

# MANAGEMENT PRESENTATION

December 2020



# AGENDA

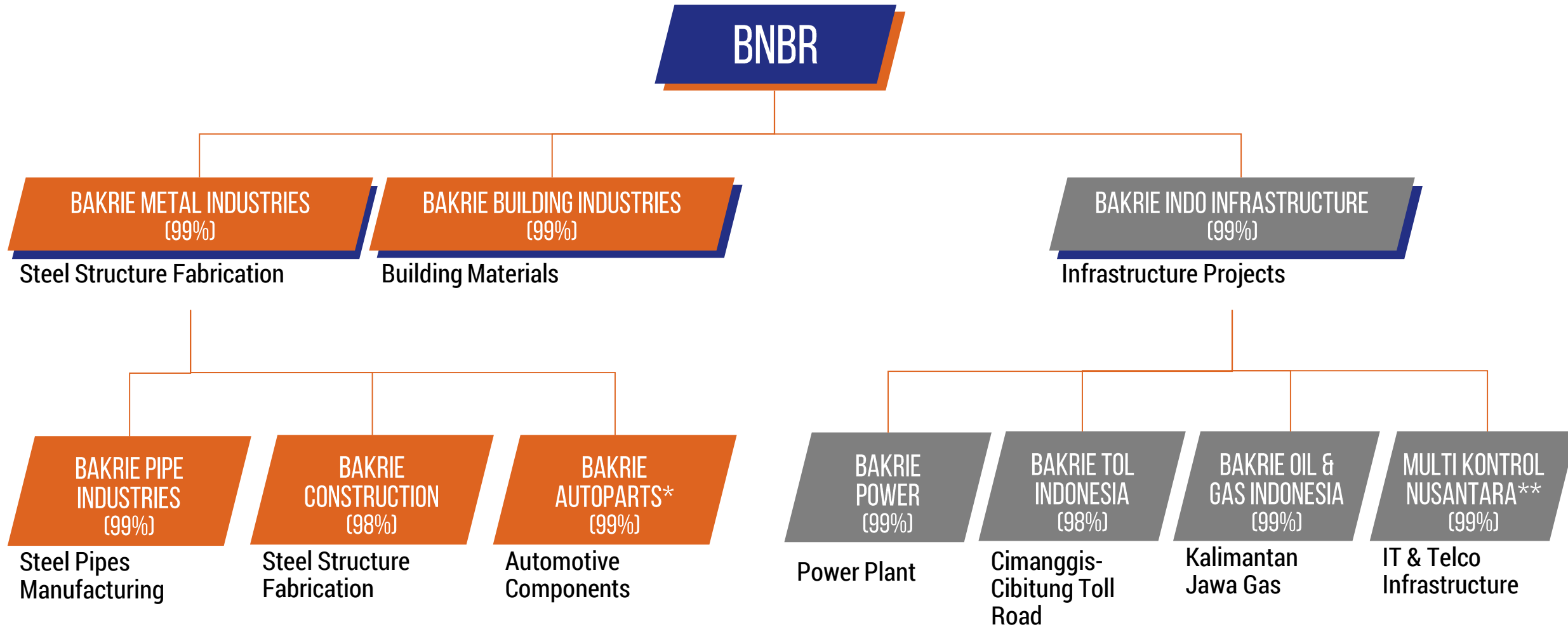
- Financial Update
- BNBR Business
- Growth Strategy
- Strategic Initiatives
- Appendix





