



**PT BAYAN RESOURCES Tbk.**



# Company Profile

October 2020





**PT BAYAN RESOURCES Tbk.**



Section 1:  
**Company Overview**

# Company Overview

*One of the largest and growing integrated coal producers in Indonesia*

## Business / Activity Overview

- Bayan Resources (“Bayan” or “Company”) is engaged in open cut mining of various coal mines located in East and South Kalimantan, Indonesia
- As an integrated coal producer, Bayan produces coal ranging from high CV to sub-bituminous low-sulphur, low-ash coal
  - In 2019 Bayan produced 31.9 Mt of coal, up from 28.9 Mt in 2018, and is expected to produce 50+ Mt in the next five years <sup>(1)</sup>
- The Company has exclusive rights to mine through five Coal Contract of Works (CCOWs) and 16 Mining Business Permits (IUP’s)
- The Tabang Mine is Bayan’s flagship asset today contributing approximately 80% of the Group’s coal production, is one of the most competitive coal assets in Indonesia and globally from a scale and cost perspective <sup>(2)</sup>, and is uniquely positioned to expand capacity rapidly with very low levels of capex intensity
- The Group’s Reserves and Resources have been independently verified and certified to international 2012 JORC standards
  - As of Dec 31, 2019, gross Resources stand at 2,741 Mt, of which 1,150 Mt are classified as Reserves
- As an integrated coal producer, the Company has its own coal loading infrastructure complementing the logistical needs of Bayan’s operations

## Financial Summary

US\$MM, unless stated otherwise	2017	2018	2019	1H 2020
Production Volume (Mt)	20.9	28.9	31.9	12.1
Revenue	1,067.4	1,676.7	1,391.6	695.7
EBITDA <sup>(3)</sup>	485.1	736.4	374.4	138.2
<i>EBITDA margin</i>	45.4%	43.9%	26.9%	19.9%
Operating Cash Flow	431.9	571.9	49.5	159.1
Capex <sup>(4)</sup>	48.9	79.6	59.5	31.3
Free Cash Flow <sup>(5)</sup>	397.1	494.5	-10.0	123.0
Total Debt	100.0	130.0	365.0	407.8
Net Debt / (Net Cash) <sup>(6)</sup>	41.3	(99.2)	183.3	93.4

## Capitalization and Credit Overview

Share Price (IDR / share) <sup>(8)</sup>	12,550
Shares Outstanding (mm)	3,333
Market Cap (US\$MM) <sup>(7)</sup>	2,946
Net Debt/(Net Cash) (US\$MM) <sup>(6)</sup>	93
<b>Enterprise Value (US\$MM)</b>	<b>3,008</b>

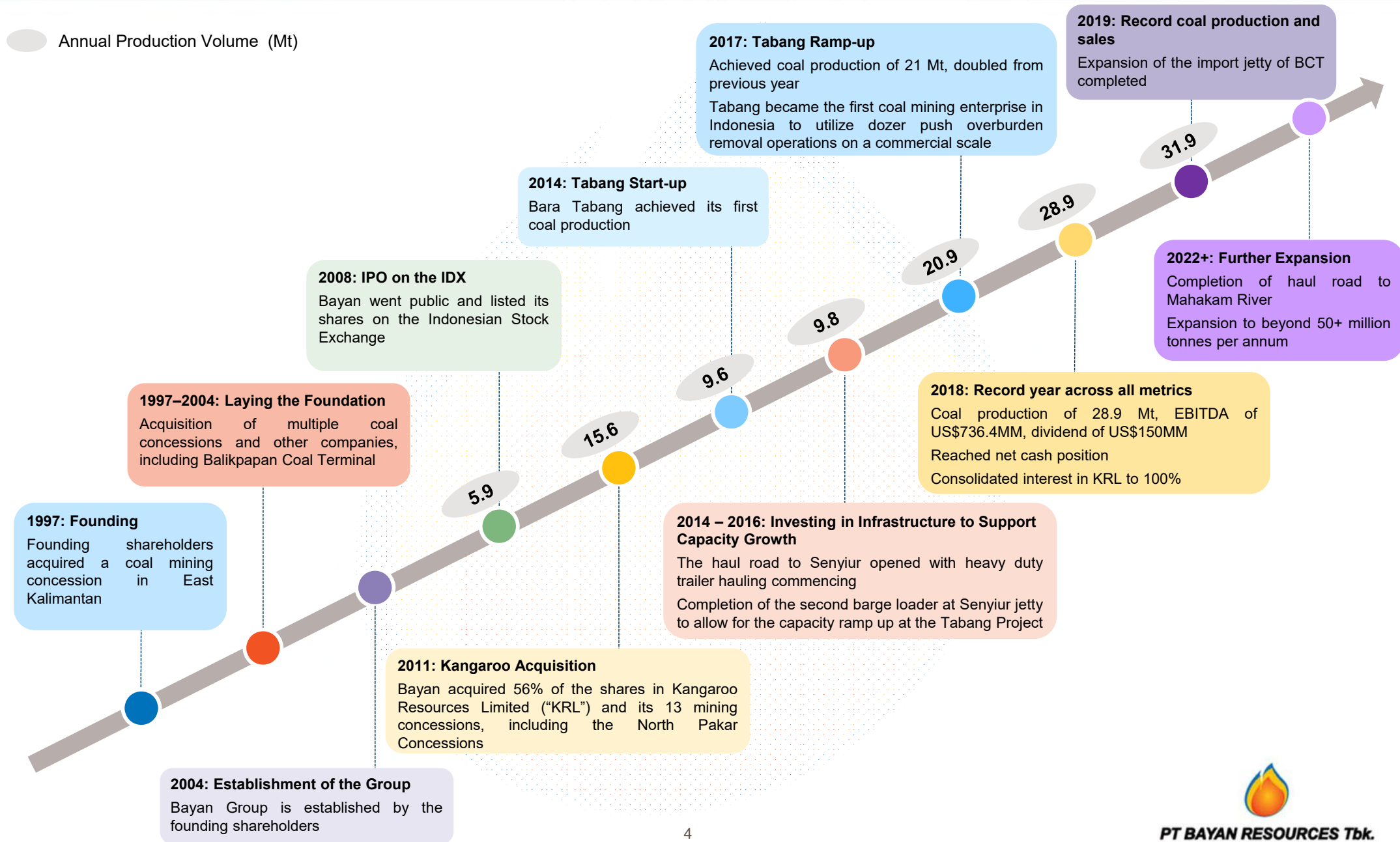
	2017	2018	2019	1H20 <sup>(9)</sup>
Net Debt / EBITDA <sup>(3)</sup>	0.1x	-0.1x	0.5x	0.4x
Total Debt / EBITDA <sup>(3)</sup>	0.2x	0.2x	1.0x	1.7x
EBITDA/ Net Interest Expense	17.4x	755.1x	39.2x	10.2x

### Notes

- (1) Based on current company forecasts
- (2) Per Wood Mackenzie independent industry report, showcasing Tabang total cash costs and production forecasts for 2019
- (3) EBITDA is calculated as net income before (i) interest expense (ii) income tax benefit (expenses) (iii) depreciation & amortization and (iv) impairment charges
- (4) Capex based on balance sheet
- (5) Free Cash Flow = Operating Cash Flow – Capex based on cash flow statement
- (6) 30 Jun 2020 results: Debt \$407.8m less unrestricted cash \$314.4m
- (7) US\$ 1 = IDR14,900
- (8) Share price as at 30<sup>th</sup> September 2020
- (9) EBITDA results based on Last Twelve Months (LTM) from 1 July 2019 until 30 June 2020 of US\$239.3 million



# Significant Milestones



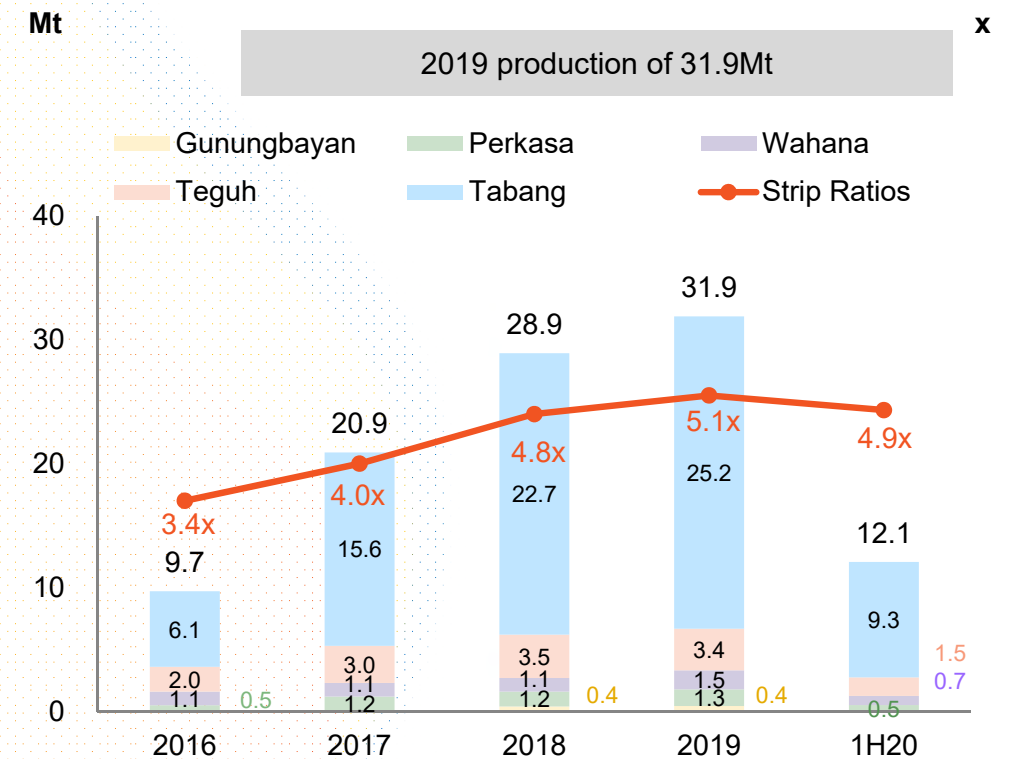
# The Evolution of Bayan Resources (1/2)

Successfully developing the Tabang mine and the associated infrastructure on time and within budget has enabled Bayan to triple its production since 2016. Growth has historically been, and will continue to be, achieved at very low levels of capex

## Overview

- From 2012 to 2014, coal producers experienced challenges from a declining coal price environment, and sustained coal price lows across 2015 and early 2016
- Despite these challenges, Bayan was committed to the development of the Tabang Concession and associated infrastructure, repositioning itself as a low cost, low strip ratio producer of low sulphur, low ash, sub-bituminous coal
- The commencement of mining at Bara Tabang in 2014 and subsequent ramp-up of the Tabang concession have been instrumental in delivering Bayan:
  - Production stability and tangible low capex brownfield growth with initial infrastructure development mostly completed; and
  - A significant decline in average strip ratios and group cash costs, driving EBITDA growth and some of the best EBITDA margins in the industry
- Any brownfield production growth at Tabang mine will be supported by internally generated cash flow, and remains discretionary assuming coal prices going forward are supportive, giving Bayan the flexibility to manage its growth
- This has been achieved despite the external challenges posed by coal price uncertainty and volatility

## Coal Production and Strip Ratios



## Coal Sale Specifications <sup>(1)</sup>

Year	2016	2017	2018	2019	1H20
Calorific Value (kcal/kg GAR)	4,843	4,706	4,689	4,712	4,636

### Note

(1) Based on a weighted average of coal sold

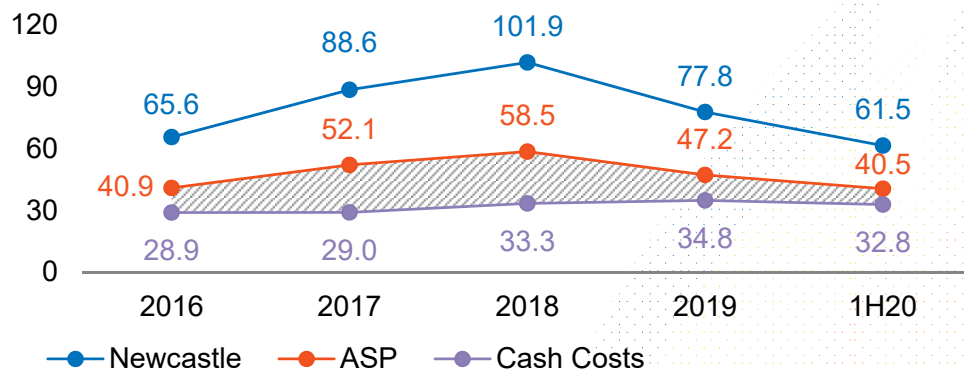


# The Evolution of Bayan Resources (2/2)

*Remained profitable, as well as operating and free cash flow positive despite the coal price lows, and being in the midst of the Tabang development*

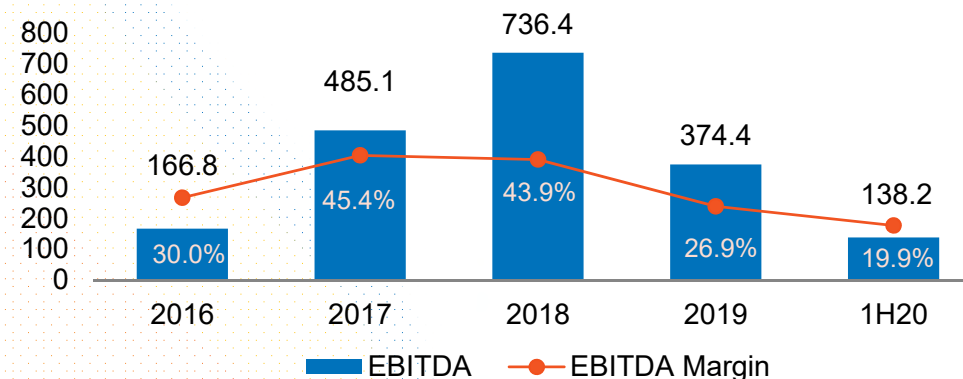
## Cash Margins <sup>(1)</sup>

US\$/t



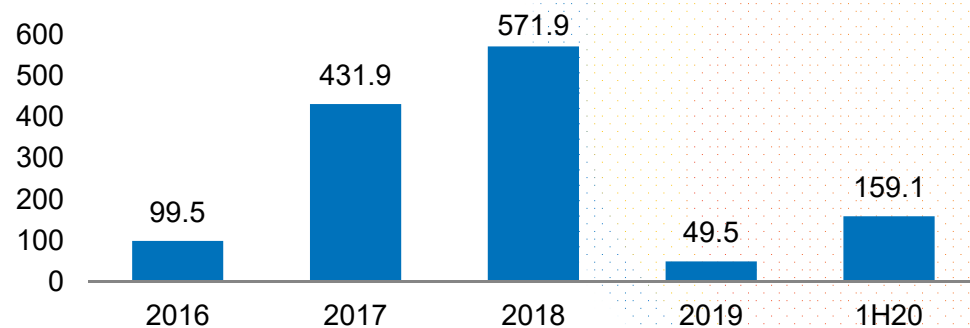
## EBITDA and Margins

US\$MM



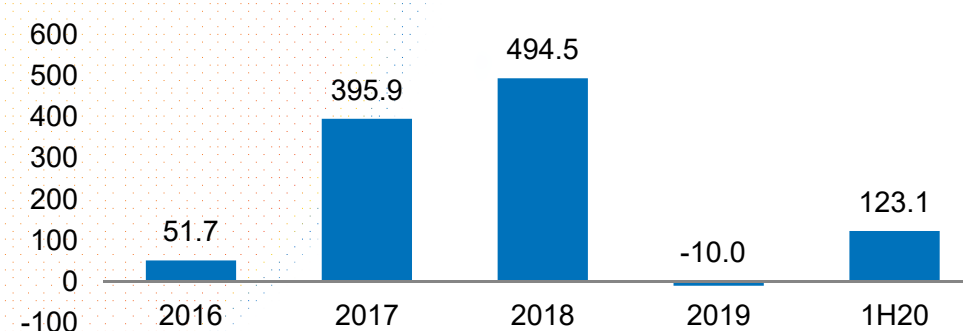
## Operating Cash Flow ("OCF")

