



PT SARATOGA INVESTAMA SEDAYA TBK

1H 2017 Updates

Disclaimer



“These materials have been prepared by PT Saratoga Investama Sedaya, Tbk (the “Company”) from various internal sources and have not been independently verified. These materials are for information purposes only and do not constitute or form part of an offer, solicitation or invitation of any offer to buy or subscribe for any securities of the Company, in any jurisdiction, nor should it or any part of it form the basis of, or be relied upon in any connection with, any contract, commitment or investment decision whatsoever. Any decision to purchase or subscribe for any securities of the Company should be made after seeking appropriate professional advice.

These materials contain embedded statements that constitute forward-looking statements. These statements include descriptions regarding the intent, belief or current expectations of the Company or its officers with respect to the consolidated results of operations and financial condition of the Company. These statements can be recognized by the use of words whether or not explicitly stated such as “expects,” “plan,” “will,” “estimates,” “projects,” “intends,” or words of similar meaning. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in the forward-looking statements as a result of various factors and assumptions. The Company has no obligation and does not undertake to revise forward-looking statements to reflect future events or circumstances.

No representation or warranty, expressed or implied, is made and no reliance should be placed on the accuracy, fairness or completeness of the information presented or contained in these materials. The Company or any of its affiliates, advisers or representatives accepts no liability whatsoever for any loss howsoever with respect to any use or reliance upon any of the information presented or contained in these materials. The information presented or contained in these materials is subject to change without notice and its accuracy is not guaranteed.”



CORPORATE INFORMATION

Saratoga – A Leading Active Investment Company



- Leading active investment company in Indonesia with NAV of approximately US\$1.6 billion
- Listed in 2013 and is among the top 100 largest market capitalization stocks on the IDX
- Focused on early-stage, growth-stage, and special situation opportunities
- Actively engaged with investee companies' management teams in unlocking value of investments
- Invested in key sectors of the Indonesian economy: Consumer, Infrastructure and Natural Resources






Diversified Investment Portfolio



We invest across the three key sectors in early and growth stages with the goal of creating listed blue chip companies.

