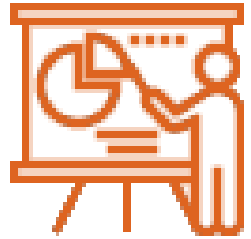


# MANAGEMENT PRESENTATION

December 2019



# Agenda

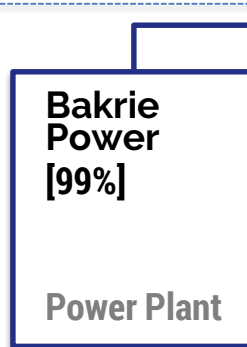
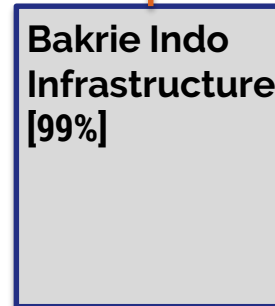
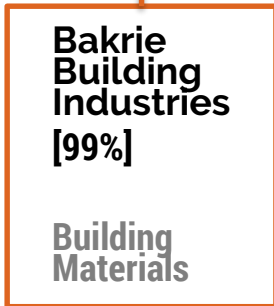


- Financial Update
- Business Update
- Growth Strategy
- Strategic Initiatives
- Appendix

# FINANCIAL UPDATE



# Company Structure

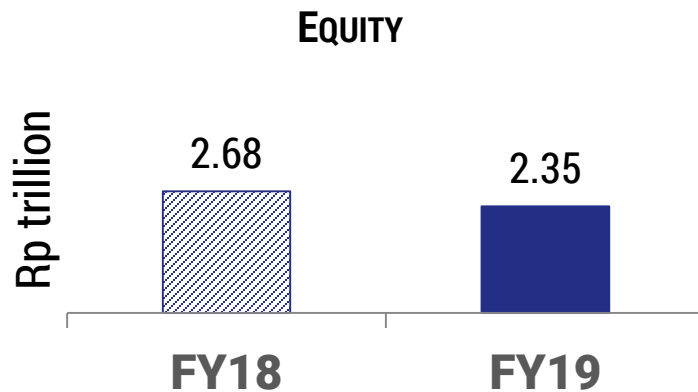
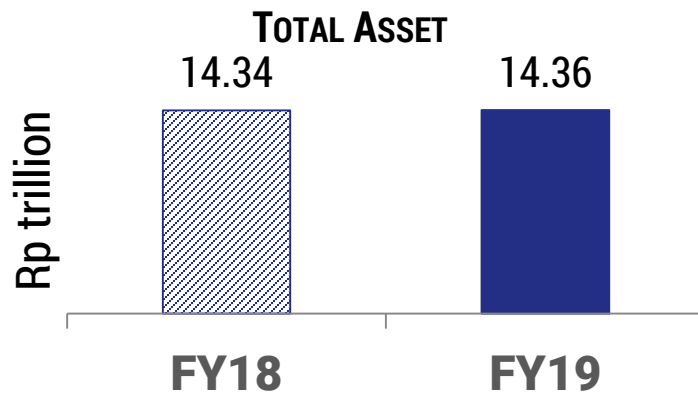


\*consolidated into BMI since November 23, 2018

\*\*consolidated into BIIN since December 26, 2018

# Financial Performance

## Balance Sheet Summary

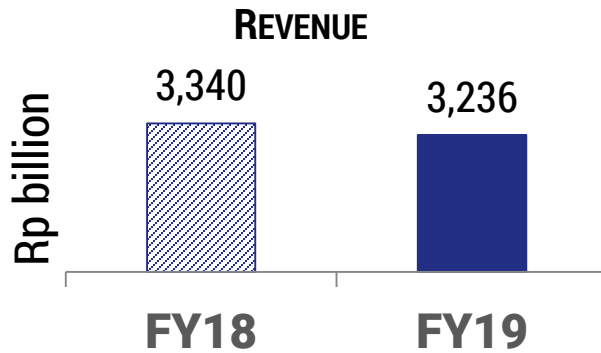


- **Assets** remained relatively stable in end of 2019 if compared y-o-y.

