

Investor Presentation **Consolidated 6M-2020 Update**

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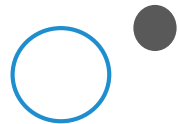
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About PGAS

PT Perusahaan Gas Negara Tbk (PGAS:IJ) the leading natural gas distribution and transportation player in Indonesia. PGAS continues to strengthen its position in the market by gradually transforming into an integrated energy solution company, encouraging the use of natural gas.

PGAS is engaged in upstream oil and gas, midstream and downstream fields across the Indonesian peninsula. PGAS owns and operates natural gas pipelines in excess of more than 10,000km in total length, covering c. 96% of the national natural gas pipeline network. PGAS' upstream portfolio consist of 10 oil and gas blocks across the country, and 1 shale gas in Houston, US. PGAS has 2 FSRU's (Lampung & West Java) and land based regasification facility in Arun. PGAS, through its downstream entities, serves more than 2,000 industrial and commercial customers.

PGAS become subsidiary of PT Pertamina (Persero) since 11 March 2018 as part of Government of Indonesia's Oil & Gas Holding initiatives. With the acquisition of 51% stake in PT Pertamina Gas (and its subsidiaries) on 28 December 2018, PGAS has officially been the Gas Sub-holding Company.

Company Overview

The Milestones | The Sub-Holding Co |
Leadership | Business Portfolio |
Business Structure | 6M-2020 Highlights



The Milestones

1998

- Completion of Grissik – Duri transmission pipeline
- Establishment of PT Transportasi Gas Indonesia (TGI) in 2002

2003

- Completion of Grissik-Batam-Singapore transmission pipeline
- Listed Company (“PGAS”)

2007

- Completion of SSWJ transmission pipeline
- Establishment of PT PGAS Telekomunikasi Nusantara (PGASCOM)

2010

Establishment of a JV between Pertamina and PGN: PT Nusantara Regas

2014

Operation of FSRU Lampung

2019

- Business Alignment of Sub-Holding Gas
- The Transfer of the LNG, SPBG and City Gas Business from Pertamina to PGN as sub-holding gas.

2018

Establishment of the Sub-Holding Gas

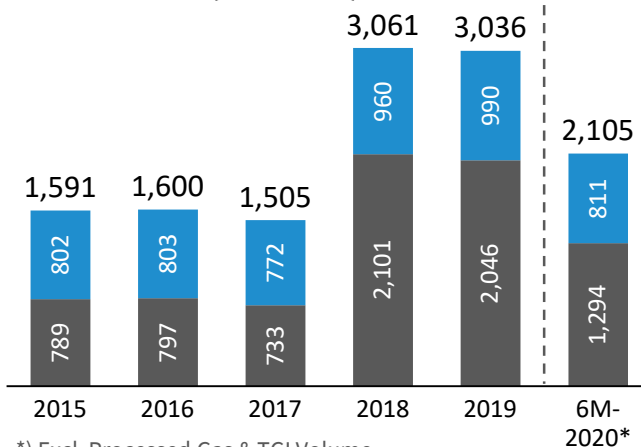
2016

Development of gas distribution pipeline in Musi Banyuasin, Bandar Lampung, DKI Jakarta and Mojokerto.

2015

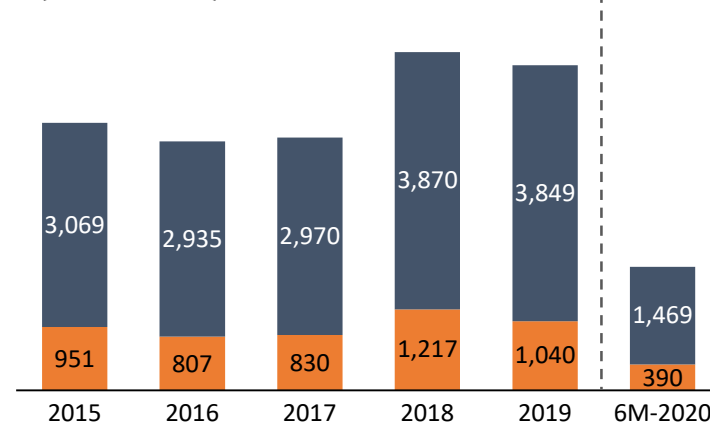
Completion of Kalija transmission pipeline by KJG

Distribution (BBTUD) Transmission (MMSCFD)

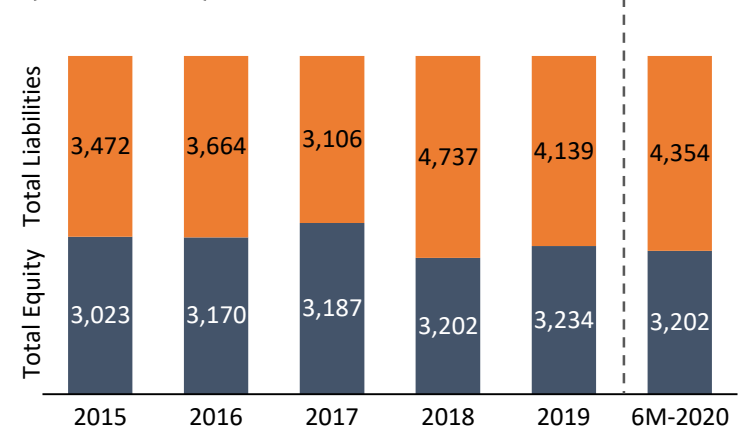


*) Excl. Processed Gas & TGI Volume

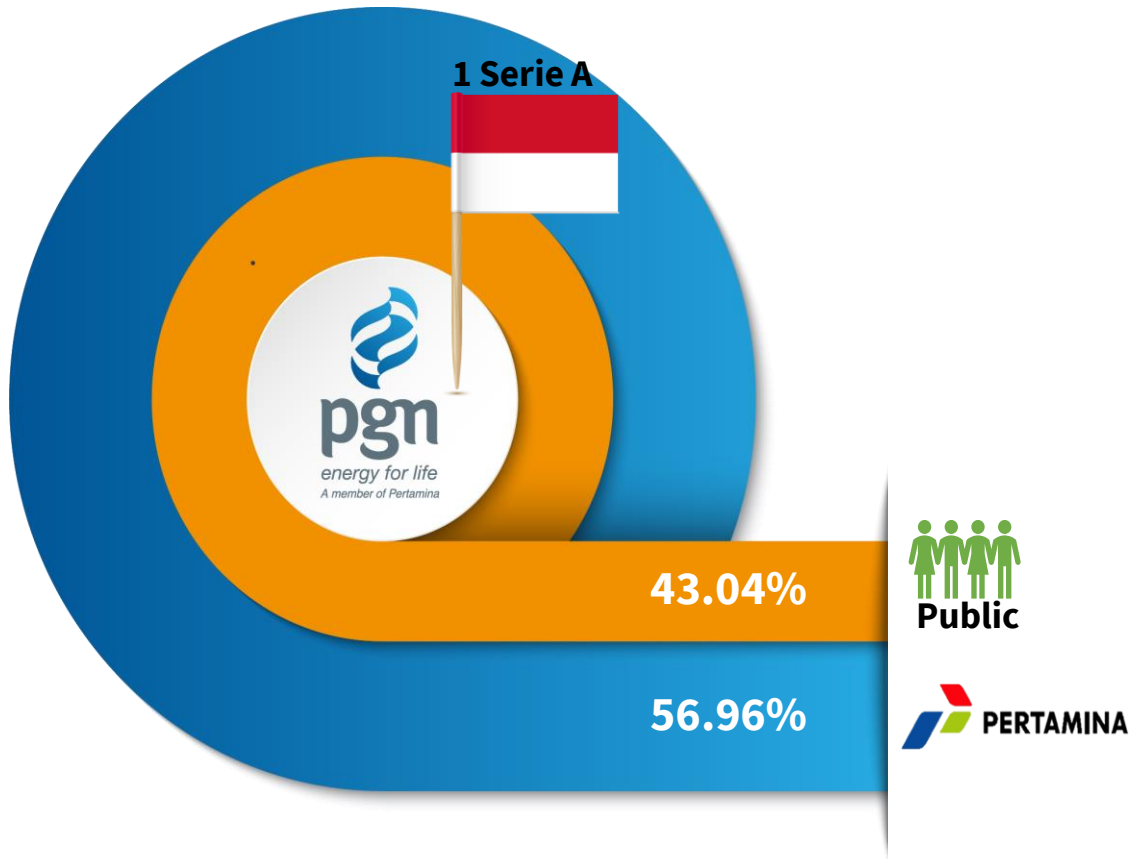
Revenue & EBITDA (USD Million)



Capitalization (USD Million)



The Sub-Holding Co.



Vision

To be World Leading National Gas Company for a Sustainable Future and National Energy Sovereignty.

Mission

Conducting gas business in Midstream, Downstream, and Other supporting businesses that committed to increasing value for all stakeholders through:

1. Providing gas and developing infrastructure to utilize gas as energy and raw materials to create optimum value for the benefit of customers and society;
2. Creating added value for shareholders and employees, environmentally sound, has the advantage and prioritize safety;
3. Carry out the principles of professional, responsible and sustainable management of the Company;
4. Organizing other businesses to support gas utilization and sustainable business management.

