



PT. BAYAN RESOURCES Tbk.

***2023 and Fourth Quarter 2023
Update Presentation***



Overview

- **Operationally, 2023 has seen significant improvement over the same period last year with an approximate 18-28% increase in coal production and sales volume.**
- **Overall, 2023 financial performance was lower than Budgeted across all financial matrix. This is principally due to lower market prices than Budgeted which has led to lower realized ASP, EBITDA and NPAT.**
- **2023 financial performance is still generating very healthy margins and profit levels.**



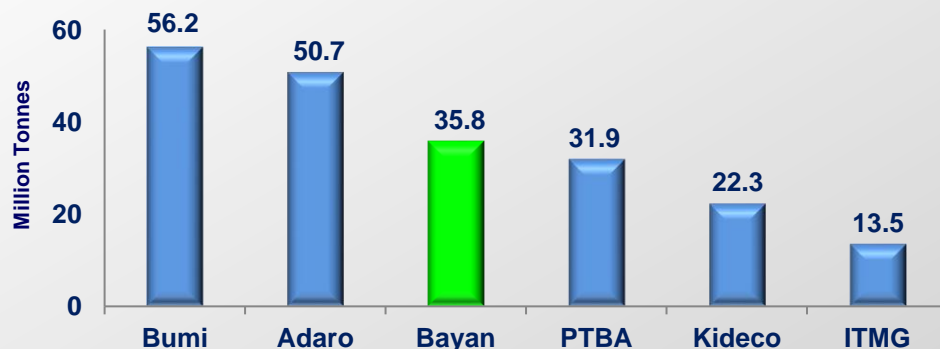
Bayan's Financial and Operational Performance

	2022	2023	4Q22	4Q23
Financial Performance (In Million USD)				
Revenue	4,703.6	3,581.4	1,355.5	824.3
Gross Profit	3,160.1	1,664.2	853.7	340.1
EBITDA	3,026.4	1,718.9	782.6	445.3
Net Profit After Tax	2,301.6	1,279.6	594.0	328.3
Financial Ratios				
Gross Profit Margin (%)	67.2%	46.5%	63.0%	41.3%
EBITDA Margin (%)	64.3%	48.0%	57.7%	54.0%
Net Profit Margin (%)	48.9%	35.7%	43.8%	39.8%
Net Debt to EBITDA (x)	Net Cash	Net Cash	Net Cash	Net Cash
Operational Statistics				
Overburden Removal (MBCM)	153.6	219.5	41.2	59.2
Strip Ratio (x) - based on production volume	3.9	4.4	3.7	4.2
Coal Production (Million MT)	38.9	49.7	11.1	14.0
Sales Volume (Million MT)	39.9	47.2	11.9	12.6
Average Selling Price (US\$/MT)	117.9	75.8	114.1	65.2
Average Cash Costs (US\$/MT)	42.5	40.2	49.4	30.2



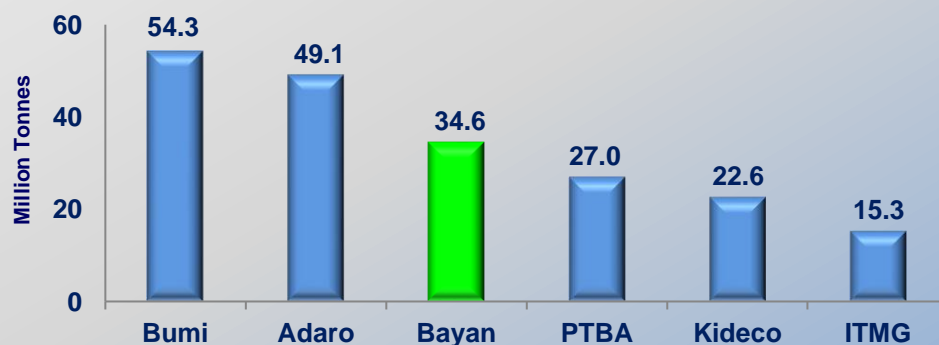
One of the Largest Coal Producers

YTD 3Q23 Production



Source: Company Filings, Company Data

YTD 3Q23 Sales Volume



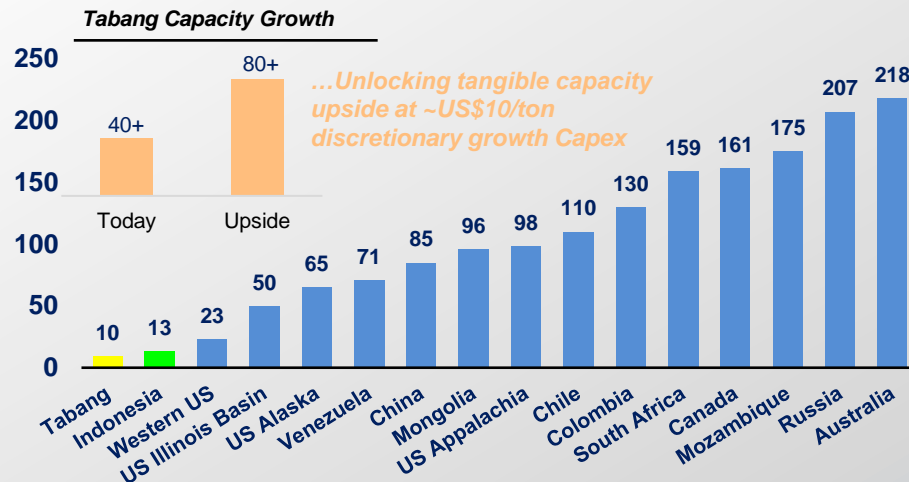
Source: Company Filings, Company Data

- Bayan is ranked 3rd by production and sales volumes in Indonesia.
- Bayan's sales volumes grew 18% in 2023.
- The first phase of Muara Pahu was opened in 2023 which will allow us to rapidly expand in 2024 and beyond.
- This will allow Bayan to expand production at Tabang and increase production to more than 80 mtpa.



