



Investor Bulletin

Third Quarter 2023

PT United Tractors Tbk

United Tractors Recorded Net Income of Rp15.3 Trillion

Operational:

Y.o.Y Komatsu sales volume down 4%; coal production up 16%; overburden removal increased 23%; coal sales volume increased 10%; gold sales volume down 32%

Financial:

Consolidated revenue was Rp97.6 trillion, with a net income of Rp15.3 trillion

On 31 October 2023, United Tractors (UT/the Company) released its consolidated financial statements for the third quarter of 2023. As of 30 September 2023, the Company recorded net revenue of Rp97.6 trillion, increased by 7% compared to Rp91.5 trillion in the same period of 2022. The Company's gross profit increased by 2% from Rp25.3 trillion to Rp25.7 trillion. Meanwhile, the Company's net profit decreased by 3% to Rp15.3 trillion from Rp15.9 trillion due to higher finance costs and foreign exchange losses.

Heavy equipment sales under Construction Machinery segment recorded a decrease in Komatsu sales volume by 4% to 4,365 units from 4,534 units. Sales of spare parts and maintenance services increased by 18% to Rp8.9 trillion. Overall, Construction Machinery segment recorded revenue of Rp28.7 trillion or increased by 5% year on year. Mining Contracting segment recorded net revenue of Rp39.1 trillion, up 18% with 96 million tons of coal production and 853 million bcm of overburden removal. Coal Mining segment posted revenue of Rp24.0 trillion, down by 2% from Rp24.4 trillion and recorded a 10% increase in coal sales at 8.5 million tons. Gold Mining segment recorded revenue of Rp4.3 trillion, decreased by 26%, with gold sales volume achieved 147 thousand ounces. Construction Industry recorded revenue of Rp1.5 trillion.

Mining Contracting segment contributed 40% to the Company's consolidated net revenue, followed by 29% from Construction Machinery, 25% from Coal Mining, 4% from Gold Mining, 2% from Construction Industry, and less than 1% from Energy.

On 7th August 2023, the Company through its wholly owned subsidiary PT Energia Prima Nusantara (EPN) signed a subscription agreement to acquire 40.476% of new shares issued by PT Supreme Energy Sriwijaya (SES) for a total value of USD42.3 million. SES is a 25.2% shareholder of PT Supreme Energy Rantau Dedap (SERD), which owns a license to operate geothermal with an existing capacity of 2 x 49 MW that is already in operation in South Sumatera. Completion of the transaction is still subject to certain conditions precedent.

On 21st September 2023, the Company through its wholly owned subsidiary PT Danusa Tambang Nusantara (DTN), completed a transaction to subscribe for a 19.99% shareholding in Nickel Industries Limited (NIC) for AUD942.7 million. NIC, which is listed on the Australian Securities Exchange, is an integrated nickel mining and processing company with major assets located in Indonesia.

In Rupiah billion	9M 2023	9M 2022	Y/Y%	FY 2022
Exchange rate (Rp/US\$)	15,526	15,247	2%	15,731
Revenue Breakdown				
Construction Machinery	28,681	27,421	5%	36,498
Mining Contracting	39,147	33,231	18%	47,364
Coal Mining	23,957	24,366	-2%	31,108
Gold Mining	4,286	5,758	-26%	7,654
Construction Industry	1,517	729	108%	949
Energy	10	27	-63%	34
Total Revenue	97,598	91,533	7%	123,607
Gross Profit	25,674	25,274	2%	34,759
Gross Profit Margin	26%	28%	-5%	28%
Profit for the periods	16,442	17,431	-6%	22,994
Net Income	15,349	15,867	-3%	21,005
Earnings Per Share (expressed in full Rp)	4,226	4,283	-1%	5,679