Board of Commissioners



Komisaris Utama
Arcandra Tahar

- Master and Ph.D. of Ocean Engineering – Texas A&M University
- Having no affiliation with other members of the Board of Directors and the Board of Commissioners, as well as majority and/or controlling shareholders
- Previously served as Vice Minister Energy and Mineral Resources of Republic of Indonesia (2016 –2019)



Komisaris Independen
Kiswodarmawan

- A Bachelor of Civil Engineering from ITS, Surabaya.
- Previously served as Managing Director of Adhi Karya (Persero) Tbk
- Having no affiliation with other members of the Board of Directors and the Board of Commissioners, as well as majority and/or controlling shareholders



Komisaris Independen
Paiman Raharjo

- A Master of Economic Administration from the University of Prof. Dr. Moestopo and Doctor of Administrative Sciences from Padjajaran University
- Having no affiliation with members of the Board of Directors and other members of the Board of Commissioners, as well as major shareholders and/or controllers.



Komisaris Independen
Christian H. Siboro

- A Master of Business Administration & Management from PPM Graduate School of Management and Paris School of Business.
- Having no affiliation with members of the Board of Directors and other members of the Board of Commissioners, as well as major shareholders and/or controllers.



Komisaris
Warih Sardono

- A MA and PhD in Economic, University of Colorado
- Having an affiliation with the Republic of Indonesia as the controlling shareholder, in his position as General Director of Funding & Risk in Ministry of Finance



Komisaris
Luky Alfirman

- A Master of Law from University of Padjajaran and Doctoral Degree from University of Airlangga
- Having an affiliation with the Republic of Indonesia as the controlling shareholder, in his position as Expert Advisor of Implementation of Strategic Policy in Ministry of State-Owned Entities (BUMN)

Board of Directors



Direktur Utama
Suko Hartono

- A Bachelor of Chemical Engineering from Institute of Technology, Bandung (ITB)
- Serves as President Director of PGN since May 15, 2020.
- Previously served as President Director of PT Pertamina Gas



Direktur Komersial
Faris Aziz

- Master of Management from University of Sumatera Utara (USU).
- Serves as a Director of Commerce since May 15, 2020. Last position as as SVP Supply Distribution & Infrastructure PT Pertamina (Persero)



Direktur Infrastruktur & Teknologi
Redy Ferryanto

- A Master degree in International Management from University of Pelita Harapan/UPH (Harvard University Class).
- Serves as a Director since August 30, 2019. Previously served as the Director of Operational & Development PT Energi Management Indonesia



Direktur Keuangan
Arie Nobelta Kaban

- Bachelor and Master degree from University of Gajah Mada.
- Previously served as Team Leader Investigation in Corruption Eradication Commission (KPK)



Direktur SDM & Umum
Beni Syarif Hidayat

- Bachelor of Social and Political Science from University of Padjadjaran, Bandung.
- Serves as HC and General Affairs Director of PGN since May 15, 2020. Last position as SVP Human Capital Management PT Pertamina (Persero)



Direktur Strategi & Pengembangan Bisnis
Syahrrial Mukhtar

- A Bachelor of Industrial Engineering ITB, Master of Management University of Gajah Mada and Doctor of Management Strategic University of Indonesia
- Previously served as Corporate Secretary PT. Pertamina (Persero)

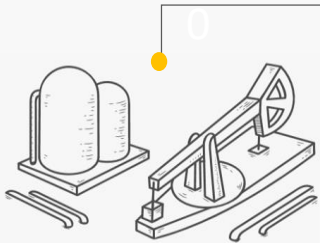
Business Portfolio

Sub Holding Gas

UPSTREAM

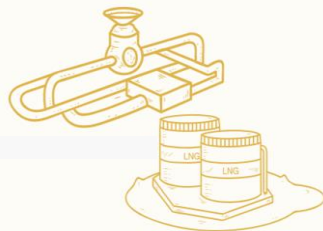
Oil and Gas Production

Natural gas reserves in Indonesia are larger than oil. Saka Energi Indonesia is subsidiary of PGN that has business activities in the upstream business

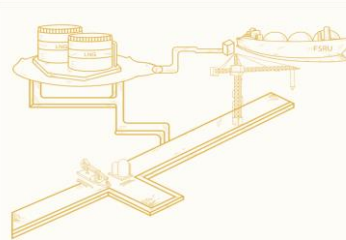


MIDSTREAM

Through TGI, KJG and Pertagas, PGN maintain a very high reliability and operational infrastructure security. FSRU converts LNG into high-quality natural gas. PGN has 2 (two) FSRUs namely FSRU Lampung and FSRU West Java and also land base regasification facility in Arun through Pertagas

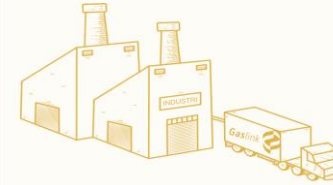


DOWNSTREAM



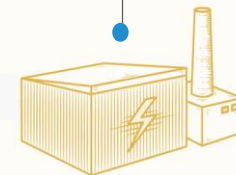
Gas Transport Module (Gas Link)

Gas Link is a solution for channelling natural gas to location that are not connected to a gas pipeline



Commercial Customers

MRU is the solution for natural gas filling station for transportation using CNG technology



Power Plants

Power plant made from gas fuel is more environment friendly compared to oil fuel or coal



Commercial Customer

Efficiency and reliability are important factor in distributing energy to commercial customers. PGN in this case can fulfil these needs



Household Customer

PGN has distributed gas to more than 400,000 household customers in 52 cities/regencies all over Indonesia



Gas Filling Station (SPBG) and Mobile Refueling Unit (MRU)

Subsidiary, Gagas Energi Indonesia operates 16 SPBG at 11 cities in Java and Sumatra



Industrial Sector

Indonesia's growth is driven by the growth of its industrial sector. PGN continues trying to encourage fuel usage efficiency by distributing natural gas to various industrial area in Indonesia

Business Structure

PGN Group

PT Saka Energi Indonesia
Oil and Gas Upstream

PT Transportasi Gas Indonesia
Natural Gas Transportation

PT PGN LNG Indonesia
LNG Processing, Transportation, Storage and Trading

PT Nusantara Regas
Natural Gas Trading Through LNG Regasification facility

PT Gagas Energi Indonesia

Processing, Transporting, Storage and Oil & Natural gas trading
And other energy

PT PGAS Solution

Operation and maintenance, engineering, trading & EPC of oil and natural gas

PT PGAS Telekomunikasi Nusantara

Technology, Communication & information technology

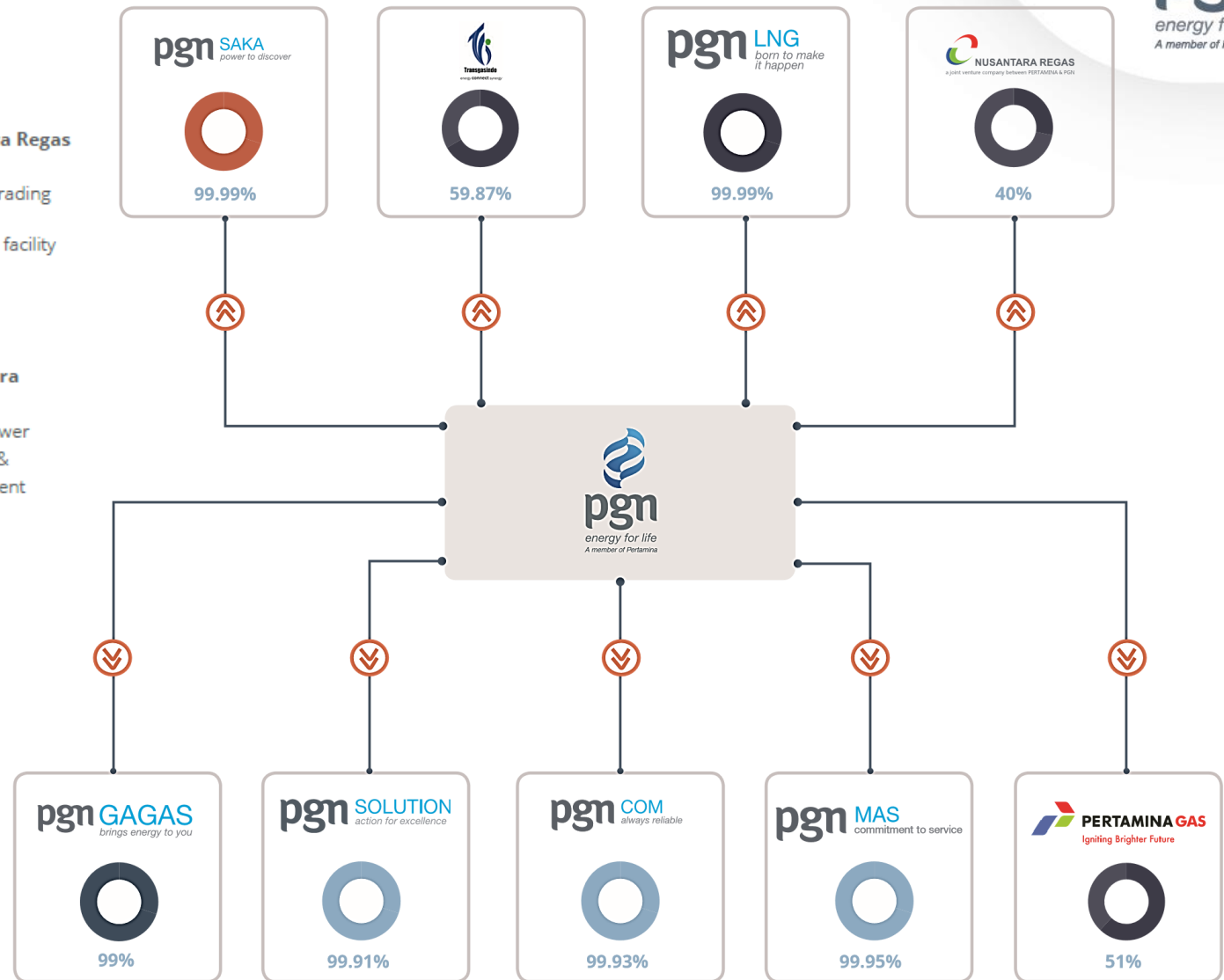
PT Permata Graha Nusantara (PERMATA)

