



# Management Presentation

Q1 Results 2020

Published June 2020

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**01** Company Overview

02 Competitive Advantages

03 Business Updates

04 Financial Performance

# Philosophy

<b>Vision</b>	<b>Mission</b>	<b>Values - PRIDE</b>	<b>Top Five Priorities</b>
To be the most desirable company that continuously grows and expands by utilizing natural resources for the benefit of life	<ol style="list-style-type: none"><li>1. Give the best for the stakeholder</li><li>2. Integrity and committed to quality, health and safety environment, and good corporate governance</li><li>3. Enhance Total Customer Solution (TCS)</li><li>4. Expand the business area coverage and development of product, service and technology</li></ol>	<ul style="list-style-type: none"><li>• <b>P</b>rofessionalism</li><li>• <b>R</b>ighteousness</li><li>• <b>I</b>nnovation</li><li>• <b>D</b>iversity</li><li>• <b>E</b>ntrepreneurship</li></ul>	<ul style="list-style-type: none"><li>• Human Capital Development</li><li>• Management Control System</li><li>• Operational Excellence</li><li>• Impactful Marketing Initiatives</li><li>• Service Excellence</li></ul>

# Milestones



1916	1924	1958	1971	1996	2004	2008	2010-2015	2016	2017	2018	2019
NV WA Hoek Machine en Zuurstof established first O2 plant in Jakarta	NV Javasche Koelzoor established first CO2 plant in Surabaya	Both companies were nationalized by the Gov't of Indonesia and transformed into PN Zatas and PN Asam Arang	PN Zatas and PN Asam Arang were merged and renamed to Aneka Gas Industri/AGI (State-owned Enterprise)	A portion of AGI shares was sold to Messer Griesheim GmbH (40%) and PT Tira Austenite (10%).	SAMATOR (Domestically Owned Private Company) wholly acquired AGI	AGI issued 1 <sup>st</sup> Bond & Sukuk to support business expansion plans	AGII had rapid expansion by opening plants around Indonesia Issued its 2 <sup>nd</sup> Bond & Sukuk in 2012	AGI became the 1 <sup>st</sup> public industrial gas company in Indonesia ("AGII")	AGII issued shelf registration I bonds and sukuk of 2017 phase 1 and 2	AGII acquired 24.9% share ownership of PT Samator Gas Indonesia	National network includes a total of 44 Plants and 104 Filling Stations in 26 Provinces in Indonesia
1 (one) Plant	4 (Four) Plants	7 (Seven) Plants	7 (Seven) Plants	7 (Seven) Plants	11 Plants	16 Plants	41 Plants	44 Plants	44 Plants	44 Plants	44 Plants

# Company Highlights

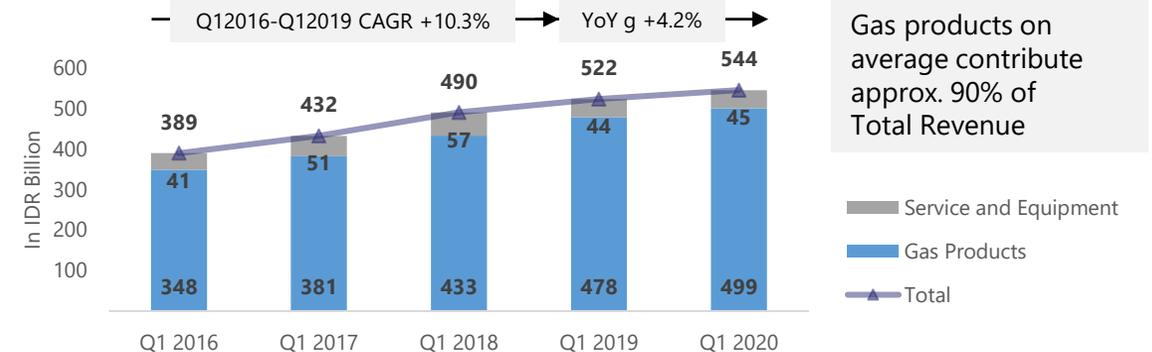
## Business Overview

- Own 44 plants and 104 filling stations in 26 provinces across Indonesia as of 31 Dec 2019
- Engage in 4 (four) business lines
  - Industrial gas production;
  - Industrial gas trading;
  - Industrial gas equipment trading; and
  - Industrial gas installation
- Gas products are delivered through on-site plants, pipelines, bulk and cylinder
- Rated A-(idn) with Stable Outlook by Fitch Ratings Indonesia as of 27 Feb 2020
- Owned and managed by the SAMATOR Group

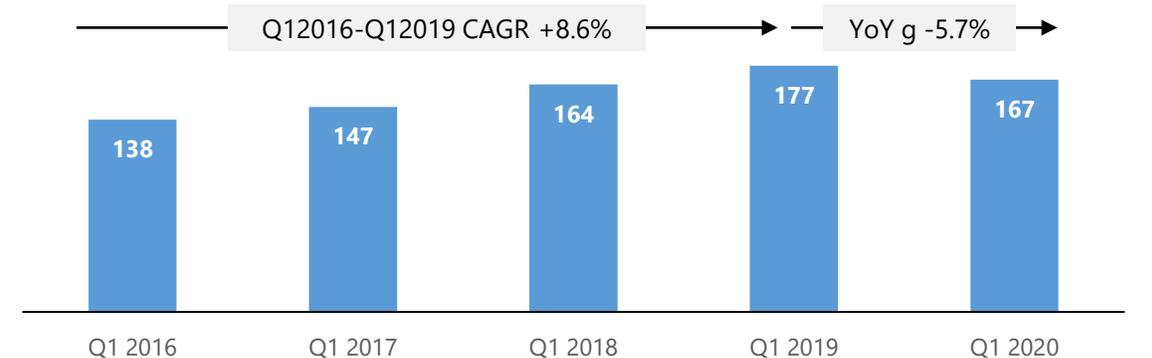
## Business Highlights

	Products/Services	Key Products/Services
<b>Gas Products</b>	<ul style="list-style-type: none"> <li>Air Gas</li> <li>Fuel Gas</li> <li>Rare Gas</li> <li>Mixed Gas</li> <li>Synthetic Gas</li> <li>Specialty Gas</li> </ul>	<ul style="list-style-type: none"> <li>Oxygen (O<sub>2</sub>)</li> <li>Nitrogen (N<sub>2</sub>)</li> <li>Argon (Ar)</li> </ul>
<b>Gas Equipment Installation</b>	<ul style="list-style-type: none"> <li>Gas Equipment Installation</li> <li>Medical Equipment Trading</li> </ul>	<ul style="list-style-type: none"> <li>Medical Gas Equipment</li> <li>Gas Piping</li> </ul>

## Revenue Contribution



## EBITDA



as of March 31<sup>st</sup> 2020

# Products and Services

## Air Gas

Oxygen\*  
Nitrogen\*  
Argon\*

## Specialty gas

Sulphur  
Hexafluoride  
**Sterilization\***  
Ammonia  
Refrigerant Gas

## Rare gas

Helium  
Neon  
Krypton  
Xenon

## Synthetic gas

Hydrogen\*  
Acetylene\*  
Carbon Dioxide\*  
Carbon Monoxide  
Nitrous Oxide\*  
Ethylene Oxide\*  
Sulphur Dioxide

## Mixed gas

CNG Mixed Gas  
Environmental  
Calibration Gas  
Engine Exhaust  
Emission

## Fuel gas

Liquid Propane  
Natural Gas  
Liquid Petroleum

## Others

**Medical Gas  
installation services \***  
Industrial gas equipment  
trading (ie. storage tank,  
cylinder tank, etc.)

