



# PT SARATOGA INVESTAMA SEDAYA TBK

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# Disclaimer

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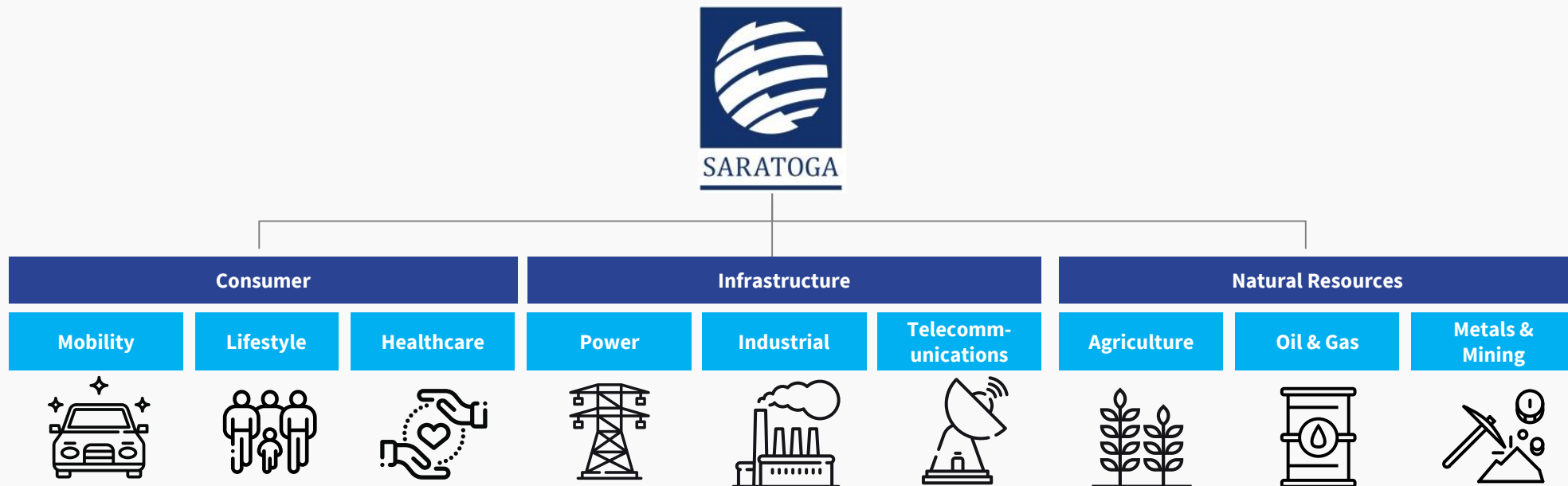
# CORPORATE INFORMATION



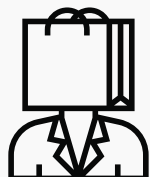
# Saratoga – A Leading Active Investment Company



- Leading active investment company in Indonesia with NAV of approximately US\$1.4 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