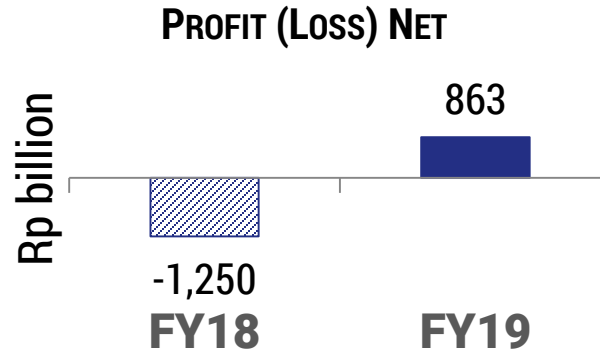
- **Equity** slightly decreased due to reduce of Other Comprehensive Income (OCI) especially from Under Common Control Transactions.

# Financial Performance

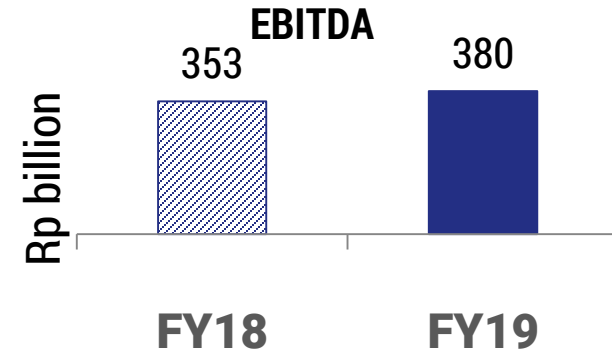
## Profit & Loss Summary - Consolidated



- **Revenue** relatively stable in the end of 2019 if compared y-o-y.



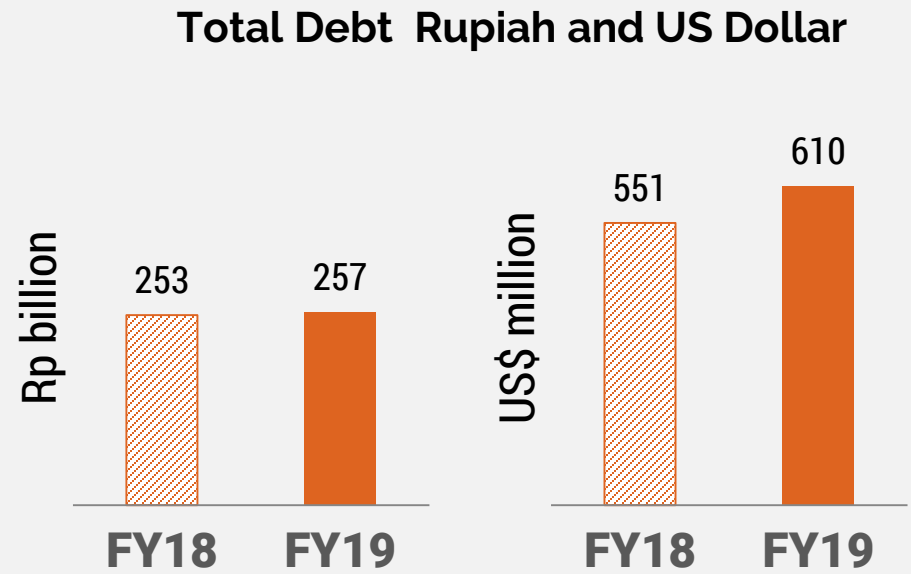
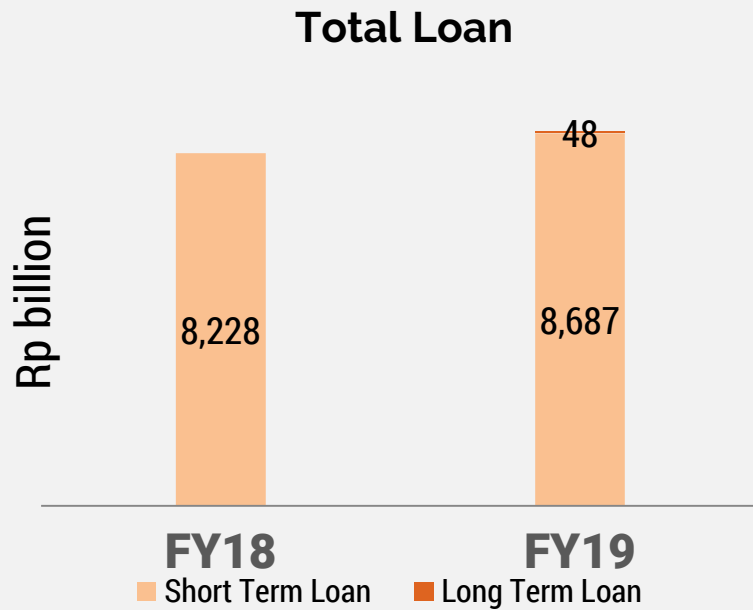
- The Company booked **net profit** in 2019, significant performance improvement compared to 2018.



