



PT. BAYAN RESOURCES Tbk.

*Third Quarter 2021
Update Presentation*



Overview

3Q21

- **2021 has been a very strong year as market prices have increased significantly and are currently forecast to remain strong throughout the remainder of the year.**
- **We have utilised this strong financial performance to fully prepay our remaining Bonds and are now in a net cash position.**
- **3Q21 was the highest EBITDA generated ever in Bayan's history primarily due to significantly higher ASP combined with slightly higher sales volume than originally anticipated.**



Bayan's Financial and Operational Performance

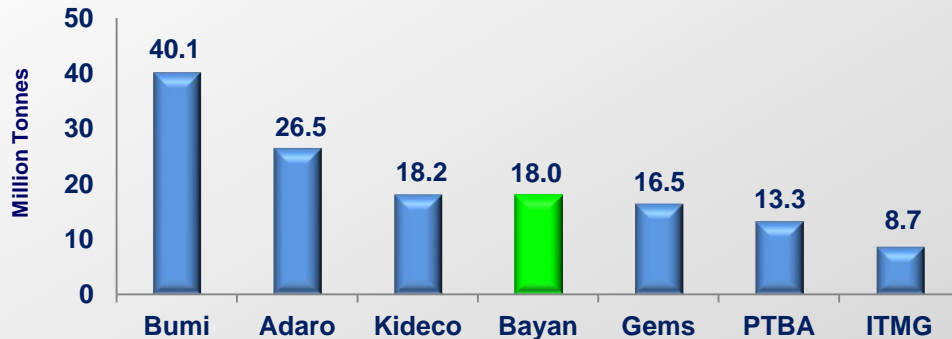
	2020	3Q20	3Q21	YTD 3Q20	YTD 3Q21
Financial Performance (In Million USD)					
Revenue	1,395.1	307.5	725.4	1,003.2	1,749.1
Gross Profit	462.9	113.3	484.8	300.5	1,076.4
EBITDA	356.7	81.2	438.6	219.5	967.3
Net Profit After Tax * ¹	344.5	42.4	321.1	118.2	680.1
Financial Ratios					
Gross Profit Margin (%)	33.2%	36.9%	66.8%	30.0%	61.5%
EBITDA Margin (%)	25.6%	26.4%	60.5%	21.9%	55.3%
Net Profit Margin (%)	24.7%	13.8%	44.3%	11.8%	38.9%
Net Debt to EBITDA (x)	0.1	0.2	Net Cash	0.2	Net Cash
Operational Statistics					
Overburden Removal (MBCM)	120.9	33.8	36.8	92.5	106.8
Strip Ratio (x) - based on production volume	4.0	3.6	4.0	4.3	3.9
Coal Production (MT)	30.2	9.4	9.3	21.5	27.3
Sales Volume (MT)	36.3	8.9	9.6	26.0	29.3
Average Selling Price (US\$/MT)	38.4	34.6	75.4	38.6	59.7
Average Cash Costs (US\$/MT)	28.8	25.6	29.9	30.3	26.8

*1 2020 Includes reversal of impairment provision net USD 165.8 million.



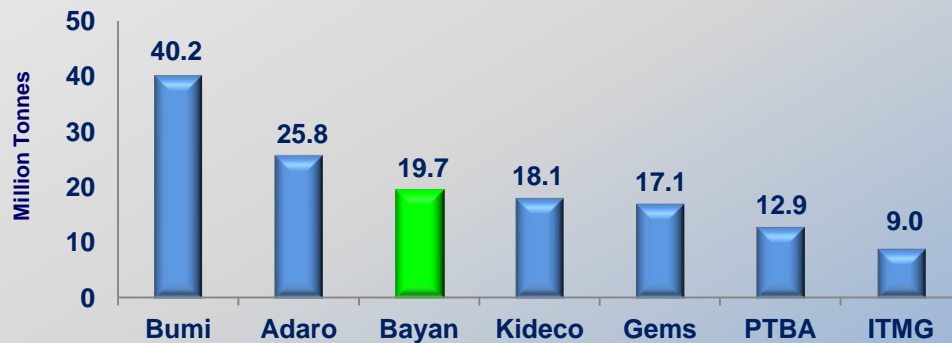
One of the Largest Coal Producers

1H21 Production



Source: Company Filings, Company Data

1H21 Sales Volume



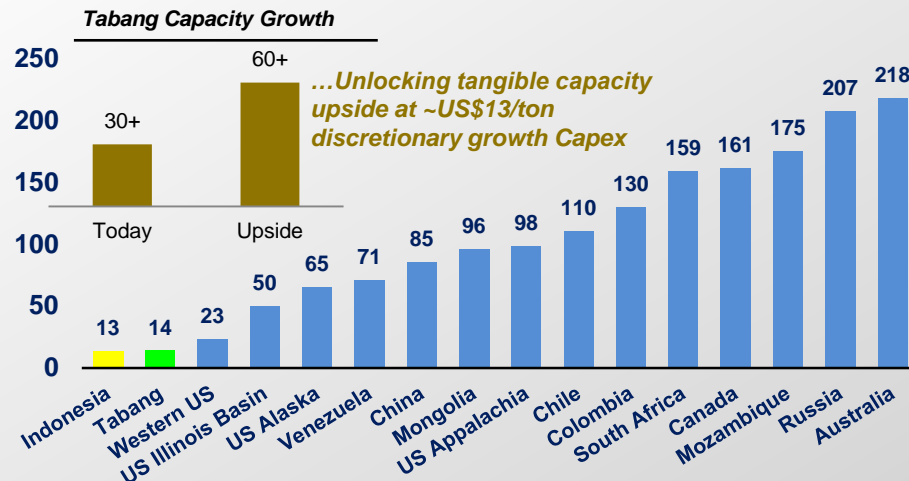
Source: Company Filings, Company Data

- Bayan is one of the top five coal producers by production volume and 3rd in terms of sales volumes in Indonesia.
- Bayan's sales volume will remain at similar to 2021 levels until the new coal haul road to the Mahakam River and the first barge loading facility is completed in 2022.
- This will unleash Bayan's next level of expansion to more than 60 mtpa.



