

Company Presentation

PT ABM Investama Tbk

December 2018



**STRENGTHENING SYNERGY,
ADVANCING CORE BUSINESS**
MEMPERKUAT SINERGI, MEMAJUKAN BISNIS INTI



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/// **Company
Profile**

/// **Industry
Overview**

/// **2018
Achievement**

/// **Operational
Results**

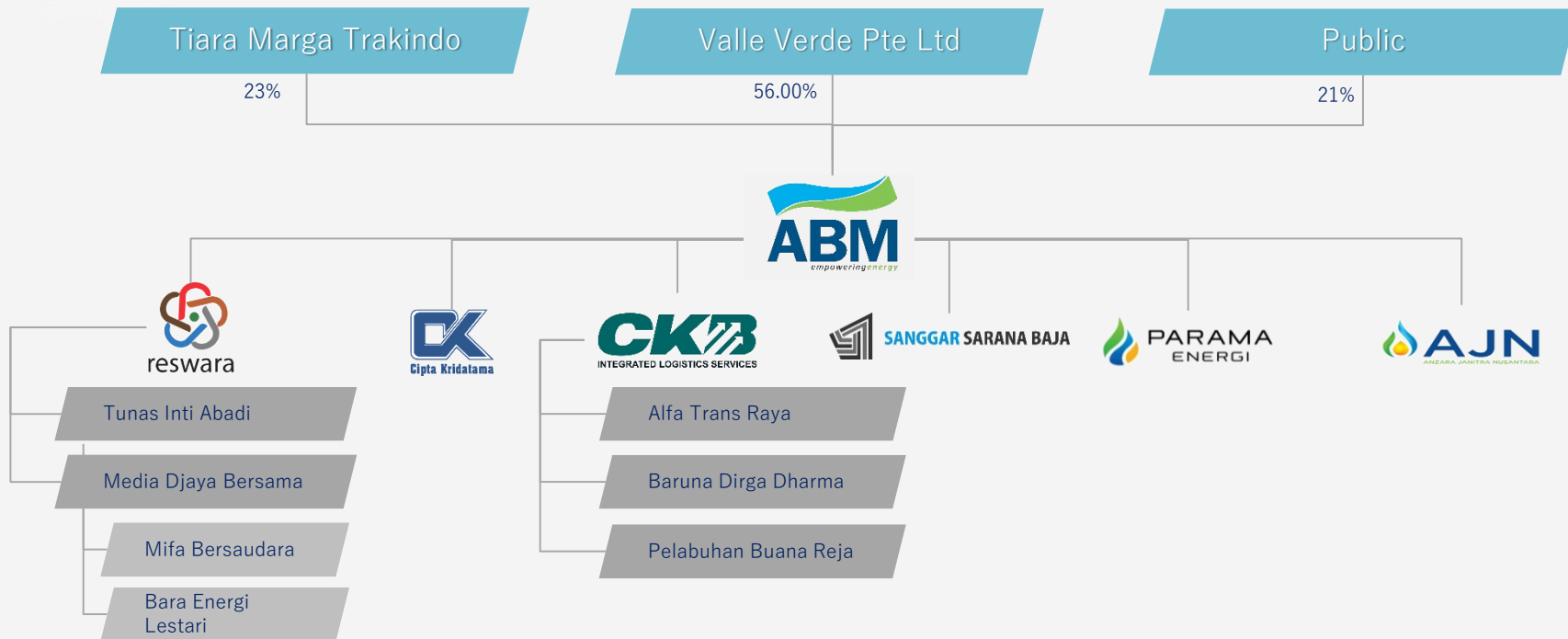
/// **Financial
Results**



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Organization Structure



The Ecosystem - from Pit to Transshipment

ABM is an **integrated energy** company with current **focus on Coal** and its group Structure is established around integrated coal value chain



reswara
Coal Mining
Owner of coal mining concessions



PARAMA ENERGI
Fuel Management
Fuel supplier for mining process



CKMB
Integrated Logistics Solution
Port Management, Stevedoring, Floating Crane, Harbor Tug, Tug Boat, Transshipment Logistics, warehousing solutions



