

Full Year 2018

PT. Resource Alam Indonesia Tbk (“Resource Alam” or “the Company”) is an Indonesian coal mining company. Resource Alam focuses on the production and sales of thermal coal through its wholly owned subsidiary PT. Insani Bara Perkasa (“IBP”). IBP holds and operates a 24,477 hectare, 3rd Generation Coal Contract of Work (CCOW) concession in East Kalimantan.

Share Price Data: (As of 31 December 2018)

IDX : **KKGI**
 Bloomberg : **KKGI.IJ**
 Reuters : **KKGI.JK**

Price:
Rp 354

52 Weeks Hi/Lo:
Rp. 484/300

Market Capitalization:
**Rp 1.77 trillion/
 US\$ 122 million**

Rp/US\$ (31 Dec 2018):
Rp14,481

Board of Commissioners:

- **Hendro Martowardojo**
President Commissioner
- **Swandono Adijanto**
Commissioner
- **Ge Luyanto Yamin**
Commissioner
- **Andrew J. Wilson**
Commissioner
- **Suria M. Tjahaja**
Commissioner

Board of Directors:

- **Pintarso Adijanto**
President Director
- **Bambang Prijonohadi**
Director
- **Chamilus Salimbo**
Director
- **Agoes Soegiarto**
Director
- **Wimpy Salim**
Director
- **Winanto**
Director

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A. FINANCIAL HIGHLIGHTS

Financial (YTD)	FY2017 USD Million	FY2018 USD Million	Change	4Q2017 USD Million	4Q2018 USD Million	Change
Revenue	83.76	56.94	-32.0%	29.90	20.70	-30.8%
Gross Profit	26.39	12.98	-50.8%	9.73	1.91	-80.4%
Operating Profit	19.22	1.02	-94.7%	7.45	-4.29	-157.6%
Net Profit After Tax	13.44	0.48	-96.5%	5.27	-1.63	-130.9%
	FY2017	FY2018	Change			
Total Asset	105.05	117.27	11.6%			
Total Liability	16.43	30.56	86.0%			
Equity	88.62	86.71	-2.2%			
Debt ¹	1.33	7.84	489.5%			
	FY2017	FY2018		4Q2017	4Q2018	
Gross Margin	31.5%	22.8%		32.5%	9.2%	
Operating Margin	22.9%	1.8%		24.9%	-20.7%	
NPAT Margin	16.0%	0.8%		17.6%	-7.9%	
Return On Asset (ROA)	12.8%	0.4%		-	-	
Return On Equity (ROE)	15.2%	0.6%		-	-	
Debt to Equity	1.5%	9.0%		-	-	

Exchange rate USD/IDR: 31 Dec 2018 = 14,481; 31 Dec 2017 = 13,548 ; ¹Interest bearing liabilities only (e.g: vehicle leasing, etc.)