US\$MM



## Free Cash Flow (OCF – Cash Flow Based Capex)

US\$MM



**Note**

(1) As the production from Bara Tabang continues to increase, the Group ASP has recorded higher discount to the Newcastle benchmark; However, given the low cost profile of the Tabang concession, the Group margin has expanded



# Overview of Key Mining Assets

Bayan owns and operates four key developed coal projects with associated infrastructure located in East and South Kalimantan

## 1 Tabang Concession (including North Pakar) <sup>(5)</sup>

<b>Location</b>	East Kalimantan
<b>Mine Life <sup>(3)</sup></b>	35 years
<b>Bayan Ownership <sup>(6)</sup></b>	90%; 100% for North Pakar concessions
<b>Current Mining Method</b>	Open pit / dozer push
<b>Gross Reserves</b>	885.8 Mt
<b>Calorific Values <sup>(4)</sup></b>	4,092 kcal/kg GAR
<b>2019/1H'20 Production</b>	25.2 Mt / 9.3 Mt
<b>LOM Strip Ratio</b>	3.5x

## 4 Perkasa Inakakerta ("PIK")

<b>Location</b>	East Kalimantan
<b>Mine Life <sup>(3)</sup></b>	15.4 years
<b>Bayan Ownership</b>	100%
<b>Current Mining Method</b>	Open pit
<b>Gross Reserves</b>	20.7 Mt
<b>Calorific Values <sup>(4)</sup></b>	4,480 kcal/kg GAR
<b>2019/1H'20 Production</b>	1.3 Mt / 0.5 Mt
<b>LOM Strip Ratio</b>	8.1x

## 2 Teguh Sinarabadi ("TSA") / Firman Ketaun Perkasa ("FKP")

<b>Location</b>	East Kalimantan
<b>Mine Life <sup>(3)</sup></b>	3.8 years
<b>Bayan Ownership</b>	100%
<b>Current Mining Method</b>	Open pit
<b>Gross Reserves</b>	12.6 Mt
<b>Calorific Values <sup>(4)</sup></b>	5,878 kcal/kg GAR
<b>2019/1H'20 Production</b>	3.4 Mt / 1.5 Mt
<b>LOM Strip Ratio</b>	13.2x

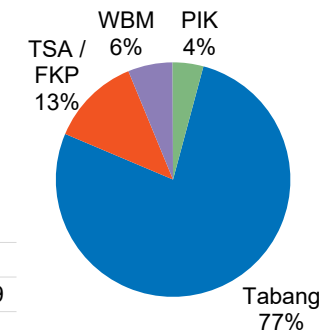
## 3 Wahana Baratama Mining ("WBM")

<b>Location</b>	South Kalimantan
<b>Mine Life <sup>(3)</sup></b>	8.8 years
<b>Bayan Ownership</b>	100%
<b>Current Mining Method</b>	Open pit
<b>Gross Reserves</b>	13.5 Mt
<b>Calorific Values <sup>(4)</sup></b>	6,760 kcal/kg GAR
<b>2019/1H'20 Production</b>	1.5 Mt / 0.7 Mt
<b>LOM Strip Ratio</b>	13.3x

## 5 Gunungbayan Pratamacoal ("GBP") <sup>(7)</sup>

<b>Location</b>	East Kalimantan
<b>Mine Life</b>	Block 2 completed in 2019
<b>Bayan Ownership</b>	95%
<b>Current Mining Method</b>	Open pit
<b>Gross Reserves</b>	Block 2 depleted
<b>Calorific Values</b>	6,454 kcal/kg GAR
<b>2019 Production</b>	0.4 Mt
<b>2019 Strip Ratio</b>	14.1x

## 1Q 2020 Production Contribution



1H 2020 Total Production: 12.1 Mt

- Non-mining assets
- Undeveloped coal assets <sup>(6)</sup>
- Suspended assets

### Notes

- (1) BCT refers to Balikpapan Coal Terminal
- (2) KFT are our floating transfer barges
- (3) Based on our remaining reserves divided by our coal production volume in 2019
- (4) Calorific values are based on reserve only
- (5) Includes BT, FSP and North Pakar Concessions
- (6) North Pakar is held through Bayan's 100% holding in Kangaroo Resources Ltd
- (7) Based on internal estimates



# Reserves and Resources

Large reserve base, favourable IUP licensing and long remaining reserve life provides a solid growth outlook

PT. BAYAN RESOURCES TBK & SUBSIDIARIES JORC RESERVES AND RESOURCES As at 31st December 2019	Project	Reserves						Mineable Pit @ \$80/t (@ 6,322 GAR) used for JORC Reserves <sup>3</sup>						Resources						
		Proven	Probable	Total	CV	Ash	Total	Quantity	Stripping	CV	TM	Ash	Total	Measured	Indicated	Inferred	Total	CV	Ash	Total
		Million Tonnes	Million Tonnes	Million Tonnes	Kcal/kg GAR	% (adb)	Sulphur % (adb)	Million Tonnes	Ratio BCM/t	Kcal/kg GAR	% (ar)	% (adb)	Sulphur % (adb)	Million Tonnes	Million Tonnes	Million Tonnes	Million Tonnes	Kcal/kg GAR	% (adb)	Sulphur % (adb)
<b>Tabang / North Pakar Project</b>																				
	PT. Fajar Sakti Prima <sup>1</sup>	60	43	103	4,310	5.1%	0.12%	103	4.7	4,310	33.2%	5.1%	0.10%	88	215	11	314	4,370	5.3%	0.12%
	PT. Bara Tabang <sup>1</sup>	199	55	254	4,240	3.5%	0.11%	265	2.7	4,230	34.4%	3.6%	0.10%	213	66	16	295	4,300	3.5%	0.12%
	PT. Brian Anjat Sentosa <sup>1</sup>	0	5	5	3,520	7.7%	0.16%	5	4.1	3,520	42.6%	7.7%	0.20%	0	18	19	37	3,850	4.8%	0.14%
	PT. Tiwa Abadi <sup>1</sup>	129	119	248	4,180	4.2%	0.11%	349	4.6	4,160	34.6%	4.4%	0.10%	149	142	130	421	4,210	4.1%	0.11%
	PT. Tanur Jaya <sup>1</sup>	88	81	169	3,880	5.4%	0.12%	208	3.4	3,900	38.6%	5.4%	0.10%	101	126	195	422	3,970	5.1%	0.13%
	PT. Dermaga Energi <sup>1</sup>	77	30	107	3,650	4.7%	0.13%	113	2.2	3,640	42.9%	4.8%	0.10%	80	60	27	167	3,680	5.1%	0.14%
	<b>Total</b>	<b>553</b>	<b>333</b>	<b>886</b>	<b>4,087</b>	<b>4.4%</b>	<b>0.12%</b>	<b>1,043</b>	<b>3.6</b>	<b>4,081</b>	<b>36.1%</b>	<b>4.5%</b>	<b>0.10%</b>	<b>631</b>	<b>627</b>	<b>398</b>	<b>1,656</b>	<b>4,134</b>	<b>4.6%</b>	<b>0.12%</b>
<b>South Pakar</b>																				
	PT. Orkida Makmur	0	0	0	0	0.0%	0.00%	-	-	-	0.0%	0.0%	0.00%	0	0	0	0	-	0.0%	0.00%
	PT. Sumber Api <sup>1</sup>	0	5	5	3,130	7.1%	0.21%	5	2.6	3,150	46.5%	7.2%	0.21%	0	12	9	21	3,200	6.3%	0.22%
	PT. Cahaya Alam <sup>1</sup>	0	65	65	2,930	7.2%	0.19%	78	2.0	2,940	50.5%	7.3%	0.19%	0	112	75	187	3,135	5.9%	0.22%
	PT. Bara Sejati <sup>1</sup>	0	147	147	2,980	6.8%	0.18%	156	2.0	2,980	50.0%	6.9%	0.18%	0	193	45	238	3,030	6.0%	0.19%
	PT. Apira Utama	0	0	0	0	0.0%	0.00%	-	-	-	0.0%	0.0%	0.00%	0	0	0	0	-	0.0%	0.00%
	PT. Silau Kencana	0	0	0	0	0.0%	0.00%	-	-	-	0.0%	0.0%	0.00%	0	0	0	0	-	0.0%	0.00%
	<b>Total</b>	<b>0</b>	<b>217</b>	<b>217</b>	<b>2,968</b>	<b>6.9%</b>	<b>0.18%</b>	<b>239</b>	<b>2.0</b>	<b>2,971</b>	<b>50.1%</b>	<b>7.0%</b>	<b>0.18%</b>	<b>0</b>	<b>317</b>	<b>129</b>	<b>446</b>	<b>3,082</b>	<b>6.0%</b>	<b>0.20%</b>
<b>Other Mines</b>																				
	PT. Perkasa Inakakerta <sup>1</sup>	13	8	21	4,480	4.5%	1.53%	21	8.1	4,520	31.7%	4.6%	1.56%	25	81	22	128	4,475	4.1%	1.47%
	PT. Wahana Baratama Mining (Open Pit) <sup>1</sup>	7	6	13	6,760	9.9%	0.60%	13	13.1	6,760	7.2%	9.9%	0.60%	48	41	3	92	6,590	8.9%	0.64%
	PT. Wahana Baratama Mining (Underground) <sup>4</sup>	0	0	0	0	0.0%	0.00%	-	-	-	0.0%	0.0%	0.00%	43	125	62	230	6,809	9.4%	0.60%
	PT. Teguh Sinarabadi <sup>1</sup>	5	0	5	5,890	5.3%	0.96%	6	13.7	5,644	16.3%	5.3%	1.00%	24	43	8	75	6,070	4.8%	0.97%
	PT. Firman Ketaun Perkasa <sup>1</sup>	3	5	8	5,870	5.1%	0.96%	10	13.1	5,623	16.3%	5.2%	1.00%	25	59	17	101	5,900	4.7%	0.91%
	PT. Firman Ketaun Perkasa - West Block	0	0	0	0	0.0%	0.00%	-	-	-	0.0%	0.0%	0.00%	0	0	0	0	-	0.0%	0.00%
	PT. Gunungbayan Pratamacoal Block I	0	0	0	0	0.0%	0.00%	-	-	-	0.0%	0.0%	0.00%	0	0	0	0	-	0.0%	0.00%
	PT. Gunungbayan Pratamacoal Block II	0	0	0	0	0.0%	0.00%	-	-	-	0.0%	0.0%	0.00%	0	0	0	0	-	0.0%	0.00%
	PT. Mamahak Coal Mining <sup>2</sup>	0	0	0	0	0.0%	0.00%	-	-	-	0.0%	0.0%	0.00%	2	8	4	14	7,080	11.6%	1.62%
	PT. Mahakam Bara Energi	0	0	0	0	0.0%	0.00%	-	-	-	0.0%	0.0%	0.00%	0	0	0	0	-	0.0%	0.00%
	PT. Mahakam Energi Lestari	0	0	0	0	0.0%	0.00%	-	-	-	0.0%	0.0%	0.00%	0	0	0	0	-	0.0%	0.00%
	PT. Bara Karsa Lestari	0	0	0	0	0.0%	0.00%	-	-	-	0.0%	0.0%	0.00%	0	0	0	0	-	0.0%	0.00%
	<b>Total</b>	<b>28</b>	<b>19</b>	<b>47</b>	<b>5,516</b>	<b>6.2%</b>	<b>1.11%</b>	<b>49</b>	<b>11.1</b>	<b>5,474</b>	<b>20.3%</b>	<b>6.2%</b>	<b>1.13%</b>	<b>166</b>	<b>357</b>	<b>116</b>	<b>639</b>	<b>6,087</b>	<b>7.0%</b>	<b>0.89%</b>
	<b>Grand Total</b>	<b>580</b>	<b>569</b>	<b>1,150</b>	<b>3,935</b>	<b>5.0%</b>	<b>0.17%</b>	<b>1,331</b>	<b>3.6</b>	<b>3,933</b>	<b>38.1%</b>	<b>5.0%</b>	<b>0.15%</b>	<b>797</b>	<b>1,301</b>	<b>643</b>	<b>2,741</b>	<b>4,418</b>	<b>5.4%</b>	<b>0.32%</b>

Notes:

<sup>1</sup> Reserves and Resources statement as prepared by PT. RungePincockMinarco ("RPM") to JORC (2012) standard as at 1 January 2019, long-term coal price used US\$80.0 per tonne (6,322 Kcal/kg GAR). Resources are inclusive of Reserves. 2019 Actual Production has been deducted from Proved Reserves and Measured Resources to determine position as at 31 December 2019.

<sup>2</sup> Statement of Open Cut Coal Resources as prepared by PT. New Resource Mine Consulting to JORC (2012) Standard as at 28 February 2015. There has been no mining on this concession since this date.

<sup>3</sup> Mineable Pit quantities and stripping ratio are based on practical pit shell and not reserves

<sup>4</sup> Wahana Underground Resources statement as prepared by SRK Consulting China Ltd. ("SRK") to JORC 2012 standard as at 30 September 2019.