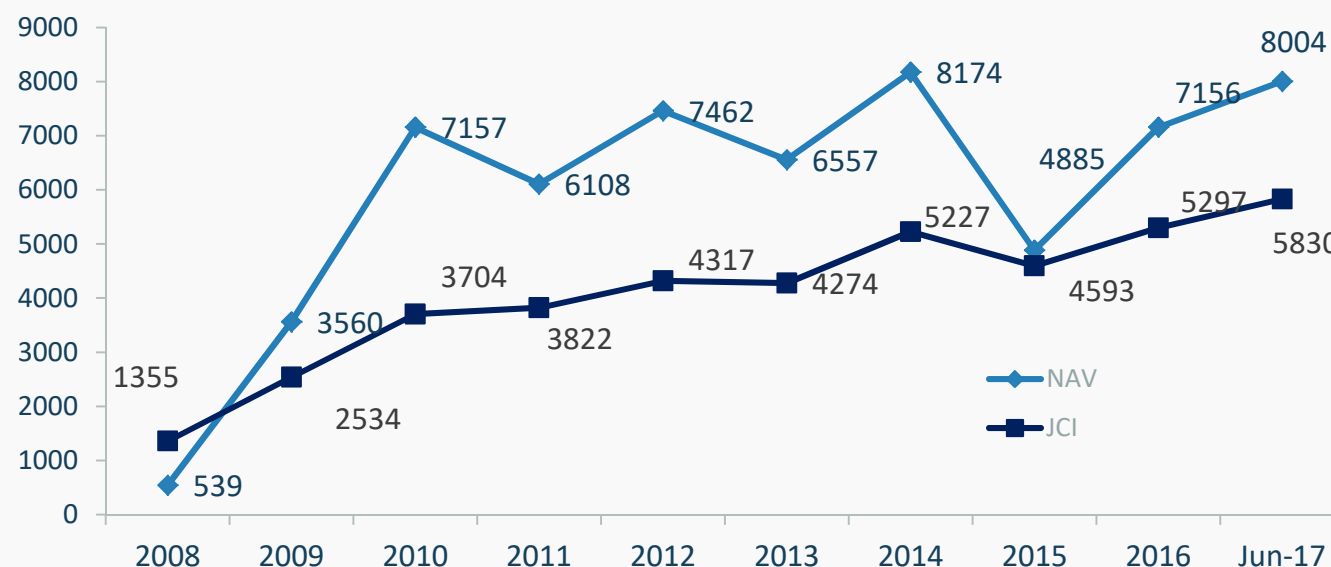


		Early Stage Companies	Growth Companies	Listed Blue Chip Companies	% Sum of the Parts (SOTP)
		<ul style="list-style-type: none"> ✓ Early-stage companies provide large upside potential ✓ Ability to acquire larger stakes allows SIS to exert significant influence, develop company strategy and products and generate strong return 	<ul style="list-style-type: none"> ✓ Growth companies generate sustainable and healthy cash flows for SIS' portfolio ✓ Provides great upside potential when growth companies enter into mature phases 	<ul style="list-style-type: none"> ✓ Blue-chip Investee Companies are established industry leaders with growth and capital appreciation opportunities ✓ SIS to remain a long-term shareholder in these businesses 	
	Natural Resources	Sihayo Copper Gold <i>Gold</i> Sumatra Copper & Gold <i>Gold</i> Finders Resources <i>Copper</i> Agro Maju Raya <i>Palm</i> Agra Energi Indonesia <i>Oil & Gas</i>	Merdeka Copper Gold <i>Gold & Copper</i> Provident Agro <i>Palm</i> Interra Resources <i>Oil & Gas</i>	Adaro Energy <i>Coal & Power</i>	46%
	Infrastructure	Tenaga Listrik Gorontalo <i>Power</i>	Medco Power Indonesia <i>Power</i> Paiton Energy <i>Power</i> Tri Wahana Universal <i>Refinery</i> Nusa Raya Cipta <i>Construction</i>	Tower Bersama Infrastructure <i>Telco Tower</i>	44%
	Consumer		Mitra Pinasthika Mustika <i>Auto</i> Gilang Agung Persada <i>Lifestyle</i> Etika Karya Usaha <i>Property</i> Mulia Bosco Logistik <i>Logistics</i> Awal Bros Hospital <i>Healthcare</i> Deltomed <i>Herbal Medicine</i>		10%

Net Asset Value per Share Growth

Saratoga has maintained a consistent track record of increasing net asset value and outperforming the Jakarta Composite Index