Low Cost Incremental Growth

Capex Intensity by Country ⁽¹⁾



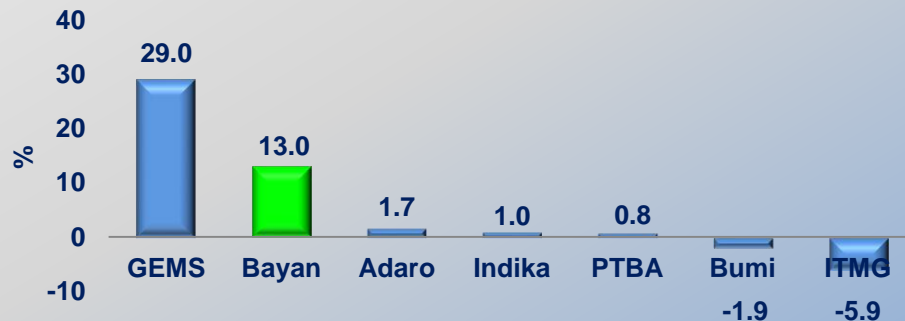
Source: Wood Mackenzie

Notes

(1) Based on 2012 real dollars

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

2017 - 2020 CAGR (Production)



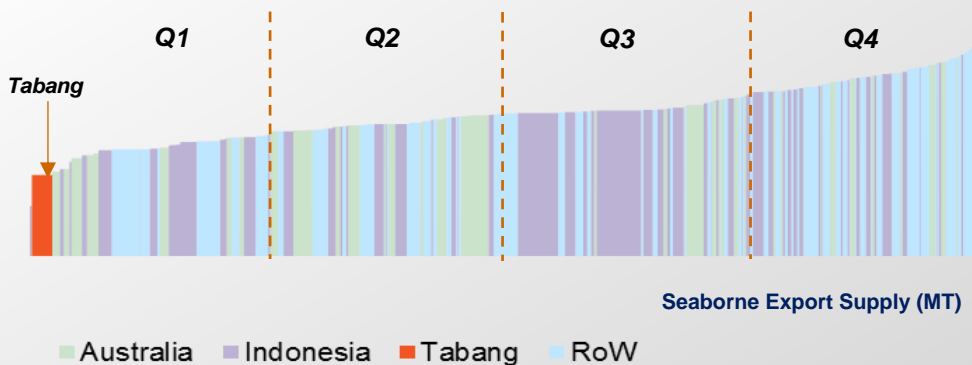
Source: Company Filings, Company Data

- Construction of the new haul road commenced in December 2019 and is progressing albeit slightly behind schedule.
- Despite the impacts of the COVID-19 pandemic and the high rainfall throughout 2021, our new coal haul road and the first barge loading facility is still targeted to be brought into operation by the end 2022. Once all three barge loaders have been completed in 2023 this will add an additional 25-30 million MT to our existing capacity.
- Total forecasted capex in the region of USD 505 million (2021-2023) for the Group, of which US\$ 412 million is expansionary capex tied to the Tabang Project and upgrading the BCT.



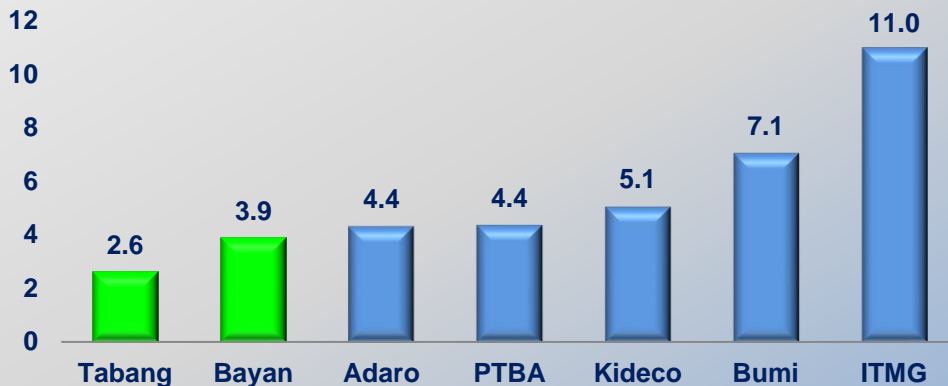
One of the Lowest Cost Producers in Indonesia