Low Cost Incremental Growth

Capex Intensity by Country ⁽¹⁾



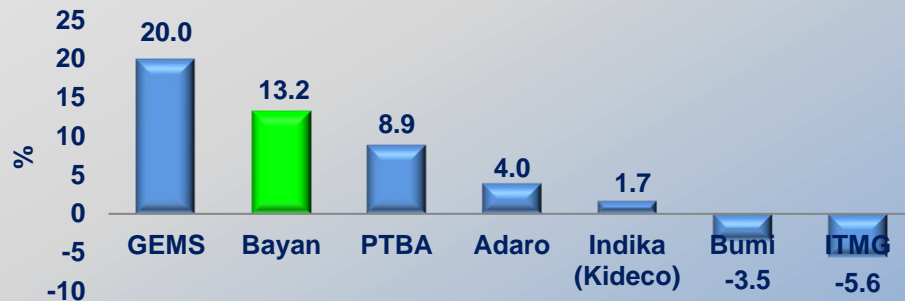
Source: Wood Mackenzie

Notes

(1) Based on 2012 real dollars

(2) US\$402m Capex (include BCT) divided by an incremental 30+ Mtpa production / sales capacity

2018 - 2022 CAGR (Production)



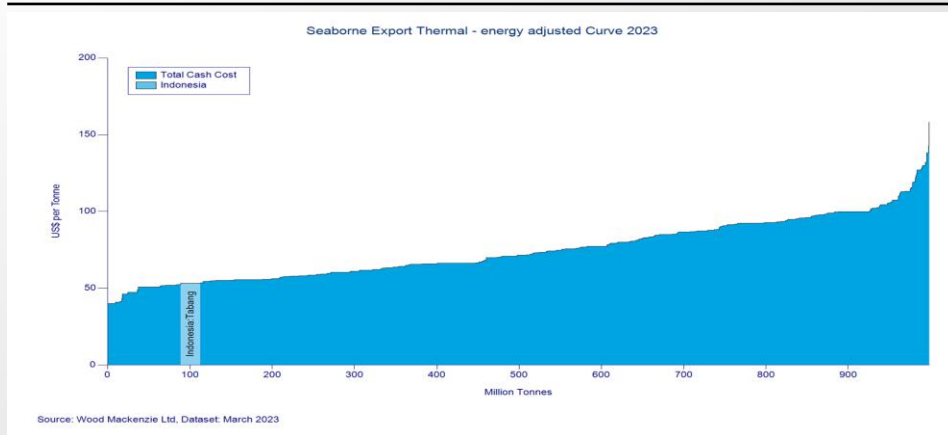
Source: Company Filings, Company Data

- Our new coal haul road and the first and second barge loading facility were completed at the end of 2023.
- The third barge loader, overland conveyor and side dump will be completed within 1Q2024.
- Once all three barge loaders have been completed, this will add an additional 40+ million MT to our existing capacity.
- Total forecasted capex in the region of US\$ 384 million (2023-2024) for the Group, of which US\$ 234 million is expansionary capex tied to the Tabang Project including upgrading the BCT.



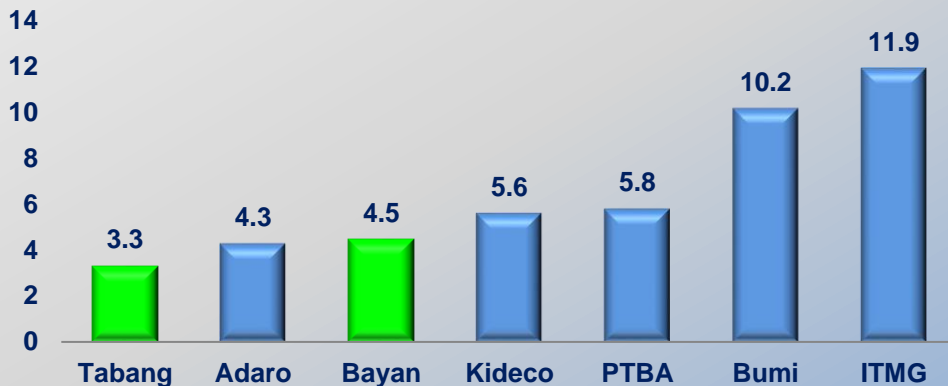
One of the Lowest Cost Producers in Indonesia

Global Cost Competitive Positioning



Source: Wood Mackenzie

YTD 3Q23 Strip Ratio



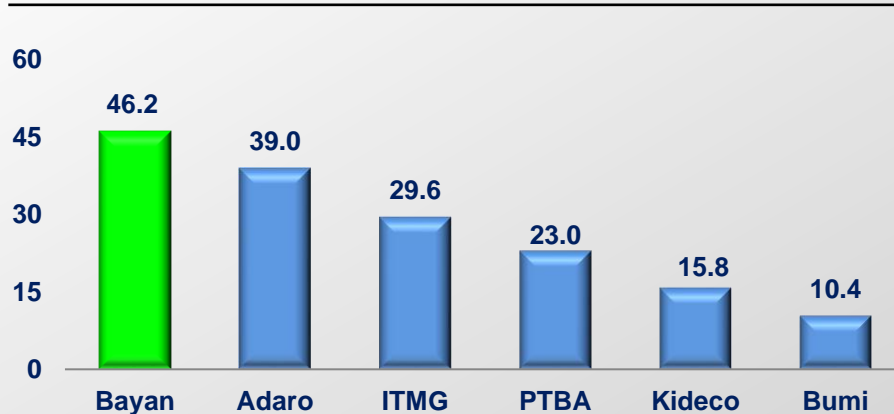
Source: Company Filings, Company Data

- Tabang is independently rated as one of the worlds lowest cost energy-adjusted producers of seaborne thermal coal.
- Tabang has large reserves and a very low Life of Mine stripping ratio of 4.3.
- A new JORC reserves statement in 2022 resulted in an increase of 18% in Tabang/North Pakar reserves to 1,692 million MT.
- Tabang has one of the lowest average stripping ratio's in Indonesia.