- **EBITDA** slightly increased in 2019 if compared to the same period in 2018.

# Debt Position

## Parent Only



# Debt Restructuring

## Parent Only

- Company's effort to revitalize its balance sheet has shown positive signs.
- Company will continue its debt restructuring efforts with remaining creditors.

In Rp billion	2016	2017	2018	2019	Total
Debt restructuring done through Non Preemptive Rights Issue (NPR)	990	1,037	9,384		11,411
Debt restructuring in progress				8,733	8,733



# BUSINESS UPDATE



# Privately Held Companies



## Bakrie Autoparts

- The pioneer in grey & ductile casting iron products for OEM automotive components in Indonesia.
- Main automotive component supplier for commercial vehicles such as Mitsubishi and Hino in the domestic market.
- In the near future BA plans to tap into passenger vehicle and replacement market to further expand its business.
- BA is also currently developing electric vehicle business.



## Bakrie Building Industries

- A producer of fiber-cement products for domestic and export market.
- Held significant market share in the domestic roof and ceiling market with 80 strong and loyal distributor network.
- Expanding its product portfolio to offer energy efficient building material.



## Bakrie Metal Industries

- Specializing in steel fabrication and civil engineering services to diversified sectors.
- Extensive experience in handling major EPC projects for offshore and onshore facilities.
- Produces small to large steel pipes for oil & gas distribution, construction and water pipe.
- Held significant portion of local pipe market share with major oil & gas customers.

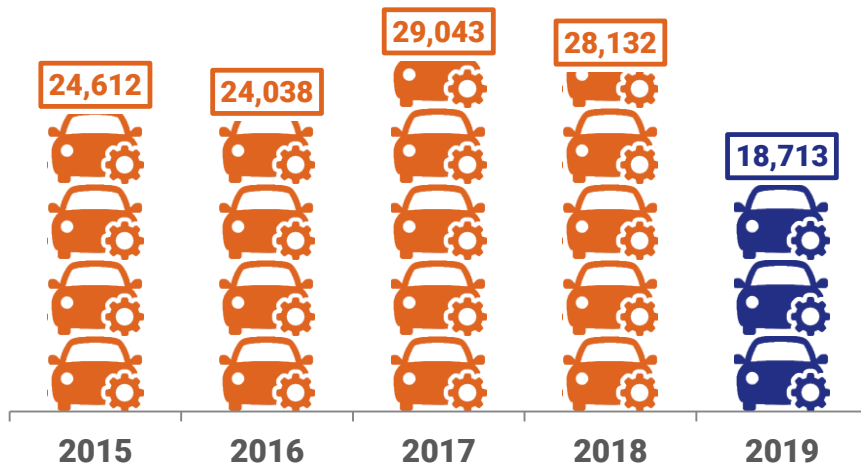


## Bakrie Indo Infrastructure

- Bakrie Power specializing in power plant development, currently constructing 3x18 MW and power plant 2x660 MW power plant.
- Bakrie Oil & Gas Infrastructure; specializing in gas pipeline infrastructure, currently operating 200km offshore gas pipeline.
- Bakrie Toll Indonesia; specializing in developing toll road, currently constructing 26km urban toll road.

