



PT TBS ENERGI UTAMA Tbk  
December 2020

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TBS Overview

Financial Performance Q4-2020 (Audited)

Power Business

Mining Business

# TBS Overview



## PT TBS Energi Utama Tbk (“TBS” or “Company”)

TBS Bara is one of Indonesia’s major energy companies focusing in the development of downstream industry and more specifically in power generation.

### POWER GENERATION



PT Gorontalo Listrik Perdana (“GLP”)



PT Minahasa Cahaya Lestari (“MCL”)



PT Paiton Energy (“PE”)



PT Adimitra Energi Hidro (“AEH”)



PT Bayu Alam Sejahtera (“BAS”)

- Coal Fired Power Plants under development by GLP and MCL, each capacity of 2x60MW(gross), secured by 25-years PPAs[2] with PLN
- Through PT Batu Hitam Perkasa (“BHP”), holds 5% shares in 2nd largest IPP[3] in Indonesia, PT Paiton Energy (2,045 MW)
- One of few companies that has obtained 2 PPAs in 2 consecutive years (GLP and MCL)

### COAL MINING



PT Adimitra Baratama Nusantara (“ABN”)



PT Indomining (“IM”)



PT Trisensa Mineral Utama (“TMU”)

Total Concession : 7,087 Ha  
 Reserves (JORC 2018) : 63.9 mmtons  
 Total Production Rate : 5 - 8 mmtpa  
 Coal Products (GAR) : 4,800 - 5,900 kcal/kg

### PLANTATION<sup>[1]</sup>



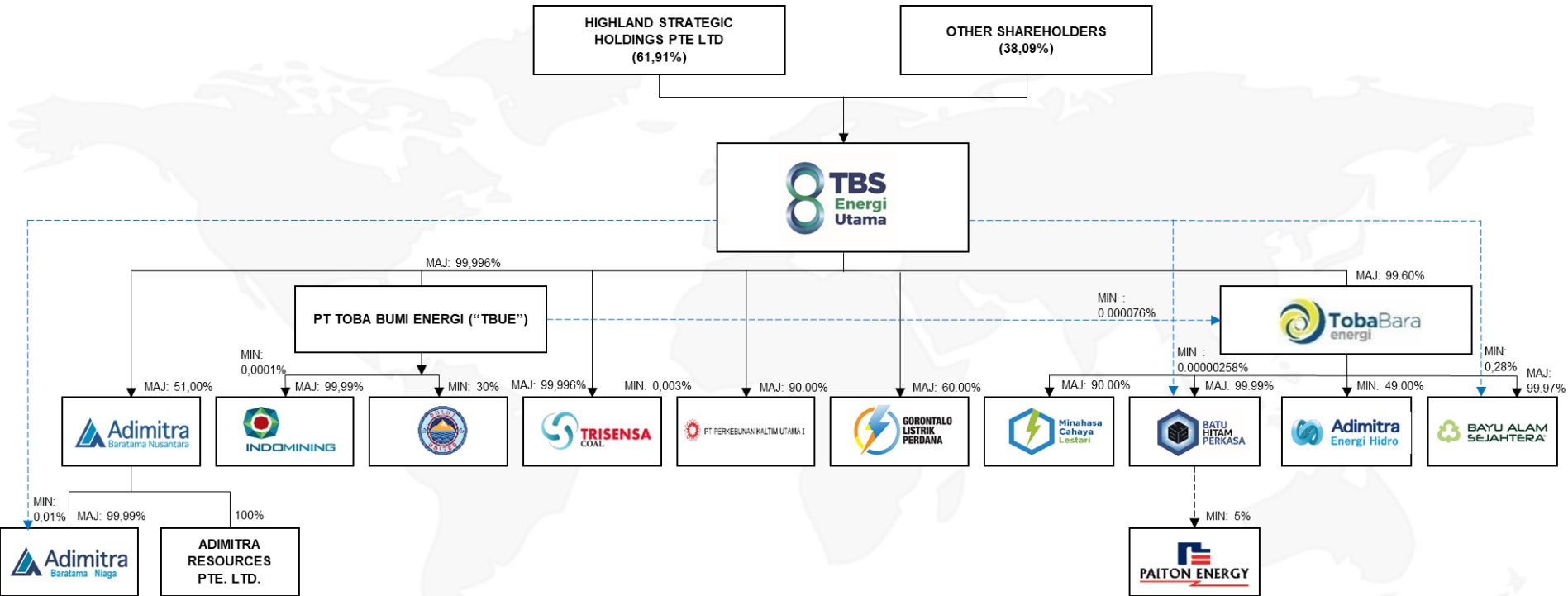
PT PERKEBUNAN KALTIM UTAMA I

PT Perkebunan Kaltim Utama I (“PKU”)

8,633ha (2,738 Ha planted)  
 HGU[4] area

[1] TBS owns PKU, which overlaps with ABN and TMU concessions, [2] PPA: Power Purchase Agreement, [3] IPP: Independent Power Producer, [4] HGU: Hak Guna Usaha (Right to Cultivate)

## Ownership Structure





[1] Including Baring Private Equity as anchor investor

[2] Economic benefit of 80%, ownership subject to PLN (National Power Company) approval

