Company Update

PT ABM Investama Tbk

Aug 2018

Creating a Solid Platform for Sustainable Growth

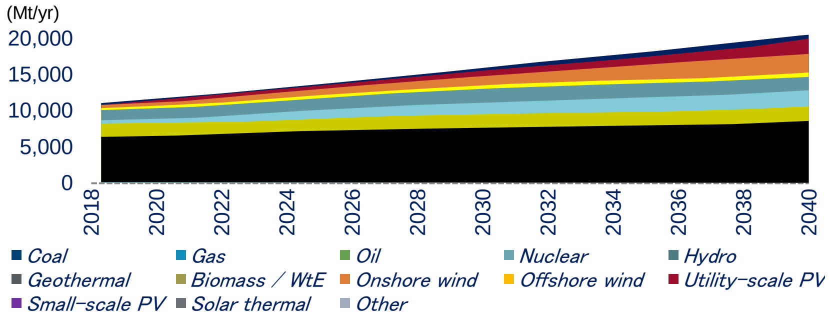
Menciptakan Platform yang Solid untuk Pertumbuhan yang Berkelanjutan

Coal Market Review

Thermal coal market review

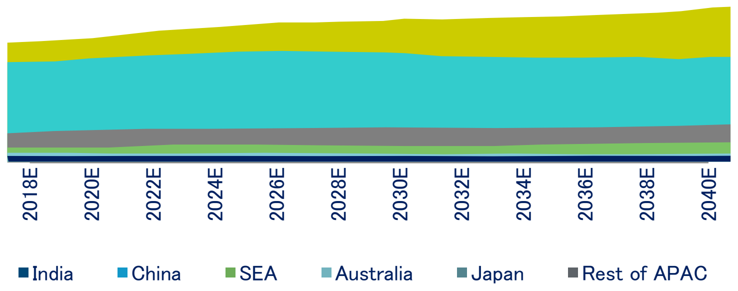
- Industrialization and Urbanization are the main factors in the increase of thermal coal demand
- According to Bloomberg's New Energy Outlook, India will increase its power plant capacity by 258 GW in the next 25 years, and for the coal fired power plant will increase by 3 times in 2040
- As for Asia Pacific, the total increase of power plant reaches 700GW during 2016-2040 with the electricity consumption of 8,400 TWh/year
- This trend is expected to continue, especially in China and India those are continuously increasing its energy consumption

Coal as the biggest source of energy for power plants in Asia



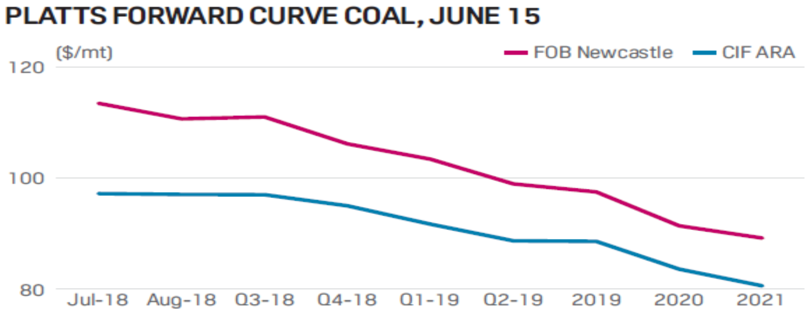
Source: Bloomberg New Energy Finance

Thermal coal consumption growth in Asia



Source: Bloomberg New Energy Finance

Coal price projection remains stable in the future



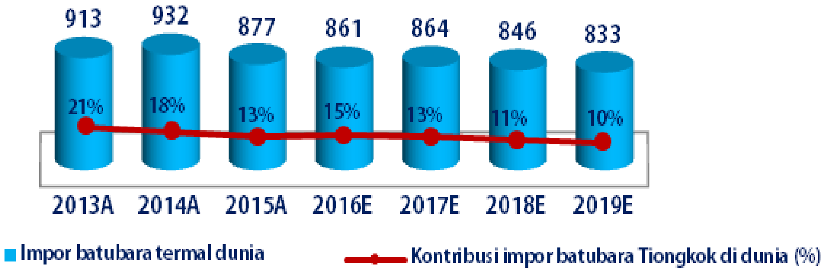
Graph created using Platts Forward Curve – Coal data.