Figures in IDR



NAV per Share⁽¹⁾⁽²⁾
CAGR 8.5 years = 37.36%

Jakarta Composite Index (JCI)
CAGR 8.5 years = 18.73%

Company Listing

ADRO

TBIG

PALM

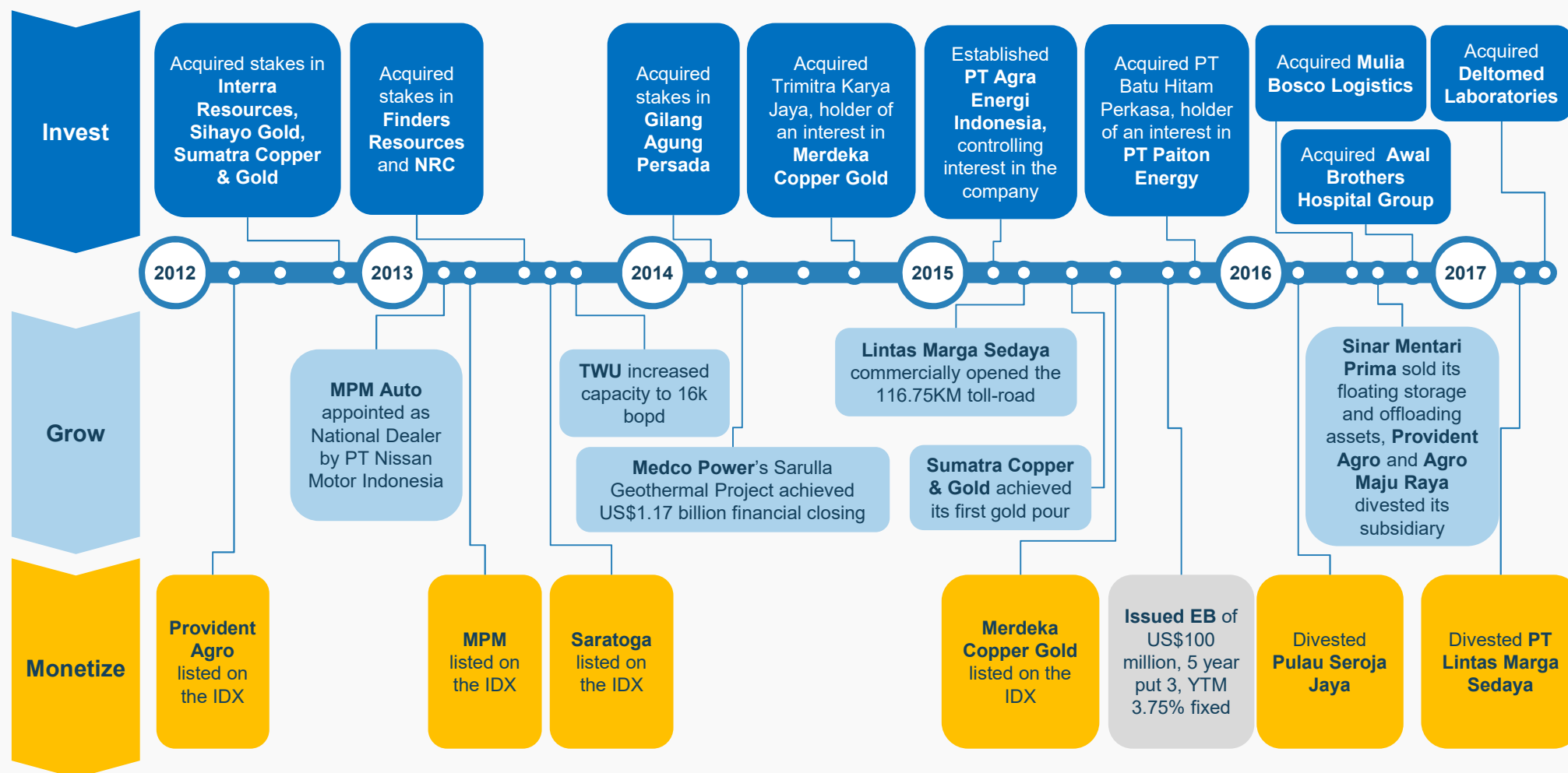
**MPMX
SRTG**

MDKA

- (1) NAV per Share is adjusted on capital raising. The information contained in this document is intended solely for the use of our internal reference. We make no representations or warranties, express or implied, with respect to the information herein.
- (2) For NAV per Share between 2008 and 2014, valuation of listed investee companies are calculated based on 2W VWAP as of year end close. Due to the implementation of new accounting standards in 2016, the 2015 and 2016 calculations for listed investee companies are based on their respective closing share price as of 31 December 2016

Data presented are as of Jun 2017, unless specified otherwise
IDR/USD as of 30 Jun 2017 = 13,319
Source: Company information

Invest → Grow → Monetize Investment Approach



Data presented are as of Jun 2017
Source: Company information

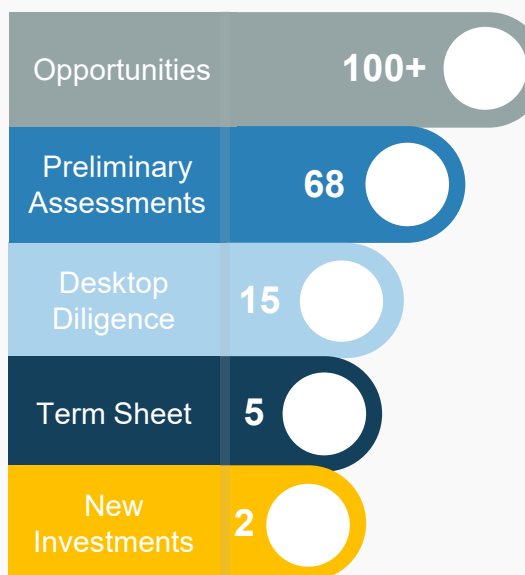


INVESTMENT ACTIVITIES

Investment Opportunity Selection

Despite market conditions, we select new investments in a **disciplined and prudent approach**. We consistently managed to gather 100+ opportunities and **executed 2-3 new investments annually**