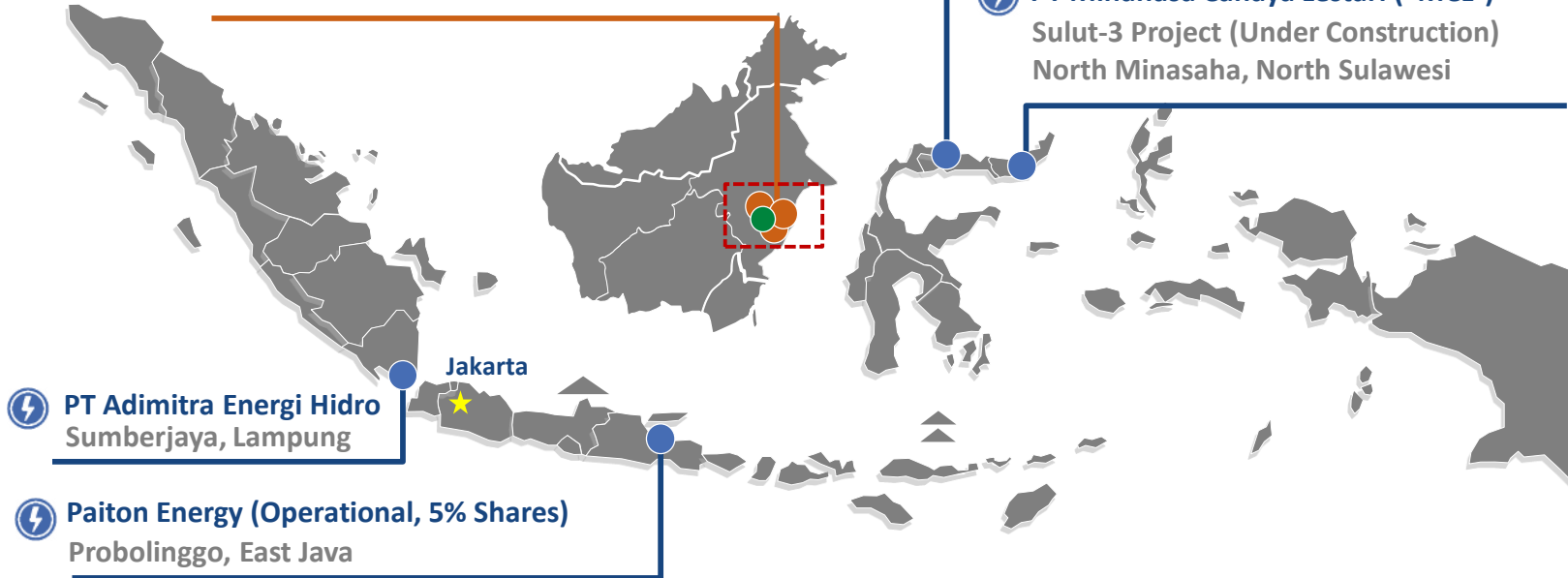
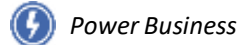
## Geographical Location

- PT Adimitra Baratama Nusantara (“ABN”) 
- PT Indomining (“IM”) 
- PT Trisensa Mineral Utama (“TMU”) 
- PT Perkebunan Kaltim Utama I (“PKU”) 
- Kutai Kartanegara, East Kalimantan

-  PT Gorontalo Listrik Perdana (“GLP”)
  - Sulbagut-1 Project (Under Construction)
  - North Gorontalo, Gorontalo Province

-  PT Minahasa Cahaya Lestari (“MCL”)
  - Sulut-3 Project (Under Construction)
  - North Minahasa, North Sulawesi

**Legend:**



## High Quality Power Assets

Operating Power Asset and Power Plants Under Construction with expected Commercial Operation Date in 2021

### PAITON UNIT P3 AND P7/8



East Java

5% interest

2,045MW (net 102.3 MW)

- Largest private IPP in Indonesia
- Strategic national asset, supplying 10% of Jawa-Bali consumption
- First supercritical plant (unit P3)
- Long term PPA ending in 2042
- Partners: Mitsui, Nebras and Jera
- 18 years of strong operating track record

### SULBAGUT-1



Gorontalo

80% interest

120MW (net 96MW)

- Part of 35 GW power program and considered as one of National Strategic Projects
- Long term PPA ending in 2045
- Favorable tariff
- Partner: Shanghai Electric
- PPA awarded in 2016, Financial Close in 2017

### SULUT-3



North Sulawesi

90% interest

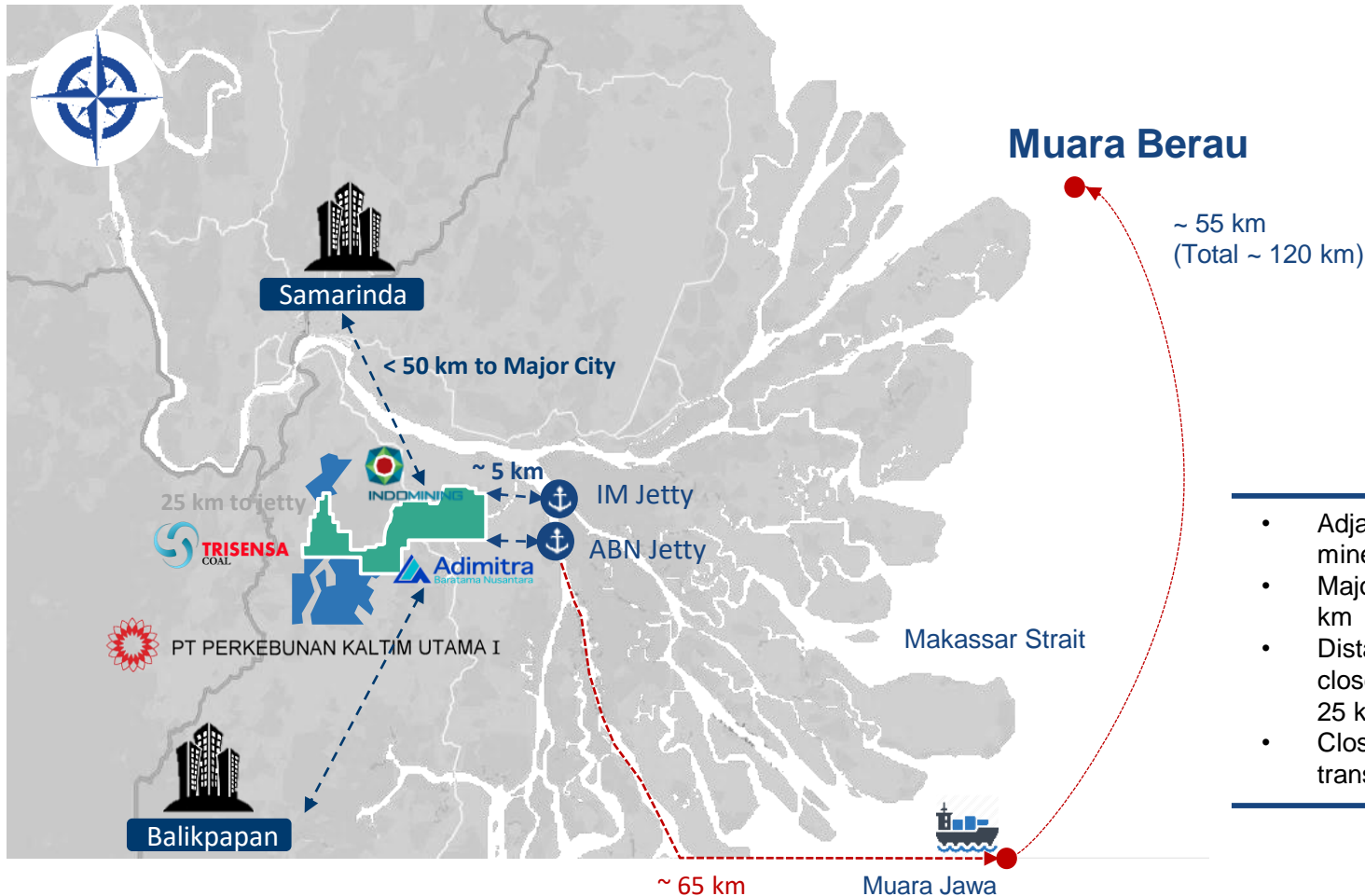
120MW (net 108MW)