China Coal Market

China

- China is still the biggest coal consumer in both Asia and the world
- During 2017 China reduced its domestic coal production in order to boost the coal price into a higher level and help the Chinese coal companies who are in the situation of financial difficulties
- Coal is still being the option of energy source for power plant due to its low price

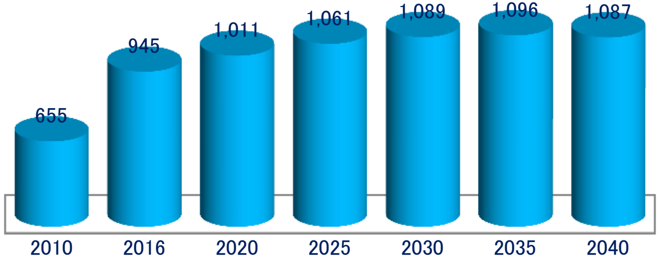
China remains the biggest coal buyer



Source: Broker research

Newcastle Index (USD/Ton)

Coal fired power plant capacity in China (GW)



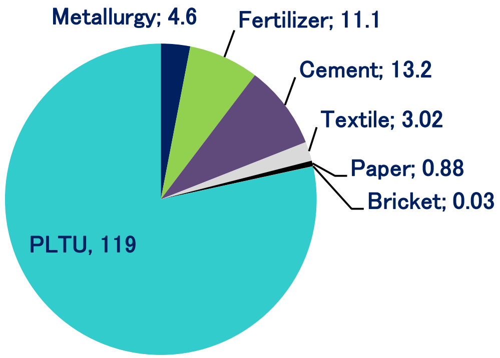
Source: International Energy Agency

Domestic Coal Market

Domestic Market

- Indonesian economic growth in 2017 is 5.07%, the highest since the last 3 years, even higher than the 2016 dan 2015 achievements which are 5.03% and 4.79%
- Indonesia biggest coal market is coal fired power plant. This economic growth is also supported by the government plan in increasing the electrification ratio to 100% in 2025 from 94.83% in 2017
- Domestic coal demand will continuously increase in line with the completion of coal fired power plants which are currently in construction stage

2019 Domestic Demand (million Ton)

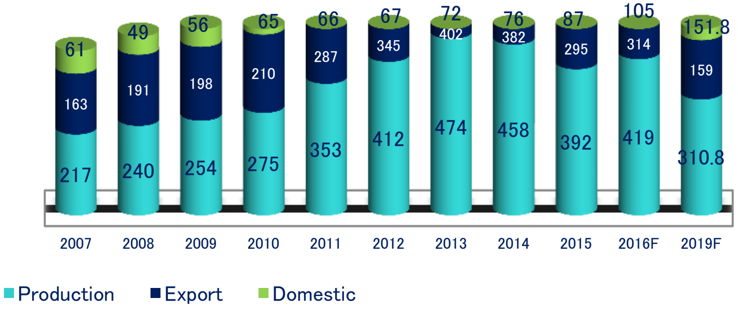


Indonesian Energy Mix

	2011	2035
Oil	50%	29%
Coal	24%	36%
Gas	20%	19%
Renewable	6%	16%

Source: Indonesia Energy Outlook – National Energy Board

Production, consumption and export of Indonesian coal (million Ton)



ABM main focus in 2018 onwards

- After recent couple of years ABM had sought to diversify into the electricity sector, in 2017 ABM realigned its orientation towards its core business which is coal mining and trading.
- In line with the issuance of the Global Bond in 2017 to strengthen its funding structure, ABM has planned to acquire a new mine to increase and renew its coal production capabilities.

ABM Group Synergy - Focusing in Coal

ABM Group Synergy

CK provides contract mining services for Reswara mines, satisfying c. 67% of Reswara's contract mining requirements

SSB provides manufacturing services support to CK

CKB provides logistics services to CK

reswara ← Cipta Kridatama → Cipta Kridatama → reswara ← CKB + BDD (subsidiary of CKB)

SANGGAR SARANA BAJA

reswara

BDD provides transshipment services to TIA and MIFA mine

1

2

3

4

5

6

Exploration and mine planning	Overburden removal	Coal loading, hauling and transportation	Processing	Port operation, coal barging and transshipment	Rehabilitation and reclamation
▪ Data collection, technical diligence, and geology interpretation ▪ Mine planning ▪ Construction of mine infrastructure	▪ Land clearing ▪ Drilling and blasting ▪ Stripping of overburden	▪ Loading ▪ Hauling and transportation ▪ Road building and maintenance	▪ Crushing ▪ Screening ▪ Stockpile	▪ Port operations ▪ Barging ▪ Transshipment	▪ Coal trading ▪ Mine rehabilitation ▪ Land reclamation