2013



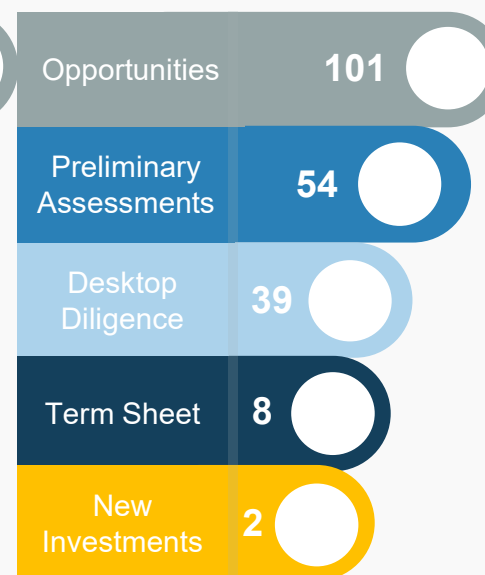
1. PT Finders Resources
2. PT Nusa Raya Cipta

2014



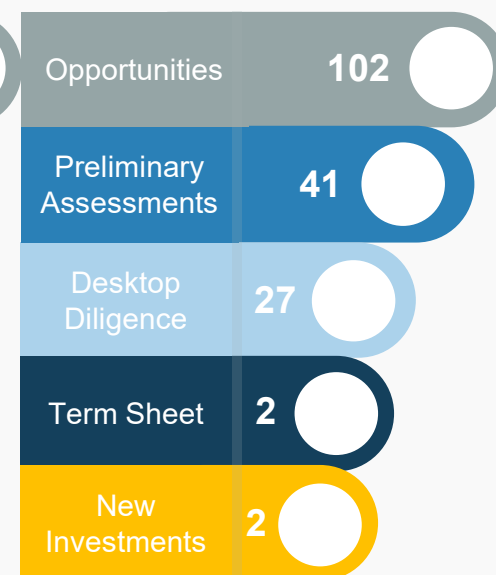
1. PT Gilang Agung Persada
2. PT Trimitra Karya Jaya (Merdeka Copper Gold)

2015



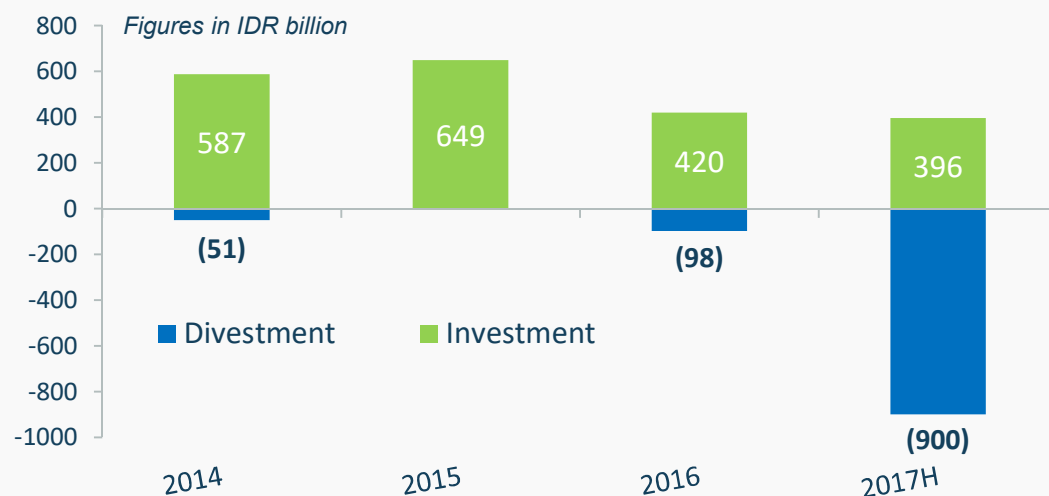
1. PT Agra Energi Indonesia
2. PT Batu Hitam Perkasa (Paiton Energy)

2016



1. Mulia Bosco Logistik
2. Awal Bros Hospital

Investment Activity Summary 1H17



	2014	2015	2016	1H17
Investment	<ul style="list-style-type: none"> Gilang Agung Persada Merdeka Copper & Gold (MDKA) 	<ul style="list-style-type: none"> Agra Energi Paiton Energy 	<ul style="list-style-type: none"> Mulia Bosco Logistik Famon Awal Bros Sedaya 	Deltomed
Divestment	Partial sale of investee company		<ul style="list-style-type: none"> Pulau Seroja Jaya Palm plantation assets 	Lintas Marga Sedaya (LMS)
Listing		<ul style="list-style-type: none"> MDKA 		

IDR billion		2016	1H17
New investments		131	69
Follow-on investments	Natural Resources	121	178
	Infrastructure	138	149
	Consumer	26	0.5
Share buy back		3	0.65
Total investments		420	396

Data presented are as of June 2017
Source: Company information

Investments and Divestments in 1H17



New investments



Investment details

Date of Investment: March 2016
Committed Capital: IDR 85.75 billion

Investment / divestment thesis

- Leading player in herbal remedy industry
- Established brand equity.
- Scalability and ample growth opportunity through increasing healthy living trends and growing middle income.