# FINANCIAL UPDATE

# COMPANY STRUCTURE

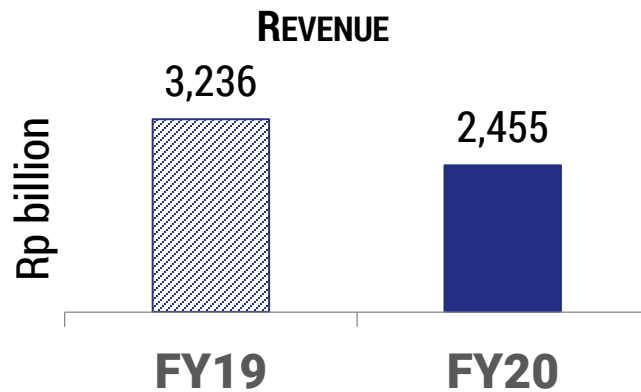


\*consolidated into BMI since November 23, 2018

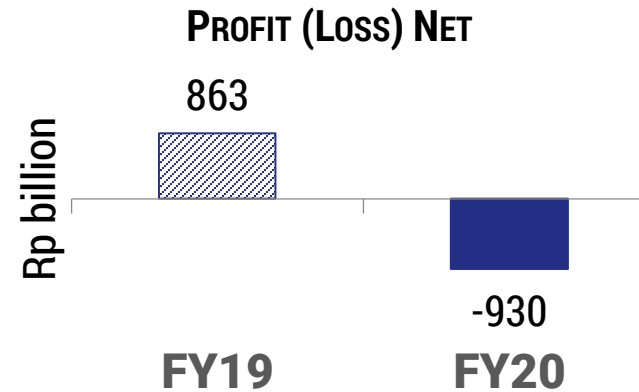
\*\*consolidated into BIIN since December 26, 2018

# FINANCIAL PERFORMANCE

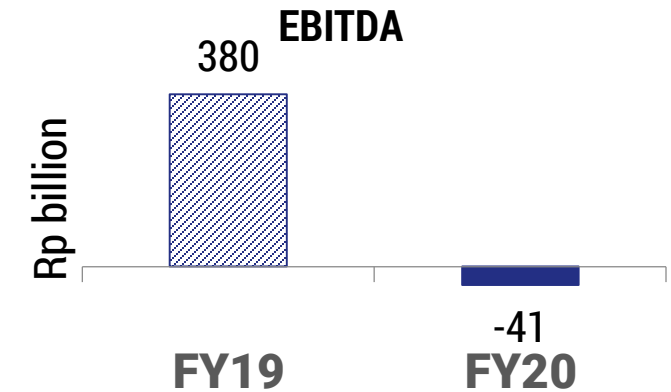
## Profit & Loss Summary - Consolidated



- **Revenue** decreased by 24% in 2020 if compared to the same period y-o-y.



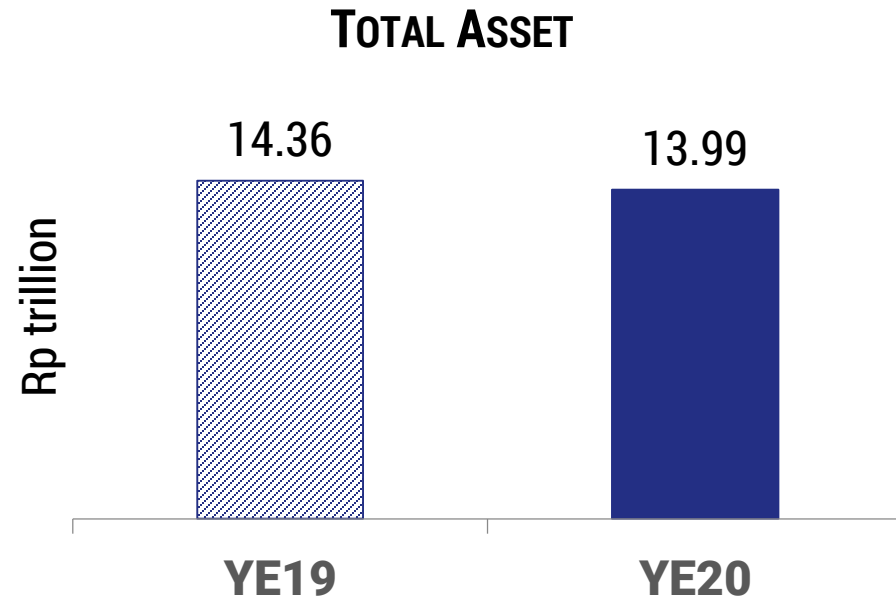
- The Company booked **net loss** in 2020, partly caused by the condition of COVID-19 pandemic.