**\*Products manufactured by AGI**



# Industrial Gas Application

Type of Gas	Selected Applications	Production Process
 <p>Oxygen</p>	<ul style="list-style-type: none"> <li>• Medical services such as for respiratory support purposes</li> <li>• Metal fabrication</li> <li>• Steel manufacturing</li> <li>• Live fishery</li> </ul>	<p>Atmospheric air is separated in an Air Separation Plant to obtain Oxygen, Nitrogen and Argon.</p>
 <p>Nitrogen</p>	<ul style="list-style-type: none"> <li>• Food industry for IQF (Individual Quick Frozen)</li> <li>• MAP (Modified Atmosphere Packaging)</li> <li>• Petroleum recovery and refining</li> <li>• Glass manufacturing</li> </ul>	
 <p>Argon</p>	<ul style="list-style-type: none"> <li>• Lighting</li> <li>• Metal fabrication</li> <li>• Steel manufacturing</li> </ul>	
 <p>Carbon Dioxide</p>	<ul style="list-style-type: none"> <li>• Food and beverage such as in carbonated drinks</li> <li>• Metal fabrication</li> <li>• Enhanced oil recovery (EOR) for oil and gas industry</li> <li>• Waste water treatment</li> </ul>	<p>Carbon dioxide is produced from steam reforming or recovered from purification of the waste gases produced during processing of natural gas.</p>
 <p>Hydrogen</p>	<ul style="list-style-type: none"> <li>• Steel Industry</li> <li>• Aviation and aerospace</li> <li>• Petrochemicals, oleochemical, alternative fuels and fuel cells</li> </ul>	<p>Hydrogen is produced from the electrolysis of water and steam reforming from natural gas, oil or coal.</p>
 <p>Other Gases</p>	<ul style="list-style-type: none"> <li>• Acetylene, Nitrous Oxide, Helium, Ethylene Oxide, Sterilization Gas, etc.</li> </ul>	

# Distribution Method



On Site Plant



Pipeline



Cylinder (Packaged)



Bulk



# Business Strategy

## Operation Monitoring

- › Use real-time online monitoring platform for production & storage facilities developed by 3rd party

## Supply Chain Monitoring

- › Apply GPS and Telemetry system to monitor distribution efficiency and ensure on-time delivery
- › Enable on-site monitoring to ensure uninterrupted gas supply

## Human Resources

- › Develop Human Resource Information System (HRIS) to ensure staff competencies are up-to-date

**1** Continue business development in ecosystem & **strengthen competitive advantages**

## Integrated Services

- › Expand Medical Equipment Trading & Medical Installation Business

CARECOM MIURA

C&U CENTRAL UNI telecom PNEUMATIC TUBE SYSTEMS

ESCO industries

**2** Improve productivity & supply chain efficiency by leveraging technology & innovation

Capitalize on **first-mover advantage** to maintain market leadership position

**3**

## First Mover

- › Establish a strong network able to serve all 34 provinces in Indonesia
- › Develop more industrial gas applications as well as product variety
- › Maintain position as market leader in Sumatra, Java, Kalimantan and Sulawesi by ensuring product supply
- › Produce industrial gas which has limited supply in the market
- › Invest in research and development

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# Competitive Advantages

- 01** The First and Largest Industrial Gas Company
- 02** Market Leader in Medical Gas Sector
- 03** Well-diversified End Customer Base
- 04** Nationwide Distribution Network
- 05** Integrated Operational Activity
- 06** International Network
- 07** Experienced Management



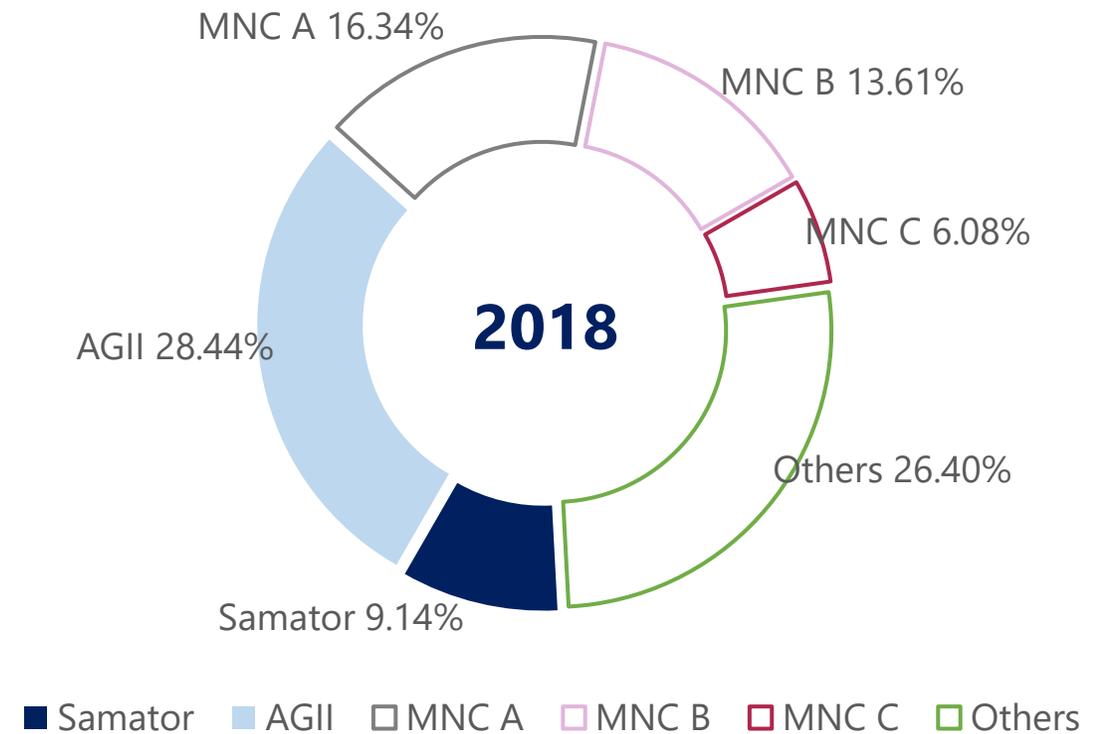
# 1. The First and Largest Industrial Gas Company

Largest Market Share\* by Revenue

## AGII is pioneer and market leader of the nation's industrial gas business

- ✓ Together with Samator Group (parent company), AGII holds a total market share of 38% as of FY2018
- ✓ The company aims to maintain this by ensuring a well-positioned distribution network in Indonesia

Industrial Gas Market Share in Indonesia



\*Source: Gasworld, 2019

# 2. Market Leader in Medical Gas Sector

## Providing Total Customer Solution to Healthcare Clients

### Total Customer Solutions For Healthcare Establishments

- AGII not only provides medical gas, but also provides medical equipment as well as construction & installation services for medical gas infrastructure
- We held 75 to 80% market share in the medical gas sector\*
- Approx. 60%-65% of our hospital clients also procures our installation services
- Our healthcare businesses are managed under umbrella contracts with major hospital groups in Indonesia, including both private and SOE hospitals, providing solutions to and growing with these customer groups nation-wide



- Oxygen (respiratory gas)
- Nitrous oxide (N<sub>2</sub>O)
- Medical gas air
- Medical gas nitrogen
- Medical CO<sub>2</sub>
- Lung function mix gases
- Blood analyzer calibration gas
- Surgery Laser Gas
- Cryopreservation gas



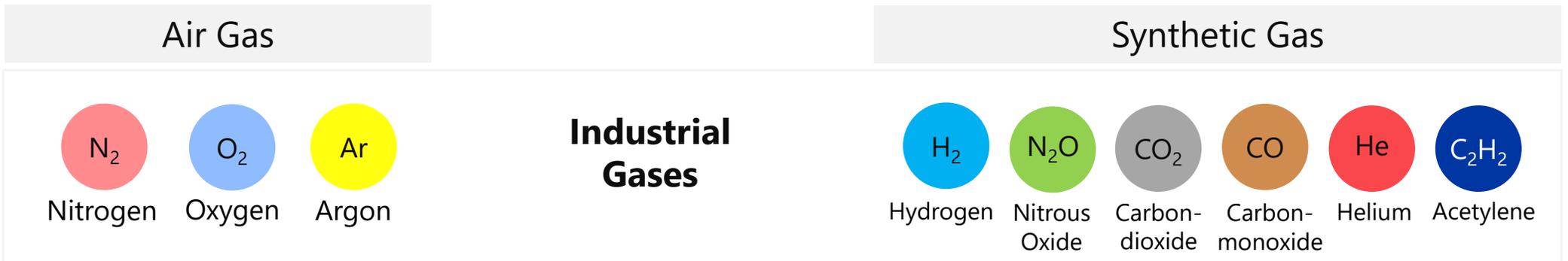
- Medical supply equipment
- Medical monitoring system
- Modular operating theatre
- Onsite generation system
- Gas handling & cutting equipment
- Installation services
- Cryogenic containers for biological
- Specimen transport and storage of cryogenic fluids