CK
Cipta Kridatama
Mining Contractor
Main implementer in mining activities from development stage to coal production and reclamation process

CORE

ENABLER



SANGGAR SARANA BAJA
Manufacturing
Support Engineered Product and Manufacturing Services for mining activities





2018 Company Overview

Coal Mining

- Established 2010
- 7,714 Ha concession area under 3 IUPs
- Estimated coal reserves and resources of 264 million ton and 392 million ton
- Calorific value (GAR) : 3,400 dan 4,200
- Total employee : 527



Coal Mining Contractor

- Established 1997
- Fleet of 651 heavy equipments & serving 9 customers
- One of the leading mining contractors in Indonesia
- Total employee : 3.610

CORE

Integrated Logistics



- Established 1997
- Provides integrated logistics, project logistics, warehouse management, bonded logistics center, supply base, industrial shipping, dry bulk shipping, & port management
- 51 location in 38 cities and 24 provinces
- Total employee : 1.087



Manufacturing

- Established 1977
- 4 manufacturing workshops & 10 site service locations
- Customers mainly in mining, oil and gas, petrochemical and power sectors
- Total employee : 1.623



Fuel Supply

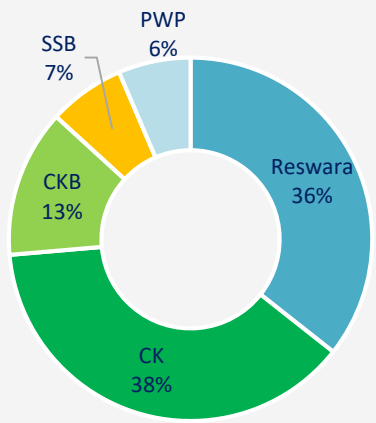
- Established 2011, fully operated in 2017
- In 2018, PWP sold 84.96 million liters of diesel fuel for 4 companies in 8 locations

Pendukung dari Bisnis Inti (Enabler)