- Part of 35 GW power program and considered as one of National Strategic Projects
- Long term PPA ending in 2046
- Favorable tariff
- Partner: Sinohydro
- PPA awarded in 2017, Financial Close in 2018



## Strategic Mine Location and Integrated Infrastructure

TBS has a strategic mine location and integrated infrastructure (coal processing plant (CPP), hauling road, overland conveyor, and jetty), which provide a competitive advantage for the company's operations



- Adjacent location for all three mines
- Major city to north is less than 50 km
- Distance from pit to jetty with closest one ~ 5 km and furthest ~ 25 km
- Close proximity to jetty and transhipment point of Muara Jawa

## Transformation into Integrated Energy Company

TBS is one of the country's leading coal producers and progressively expanding its power generation business with targeted generation net capacity of ~300MW by 2021

### COAL MINING AND PLANTATION



### INTEGRATED ENERGY COMPANY

#### Coal Mining and Plantation



#### Power Business



Integrated Energy

#### Supporting Services of Coal Mining and Power Plant

Coal Trading, Coal Logistics, O&M Business

## Sustainable Development Goals as part of Business Principle

TBS adopts UN's Sustainable Development Goals (SDGs) as framework to support TBS's sustainable growth



1 No Poverty

8 Decent Work & Eco. Growth

- Entrepreneurial training for local farmers
- Cattle and goat breeding programs
- Local agrobusiness training

3 Good Health & Well Being

- Free Admission for Medical Examination and Treatment
- Blood Donor Program

5 Gender Equality

10 Reduced Inequalities

Local Business Development and Empowering local women for small enterprises

7 Affordable and Clean Energy

9 Infrastructure

TBS as Integrated Energy Company

15 Life on Land

- Arboretum (40 Ha of virgin forest)
- Waste management programs

4 Quality Education

- Teaching Assistant Program
- Honorarium for Elementary and Junior School Teachers
- Children Development Program (PAUD)
- School Bus Facilities & Scholarship Aid Program

## Sustainable Development Goals as part of Business Principle

The Company's strategy to improve the quality of life among local communities is achieved through the empowerment of four main pillars: **Education, Health, Social & Economic, and Environment.**



### Education

- English Learning Assistance Program for Kindergarten – Elementary School.
- Teacher Honor Program for teachers in Kindergarten – Elementary School.
- PAUD Development Program
- Bus School Facility.
- Scholarship for the student with outstanding grades.

### Health

- Community Healthcare Program through a Posyandu for toddlers and elderly.
- Providing nutritious food for toddler.
- Regularly Blood Donation Program.

## Sustainable Development Goals as part of Business Principle

The Company's strategy to improve the quality of life among local communities is achieved through the empowerment of four main pillars: **Education, Health, Social & Economic, and Environment.**



### Social and Economy







- Renovation for uninhabitable houses.
- Breeding cows and etawa goat.
- Fostering farmers for compost production.
- Catfish Farming.
- Empowerment of PKK Ladies for crackers and shredded catfish business.

### Environment

- Preservation of Arboretum forrest for scientific research purposes.
- Province road maintenance.
- Maintenance of springs and clean water distribution pipes for community.
- Trench cleaning and normalization.

## ESG Credentials

TBS's credentials on Environmental, Social, and Governance aspects

PILLARS	THEMES	TBS Credentials		
Lingkungan	<ul style="list-style-type: none"> <li>• Perubahan Iklim</li> <li>• Sumber Daya Alam</li> <li>• Polusi &amp; Limbah</li> <li>• <i>Environmental Opportunities</i></li> </ul>	<p><b>Green Proper Award</b></p>  <p>ABN      TMU      IM</p>	<p><b>ISO 14001:2015 (Environmental Management System)</b></p>  <p>ABN      TMU      IM</p>	
Sosial	<ul style="list-style-type: none"> <li>• Perubahan Iklim</li> <li>• Sumber Daya Alam</li> <li>• Polusi &amp; Limbah</li> <li>• <i>Environmental Opportunities</i></li> </ul>	<p><b>ISO 45001:2018 (Health and Safety)</b></p>  <p>ABN      TMU      IM</p>	<p><b>Zero Accident Award</b></p> 	<p><b>ISO 9001:2015 (Quality Management System)</b></p>  <p>ABN      TMU      IM</p>
Tata Kelola	<ul style="list-style-type: none"> <li>• Tata Kelola Perusahaan</li> <li>• Budaya Perusahaan</li> </ul>	<ul style="list-style-type: none"> <li>• 100 Fastest Growing Companies Awards 2019 (INFOBANK)</li> <li>• <i>Award of The Participation and Contribution in Collecting State Revenues</i> (for TMU, in East and North Kalimantan Regional)</li> </ul>		

# Financial Performance Q4 2020

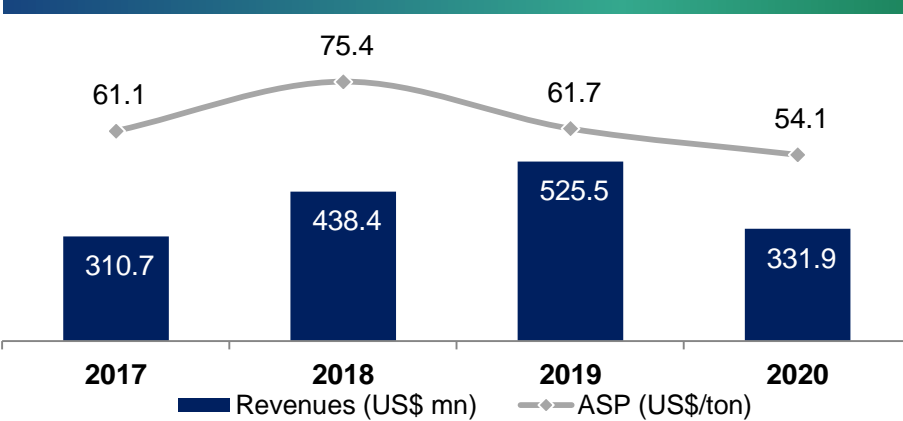
(Audited)