\*Source: Gasworld, 2016

# 3. Well-Diversified End Customer Base

Not one sector contributes larger than 30% of revenue\*

Retail	Medical	Consumer Goods	Infrastructure	Other Manufacturing
 <p>Workshop Home Industry</p> <p>O<sub>2</sub> C<sub>2</sub>H<sub>2</sub> O<sub>2</sub> C<sub>2</sub>H<sub>2</sub> CO<sub>2</sub> N<sub>2</sub> Ar</p>	 <p>Hospitals MRI Anesthesia</p> <p>N<sub>2</sub> O<sub>2</sub> CO<sub>2</sub> He N<sub>2</sub>O</p>	 <p>Carbonation Freezing</p> <p>CO<sub>2</sub> N<sub>2</sub> CO<sub>2</sub> N<sub>2</sub></p> <p>Aquaculture Inerting</p> <p>O<sub>2</sub> N<sub>2</sub></p>	 <p>Steel Production Stainless Steel Inerting</p> <p>O<sub>2</sub> O<sub>2</sub> Ar N<sub>2</sub> Ar</p>	 <p>Refining Natural Gas Fracking Enhanced Oil Recovery</p> <p>H<sub>2</sub> N<sub>2</sub> CO<sub>2</sub> N<sub>2</sub> CO<sub>2</sub></p>



\*As of Dec 31st 2019

# 4. Nationwide Distribution Network

## Ensuring On-Time Supply Continuity



### Strategy

Build plants and filling stations **in the proximity of its customers** to ensure supply continuity and price advantage



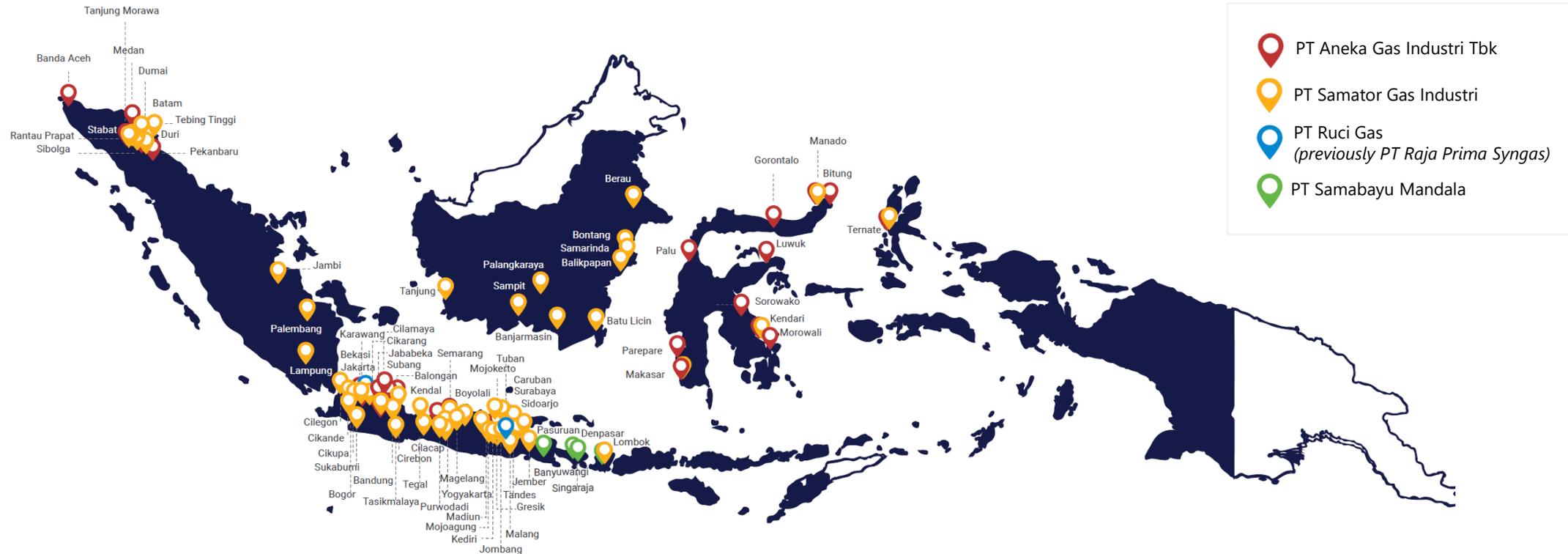
### Result

The largest distribution network with 44 plants (Air Separation Plants & others) & 104 filling stations in 26 provinces across Indonesia



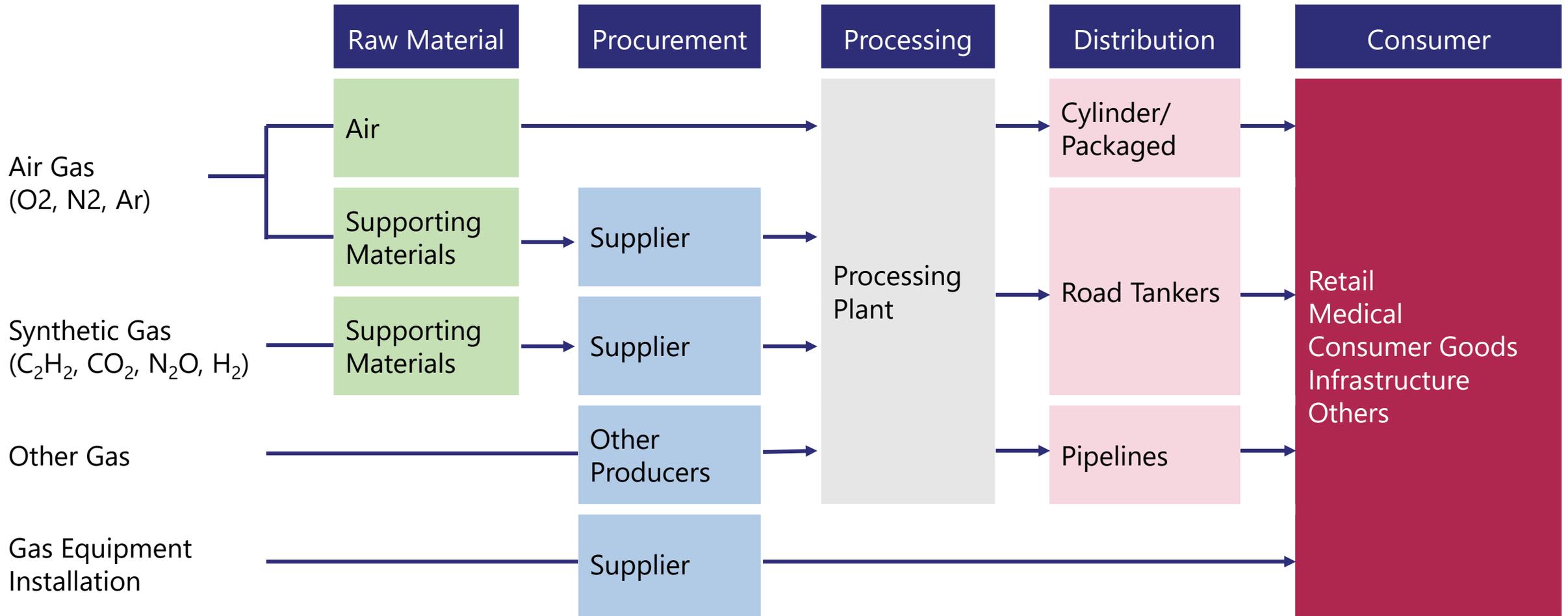
### Support

The largest transportation fleet in the industry to ensure market coverage and on-time supply continuity



# 5. Integrated Operational Activity

## Advantage in Operational Management



# 6. International Network

Access to Key Providers in Industrial and Healthcare Equipment



- › Managed under Samator Group
- › Access to Key Multinational Players
- › Enables wider range of solutions for clients
- › Promotes innovation & product variety



Samator Group



Air Water Inc.



Tomoe Shokai Co, Ltd



**TAIYO NIPPON SANSO**  
The Gas Professionals

Taiyo Nippon Sanso Corp. and National Oxygen Pte. Ltd.

CARECOM

Carecom Co. Ltd.



Central Uni Co. Ltd.

**ESCO**  
industries

ESCO Industries

**MIURA**

MIURA Co., Ltd.