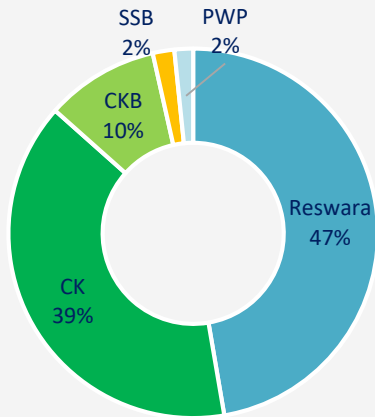
2018 Contribution by Subsidiaries

Revenue Contribution



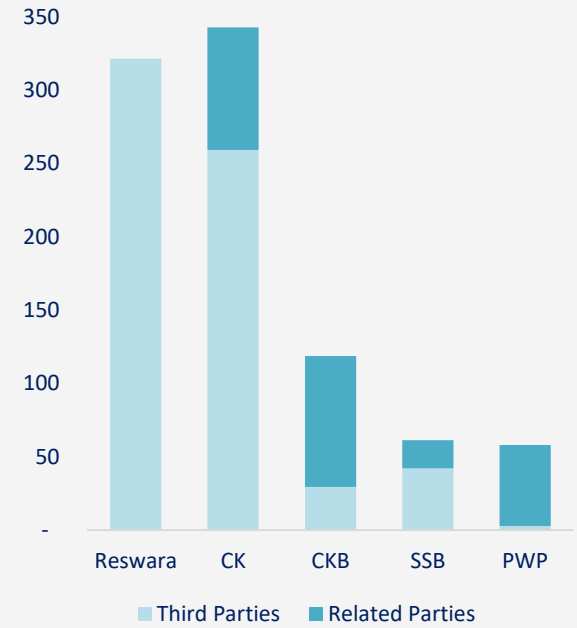
74% from Core
26% from Enabler

EBITDA Contribution



86% from Core
14% from Enabler

Revenue Contribution from Third Parties and Related Parties





Group Coverage



6,933
Employees

28
Provinces

reswara
3 IUP
2 Provinces

CKB
INTEGRATED LOGISTICS SERVICES
51 Branches
24 Provinces

CK
Cipta Kridatama
9 Projects
5 Provinces

SANGGAR SARANA BAJA
10 Branches
7 Provinces

PARAMA ENERGI
8 Locations
4 Provinces



*as of Dec 2018



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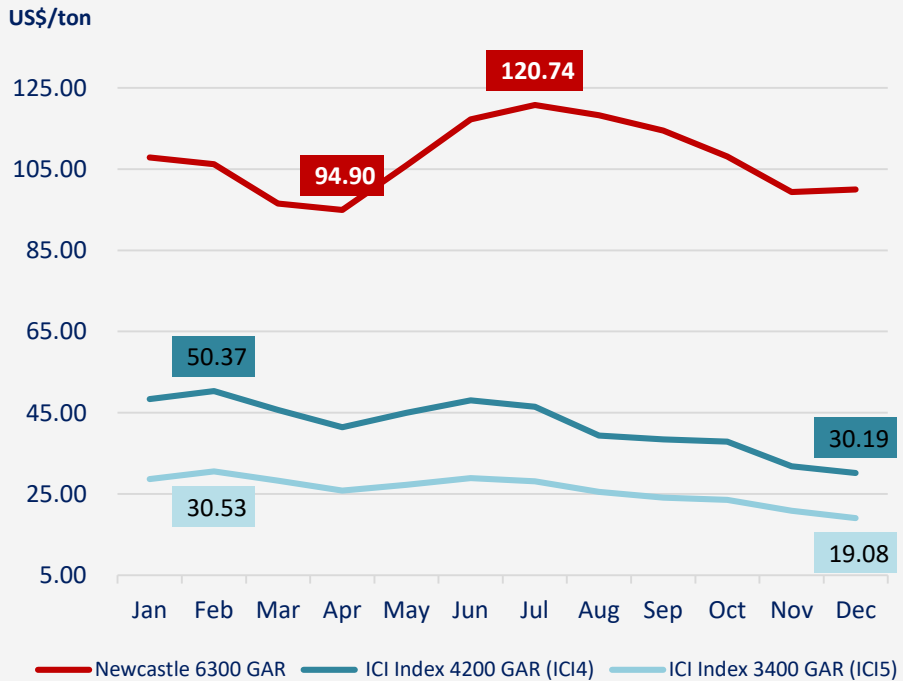


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2018 Coal Industry : Price Volatility

Price differentials have widened between Newcastle 6300 GAR and ICI4 – ICI5



What Happened in 2018?

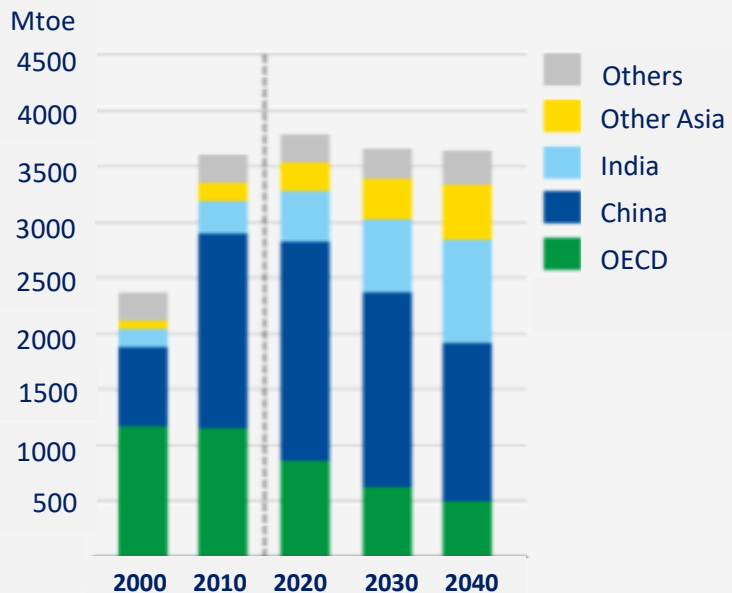
- US – China trade war
- China import restrictions
- DMO Regulation in Indonesia
- Indonesia PKP2B to IUPK
- India's economic growth in 2018 is the fastest growing major economy in the world at 7.3%, while global economic growth is 3.7%
- Indonesia's economic growth is 5.17% in 2018, higher than 2017