Property, manpower Provider service & facility management

PT Pertamina Gas

Natural gas trading And its derivatives transportation/ transmission, processing, storage of natural Gas and other business

○ Upstream
 ○ Midstream
 ○ Downstream
 ○ Others



Our Response to COVID-19



OUR PEOPLE

OUR CUSTOMERS

OUR BUSINESS

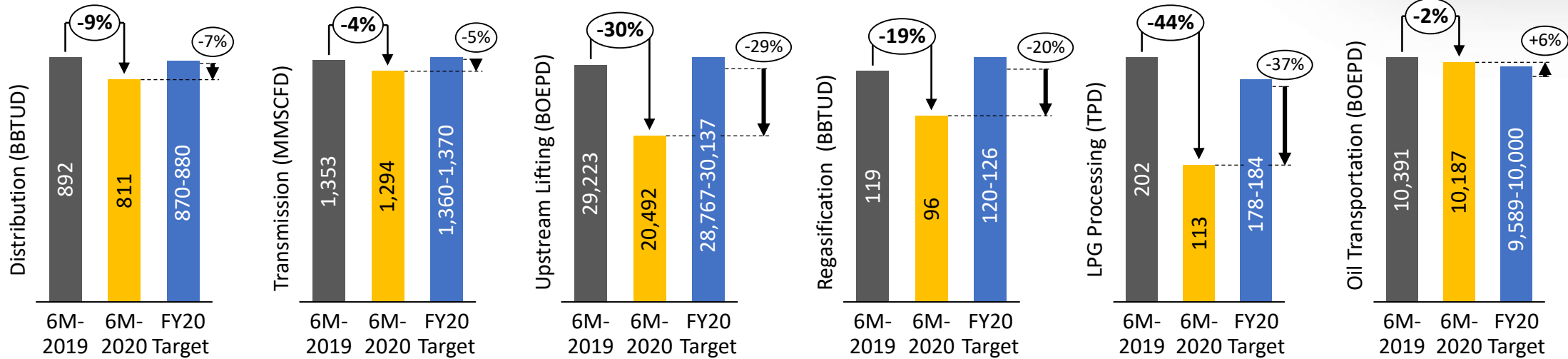
OUR COMMUNITIES

- The safety and well-being of our people is our top priority. With this in mind, 95% of employees are now **working from home (WFH)** for the foreseeable future. While 5% of our people involved in critical operations continue at their normal workplace and we have processes in place to help protect them.
 - Implementing the robust **preventive protocols for health & safety** e.g.:
 - Daily health reporting & monitoring via internal online apps.
 - Increasing cleaning procedures
 - Practising social distancing in every operating offices & facilities.
 - Masks and hand sanitizer for our employees.
 - Maintain **benefit & compensation** to employees at home during the COVID emergency situation.
 - Keep **providing health services**:
 - Deployed clinical staff internally to support on-line health consultancy during WFH
 - Additional supplements & vitamins to our frontline operations.
- We are currently not experiencing any serious gas supply disruption due to coronavirus and our **commitment to our customers and suppliers** remains the same.
 - Our **customer services remain accessible** through contact center and digital platform.
 - As the impact of coronavirus – or COVID19 – touches some of our customers, we help customers surviving this outbreak by giving **customer relief**, such as:
 - Temporary contract amendment with ease of process.
 - Temporary decrease the minimum contract during the pandemic.
 - Reduce procedure to respond customer’s request in increasing maximum contract, especially for food production related to COVID-19 handling.
 - During this period of time, we are practicing ‘social distancing’ and minimizing physical contact in **collecting data of residential gas usage** by having our residential customers sending the meter gas picture and estimation gas usage.
- We have business continuity plans in place to make sure we can continue to provide the energy for the country as well as to protect the health of our company, include efforts such as:
 - **Encouraging industry** through the Ministry of Industry to utilize natural gas volume as allocated in the Kepmen ESDM No. 89.K/2020
 - Finalized Letter of Agreement (LOA) with Upstream Co. to **realize the upstream gas price** of \$ 4/MMBTU as stipulated in the Kepmen ESDM No. 89.K/2020
 - ToP and SoP **renegotiation** with our suppliers and transporters due to lowering gas demand.
 - Pursuing PGN's role as a **Gas Aggregator** for the implementation of Kepmen ESDM No. 89 in order to support the goals of the Government in setting gas prices at downstream and upstream.
- Our group had pledged over **IDR 5 billion** to protect and empower all affected communities, working closely with Governments and partners, includes:
 - Supports medical personnel on the frontlines in the appointed hospital to treat COVID-19 patients by providing **protective medical equipment** and supplies as well as donating food donation, face masks, hand sanitizers and gloves to the communities in our operation areas.
 - Contributes to Government’s efforts in providing **respiratory systems** for treating increasing cases and **testing kits** to increase per capita testing.
 - Supplying **natural gas** to COVID’s emergency hospital (Wisma Atlet).
 - Enhancing **safe and healthy environment** program in the communities by building hand washing facilities as well as disinfectant spraying in the surrounding neighborhood.

PGN is engaged with our employees, customers, partners, and communities in response to these unprecedented circumstances. The COVID-19 pandemic has emerged as a significant global challenge that is creating disruption across the world. PGN stands ready to support the Government and help the communities where our people live and our business operate.

6M-2020 Highlights

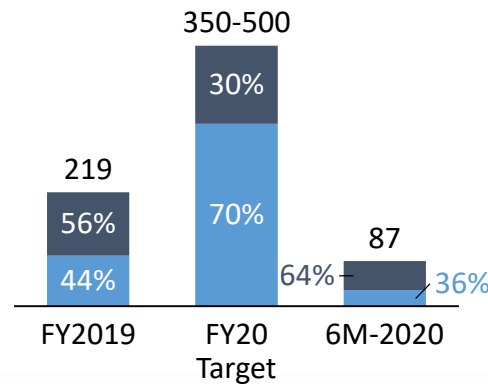
OPERATING METRICS



FINANCIAL INDICATORS (USD Million)

Revenue	1,469
EBITDA	390
Total Asset	7,556
Equity	3,202

CAPEX (USD Million)