Global Cost Competitive Positioning



Source: Wood Mackenzie, Company Data

1H21 Strip Ratio



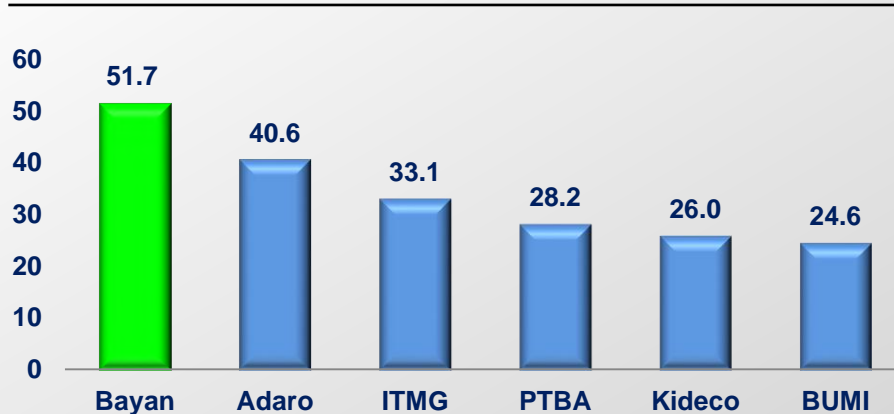
Source: Company Filings, Company Data

- Tabang is independently rated as one of the world's lowest cost energy-adjusted producers of seaborne thermal coal.
- Tabang has large reserves and a very low Life of Mine (LOM) stripping ratio of 3.8.
- A new JORC reserves statement in 2021 resulted in an increase of 72% in Tabang/North Pakar reserves to 1,475 million MT.
- Tabang has one of the lowest average stripping ratios in Indonesia.



And One of the Highest Margin Producers in Indonesia

1H21 EBITDA Margin (%)

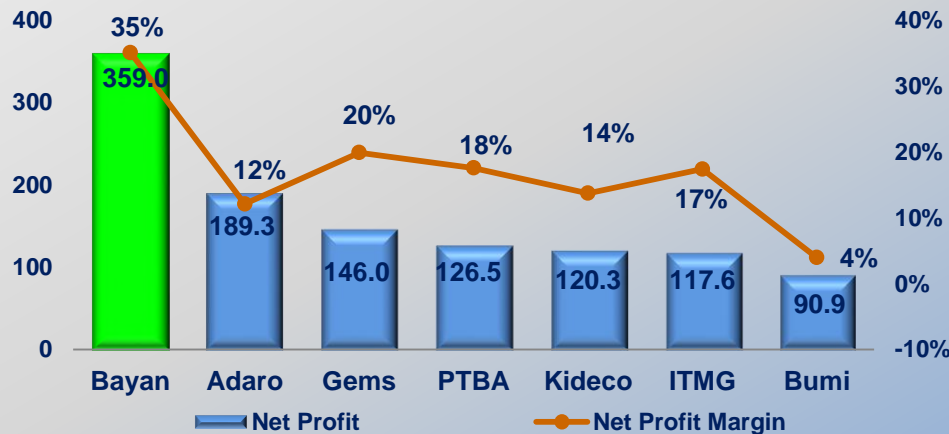


Source: Company Filings, EBITDA estimated using Company Data

➤ 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.

1H21 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, low royalty rates and lower corporate tax than first Gen CCOW's.



Deleveraged the Group

Net Debt / EBITDA



EBITDA / Interest Expense



- In January 2020, the Company issued a 3 year Non-Call Life "NCL" bond of US\$ 400 million to ensure adequate liquidity going forward.
- In 3Q21 Bayan fully prepaid all the outstanding Bonds.
- Existing Working Capital Facilities of approximately US\$ 300 million are still available.
- Targeted net leverage of less than 2.5x EBITDA throughout the commodity cycle.
- Bayan has been re-assigned independent credit ratings of BB- by Fitch in November 2020 and Ba2 by Moody's in September 2021.



3Q 2021

Overburden Removal

Coal Production

Weighted Average Strip Ratio

Average Cash Costs

Coal Sales

Average Selling Price

Committed & Contracted Sales

EBITDA

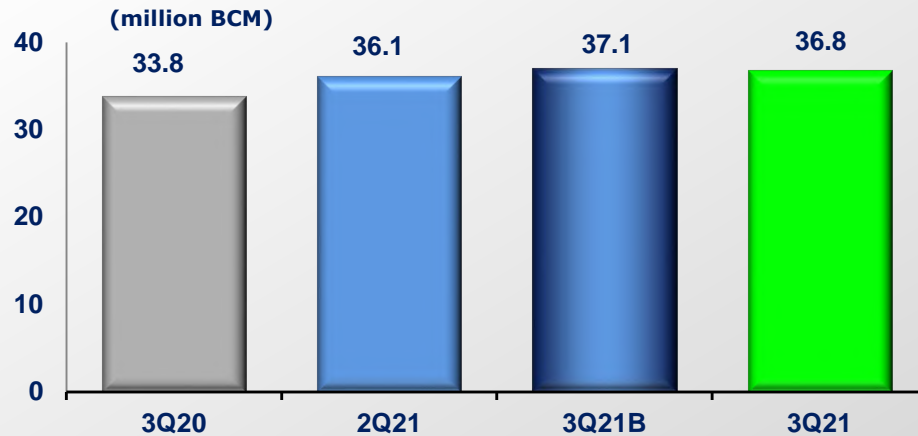
Debt and Cash Position

Capital Expenditure





Overburden Removal (OB)