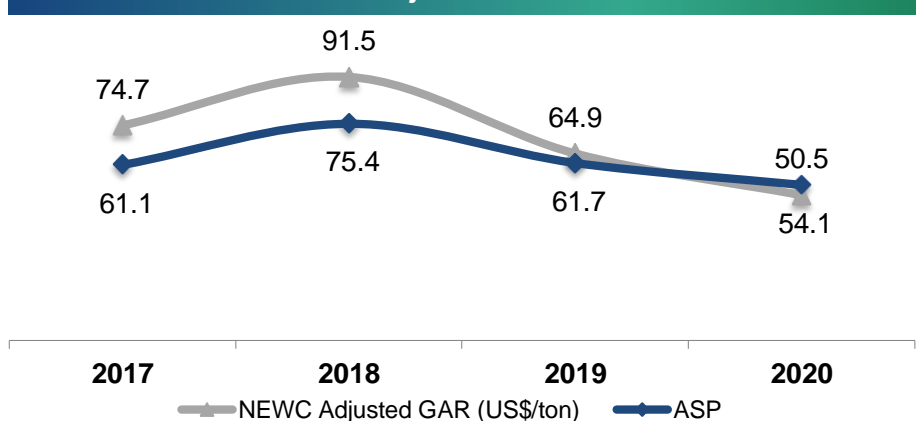
## Financial Highlights

2020 saw a decrease in Average Selling Price (“ASP”) of coal, which directly correlated with lower NEWC coal index resulting in lower EBITDA

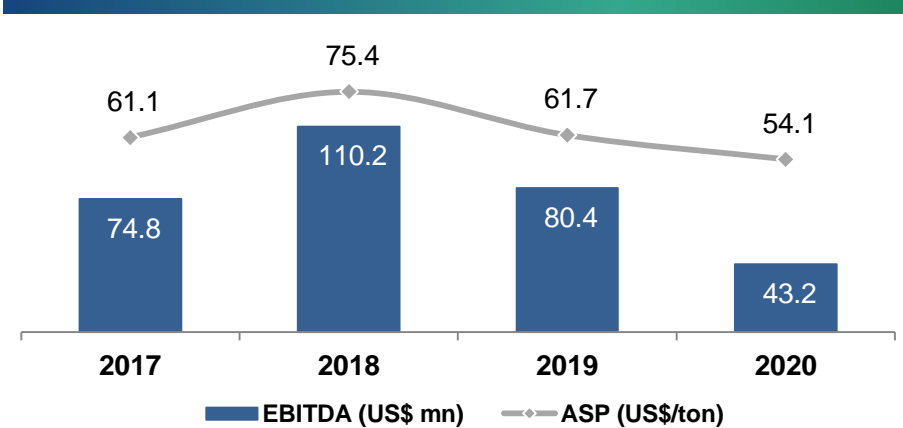
Revenues and ASP



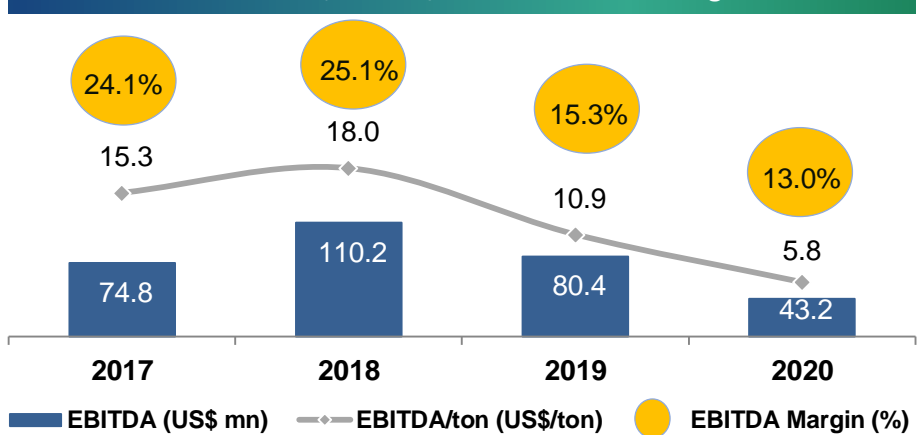
NEWC Adjusted GAR and ASP



EBITDA and ASP



EBITDA, EBITDA/ton<sup>[1]</sup> and EBITDA Margin



[1] EBITDA/ton for mining business only

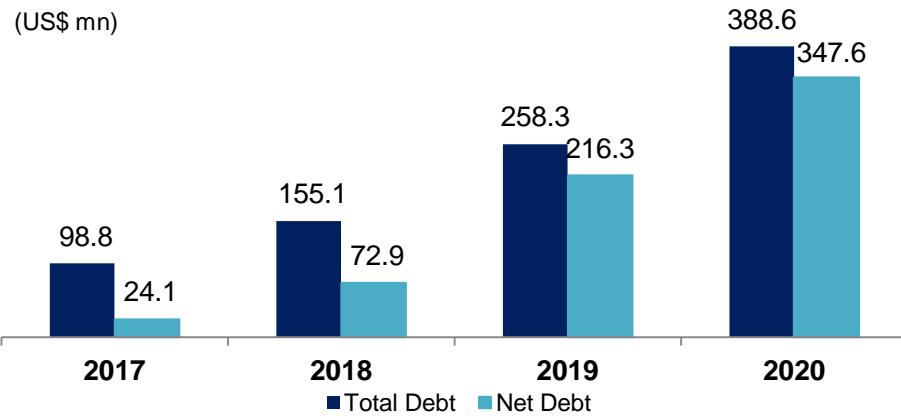


## Credit Profile

The period saw an increase in leverage as TBS progresses on power plant constructions

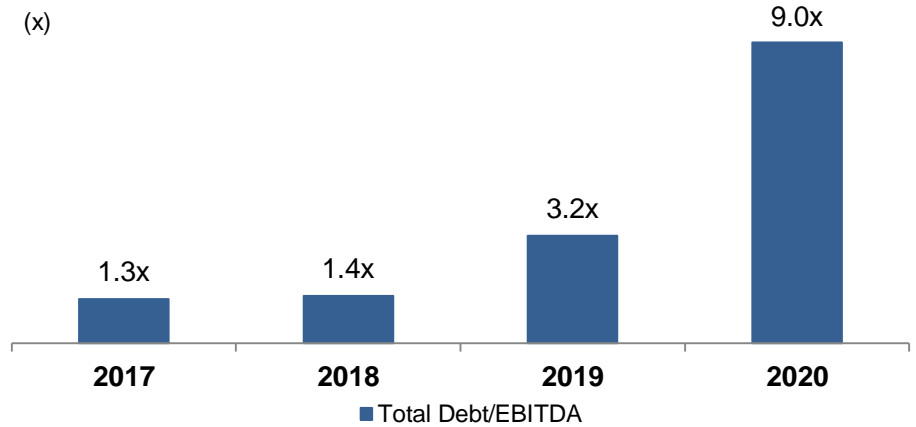
Total Debt and Net Debt <sup>[1]</sup>

(US\$ mn)