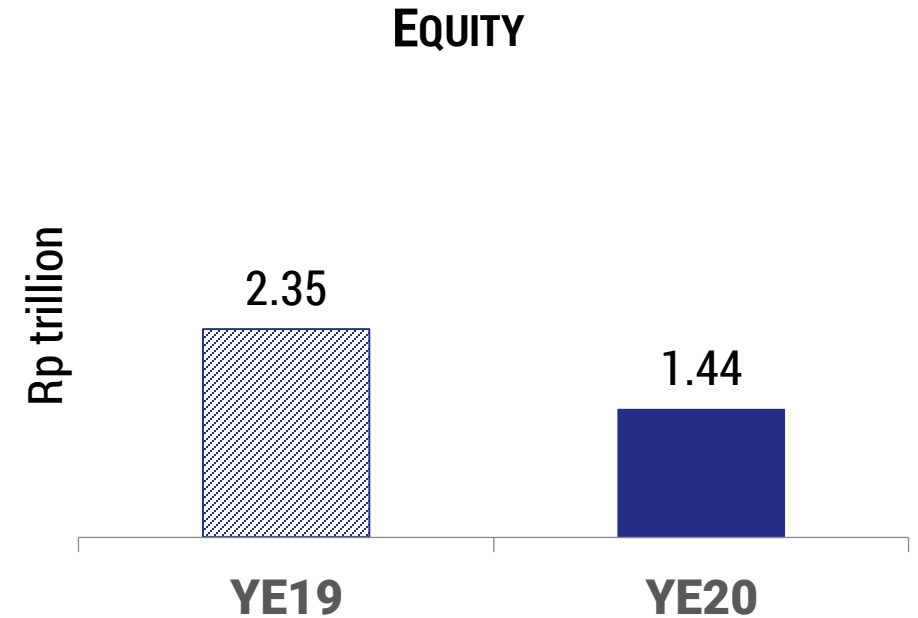
- **EBITDA** was recorded negative in 2020.

# FINANCIAL PERFORMANCE

## Balance Sheet Summary



- **Asset** decreased at year end 2020 due to decrease of trade receivables and other receivables of third parties.

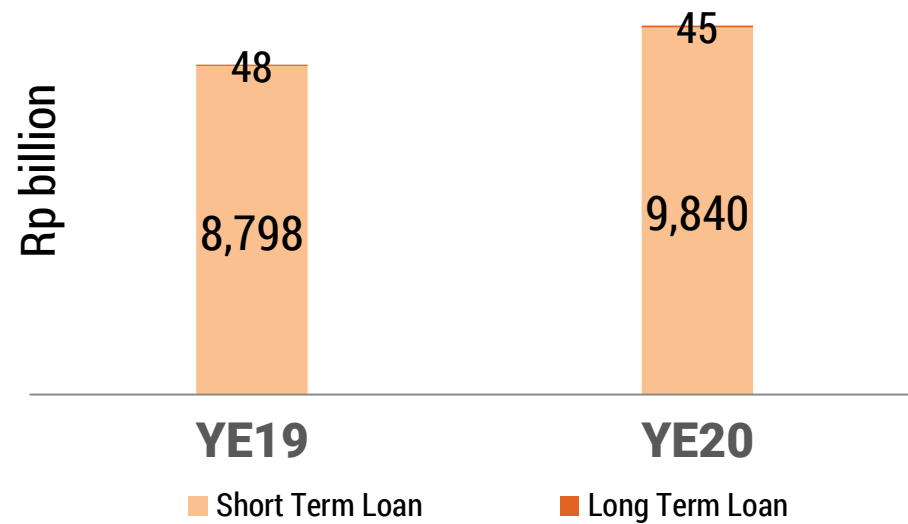


- **Equity** decreased due to impact of net loss for the period and recent implementation of PSAK 71.