Note : B stands for Budget Figure

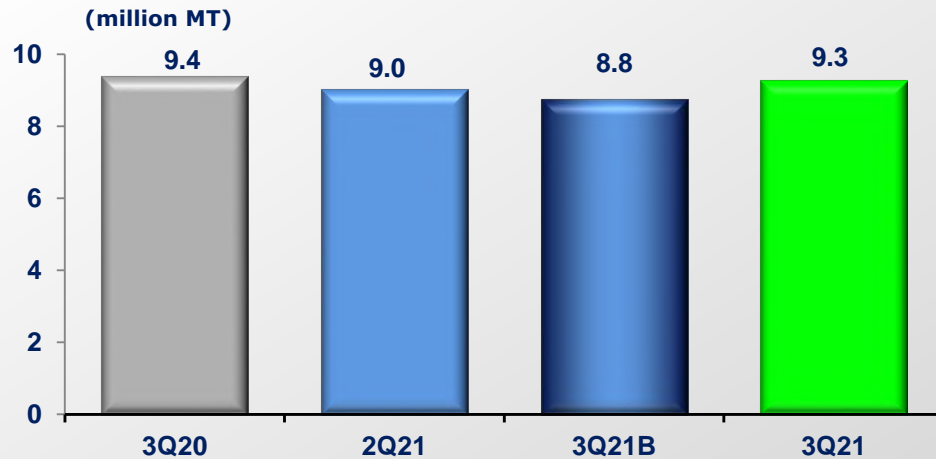
(in million BCM)	2Q21	3Q21B	3Q21
Teguh Sinarabadi / Firman Ketaun Perkasa	8.5	11.1	8.7
Perkasa Inakakerta	1.8	2.0	1.6
Wahana Baratama Mining	4.0	3.6	3.2
Tabang Concessions	21.7	18.6	23.2
Gunungbayan Pratamacoal	-	-	-
Pakar North	-	1.8	-
Total	36.1	37.1	36.8

- 3Q21 OB of 36.8 million BCM was generally in line with the Budget despite significantly higher than Budgeted rainfall.
- 3Q21 OB was generally in line with the 2Q21 due to higher rainfall offset by an additional 4 fleets utilised in Tabang, as site targets to increase production in the 2H21.
- Tiwa Abadi commenced overburden stripping in the quarter. Tiwa Abadi is the first of the Pakar North concession to commence production.

Overburden was generally inline with Budget and 2Q21 levels



Coal Production



Note : B stands for Budget Figure

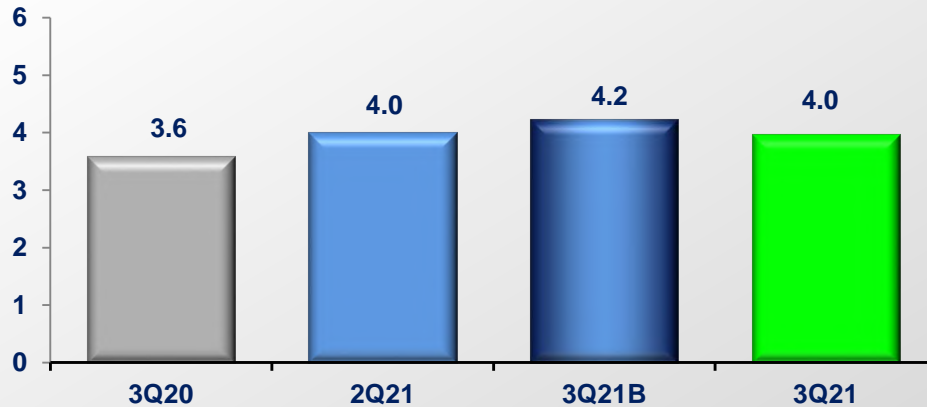
(in million MT)	2Q21	3Q21B	3Q21
Teguh Sinarabadi/ Firman Ketaun Perkasa	0.8	0.9	0.7
Perkasa Inakakerta	0.3	0.3	0.3
Wahana Baratama Mining	0.2	0.2	0.3
Tabang Conssesions	7.7	7.0	8.0
Gunungbayan Pratamacoal	-	-	-
Pakar North	-	0.3	-
Total	9.0	8.8	9.3

- 3Q21 coal production of 9.3 million MT was slightly higher than the Budget due to site pushing to reach revised RKAB levels and take advantage of higher water levels than anticipated through additional coal barging.
- 3Q21 coal production was marginally higher than the 2Q21.

Coal production was 6% over Budget



Weighted Average Stripping Ratio (SR)



Note : B stands for Budget Figure

Weighted Average SR (:1)	2Q21	3Q21B	3Q21
Teguh Sinarabadi / Firman Ketaun Perkasa	10.8	12.2	12.0
Perkasa Inakakerta	6.4	6.1	5.4
Wahana Baratama Mining	16.9	14.5	11.1
Tabang Concessions	2.8	2.7	2.9
Gunungbayan Pratamacoal	-	-	-
Pakar North	-	7.0	-
Total	4.0	4.2	4.0

➤ 3Q21 weighted average stripping ratio was slightly lower than the Budget due to:

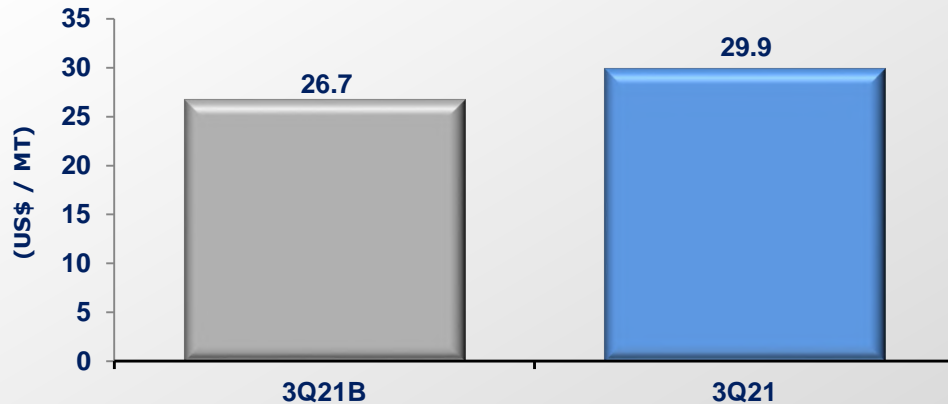
- Slight delay in the commencement of Pakar North Production.
- Lower SR at WBM.