Commitment to the Environment

Rehabilitation and reclamation

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2017 Achievements

Global Bond Issuance
August 2017

Sewatama Debt Restructuring
May 2017

Revenue (US$)
2016: 590.7M | 2017: 690.7M — 16.9%

Gross Profit (US$)
2016: 127.9M | 2017: 151.4M — 18.4%

EBITDA (US$)
2016: 166.0M | 2017: 166.8M — 0.5%

Operating Profit (US$)
2016: 42.3M | 2017: 54.9M — 29.8%

Cash Balance (US$)
2016: 92.2M | 2017: 140.7M — 52.6%

Liability (US$)
2016: 914.0M | 2017: 880.4M — 3.6%

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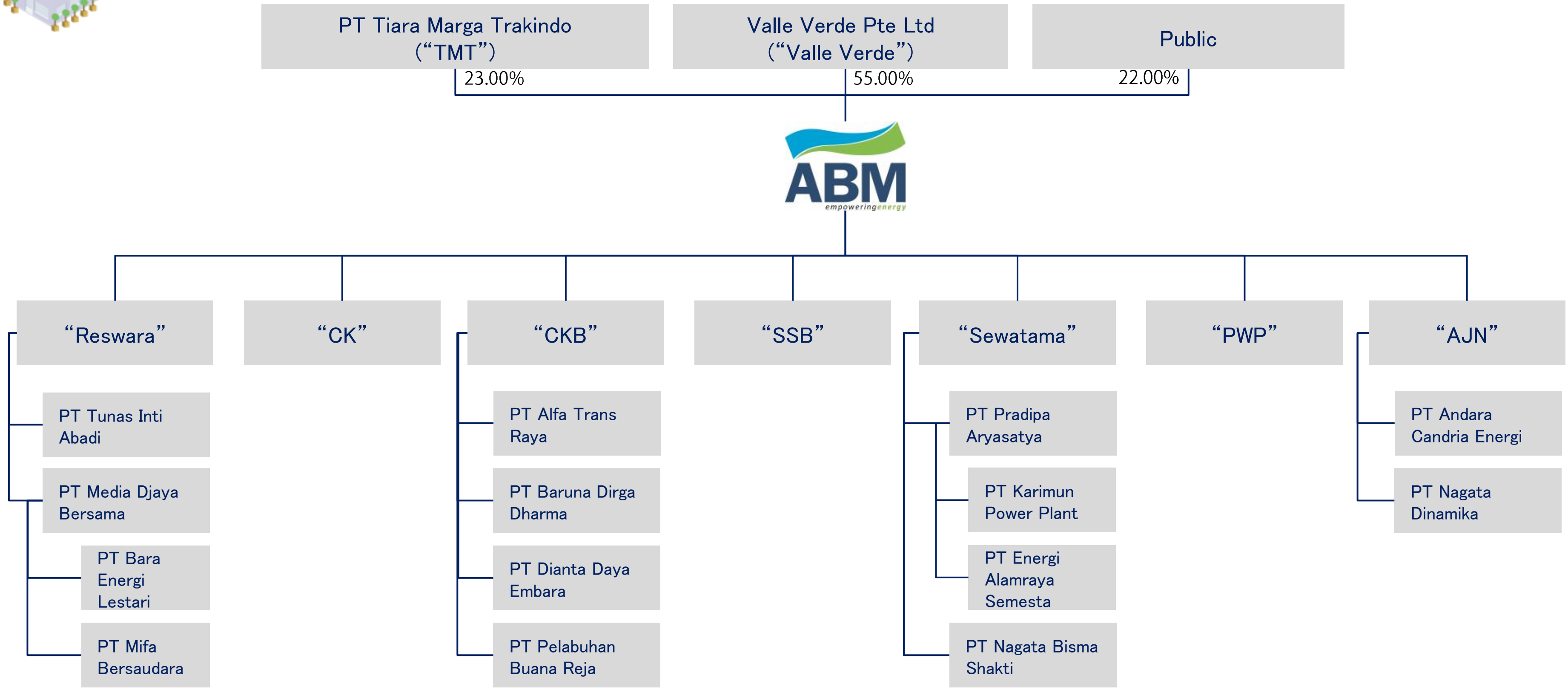
ABM Group Corporate Structure

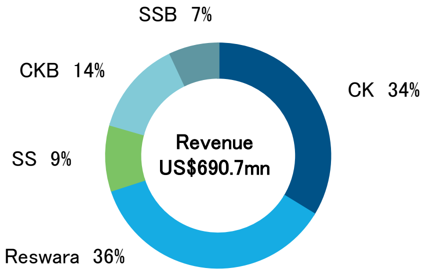


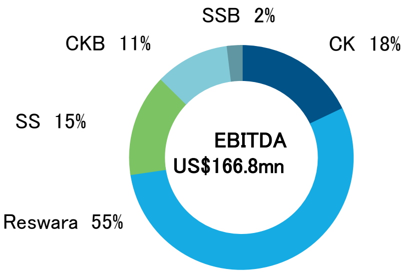
Company Overview

ABM

Coal Mining	Mining Contractor	Engineering and Manufacturing	Integrated Logistic	Electric Power Solution
reswara	Cipta Kridatama	Sanggar Sarana Baja	CKB Integrated Logistics Services	Sewatama Power Solutions Provider
				