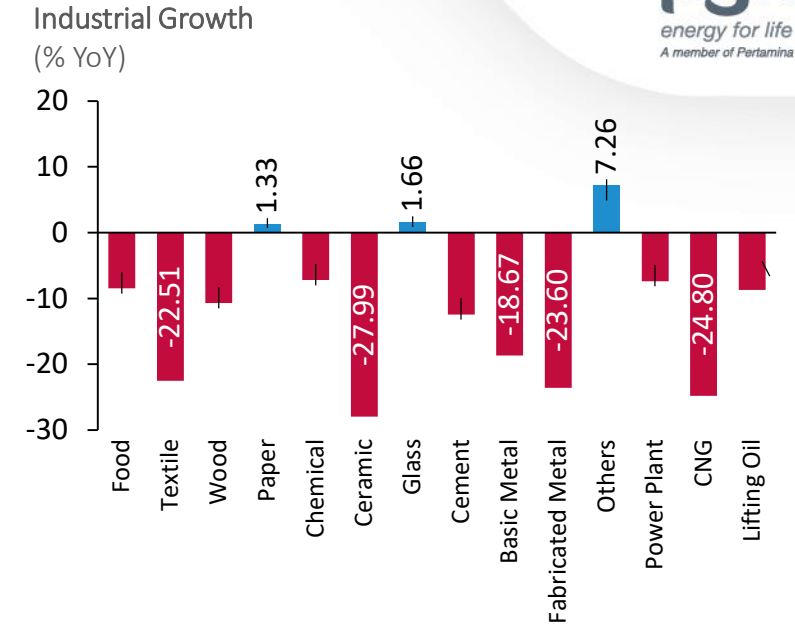
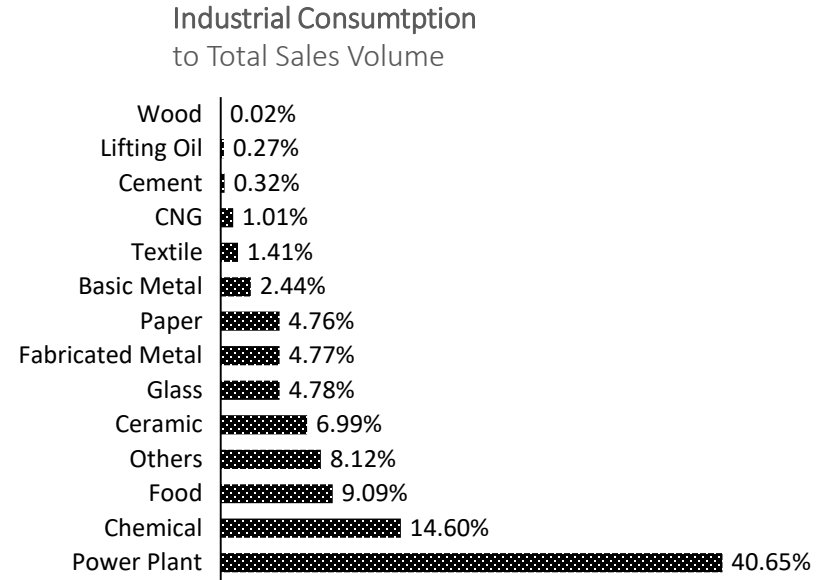
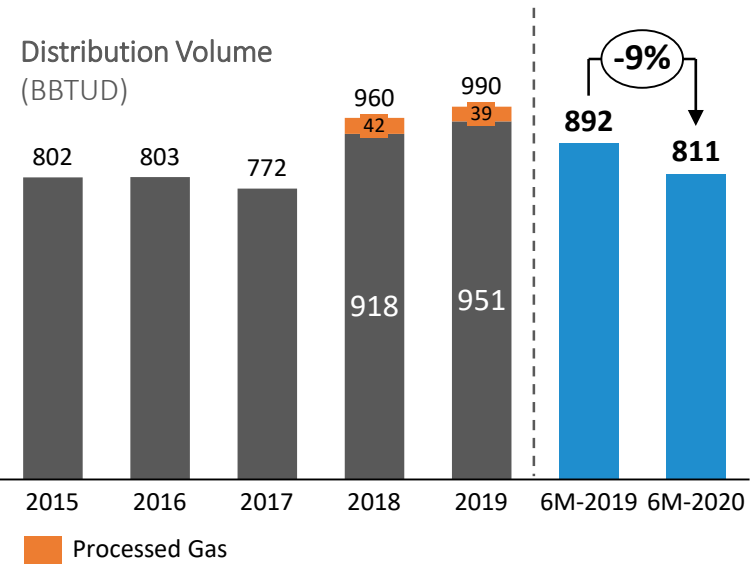


Business Highlights

The impact of the on-going pandemic resulting in the weakening demand across all our business segments on a Y-o-Y basis.

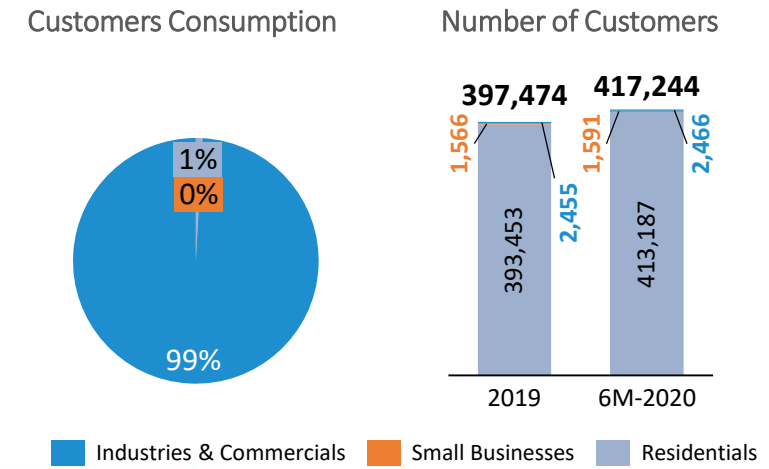
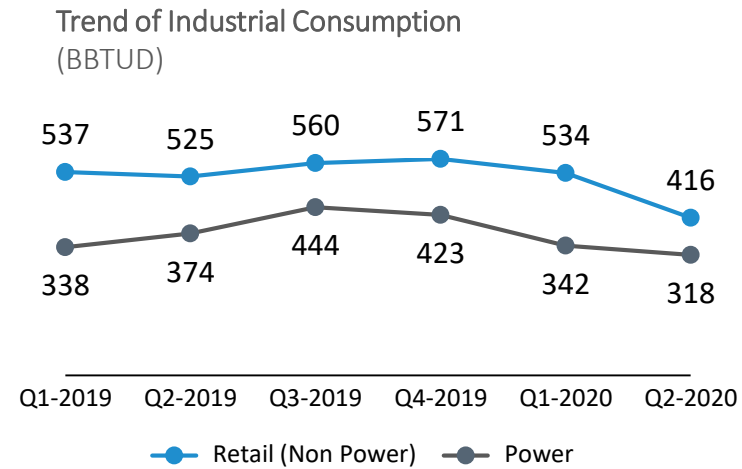
Upstream
 Downstream, Midstream & Supporting

Operational Highlights: Distribution



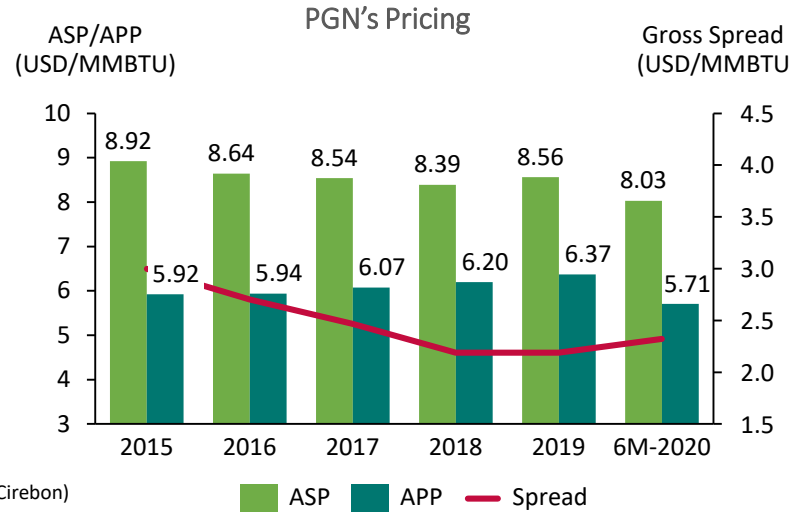
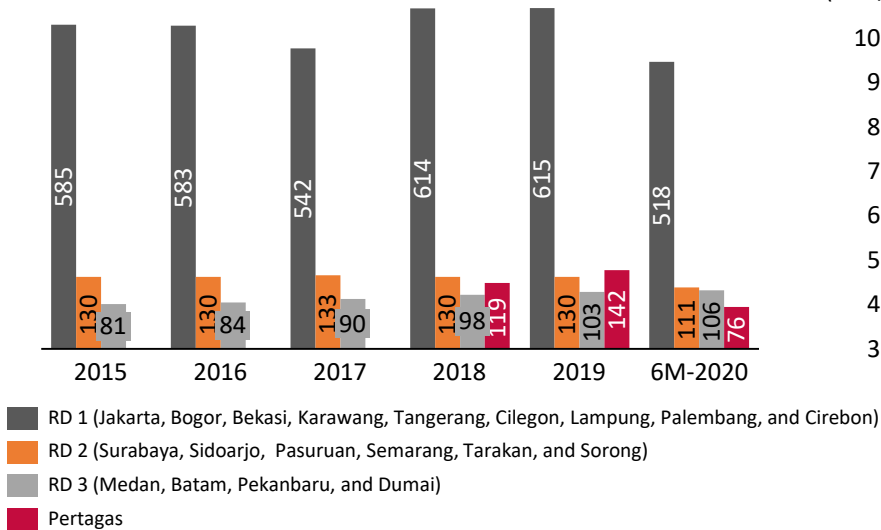
Business Updates

- Drastic reduction of gas demand across the board as the impact of the Covid-19 pandemic, translated to lower gas consumption both on year-on-year (YoY) and quarter-on-quarter (QoQ) basis.
- Number of customers increased in all segment.