# Bakrie Autoparts

## Sales Volume [metric ton]



\*not including sales from BMC which is counted per piece

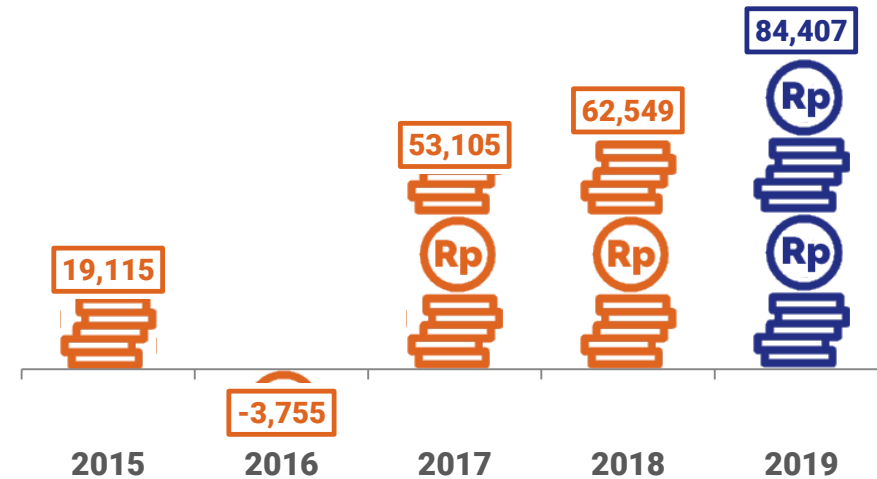
### Product

- OEM supplier for automotive components.
- Sales composition consists of 88% automotive components and 12% general casting.

### Performance

- Sales revenue decreased by 33% in 2019, however EBITDA increased by 35% if compared to 2018.
- BA continues its effort to increase its product portfolio with higher margin automotive components and continue to develop the general casting market.

## EBITDA [million Rupiah]



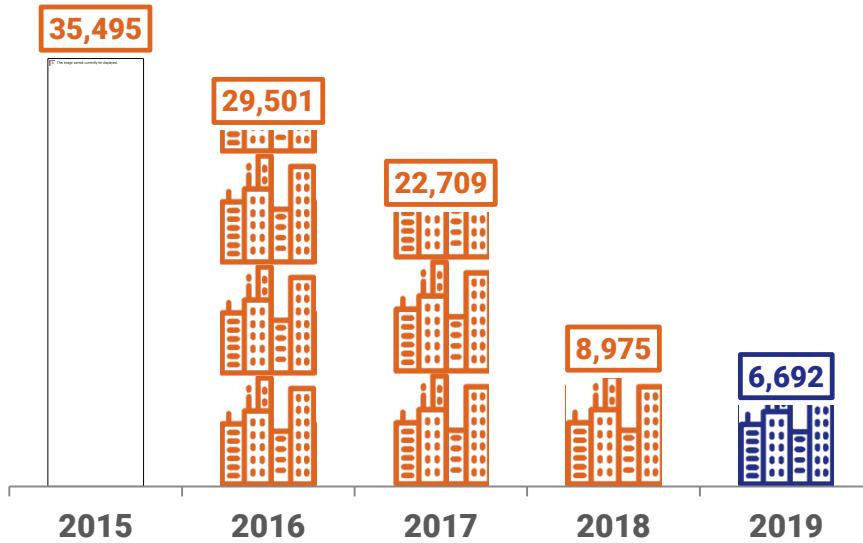
### Prospect

- Gaikindo recorded domestic sales of motor vehicles in 2019 decreased to 1.03 million units, compared to 2018 domestic sales of 1.1 million units.
- Infrastructure projects are predicted to increase the demand for cars and trigger demands in rural areas <sup>(1)</sup>.
- To further improve its performance, BA plans to tap into passenger vehicle market which contributed up to 77% of domestic market share in 2019<sup>(1)</sup>.