➤ 3Q21 weighted average stripping ratio was in line with 2Q21.

3Q21 weighted average stripping ratio was 6% lower compared to Budgeted SR



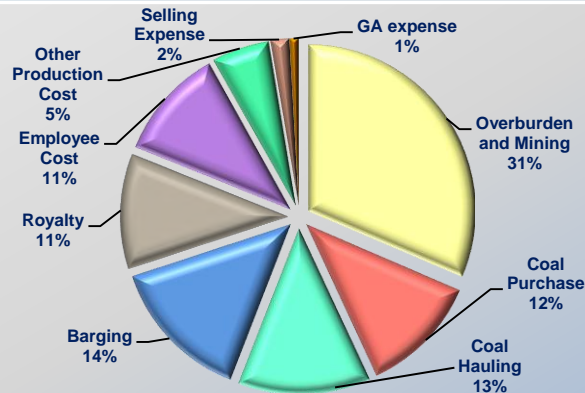
Average Cash Costs (Budget vs Actual)



Average Cash Costs include Royalty, Barging and SGA

Note : B stands for Budget Figure

Cash Cost per Expense – 3Q21



➤ 3Q21 Cash Costs were US\$ 29.9/MT which was higher than the Budget due to:

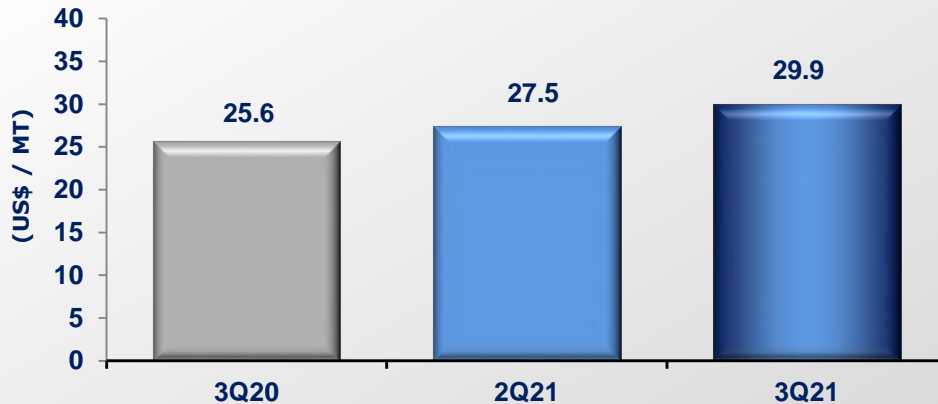
- Higher unit costs of purchased coal due to higher market price. This coal has been used to blend with our Tabang coal to take advantage of arbitrage opportunities at different specifications.
- Higher wages and salaries due to second installment of annual bonuses at an increased level as a result of better performance.
- Higher royalties due to higher than Budgeted ASP.

Partially offset by Lower Overburden costs due to higher sales volume and slightly lower average SR than Budgeted.

3Q21 cash costs were higher than the Budget



Average Cash Costs (2Q21 vs 3Q21)



Average Cash Costs include Royalty, Barging and SGA

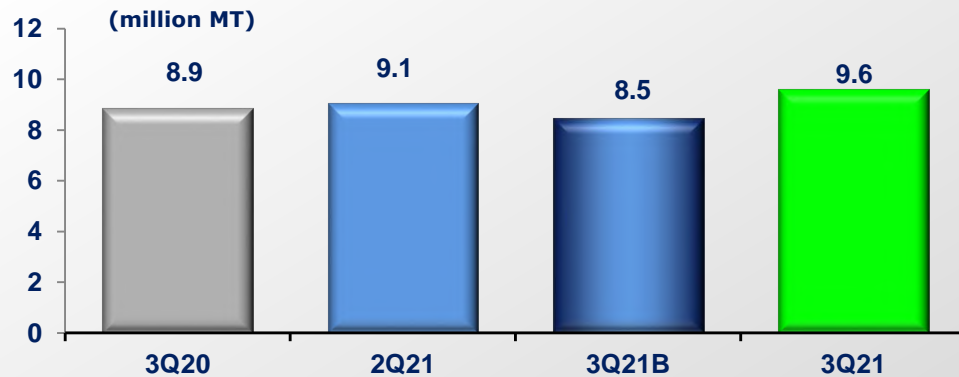
➤ **3Q21 Cash Costs of US\$ 29.9/MT were higher than 2Q21 of US\$ 27.5/MT due to:**

- Higher unit cost of coal purchases due to higher purchase price than 2Q21 as market prices continued to increase.
- Higher wages and salaries due to higher payment of second installment of annual bonuses than 2Q21.
- Higher royalty due to higher ASP than 2Q21.
- Higher fuel costs than the 2Q21, as we booked proceeds of termination of fuel hedge in 2Q21.