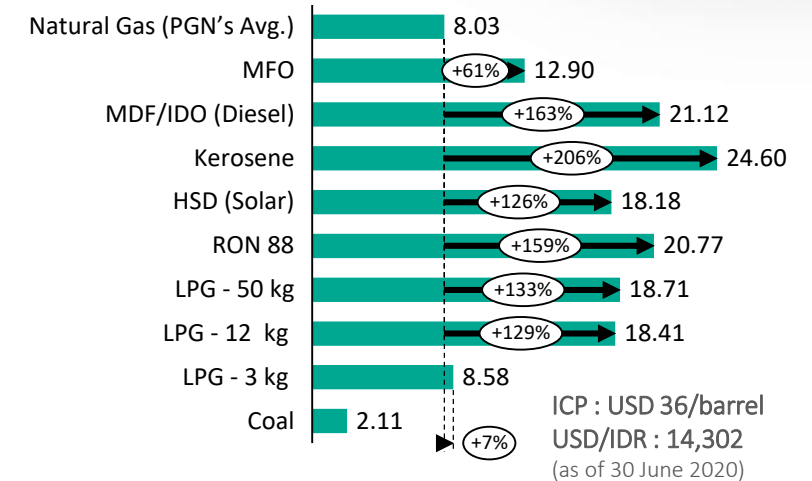


Operational Highlights: Distribution

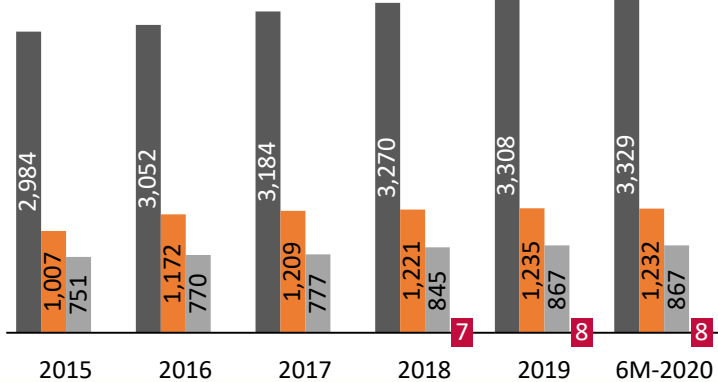
Distribution Volume (BBTUD)
Per Regional



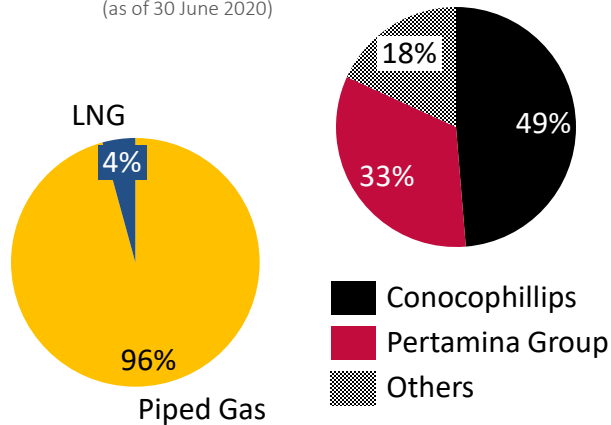
PGN's ASP vs Other Energy



Length of Distribution Pipeline 6M-2020 : ±5,436 KM



Gas Sources
(as of 30 June 2020)

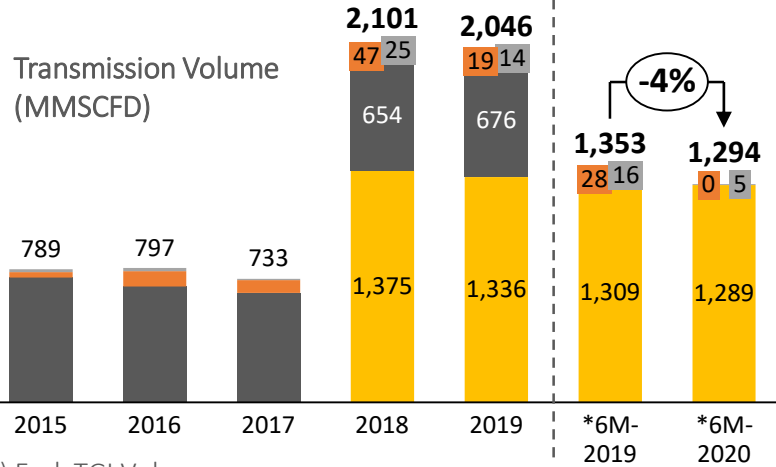


Business Updates

- Our ASP and APP reflect the temporary impact of the partial implementation of MEMR Ministerial Decree No. 89 and 91 Year 2020 starting in June 2020. The figures will change accordingly as the upstream LoAs is fully implemented as well as the recovery of the consumption from the affected customers.
- Natural gas remain competitive compared to oil related fuel.
- We manage to increase the utilization of LNG in our supply portfolio by 120% compare to the same period last year

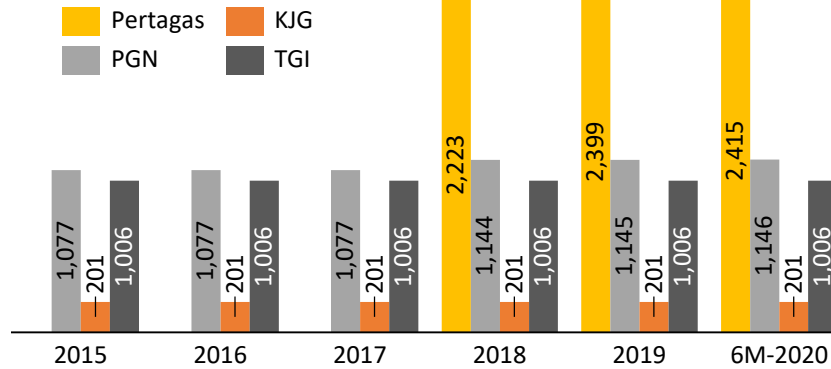
6M-2020

Operational Highlights: Transmission



*) Excl. TGI Volume

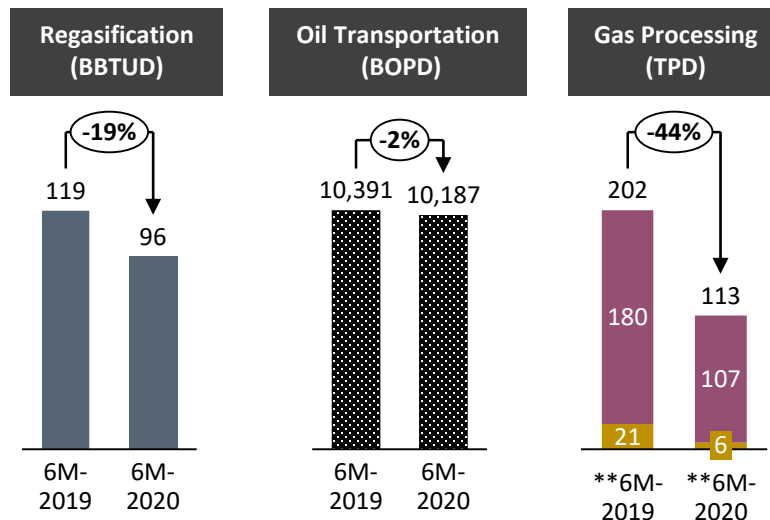
Length of Transmission Pipeline 3M-2020 : ±4,767 KM



Pertagas	PGN	KJG
<ul style="list-style-type: none"> Total Length: ± 2,399 km Transmission Revenue 	<ul style="list-style-type: none"> Total Length: ±1,145 km (incl. SSWJ) Off-taker: PLN, BBG Transmission Revenue 	<ul style="list-style-type: none"> Total Length: ±201 km Off-taker : PLN Finance Lease Revenue

6M-2020

Operational Highlights Other Downstream



■ LPG MKS
 ■ LPG Pondok Tengah (60%)

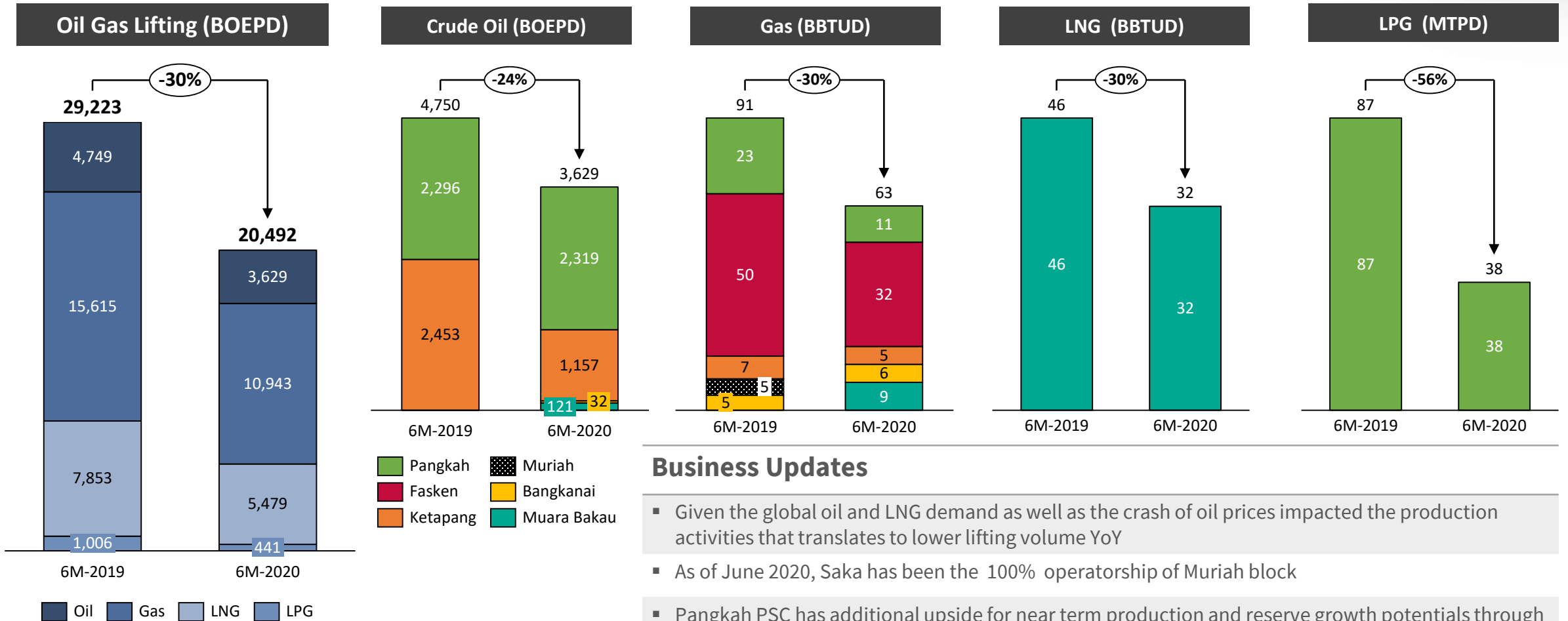
**) Excl. Perta Samtan Gas

Business Updates

- Gas transportation through Pertagas transmission pipeline primarily contributes to lower transmission volume YoY.
- Downward trends seen in other downstream business segments' performance due to weakening demand.