Telecom Tube Systems

# 7. Experienced Management

## Average 30+ Years of Industry Experience

### Board of Commissioner



**Arief Harsono**

President Commissioner  
Chairman of Samator Group  
45 Years of Industry Experience



**Rasid Harsono**

Vice President Commissioner  
Joined 2006 – Present  
34 Years of Industry Experience



**Heyzer Harsono**

Vice President Commissioner  
Joined 2007 – Present  
38 Years of Industry Experience



**C.M. Bing Soekianto**

Independent Commissioner  
Joined 2004 – Present  
44 Years of Industry Experience



**Hargo Utomo**

Independent Commissioner  
Joined 2005 – Present  
5 Years of Industry Experience



**Agoest Soebhektie**

Independent Commissioner  
Joined 2013 – Present  
7 Years of Industry Experience

### Board of Directors



**Rachmat Harsono**

President Director  
Joined 2004 – Present  
16 Years of Industry Experience



**Ferryawan Utomo**

Vice President Director  
Joined 2015 – Present  
30 Years of Industry Experience



**Imelda Mulyani Harsono**

Legal, Compliance & Risk  
Management Director  
Joined 2006 – Present  
14 Years of Industry Experience



**Budi Susanto**

Operational Director  
Joined 2015 – Present  
30 Years of Industry Experience



**Nini Liemijanto**

Finance Director  
(from 2015 – Present)  
31 Years of Industry Experience



**Djanarko Tjandra**

Technical Director  
Joined 2004 – Present  
18 Years of Industry Experience



**Agus Purnomo**

Regional Development/  
Independent Director  
Joined 2006 – Present  
34 Years of Industry Experience

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# Key Updates



Plan to issue 2<sup>nd</sup> Shelf Registration Bonds & Sukuk



To prepare funds for outstanding bonds and sukuk in 2020



During FY2019 and 1Q2020, 395 and 71 contracts were being processed respectively



Approximately 55-60% of Total Contracts Processed were contributed by the medical sector



Share Buyback Plans



Up to IDR 40 billion and will be conducted gradually over three months from 5 May 2020 until 5 August 2020



Initiated partnership with renowned Indonesian Universities for Product and Human Capital Development



- MoU signing with UGM (2019) & ITB (2018) for R&D
- MoU signing with HarukaEDU to use CorporateEDU as Tech-based Educational & Training Platform for Employees



Introduced Homecare Services



Products include personal compressed oxygen, OXYPURE

# Awards & Events



Best Vendor 2018 Material – Pertamina Drilling



Supplier Quality Excellence – Coca Cola Amatil



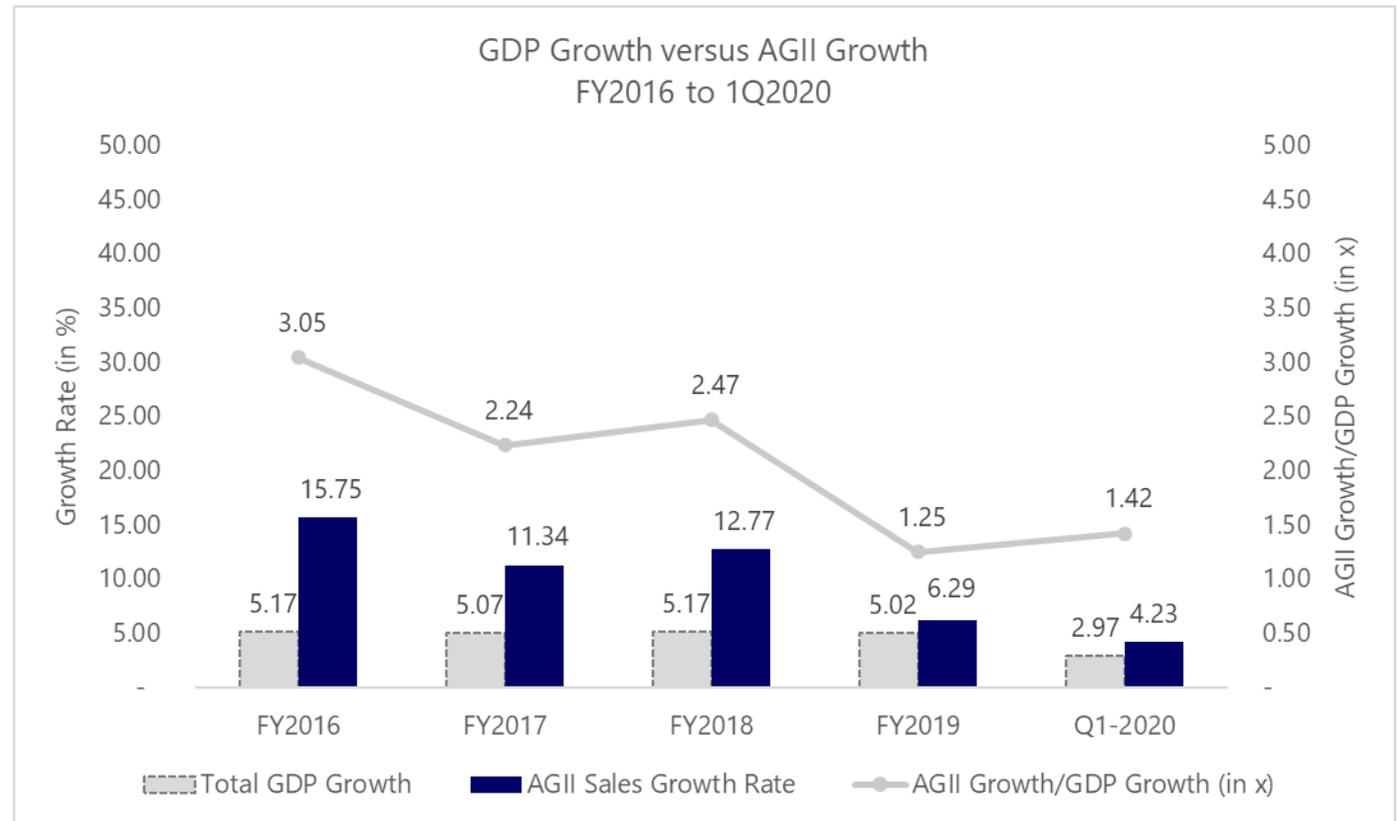
MoU Signing with ITB (Institut Teknologi Bandung)\*

Image Source : <https://www.itb.ac.id/>

# Industry Outlook

## GDP versus AGII

- › From 2016-2019, AGII sales on average grew 2x (twice) domestic GDP growth %
  - › An economic and/or sectoral boost will increase the possibility of an acceleration in company growth – and vice versa
  
- › FY2020, growth may not be the average multiple of GDP due to economic uncertainties amid the global pandemic
  - › Early FY2020, the Indonesian Central Bank projects approximately 5% to 5.4% GDP growth but by April 2020 revised it by up to 2.3% year-on-year