# Key Infrastructure (1/5)

Bayan's key vessel loading infrastructure has been the cornerstone of the Group's growth strategy. The majority of the development in recent years has been focused on expansion of the Senyur Jetty to support the Tabang mine ramp-up

## Key Assets

### Balikpapan Coal Terminal ("BCT")



### Land-based Coal Terminal

## Overview

- ✓ One of the largest coal terminals in Indonesia; handled more than 149 Mt of coal and loaded more than 2,613 vessels since 1995, currently supporting Tabang and TSA/FKP
- ✓ 2 x Shiploaders rated at 4,000 tph each
- ✓ Handling throughput capacity of 20.0 Mtpa (which is under expansion to 25 Mtpa)
- ✓ Stockpile capacity of c. 1.0 Mt (across 14 stockpiles), further expansion being undertaken in 2020
- ✓ Can fully load large Panamax vessels and partially load Capesize vessels
- ✓ Managed by Dermaga Perkasa Pratama, 87.4% owned by Bayan

### Kalimantan Floating Transfer facility ("KFT")



### 2 x Floating Transfer facilities

- ✓ KFT-1 and KFT-2 currently both support Tabang coal mining operations and are located offshore Balikpapan.
- ✓ KFT-1 is able to unload / shipload 4,000 tph and has stockpiling capacity of 45 kt
- ✓ KFT-2 is able to unload / shipload 6,000 tph and has stockpiling capacity of 60 kt
- ✓ Either can be moved to take advantage of location and avoid bad weather and can be positioned to load Capesize vessels
- ✓ Managed by Muji Lines / Bara Tabang



# Key Infrastructure (2/5)

*The majority of the development in recent years has been focused on expansion of the Senjiur facility*

## Key Assets

## Overview

### Senjiur Jetty



### Barge Loading Facilities

- ✓ Senjiur Jetty supports Tabang coal mining operation. The facility is able to barge load 12,000 tph with 3 barge loaders and has stockpiling capacity of 1,000 kt
- ✓ Has 6,000 tph crushing capacity, equivalent to 15 Mtpa
- ✓ Located on the Kedang Kepala River. Connected by a 69 km long coal haul road
- ✓ Has the ability to load barges (up to 300 ft; 7,500 Mt)
- ✓ Most of the year, barges directly go to BCT (368 km); Only part of the year requires transshipment - barges travel to the Mahakam river (94 km) where transshipment facilities load coal to larger barges and on to the BCT (274 km) / KFT-1 / KFT-2 (256 km)
- ✓ Managed and 100% owned by Bayan

### Gunung Sari Jetty



### Barge Loading Facilities

- ✓ Gunung Sari Jetty supports Tabang coal mining operation. The facility has crushing capacity of 2,000 tph, stockpiling capacity of 700 kt is able to load barges at 2,000 tph
- ✓ Located on the Belayan River and approximately 24 km from mine site by haul road
- ✓ Has the ability to load barges up to 230 ft (approx. 3,000 Mt)
- ✓ Barges travel to the Mahakam river (181 km) where transshipment facilities load coal to larger barges (300 ft; 7,500 Mt) and on to the BCT (288 km)
- ✓ Managed by Indonesia Pratama, 100% owned by Bayan



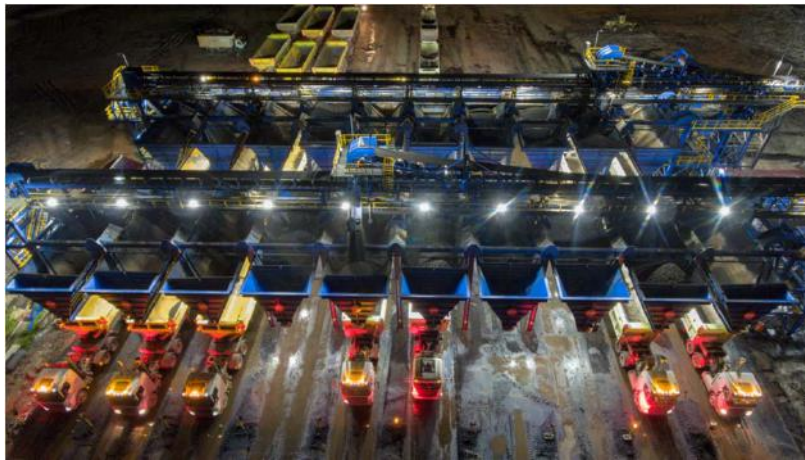
# Key Infrastructure (3/5)

*The Tabang infrastructure has been designed to allow flexibility and build in redundancy*

## Key Assets

## Overview

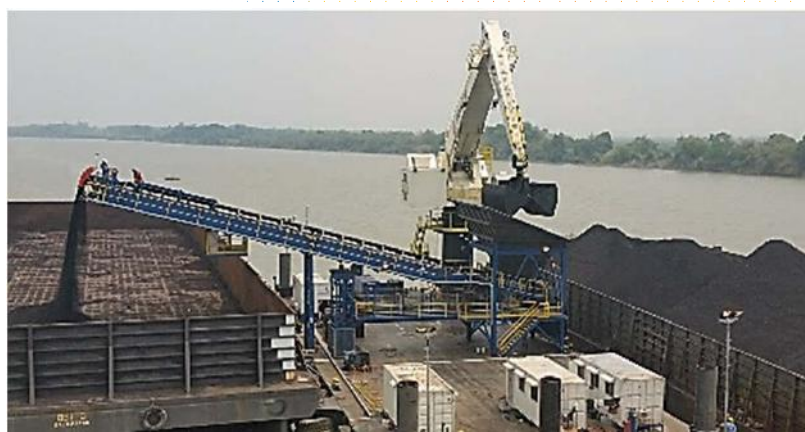
### Intermediate Crushing Facility / Coal Pads



### Interme- diate Crushing Facility / Coal Pads

- ✓ Coal mined is trucked to the Intermediate Crushing Facility or ROM Pads located 2 – 7 km from mine
- ✓ Coal is stockpiled, crushed (in the case of the ICF and ROM pad 2) and reloaded onto: (1) 75 ton trucks and transported to barge loading facility at Gunung Sari Jetty, or (2) between 200 to 220 tonne trucks and transported to barge loading facility at Senyur Jetty
- ✓ ICF: 2,000 tph crushing capacity, stockpile capacity of 650 kt for ROM and 700 kt crushed coal
- ✓ Coal pad 2: ROM coal stockpile capacity of 550 kt; 2 x 1,500 mt/hr screening and crushing lines and 10x Truck Loading hoppers
- ✓ Coal pad 3: stockpile capacity of 200 kt;

### Barge Transhipment Facilities



### Barge Tran- shipment Facilities

- ✓ The Company operates 2 barge transhipment facilities (combined 2,000 tph) at the confluence points of the Mahakam and the Belayan / Kedang Kepala Rivers
- ✓ Total capacity of 3.6 Mtpa and 7.2 Mtpa for each facility
- ✓ These facilities are used to tranship coal from smaller barges to larger barges or top up partially loaded barges



# Key Infrastructure (4/5)

**Bayan is currently constructing a new coal haul road and barge loading facility to facilitate the next level of expansion**

## Key Assets

## Overview

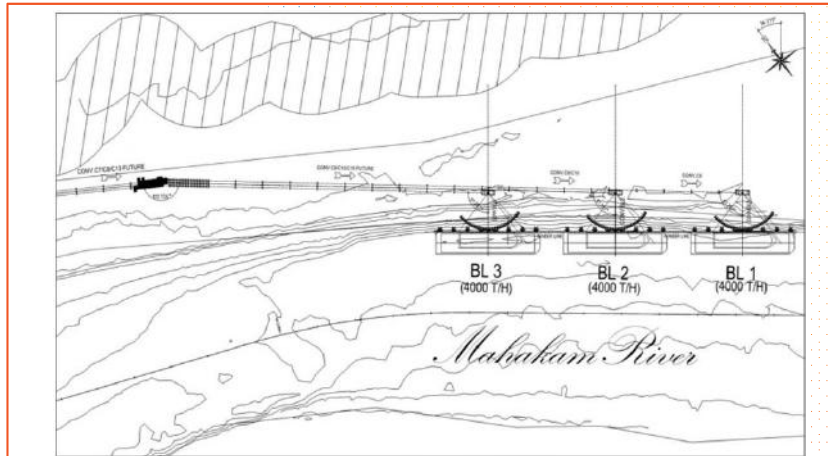
### Coal Haul Road to Mahakam River (Under Construction)



### Coal Haul Road

- ✓ In December 2019, the Company commenced construction of a 101km all-weather coal hauling road which will link the Tabang mine directly to the Mahakam River
- ✓ The road will be paralleled for the majority of this distance by a public road that the Company is also constructing
- ✓ The hauling road will have 7 bridges and over 150 culverts
- ✓ The Company plans to utilise 200-220 mt payload double trailers along this road to optimise its coal production
- ✓ The road is currently scheduled to be completed in 2022

### Mahakam River Barge Loading Facilities (Finalising Design)



### Barge Loading Facilities

- ✓ The Company is in the process of finalising the designs for the barge loading facility that it will construct on the Mahakam River
- ✓ In the initial phase this will have 2 x 4,000 tph barge loaders with the ability to add additional barge loaders in the future
- ✓ The facility will also have 2x Side Dump for the receiving of coal trucks that will have 2 x 2000tph crushing capacity each. Additional side dumps have been catered for in the design to allow further expansion
- ✓ This barge loading facility will be used to load 300' barges with 7,500 – 8,000 MT
- ✓ The facility will also include other supporting infrastructure including a camp, mess, workshops, fuel receiving jetty and fuel tanks



# Key Infrastructure (5/5)

*Established and Company owned infrastructure supporting sustainable operations going forward*

## Key Assets

## Overview

### TSA Jetty



### Barge Loading Facilities

- ✓ TSA Jetty supports TSA / FKP coal mining operation. The facility is able to barge load 2,000 tph and has stockpiling capacity of 100 kt ROM, 120 kt crushed coal and 1 x 1,000 tph screening and crushing facility
- ✓ Located on the Mahakam River and approximately 20 – 25 km from mine site by haul road
- ✓ Has the ability to load barges (up to 300 ft; 7,500Mt)
- ✓ Barging down the Mahakam River to BCT 463 km
- ✓ 100% owned and managed by Bayan

### WBM Jetty



### Barge Loading Facilities

- ✓ WBM Jetty supports WBM and 3<sup>rd</sup> party coal mining operations. The facility is able to barge load 3,000 tph and has stockpiling capacity of 360 kt
- ✓ ICF – 9 km, 150 kt ROM, 130 kt crushed coal and 1 x 1,000 tph screening and crushing facility
- ✓ Coal processing plant – 520 kt crushed coal and 2 x 500 tph crushing
- ✓ Approximately 21 – 30 km from mine site by haul road
- ✓ Has the ability to load barges (up to 300 ft; 7,500Mt)
- ✓ Barging to offshore transshipment point for loading ~ 20 km
- ✓ 100% owned and managed by Bayan

### PIK Jetty



### Ship Loading Facilities

- ✓ PIK Jetty supports PIK coal mining operation. The facility is able to shipload 4,000 tph and has stockpiling capacity of 360 ROM, 260 kt crushed coal and 2 x 500 tph screening and crushing lines
- ✓ Coal haulage from mining location to the Jetty of 15 – 20 km
- ✓ Has the ability to load Handy / Panamax vessels
- ✓ 100% owned and managed by Bayan

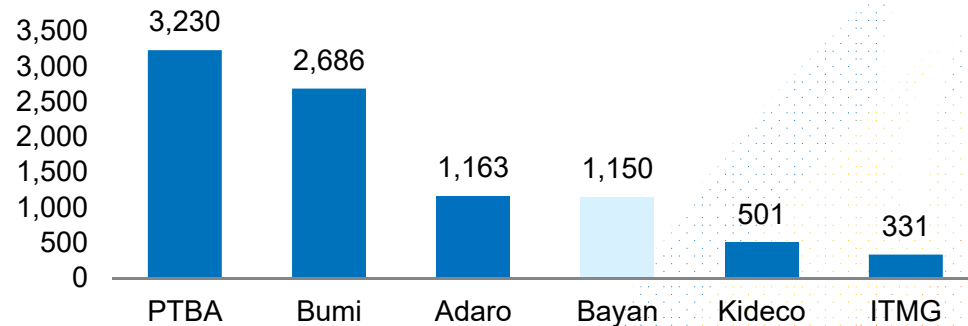


# Industry Positioning

*A key player in the Indonesia coal landscape*

## Remaining Reserves

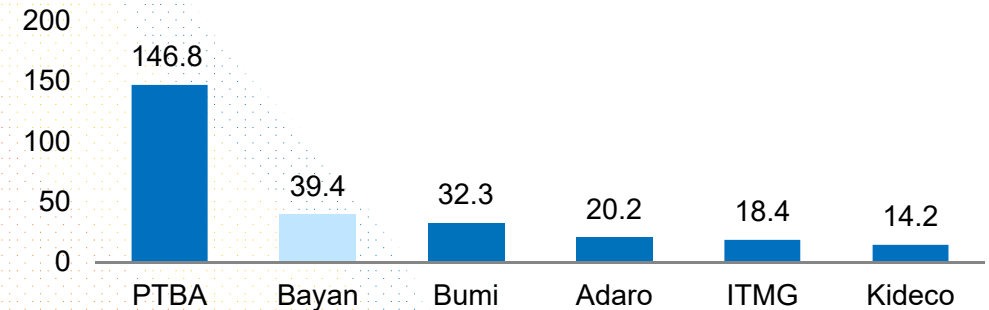
MT



Source: Wood Mackenzie, Company Data

## Remaining Mine Life<sup>(1)</sup>

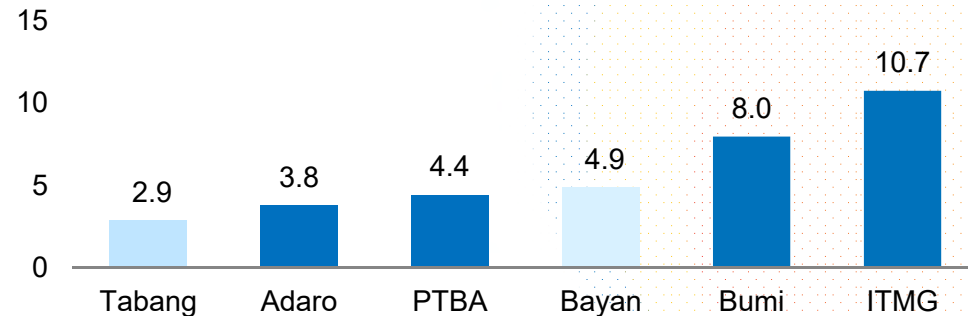
Years



Source: Company Filings, Company Data, Wood Mackenzie

## 1H20 Strip Ratio

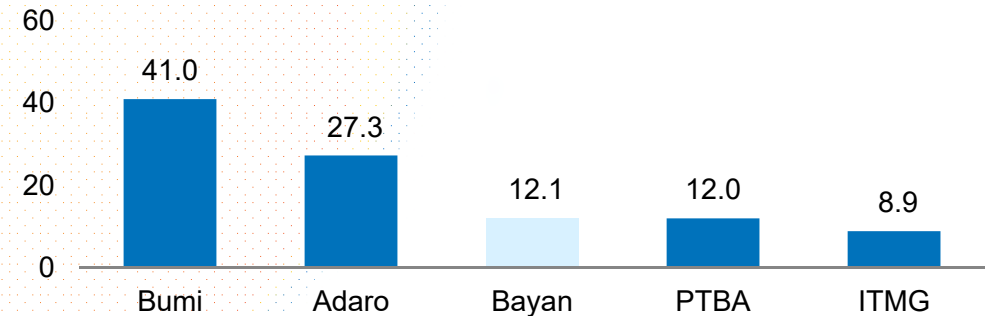
x



Source: Company Filings, Company Data

## 1H20 Production

MT



Source: Company Filings, Company Data

**Note**

(1) Remaining Mine Life is calculated as Remaining Reserves divided by 2020 Annualised 1Q Production