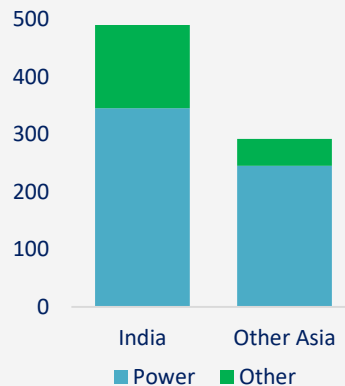
Source : BP Energy Outlook: 2019 edition

Coal Market Projection

Coal Demand by Region



Increase in Coal Demand (2017-2040)



The majority of the increase in coal consumption in India and other developing Asian countries is used to meet robust growth in power demand as these economies grow and prosperity increases.

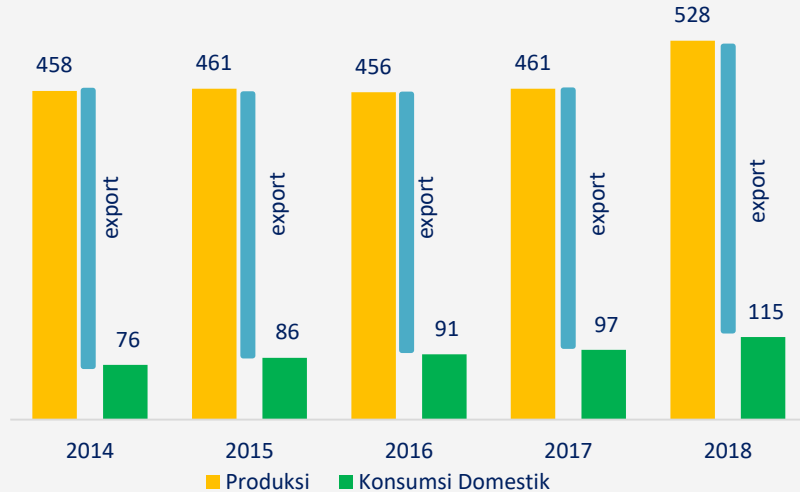
The global market for coal continues to be dominated by China

Coal demand within India and other emerging Asian economies increases. India is the largest growth market for coal, with its share of global coal consumption more than doubling to around a quarter in 2040



Domestic Coal Market

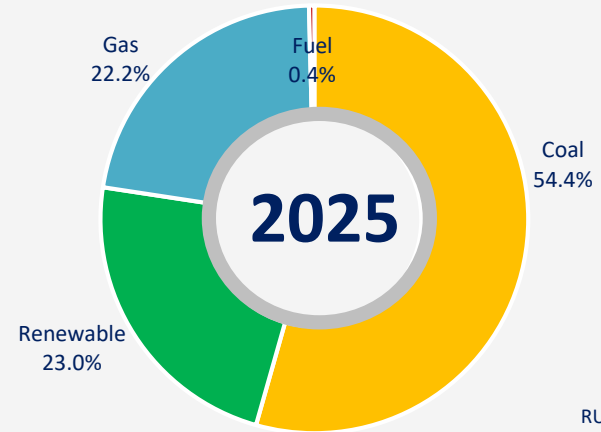
Production and Domestic Consumption



Source : Kementerian ESDM RI

- Coal production continue to increase in line with domestic consumption and export
- The DMO target in 2018 reaches 121 million tons, but the realization is only 115 million tons. However, the realization of the DMO in 2018 has increased compared to previous years.