And One of the Highest Margin Producers in Indonesia

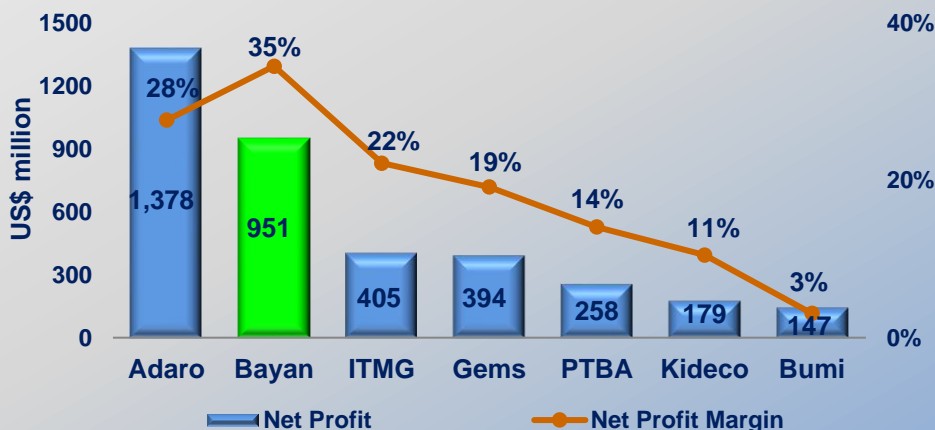
YTD 3Q23 EBITDA Margin (%)



Source: Company Filings, EBITDA estimated using Company Data

- Over the last few years, Bayan has transformed itself into one of the highest margin producers in Indonesia.
- This is due to the ramp up of its world class Tabang coal complex, which is anticipated to continue to grow and produce industry leading margins.

YTD 3Q23 Net Profit and Net Profit Margin (%)



Source: Company Filings, Company Data

- Net profit margins are anticipated to continue to outperform the industry norms due to the low cost base and lower royalty rates than IUPK's.



Deleveraged the Group

Quarterly Net Cash

US\$ Million



Quarterly EBITDA

US\$ Million



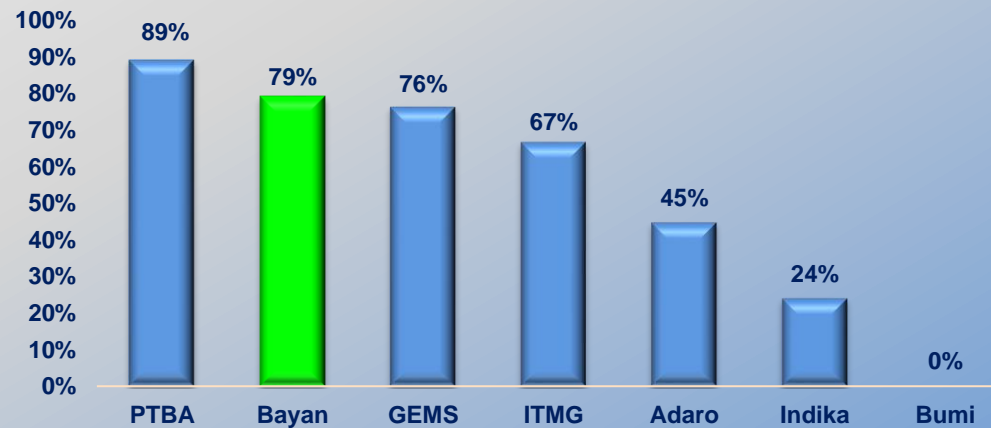
- Targeted net leverage of less than 2.5x EBITDA throughout the commodity cycle.
- Bayan has been re-assigned independent credit ratings of Ba2 by Moody's in January 2024 and BB- by Fitch in February 2022.



DIVIDENDS

- **Bayan has a proven history of utilizing cash to reduce leverage and then return excess cash to shareholders.**
- **Bayan has paid a total of US\$ 3,100.0 million in dividends over the last three years (the highest of any Indonesian listed coal company).**
- **Its payout ratio over the same period is 79% of NPAT (2020 – 2022), which is one of the highest in the Indonesian coal sector.**

Total Dividend payout ratio for 2020-2022





4Q 2023

Overburden Removal

Coal Production

Weighted Average Strip Ratio

Average Cash Costs

Coal Sales

Average Selling Price

Committed & Contracted Sales

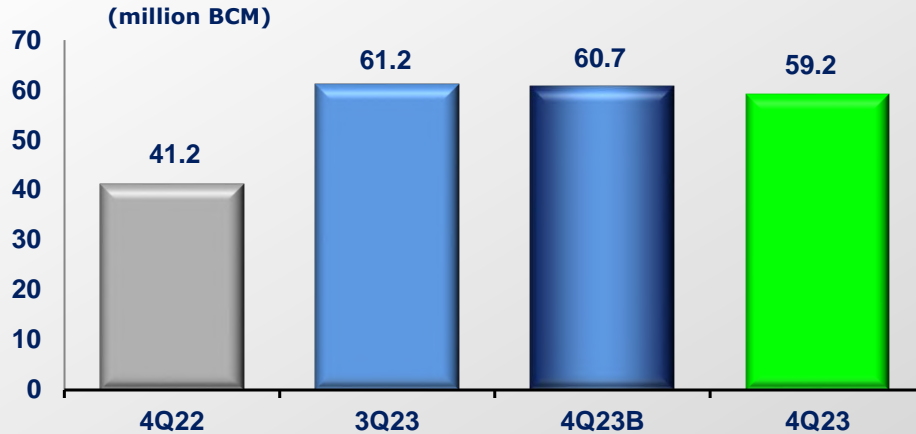
EBITDA

Debt and Cash Position

Capital Expenditure



Overburden Removal (OB)