3Q21 cash costs increased from 2Q21 levels

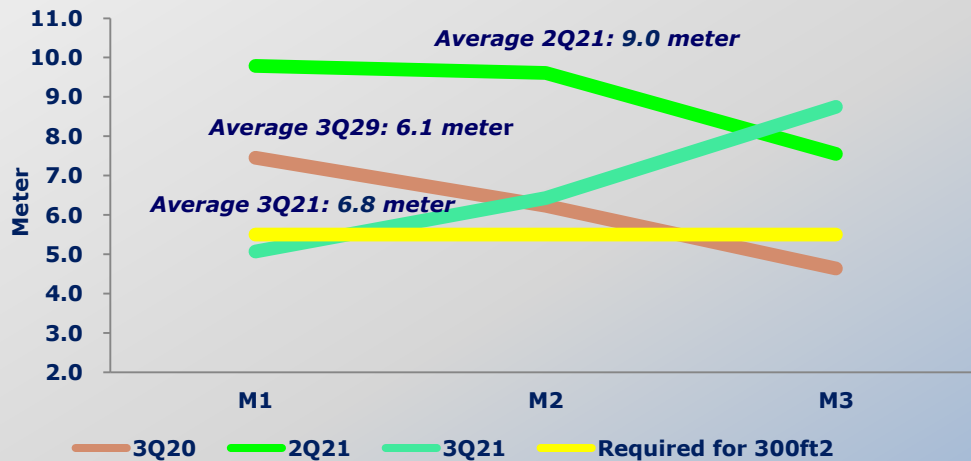


Coal Sales (by volume)



Note : B stands for Budget Figure

Average Senyuir Water Levels



- 3Q21 coal sales volumes of 9.6 million MT were higher than the Budget and 2Q21.
- Group inventory levels of 2.5 million MT as at the end of September 2021.
- Quarterly barging at Tabang - Senyuir:
 - 3Q20: 6.7 million MT.
 - 2Q21: 7.1 million MT.
 - 3Q21: 7.7 million MT.

3Q21 sales volume was 13% higher than the Budget

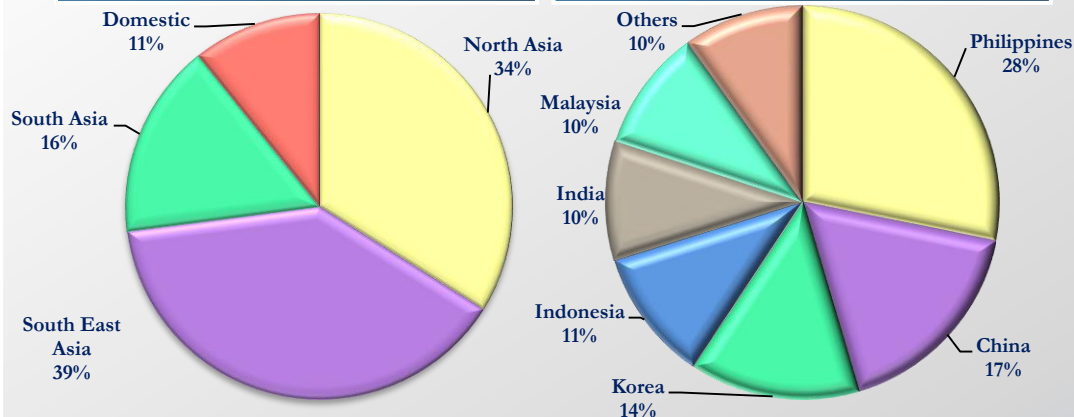


Coal Sales (by volume) (continued)

Geographic Distribution (YTD 3Q21) – by Volume

Per Region

Per Country



Committed and Contracted Sales for 2021

39.3 million MT



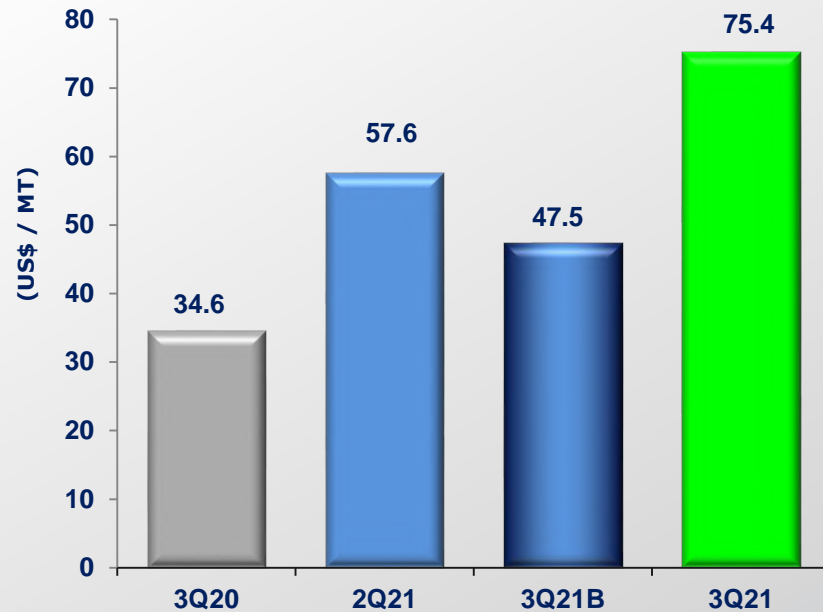
➤ The Company is focusing on continuing to build its long term contracts to Indonesian and other South East Asian IPP's.

➤ As at 1 October 2021, committed and contracted sales were 39.3 million MT for 2021 with an average CV of 4,558 kcal/kg GAR.

➤ Excluding YTD 3Q21 deliveries we have 2.9 million MT of fixed prices contracts for the remainder of the year at an average CV of 4,394 kcal/kg GAR at USD 67.5/MT.