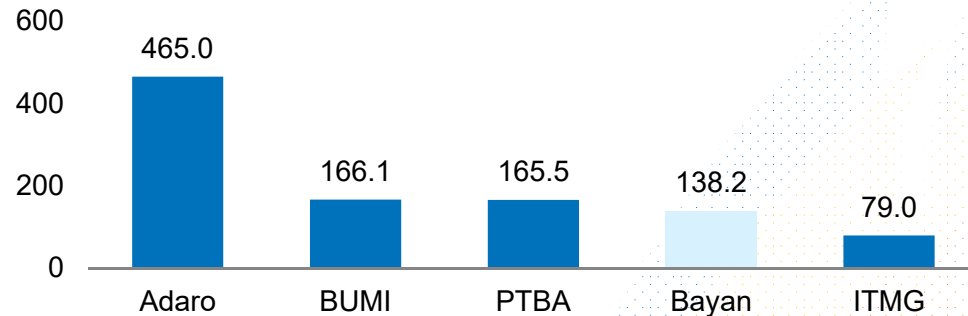


# Industry Positioning (continued)

*Some of the highest margins amongst our peers*

## 1H20 EBITDA

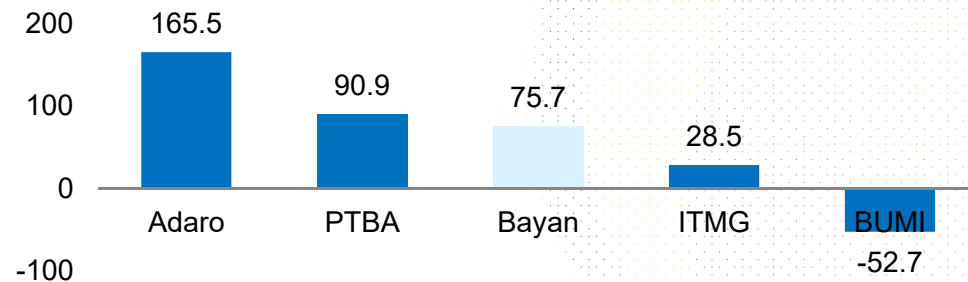
US\$mm



Source: Company Filings, Company Data

## 1H20 Net Profit

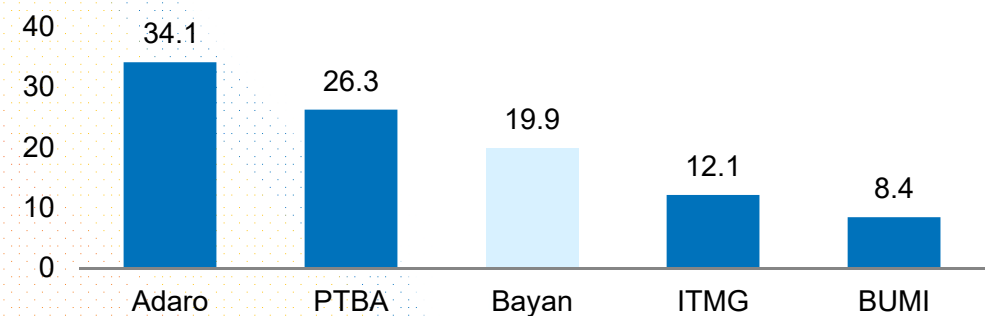
US\$mm



Source: Company Filings, EBITDA estimated using Company Data

## 1H20 EBITDA Margin

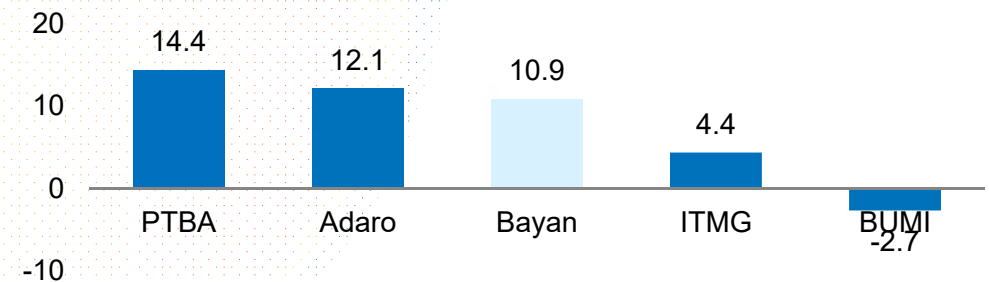
%



Source: Company Filings, Company Data

## 1H20 Net Profit Margin

%



Source: Company Filings, Company Data





**PT BAYAN RESOURCES Tbk.**



Section 2:  
**Key Highlights**



# Key Investment Highlights



# 1 Owner and Operator of the Sizeable Tabang Mine, One of the Most Competitive Coal Mines in Indonesia and Globally

Sizeable reserve base, established infrastructure, an “in demand” coal product, and a cost structure delivering consistently strong margins. All operating licenses issued pursuant to the current regulatory regime, hence no license conversion risk<sup>(1)</sup>

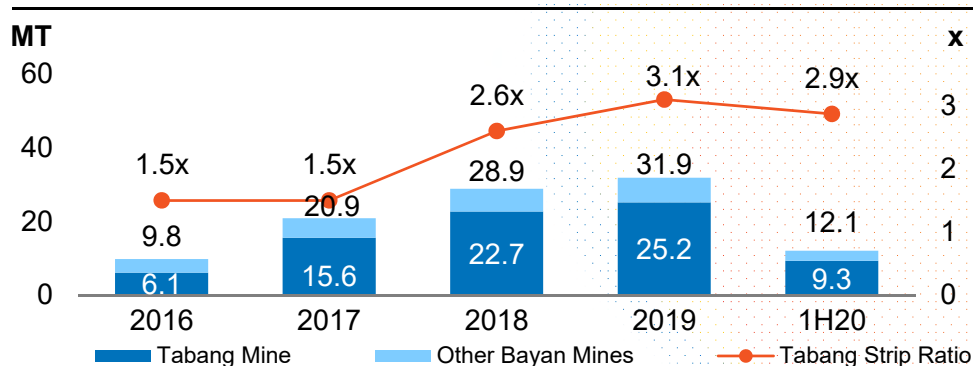
## Sizeable Reserve Base as of end of 2019

	Reserves (Mt)	Resources (Mt)	IUP Term
BT	254	295	By 2028 <sup>(1)</sup>
FSP	103	314	By 2025 <sup>(1)</sup>
TA <sup>(2)</sup>	248	421	By 2038 <sup>(1)</sup>
TJ <sup>(2)</sup>	169	422	Exploration stage
DE <sup>(2)</sup>	107	167	Exploration stage

## In Demand Low-ash, Low-sulfur Product

	kcal/kg GAR	Ash	Sulphur	Nitrogen
Bayan Ultra Coal (BUC)	4,000 – 4,250	~3%	typical 0.1%	<0.8%

## Fast Production Growth with Low Strip Ratios

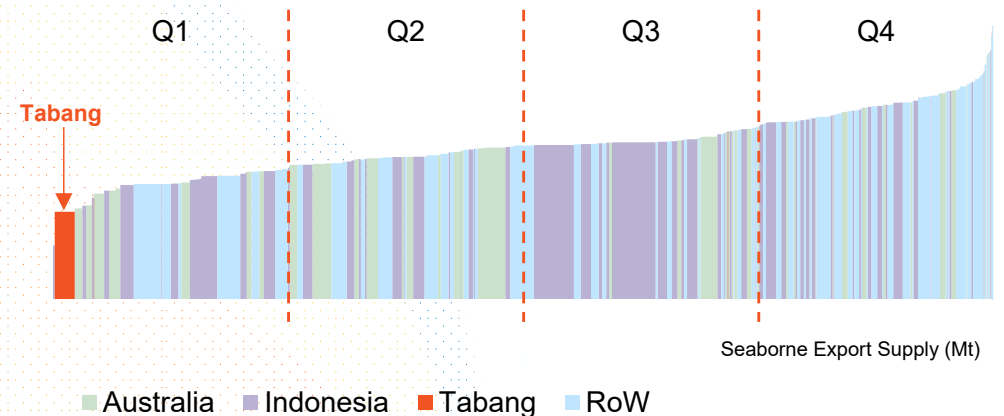


### Notes

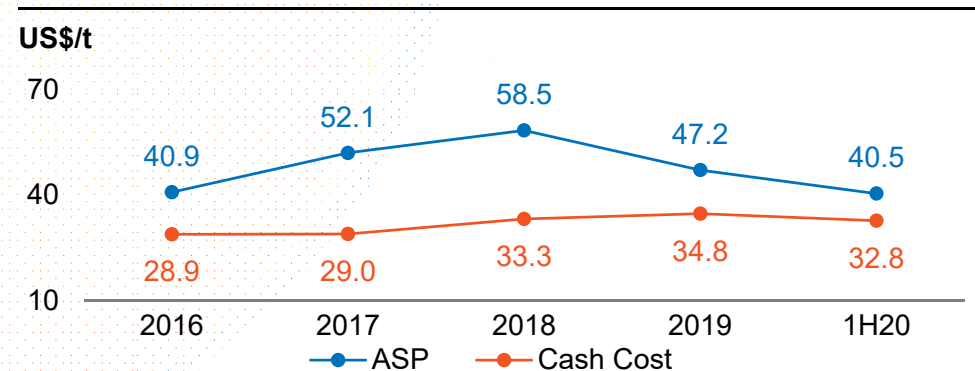
- (1) Under the Mining Law 4, Bayan’s IUPs may be extended for two additional 10-year terms after the initial term ends.
- (2) Part of the North Pakar Concessions within the Tabang Project.
- (3) Global seaborne coal supply curve, 2019. Cash costs derived independently by Wood Mackenzie, inclusive of royalties.
- (4) Average selling price (“ASP”) for coal only and cash costs on consolidated Group basis.

## Bottom Quartile Global Cost Competitive Positioning <sup>(3)</sup>

Total Cash Cost – energy adjusted @ 6,322 kcal/kg (US\$/t) – 2019



## Delivering Consistently Strong Group Margins <sup>(4)</sup>



# 1 Owner and Operator of the Sizeable Tabang Mine, one of the Most Competitive Coal Mines in Indonesia and Globally

Consistently driving down costs through management initiatives. Bayan does not own the trucks or mining equipment, hence capital costs pertaining to equipment maintenance / replacement are borne by third-party independent mining contractors

Management Initiatives Keeping Costs Structurally Low



Constant dialogue and interaction with third-party contractors



Centralized Fuel Purchasing



Dozer Push Mining Method

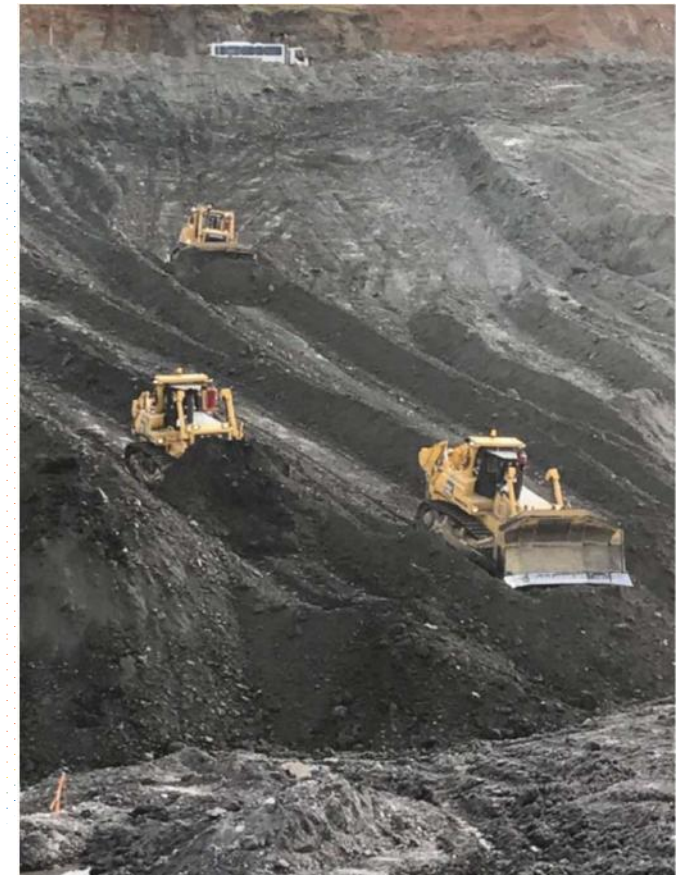


GeoTechnical Radars



Optimized Road Haulage

Use of more efficient mining techniques, such as employing the use of geotechnical radars, dozer push mining methods, and optimized road haulage of coal



Note  
(1) Only at Wahana mine

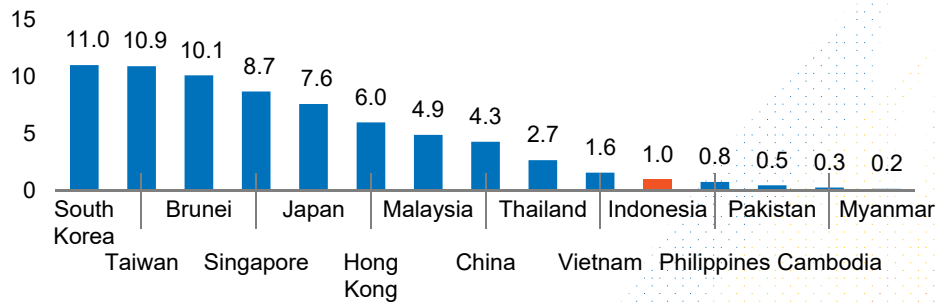


# 2 Strong Demand Dynamics for Indonesian Coal Domestic

Indonesia's consumption of domestic coal for power generation will continue to grow, driven by increasing electrification to meet power demand from the growing population and government policy that favours coal-fired power generation

## Electricity Consumption per Capita

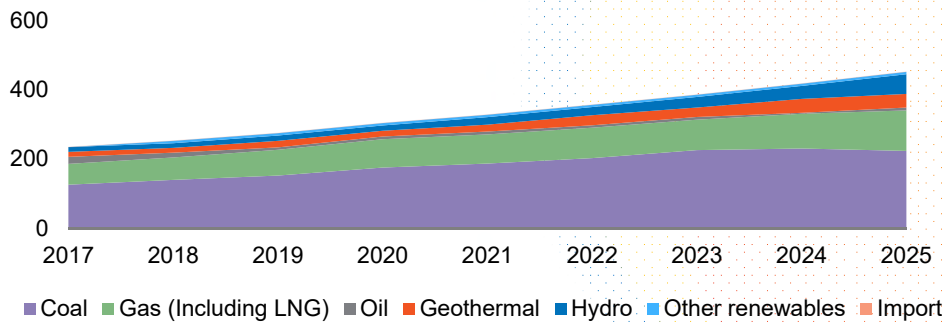
MWh per Capita



Today, Indonesia uses less electricity per capita compared to developed countries

## Indonesian Electricity Generation Dominated by Coal

TWh

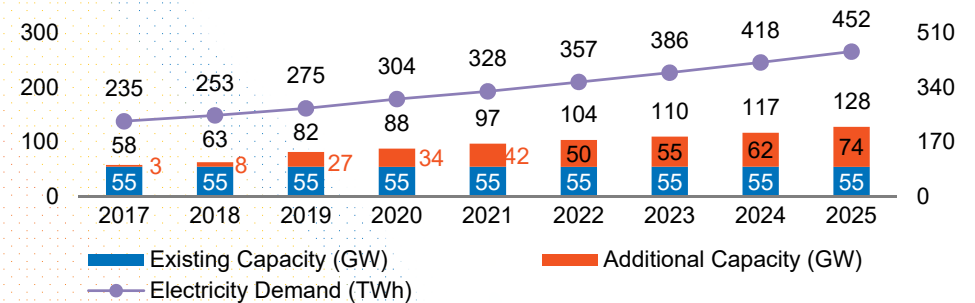


Coal accounts for over 50% of the energy share in Indonesia

Source: Wood Mackenzie, broker research

## Electricity Capacity and Demand

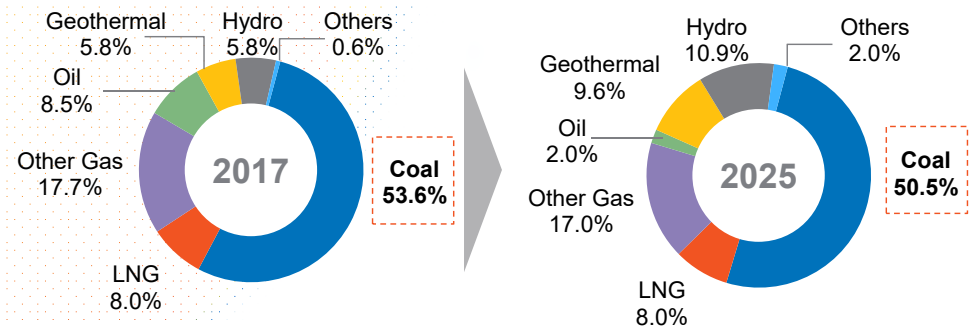
GW, TWh



Growing population, rising income per capita and a low electrification ratio are expected to drive significant growth in electricity demand