Note : B stands for Budget Figure

(in million BCM)	3Q23	4Q23B	4Q23
TSA/FKP	10.3	8.7	9.0
PIK	2.2	2.3	2.6
WBM	8.9	9.3	9.2
Tabang (BT, FSP, TA, BAS)	39.8	36.1	38.5
GBP	-	4.3	-
Total	61.2	60.7	59.2

➤ 4Q23 OB of 59.2 million BCM was in line with the Budget but slightly lower than 3Q23 primarily due to:

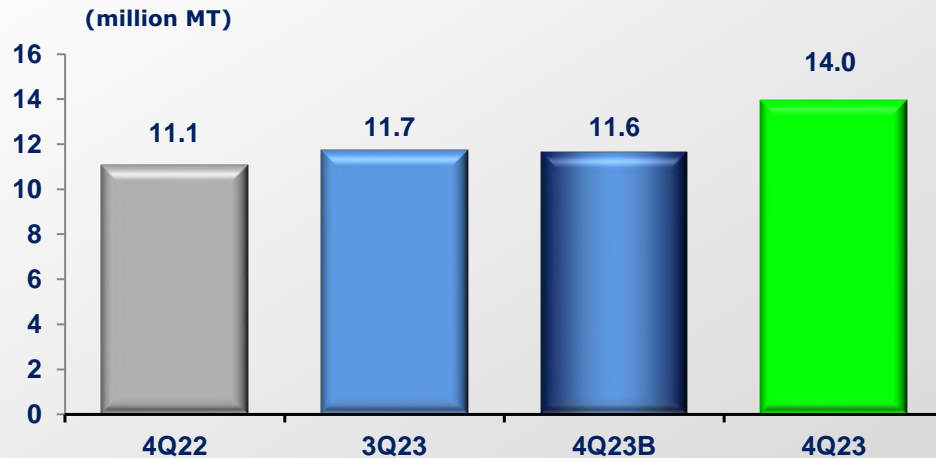
- Most of Tabang in 3Q23 focused on pre-stripping as an impact of the 2023 RKAB targets being reached combined with reallocating fleets to speed up the airstrip project.

➤ 2023 overburden of 219.5 million BCM was in line with Budget of 218.4 million BCM.

Annual overburden in line with the Budget and represents a 43% increase in volume over 2022



Coal Production



Note : B stands for Budget Figure

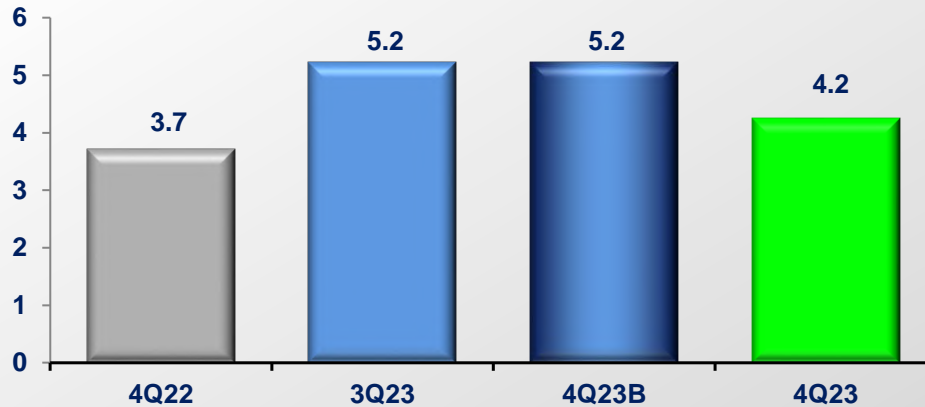
(in million MT)	3Q23	4Q23B	4Q23
TSA/FKP	0.8	0.7	0.7
PIK	0.3	0.3	0.4
WBM	0.5	0.8	0.6
Tabang (BT, FSP, TA, BAS)	10.1	9.5	12.3
GBP	-	0.2	-
Total	11.7	11.6	14.0

- 4Q23 coal production of 14.0 million MT was higher than the Budget and 3Q23 primarily due to site receiving revised RKAB approvals at the end of October 2023 which had forced site to pre-strip in the 3Q23 which exposed a lot of coal which was able to be extracted in 4Q23.
- 2023 coal production of 49.7 million MT was in line with Budget of 48.8 million MT.
- 2023 volumes represent an increase of 28% over 2022 volume.