\*Source: [www.bps.go.id](http://www.bps.go.id), Company Data

# Industry Outlook

## Southeast Asia Market\*

### Market Size per FY2018

An estimated total of  
USD 3.54 Billion



Myanmar  
USD 37.4 Mil

Thailand  
USD 849 Mil

Malaysia  
USD 632 Mil

Singapore  
USD 997 Mil

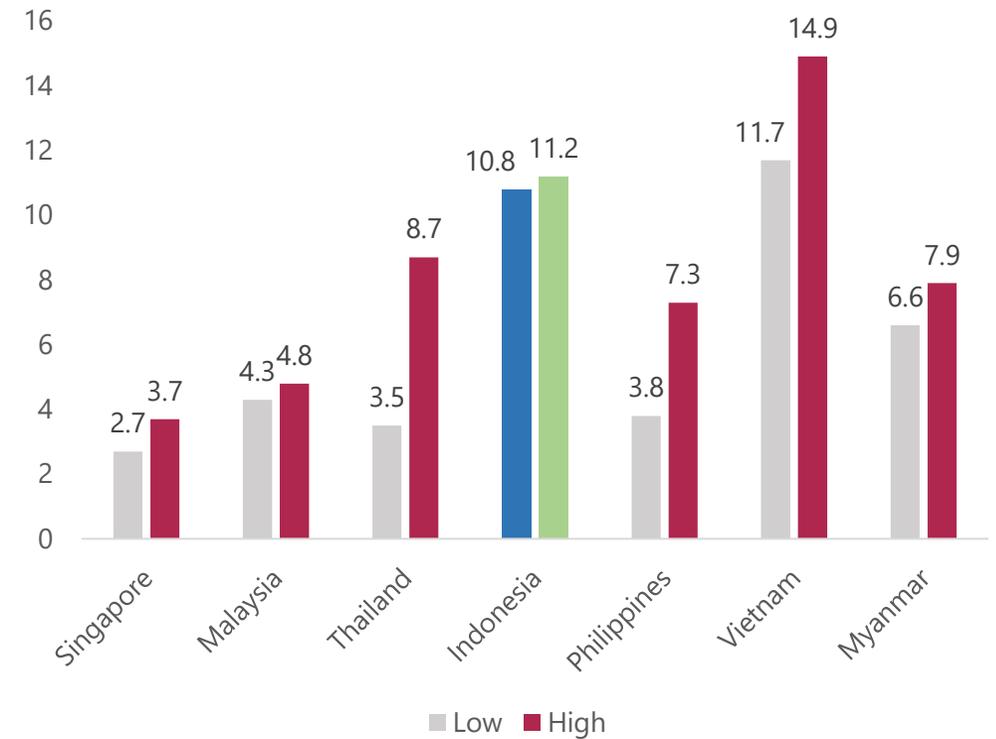
Vietnam  
USD 206 Mil

Philippines  
USD 356 Mil

Indonesia  
USD 465 Mil

### Market Forecast

Projected Annual Growth Rate (in %) 2018-2022



\*Source: Gasworld Business Intelligence, 2019

# Shelf Registration Information

	Fixed-Coupon Bonds			Sukuk Ijarah	
Issuer	PT Aneka Gas Industri Tbk				
Listed	Indonesia Stock Exchange				
Corporate rating	Bonds and the Sukuk are both rated A-(idn) by Fitch				
Purpose	Refinancing				
Maturity (years)	3	5	3	5	
Listing date	6 June 2017				
1 <sup>st</sup> tranche of 310 (IDR billion)	45	19	147	99	
coupon p.a. (%)	9.9	10.35	9.9	10.35	
Listed	8 December 2017				
2 <sup>nd</sup> tranche of 400 (IDR billion)	195	61	107	37	
Coupon p.a. (%)	9.5	9.9	9.5	9.9	
Listed	20 March 2019				
3 <sup>rd</sup> tranche of 290 (IDR billion)	164	16	110	0	
Coupon p.a. (%)	11.0	11.5	11.0	0	

Due in FY2020

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# Financial Highlights

Well-Diversified Risk



- Exposed to various industries, including Food & Beverage, Light, Healthcare, Retail, Energy, Consumer Goods, Oil & Gas, Petrochemical & Many More

Sustained Profitability



- 45% - 50% Gross Margin
- 17% - 20% EBIT Margin
- 30% - 35% EBITDA Margin

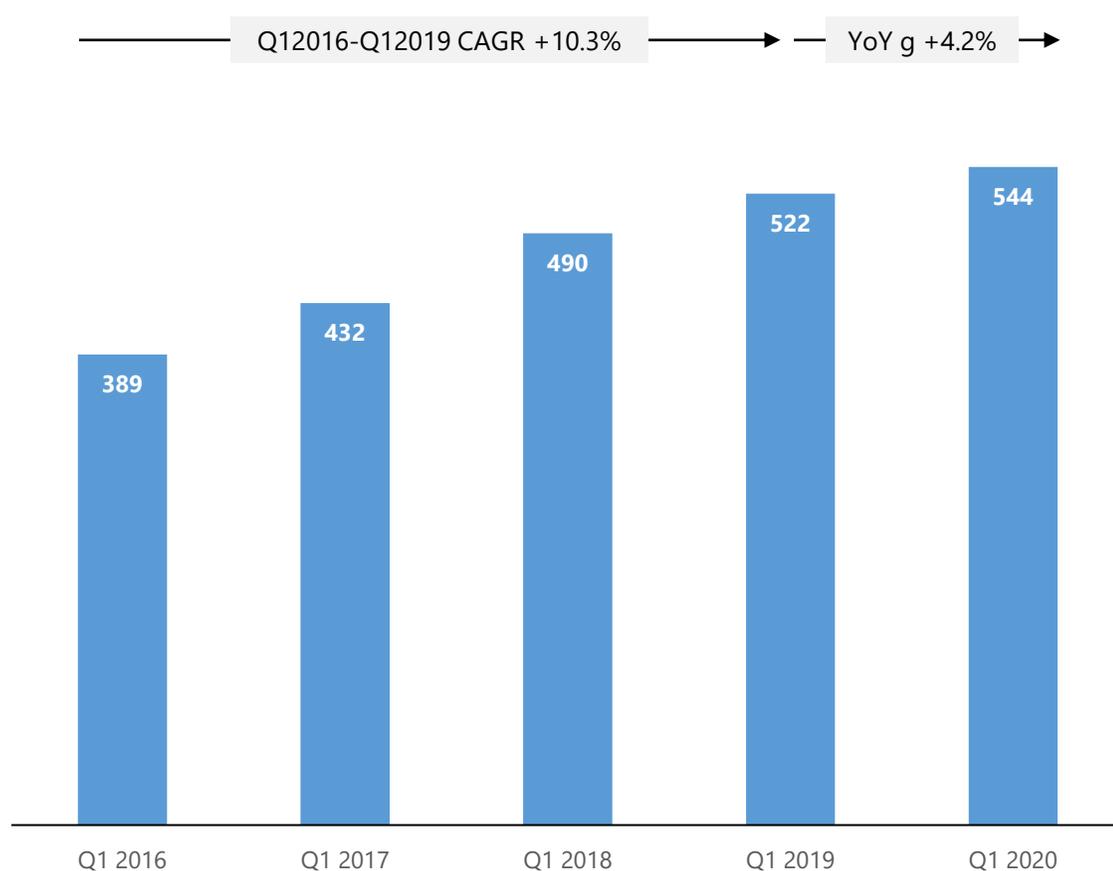
Stable Growth



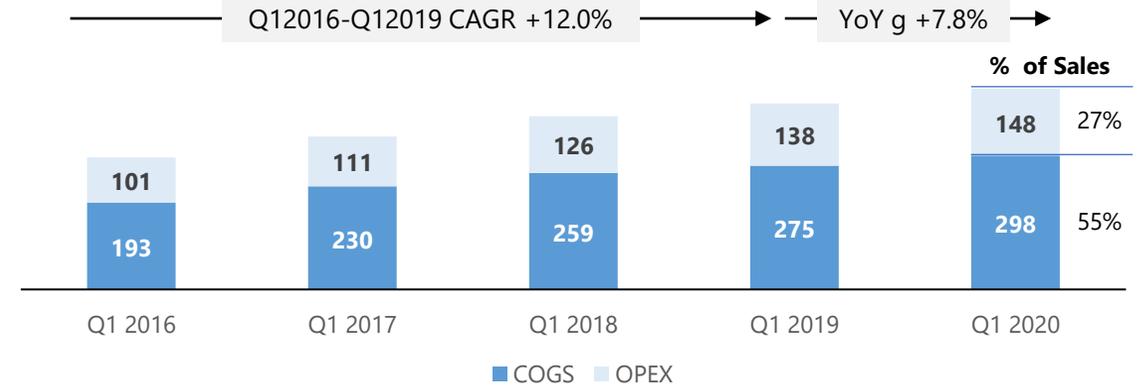
- Dominant player in high growth sectors (i.e. Medical and Consumer Goods)

