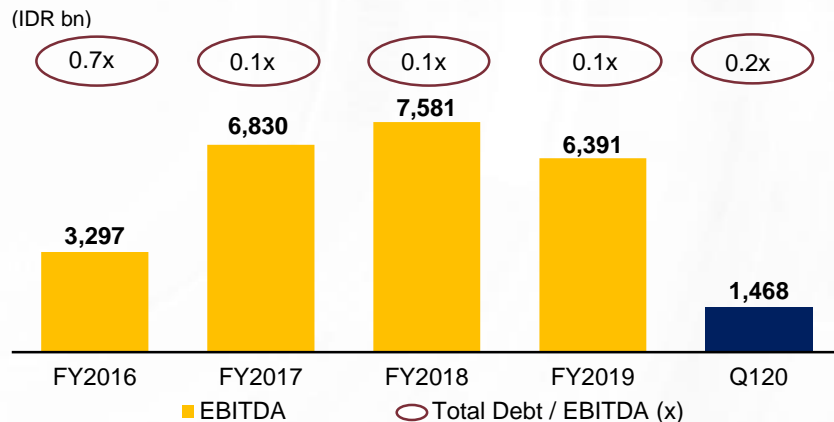
Total Revenue, Net Profit and Net Profit Margin



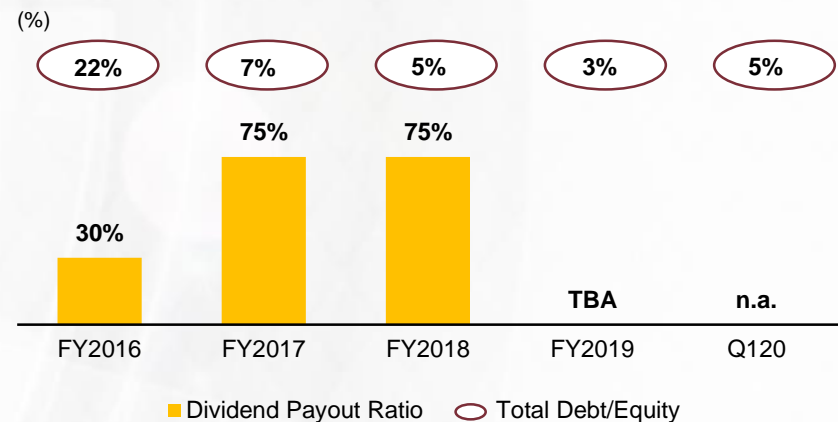
Minimal Debt ⁽¹⁾ with Overall Net Cash Position ⁽²⁾



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 :

| | |
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Disclaimer:

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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.

