

Business Model

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CEO of PT.Pertagas Niaga (2013-2016) & PT.ConocoPhillips Downstream Indonesia (2002-2006)

STRUCTURE

- High Level Business Model
- Product Positioning, Competitive Analysis, Account Management & Price Positioning.
- Implementation Plan (including KBA).
- Financial Plan.
- Key Challenges, Successes and Failures stories.
- Measurement & Monitoring
- Retention Program

High Level Business Model

Business Model

Vision

***Business
Objective***

Pelanggan

Pesaing

Kesempatan/Ancaman

***Theory
Of The
Business***

Strategy

Produk

Dana

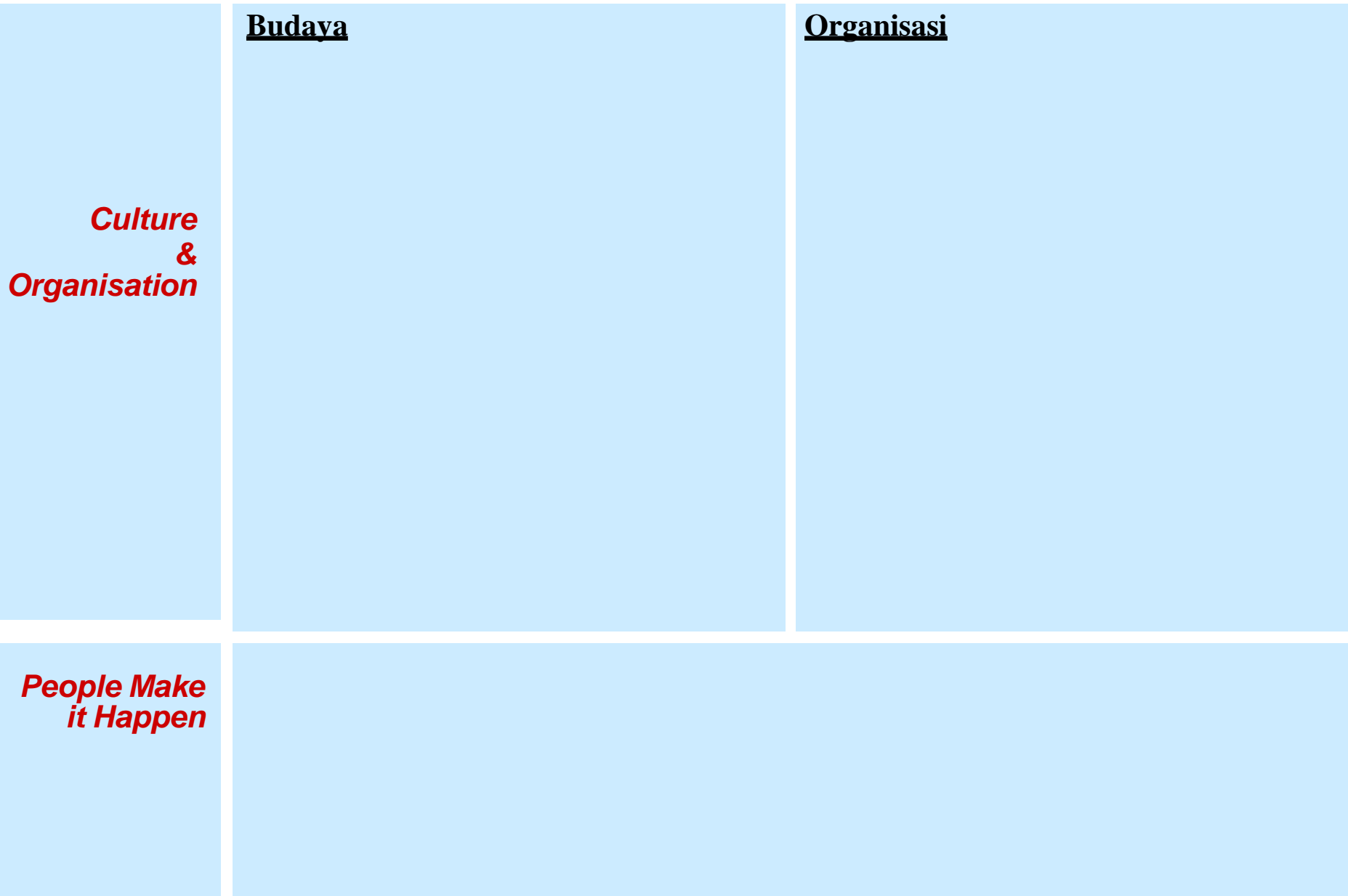
Channel

Services

Pelanggan

Stakeholder

***Strategic
Control
Points***



Business Model

Vision

Sebagai bisnis pilihan bagi pelanggan, partner bisnis dan karyawan

Business Objective

Menciptakan 2X pendapatan (NIAT) untuk jangka waktu 5 ke depan, sementara tetap mempertahankan return (ROACE) pada level yang sama.