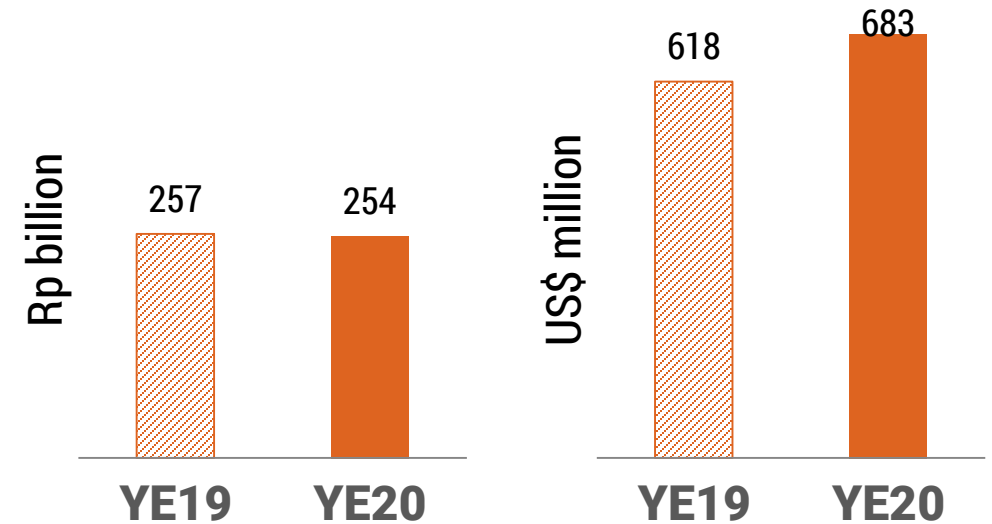
# DEBT POSITION

Parent Only

TOTAL LOAN



TOTAL DEBT RUPIAH AND US DOLLAR



# 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 - 2020	Total
Debt restructuring done through Non Preemptive Rights Issue (NPR)	990	1,037	9,384		11,411
Debt restructuring in progress				10,003	10,003





# BNBR BUSINESS



# UNIT USAHA NON-PUBLIK



- 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.



- 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



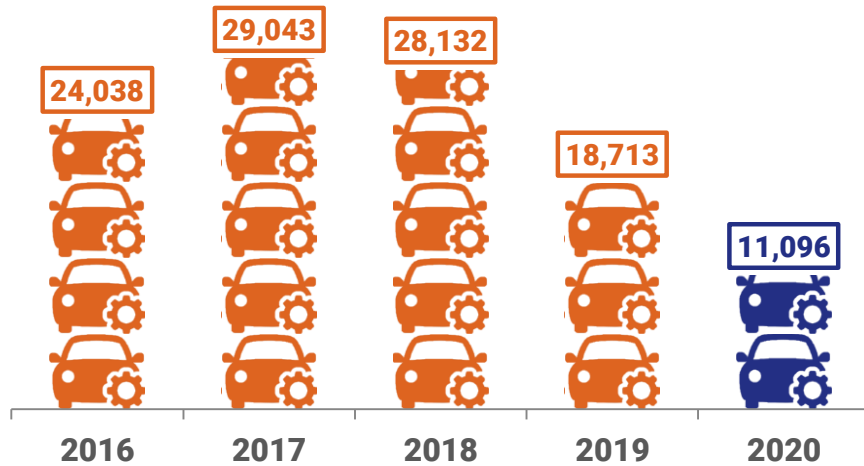
- Specializing in steel fabrication and civil engineering services to diversified sectors.
- Extensive experience in handling major EPC projects for offshore and onshore facilities.
- Produces small to large steel pipes for oil & gas distribution, construction and water pipe.
- Held significant portion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