6M-2020

Operational Highlights: Upstream Lifting



Business Updates

- Given the global oil and LNG demand as well as the crash of oil prices impacted the production activities that translates to lower lifting volume YoY
- As of June 2020, Saka has been the 100% operatorship of Muriah block
- Pangkah PSC has additional upside for near term production and reserve growth potentials through West Pangkah and Sidayu development

6M-2020 Financial Performance

Income Statement | Balance Sheet |
Cashflow | Financial Ratios | Debt Profile



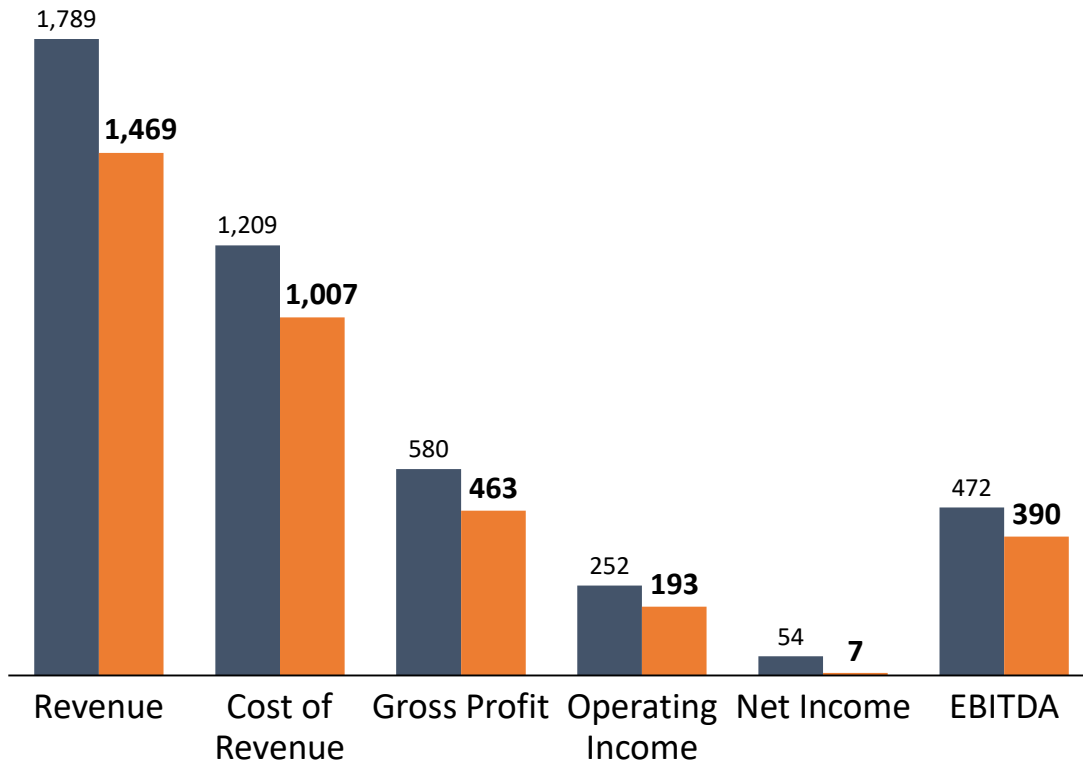
6M-2020

Financial Highlights:

Consolidated Income Statement

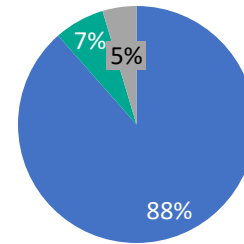
■ 30-Jun-19
■ 30-Jun-20

(USD Million)



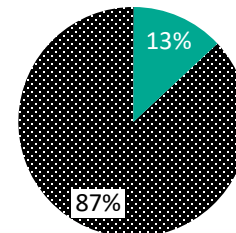
- **Consolidated Revenue** driven by lower contribution from most of our business segments, reflecting the impact of the Covid-19 on energy demand and prices.
- **Realized Net Income** primarily impacted by the impairment charges recorded at USD 71 contributed from upstream and midstream asset
- **Consolidated EBITDA** mainly contributed from lower operating income as well as lower depreciation of Saka and PGN's distribution & transmission expenses

Revenue Contribution



■ Distribution & Transmission
■ Upstream
■ Others
■ Distribution, Transmission & Others

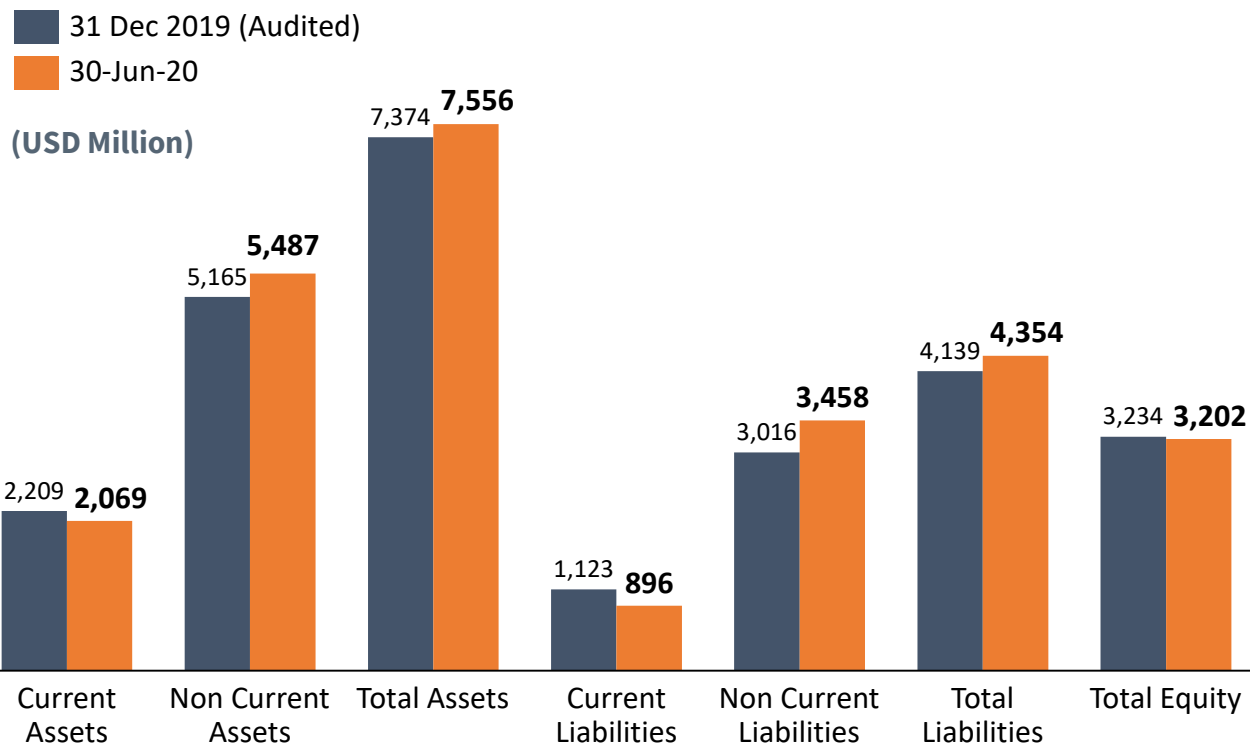
EBITDA Contribution



Revenue (USD Million)	30 June 2019	30 June 2020
Gas Distribution	1,333	1,186
Gas Transmission	163	114
Oil Transportation	13	23
E&P	196	102
Fiber Optic	8	8
Finance Lease	12	-
Gas Processing	39	26
Others	25	10
Total	1,789	1,469

6M-2020

Financial Highlights: Consolidated Balance Sheet



- **Increasing Total Assets** reflecting the impact of implementation new accounting standard PSAK 73 to the increasing fixed asset
- **Higher Total Liabilities** was contributed from new short-term bank loans and implementation of PSAK 73 recognized in lease payables of FSRU Lampung.