Theory Of The Business

Pelanggan

- Fokus ke biaya, produktivitas & kenyamanan akibat kompetisi yang meningkat.
- Konsolidasi pembelian secara sentralisasi

Pesaing

- Fokus ke harga rendah, produk tertentu dan fokus ke jalur distribusi yang lebih efisien
- Pemain baru fokus ke produk murah dengan jalur distribusi baru yang berbeda dengan lainnya

Kesempatan/Ancaman

- Pasokan berlebih.
- Produk substitusi.
- Komoditisasi.
- Pasar yang lebih transparan melalui e-commerce
- Cara baru berkompetisi, yaitu tidak hanya sekedar menjual produk.

Strategy

Untuk mendapatkan pelanggan dengan cara memberikan solusi kepada mereka (seperti biaya operasi yang lebih murah, produk yang lebih murah, efisiensi proses, nilai tambah, kenyamanan/ketenangan) dan mendapatkan porsi yang lebih besar dari biaya yang dikeluarkan oleh pelanggan serta bertindak lebih baik dan cepat dari para pesaing..

Strategic Control Points

Produk

- Supply & Demand
- Produk baru.
- Pemilihan Portfolio
- Biaya yg lbh murah

Dana

- Penggunaan dana yg efektif
- Mekanisme kontrol yang lebih baik

Channel

- Kontrol yang lebih baik.
- Prg Revitalisasi

Services

- Organisasi pelayanan
- Perbaikan pelayanan secara kontinyu

Pelanggan

- Organisasi pengembangan bisnis.
- Pengembangan bisnis baru

Stakeholder

- Menjaga relasi dgn baik
- Adaptive dgn Regulator

Culture & Organisation

Budaya

- Mengubah dari hanya sekedar menjual produk ke arah kemitraan yang lebih baik dan terarah yang dapat memuaskan ke dua belah pihak.
- Budaya yang mengarah kepada kepuasan pelanggan & berkomitmen tinggi untuk memenuhinya.
- Perbaikan terus menerus berdasarkan referensi terbaik dari luar.
- Inovasi terus menerus serta menitik beratkan pada implementasi.

Organisasi

- Orang dan sistem berjalan searah dalam mengembangkan produk & bisnis baru.
- Mendapatkan keahlian yang tidak kita miliki dengan cara melakukan kerjasama dengan pihak ke-3.
- Pelayanan yang terbaik (expertise, cost, ownership) untuk memenuhi keinginan pelanggan.
- Organisasi dibuat dengan titik berat ke pelayanan pelanggan dan mitra kerja.
- Menyiapkan serta mengukur KBA (Key Business Activities) serta berorientasi/fokus ke hasil/profit.
- Meningkatkan produktivitas karyawan