- Bakrie 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

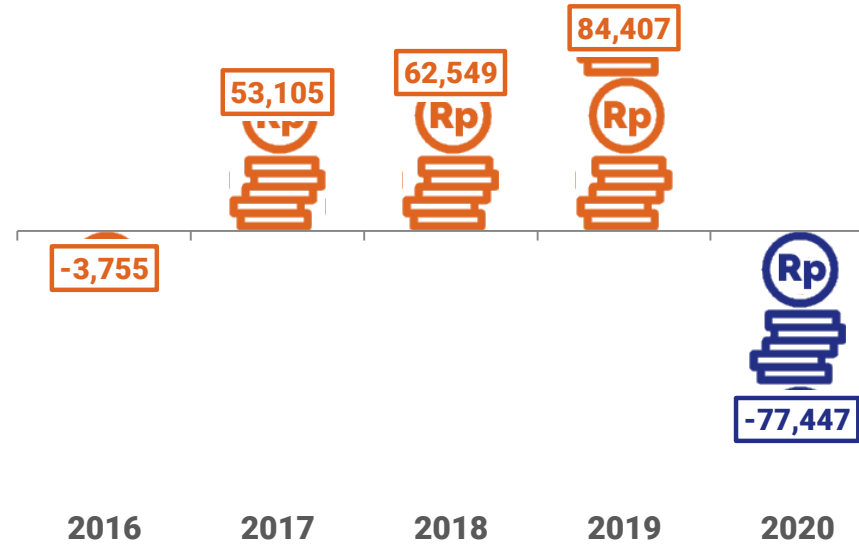
## Product

- OEM supplier for automotive components.
- Sales composition consists of 71% automotive components and 29% general casting.

## Performance

- Sales volumes have decreased in 2020 due to customer order adjustments during the COVID-19 pandemic.
- 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. In 2020 sales was further decreased reaching only around 530,000 unit as a result of COVID-19 pandemic.<sup>(1)</sup>
- To further improve its performance, BA plans to tap into passenger vehicle market which contributed up to 73% of domestic market share in 2020<sup>(1)</sup>.

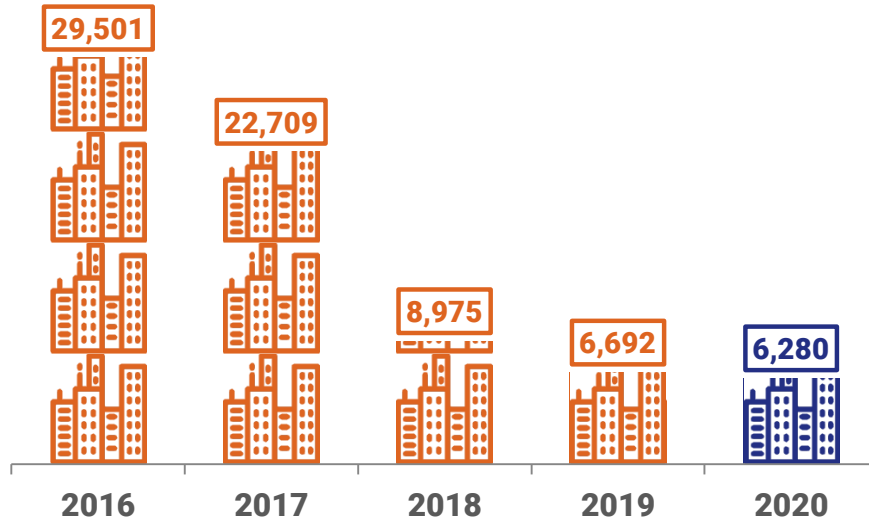
(1) GAIKINDO





# BAKRIE BUILDING INDUSTRIES

SALES VOLUME [METRIC TON]



*\*not including sales from Bangun Bantala Indonesia*

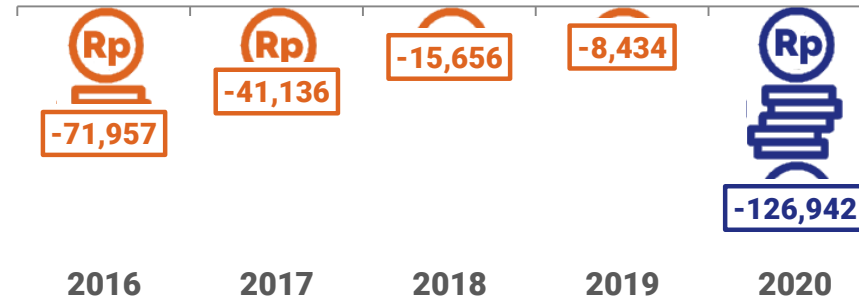
## Product

- Fiber Cement products with further expansion on its capacities and product portfolio.
- Sales composition consists of 99% roofing products and 1% 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