Annual coal production in line with the Budget



Weighted Average Stripping Ratio (SR)



Note : B stands for Budget Figure

Weighted Average SR (:1)	3Q23	4Q23B	4Q23
TSA/FKP	12.1	12.3	12.7
PIK	7.0	7.3	6.8
WBM	19.3	11.3	16.1
Tabang (BT, FSP, TA, BAS)	3.9	3.8	3.1
GBP	-	18.1	-
Total	5.2	5.2	4.2

➤ 4Q23 weighted average stripping ratio was lower than the Budget and 3Q23 due to:

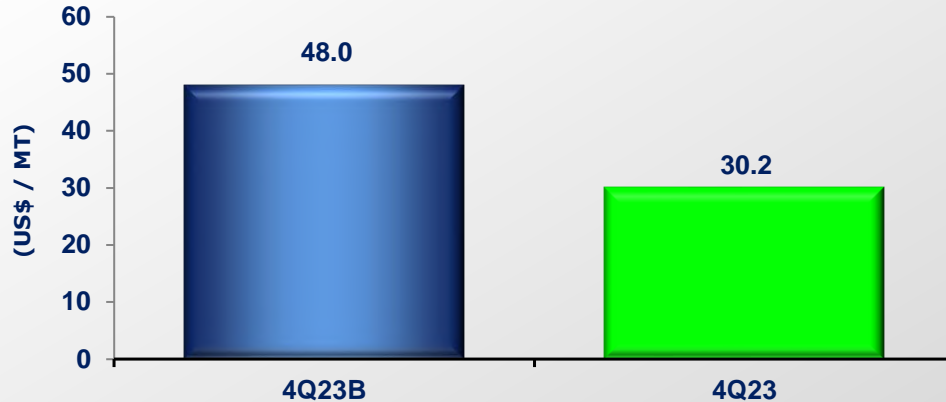
- Tabang receiving the revised RKAB's in October 2023 which had necessitated pre-stripping in 3Q23 and allowing sufficient coal extraction in 4Q23 to meet sales commitment at lower SR.

➤ 2023 stripping ratio of 4.4 was in line with Budget of 4.5.

Annual stripping ratio in line with the Budget



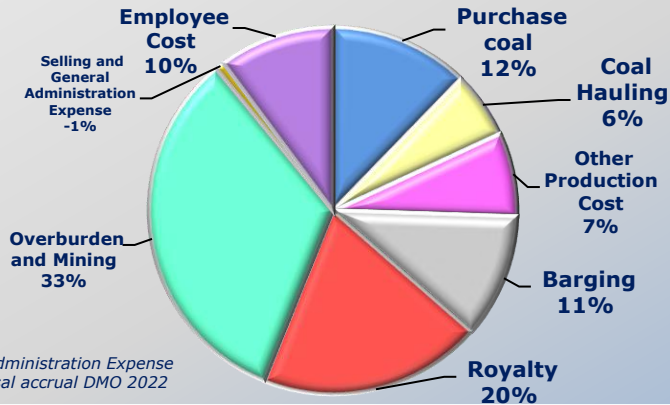
Average Cash Costs (Budget vs Actual)



Average Cash Costs include Royalty, Barging and SGA

Note : B stands for Budget Figure

Cash Cost per Expense – 2023



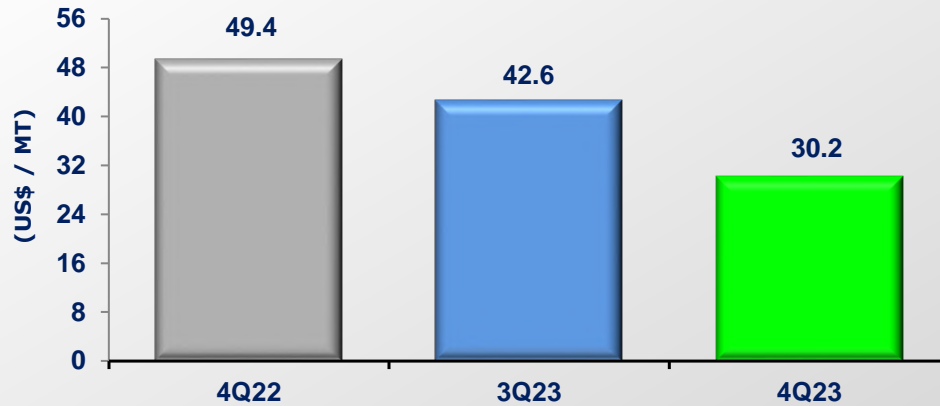
Note:
(1) Selling and General Administration Expense in 2023 include reversal accrual DMO 2022

- 4Q23 Cash Costs were significantly lower than Budget due to:
 - Lower DMO expense due to reversal of 2022 and 2023 accruals in November 2023 due to new regulation.
 - Lower royalty than Budgeted due to lower ASP combined with lower effective rate.
 - Lower OB costs due to lower average SR, lower overhaul distance and lower than Budgeted fuel prices.
 - Lower than Budgeted actual plane charters.
- Full year cash costs of US\$ 40.2/MT were significantly lower than the Budget of US\$ 50.2/MT (after taking out DMO reversal full year cash costs were USD 41.8/MT).

2023 cash costs were significantly lower than the Budget



Average Cash Costs (4Q23 vs 3Q23)



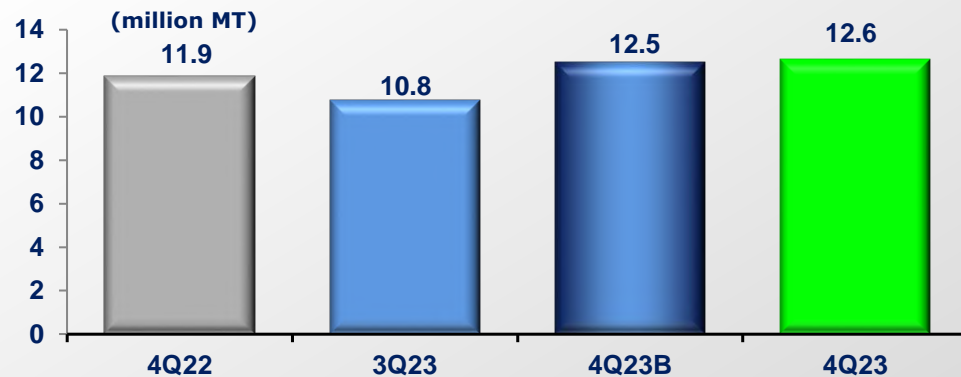
Average Cash Costs include Royalty, Barging and SGA