Company description

- Deltomed is one of the leading herbal remedy players in Indonesia. Deltomed's product, Antangin, is the second largest herbal wind flu remedy brand by market share, while OB Herbal is the market leader for herbal cough medicine in Indonesia.
- Uniquely positioned as one of the few producers with vertically integrated operations and strong distribution network.

Divestments



Date of Investment: 2006
Sale proceeds: IDR900 billion

A long term investment project since 2006. As the toll-road has been built and the operation has commenced the firm decide to divest and deploy capital elsewhere.

LMS is an infrastructure company established in 2005 to construct and operate a 116 kilometer toll road that will connect Cikampek and Palimanan in West Java and that will eventually become part of the Trans Java Toll Road network.



FINANCIAL HIGHLIGHTS

Financial Highlight 1H17



Consolidated Statement of Profit and Loss (IDR billions)	1H 2017	1H 2016	% variance
Income	2,659	5,097	(49%)
Expenses	(255)	(227)	56%
Profit before tax	2,404	4,870	(53%)
Income tax	191	(2)	9650%
Profit for the period	2,595	4,868	(49%)
<i>Attributable to owners of the company</i>	<i>2,710</i>	<i>4,718</i>	<i>(45%)</i>
<i>Attributable to non-controlling interests</i>	<i>(115)</i>	<i>150</i>	<i>(176.7%)</i>
Other comprehensive income	64	(980)	106.5%
Total comprehensive income for the period	2,659	3,888	(34.5%)
<i>Attributable to owners of the company</i>	<i>2,750</i>	<i>3,766</i>	<i>(30%)</i>
<i>Attributable to non-controlling interests</i>	<i>(91)</i>	<i>122</i>	<i>(174%)</i>

Key Balance Sheet Items (IDR billions)	Jun 2017	Dec 2016	% variance
Investment in equity securities	25,093	23,802	5%
Cash and cash balances	1,253	488	156%
Borrowings	4,581	4,575	0,1%
Total liabilities	5,302	5,778	(8.2%)
Equity attributable to shareholders	21,499	18,984	12.2%

Compare to same period last year

Decrease in consolidated income and profits compared to last year

- Due to first implementation implication on SFAS 65 (IFRS 10) – on investment entity in prior year.

Increase in income tax

- Reversal on deferred tax, as a result on sale of investment asset and changes on market price from ADRO.

Increase in other comprehensive income

- Due to mark to market from AFS portfolio, majorly coming from ADRO and MDKA shares.

Current period income and profit

- **Gain on investment in equity securities: IDR 1.9 trillion**

Mainly contributed by the strong performance of TBIG shares –an increase of 36.5%.

- **Dividend income amounting to IDR 371 billions**

The contributors for the dividends came from TBIG IDR 222bio, ADRO 90 bio, MPMX 54 bio and NRCA 5 bio.

- **Profit after tax to IDR 2.595 trillion**

Brings total assets to IDR 27 trillion and investment in equity securities to IDR 25.1 trillion.