▪ Established 2010 ▪ 7,714 Ha concession area under 3 IUPs ▪ Estimated coal reserves and resources of 281 and 410 million tons ▪ Calorific value (GAR) : 3,400 dan 4,200 ▪ Employee count : 503	▪ Established 1997 ▪ Fleet of 652 heavy equipments serving 11 customers ▪ One of the leading mining contractors in Indonesia ▪ Provides full end-to-end "pit to port" mining contractor services ▪ Employee count : 3,309	▪ Established 1977 ▪ 4 manufacturing workshops & 10 site service locations ▪ Customers mainly in mining, oil and gas, petrochemical and power sectors ▪ Employee count : 1,461	▪ Established 1997 ▪ Provides coal logistics, freight forwarding and project logistics ▪ 52 branches in 40 cities and 22 provinces ▪ Employee count : 960	▪ Established 1992 ▪ Total capacity of >1000 MW ▪ Main customers are PLN and the companies in mining, oil and gas and manufacturing sectors ▪ 2 operational IPPs of 15 MW dan 110 MW ▪ Employee count : 1,289

Contribution to Revenue and EBITDA in 2017



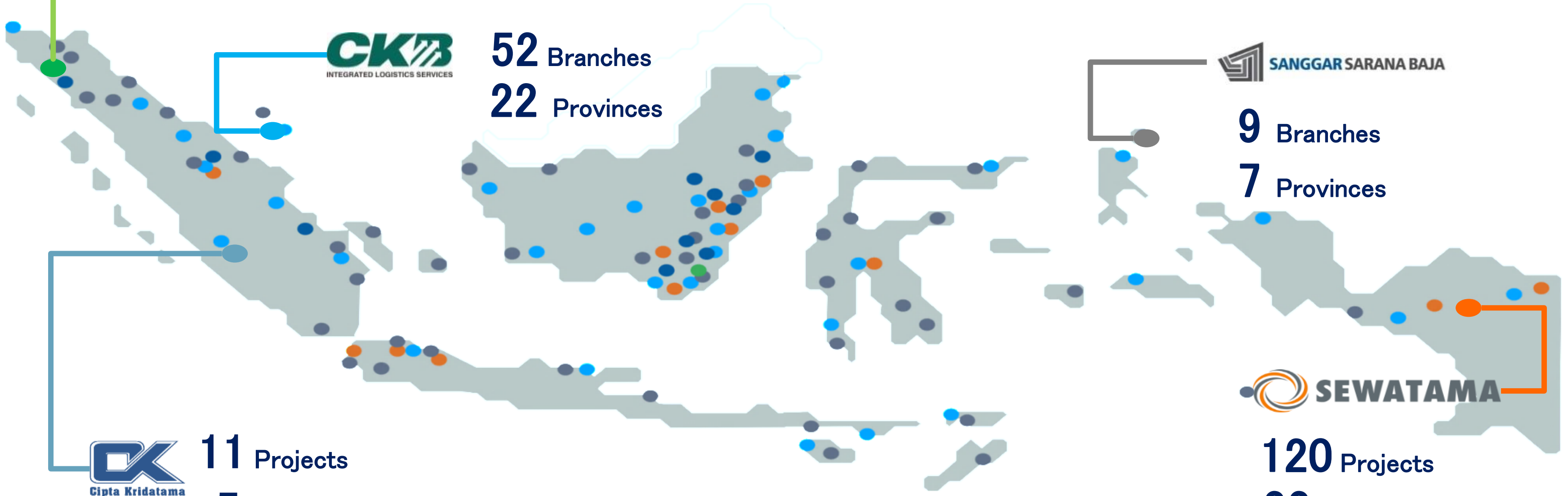


Main Customers

reswara	Cipta Kridatama	SANGGAR SARANA BAJA	CKB INTEGRATED LOGISTICS SERVICES	SEWATAMA POWER SOLUTIONS PROVIDER
Coal Mining	**Mining Contractor**	**Engineering and Manufacturing**	**Integrated Logistic**	**Electric Power Solution**
C&D	Adimitra Baratama Nusantara	PT FREEPORT INDONESIA	Trakindo CAT	PT. PLN
adani	TIA - The Compliant Coal	Trakindo CAT	TIA - The Compliant Coal	KPC COAL FROM INDONESIA PT KALTIM PRIMA COAL
TRAFIGURA	MA	KPC COAL FROM INDONESIA PT KALTIM PRIMA COAL	bp	meppo-gen
Holcim	mifa bersaudara	PT. Chakra Jawara	SEWATAMA POWER SOLUTIONS PROVIDER	WIKA
LAFARGE CEMENT	INDOMINING	Cipta Kridatama	Cipta Kridatama	Unilever