- **4Q23 Cash Costs of US\$ 30.2/MT were lower than 3Q23 of US\$ 42.6/MT due to:**
 - **Material reversal of DMO accrual for 2022 and 2023.**
 - **Higher sales volume that decreased certain unit costs including OB costs.**
 - **Lower SR achieved as revised RKAB's received and prestripping stopped.**
 - **Lower royalty due to lower effective rate than 3Q23.**

4Q23 cash costs were significantly lower than the 3Q23 levels

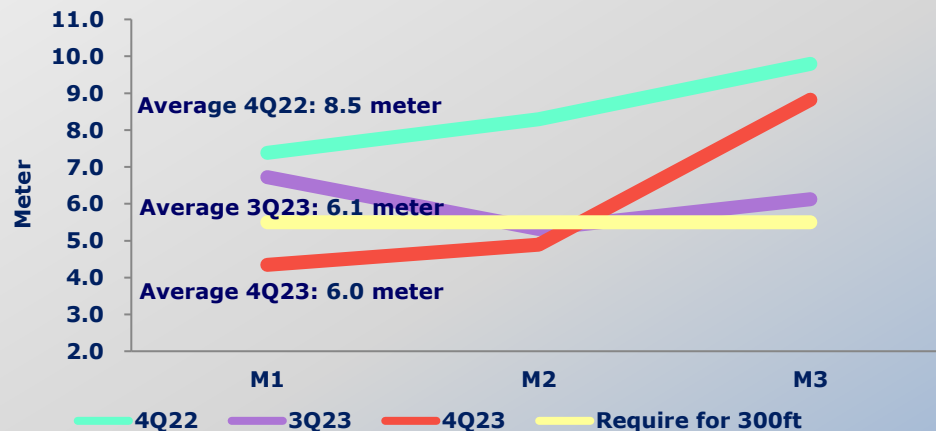


Coal Sales (by volume)



Note : B stands for Budget Figure

Average Senyuir Water Levels



➤ 4Q23 coal sales volumes of 12.6 million MT in line with the Budget but higher than 3Q23 due to lower water levels in 3Q23.

➤ Group inventory levels increased to 6.3 million MT as at the end of December 2023.

➤ Quarterly barging at Tabang

Senyuir:

- 4Q22: 9.4 million MT.
- 3Q23: 8.6 million MT.
- 4Q23: 8.0 million MT.

Muara Pahu :

- 3Q23: 0.2 million MT.
- 4Q23: 1.9 million MT.

➤ Total sales volumes reached 47.2 million MT, an increase of 18% over 2022 levels.

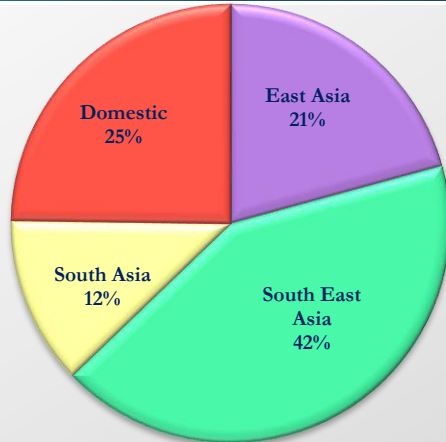
4Q23 sales volume was higher than 3Q23



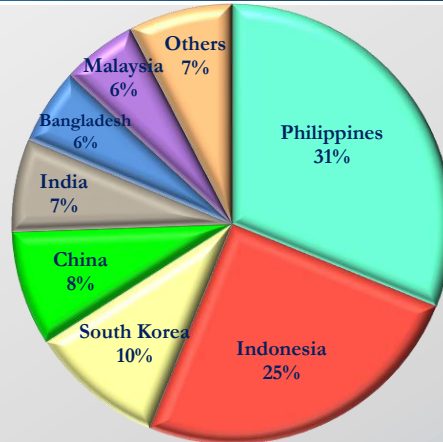
Coal Sales (by volume) (continued)

Geographic Distribution (2023) – by Volume

Per Region

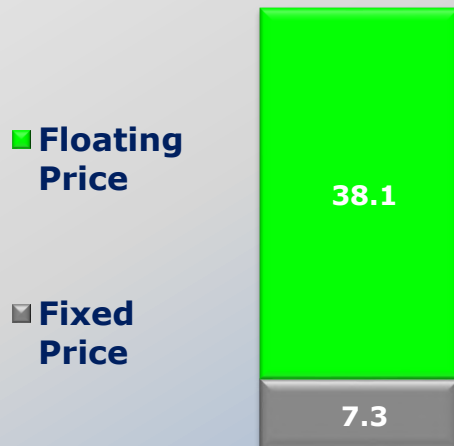


Per Country



➤ The Company is focusing on continuing to build its long term contracts within Indonesia and with other South East Asian IPP's.