Consolidated Cashflow

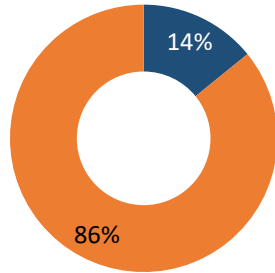
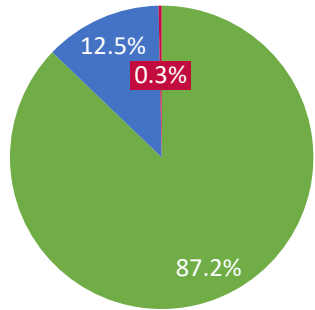
Cash Flow (USD Million)	30 June 2019	30 June 2020
Beginning Balance	1,315	1,040
Cash flow from operating	394	165
Cash flow from investment	(811)	172
Cash flow from financing	10	(124)
Foreign Exchange Impact	6	(13)
Ending Balance	914	1,239

Consolidated cash flow reflecting positive operating cash flow and higher cash inflows related to withdrawal of short-term investment into cash and receipt of carried receivables.

Financial Ratios	30 June 2019	30 June 2020
EBITDA Margin	26%	27%
EBITDA /Interest Expense (x)	5.3	4.6
Debt-to-Equity (x)	0.8	0.8

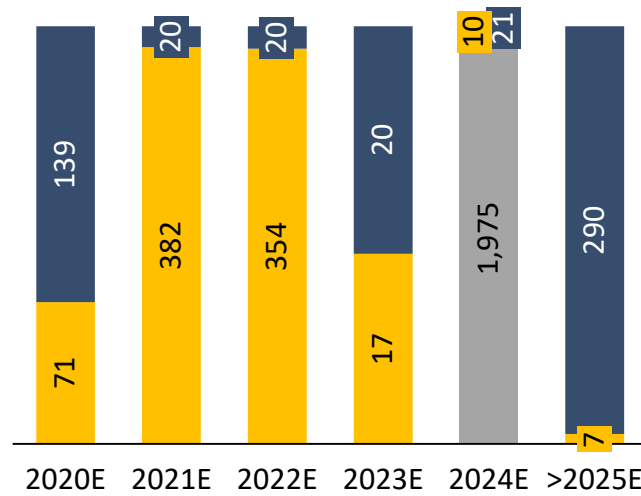
6M-2020 Debt Profile

**Total Loan
USD 2.72 Billion**
Weighted Average Interest Rate 4.24%
(Excl. Tax)

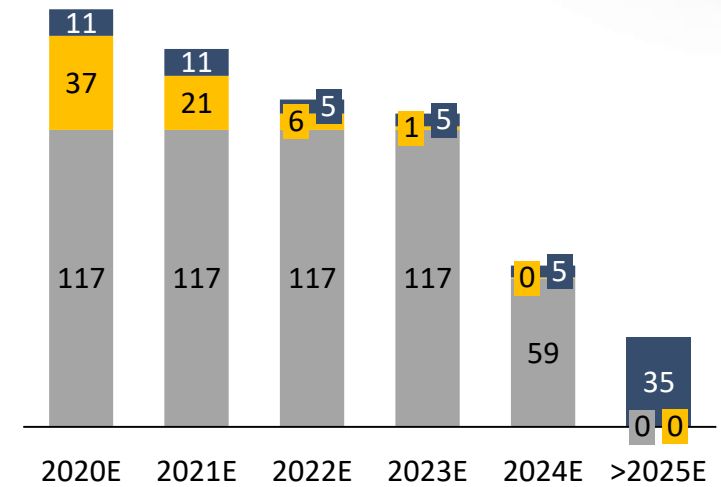


■ USD
 ■ JPY
 ■ IDR
 ■ Float Rate
 ■ Fixed Rate

Debt Maturity Profile *
(Juta USD)



Interest Payment*
(Juta USD)



■ Commercial & Multilateral Loan
 ■ Shareholder Loan
 ■ Bonds

Entities	PGN				SAKA	Pertagas**	PGAS Solution	PGAS Communication
Lender	JBIC (JPY)	IBRD (USD)	BTPN (USD)	Bond (USD)	Bond (USD)	Pertamina SHL (USD)	Bank Mandiri (IDR)	DBS (IDR)
Outstanding	36,595,714,000	29,702,080	120,000,000	1,350,000,000	625,000,000	246,207,747	100,000,000,000	28,000,000,000
Maturity	2043	2026	2020	2024	2024	2022 - 2028	2020	2020

*) The amount stated above may differ due to loan prepayment and/or withdrawal, currency and rate volatility

***) Pertagas Shareholder Loan is lent by PT Pertamina (Persero)

Strategic Projects & Investment 2020



Oil Transportation Pipeline

Rokan Oil Pipeline



PROJECT

BALAM-BANGKO-DUMAI AND MINAS-DURI-DUMAI CORRIDORS CRUDE OIL PIPELINE REPLACEMENT PROJECT

OBJECTIVES

- TO STRENGTHEN OIL AND GAS TRANSPORTATION PORTFOLIO AND REVENUE
- TO SUPPORT INCREASE OF ROKAN BLOCK OIL LIFTING VOLUME (1/3 OF NATIONAL OIL LIFTING)

DESIGN

LENGTH: 367 KM, PIPE DIAMETER 4" – 24"
POTENTIAL TRANSPORTATION VOLUME: 265.000 BOPD

SCOPE

- 12 PIPELINE SEGMENTS
- 3 STATIONS (DURI PUMPING STA, DUMAI METERING STA, BATANG MANIFOLD STA)

TARGET ON-STREAM

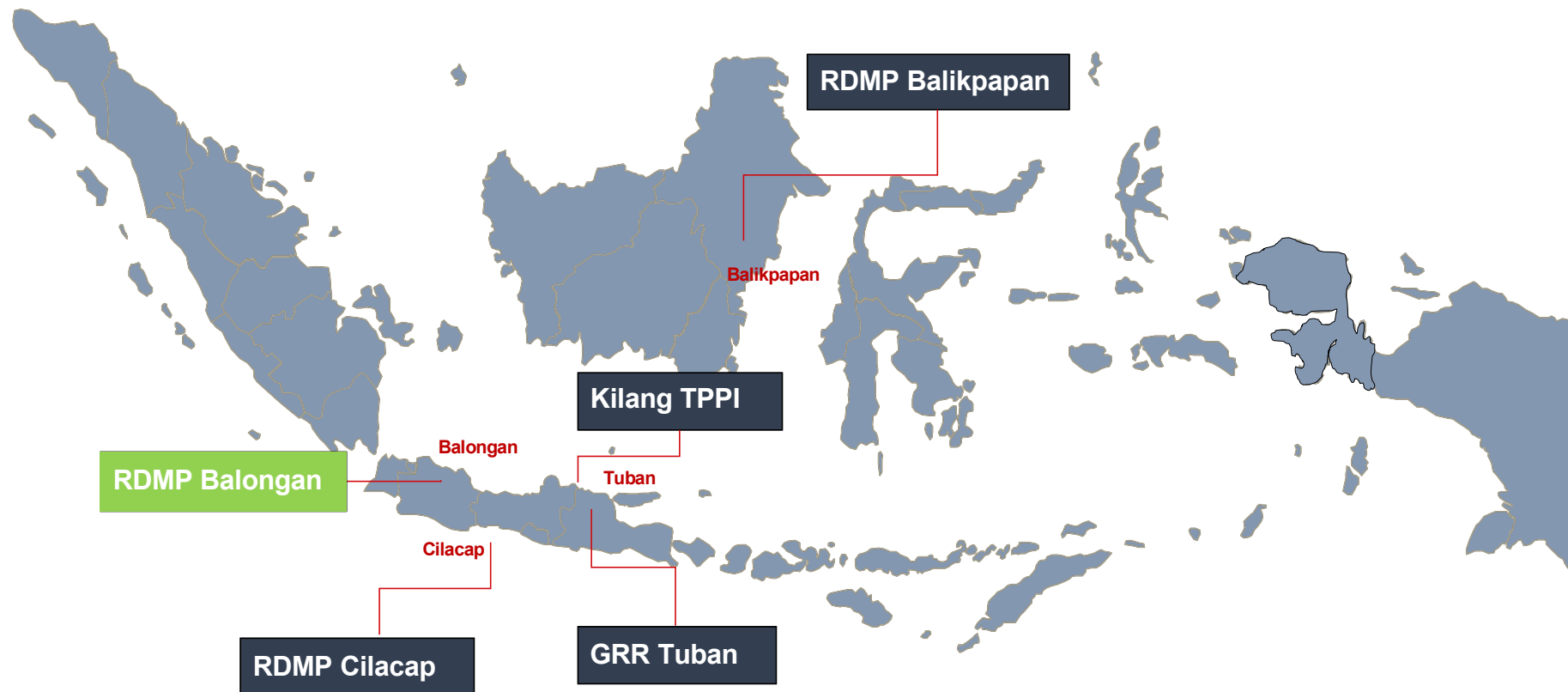
- NORTH SEGMENTS (BALAM-BANGKO-DUMAI AND DURI-DUMAI): AUGUST 2021
- SOUTH SEGMENTS (MINAS-DURI): JANUARY 2022