Construction Machinery Performance Overview

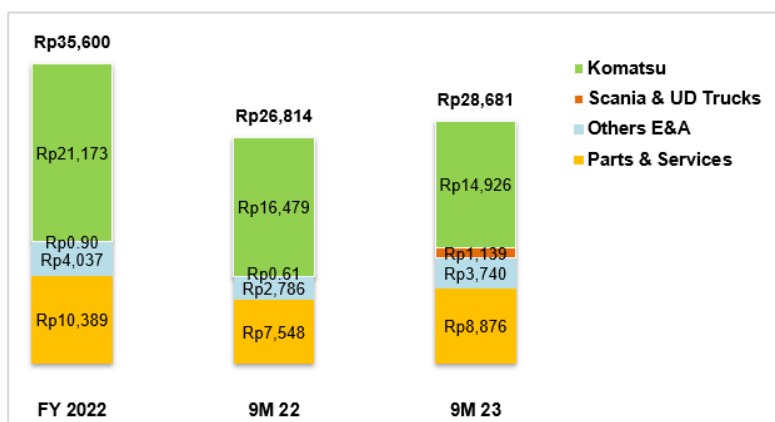
Komatsu sales volume was 4,365 units

Revenue was Rp28.7 trillion

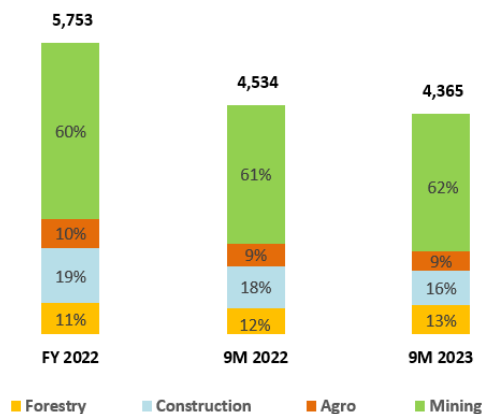
Until September 2023, Komatsu's sales volume decreased by 4% to 4,365 units from 4,534 units due to declining demand from construction and plantation sectors. Based on internal market research, Komatsu leads the heavy equipment market with 31% market share. Revenue from spare parts and maintenance services increased by 18% to Rp8.9 trillion.

Sales volume of Scania products increased from 152 units to 605 units, while UD Trucks sales decreased from 331 units to 249 units due to limited supply availability. In total, the Construction Machinery segment recorded net revenue of Rp28.7 trillion or increased by 5% compared to last year.

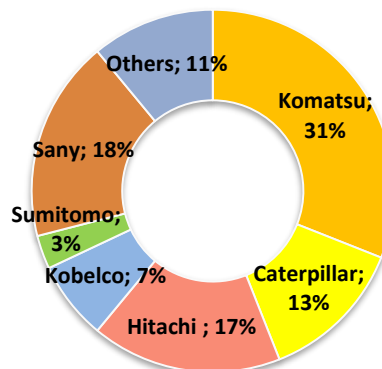
Construction Machinery Revenue Breakdown (in Billion Rupiah)



Komatsu Sales Volume by Sectors (in units)



Domestic Market Share 9M 2023



Source: Internal Market Research

Mining Contracting Performance Overview

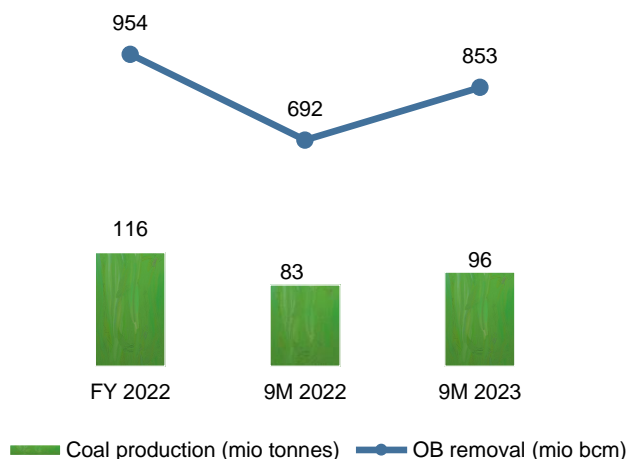
Pama coal production was 96 mio tons, with overburden removal of 853 mio bcm

Revenue was Rp39.1 trillion, up by 18%

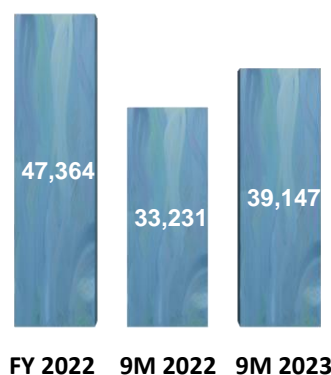
UT's Mining Contracting segment is carried out by PT Pamapersada Nusantara (PAMA). Subsidiary of PAMA that also provides services in mining is PT Kalimantan Prima Persada (KPP).