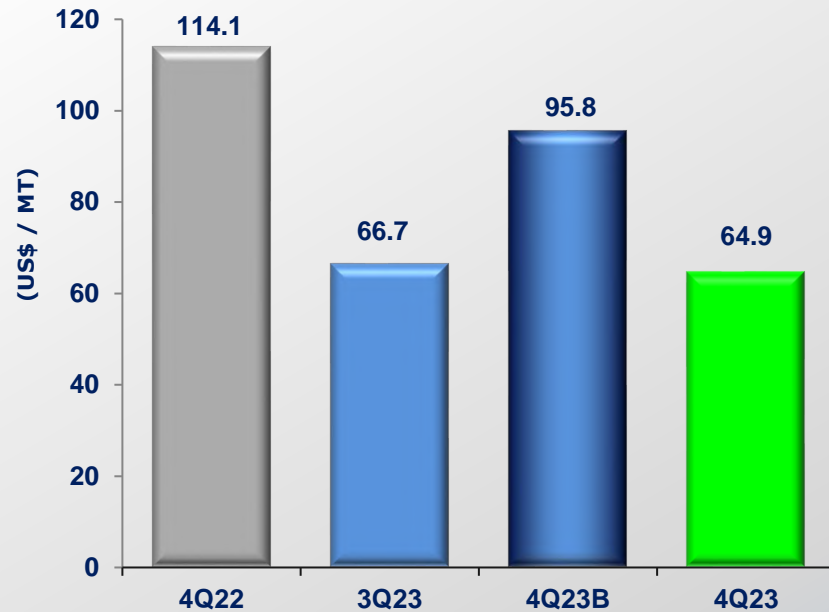
Committed and Contracted Sales for 2024



➤ As at mid December 2023, committed and contracted sales for 2024 were 45.4 million MT with an average CV of 4,324 kcal/kg GAR.



Average Selling Price (ASP)



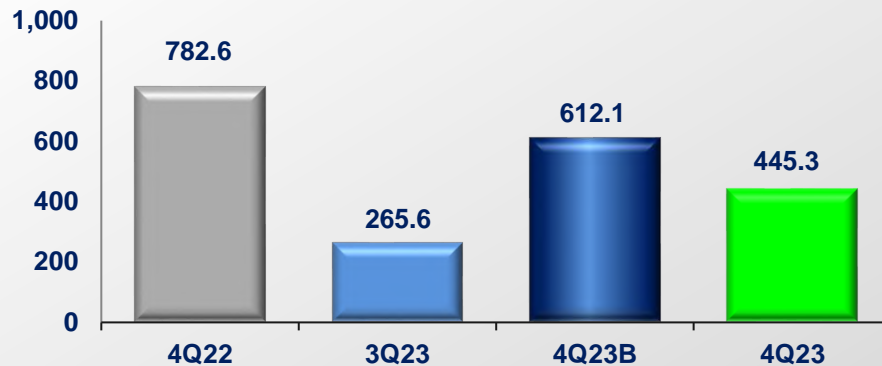
* ASP includes coal and non-coal sales
Note : B stands for Budget Figure

- 4Q23 ASP of US\$ 64.9/MT was significantly lower than the Budget and slightly lower than 3Q23.
- Full years ASP of US\$ 75.8/MT.