ABM Group Coverage

>7,600 Employees
27 Provinces



reswara
3 Concessions
2 Provinces

CKB INTEGRATED LOGISTICS SERVICES
52 Branches
22 Provinces

SANGGAR SARANA BAJA
9 Branches
7 Provinces

Cipta Kridatama
11 Projects
5 Provinces

SEWATAMA
120 Projects
22 Provinces

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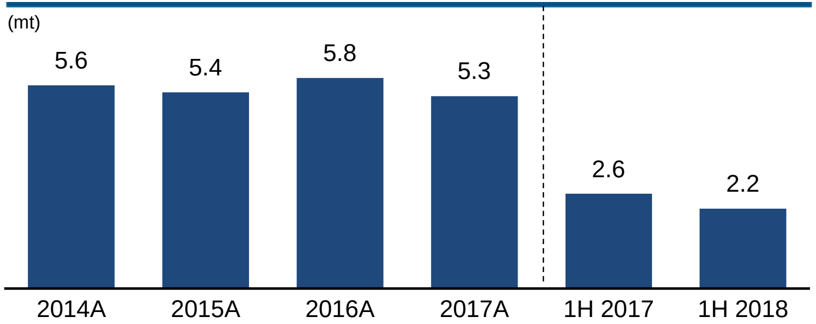
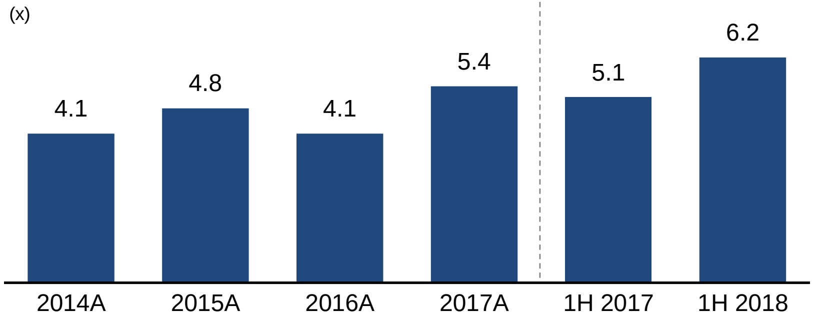
Coal Mining | TIA