# Financial Performance

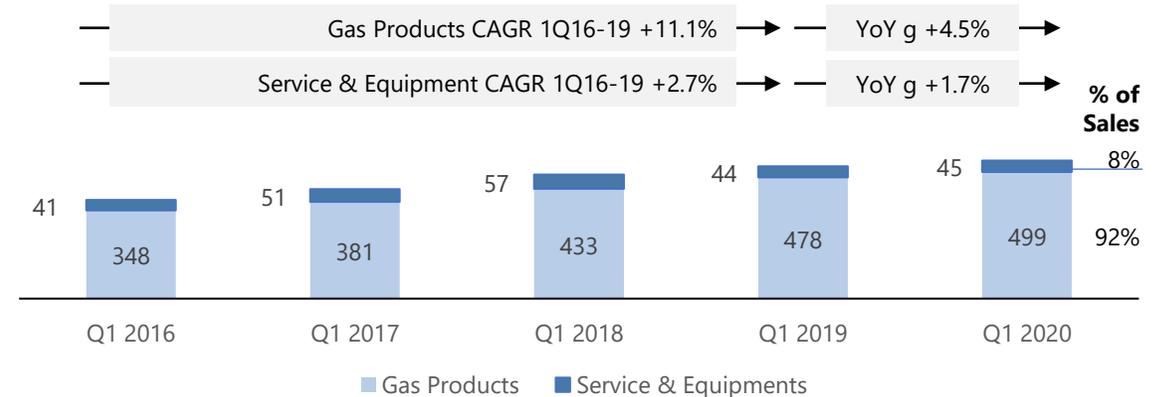
## Revenue in IDR Billion



## Cost Composition in IDR Billion

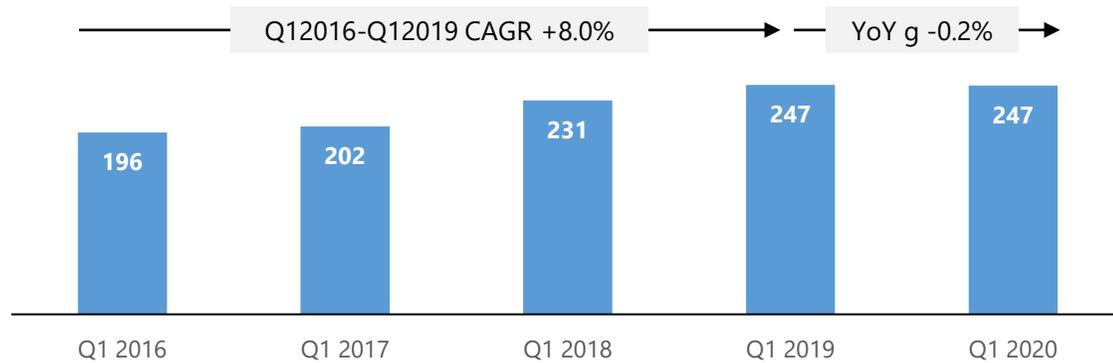


## Revenue by Product in IDR Billion

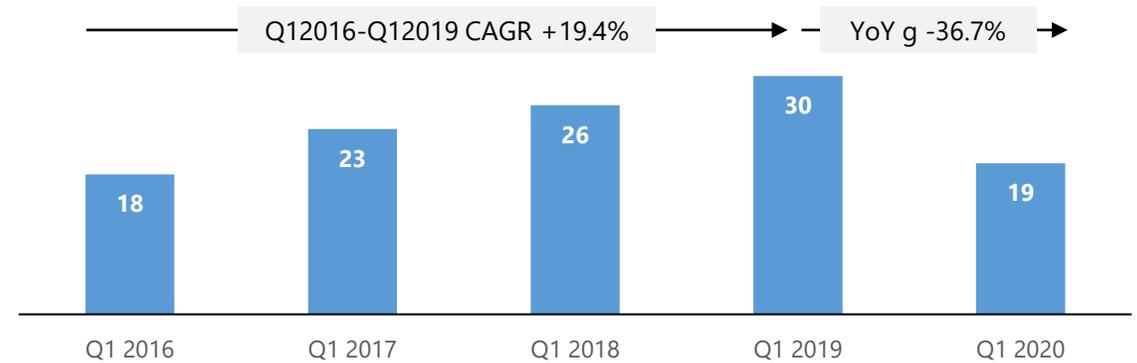


# Financial Performance

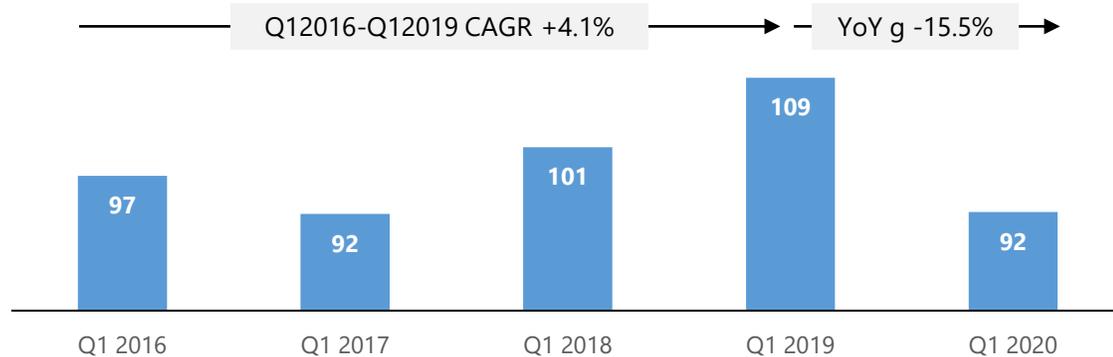
## Gross Profit



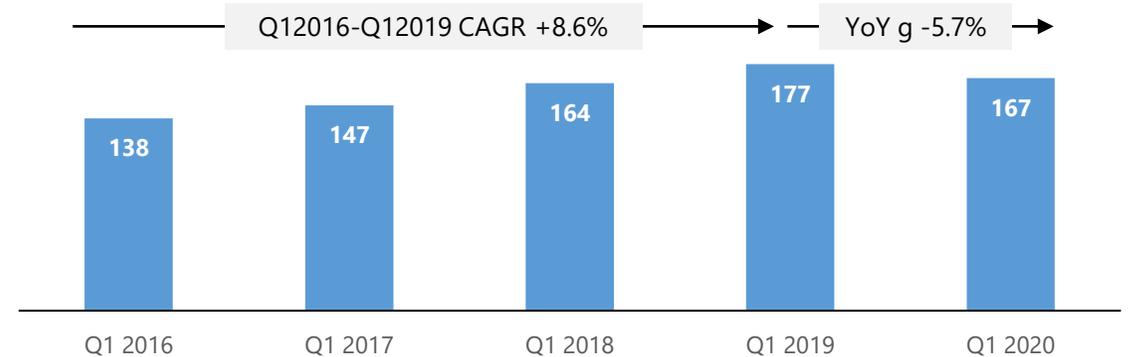
## Profit Attributable to Owners of Entity