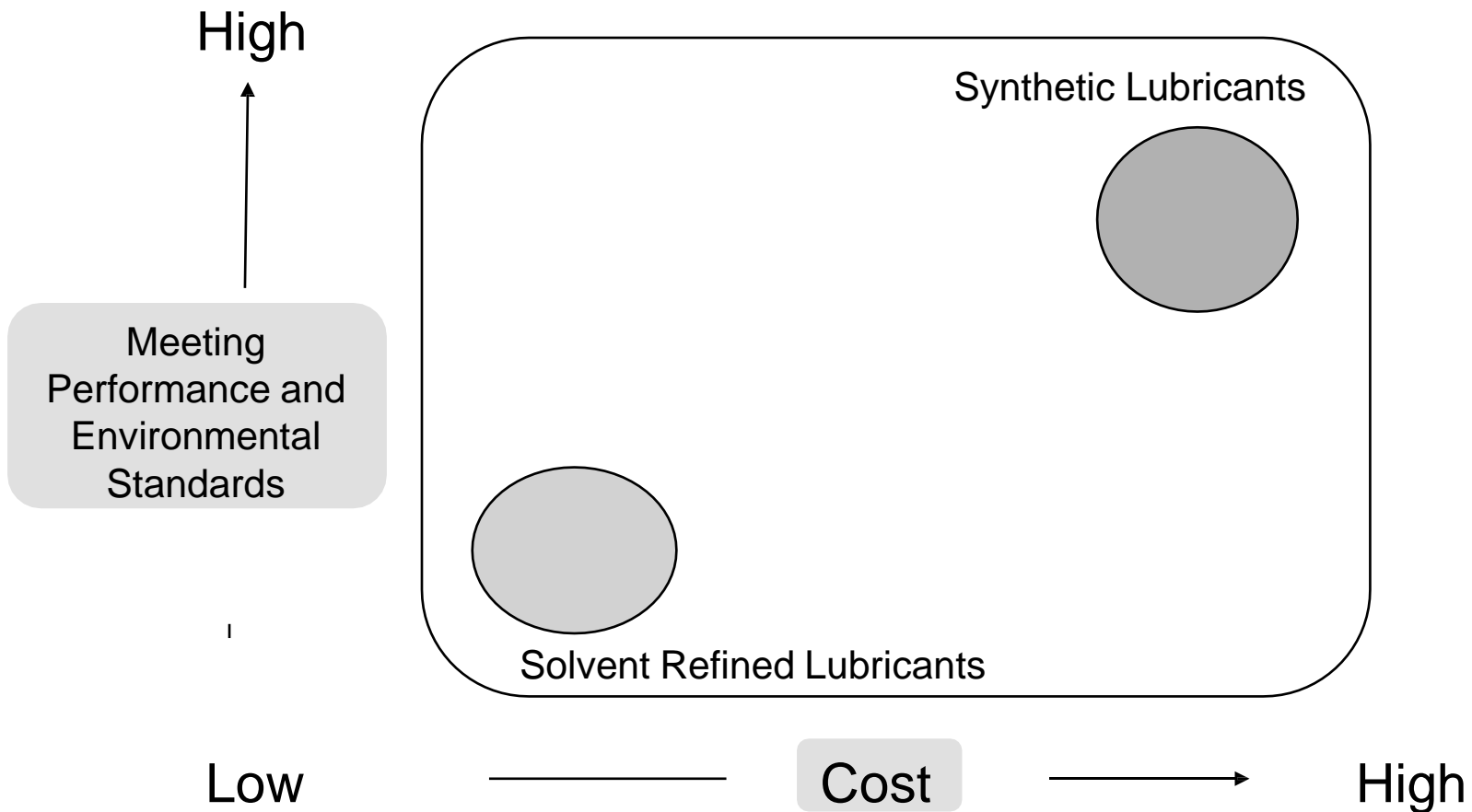
People Make it Happen

- Pengembangan kompetensi bidang Sales, Marketing, Produksi, Teknik, Keuangan, Logistik, Legal dsb agar menjadi staf yang lebih profesional & mumpuni.
- Menciptakan paket serta sistem terbaik untuk mencari, mempertahankan dan memberikan motivasi bagi karyawan terbaik.
- Merekrut karyawan terbaik dari luar .

**PRODUCT POSITIONING,
COMPETITIVE ANALYSIS
ACCOUNT MANAGEMENT &
PRICE POSITIONING**

PRODUCT POSITIONING (contoh produk Pelumas)