B. Performance Summary/Ringkasan Kinerja

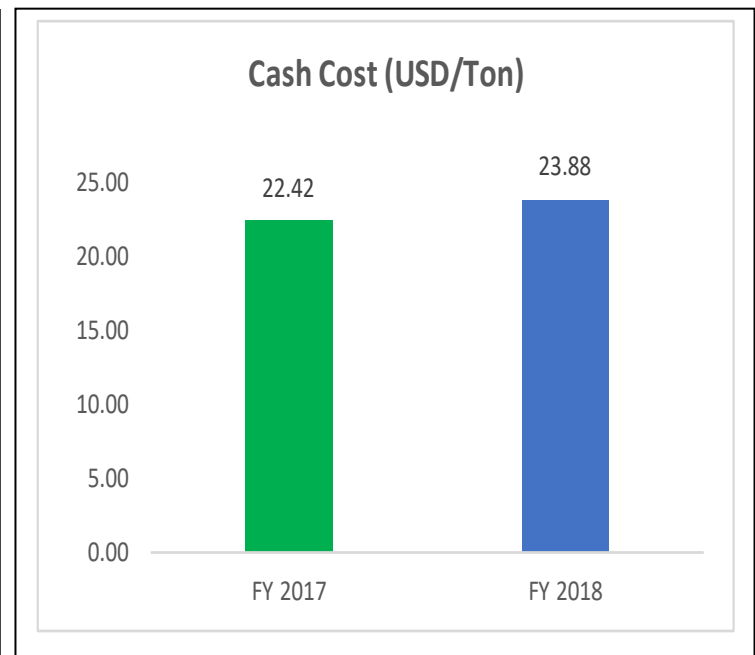
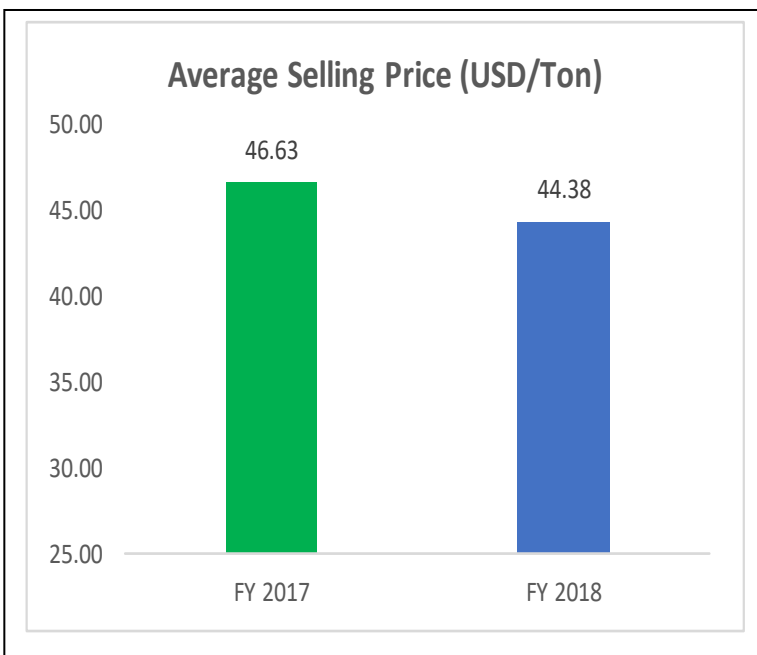
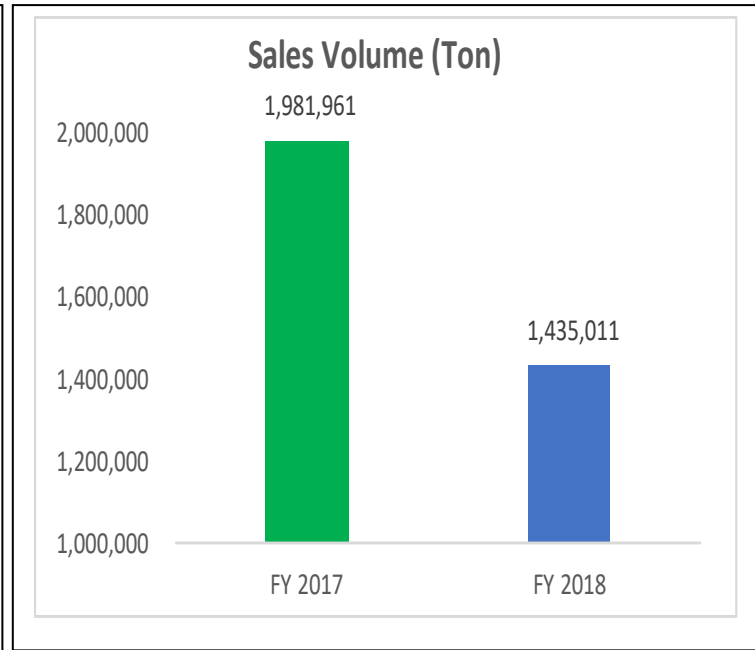
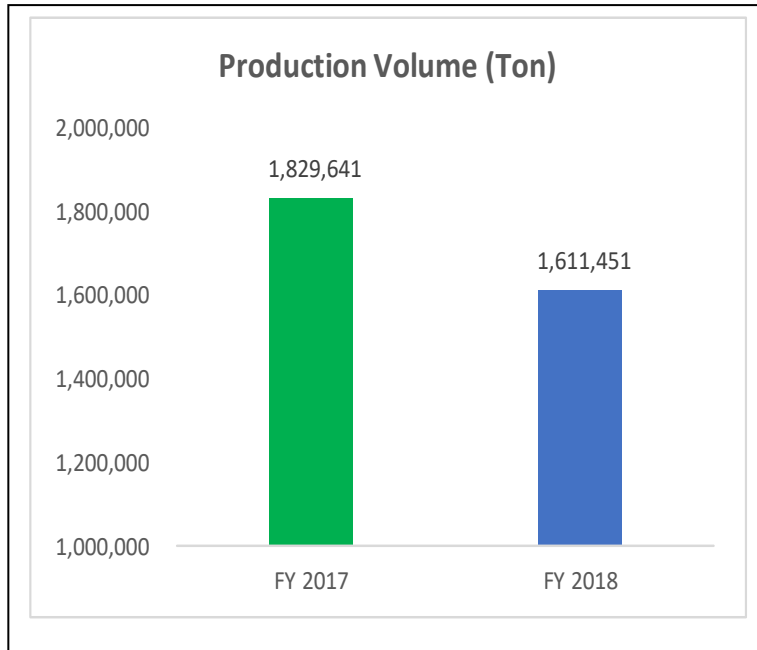
Full Year 2018