## Coal to Continue Accounting for over 50% of Fuel Type

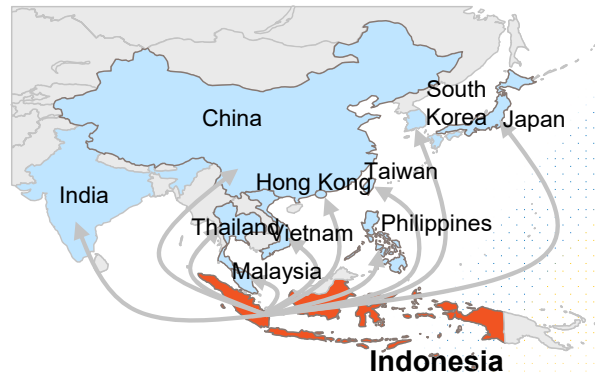
Fuel Type Projection in the Electricity Sector 2017–2025



# 2 Strong Demand Dynamics for Indonesian Coal Regional

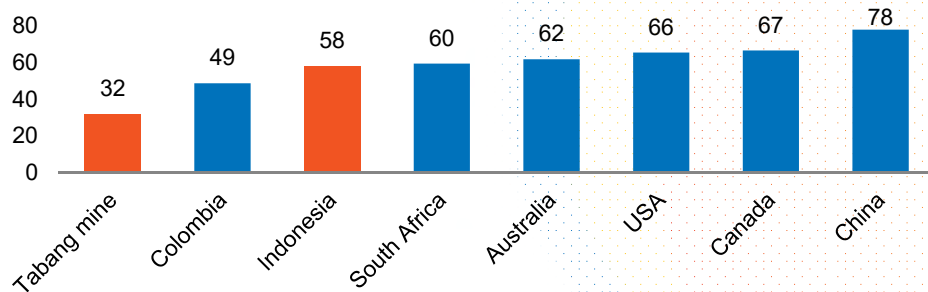
Indonesian coal is well placed to serve the growing regional markets, particularly in SEA and India. Its low-sulfur and low-ash content also makes it highly sought after by power generators that need to meet mandated emission standards

## Indonesia has Proximity to Key Regional Import Markets



## One of the Lowest Cost Producing Markets Globally

Average Cost of Coal Production (US\$/t) <sup>(1)</sup>

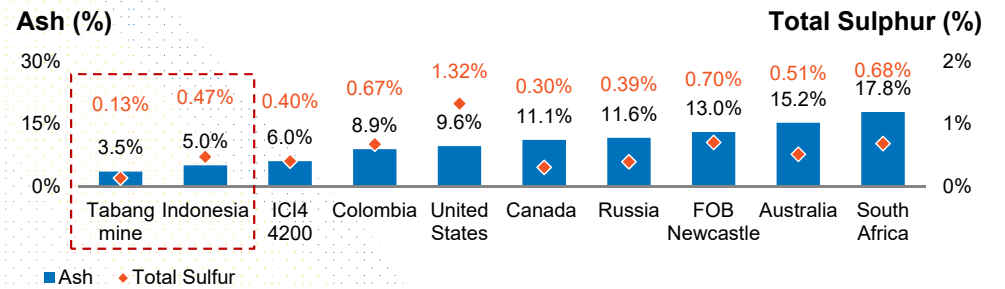


Source: Wood Mackenzie, Global Coal Plant Tracker

**Notes**

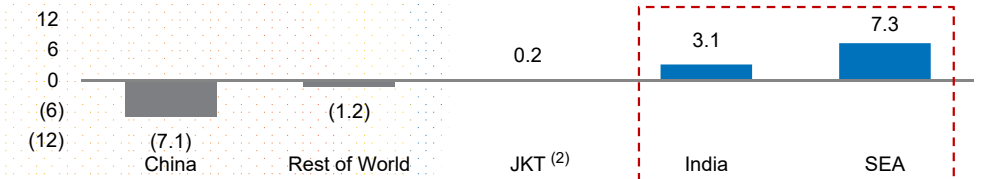
(1) As of 2019, on energy adjusted basis, according to Wood Mackenzie independently derived seaborne coal cash cost curve.  
 (2) Japan, South Korea, Taiwan.

## Indonesian Coal has Lowest Impurity Content Globally

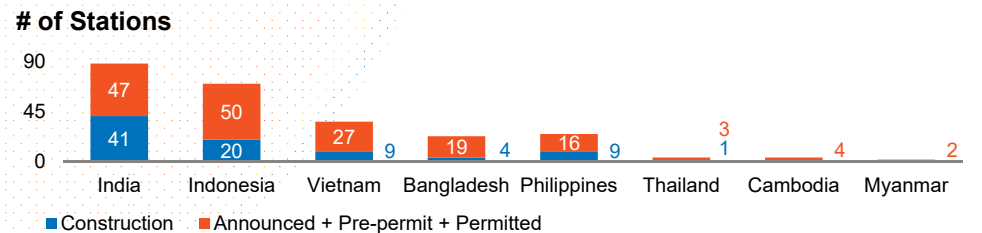


## Growing Regional Markets in SEA and India

Global Seaborne Thermal Coal Import Demand 2017-2025E CAGR (%)

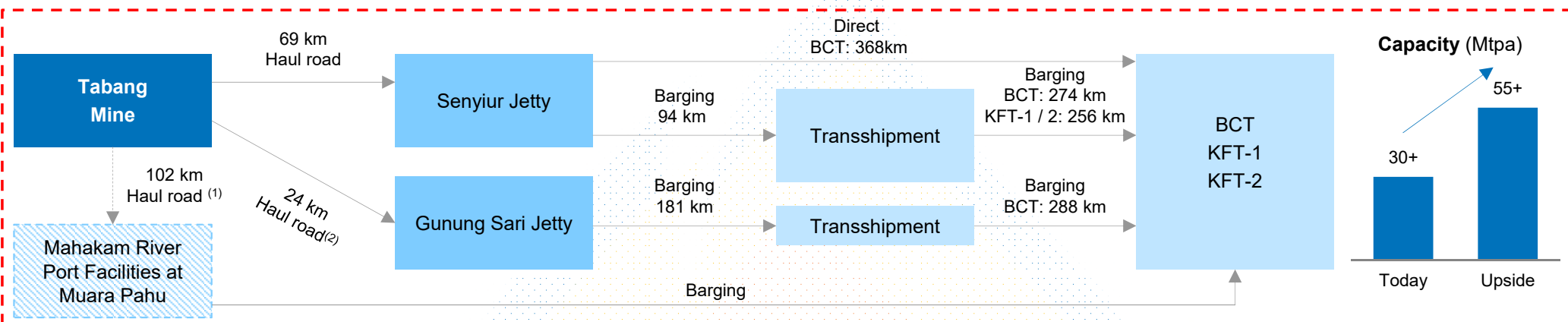


## Coal Fired Power Stations Build in Regional Markets

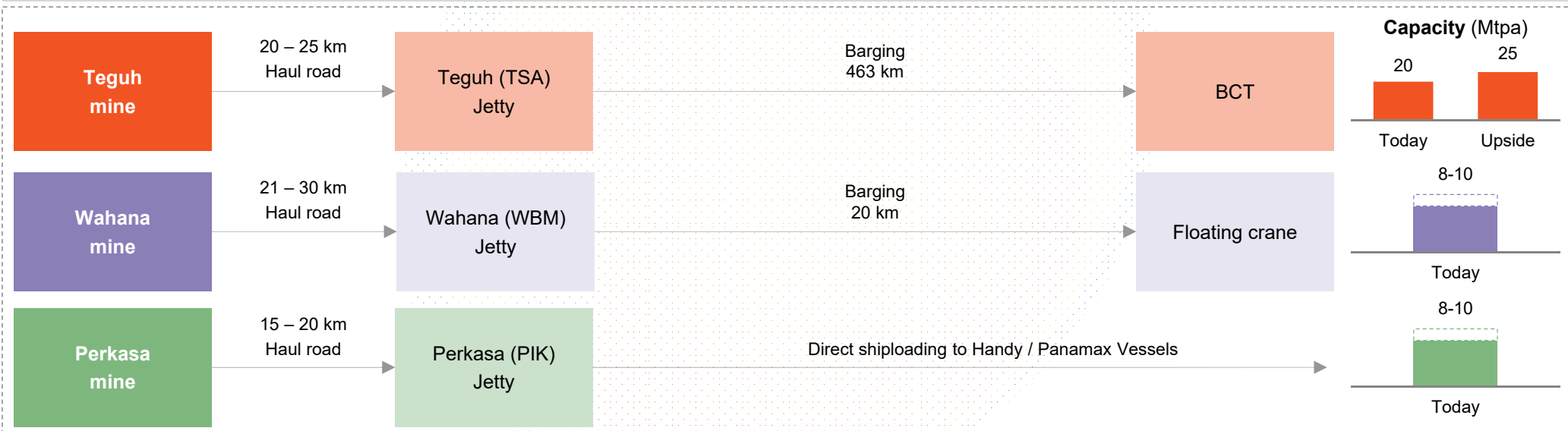


# 3 Established and Integrated Owned Infrastructure Allows for Low Cost, Organic Capacity Expansion

Tabang infrastructure is complete, with discretionary low capex brownfield growth available if the environment is supportive



Established mine to port infrastructure owned by Bayan. Haul trucks and barges owned / operated by trusted third party contractors



**Notes**

- (1) Bayan is in the process of permitting and designing a haul road from the Tabang mine direct to the Mahakam River, which would allow Bayan to minimize its reliance on the seasonal rivers served by the Senyiur and Gunung Sari Jetties, to barge our coal from the Tabang mine to BCT or floating transfer barges. Road construction is expected to commence in 2020.
- (2) Public haul road to Gunung Sari Jetty.



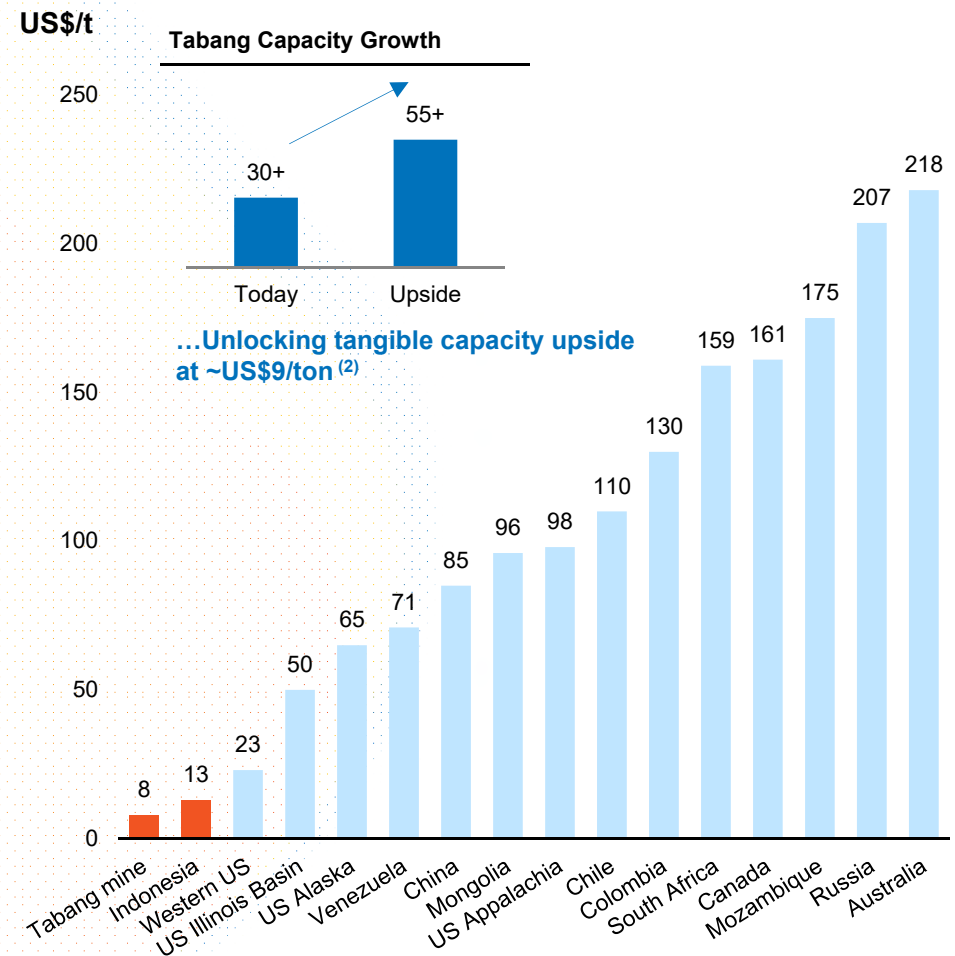
# 4 Sustainable Platform with Incremental Brownfield Growth Opportunities with Minimal Capital Expenditure Required

Bayan has the ability to exploit a number of brownfield opportunities at the North Pakar Concessions, and capitalize on existing infrastructure, thus substantially reducing ancillary development and operating costs.

## Further Growth Strategy

- ✓ Asphaltting of the Senyur coal haul road commenced in 2017 and continuing into 2020
- ✓ New coal haul road to the Mahakam River commenced construction in December 2019 with a view to completion in 2022
- ✓ New barge loading facility to be built directly on the Mahakam River
- ✓ Upgrading of inloading and export jetty at Balikpapan Coal Terminal completed in 2018 and 2019
- ✓ Further upgrade of stockpiling capacity at Balikpapan Coal Terminal commenced in 2020
- ✓ Budgeted capital expenditure of approximately US\$330MM between 2020 – 2023, of which US\$238MM will be on expansion to produce an additional 30+ mtpa of capacity and US\$92MM on sustaining and maintenance

## Capex Intensity by Country (1)



Source: Wood Mackenzie

### Notes

- (1) Capex intensity by country based on Wood Mackenzie calculations, based on 2012 real dollars.
- (2) Tabang capex intensity based on Company calculations using US\$238MM growth capex divided by the estimated incremental 30+ Mtpa production / sales capacity that the capital investment would provide.



