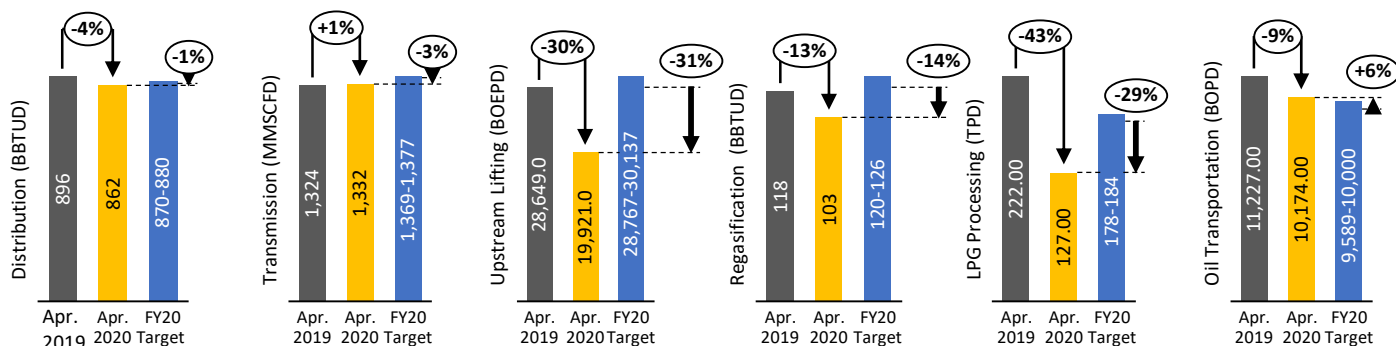


## Refocusing Core Business

May 19, 2020

PT Perusahaan Gas Negara Tbk. (IDX: PGAS) today announces key operating performance updates ended April 30, 2020, as follows:

### YTD Performance



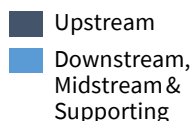
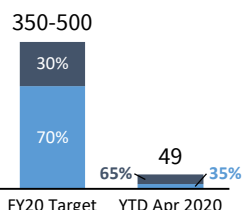
### MoM Performance

Volumes	Mar. 2020	Apr. 2020	Δ MoM (%)	Remarks
Distribution (BBTUD)	881	804	-8.78	<ol style="list-style-type: none"> <li>Distribution volume breakdown on a MoM basis <ul style="list-style-type: none"> <li>PGN = 720 BBTUD (Apr.) vs. 797 BBTUD (Mar.);</li> <li>Gagas = 4 BBTUD (Apr.) vs. 6 BBTUD (Mar.);</li> <li>Pertagas = 84 BBTUD (Apr.) vs. 84 BBTUD (Mar.)</li> </ul> </li> <li>Lower distribution volumes of PGN on a MoM basis was primarily due to Covid-19 on industry and power sector.</li> <li>Gas volumes sold to electricity customers on a PGN standalone basis declined by 5.29% MoM from 321 BBTUD in Mar. to 304 BBTUD in Apr. namely due to Covid-19 pandemic.</li> </ol>
Transmission (MMSCFD)	1,328	1,299	-2.15	Breakdown of transmission volume on a MoM basis is as follow: <ul style="list-style-type: none"> <li>PGN = 2 MMSCFD (Apr.) vs. 5 MMSCFD (Mar.);</li> <li>Pertagas = 1,297 MMSCFD (Apr.) vs. 1,323 MMSCFD (Mar.)</li> </ul>
Upstream Lifting (BOEPD)	17,294	17,261	-0.19	Breakdown of lifting volumes per block is as follow: <ul style="list-style-type: none"> <li>Pangkah = 2,413 BOEPD (Apr.) vs. 5,376 BOEPD (Mar.);</li> <li>Fasken = 5,454 BOEPD (Apr.) vs. 5,613 BOEPD (Mar.);</li> <li>Ketapang = 1,094 BOEPD (Apr.) vs. 1,052 BOEPD (Mar.);</li> <li>Bangkanai = 1,257 BOEPD (Apr.) vs. 887 BOEPD (Mar.);</li> <li>Muara Bakau = 7,044 BOEPD (Apr.) vs. 8,681 BOEPD (Mar.)</li> </ul>
Regasification (BBTUD)	106	79	-25.21	Lower regasification volume MoM was primarily due to weaker consumption from PLN.
LPG Processing (TPD)	184	4	-97.82	Significant decrease of LPG Processing is due to the LPG MKS plant has stopped operating as LPG prices fall below the economic value. The volume breakdown per LPG plant on a MoM basis is as follow: <ul style="list-style-type: none"> <li>LPG Pondok Tengah = 4 TPD (Apr.) vs. 5 TPD (Mar.)</li> <li>LPG MKS = 4 TPD (Apr.) vs. 179 TPD (Mar.)</li> </ul>
Oil Transportation (BOPD)	10,292	10,703	3.99	Oil delivery grew primarily contributed by higher oil transportation volume from Pertamina EP field in Central Ramba, South Sumatra to Plaiu refinery unit in South Sumatra