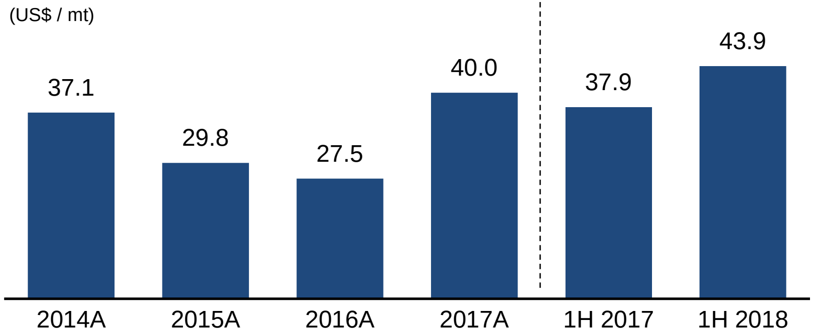
Coal Production



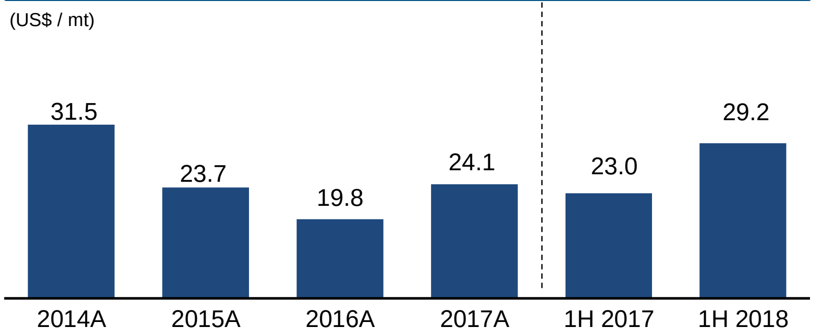
Average Strip Ratio



ASP

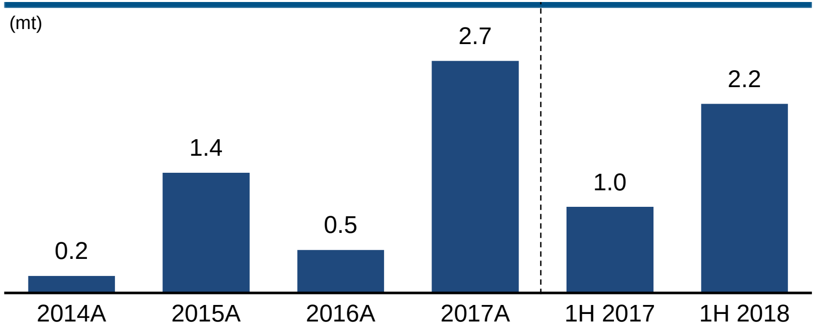


Average Cash Cost



Coal Mining | MIFA

Coal Production



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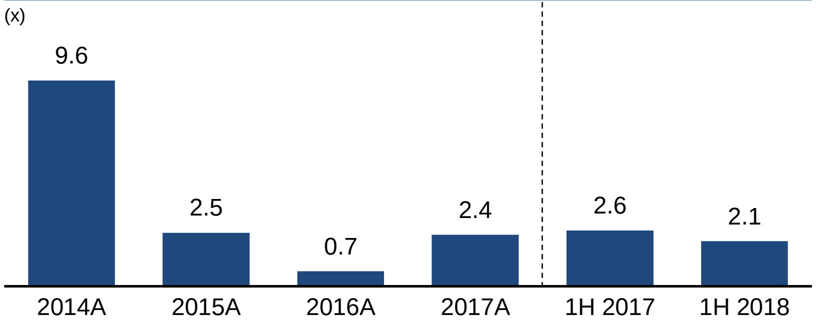

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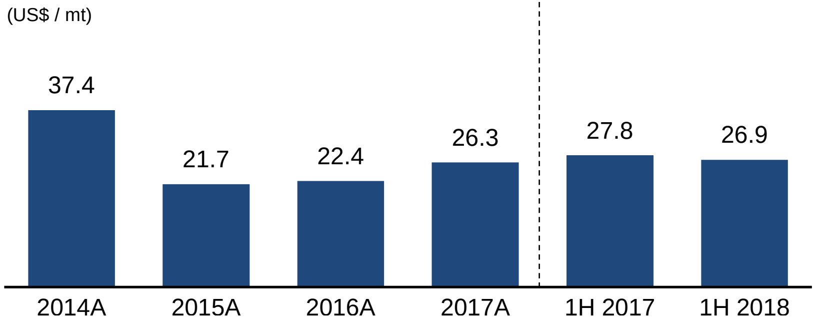
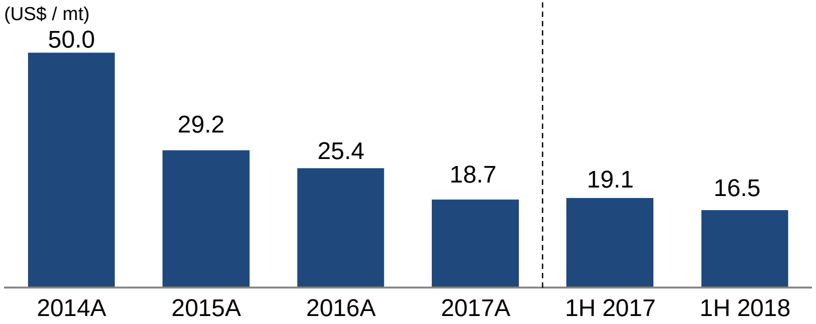
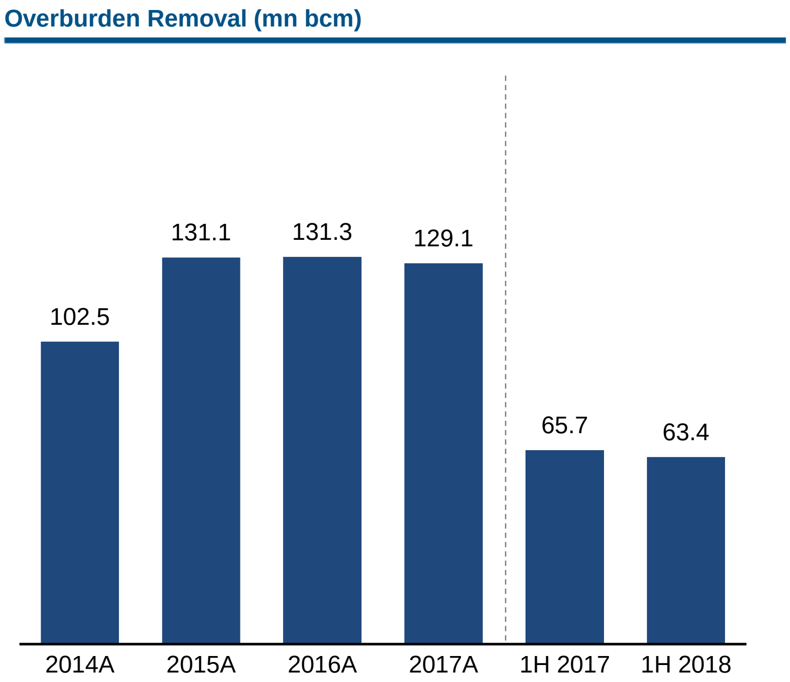
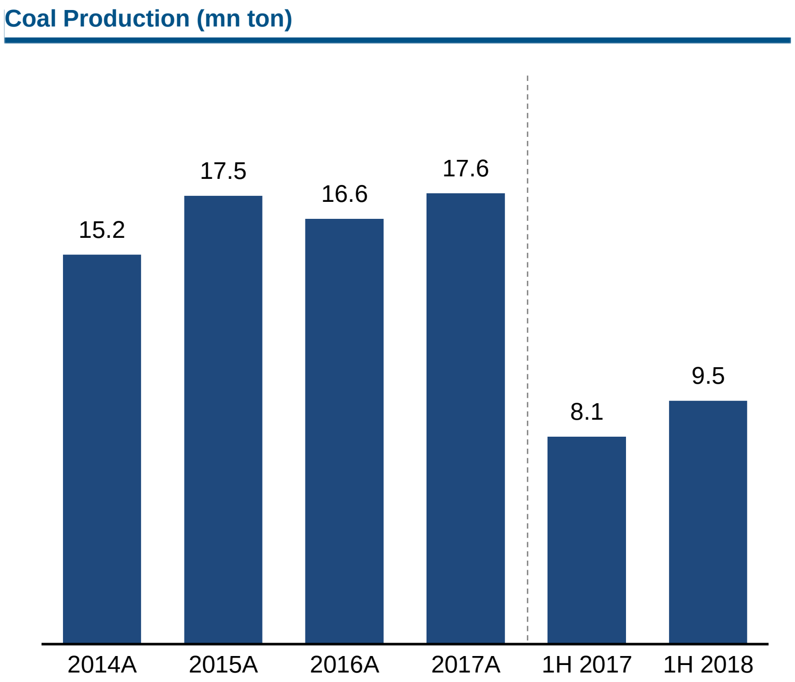