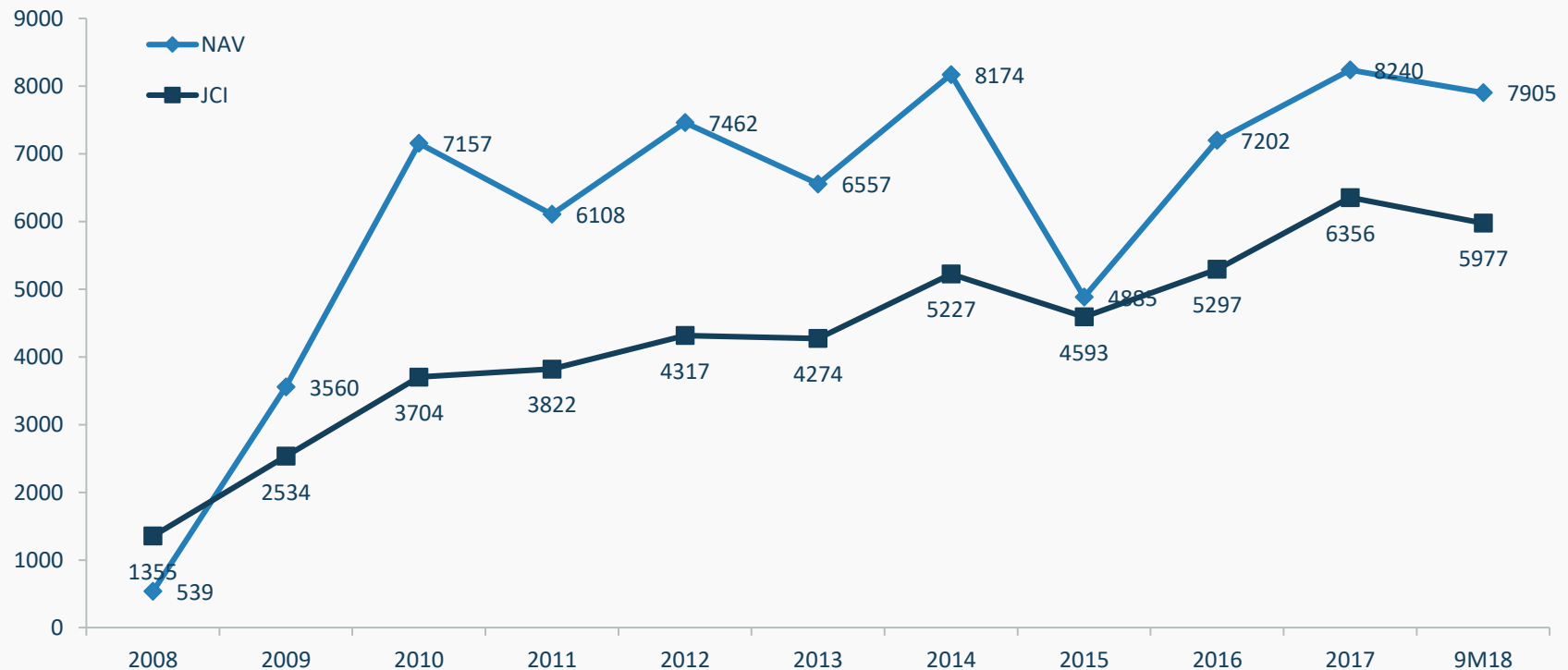


	Early Stage Companies		Growth Companies		isted Blue Chip Companies		% Sum of the Parts (SOTP)
	<div>✓ Early-stage companies provide large upside potential</div> <div>✓ Ability to acquire larger stakes allows Saratoga to exert significant influence, develop company strategy and products and generate strong return</div>		<div>✓ Growth companies generate sustainable and healthy cash flows for Saratoga portfolio</div> <div>✓ Provide great upside potential when growth companies enter into mature phases</div>		<div>✓ Blue-chip Investee Companies are established industry leaders with growth and capital appreciation opportunities</div> <div>✓ Saratoga to remain a long-term shareholder in these businesses</div>		
Natural Resources	Sihayo Copper Gold Agro Maju Raya Agra Energi Indonesia <i>Gold Palm Oil &amp; Gas</i>		Merdeka Copper Gold Provident Agro Interra Resources <i>Gold &amp; Copper Palm Oil &amp; Gas</i>		Adaro Energy <i>Coal &amp; Power</i>		51%
Infrastructure	Tenaga Listrik Gorontalo <i>Power</i>		Paiton Energy Tri Wahana Universal Nusa Raya Cipta <i>Power Refinery Construction</i>		Tower Bersama Infrastruktur <i>Telco Tower</i>		36%
Consumer	SC Technology Investment II Provident Growth Fund		Mitra Pinasthika Mustika Gilang Agung Persada Bumi Hijau Asri Mulia Bosco Logistik Awal Bros Hospital Deltomed <i>Auto Lifestyle Property Logistics Healthcare Herbal Medicine</i>				13%