(1) GAIKINDO

# Bakrie Building Industries

**Sales Volume** ['000 std.m]



\*not including sales from Bangun Bantala Indonesia

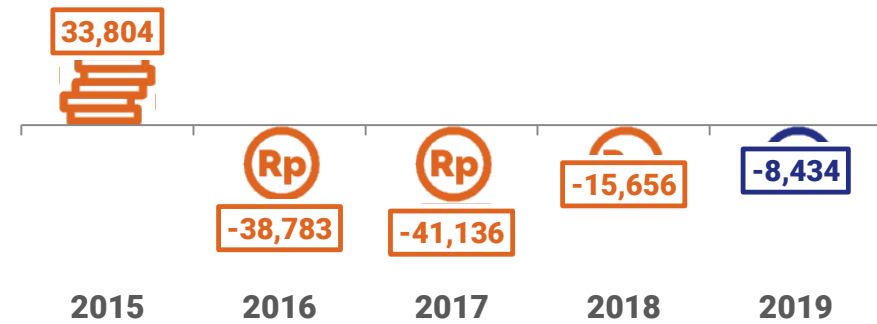
## Product

- Fiber Cement products with further expansion on its capacities and product portfolio.
- Sales composition consists of 93% roofing products and 7% ceiling and partition.

## Performance

- Sales volume decreased alongside BBI's plan to shift its business from manufacturing to provider of prefab houses construction as well as logistic and distribution services.

**EBITDA** [million Rupiah]



## Prospect

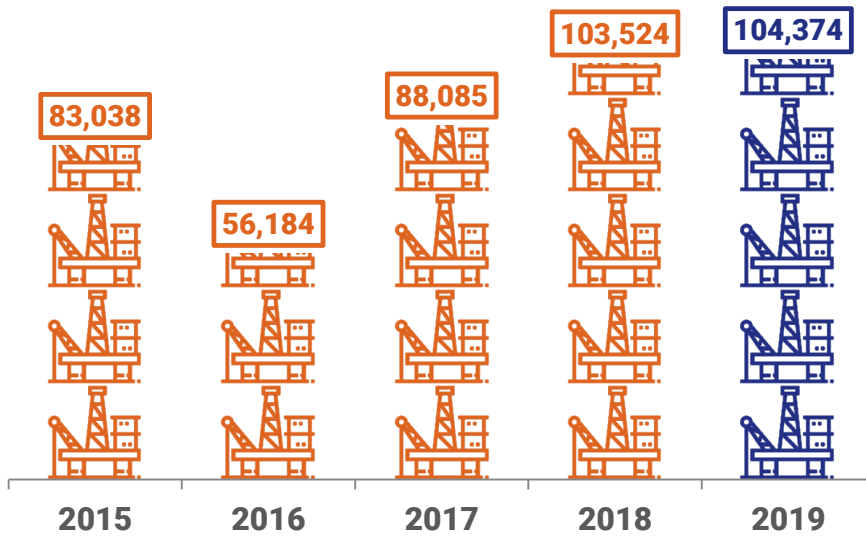
- In 2019 growth rate of property loans (for house and apartment) was 8%<sup>(1)</sup>, indicating stable demand in property sector.
- Distribution of Home Ownership Loans (KPR) is expected to increase along with the plan of the Ministry of Public Works and Public Housing (Kemenpuera) to channel KPR subsidies up to Rp. 11 trillion in 2020.

(1) Bank Indonesia

# Bakrie Metal Industries

## Steel Structure Fabrication & Steel Pipes Manufacturing

### Sales Volume [metric ton]



*\*not including steel structure production for oil and gas sector that is calculated by man-hour*