## EBIT

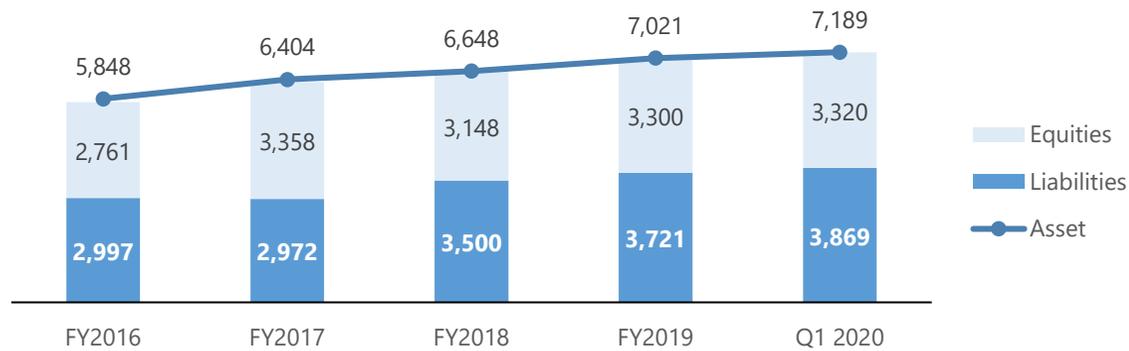


## EBITDA

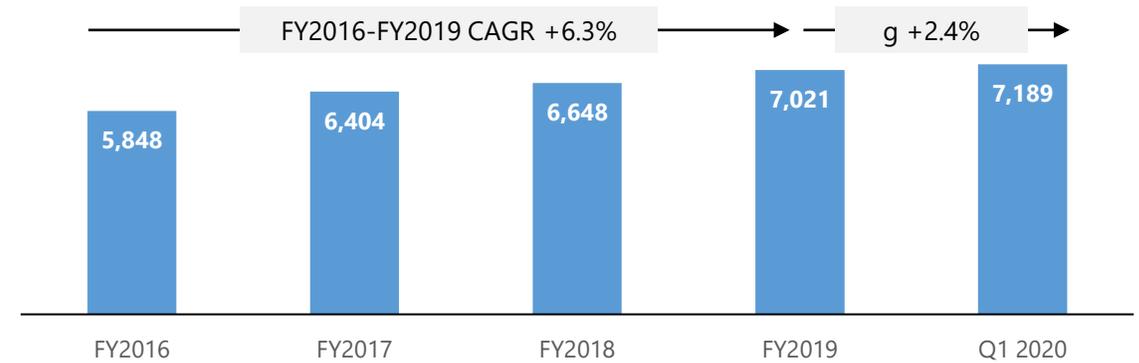


# Financial Performance

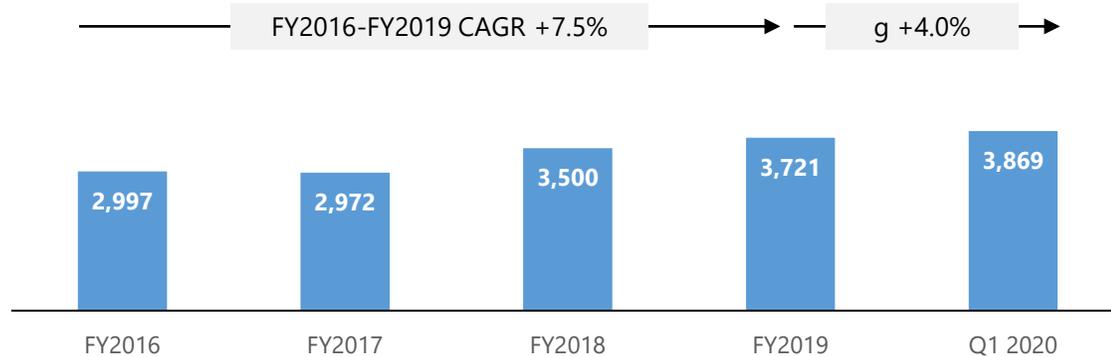
## Assets, Liabilities & Equities in IDR Billion