Key Financial Statement – 1H17

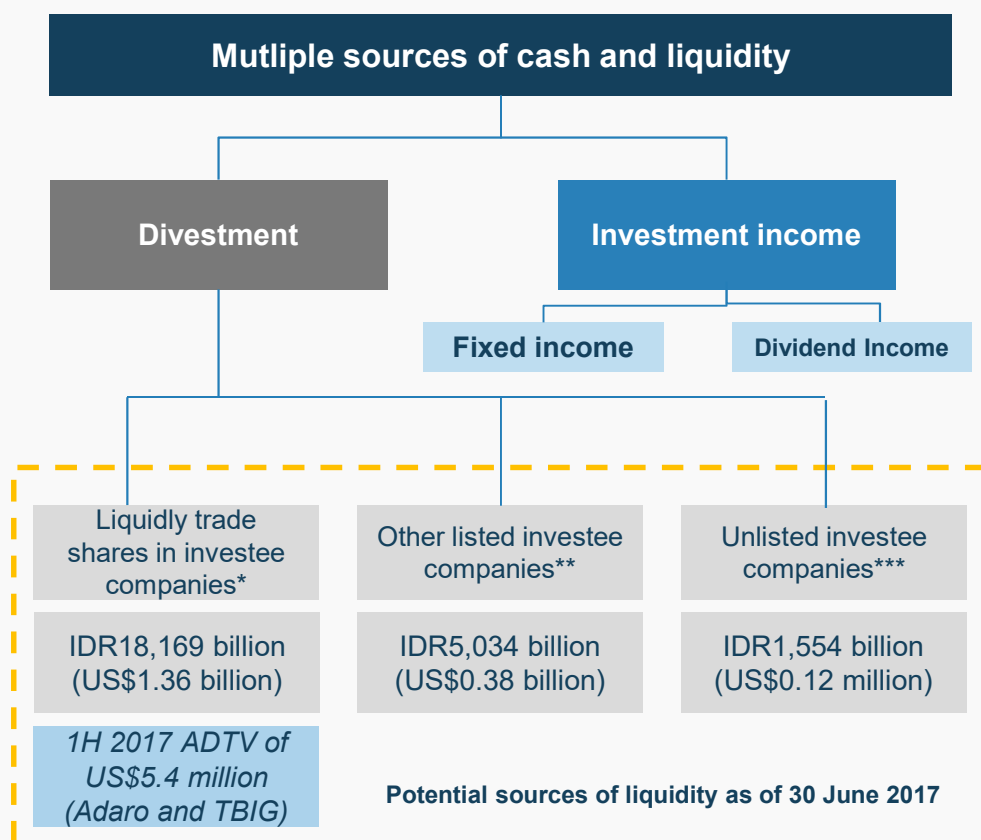


Figures in IDR billion

Profit & Loss Statement		Statement of Financial Position	
Net gain on investment in equity securities	2,035	Cash and cash equivalents	1,253
Dividend, Interest and Investment Income	655	Receivables	395
Net gain on FX differences	28	Investment in equity securities	25,093
Other income	17	Advances for investment in equity securities	140
		Others	209
Total Income	2,659	Total Assets	27,090
Interest Cost	(149)	Borrowings	2,750
Operating Expenses (incl. Salary)	(92)	Medium Term Notes	724
Other Costs	(14)	Exchangeable Bond	1,106
		Deferred Tax	531
Total Expenses	(255)	Others	191
Profit for the period attributable to owners of the Company	2,710	Total Liabilities	5,302
		Net Equity attributable to owners of the Company	21,499
		Net Asset Value of investment portfolio⁽¹⁾	21,748

(1) NAV accounted exchangeable bond on a cash basis instead of fair value

Diversified Sources of Cash and Liquidity



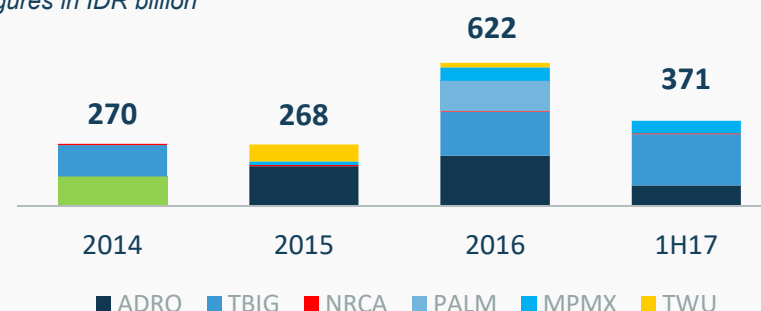
* Consist of Adaro Energy and Tower Bersama

** Consist of Provident Agro, Mitra Pinasthika Mustika, Seroja Investment Limited, Nusa Raya Cipta, Sumatra Copper and Gold, Sihayo Gold, Finders Resources and Interra Resources, Merdeka Copper Gold

*** Consist of Etika Karya Usaha, Tenaga Listrik Gorontalo, Medco Power Indonesia, Agro Maju Raya, Sinar Mentari Prima, Tri Wahana Universal, Agra Energi Indonesia, Batu Hitam Perkasa and Pulau Seroja Jaya