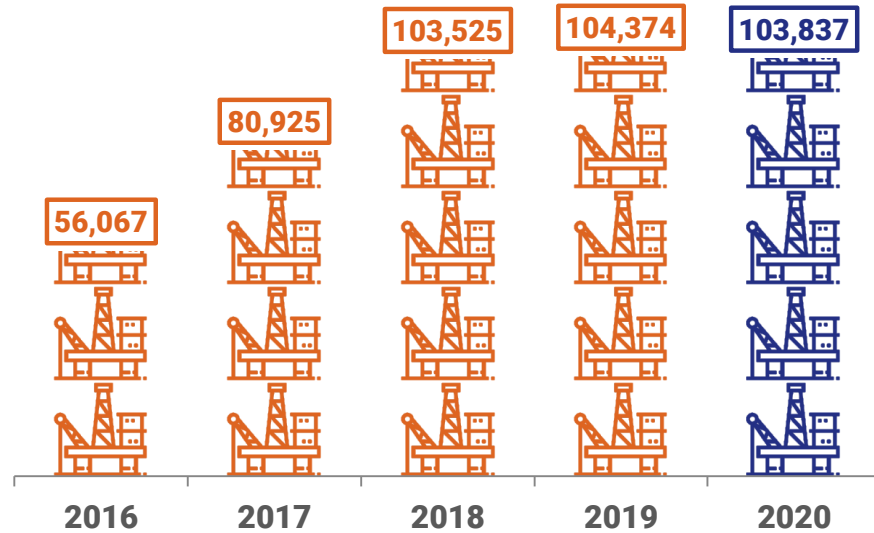
- In 2020 growth rate of property loans (for house and apartment) was 3.4%<sup>(1)</sup>, indicating stable demand in property sector despite the pandemic.
- Distribution of Home Ownership Loans (KPR) is expected to increase along with the plan of the Ministry of Public Works and Public Housing (Kemenpupera) to channel KPR subsidies up to Rp. 11 trillion in 2020.

<sup>(1)</sup> Bank Indonesia

# BAKRIE METAL INDUSTRIES

STEEL STRUCTURE FABRICATION & STEEL PIPES MANUFACTURING

VOLUME PENJUALAN (METRIK TON)



\*tidak menampilkan produksi struktur pipa baja sektor migas yang diperhitungkan dengan satuan man-hour

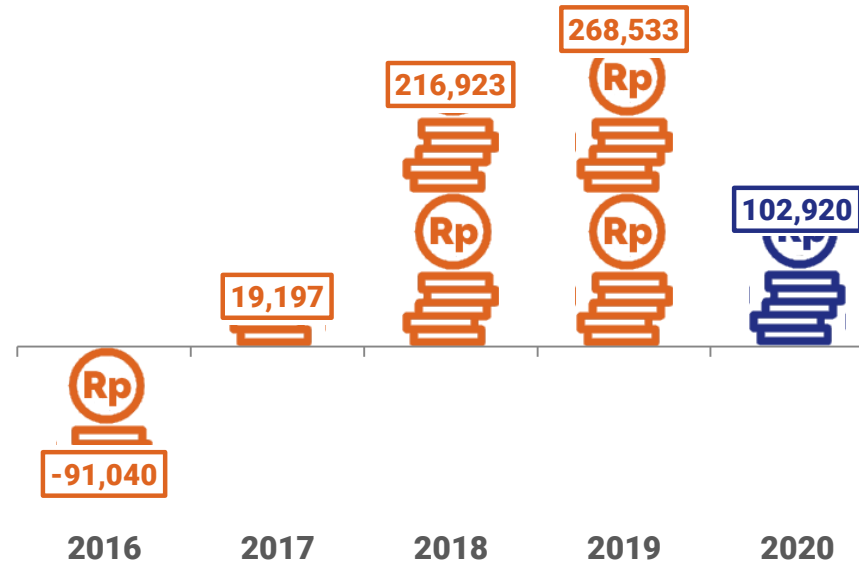
## Product

- Services for steel construction, EPC, and a producer for pipes with diameter ranging from 0,5in to 48in.
- Sales composition of products and services are 53% in oil & gas sector and 47% in non-oil & gas.