As of September 2023, PAMA recorded net revenue of Rp39.1 trillion, up by 18% from Rp33.2 trillion. PAMA recorded a 16% increase in coal production from 83 million tons to 96 million tons, and a 23% increase in overburden removal from 692 to 853 million bcm, with an average strip ratio of 8.9x, increased from 8.3x.

Coal Production and Overburden Removal



Mining Contracting Revenue (in Billion Rupiah)



Coal Mining Performance Overview

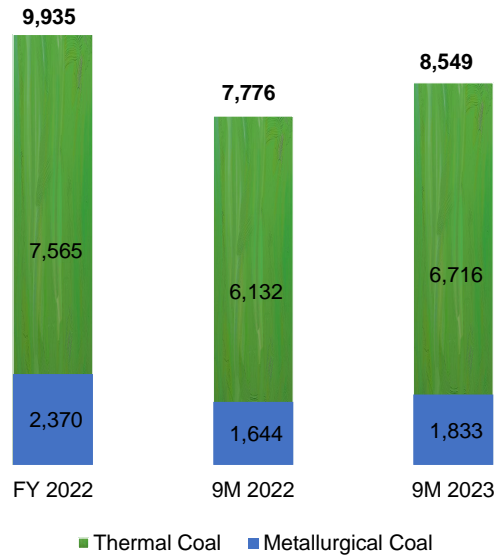
Coal sales volume reached 8.5 million tons, increased by 10% Y-on-Y

Revenue was Rp24.0 trillion, decreased by 2%

The Company's coal mining business segment is operated by PT Tuah Turangga Agung (TTA).

As of September 2023, TTA recorded a total coal sales volume of 8.5 million tons, a 10% increase compared to last year, including 1.8 million tons of metallurgical coal. Coal Mining segment recorded a 2% decrease in net revenue to Rp24.0 trillion from Rp24.4 trillion due to the decline in the average selling price of coal.

Coal Sales Volume (in Thousand Tons)



Gold Mining Performance Overview

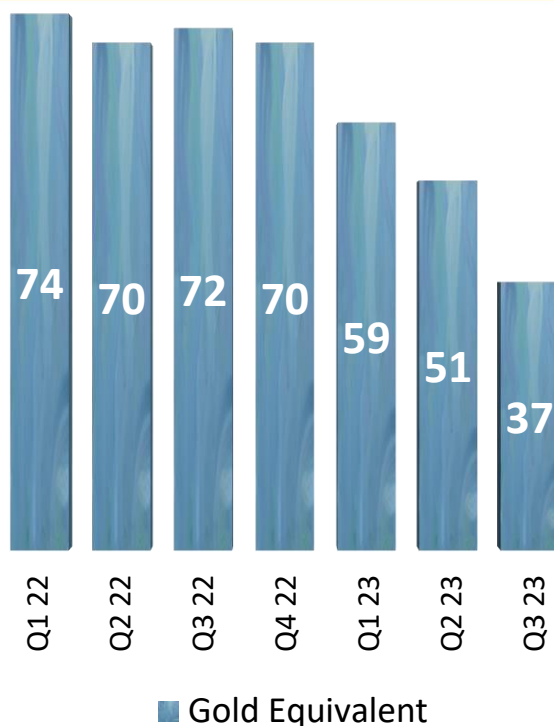
**Gold sales volume
reached 147
thousand ounces**

**Revenue was Rp4.3
trillion**

The Company's gold mining business is operated by PT Agincourt Resources (PTAR). PTAR operates Martabe gold mine which is located in North Sumatra.

Until September 2023, total sales volume of gold equivalent from Martabe was 147 thousand ounces, lower by 32% compared to 216 thousand ounces last year. The Gold Mining segment recorded net revenue of Rp4.3 trillion, decreased by 26% from Rp5.8 trillion. The average selling price for gold was USD1,933 per ounce, increased by 6% compared to USD1,826 per ounce in the third quarter of 2022.