Dividend income breakdown

Figures in IDR billion



IDR billion	2014	2015	2016	1H2017
ADRO	129	174	219	90
TBIG	136	-	190	222
NRCA	5	5	3	5
PALM	-	-	132	-
MPM	-	15	59	54
TWU	-	74	19	-
Total dividends	270	268	622	371
# of investees	3	4	6	4

Data presented are as of Jun 2017, unless specified otherwise

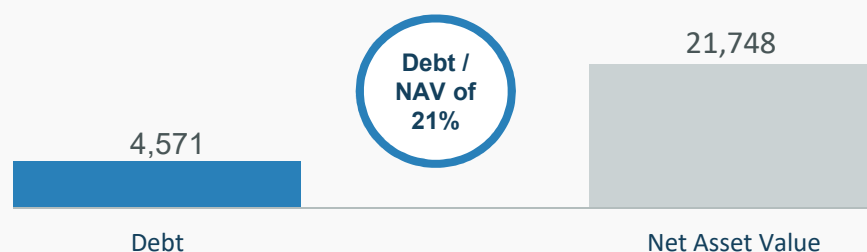
IDR/USD as of 30 Jun 2017 = 13,319

Source: Company information

Strong Capital Structure Backed by Diverse Funding Sources

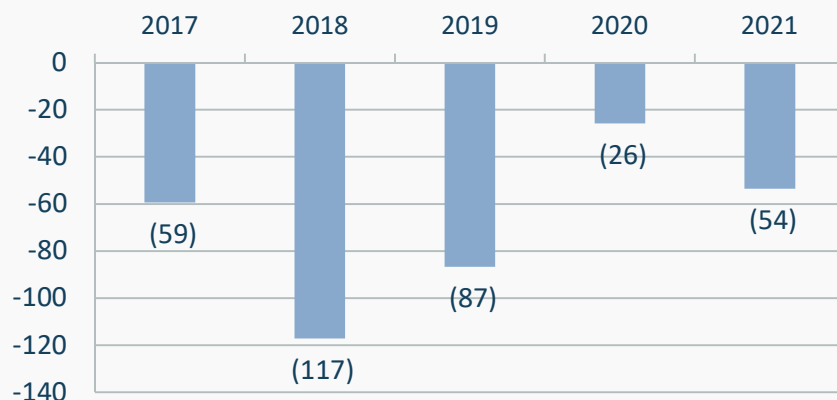
Capital structure

Figures in IDR billion, as at 30 June 2017



Loan maturity profile

Figures in US\$ million



Total borrowings as of 30 June 2017 stands at US\$343 million

Data presented are as of Jun 2017, unless specified otherwise
 IDR/USD as of 30 Jun 2017 = 13,319
 Source: Company information

Funding sources

Continue to tap diverse funding sources whilst managing cost effective and conservative leverage is a key part of our active investment operating model

1

Bank Loans

- Types: Revolving Credit Facility, Bilateral Loan
- Banks: SCB, ING, Natixis, and HSBC

2

Medium Term Notes

- Issued a 3-year IDR 725 billion MTN in October 2014 with a fixed rate of 11.75%
- Offered under private placement
- Arranger: DBS Vickers

3

Exchangeable Bond

- Issued a 5-year, put option at year 3, US\$100 million EB in May 2015 with a coupon of 3%, YTM 3.75%
- Exchangeable to TBIG common shares at IDR 10,707

Operating Expense vs. NAV

(In IDR billion)

Cost ratio & Coverage ratio	Opex/NAV	Opex + Interest/NAV	Dividend/ Interest	Dividend/ Interest + Opex
2013	0.61%	1.73%	1.1x	0.7x
2014	0.45%	1.43%	1.2x	0.8x
2015	1.03%	2.81%	1.1x	0.6x
2016	0.74%	2.18%	2.19x	1.4x
Annualized 1H 2017	0.85% (0.75%)*	2.22%	2.5x	1.5x

Operating Expense

- Maintain low operating expense to below 1%.
- Expenses include salary, rental, professional fees, and other operating expenses.
- The increase in OpEx/NAV ratio in 1H2017 was driven by the increase of OpEx related to investment and divestment activities.

* Without the one-off divestment activities of LMS the Open/NAV would have been 0.75%



PT Saratoga Investama Sedaya Tbk.

Correspondence Address:

Menara Karya 15th Floor

Jl. H.R. Rasuna Said Kav. 1-2

Jakarta 12950

For further information, please contact:

Investor Relations at Investor.relations@Saratoga-investama.com