Average Selling Price (ASP)



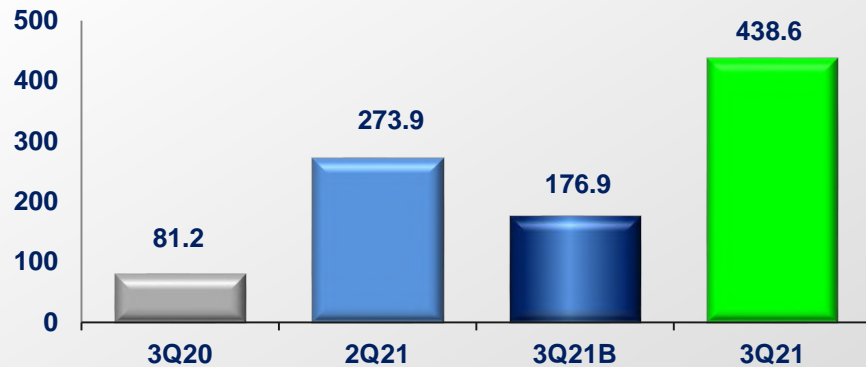
* ASP includes coal and non-coal sales
Note : B stands for Budget Figure

- **3Q21 ASP of US\$ 75.4/MT was significantly higher than the Budget and 2Q21 due to market prices continuing to strengthen during the 3Q21.**
- **Current forecast by Wood Mackenzie are for market prices to remain strong (and above Budgeted levels) for the remainder of 2021.**
- **ASP anticipated to increase in 4Q21 as we continue to benefit from strong market prices.**

ASP continued to increase significantly in 3Q21

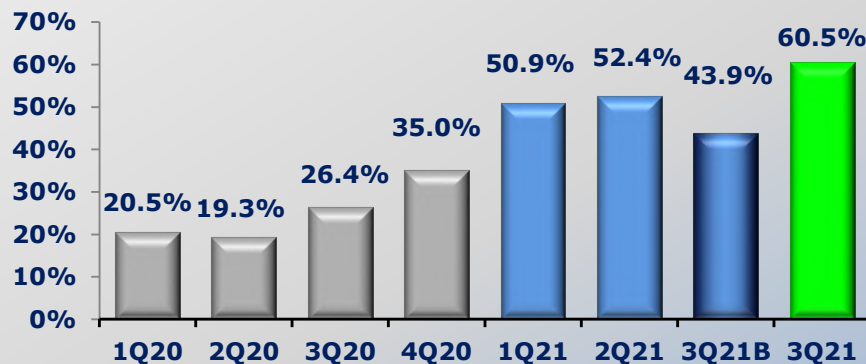


EBITDA



Note : B stands for Budget Figure

EBITDA Margin



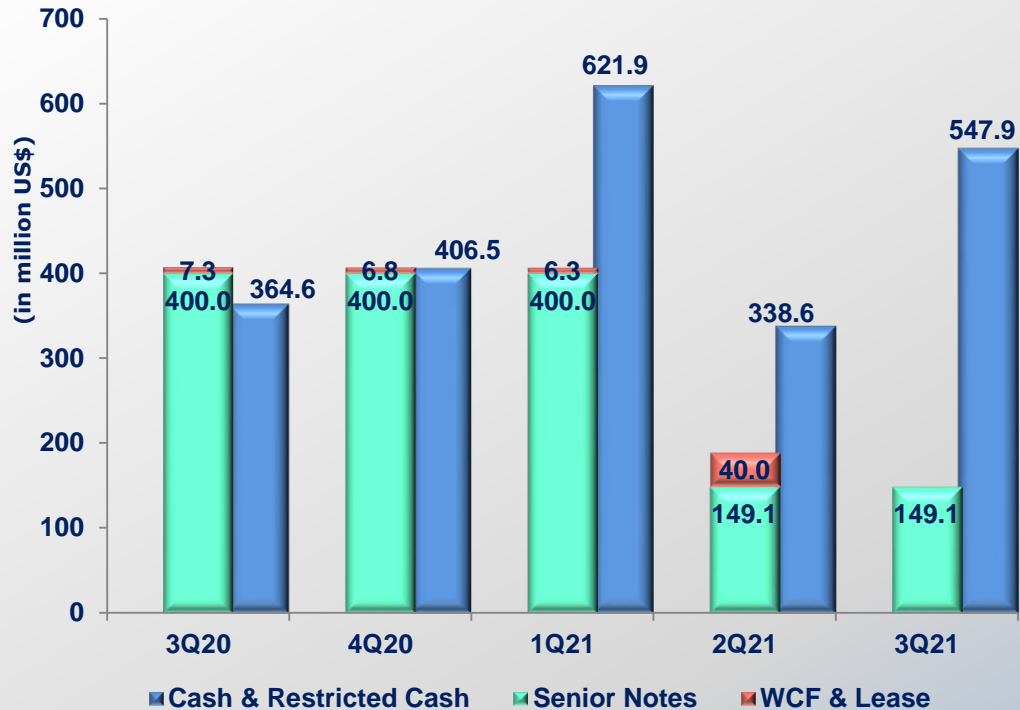
Note : B stands for Budget Figure

- **3Q21 EBITDA significantly increased compared to the Budget and 2Q21 due to significantly higher ASP.**
- **3Q21 EBITDA was the best quarter ever in the history of Bayan.**
- **3Q21 EBITDA margin of 60.5% represents one of the best margins in the Indonesian coal sector.**