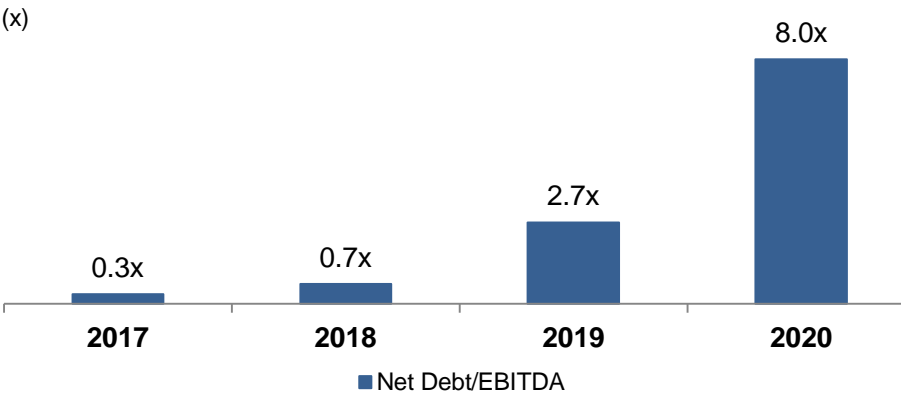
Total Debt / EBITDA

(x)



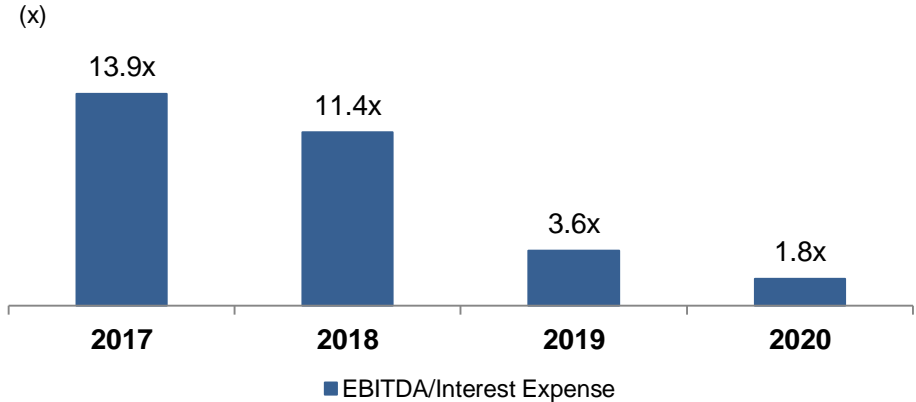
Net Debt <sup>[1]</sup> / EBITDA

(x)



EBITDA / Interest Expense

(x)



[1] Including cash and cash equivalent

## 12M20 Performance Summary

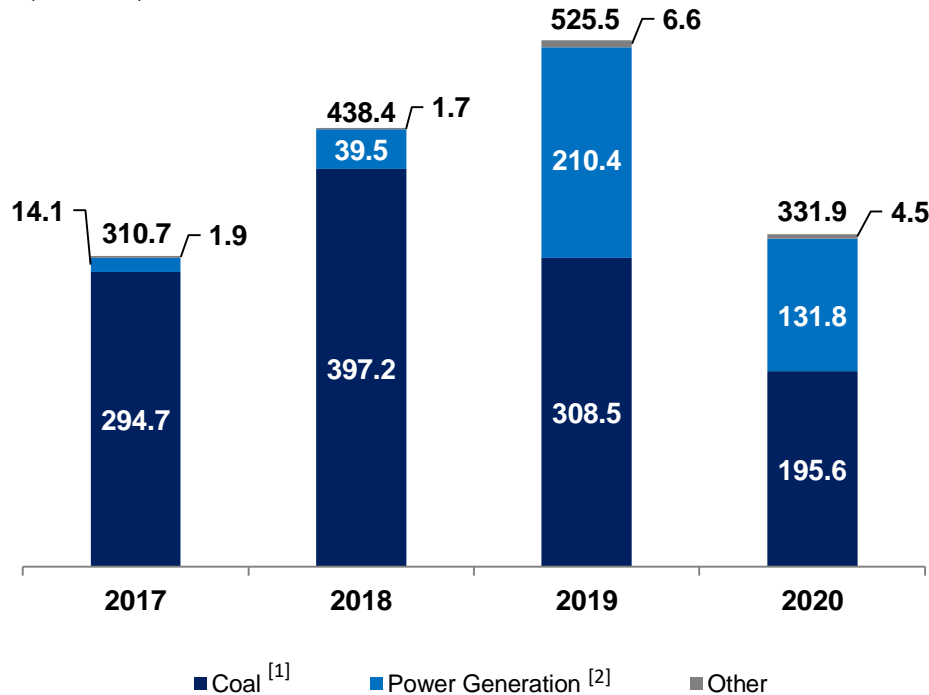
Operational metrics <sup>[1]</sup>		2019	2020	Δ%
NEWC Index	US\$/ton	77,8	60,4	(22,4%)
Average Selling Price (ASP)	US\$/ton	61,7	54,1	(12,3%)
Production Volume	mn ton	4,5	2,9	(35,6%)
Sales Volume	mn ton	4,2	3,2	(23,8%)
Stripping Ratio	x	13,5	13,3	(1,5%)
FOB Cash Cost	US\$/ton	48,2	44,8	(7,1%)
Financial metrics (Unaudited)		2019	2020	Δ%
Revenue	US\$ mn	525,5	331,9	(36,8%)
EBITDA	US\$ mn	80,4	43,2	(46,3%)
Profit for the Period	US\$ mn	43,7	35,8	(18,1%)
EBITDA/Ton <sup>[1]</sup>	US\$ mn	10,9	5,8	(46,8%)
Financial Ratios		2019	2020	
Gross Profit Margin		17,5%	10,8%	
EBITDA Margin		15,3%	13,0%	