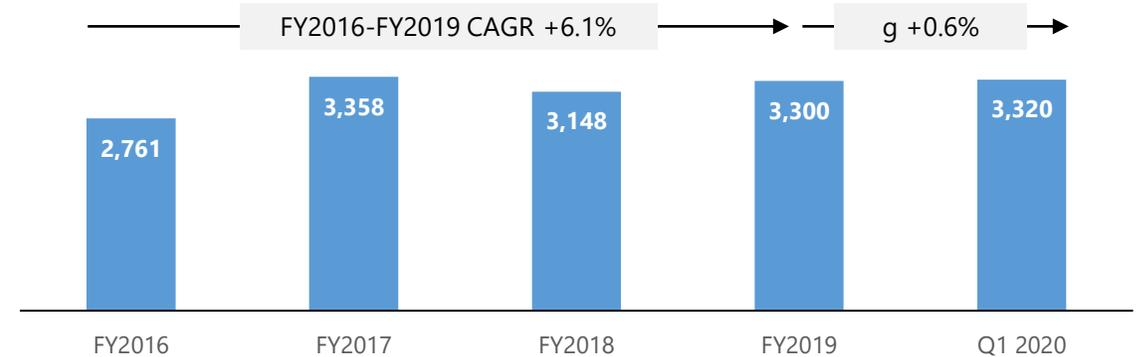
## Assets in IDR Billion



## Liabilities in IDR Billion

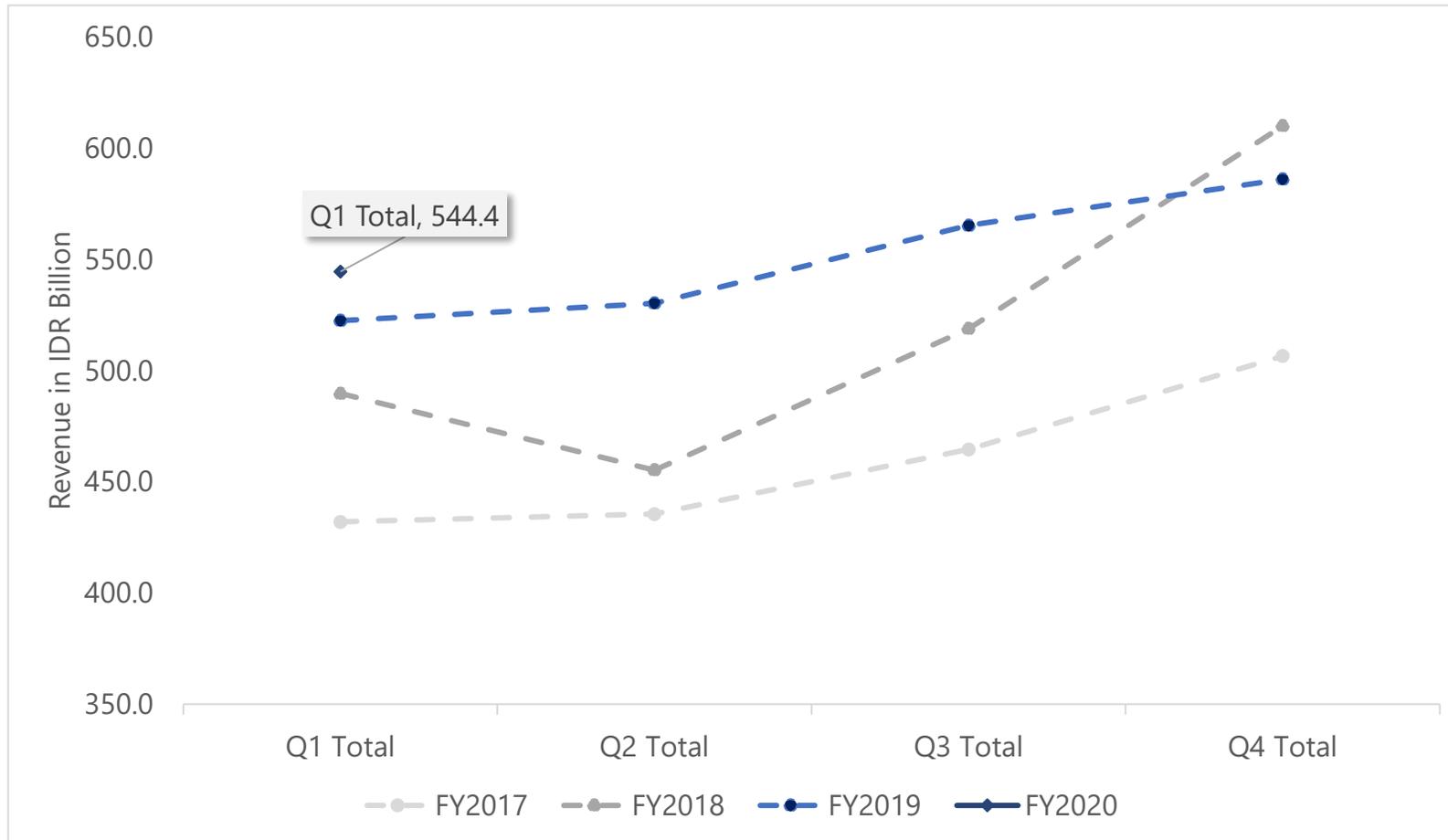


## Equities in IDR Billion



# Quarterly Trends

## Revenue



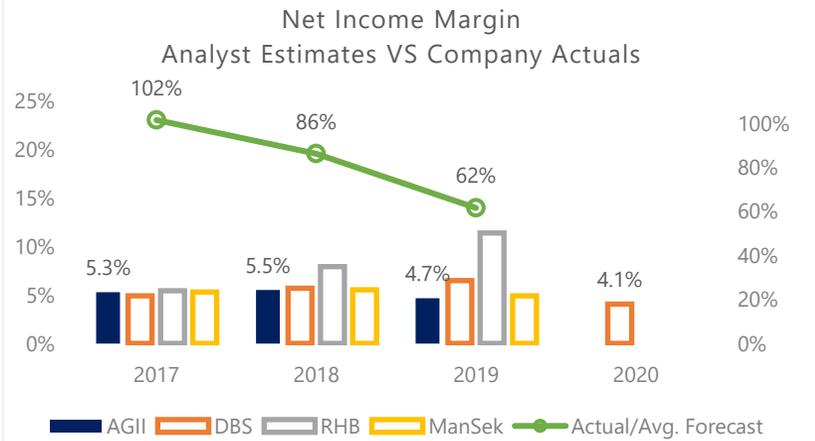
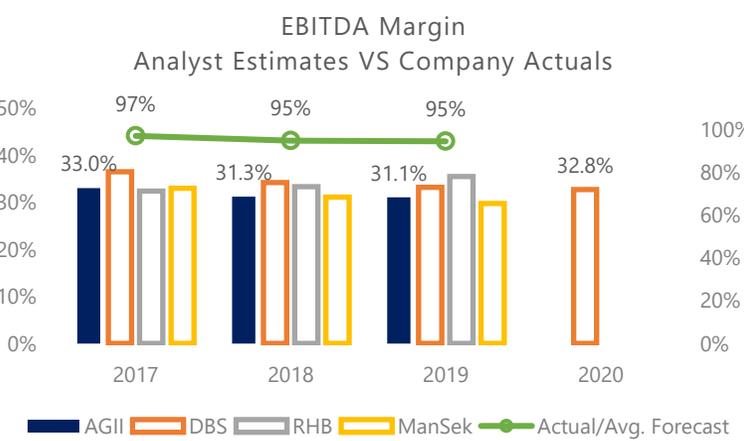
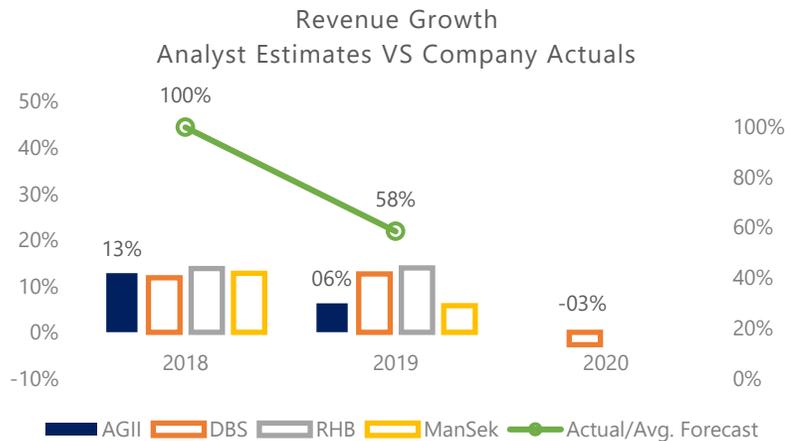
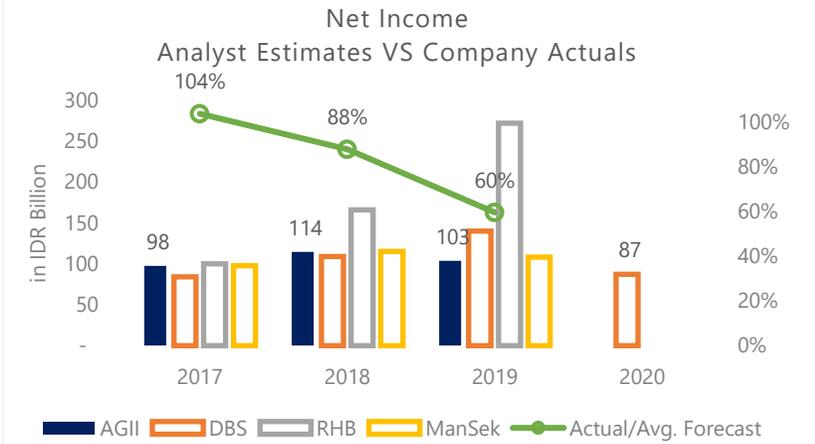
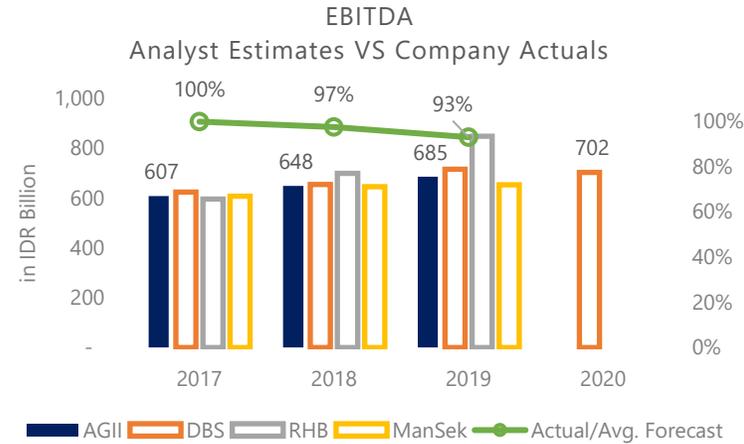
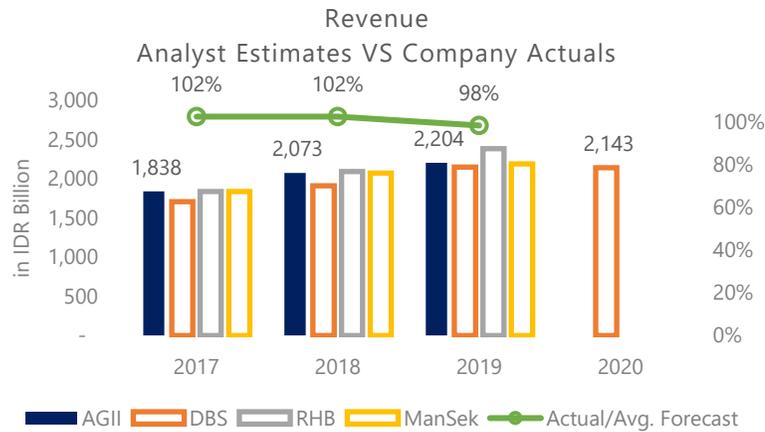
- > Since 2017, the company on average booked 52%-53% of sales on 2<sup>nd</sup> half
- > Each year, sales continue to grow positively as targeted
- > During Q1 2020, the company still achieved positive top-line growth, largely supported by the Healthcare, Consumer Goods and Other Manufactures

# Key Financial Ratios

			Q1 2016	Q1 2017	Q1 2018	Q1 2019	Q1 2020
<b>Profitability</b>							
Gross Profit Margin	%		50.35	46.84	47.09	47.32	45.31
Earning Before Interest & Tax (EBIT) Margin	%		24.90	21.33	20.53	20.92	16.97
Earning Before Interest, Tax Depreciation & Amortization (EBITDA) Margin	%		35.50	34.13	33.40	33.89	30.68
Net Income Margin for The Current Year	%		5.24	6.54	6.35	5.93	3.73
Comprehensive Income Current Year	%		5.16	5.39	5.37	5.74	3.48
Return on Assets (ROA) <sup>1</sup>	%		1.76	1.94	1.92	1.80	1.13
Return on Equities (ROE) <sup>2</sup>	%		4.78	3.64	3.40	3.85	2.33
<b>Liquidity</b>							
Current	X	>= 1	1.04	1.08	1.51	1.44	1.04
Quick	X		0.82	0.85	1.12	1.08	0.79
<b>Solvency</b>							
Debts to Equities (DER)	X	<= 3	1.82	1.09	0.91	1.16	1.17
Debt to Asset (DAR)	X		0.65	0.52	0.48	0.54	0.54
Interest Bearing Debts/Equities	X	<= 2	1.44	0.91	0.76	1.02	1.03
Net Debts/Equities	X	<= 2,5	1.42	0.82	0.65	0.89	0.89
Interest Bearing Debts/EBITDA	X		4.93	4.30	3.94	4.56	5.12
(Interest Bearing Debts - Cash)/EBITDA	X		4.85	3.90	3.37	4.00	4.45
EBITDA/Interest	X	>= 1,5	2.00	2.23	2.33	2.29	1.94
EBITDA/(Interest + Principal)	X		1.22	1.22	1.13	1.22	1.04
EBITDA/Total Debts	%		16.03	19.37	21.15	19.16	17.27

Notes : 1) Based on Total Comprehensive Income, 2) Based on Comprehensive Income attributable to Owners of Entity

# Analyst Estimates



\*As of 31st Dec 2019, except DBS FY2020 Forecasts



# Thank You

Contact us



Investor Relations

**PT Aneka Gas Industri Tbk (Head Office)**

UGM Samator Pendidikan Building, Tower A, 5th Floor

Jl. Dr. Sahardjo No. 83, Manggarai, Tebet

Jakarta Selatan 12850, Indonesia

Phone : +62 21 8370 9111 ext 155

Fax : +62 21 8370 9111

Email : [investor.relations@anekagas.com](mailto:investor.relations@anekagas.com)

Website : [www.anekagas.com](http://www.anekagas.com)