Market prices have continued to drop in the 4Q23

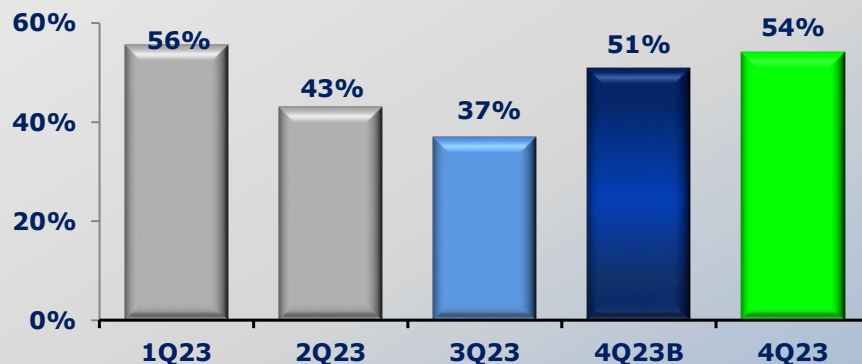


EBITDA



Note : B stands for Budget Figure

EBITDA Margin



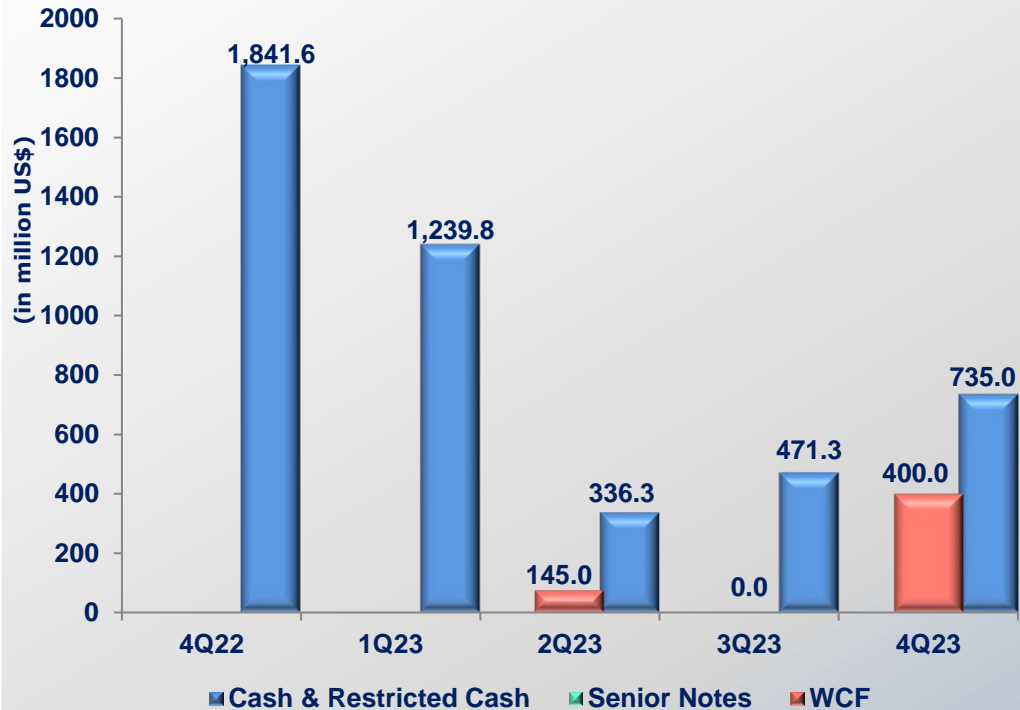
Note : B stands for Budget Figure

- 4Q23 EBITDA was lower than the Budget due to a combination of significantly lower ASP partially offset by significantly lower cash costs.
- 4Q23 EBITDA was higher than 3Q23 due to a significantly lower cash costs combined with higher sales volumes.
- 4Q23 EBITDA margins however remain at healthy levels.
- Full years EBITDA reached US\$ 1,718.9 million

One of the best EBITDA margin's in Indonesian coal sector



Total Debt and Cash Position

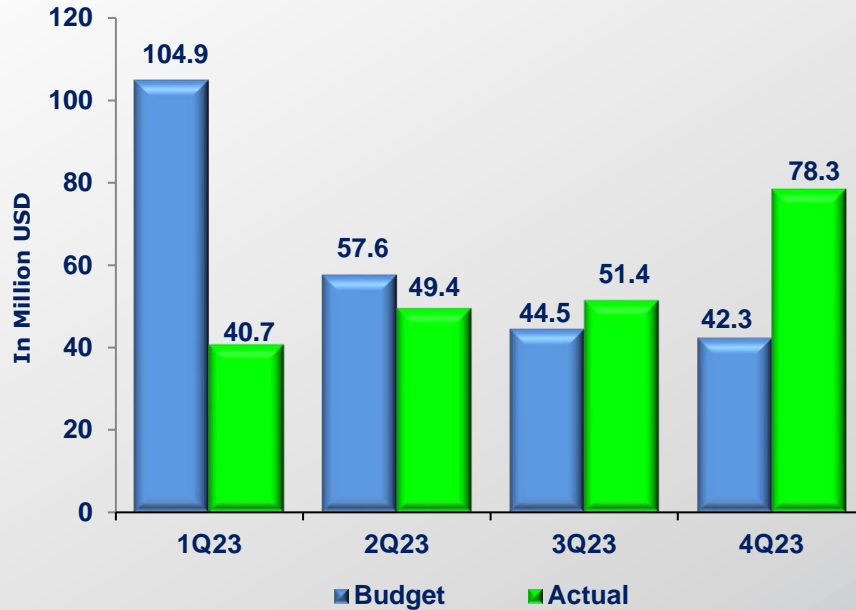


- Drawdown of US\$ 145 million of Working capital facilities in April 2023 and fully repaid in July 2023.
- New drawdown of US\$ 400 million of Working capital facilities in December 2023.
- Working capital facilities of approximately US\$ 200 million remain available.
- Continued to be net cash positive since 1Q21.
- Increased facilities with Mandiri and Permata in November and December 2023 and signed a new facility with BCA in December 2023.

Bayan continues to maintain low leverage and sufficient liquidity



Capital Expenditure



- **4Q23 Capex was US\$ 78.3 million, which was higher than the Budget primarily due to the realization of delayed projects from previous quarters such as hauling road to Mahakam, jetty Muara Pahu, land preparation airstrip and mega settling pond.**
- **4Q23 spend included:**
 - **US\$ 9.3 million on the purchase of a variety of mobile equipment.**
- **Total 2023 spend was US\$ 219.9 million which was below the Budgeted capex.**

2023 Capex is lower than Budget



Appendix

PT Perkasa Inakakerta	PIK
PT Teguh Sinarabadi	TSA
PT Firman Ketaun Perkasa	FKP
PT Wahana Baratama Mining	WBM
PT Brian Anjat Sentosa	BAS
PT Bara Tabang	BT
PT Fajar Sakti Prima	FSP
PT Dermaga Energi	DE
PT Tanur Jaya	TJ
PT Tiwa Abadi	TA
PT Silau Kencana	SK
PT Orkida Makmur	OM
PT Sumber Api	SA
PT Bara Sejati	BS
PT Apira Utama	AU
PT Cahaya Alam	CA
PT Mamahak Coal Mining	MCM
PT Bara Karsa Lestari	BKL
PT Mahakam Energi Lestari	MEL
PT Mahakam Bara Energi	MBE

Tabang

North
Pakar

South
Pakar

Mamahak



Appendix

Kangaroo Resources Pty Ltd	KRL
PT Dermaga Perkasapratama	DPP
PT Indonesia Pratama	IP
PT Muji Lines	Muji
PT Bayan Energy	BE
PT Metalindo Prosestama	MP
PT Sumber Aset Utama	SAU
PT Karsa Optima Jaya	KOJ
PT Gunungbayan Pratamacoal	GBP
PT Kariangau Power	KP



Disclaimer

This presentation contains forward-looking statements based on assumptions and forecasts made by PT. Bayan Resources Tbk management. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and speak only as of the date they are made. We undertake no obligation to update any of them in light of new information or future events.

These forward-looking statements involve inherent risks and are subject to a number of uncertainties, including trends in demand and prices for coal generally and for our products in particular, the success of our mining activities, both alone and with our partners, the changes in coal industry regulation, the availability of funds for planned expansion efforts, as well as other factors. We caution you that these and a number of other known and unknown risks, uncertainties and other factors could cause actual future results or outcomes to differ materially from those expressed in any forward-looking statement.

Thank You