Performance - Cost Matrix for Major Lubricant Types



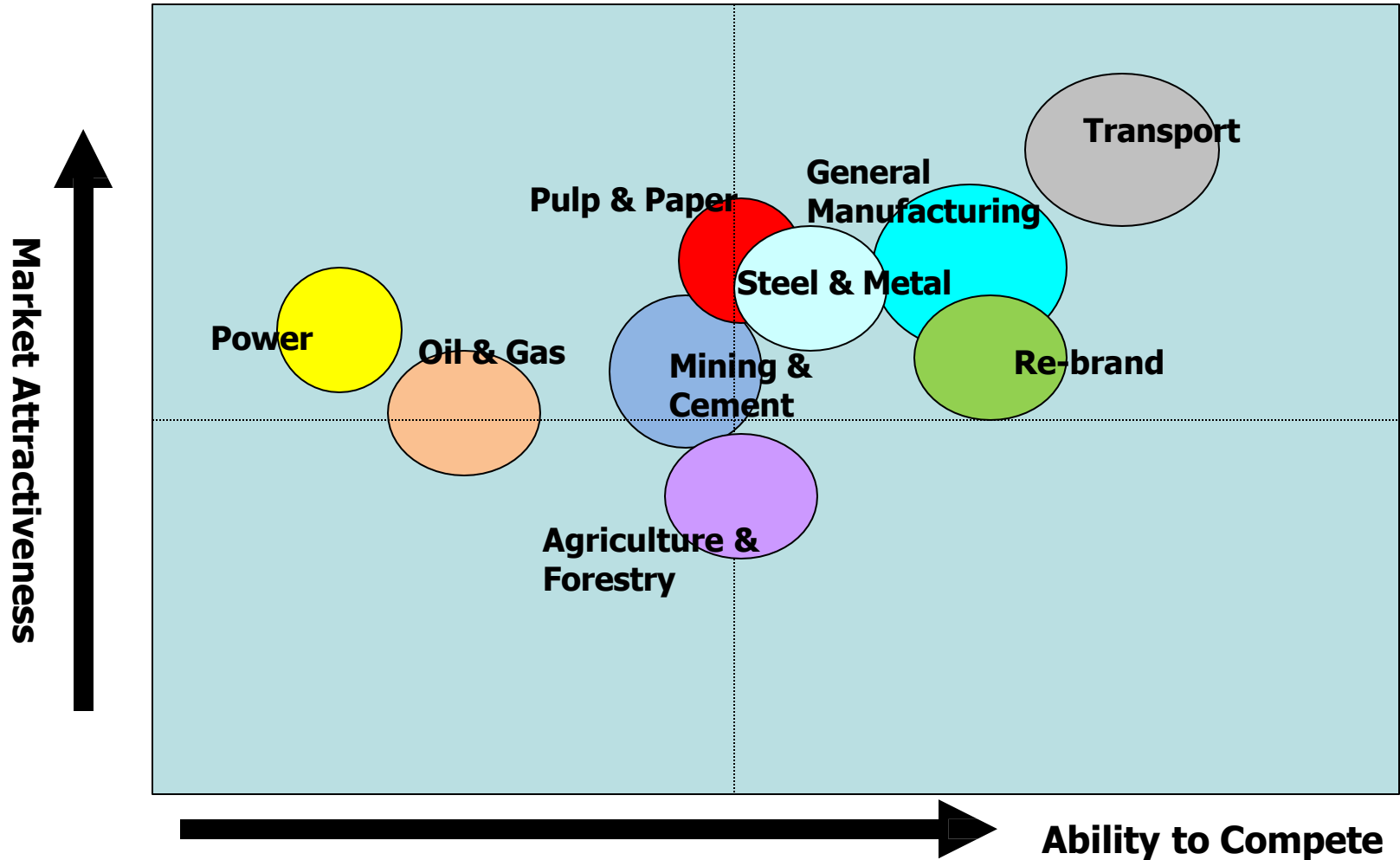
Competitive Analysis – Contoh Pelumas Industry & Transport

| Competitor | Focused Sectors | Pricing Strategy | Account Servicing | Competitive Edge |
|-------------------|---|--------------------------|---|--|
| ExxonMobil | Steel, Mining Cement, Paper Power Gen. | mid to Top | Contract supply & link with Trakindo | OEM Endorsement Strong Product Image International Back-up |
| Pertamina | Transport Cement, mining & Gen. Mfg. | Bottom to mainstream | Contract supply tied up with fuel | Good Infrastructure (Dealership) Good Availability Price Leader, local blend |
| Caltex | Transport Cement, mining | mid to Top | Contract supply with US company, Lubes Site Management | Good Reputation Well recognized brand |
| Shell | Mining, Steel, Cement, Paper, Marine, Power Gen & Gen Mfg. | mid to top | Contract supply Lubes supply+ Hydrocarbon Mgt. | OEM Endorsement Strong Product Image International Backup |
| Petronas | Transport | Bottom and mainstream | Contract supply | Heavy promotion, 300K US\$/yr for Transport only |