Indonesia Energy Mix of Power Plant



RUPTL 2018 - 2027
Source : Kementerian ESDM RI

- The biggest coal market in Indonesia is power plant
- In 2025, based on the RUPTL 2018 – 2027, coal still the largest contributor to the power plant



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2018 Achievement

Increase in Revenue

82.3

million



12%

2017	2018
690.7 million	773.0 million

Increase in Equity

85.5

million



53%

2017	2018
162.3 million	247.8 million

Coal Production Volume



reswara

9.8

million ton

Total coal production volume of Reswara contributed from TIA, Mifa and BEL mine sites

Increase in Net Profit

59.9

million



1.075%

2017	2018
5.6 million	65.5 million

Decrease in Liabilities

276.2

million



31%

2017	2018
880.3 million	604.1 million

Overburden Removal Volume



Cipta Kridatama

140.4

million bcm

The highest achievement in CK's history



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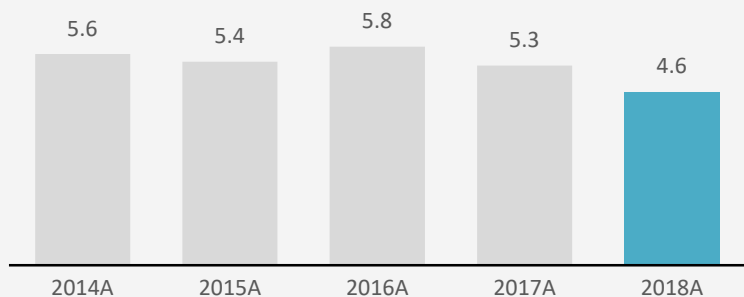


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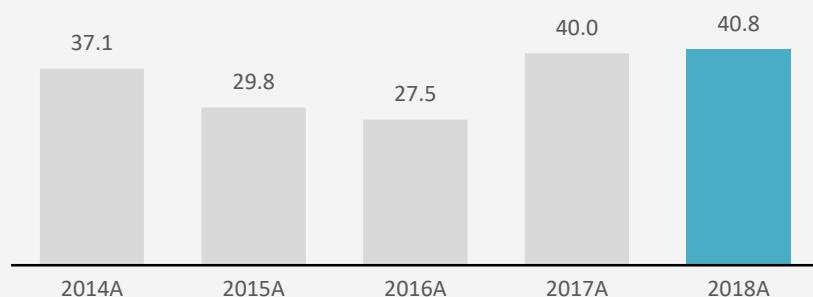


2018 TIA Operational Performance

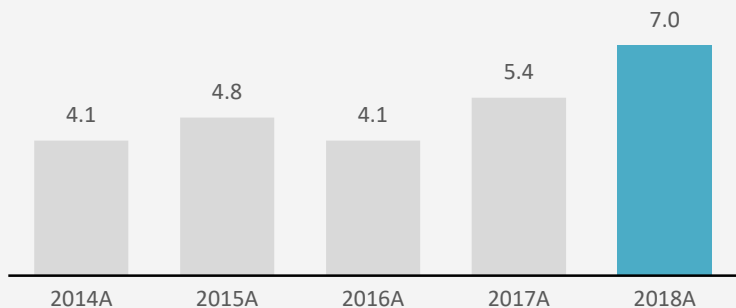
Coal Production (million ton)



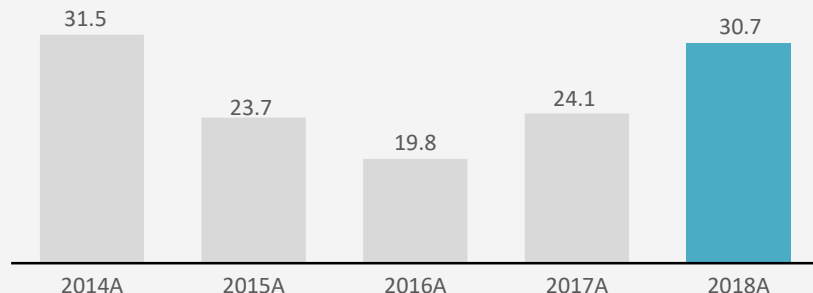
Average Selling Price (US\$/ton)



Average Stripping Ratio (x)