## Refocusing Core Business

YTD-Apr. 2020 Capex reached US\$49 million with the following details:

### CAPEX (US\$ Million)



Business Segments	CAPEX (US\$ Mio)
Upstream	32
Downstream	16
Midstream	-
Supporting	1

### Business Updates

- PGN is pleased to announce the joining of Mr. Suko Hartono as President Director replacing Mr. Gigih Prakoso, Mr. Fariz Azis as Commercial Director replacing Mr. Dilo Seno Widagdo, Mr. Beni Syarif Hidayat as Director of Human Capital & General Services replacing Mrs. Desima Equalita Siahaan, and Mr. Wadih Sadono as Commissioner replacing Mr. Mas'ud Khamid, at the Company's Annual General Meeting ("AGM") held May 15, 2020.
- Moreover, at the AGSM mentioned above, PGN announced that it will pay dividend of Rp.41.56 per share to its shareholders (or equivalent to 100% dividend payout ratio based on PGN's consolidated 2019 net income of US\$67.58 million). Thus, the total dividend is approximately Rp. 1 trillion.
- We recently revised down our target consolidated distribution from 900-925 BBTUD to 870-880 BBTUD for FY20 namely as a result of expected weaker gas demand from commercial and industrial customer due to Covid-19.
- Total production volumes (producing O&G blocks: (1.) Pangkah; (2.) Ketapang, (3.) Muara Bakau, (4.) Fasken, and (5.) Bangkanai) of Saka for YTD-April 2020 was 28,584 BOEPD (or 5.84% higher than YTD-Mar. period).
- PGN until today has not reduced its ASP to the selected seven industrial sectors (refer to Decree of Ministry of Energy and Mineral Resources ("MEMR") No: 89K/10/MEM/2020 dated April 13, 2020) and PLN (refer to Decree of MEMR No: 91K/12/MEM/2020 dated April 22, 2020), state-owned electricity company, as PGN is still seeking the clear compensation mechanism from the government due to the potential revenue loss as a result of lower ASP to the types of customers mentioned above.

For further information please contact;

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## **About PT PGN Tbk**

PGN is the leading IDX listed natural gas distribution and transportation player in Indonesia. PGN continues to strengthen its position in the market by gradually transforming into an integrated energy solution company, encouraging the use of natural gas.

PGN is engaged in upstream oil and gas, midstream and downstream fields across the Indonesian peninsula. PGN owns and operates natural gas pipelines in excess of 9,000km in total length, covering c. 95% of the national natural gas pipeline network. Additionally, PGN is present in 11 working fields across Indonesia with active FSRU's in most regions. PGN, through its downstream entities, serves more than 2,000 industrial and commercial customers.

PGN's operations are supported by a variety of sophisticated and reliable information technology to ensure quality of service.

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*This document may include forward-looking statements concerning the Company's plans, objectives, goals, strategies, future events, future performance, capital expenditures, business trend, and other information that is not historical. When used in this document, the words "estimates", "expects", "anticipates", "projects", "plans", "intends", "believes", "predicts", "forecasts", or future or conditional verbs, such as "will", "should", "could", or "may" and variations of such words or similar expressions are intended to identify forward-looking statements. All forward-looking statements, including, without limitation, management's examination of historical operating trends and data are based upon the Company's expectation and various assumptions. Future events or results may differ from those anticipated or expressed in these forward-looking statements.*

*All forward-looking statements attributable to the Company or persons acting on its behalf apply only as of the date of this document. The Company undertakes no obligation to update or revise forward-looking statements to reflect events or circumstances that arise after the date made or to reflect the occurrence of unanticipated events.*