## Performance

- Sales volumes are relatively stable in 2020 amidst the pandemic conditions that have increasingly put pressure on the oil and gas and construction markets.

EBITDA (JUTA 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
- Realization of infrastructure expenditure in 2020 only reached Rp 281.1 trillion, as some of the State Budget was shifted for handling the COVID-19 pandemic.<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.
- The Trans Kalimantan Gas Pipeline Project, in which consists of East Kalimantan – South Kalimantan transmission pipe segment, is included in Perpres no 18 year 2020 concerning National Medium-Term Development Plan (RPJMN) 2020-2024.





# INFRASTRUCTURE PROJECTS

## Cimanggis-Cibitung Toll Road

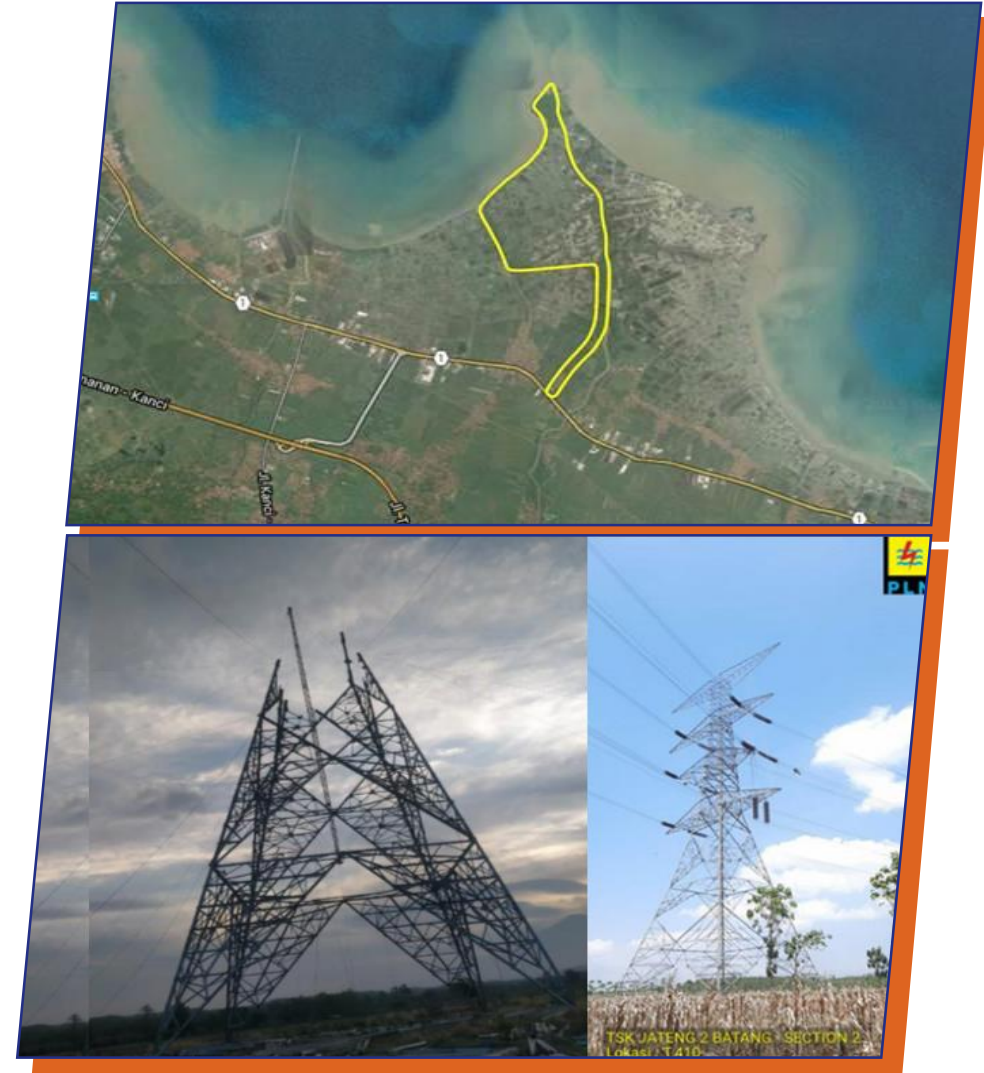
- Collaborating with PT Waskita Toll Road (a subsidiary of PT Waskita Karya Tbk).
- This toll road has started operating on November 10, 2020, starting with Section I (Junction Cimanggis - On / Off Ramp Jatikarya) and is connected to the Cinere-Jagorawi toll road and Jagorawi toll road.
- Phase II construction has reached 72% completion and 82% land clearance, complete construction scheduled on 2021.