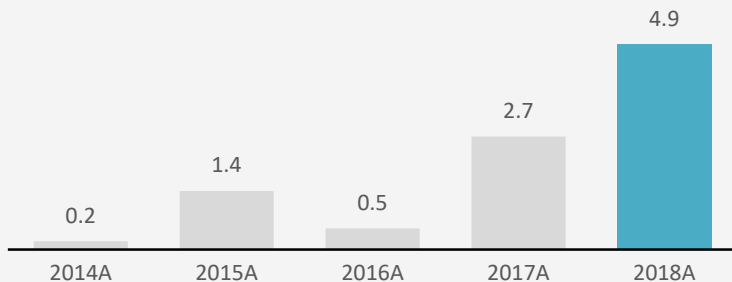
Average Cash Cost (US\$/ton)



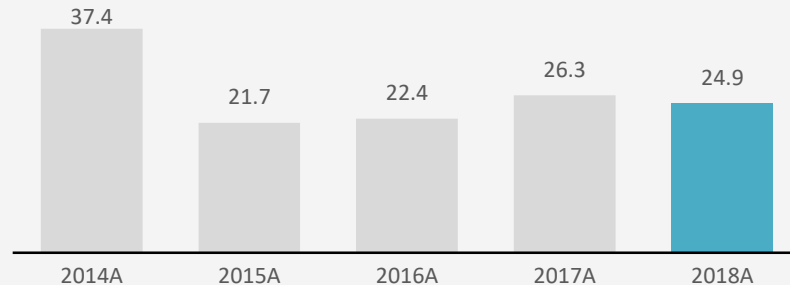


2018 Mifa Operational Performance

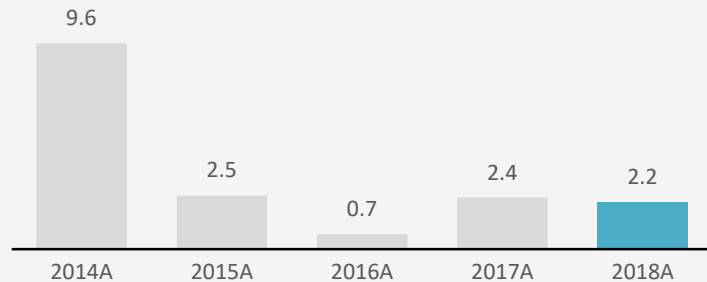
Coal Production (million ton)



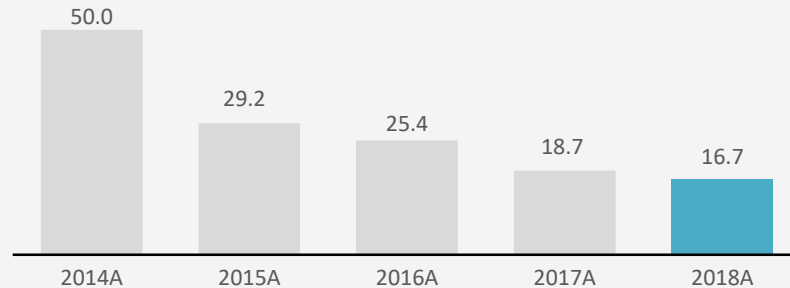
Average Selling Price (US\$/ton)



Average Stripping Ratio (x)



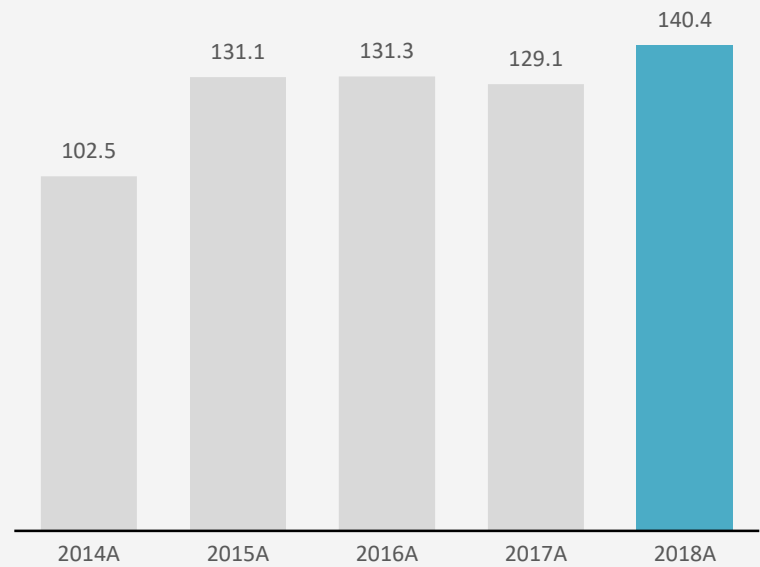
Average Cash Cost (US\$/ton)