PROGRESS

- LINEPIPE HRC (HOT-ROLLED COIL) PRODUCTION: 76,37%
- LINEPIPE TOOLING & COATING: 13,70%
- EPC CONTRACTOR: 0,44%

Downstream Infrastructure Projects

Oil to Gas Conversion for Refineries



Potential Volume : ± 90 BBTUD $\approx \pm 16.4$ thousand BOEPD

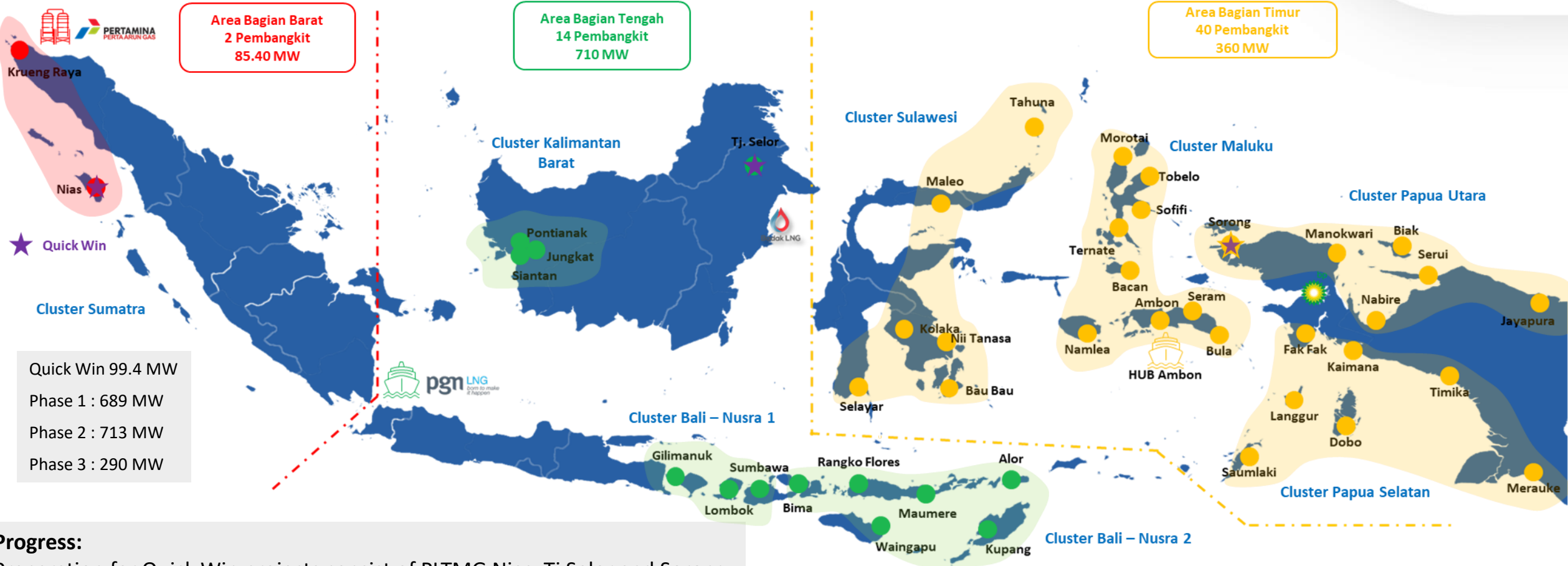
Progress :

- Balongan refinery has been supplied with gas since the fourth quarter of 2019 with a volume of 8 BBTUD.
- RU IV Cilacap and RU V Balikpapan: advanced study stage.

Downstream Infrastructure Projects

Oil to Gas Conversion for Power Plants

56 HSD Power Plants (Capacity 1.8 GW)



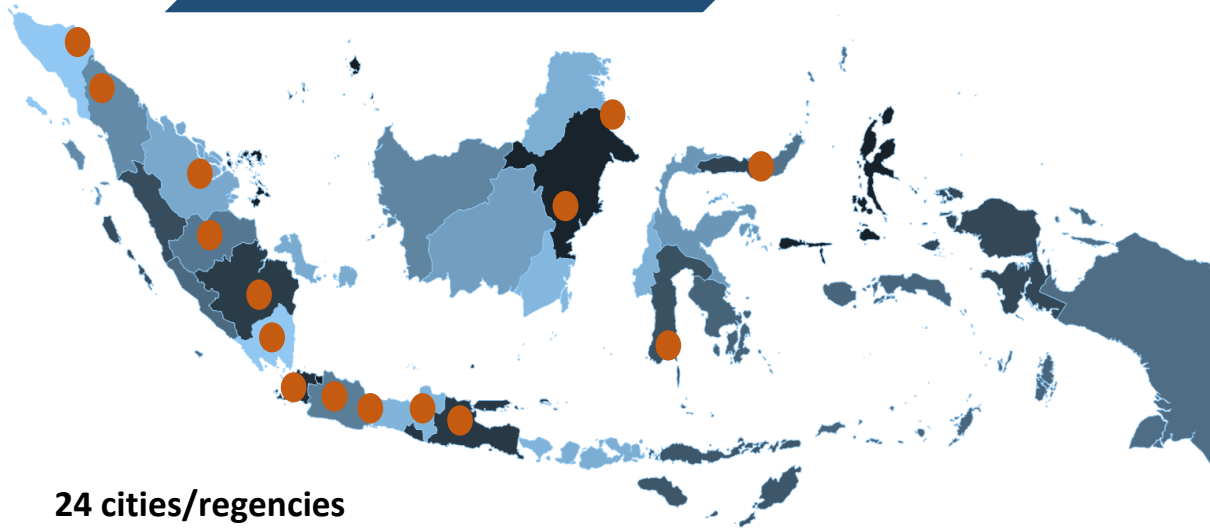
Quick Win 99.4 MW
Phase 1 : 689 MW
Phase 2 : 713 MW
Phase 3 : 290 MW

Progress:
Preparation for Quick Win projects consist of PLTMG Nias, Tj Selor and Sorong

- Nias: CAPEX discussion with PLN; Proposal submission to PLN.
- Tj. Selor: UKL-UPL and FEED completion; Proposal submission to PLN.
- Sorong: Initial preparation

City Gas Project

APBN 2020 : 127.864 SR*

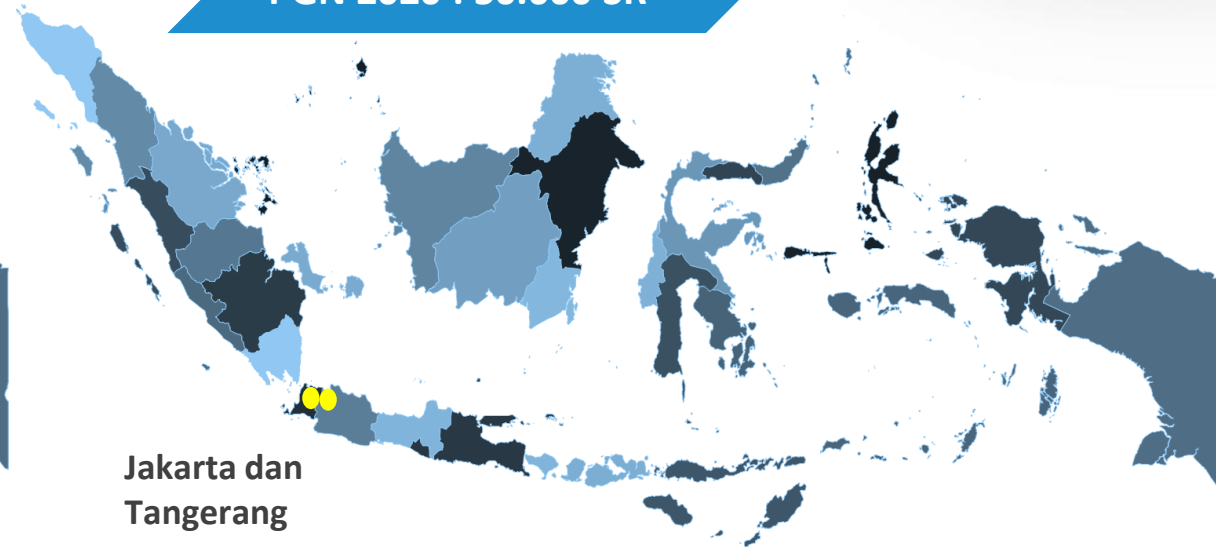


Progress:

Phase : 24 cities/regencies
Progress : Construction

*Adjustment to the City Gas Project APBN 2020 due to efficiency policy from Government, originally 266.070 household connections in 2020 divided into 127.864 in 2020 and 138.206 in 2021.

PGN 2020 : 50.000 SR



Progress:

Feasibility Study, FEED-DEDC
Initiative Business Proposal Submission

HEADQUARTER

Jl. K.H. Zainul Arifin No. 20, Jakarta, Indonesia

Investor Relations:

PT Perusahaan Gas Negara Tbk

Mid Tower Manhattan 26th Floor

Jl. TB Simatupang Kav. 1-S, Jakarta, Indonesia

Email: investor.relations@pgn.co.id

URL: <https://ir.pgn.co.id/>

Phone: +62 21 8064 1111