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



Total Debt and Cash Position

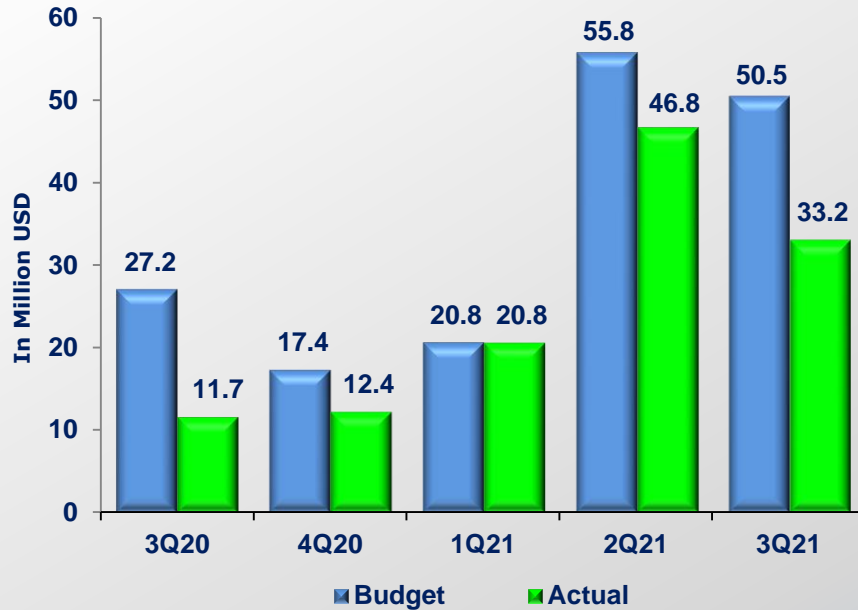


- Issued US\$ 400 million 3NCL Bonds at 6.125% coupon on 24 January 2020.
- Bayan bought back US\$ 250.9 million on 18 May 2021.
- Working capital facilities of approximately US\$ 300 million remain available.
- Turned net Cash from 1Q21.
- On 21 October 2021, Bayan fully repaid the remaining US\$ 149.1 million of Bonds.

Bayan continues to maintain low leverage and sufficient liquidity



Capital Expenditure



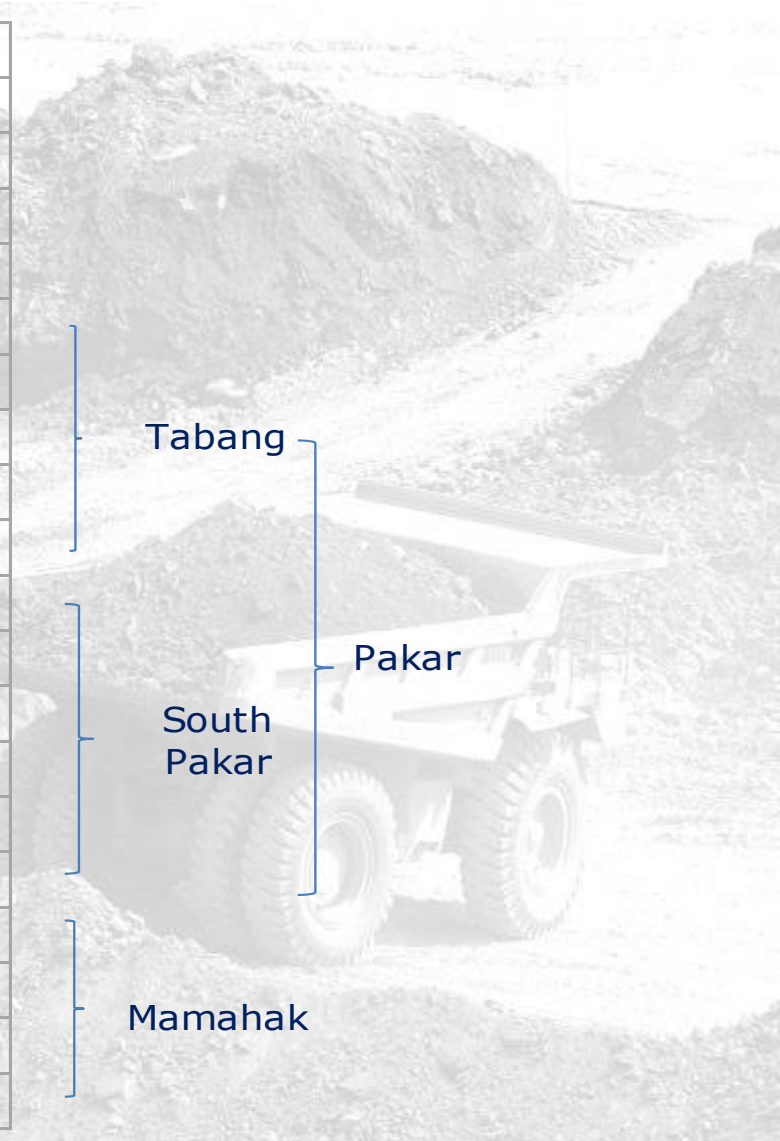
- YTD Capex 2021 was US\$ 100.8 million, which was below the Budget (US\$ 127.1 million) due to slower than Budgeted progress on the new Tabang 100km coal hauling road and barge loading facilities primarily as a result of the high rainfall due to La Nina.
- We continue to expect the haul road and initial barge loading facility to be completed by the end of 2022. The remaining 2 barge loaders will be completed in 2023.
- Major capex in 3Q21 was US\$ 26.5 million in progress payments for ongoing 100km haul road and barge loading facility projects.

3Q21 Capex lower than Budgeted



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





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



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