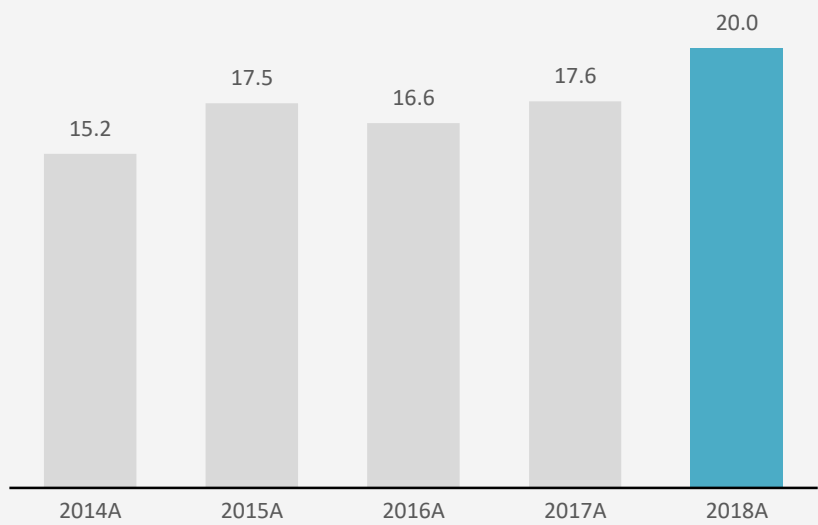


2018 CK Operational Performance

Overburden Removal (million bcm)



Coal Getting (million ton)





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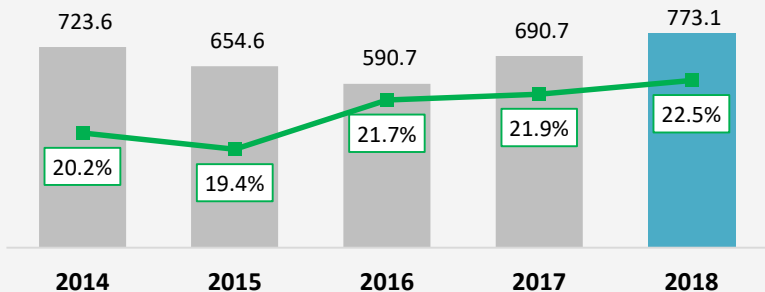


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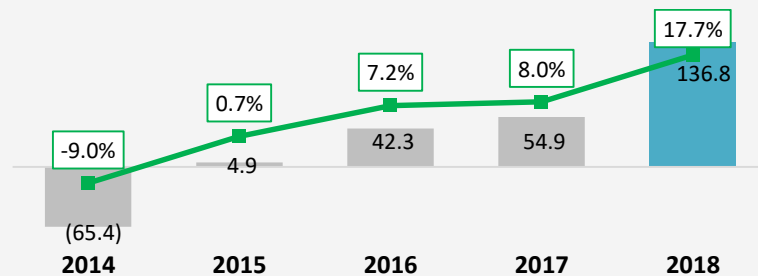