Gold Sales Volume (in Thousand Ounces)

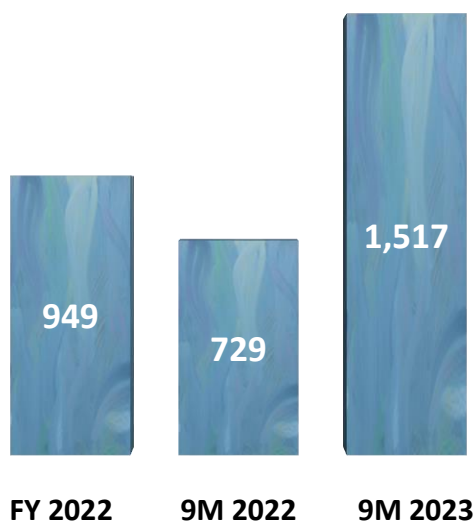


Construction Industry Performance Overview

Revenue was Rp1.5 trillion, net loss was Rp151 billion

The Construction Industry segment is carried out by PT Acset Indonusa Tbk (ACSET). As of September 2023, Construction Industry reported net revenue of Rp1.5 trillion, compared to Rp729 billion in the third quarter of 2022. ACSET recorded a lower net loss of Rp151 billion, compared to Rp227 billion in the same period last year.

Construction Industry Revenue (in Billion Rupiah)



Renewable Energy

In line with the Company's growth strategy in green energy sector, the Company has determined renewable energy business as one of its transition strategies. The Company's energy business is conducted through its wholly owned subsidiary, PT Energia Prima Nusantara (EPN). EPN's projects include rooftop solar PV and mini hydro power plants. As of September 2023, EPN has installed 12.8 MWp of Rooftop Solar PV in UT and Astra group.

EPN is currently in the process of constructing a mini hydro power plant, PLTM Besai Kemu in Lampung, Sumatra. The capacity of PLTM Besai Kemu is 7 MW and is expected to operate by the end of 2023. In addition, EPN also targets several mini hydro projects in Sumatra area with total potential capacity of more than 20 MW.

In August 2022, the Company invested in PT Arkora Hydro Tbk (Arkora) with a 31.49% shareholding. Arkora is a public company focusing on New and Renewable Energy power plants. Currently Arkora operates two mini hydro power plants, PLTM Cikopo 2 in West Java with a capacity of 7.4 MW, and PLTM Tomasa in Central Sulawesi with a capacity of 10 MW. Arkora is currently developing another two mini hydro power plants, PLTM Koro Yaentu with a capacity of 10 MW and PLTM Kukusan 2 with a capacity of 5.4 MW, both are expected to start operation in 2024 and 2025. When the operation starts, Arkora will own power plants with a total capacity of 33 MW.

United Tractors actively conducts studies and reviews of other types of renewable energy, such as geothermal and waste-to-energy projects. These projects are consistent with UT's strategy to increase its competence in various renewable energy potentials to achieve a sustainable business portfolio.

For further information:

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Rate Rp/1 US\$: 30/09/2023 = 15,526 and 31/12/2022 = 15,731

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023 AND 31 DECEMBER 2022

(Expressed in millions of Rupiah, unless otherwise stated)

ASSETS

30/09/2023 31/12/2022

LIABILITIES AND STOCKHOLDERS' EQUITY

30/09/2023 31/12/2022

CURRENT ASSETS		
Cash and cash equivalents	27,818,141	38,281,513
Restricted time deposits	801,648	-
Trade receivables		
- Third parties	18,481,024	17,118,329
- Related parties	845,212	515,058
Non-trade receivables		
- Third parties	784,435	1,042,030
- Related parties	1,030,841	973,304
Inventories	16,851,524	15,390,277
Project under construction		
- Third parties	114,351	36,530
- Related parties	-	336
Prepaid taxes		
- Corporate income taxes	675,626	806,305
- Other taxes	3,820,103	3,411,700
Advances and prepayments	971,093	1,255,532
Other current assets	429,210	99,134
Total Current Assets	72,823,208	78,890,048
NON-CURRENT ASSETS		
Restricted cash in bank and time deposits	577,350	519,151
Trade receivables		
- Third parties	12,297	155
Non-trade receivables		
- Third parties	309,912	457,815
- Related parties	2,659,041	2,810,653
Inventories	106,620	254,602
Prepaid taxes		
- Corporate income tax	12,276	8,908
- Other taxes	224,947	266,011
Advances and prepayments	430,963	568,581
Investments in associates and joint ventures	15,148,535	5,145,851
Long-term investments	1,209,546	1,114,257
Fixed assets	33,652,388	23,677,857
Mining properties	11,035,820	11,904,934
Investment properties	221,760	221,760
Deferred exploration and development expenditures	2,643,858	2,389,396
Production mining assets	4,479,576	4,836,058
Deferred charges	1,448,939	1,715,271
Deferred tax assets	3,704,247	2,980,689
Goodwill	2,641,347	2,676,223
Total Non-current Assets	80,618,422	81,648,172