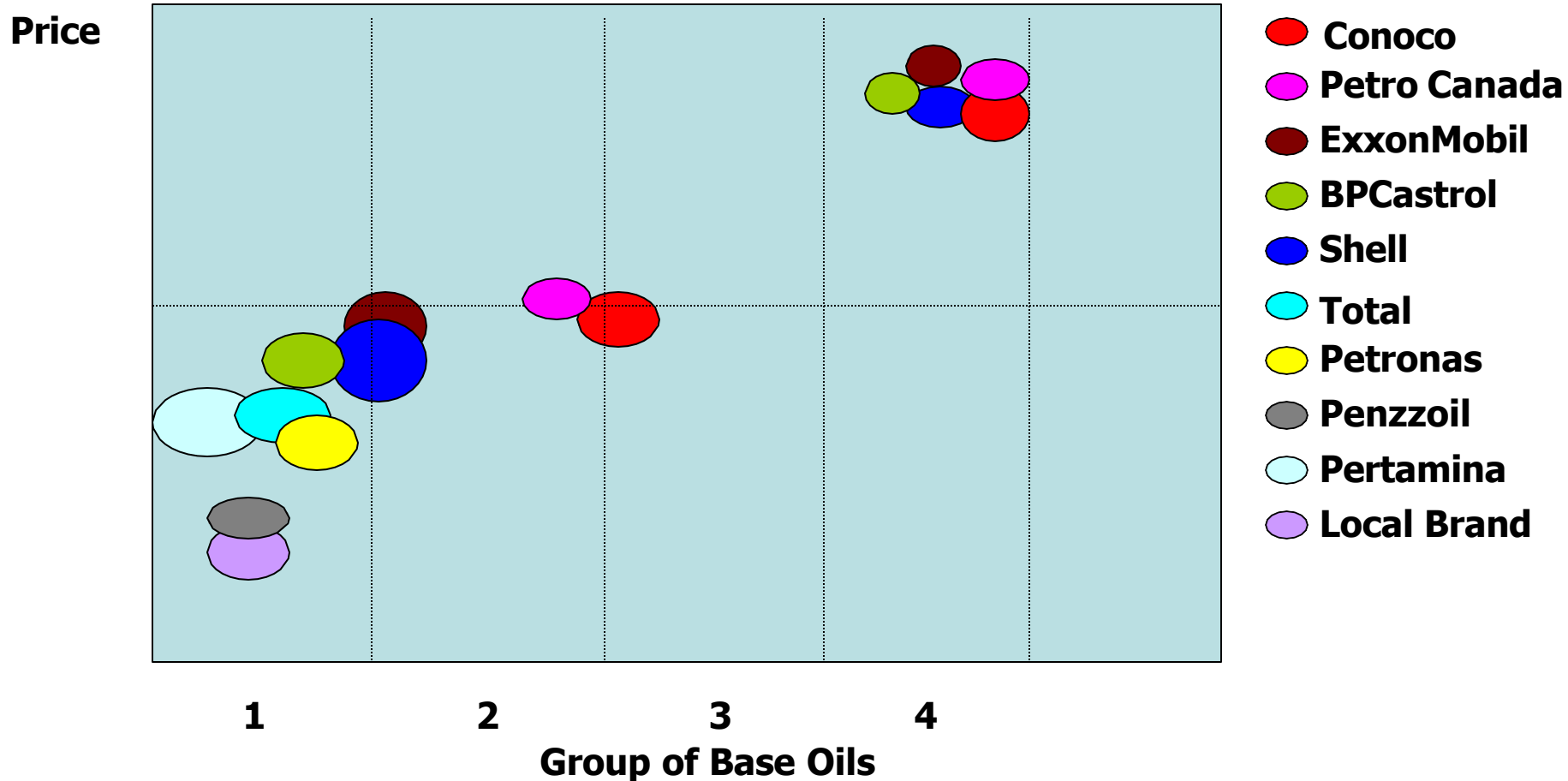
ACCOUNT MANAGEMENT

| | | | |
|---------------------------|------|---|-----------------------------|
| Customer's Attractiveness | High | Development Accounts <ul style="list-style-type: none"> - No of customer : - Volume : - Margin : - Unit margin : | Key Accounts |
| | Low | Opportunistic Accounts | Maintenance Accounts |
| | | Low | High |
| | | Supplier's Relative Strength (Compared To Competitors) | |

Targeted Sectors.



Price Positioning



IMPLEMENTATION PLAN

(including Key Business Activity/KBA)

Implementation Plan

INTERNAL

- Pengembangan Kompetensi SDM Perusahaan melalui seminar/workshop/training dsb.
- Sharing best practices di internal Perusahaan
- Menetapkan Target serta Reward/Punishment bagi Distributor.
- Menetapkan Hit List Pelanggan, khususnya Key Account.
- Monitoring Business Tracker, khususnya Key Account.
- Cost effective campaign strategy
- Re-evaluate pricing strategy/policy
- Re-evaluate credit control policy
- Re-evaluate tech-service support capabilities
- Re-evaluate Product development concerns/fitting into the market place
- Mengembangkan Service/logistics development untuk Key Accounts
- Mengembangkan konsep “Direct Sales” untuk Key Accounts.
- Mengembangkan konsep Revitalisasi Distributor (if any)

Implementation Plan

EKSTERNAL :

- Pengembangan Kompetensi SDM Distributor/Retailer/Agen.
- Monitoring Business Tracker.
- Sharing best practices di antara Distributor/Retailer/Agen.
- Revitalisasi Distributor/Retailer/Agen.