# Net Asset Value Growth

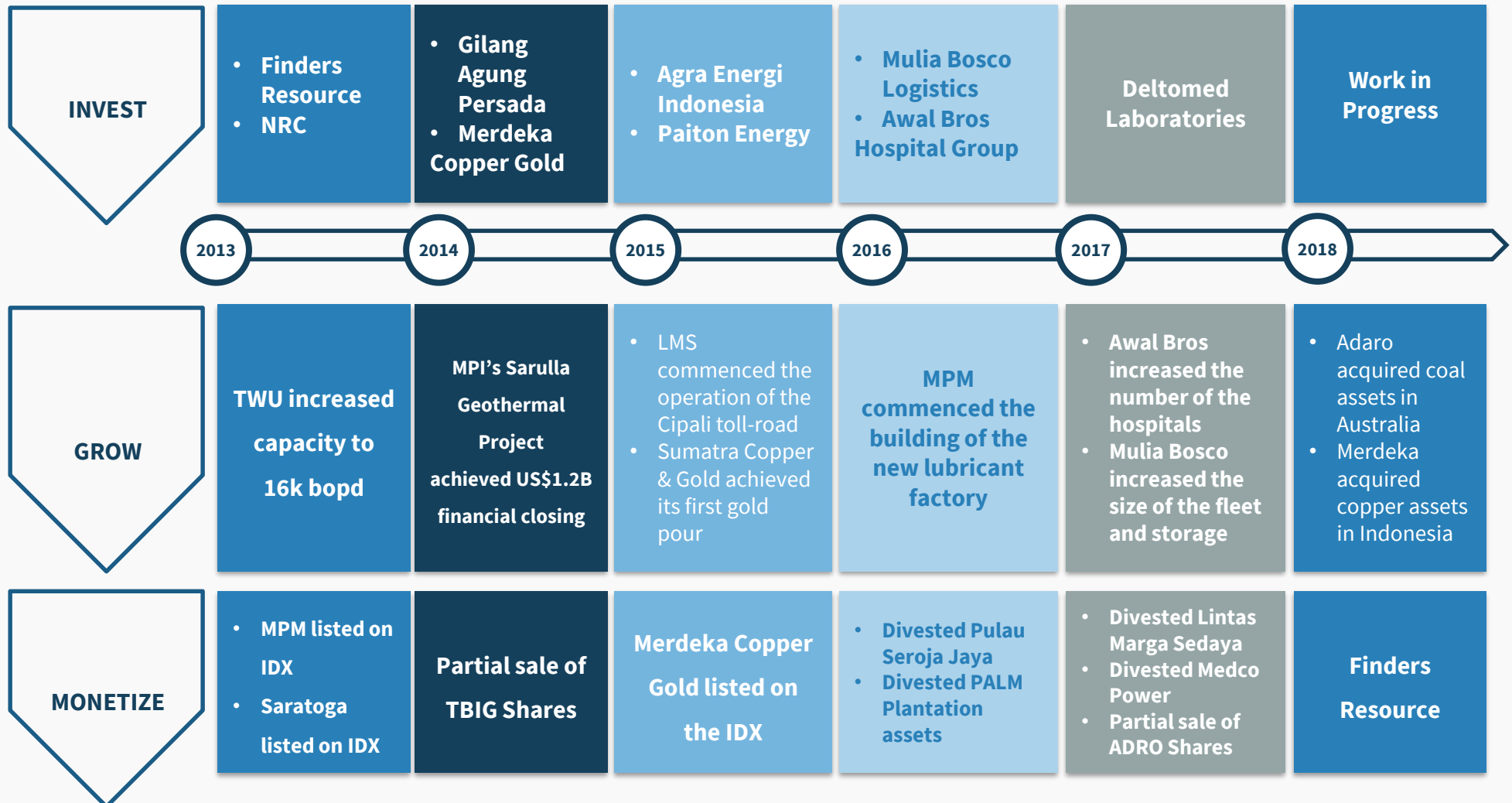
Figures in IDR

**NAV per Share<sup>(1)(2)</sup> CAGR = 33%**  
**JCI Index CAGR = 17%**



- (1) NAV per Share is adjusted for capital raising. The information contained in this document is intended solely for the use of the internal reference. Saratoga makes no representations or warranties, expressed 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.

# Investment Track Record





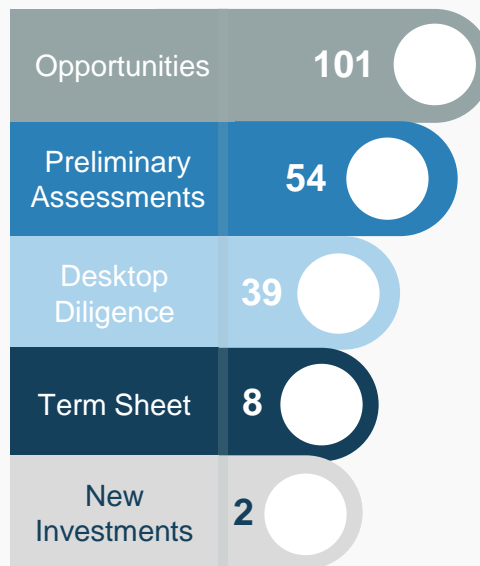
A photograph of a rocky shoreline. In the foreground, a large, dark, textured rock sits on a bed of smaller, greyish-blue stones. The background shows a body of water with a bright, white, irregular shape on its surface, possibly a reflection or a patch of ice. The overall tone is cool and somewhat somber.

# INVESTMENT ACTIVITIES



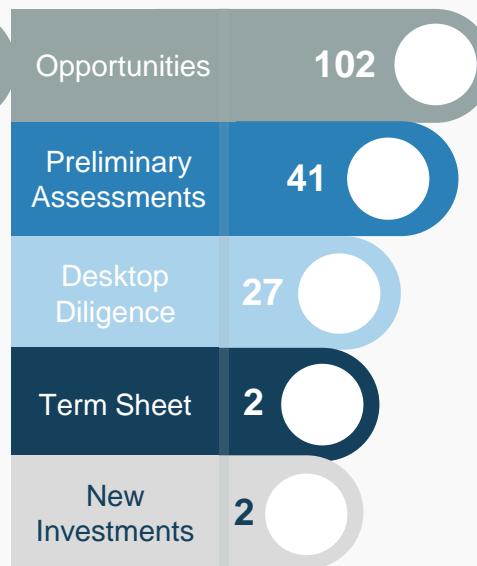
# Investment Opportunity Selection Process