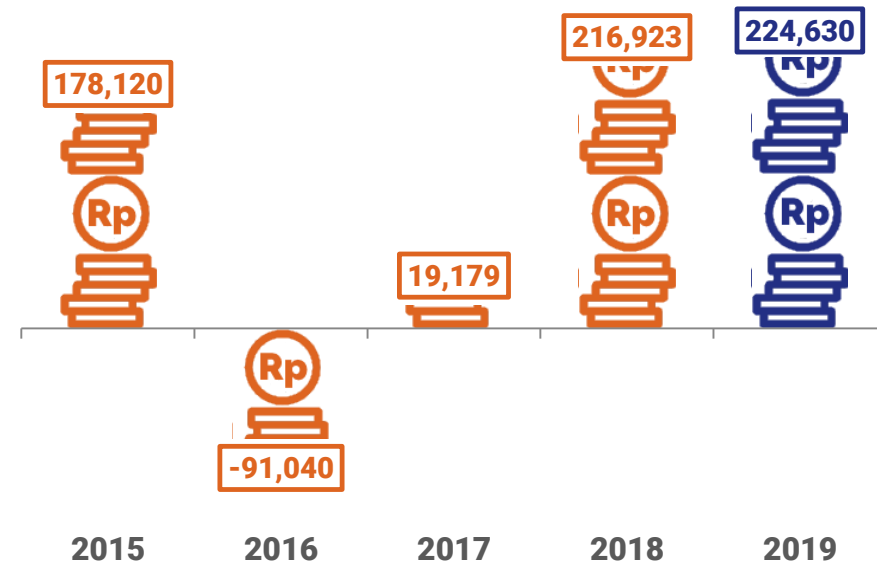
### Product

- Services for steel construction, EPC, and a producer for pipes with diameter ranging from 0,5in to 48in.
- Sales Composition of products and services in oil & gas sector and non-oil & gas sector is relatively balanced.

### Performance

- Sales Volume increased slightly in 2019 amidst weakening oil & gas market.

### EBITDA [million Rupiah]



### Prospect

- World Bank predicted prices of energy commodities, in particular crude oil and natural gas, will remain stable and gradually increased until 2030.
- Penetrate further to non-OG market given booming infra sector, as well as broadening captive OG market
- Government of Indonesia has once again increased its expenditure plan in infrastructure sector, from Rp 399.7 trillion in 2019 into Rp 423.3 trillion in 2020<sup>(1)</sup>.

(1) Ministry of Finance Indonesia

# GROWTH STRATEGY





# Manufacturing Business Units

## Bakrie Autoparts

- Increase of production capacity utilization.
- Expand further into production of passenger vehicle components and after sales market.
- Increase of non-automotive segment.
- Development of electric vehicles for usage in DKI Jakarta, Central Java, East Java, and Bali.

## Bakrie Building Industries

- Shifting of business from manufacturing into services provider.
- Expansion of market into infrastructure supporting industry segment.

## Bakrie Metal Industries

- Capacity expansion in EPC segment.
- Increase in non oil & gas steel structure segment.
- Increase of non oil & gas pipes capacity for national construction such as roads and power generator.

# STRATEGIC INITIATIVES

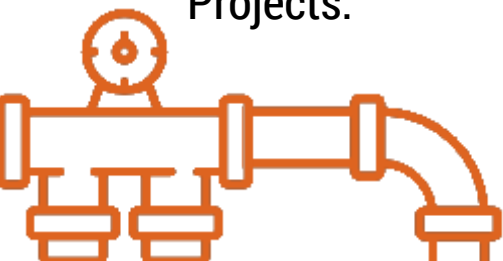




# Infrastructure Projects

## Kalija Pipeline Bontang - Banjarmasin

- Feasibility Studies had been conducted for the pipe line between Bontang to Banjarmasin including additional line to new capital city, several industrial estates, and new factories along the route.
- Several MOU has been signed by Shipper and Off-taker.
- Based on Perpres no 18 year 2020 concerning National Medium-Term Development Plan (RPJMN) 2020-2024, Kalija Bontang - Banjarmasin as part of the Trans Kalimantan gas transmission pipeline has been listed as one of the National Strategic Projects.



# Infrastructure Projects

## Cimanggis-Cibitung Toll Road

- Collaborating with PT Waskita Toll Road (a subsidiary of PT Waskita Karya Tbk).
- Construction completion of Phase I is scheduled in Semester 2 - 2020
- Phase II construction has reached 72% completion and 82% land clearance, complete construction scheduled on 2021.