IMPROVEMENTS : Distributors - Consumer, Industrial & Transport



FINANCIAL PLAN

NIAT

(Net Income After Tax)

- ✓ $\text{NIAT} = \{\text{Gross margin} - \text{OPEX} - \text{Income Tax}\}$
- ✓ $\text{Gross margin} = \{\text{Turnover/Revenue/Proceeds} - \text{cost of goods sold}\}$
- ✓ $\text{Profit before tax} = \{\text{Gross margin} - \text{Opex (variable and fixed)} - \text{Depreciation and Interest expense}\}$
- ✓ $\text{Net Income after tax} = \{\text{Profit before tax} - \text{Income tax}\}$

ROACE

(Return on Average Capital Employed)

- ❑ $ROACE = NIAT / \text{Average Capital Employed}$
- ❑ Capital employed measures the size of resources tied up in the business, funded by shareholders and providers of loans, with the intention of gaining returns (profits, interest) from the use of these resources.
- ❑ $\text{Capital employed} = \text{Fixed assets} + \text{Current Assets} - \text{Current Liability}$.

The original financial statements
included herein is in Indonesian language

LAPORAN POSISI KEUANGAN DAN ENTITAS ANAK PT. BUKIT BARU DAN ENTITAS ANAK
KONSOLIDASIAN
31 DESEMBER 2021 DAN 2020
(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain) *(Expressed in million of Rupiah, unless otherwise stated)*

| | Catatan/ Notes | 2021 | 2020 | |
|---|-------------------|------|------|--|
| ASET | | | | ASSETS |
| Aset lancar | | | | Current assets |
| Kas dan setara kas | 5 | | | Cash and cash equivalents |
| Piutang usaha | 6 | | | Trade receivables |
| Piutang usaha (angsuran) - bagian lancar | 7 | | | Trade receivables (installment) - current portion |
| Investasi neto sewa pembiayaan - bagian lancar | 8 | | | Net investments in finance lease - current portion |
| Piutang lain-lain - bagian lancar | 9 | | | Other receivables - current portion |
| Pembiayaan modal kerja - bagian lancar | | | | Working capital financing - current portion |
| Persediaan | 10 | | | Inventories |
| Uang muka | 11 | | | Advances |
| Biaya dibayar di muka | 12 | | | Prepaid expenses |
| Pajak dibayar di muka | 13 | | | Prepaid taxes |
| Aset lancar lain-lain | 14 | | | Other current assets |
| Jumlah aset lancar | | | | Total current assets |
| Aset tidak lancar | | | | Non-current assets |
| Kas yang dibatasi penggunaannya | 16 | | | Restricted cash |
| Piutang usaha (angsuran) - jangka panjang | 7 | | | Trade receivables (installment) - long-term |
| Investasi neto sewa pembiayaan - jangka panjang | 8 | | | Net investments in finance lease - long-term |
| Piutang lain-lain - jangka panjang | 9 | | | Other receivable - long-term |
| Penyertaan saham | 15 | | | Investment in shares of stock |
| Piutang dari pihak berelasi | 17,50 | | | Receivables from related parties |
| Aset tetap | 18 | | | Fixed assets |
| Aset hak-guna | 19a | | | Right-of-use assets |
| Aset tetap disewakan | 20 | | | Fixed assets for lease |
| Aset Ijarah Muntahiyah Bittamlik | 21 | | | Assets for Ijarah Muntahiyah Bittamlik |
| Aset pajak tangguhan - bersih | 48 | | | Deferred tax assets - net |
| Aset tidak lancar lain-lain | 22 | | | Other non-current assets |
| Jumlah aset tidak lancar | | | | Total non-current assets |
| JUMLAH ASET | | | | TOTAL ASSETS |

Catatan atas laporan keuangan konsolidasi merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasi ini.

The accompanying notes to consolidated financial statements form an integral part of these consolidated financial statements.