[1] For mining business only

## Segment Information

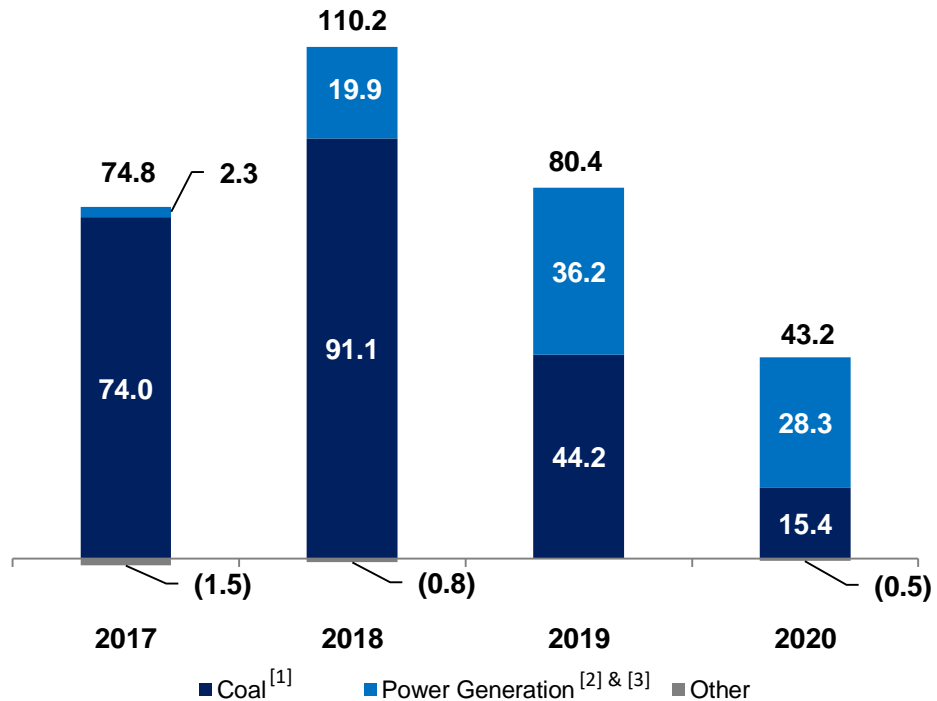
### Revenues

(US\$ mn)



### EBITDA

(US\$ mn)



[1] Coal Segment including mining and trading and exclude intercompany sales transaction to Power Generation Segment

[2] Power Generation figures mainly come from the financials of GLP and MCL, which are under construction. Revenues are recognized from construction services conducted under service concession agreement with PLN using percentage of completion method. These construction services revenues are expected to be paid through receivable settlement by PLN after commercial operation date. Any construction costs are recognized as incurred on the accrual basis. [1]

[3] EBITDA Power Generation Segment 2018, 2019 and 2020 include dividend income from PT Paiton Energy amounting to US\$ 13.4 million, US\$ 1.0 million and US\$ 11.4 million, respectively.

# Power Business

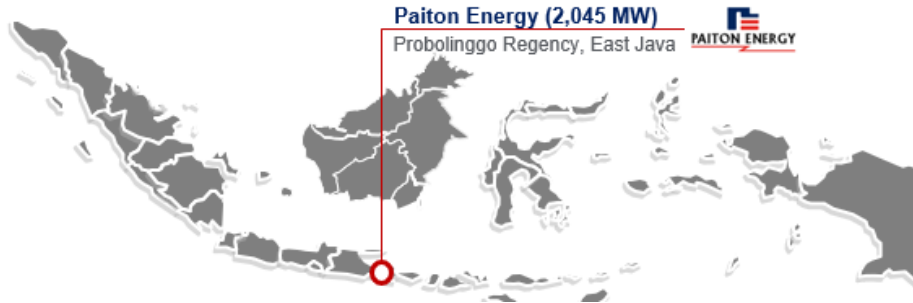


## PT Batu Hitam Perkasa

On 12th December, 2018, TBS acquired 100% direct and indirect shares of PT Batu Hitam Perkasa (“BHP”), which owned 5% stake in PT Paiton Energy (“Paiton”)

Established in February 1994, PT Paiton Energy was the first IPP and also the largest private IPP in Indonesia

With capacity of 2,045 MW (net), Paiton operates under two PPAs, Unit P7/8 and Unit P3. Both are located in Probolinggo Regency, East Java. Paiton’s P3 Unit is the first Super-critical Coal Fired Power Plant in Indonesia



	UNIT P7/8	UNIT P3
Net Capacity	2 X 615 MW	815 MW
COD	May and July 1999	March 2012
PPA Period	Until 2042	Until 2042
Technology	Subcritical	Supercritical

As a contributor to 10% of Java-Bali power supply, Paiton is furnished with reliable and reputable equipment

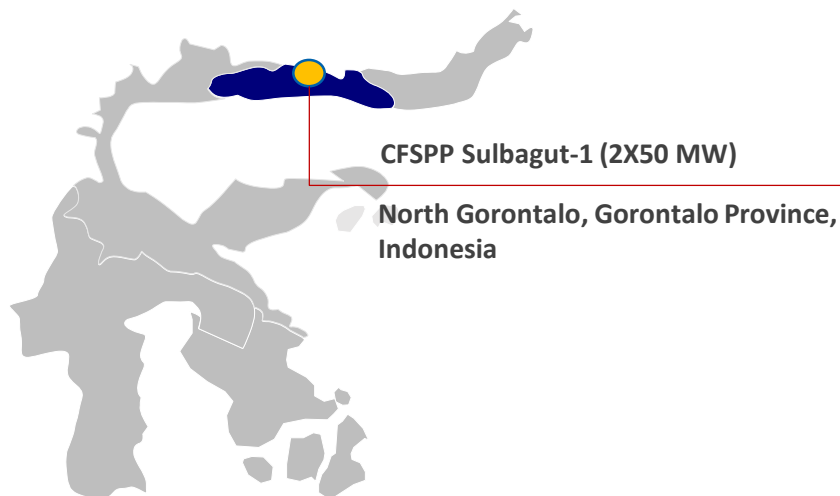
	P7/8	P3
Boiler		
Steam Turbine		
Generator		
Main Transformer		



### Sponsor Paiton



## PT Gorontalo Listrik Perdana : Sulbagut-1 Project



### Project Overview

- Partnership Composition: TBS (60%), PT Toba Sejahtra (20%)<sup>[1]</sup>, Shanghai Electric Power Construction (SEPC) (20%)
- PPA signed in July 2016 and Financial Close achieved in July 2017
  - Contract Period: **25 years**
  - Project Cost: **US\$ 224 million**
  - EPC Contractor: **Shanghai Electric Power Corporation**

### Progress Updates (as of 31 December 2020)

Subject	Status	Remarks
Land Acquisition	Completed	Land acquisition completed
Engineering	Completed	All drawing and engineering documents has been completed and submitted by contractor.
Boiler, Turbine, Generator ("BTG")	Completed	Boiler, Turbine and Generator has been completed manufacture, and have arrived on-site
Procurement	In-Progress	Procurement 18 out of 20 project shipments (major equipment) have arrived on site.
Construction	In-Progress	<ul style="list-style-type: none"> <li>• Both Boiler #1 and Boiler #2 have completed Hydrotest</li> <li>• Main power building installation in-progress</li> <li>• Both Turbine #1 and Turbine #2 have been installed and will continue in field work to connect with the Generator</li> </ul>