# Infrastructure Projects

## Tanjung Jati A Power Plant 2x660MW

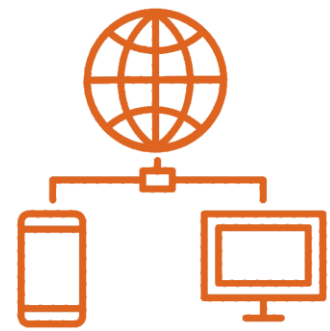
- Collaborating with YTL Jawa Energy BV (a subsidiary of YTL Corporation Berhad).
- Business Viability Guarantee Letter (BVGL) from the Government of Indonesia has been obtained in January 2020.
- Construction work still on schedule with complete Construction of the 500kV Tower insert for connection to the PLN Grid scheduled in mid 2020.
- Financial close targeted in June 2020.
- TJA has cleared total area of 239 Ha in Cirebon for the project.
- EPC contractor has been appointed.



# Infrastructure Projects

## PT Multi Kontrol Nusantara

- Focusing on information technology and telecommunication infrastructure.
- Has been appointed as one of contractors for Palapa Ring project, a project of Government of Indonesia to develop infrastructure network of telecommunication and internet across Indonesia.



# APPENDIX





# Seven Decades of Business

## 1942 – 1962

- Established as a general merchant and commissioner agent.
- Pioneered Indonesia's steel manufacturing industry.

## 1990 - 1996

- UNSP's IPO.
- Licensed to operate fixed wireless service.
- PT Bakrieland Development ("ELTY") was established.

## 2003

- BUMI acquired additional 20% of PT Arutmin Indonesia.
- BUMI acquired 100% of PT Kaltim Prima Coal ("KPC") valued at US\$500mn.

## 2007 - 2008

- BTEL nationwide expansion valued at US\$72mn.
- BNBR acquired ELTY, ENRG and BUMI valued at US\$4.4bn.
- BUMI acquired 44% of PT Darma Henwa ("DEWA") valued at US\$218mn.
- Establishment of PT Bakrie Energy International.

## 2011 - 2012

- BNBR completed quasi reorganization.
- Bakrie Group formed strategic partnership with BORN and reduced debt by US\$1bn.
- Gas Transportation Agreement segment Kepodang Tambak Lorok was signed.

## 2016 – 2017

- Cimanggis-Cibitung Tollways Project continues land acquisition process as well as construction of phase 1.
- First phase of Kalija project has fully operated. Gas transportation carried out according to GTA.

## 1986 - 1989

- BNBR acquired PT Bakrie Sumatera Plantations ("UNSP").
- BNBR's IPO.

## 1997 - 2001

- PT Energi Mega Persada ("ENRG") was established.
- PT Bumi Resources ("BUMI") acquired 80% of PT Arutmin Indonesia.
- PT Bakrie Capital Indonesia acquired 58.1% of BUMI.

## 2004 - 2006

- PT Bakrie Telecom's ("BTEL") IPO and awarded nationwide license.
- BTEL launched CDMA based telco service.
- ENRG acquired 100% ownership from BP.

## 2009 - 2010

- BUMI acquired 84% of Pendopo Energi Batubara valued at US\$117mn.
- SPA signing with Vallar, UK, valued at US\$844mn.
- Establishment of Bakrie Connectivity Services.

## 2013 – 2015

- First phase of Kalija gas pipeline project completed in 2015 and fully operated in 2016.
- Cimanggis Cibitung toll road project started.

## 2018 - 2019

- Signed a Memorandum of Understanding (MOU) with BYD Auto China to develop electric vehicle industry in Indonesia.
- Signed a Memorandum of Understanding (MOU) with China Railway International Group.
- Debt restructuring to creditors done through Non Preemptive Rights Issue (NPR)

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**For further information please contact:**

**Investor Relations Department**

Roy Hendrajanto M. Sakti – Investment Director ( [rhendrajanto@bakrie.co.id](mailto:rhendrajanto@bakrie.co.id) )

Andini Aritonang – Investor Relations Senior Manager ( [andini.aritonang@bakrie.co.id](mailto:andini.aritonang@bakrie.co.id) )