Average Cash Cost



Mining Contractor | CK





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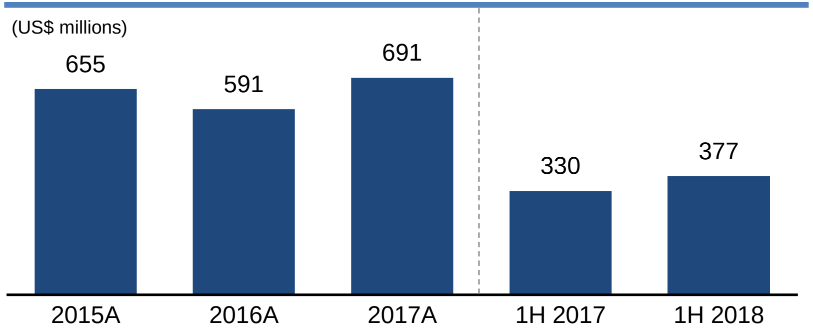
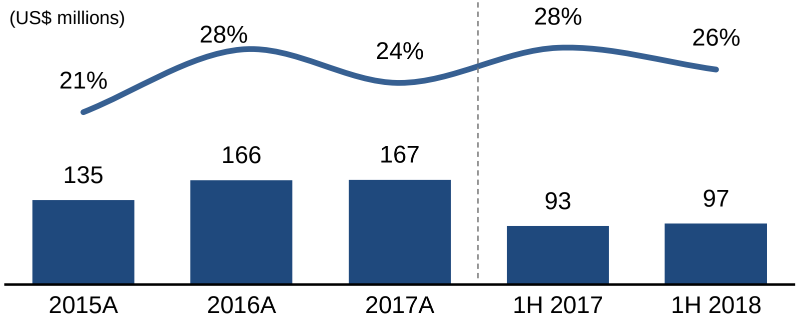
Financial Results