2018 Financial Results

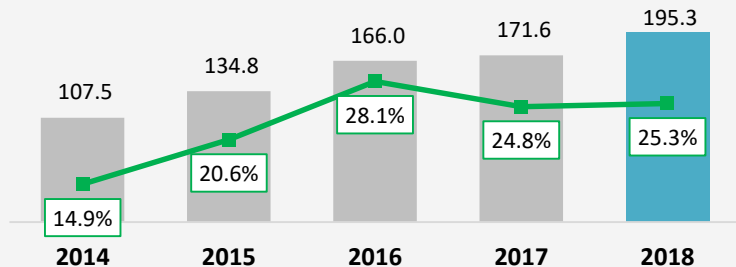
Revenue (US\$ mn) and GP Margin



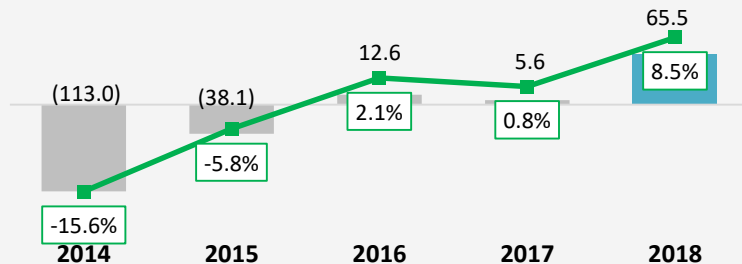
Operating Profit (US\$ mn) and OP Margin



EBITDA (US\$ mn) dan EBITDA Margin



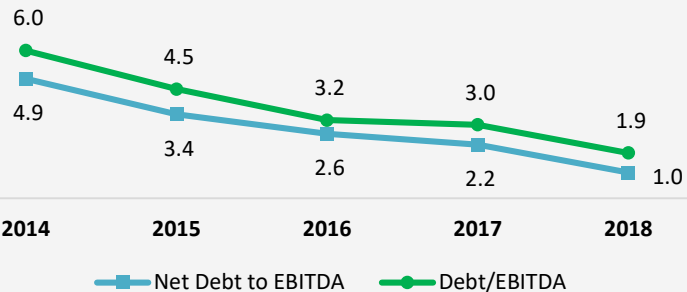
Net Profit (US\$ mn) and Net Profit Margin



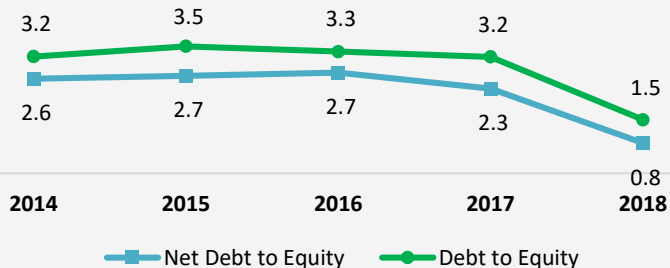


2018 Financial Ratios

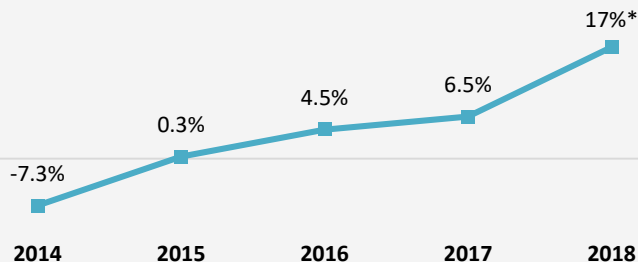
Debt and Net Debt to EBITDA (x)



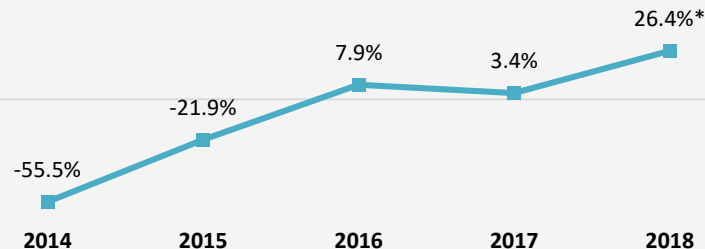
Debt and Net Debt to Equity (x)



Return on Capital Employed (%)



ROE (x)



*Incl. reversal of impairment losses on mining properties sebesar US\$ 45.45 million



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