TOTAL ASSETS	163,441,630	160,538,220
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CURRENT LIABILITIES	
Trade payables	
- Third parties	32,203,665
- Related parties	292,410
Non-trade payables	
- Third parties	1,470,344
- Related parties	1,578,699
Taxes payables	
- Corporate income taxes	1,815,752
- Other taxes	173,906
Accruals	11,175,405
Customer deposits	
- Third parties	669,515
- Related parties	102,097
Deferred revenue	718,446
Employee benefit obligations	1,587,197
Short-term bank loans	6,895,810
Current portion of long-term debts:	
- Bank Loans	5,978,900
- Lease liabilities	882,945
- Other borrowings	8,240
Current portion of other long-term financial liability	-
Total Current Liabilities	66,663,431

NON-CURRENT LIABILITIES	
Deferred tax liabilities	2,990,527
Provision for mine rehabilitation, reclamation and closure	848,216
Employee benefit obligations	4,102,688
Long-term debts, net of current portion:	
- Lease liabilities	656,971
- Other borrowings	164,897
Other long-term financial liabilities	59,052
Total Non-current Liabilities	8,622,861
TOTAL LIABILITIES	74,376,782

EQUITY	
Equity attributable to owners of the parent	
Share capital:	
Authorized capital 6,000,000,000 ordinary shares, issued and fully paid capital 3,730,135,136 ordinary shares, with par value of Rp 250 (full amount) per share	932,534
Additional paid-in capital	9,703,937
Treasury shares	(3,191,273)
Retained earnings:	
- Appropriated	186,507
- Unappropriated	61,477,704
Exchange difference on financial statements translation	5,516,356
Hedging reserves	914,869
Fixed assets fair value revaluation reserves	20,254
Transaction with non-controlling interests	(823,842)
Total Equity	84,888,121

Non-controlling interests	4,028,802
TOTAL EQUITY	88,916,923
TOTAL LIABILITIES AND EQUITY	163,441,630

INTERIM CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIODS ENDED 30 SEPTEMBER 2023 AND 2022

(Expressed in millions of Rupiah, except earnings per share)

	30/09/2023	30/09/2022
NET REVENUE	97,597,564	91,533,297
COST OF REVENUE	(71,923,602)	(66,258,815)
GROSS PROFIT	26,673,962	26,274,482
Selling expenses	(956,866)	(864,400)
General and administrative expenses	(3,516,569)	(2,899,181)
Other (expenses)/income, net	(146,127)	79,514
Finance income	866,632	677,212
Finance costs	(1,141,953)	(501,356)
Share of net profit of associates and joint ventures	444,552	493,364
PROFIT BEFORE INCOME TAX	21,229,831	22,269,836
Income tax expenses	(4,782,109)	(4,828,287)
PROFIT FOR THE PERIODS	16,447,722	17,441,549
OTHER COMPREHENSIVE (EXPENSE)/INCOME		
Item that will not be reclassified to profit or loss		
Remeasurements of employee benefit obligations	(5,325)	2,687
Related income tax	5,246	(544)
Items that will be reclassified to profit or loss		
Exchange difference on financial statements translation	(546,350)	2,081,991
Hedging reserves	-	74,909
Share of other comprehensive income of associates, net of tax	335,157	1,525,156
Related income tax	-	(16,331)
Other comprehensive (expense)/income for the periods, net of tax	(211,193)	3,866,726
TOTAL COMPREHENSIVE INCOME FOR THE PERIODS	16,236,529	21,098,275
PROFIT AFTER TAX ATTRIBUTABLE TO:		
- Owners of the parent	15,348,740	15,866,568
- Non-controlling interests	1,092,782	1,564,780
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:	16,441,522	17,431,348
Earnings per share		
(expressed in full Rupiah)		
- Basic and diluted	4,228	4,283

S.E. & O