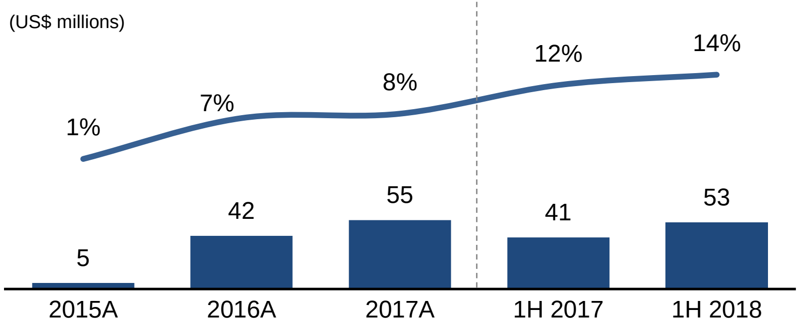
Revenue



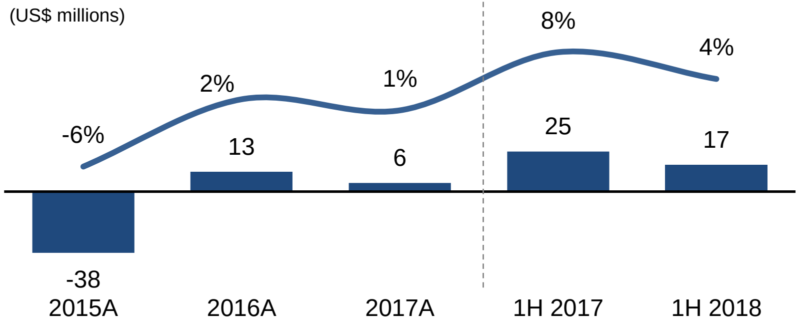
EBITDA and EBITDA margin



Operating Profit and Operating Profit Margin

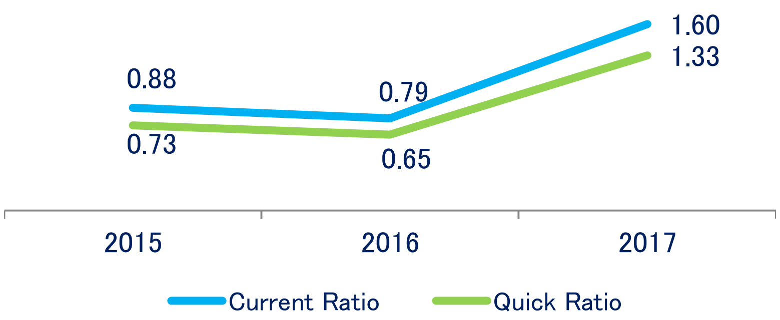


Net Profit and Net Profit Margin

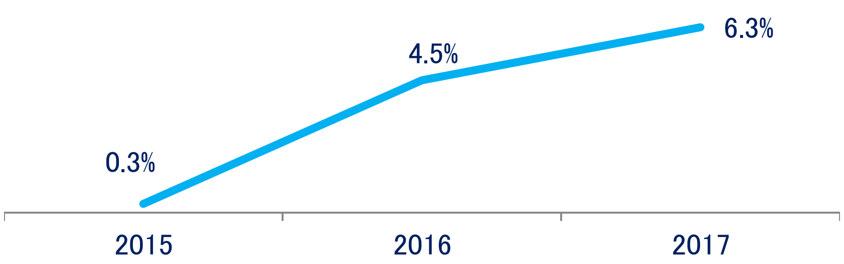


Financial Ratios

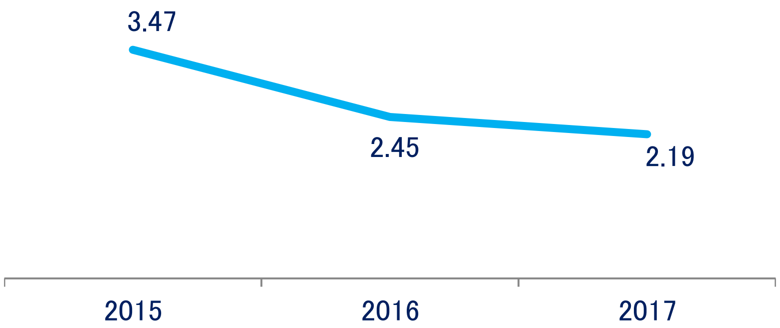
Liquidity Ratios



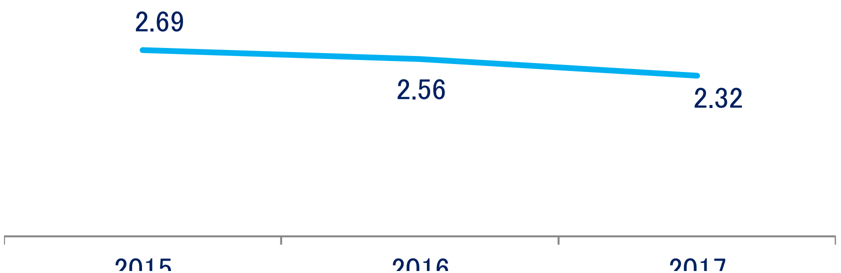
Return on Capital Employed (ROCE)



Net Debt to EBITDA



Net Debt to Equity

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Thank You