- PT Resource Alam Indonesia reported a revenue for the full year 2018 of US\$ 56.9 million compared to US\$ 83.8 million of the previous year, a 32% decline. The lower revenue was mainly due to the adjustment periods caused by the changed in our Company's main mining contractor. During the period under review, the total coal production volume declined to 1.61 million tons from previously 1.83 million tons (12% lower). The lower revenue was also amplified by the lower 2018 Average Selling Price (ASP) of US\$ 44.38 per MT from previously US\$ 46.63 per MT year on year (4.8% lower).
- Despite the initial challenges, we believe that changing our main mining contractor to PT Bukit Mandiri Utama (BUMA) a leading and proven mining contractor was the necessary strategic step to achieve our future growth plans. With the support of BUMA, we are optimistic to report that our production volume has been increasing (as shown on the Quarterly Production Volume chart). Moving forward, we are confident that our mining contractors will support our larger production plans.
- As a result of the lower revenue, Gross Profit declined to US\$ 12.98 million from previously US\$ 26.39 million, gross margins were 22.8% and 31.5% for 2018 and 2017 respectively. Cash Costs in 2018 was US\$ 23.88 per metric ton compared to the previous year of US\$ 22.42 per MT.
- Income from Operations for period ended 2018 was US\$ 1.02 million from previously US\$ 19.22 million. The lower operating profit was attributable amongst other by the higher general and administrative expenses such as the domestic market obligation of US\$1.9 million and foreign exchange losses of US\$ 2.2 million.
- Net Income After Tax for period ended 2018 was US\$ 475,600, compared to the previous year of US\$ 13,439,975.

TAHUN 2018

- PT Resource Alam Indonesia melaporkan pendapatan untuk tahun penuh 2018 adalah US \$ 56,9 juta dibandingkan dengan US \$ 83,8 juta pada tahun sebelumnya, penurunan 32%. Pendapatan yang lebih rendah terutama disebabkan oleh periode penyesuaian yang dikarenakan oleh perubahan kontraktor penambangan utama Perusahaan kami. Selama periode yang dikaji, total volume produksi batubara turun menjadi 1,61 juta ton dari sebelumnya 1,83 juta ton (lebih rendah 12%). Pendapatan yang lebih rendah juga diperburuk oleh Harga Jual Rata-rata (ASP) 2018 yang lebih rendah yaitu US \$ 44,38 per MT dari sebelumnya US \$ 46,63 per MT year on year (4,8% lebih rendah).
- Walaupun banyak tantangan awal, kami percaya bahwa mengubah kontraktor penambangan utama kami dengan PT Bukit Mandiri Utama (BUMA), sebuah kontraktor penambangan yang terkemuka dan terbukti adalah langkah strategis yang diperlukan untuk mencapai target pertumbuhan di masa depan. Dengan dukungan BUMA, kami melaporkan bahwa volume produksi telah meningkat (seperti yang ditunjukkan pada grafik Volume Produksi Triwulanan). Ke depan, kami optimis bahwa kontraktor penambangan kami akan mendukung rencana produksi yang lebih besar.
- Akibat dari pendapatan yang lebih rendah, Laba Kotor turun menjadi US\$ 12,98 juta dari sebelumnya US\$ 26,39 juta, margin kotor yang dicapai adalah 22,8% dan 31,5% masing-masing untuk 2018 dan 2017. Biaya Kas pada tahun 2018 adalah US\$ 23,88 per metrik ton dibandingkan tahun sebelumnya US\$ 22,42 per MT.
- Penghasilan dari Operasi untuk periode yang berakhir 2018 adalah US\$ 1,02 juta dari sebelumnya US\$ 19,22 juta. Laba operasional yang lebih rendah ini disebabkan antara lain oleh biaya umum dan administrasi yang lebih tinggi, yaitu kewajiban pasar domestik sebesar US\$ 1,9 juta dan kerugian selisih kurs sebesar US\$ 2,2 juta.
- Penghasilan Bersih Setelah Pajak untuk periode yang berakhir 2018 adalah US\$ 475.600, dibandingkan dengan tahun sebelumnya US\$ 13.439.975.