## Sulbagut-1 Activities

### Site Condition (as of 31 December 2020)



Site Condition (Main Plant)



Boiler



Main Building Installation

### Project Activities



Coal Jetty and Coal Handling System progress

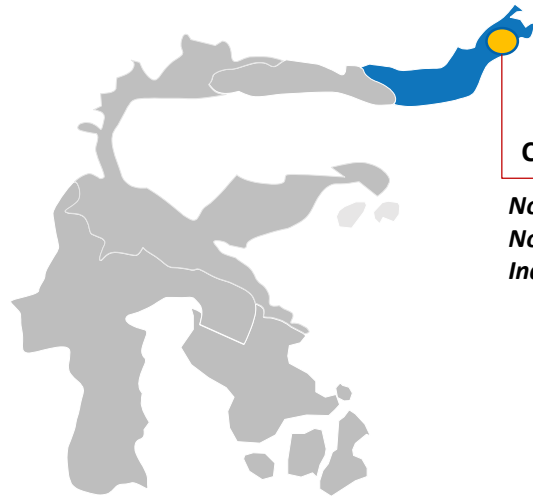


150 kV GIS room progress



Cable Stringing Finished

## PT Minahasa Cahaya Lestari : Sulut-3 Project



**CFSP Sulut-3 (2X50 MW)**

*North Minahasa,  
North Sulawesi Province,  
Indonesia*

### Project Overview

- Partnership composition: PT TBS Energi Utama Tbk (90%), Sinohydro Corporation Limited (10%)
- PPA signed on 7<sup>th</sup> April 2017, and effective on 10<sup>th</sup> January 2018
  - Contract Period: **25 years**
  - Project Cost: **US\$ 209 million**
  - EPC Contractor: **Sinohydro Corporation Limited**

### Progress Updates (as of 31 December 2020)

Subject	Status	Remarks
Land Acquisition	Completed	Land acquisition completed
Engineering	Completed	Detailed engineering design completed
Procurement	Completed	All shipments / procurements completed
Construction	In-Progress	<ul style="list-style-type: none"> <li>• Finished turbine and generator installment</li> <li>• Finished civil works (structure) for coal handling system</li> <li>• Circulating Water Pump (“CWP”) works in progress</li> <li>• Balance of Plant facilities (Water Treatment Plant, Waste Water Treatment Plant, Coal Handling System and etc) on progress (civil, mechanical and electrical)</li> <li>• Continuing work on ESP #2 insulation and coal shed structure</li> </ul>



## Sulut-3 Activities

### Site Condition (as of 31 December 2020)



Main Plant Overview

### Project Activities



MCL Balance of Plant



Water Pump System



Coal Shed

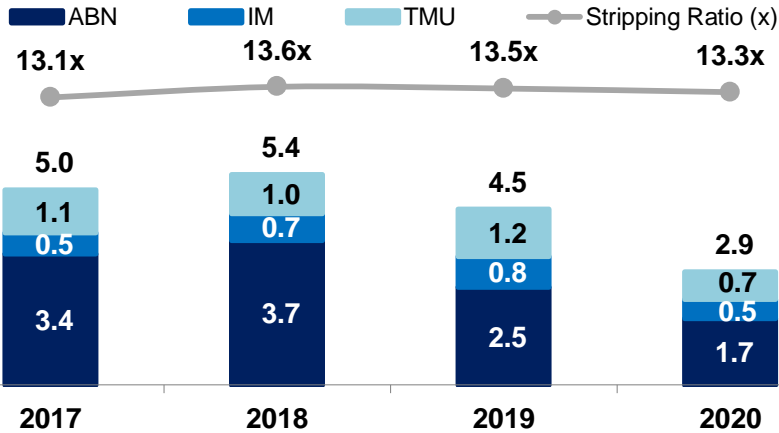
# Mining Business



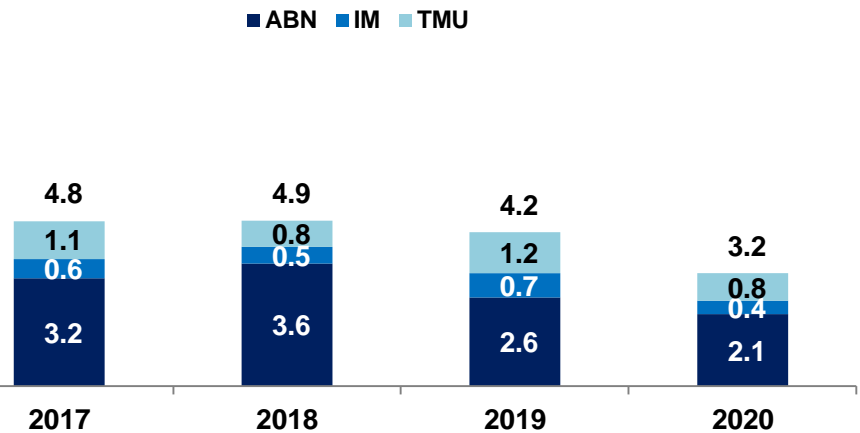
## Production Performance and FOB Cash Cost