# 5 Strong Relationships with a Geographically Diversified Portfolio of High-Quality Customers

## High Quality Customer Base and Attractive Payment Term

- ✓ Long-term relationship with strategic long term end users in proximate jurisdictions
- ✓ 247Mt of total contracted sales volume the majority of which are in the 4,000 – 4,400 Kcal/kg range to support the future growth of Tabang <sup>(1)</sup>
- ✓ Sophisticated pricing strategy; agreed price contracts which are index linked to reference benchmark; approximately 80% of contracted volume is linked to FOB Newcastle
- ✓ All export sales backed by letter of credit
- ✓ 80%-90% of Non-PLN Domestic sales are typically prepaid before coal is loaded <sup>(2)</sup>
- ✓ No bad payment history with invoice paid within 30 business days

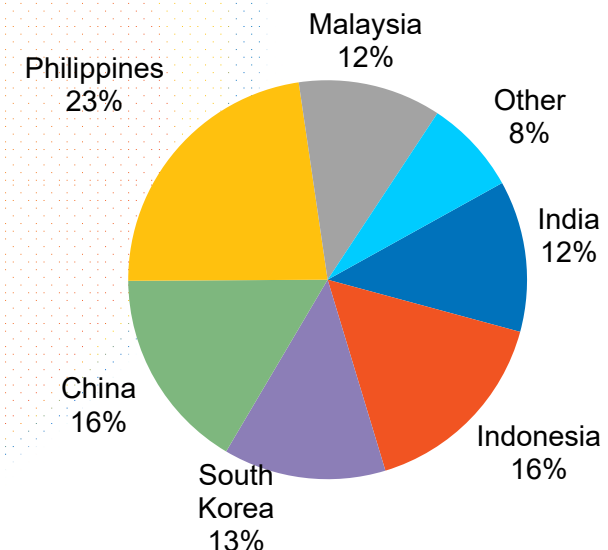
## Our Coal is Well Suited to Customer and Market Needs

- ✓ Number of customers is expected to increase as we build new long term strategic offtake relationships in frontier markets
- ✓ Being a long term IUP holder underpinned by a large reserve and resource base, Bayan is able to meet its customer's long-term coal supply needs
- ✓ Bayan is well positioned to capitalize on increasing domestic and regional coal fired capacity
- ✓ Indonesian customers are expected to increase demand for Bayan coal given design coal for Indonesian plants are aligned with coal specifications of the Tabang mine

## Key Sales Contracts

Major Customers <sup>(3)</sup>	Shareholders
Nghison	• KEPCO, Marubeni
V-TEC	• One Energy Ventures, Vietnam Electricity Group , Pacific Group Corp
GN Power Kauswagan	• AC Energy (Ayala Corp)
GN Power Dinginin	• AC Energy (Ayala Corp), Power Partners, Aboitiz Power Corporation
VAPCO	• China Light and Power, Mitsubishi
TNBF	• Tenaga
Sembcorp Energy	• Sembcorp
Cirebon	• Chubu, Marubeni, KEPCO, Samtan, Indika

## Sales by Geographic Region 1H 2020 (by volume)



### Notes

- (1) Contracted volumes agreed in principle, certain long-term offtake agreements are pending finalization / signing.
- (2) PLN does not prepay for coal sales prior to loading, typically paying within 60 business days.
- (3) Some of these major customers have contracted volumes but have not yet commenced offtake





# 6

# Sustainable and Attractive Dividend Payout Enabled by Robust Balance Sheet and Strong Cash Flow Generation

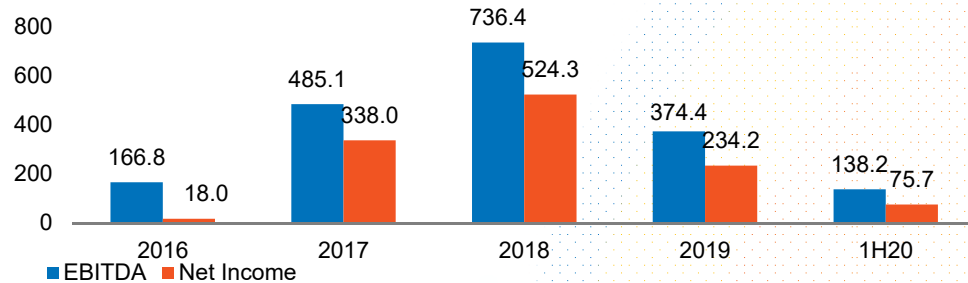
We intend to focus on generating healthy operating cash flows and maintaining balance sheet strength while also returning capital to shareholders

## Dividend Policy

- Bayan was able to distribute a dividend of US\$150.0MM in 2018, US\$300.0MM in 2019 and US\$66.6MM in 2020
- **Current dividend policy is to distribute up to 60% of annual distributable profit, taking into consideration:**
  - Prevailing market conditions and business operational outlook
  - Working capital requirements, future development capital requirements

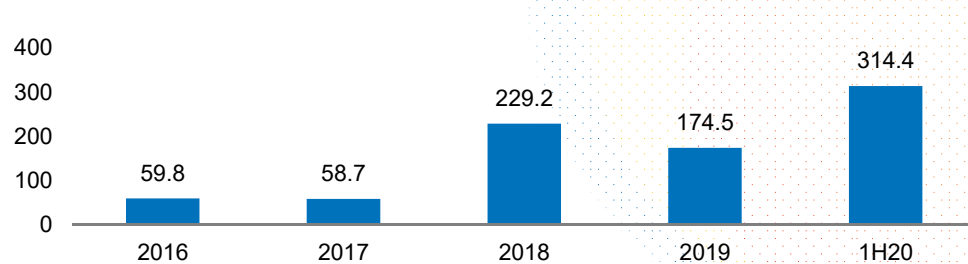
## EBITDA and Net Income

US\$MM



## Cash Balance (1)

US\$MM

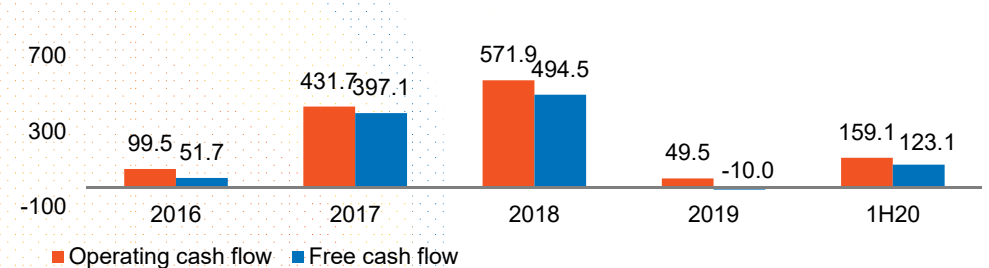


### Notes

- (1) Excludes restricted cash and cash equivalents, which are time deposits with certain banks to secure our mine reclamation obligations to the Government and other relevant Government authorities.
- (2) Total debt includes short-term bank loans, long-term bank loans and finance lease payables (excluding un-amortised debt issuance costs).
- (3) Net debt (cash) calculated as total debt less cash and cash equivalents (excluding restricted cash and cash equivalents).
- (4) 1Q 2020 Ratios based on Last Twelve Months (LTM) EBITDA information = US\$314.2 million

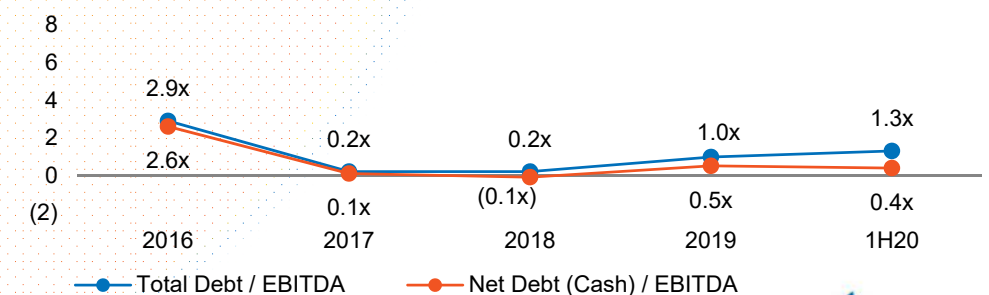
## Operating and Free Cash Flow

US\$MM



## Leverage Ratios (2)(3)(4)

x



## 7

# Strong Management Team and Reputable Shareholders

## Major Shareholders



**Dato' Dr. Low Tuck Kwong**  
*President Director*

- Dato' Low is the founder and majority shareholder of the Bayan Group and affiliated companies
- Dato' Low's business interests commenced in Indonesia in 1973 when he formed PT. Jaya Sumpiles Indonesia ("JSI") as an earthworks, civil works and marine structure contractor. JSI quickly became a leading contractor in Indonesia in the above fields and remained so during the 1980's and 1990's. In 1988, JSI ventured into contract coal mining and was a leading mining contractor until 1998 when Dato' Low acquired PT. Gunungbayan Pratamacoal and PT. Dermaga Perkasapratama
- His current focus shifted to the ownership and operation of coal mines in Indonesia and the related logistics activities
- Under the leadership of Dato' Low, the Bayan Group was formed through a number of strategic acquisitions in the coal sector including PT. Wahana Baratama Mining, PT. Teguh Sinarabadi, PT. Firman Ketaun Perkasa, PT. Perkasa Inakakerta, and Kangaroo Resources Ltd.



### Korea Electric Power Corporation

- KEPCO owns 20% of the Company's shares through five subsidiaries, namely Korea East-West Power, Korea Midland Power, Korea South-East Power, Korea Southern Power, and Korea Western Power, each holding 4%
- Founded in 1898 and 51% owned by the Korea government, KEPCO is an integrated electric utility company, generating transmitting, and distributing electricity in Korea and internationally
- As of December 31, 2016, KEPCO had a total of 655 generation units, including nuclear, thermal, hydroelectric, and internal combustion units with an installed generation capacity of 79,217 megawatts
- Listed both in KRX and NYSE with market capitalization of US\$10 billion as of March 31, 2019
- AA rated by S&P and Aa2 rated by Moody's

### PT Sumber Suryadaya Prima ("SSP")

- SSP owns 10% of the Company's shares
- It operates various coal fired power plants in Indonesia



# 7

# Strong Management Team and Reputable Shareholders

## Board of Directors



**Dato' Dr. Low Tuck Kwong**  
President Director  
and Chief Executive Officer

31 23

- Appointed as President Director of Bayan in 2018
- Serves as President Director at various Bayan's subsidiaries
- Awarded Honoris Causa degree by University of Notre Dame, Dadiangas, Philippines



**Jenny Quantero**  
Director of Corporate Affairs  
and Corporate Secretary

31 23

- Appointed as Director of Bayan in 2004
- Serves as Corporate Secretary of Bayan
- Holds Diploma in Foreign Languages from ABA "PRAYOGA", Padang, West Sumatra, Indonesia



**Lim Chai Hock**  
Director and Chief Operating Officer

31 23

- Appointed as Director of Bayan in 2007
- Previously held executive position at Bayan's subsidiaries
- Holds a Certificate in Land Surveying from Lembaga Jabatan Ukur, Malaysia



**Low Yi Ngo**  
Director of Sales and Marketing

15 15

- Appointed as Director of Bayan in 2007
- Holds executive positions at various Bayan's subsidiaries
- Holds Bachelor in Mechanical and Production Engineering from Nanyang Technological University, Singapore



**PT BAYAN RESOURCES Tbk.**

**23+ years of  
average industry  
experience**

**Experienced team  
with strong local  
knowledge**

**Deep technical and  
execution expertise**



**Alastair McLeod**  
Director & Chief Financial Officer

29 16

- Appointed as Director and CFO of Bayan in 2008
- Previously served as Indonesia Head of Corporate Restructuring in KPMG
- Holds a Diploma in Accounting from Napier College, Scotland
- Chartered Accountant and member of ICAS



**Russell Neil**  
Director & Chief Development Officer

28 17

- Appointed as Director and Chief Development Officer in 2008
- Has more than 27 years experience in mining industry
- Holds Bachelor in Commerce (Accounting) and Arts (Asian Studies) from Murdoch University, Australia



**Kim Hyun Kook**  
Director of Risk Management

1 1

- Appointed as Director of Bayan in September 2019
- held several key positions during his career in Korea-South-East-Power Corporation (KOSEP)
- Holds double degrees in Chinese and international business from the Hankuk University of Foreign Studies, South Korea

Years of Industry Experience Years with Bayan Group



## 7

# Strong Management Team and Reputable Shareholders

## Board of Commissioners



**Prof. Ir. Purnomo Yusgiantoro**  
M.Sc., M.A., Ph.D.  
**President Commissioner**

- Appointed as Commissioner on 10 January, 2018
- Minister of Defense for the Republic of Indonesia (2009 – 2014)
- Minister of Energy and Mineral Resources for the Republic of Indonesia (2000 – 2009)
- Chairman of the ASEAN Defense Ministers organization (2009 – 2014)
- Chairman of the ASEAN Energy Ministers organization (2000 – 2009)
- President (2004), Secretary General (2002) and Governor (1995-1998) of the Organization of Petroleum Exporting Countries – OPEC
- PhD in Mineral Economics from the Colorado School of Mines, Colorado, USA
- Masters in Economics and Engineering from the Colorado School of Mines, Colorado, USA



**Ir. Michael Sumarijanto**  
**Commissioner**

- Appointed as Commissioner on Mar 18, 2008 and serves as the President Commissioner of PIK and Commissioner of FKP, GBP and TSA
- President Commissioner of the Company (2006 – 2008)
- Chairman and Non-Executive Director of Manhattan Resources Limited (2006-2013)
- Chairman of the Honorary Board of Architects in the Indonesian Association of Architects (2005-2008)
- Executive Director of the Indonesian Mining and Energy Society (1997 – 2010)
- Chairman of the Supervisory Board of the Indonesian Institute of Energy Economics
- Currently, a member of the Advisory Board of the Indonesian Renewable Energy Society, the Indonesian Electricity Society, and the Indonesian Geothermal Association



**Dr. Ir. Rozik B. Soetjipto**  
**Independent Commissioner**

- Appointed as Independent Commissioner on Mar 18, 2008, and Head of the Audit Committee (2008 – present) and the Head of Remuneration and Nomination Committee (July 2016 – present)
- Director General of Geology and Mineral Resources (1997-1998)
- Director General of Mines in the Department of Mining and Energy of the Republic of Indonesia (1998-1999)
- President Commissioner of PT Aneka Tambang (Persero) Tbk (1997-2001)
- State Minister of Public Works of the Republic of Indonesia (1999-2000)
- Commissioner of PT Freeport Indonesia (2001-2012)
- Independent Commissioner and head of audit committee at PT INCO/Valet Indonesia (2007-2010)
- Member of Risk Management Committee (2009-2012), member of Remuneration and Nomination Committee (2009-2016), Independent Commissioner of PT Holcim Indonesia Tbk (2009-2010)
- President Director of PT Freeport Indonesia (2012-2015)



**Lifransyah Gumay**  
**Commissioner**

- Appointed as Commissioner on 10 January, 2018
- Acting as Commissioner of PT. Sumber Segara Primadaya – PLTU Cilacap (Sept 2009 – Present)
- Member of the Audit Committee of PT. Bakrie & Brothers Tbk (May 2006 – Present)
- Previously member of the Audit Committee of PT. Bank Tabungan Negara (Persero) Tbk (Aug 2005 – Sept 2011)
- Expert Staff in the field of Economics for the Democrat Party of Indonesia (May 2008 – April 2010)
- Has a Master of Management from the Economics Faculty of Universitas Indonesia, 2003





**PT BAYAN RESOURCES Tbk.**



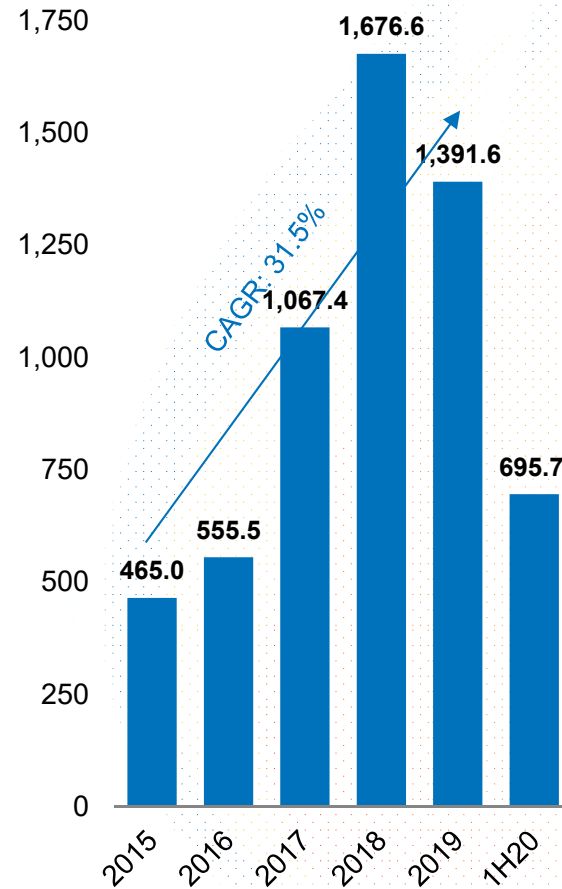
## Section 3: **Financial Overview**

# Sales and Revenue Analysis

- Bayan has successfully continued the ramp up of the Tabang Concession, increasing production / sales volumes, and ultimately driving top line growth