# INFRASTRUCTURE PROJECTS

## Tanjung Jati A 2x660MW Power Plant

- 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 February 2020.
- Construction work still on going with construction of the 500kV Tower insert for connection to the PLN Grid still carried out according to schedule
- Financial close targeted in December 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.





# FUTURE BUSINESS

## Green Transportation Solution – Electric Bus

- The first electric bus in Indonesia that has passed all the provisions of the homologation process and fulfillment of all legal and technical requirements for commercial testing by Trans Jakarta.
- The first electric bus being tested commercially on the Trans Jakarta route.
- Bakrie Autoparts is also building a third electric bus unit in a local car body company intended for use on the Trans Jakarta BRT line.
- Bulk orders are expected to be accepted after the trial process in the second semester of 2020.





# APPENDIX



# SEVEN DECADES OF BUSINESS

## 1942 – 1962

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

## 1973 – 1989

- Expanding the company's business field to steel structure construction, metal fabrication and other infrastructure projects.
- Establishment of PT Bakrie Building Industries.
- Establishment of PT Bakrie Tosanjaya which later changed its name to PT Bakrie Autoparts (BA)).
- IPO of PT Bakrie & Brothers ("BNBR").

## 1990 – 1996

- Bakrie Pipe Industries became the first Indonesian company to receive an ISO 9002 certificate.
- Obtaining a fixed wireless service operating license.

## 2002 – 2003

- SEAPI's main participation in the gas transmigration pipeline project of PT Perusahaan Gas Negara.

## 2004 – 2006

- Conducting pre-emptive rights (HMETD) or Right issue of Rp 1.9 trillion to restructure debt in pipe companies, invest in telecommunication's business, re-acquire BSP and increase working capital.
- Won the tender for the Kalimantan-Java gas pipeline worth US \$ 1.26 billion.

## 2007 – 2008

- The Plus-Bakrie-Global consortium won the Cimanggis-Cibitung toll road tender worth Rp 3.2 trillion.
- Right issue of Rp. 40.1 trillion, issuance of warrants of Rp. 2.9 trillion.
- Establishment of PT Bakrie Indo Infrastructure (BIIN).
- Transformation of PT Bakrie Corrugated Metal Indonesia (BCMI) into PT Bakrie Metal Industries (BMI).

## 2009 – 2010

- Establishment of Bakrie Energy International, which is engaged in the fuel business, as a cash generating investment.
- SPA signing with Vallar, UK - worth USD844 million.

## 2011 – 2012

- BNBR completed revitalization, including quasi reorganization.
- The Bakrie Group formed a strategic partnership with BORN and reduced debt by US\$ 1 billion.
- The signing of the Gas Transportation Agreement (GTA) for the Kepodang-Tambak Lorok segment.

## 2013 – 2015

- The Kalija - 1 infrastructure project was completed in 2015 and began operating in 2016.
- The Cimanggis-Cibitung toll road infrastructure project began.

## 2016 – 2017

- The Cimanggis-Cibitung Toll Road Project continues the land acquisition and completes phase 1 construction.
- The first phase of the Kalija project is fully operational. Gas transportation operates according to the GTA.

## 2018 – 2020

- The signing of a memorandum of understanding with BYD Auto China for the development of the electric vehicle industry in Indonesia.
- Signing of a memorandum of understanding with China Railway International Group.
- Debt restructuring to creditors done through Non Preemptive Rights Issue (NPR).

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