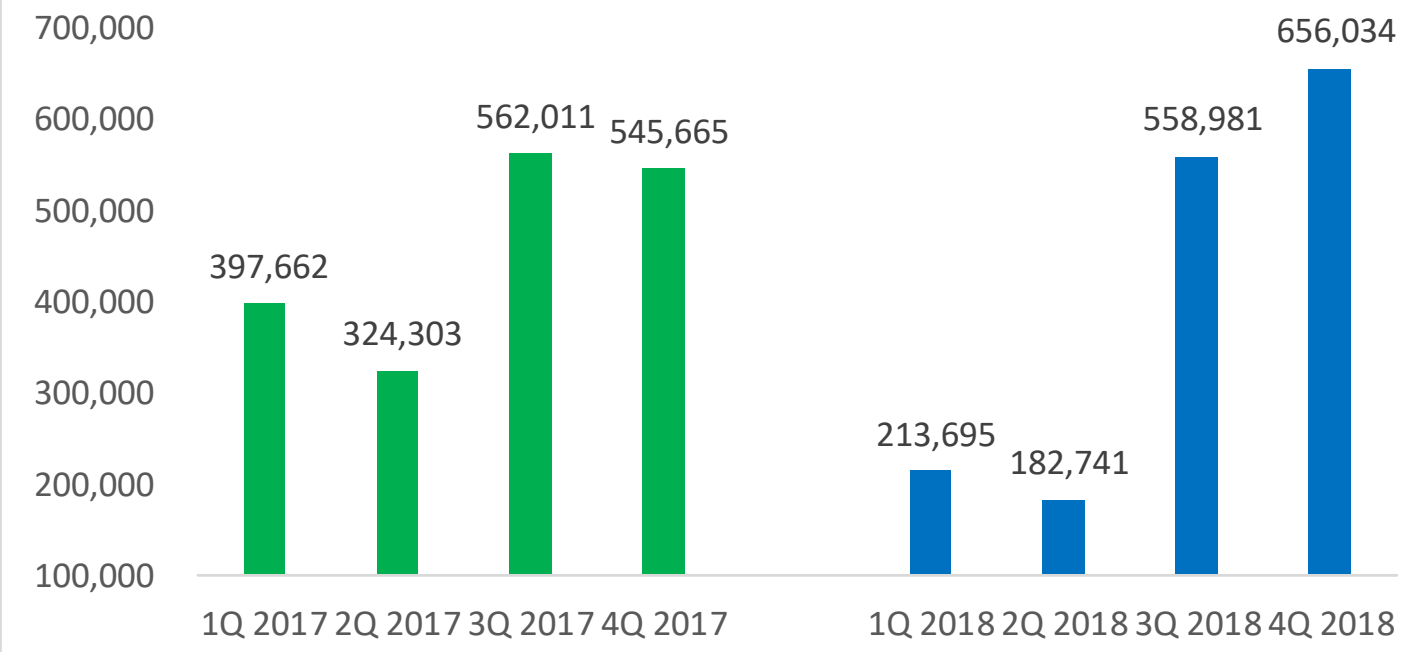
C. Operational Highlights



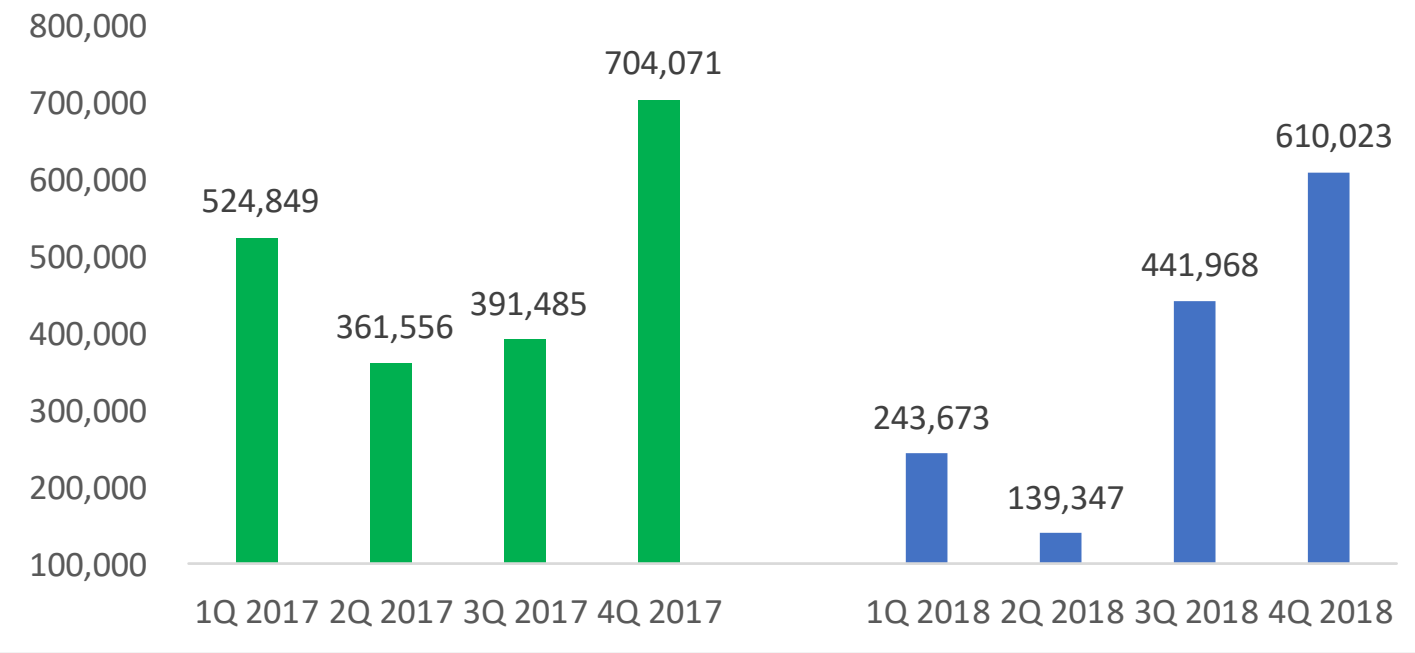
Cash Cost: excludes depreciation, royalty, barging & transshipment