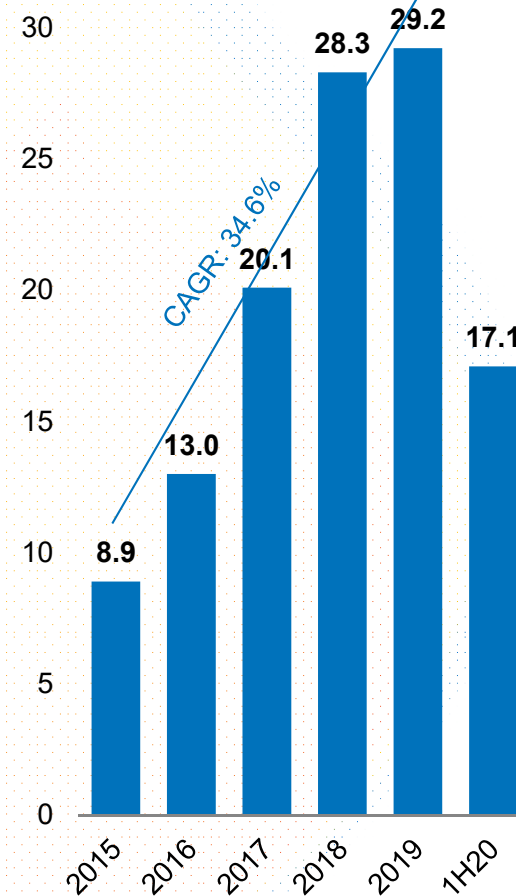
## Revenue

US\$MM



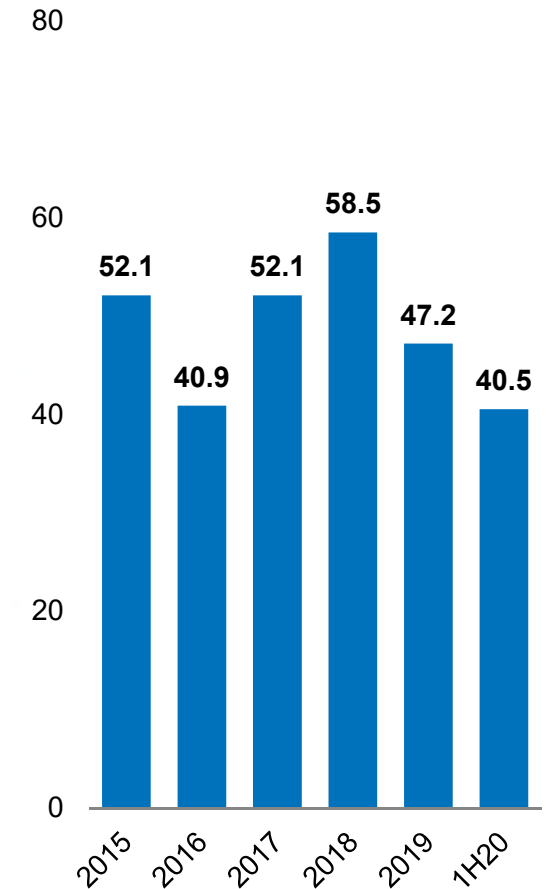
## Sales Volumes

Mt



## Average Selling Price <sup>(1)</sup>

US\$/t



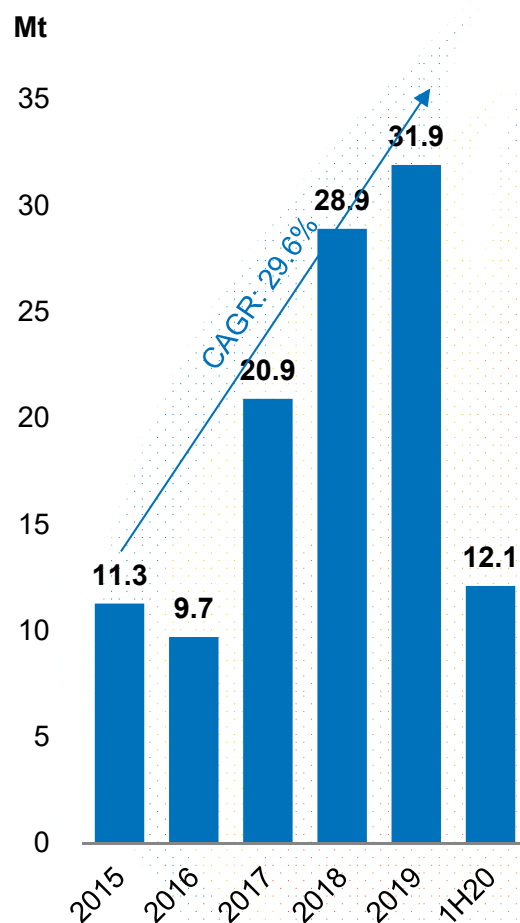
Note  
(1) ASP based on coal only.



# Cost Analysis

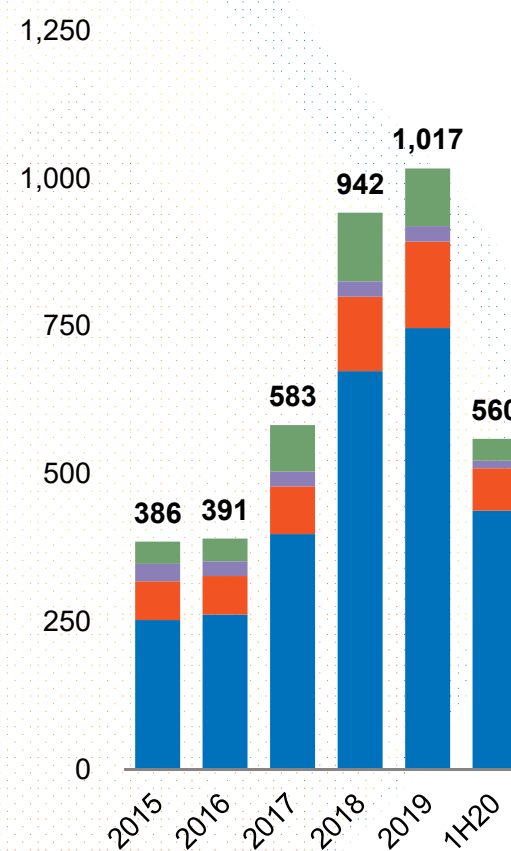
- The ramp-up of the Tabang Concessions in between 2015 - 2020 was instrumental in driving cash costs lower and ensures that Bayan will remain profitable during the coal price lows

## Production



## Cash Cost

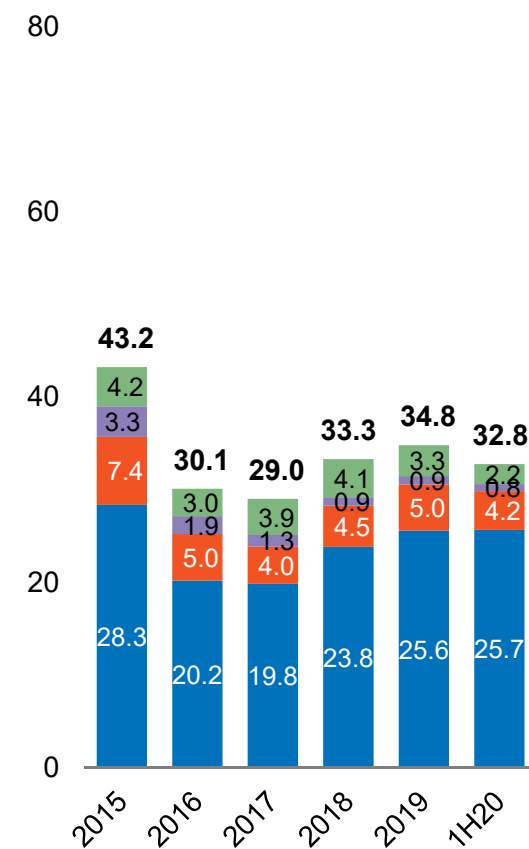
US\$MM



■ Production    ■ Selling  
■ G&A            ■ Royalty

## Cash Cost per ton <sup>(1)</sup>

US\$/t



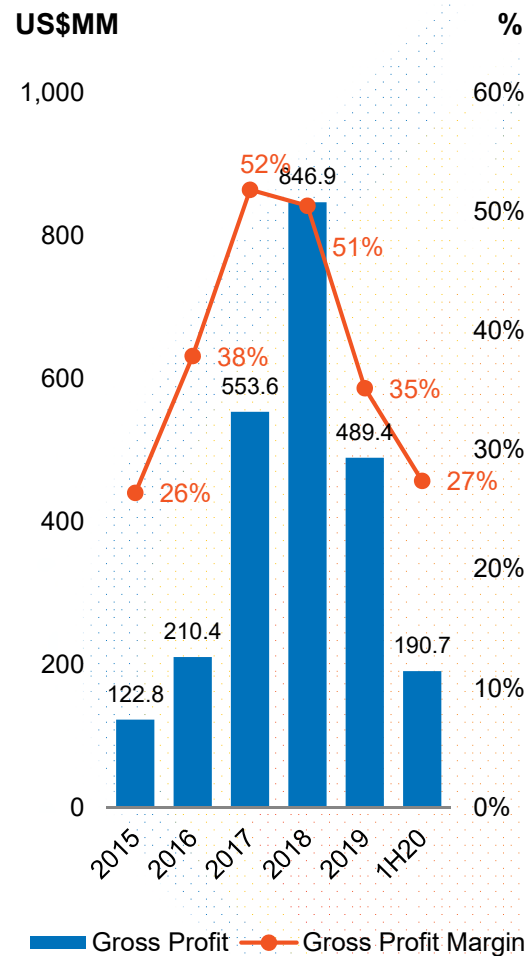
**Note**  
 (1) Based on sales volume



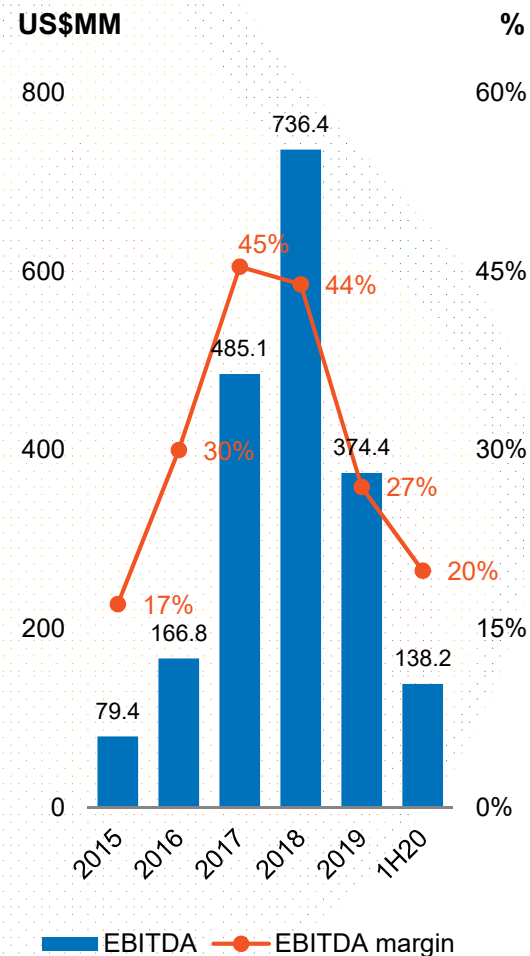
# Profitability and Profit Margins

- Bayan has been able to drive earnings and margins higher positioning the Company as one of Indonesia's most profitable coal mining companies as the impact of the ramp-up of Tabang has materialized
- 2015 net loss included one-off impairment charges on mining properties of US\$55MM

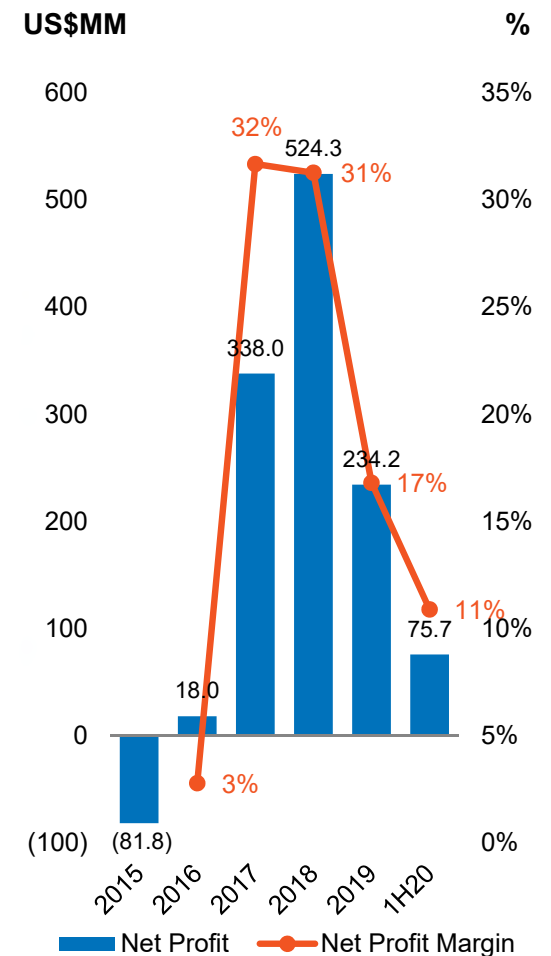
## Gross Profit / Gross Profit Margin



## EBITDA / EBITDA Margin



## Net Profit / Net Profit Margin

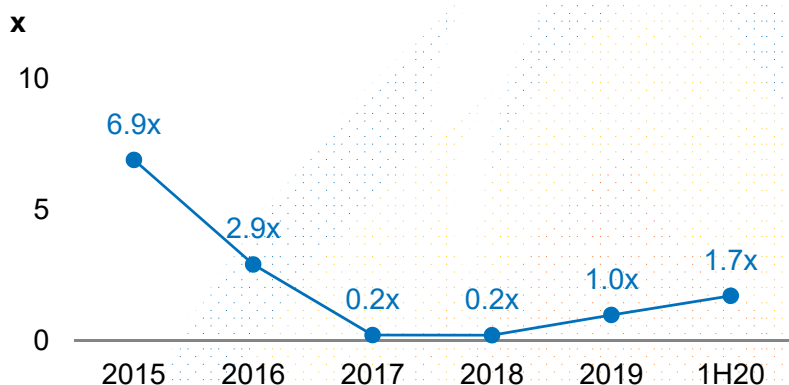




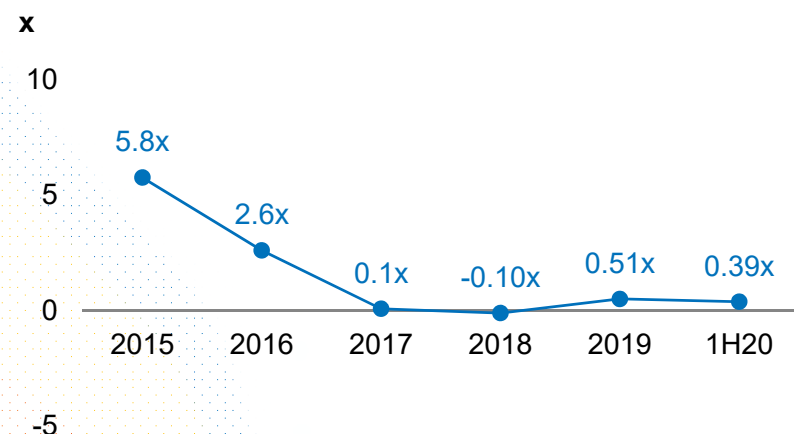
# Credit Metrics

- Bayan has continued to show a track record of sustained deleveraging even during times of depressed coal prices
- The development and ramp-up of Tabang has been instrumental in delivering this
- The Group has been assigned independent credit ratings of BB-, Ba3 and B+ by Fitch, Moody's and S&P respectively