2020 saw lower mining FOB cash cost and slight decrease in stripping ratio

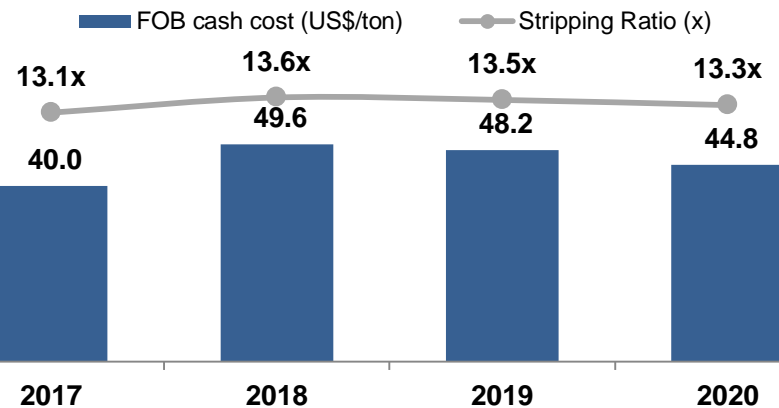
### Production Volume and SR



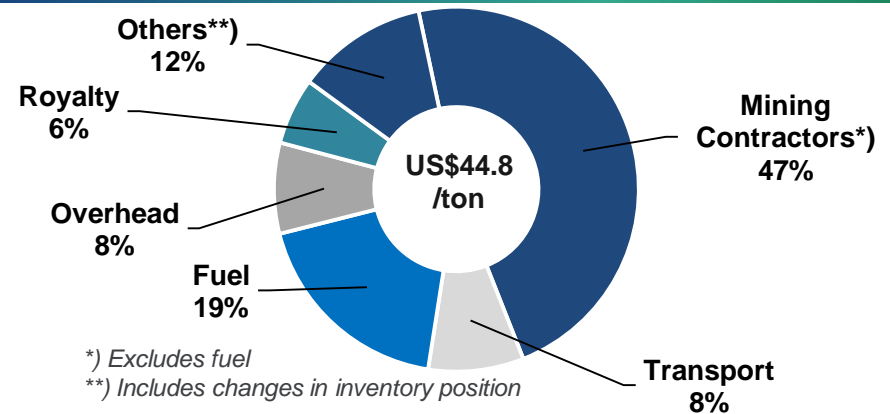
### Sales Volume



### FOB Cash Cost dan SR



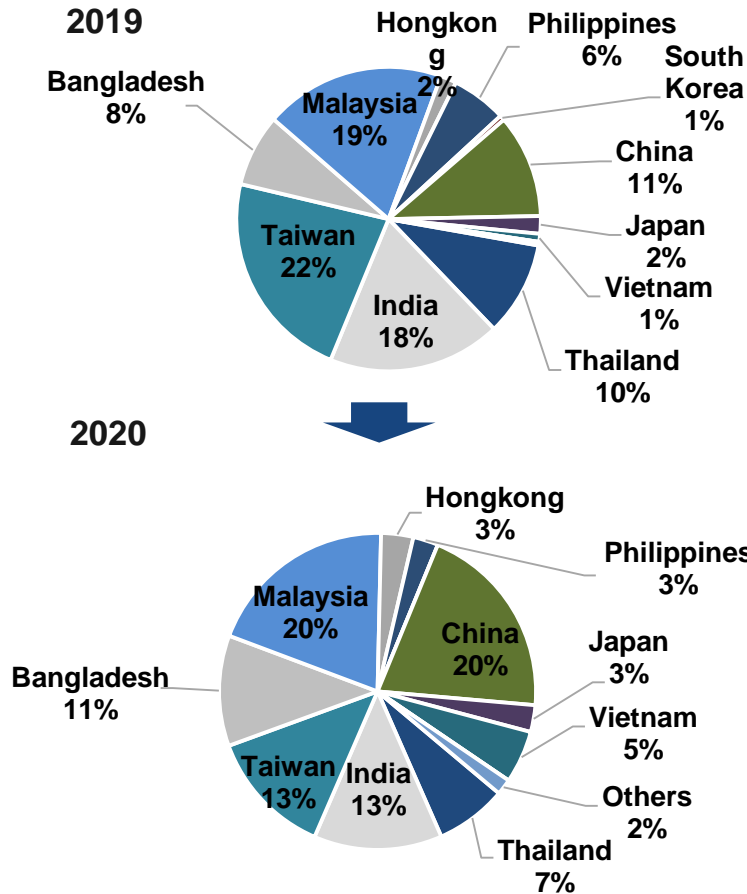
### Cash Cost Breakdown 2020



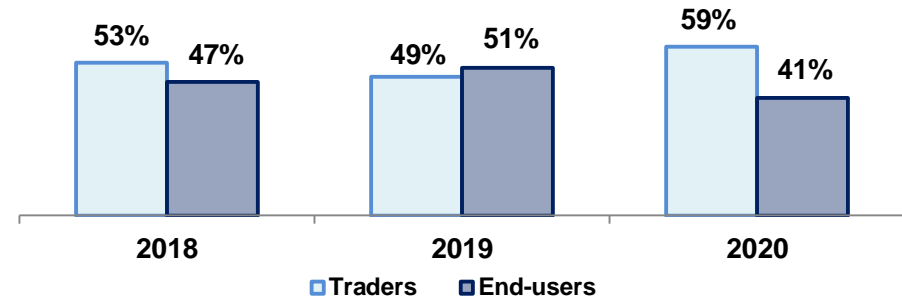
## Coal Sales Overview

TBS adopts forward looking view of market conditions to adapt our marketing strategies to extract the most value for our coal

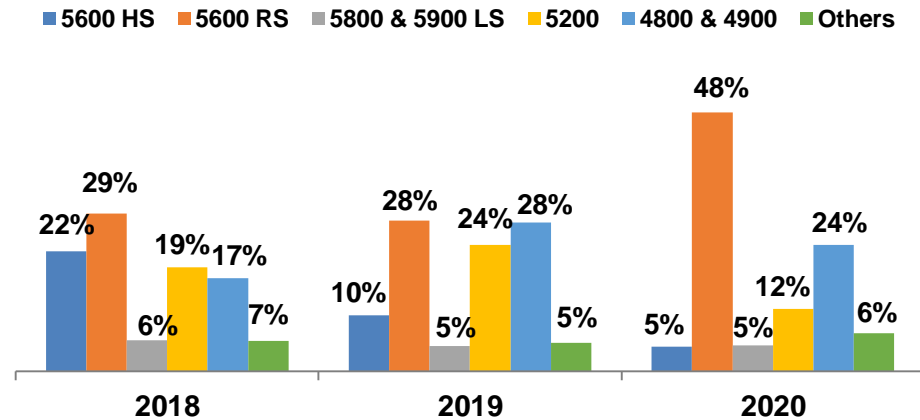
### Destination



### Trader vs End-User Composition



### Product Composition



## Operational Activities

### ABN



- A. Mining Operation Pit 4 utilizing 1xPC2000, 5xPC1250, and 2xPC400
- B. Mining Operation Pit 1 by PT RPP Contractors Indonesia ("PT RCI") utilizing 5xPC1250
- C. Football field construction as part of reclamation program in Pit West area
- D. Construction of drainage Sediment Pond

### TMU



- A. OB works in Pit B2K40 area
- B. Coal getting works in Pit 5B21 area
- C. CSR program health clinic for elderly and maternity

### IM



- A. Operational activities in Pit A Block 13 area
- B. Top soil loading works for reclamation preparation
- C. Dewatering process in main slump area, using drag flow for Pit A finalization

**THANK  
YOU**

## PT TBS ENERGI UTAMA Tbk

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*#bekerjadenganhati*

*#bergerakdengannurani*