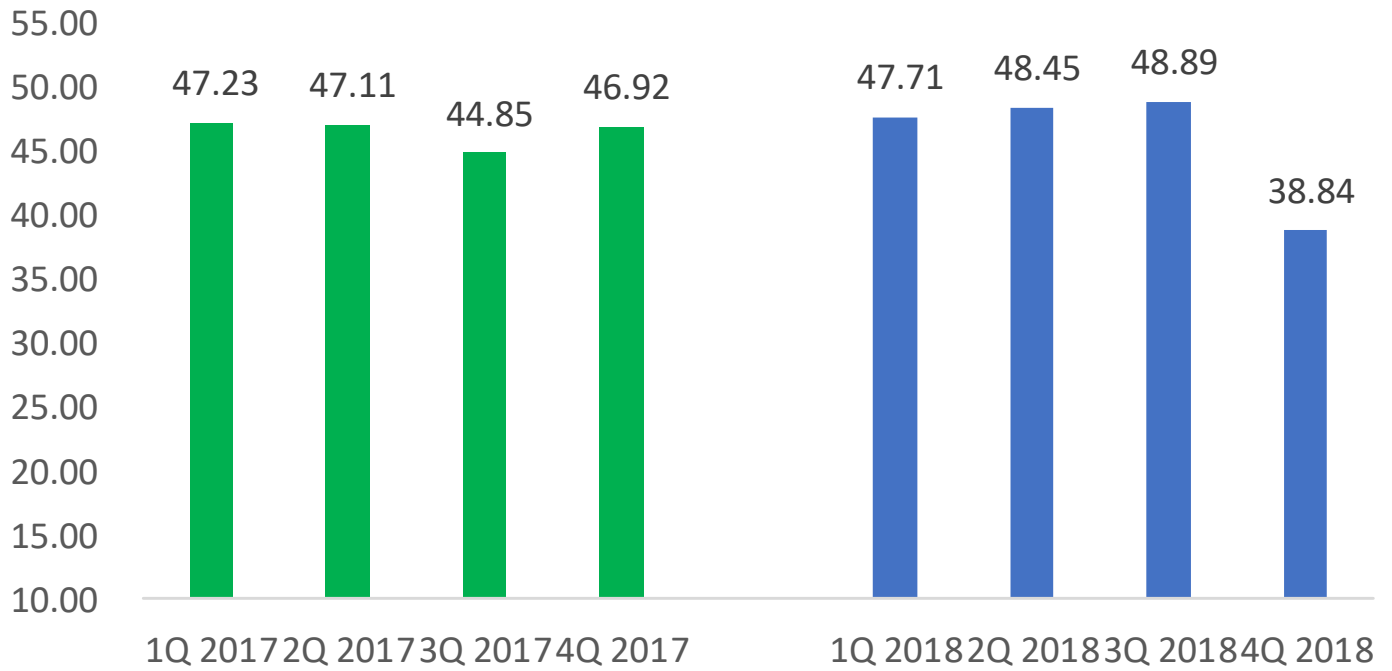
Quarterly Production Volume (Ton)



Quarterly Sales Volume (Ton)



Quarterly Average Selling Price (USD/Ton)



Quarterly Average Cash Cost (USD/Ton)