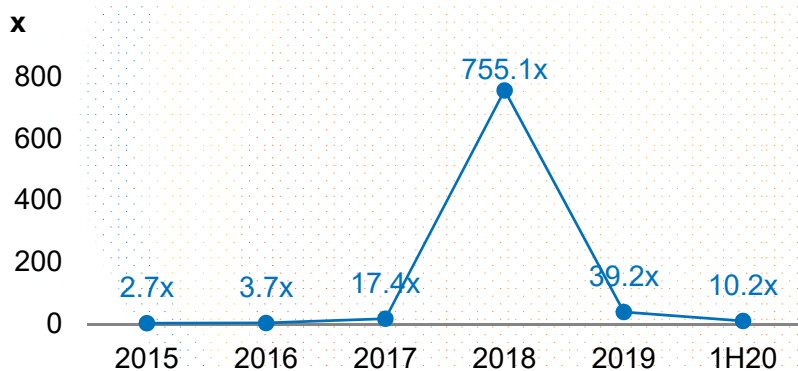
## Total Debt / EBITDA



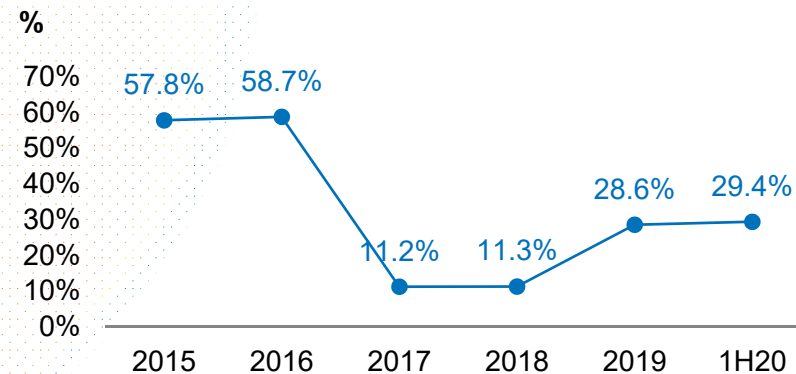
## Net Debt / EBITDA



## EBITDA / Net Interest Expense



## Third Party Debt / Total Capital Ratio<sup>(1)</sup>



**Note**

(1) Third Party Debt includes Bank Debt, Financing Leases and Derivatives divided by Total Capital (Total Liabilities plus Total Equity)



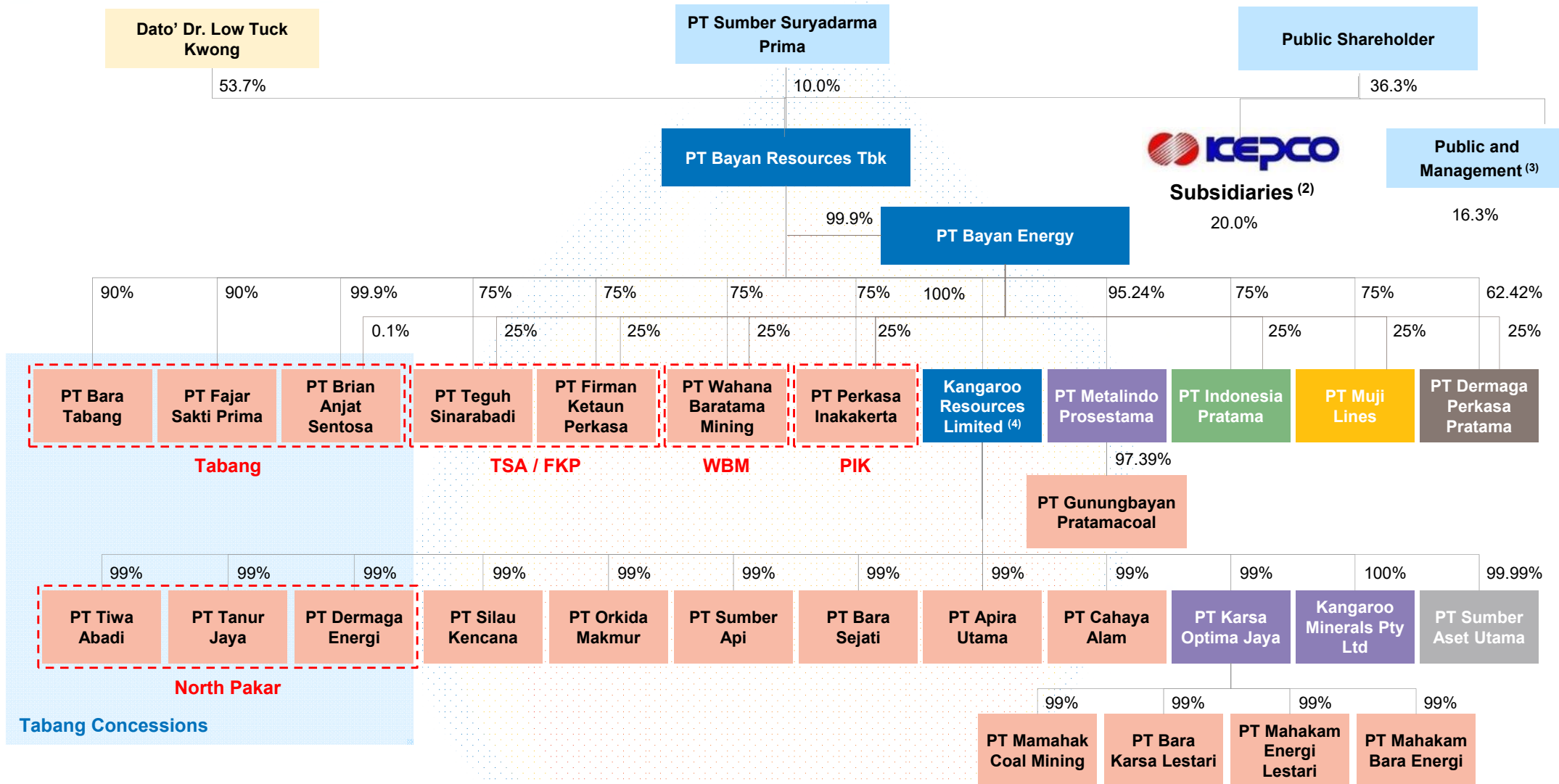


**PT BAYAN RESOURCES Tbk.**



**Appendices**

# Ownership and Corporate Structure (1)



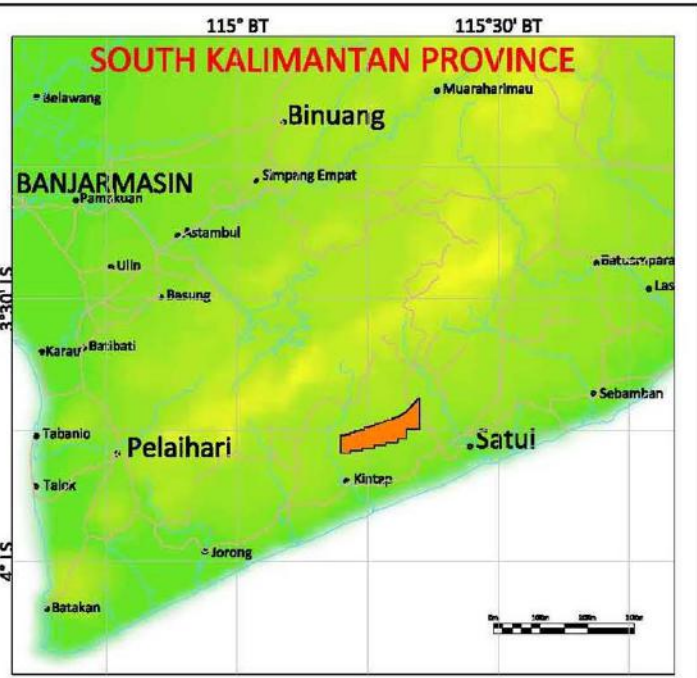
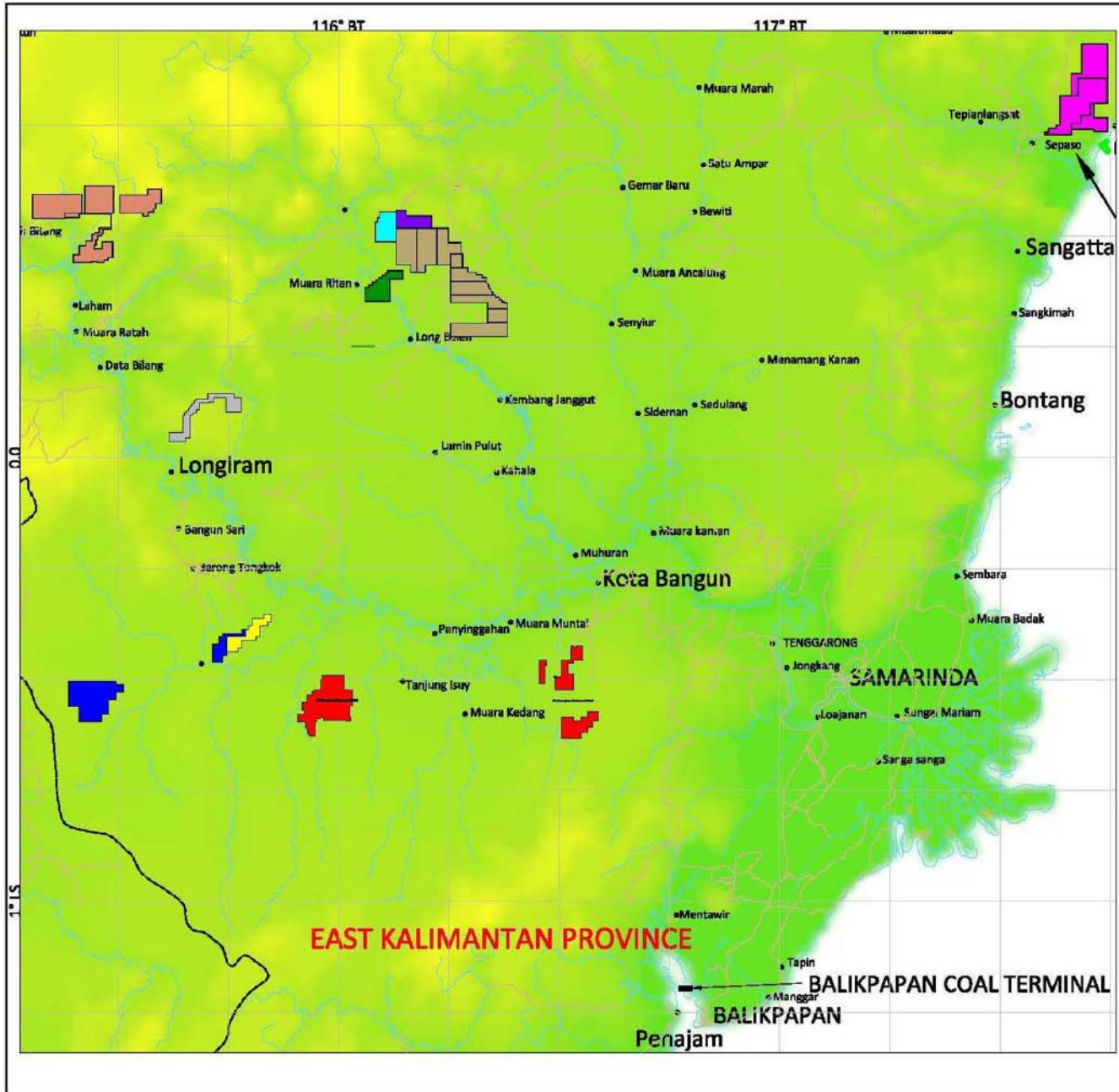
■ Investment Holding ■ Coal Mining ■ Investment in Subsidiary ■ Mine Contractor ■ Shipping ■ Coal Port Management ■ Service and Trading

## Notes

- (1) Position per February 29, 2019.
- (2) Held through 5 KEPCO's subsidiaries.
- (3) Management include Chin Wai Fong, Lim Chai Hock, Engki Wibowo, Jenny Quantero, Russell John Neil, Alastair McLeod, and Low Yi Ngo
- (4) Pro forma corporate structure post finalization of the SPA with Kangaroo Resources Limited.



# Project Locations



**LEGEND**

<span style="color: red;">■</span> : PT. Gunungbayan Pratamacoal	<span style="color: purple;">■</span> : PT. Bara Tabang
<span style="color: orange;">■</span> : PT. Wahana Baratama Mining	<span style="color: green;">■</span> : Brian Anjat Sentosa
<span style="color: pink;">■</span> : PT. Perkasa Inakakerta	<span style="color: grey;">■</span> : PT. Graha Panca Karsa
<span style="color: blue;">■</span> : PT. Firman Ketaun Perkasa	<span style="color: brown;">■</span> : Pakar Group
<span style="color: yellow;">■</span> : PT. Teguh Sinarabadi	<span style="color: tan;">■</span> : Mamahak Group
<span style="color: cyan;">■</span> : PT. Fajar Sakti Prima	

**BAYAN GROUP  
PROJECT LOCATION**



# Disclaimer

These materials have been prepared by PT Bayan Resources Tbk. (“Bayan Resources” or the “Company”) solely for informational purposes, and are strictly confidential and may not be taken away, reproduced or redistributed to any other person. By attending this presentation, participants agree not to remove this document from the conference room where such documents are provided without express written consent from the Company. Participants agree further not to photograph, copy or otherwise reproduce these materials at any point of time during the presentation or while in your possession. By attending this presentation, you are agreeing to be bound by the foregoing restrictions. Any failure to comply with these restrictions may result in a violation of applicable laws and commencement of legal proceedings against you.

It is not the Company’s intention to provide, and you may not rely on these materials as providing, a complete or comprehensive analysis of the Company’s financial position or prospects. The information contained in these materials has not been independently verified and is subject to verification, completion and change without notice. The information contained in these materials is current as of the date hereof and are subject to change without notice, and its accuracy is not guaranteed. The Company is not under any obligation to update or keep current the information contained in these materials subsequent to the date hereof. Accordingly, no representation or warranty, express or implied, is made or given by or on behalf of the Company, or any of its directors and affiliates or any other person, as to, and no reliance should be placed for any purposes whatsoever on, the fairness, accuracy, completeness or correctness of, or any errors or omissions in, the information contained in these materials. Neither the Company, its directors, officers or employees nor any other person accepts any liability whatsoever for any loss howsoever arising from any use of these materials or their contents or otherwise arising in connection therewith.

These materials contain historical information of the Company which should not be regarded as an indication of future performance or results. These materials may also contain forward-looking statements that are, by their nature, subject to significant risks and uncertainties. These forward-looking statements reflect the Company’s current views with respect to future events and are not a guarantee of future performance or results. Actual results, performance or achievements of the Company may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the environment in which the Company will operate in the future, and must be read together with such assumptions. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of the Company, and the forecasted financial performance of the Company is not guaranteed. No reliance should be placed on these forward-looking statements.