The original financial statements
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LAPORAN POSISI KEUANGAN

KONSOLIDASIAN (lanjutan)

31 DESEMBER 2021 DAN 2020

(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

CONSOLIDATED STATEMENTS OF

FINANCIAL POSITION (continued)

31 DECEMBER 2021 AND 2020

(Expressed in million of Rupiah, unless otherwise stated)

| | Catatan/ Notes | 2021 | 2020 | |
|--|-------------------|------|------|---|
| LIABILITAS DAN EKUITAS | | | | LIABILITIES AND EQUITY |
| Liabilitas jangka pendek | | | | Current liabilities |
| Utang usaha | 23 | | | Trade payables |
| Utang pajak | 24 | | | Taxes payable |
| Uang muka pelanggan | 25 | | | Advances from customers |
| Beban akrual | 26 | | | Accrued expenses |
| Utang bank jangka pendek | 27 | | | Short-term bank loans |
| Liabilitas sewa | 19b | | | Lease liabilities |
| Bagian liabilitas jangka panjang yang akan jatuh tempo dalam waktu satu tahun: | | | | Current portion of long-term liabilities: |
| Utang bank jangka panjang | 28 | | | Long-term bank loans |
| Medium term notes | 29 | | | Medium term notes |
| Utang kepada lembaga keuangan | 30 | | | Loan to financial institutions |
| Liabilitas sewa | 31 | | | Lease liabilities |
| Utang modal kerja | 32 | | | Working capital loan |
| Utang kepada pihak berelasi | 17,50 | | | Payables to related parties |
| Liabilitas jangka pendek lain-lain - pihak ketiga | 34 | | | Other current liabilities - third parties |
| Jumlah liabilitas jangka pendek | | | | Total current liabilities |
| Liabilitas jangka panjang | | | | Non-current liabilities |
| Liabilitas jangka panjang - setelah dikurangi bagian yang akan jatuh tempo dalam waktu satu tahun: | | | | Long-term liabilities - net of current portion: |
| Utang bank jangka panjang | 28 | | | Long-term bank loans |
| Medium term notes | 29 | | | Medium term notes |
| Utang kepada lembaga keuangan | 30 | | | Loan to financial institutions |
| Liabilitas sewa | 31 | | | Lease liabilities |
| Liabilitas imbalan pascakerja | 33 | | | Post-employment benefits obligation |
| Jumlah liabilitas jangka panjang | | | | Total non-current liabilities |
| Jumlah liabilitas | | | | Total liabilities |
| DEFISIENSI MODAL | | | | CAPITAL DEFICIENCY |
| Ekuitas yang dapat diatribusikan kepada pemilik Perusahaan | | | | Equity attributable to owners of the Company |
| Modal saham - nilai nominal Rp50 per saham | | | | Capital stock - Rp50 par value per share |
| Modal dasar - 8.640.000.000 saham | | | | Authorized - 8,640,000,000 shares |
| Modal ditempatkan dan disetor - 3.343.935.022 saham | 35 | | | Issued and paid-up - 3,343,935,022 shares |
| Tambahan modal disetor | 36 | | | Additional paid-in capital |
| Modal lain - opsi saham manajemen dan karyawan | 51 | | | Other capital - management and employee stock option plan |
| Komponen ekuitas lain | 37 | | | Other equity component |
| Penghasilan komprehensif lain | 37 | | | Other comprehensive income |
| Akumulasi defisit | | | | Accumulated deficit |
| Ekuitas yang dapat diatribusikan kepada pemilik Perusahaan | | | | Total equity attributable to owners of the Company |
| Kepentingan non-pengendali | 38 | | | Non-controlling interest |
| Jumlah defisiensi modal | | | | Total capital deficiency |
| JUMLAH LIABILITAS DAN DEFISIENSI MODAL | | | | TOTAL LIABILITIES AND CAPITAL DEFICIENCY |

Catatan atas laporan keuangan konsolidasi merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasi ini.

The accompanying notes to consolidated financial statements form an integral part of these consolidated financial statements.

The original financial statements
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DAN ENTITAS ANAK
LAPORAN LABA RUGI DAN PENGHASILAN
KOMPREHENSIF LAIN KONSOLIDASIAN
UNTUK TAHUN YANG BERAKHIR
31 DESEMBER 2021 DAN 2020

(Disajikan dalam jutaan Rupiah, kecuali dinyatakan lain)

D ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF PROFIT OR
LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEARS ENDED
31 DECEMBER 2021 AND 2020

(Expressed in million of Rupiah, unless otherwise stated)

| | Catatan/ Notes | 2021 | 2020 | |
|---|-------------------|------|------|--|
| Pendapatan usaha | 39 | | | Revenues |
| Beban pokok pendapatan | 40 | | | Cost of revenues |
| Laba/(rugi) kotor | | | | Gross profit/(loss) |
| Beban penjualan | 41 | | | Selling expenses |
| Beban umum dan administrasi | 42 | | | General and administrative expenses |
| Kerugian penurunan nilai | 47 | | | Impairment losses |
| Beban keuangan | 43 | | | Finance cost |
| Bagi hasil | 44 | | | Profit sharing |
| (Kerugian)/keuntungan selisih kurs mata uang asing - bersih | | | | Foreign exchange (loss)/gain - net |
| Pendapatan bunga dan denda | 45 | | | Interest income and penalties |
| Bagian laba entitas asosiasi | 15 | | | Share in net income/(loss) of associate |
| (Kerugian)/keuntungan lain-lain - bersih | 46 | | | Other (losses)/gain - net |
| Rugi sebelum pajak | | | | Loss before tax |
| Beban pajak | 48 | | | Income tax expense |
| Rugi bersih tahun berjalan | | | | Net loss for the year |
| Penghasilan komprehensif lain setelah pajak | | | | Other comprehensive income after tax |
| Pos-pos yang tidak akan direklasifikasi ke laba rugi | | | | Items that will not be reclassified subsequently to profit or loss |
| Peningkatan revaluasi tanah | | | | Gain on revaluation of land |
| Keuntungan aktuarial | | | | Actuarial gain |
| Jumlah penghasilan komprehensif lain | | | | Total other comprehensive income |
| Jumlah rugi komprehensif tahun berjalan | | | | Total comprehensive loss for the year |
| Rugi bersih tahun berjalan yang dapat diatribusikan kepada: | | | | Net loss for the year attributable to: |
| Pemilik entitas induk | | | | Owners of the Company |
| Kepentingan non-pengendali | 38 | | | Non-controlling interest |
| Rugi bersih tahun berjalan | | | | Net loss for the year |
| Jumlah rugi komprehensif yang dapat diatribusikan kepada: | | | | Total comprehensive loss attributable to |
| Pemilik entitas induk | | | | Owners of the Company |
| Kepentingan non-pengendali | 38 | | | Non-controlling interest |
| Jumlah rugi komprehensif lain tahun berjalan | | | | Total comprehensive loss for the year |
| Rugi per saham (dalam Rupiah penuh) Dasar | 49 | | | Loss per share (in full Rupiah) Basic |

Catatan atas laporan keuangan konsolidasi merupakan bagian yang tidak terpisahkan dari laporan keuangan konsolidasi ini.

The accompanying notes to consolidated financial statements form an integral part of these consolidated financial statements.

CHALLENGES, SUCCESSES & FAILURES STORIES

Key Challenges

Internal :

- Product Cost ?.
- Budget ?
- Man Power ?
- Pola berpikir, attitude ?

External :

- Slow economic growth ?.
- Potential customer undue contract ?
- Major competitors are very aggressive in the market ?

Success Story

- Key learning:
 - Large Distribution Network
 - Relationship & rapport building
 - Strong Logistic.
 - One Package Service (Fuels & Lubricants)
 - Strong Brand

Failure Story

- Key learning : ??

MEASUREMENT & MONITORING

Measurement & Monitoring

- Melakukan Evaluasi 2 mingguan/bulanan terhadap Hasil Vs Target & mengambil langkah-langkah perbaikan untuk mencapai target.
- Monitoring “Sales Process” (Business Tracker) terhadap calon pelanggan potensial & mengambil langkah-langkah perbaikan untuk mencapai target.
- Monitoring terhadap Inventory untuk menghindari kekosongan yang akan berakibat terhadap “loss of sales”

RETENTION PROGRAM

RETENTION PROGRAM (CONTOH)

Retention Program for Key/Development Accounts :

- A. Customised technical presentation**
- B. Courtesy visit by high level/Director**
- C. Invitation to technical workshop/seminar**
- D. Invitation to Public Affair events such as gathering, sponsorship etc**
- E. Promo items**

Retention Program for Development Accounts :

- A. Regular visit by VP**
- B. Invitation to technical workshop/seminar**
- C. Invitation to PA events such as gathering, sponsorship.**
- D. Promo items**

Retention Program for Maintenance Accounts :

- A. Regular visit by Manager**
- B. Invitation to technical workshop/seminar.**
- C. Promo items**