2015



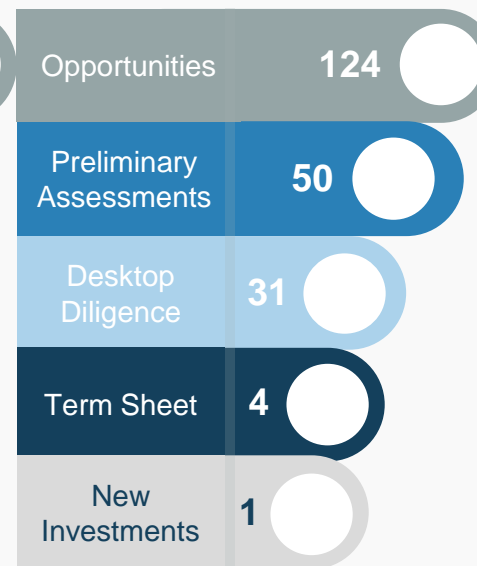
- ❖ PT Agra Energi Indonesia
- ❖ PT Batu Hitam Perkasa (Paiton Energy)

2016



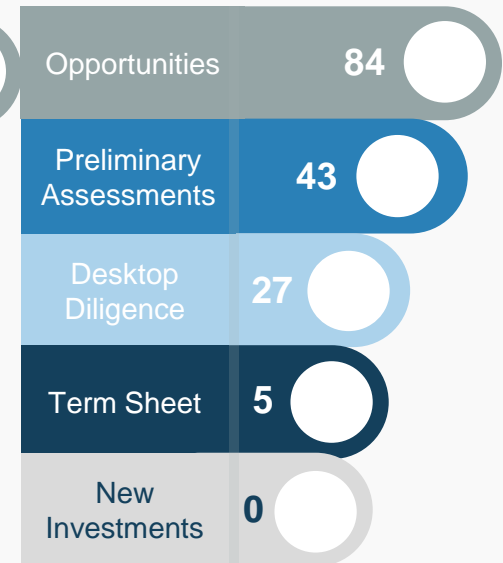
- ❖ Mulia Bosco Logistik
- ❖ Awal Bros Hospital

2017



- ❖ Deltomed Laboratories

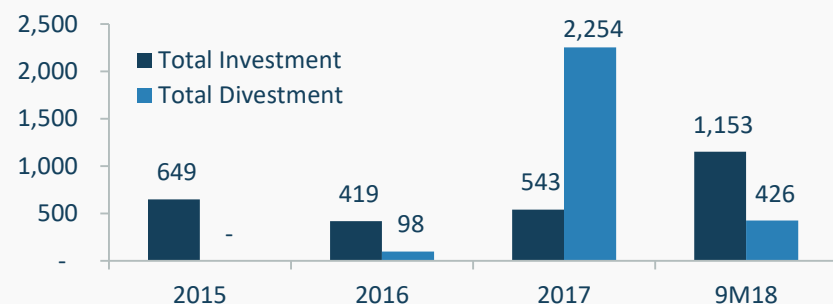
9M2018



# Investment Activity Summary 9M18

## Investment and Divestment

Figures in IDR billion

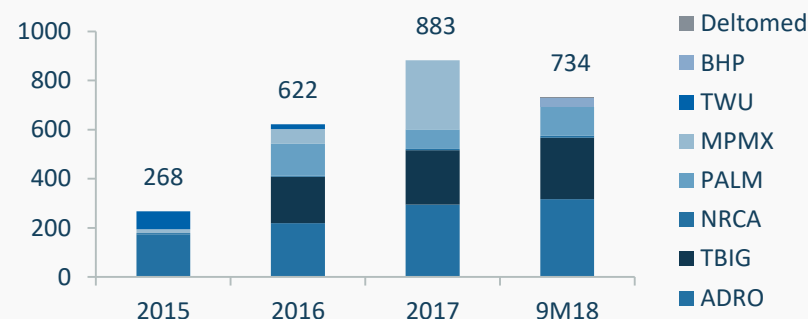


## Summary

- ❖ Total Investment is on track to reach the annual target.
- ❖ Healthy pipeline for new investment and divestment for the remainder of the year.
- ❖ Dividend income contributed by the investee companies has been growing, positive sign of strong business growth and operation of the investee companies.

## Dividend Income Breakdown

Figures in IDR billion



IDR billion	2015	2016	2017	9M18
ADRO	174	219	295	317
TBIG	-	190	222	251
NRCA	5	3	5	7
PALM	-	132	79	117
MPMX	15	59	282	-
TWU	74	19	-	-
BHP	-	-	-	40
Deltomed	-	-	-	2
<b>Total dividends</b>	<b>268</b>	<b>622</b>	<b>883</b>	<b>734</b>
<b># of investees</b>	<b>4</b>	<b>6</b>	<b>5</b>	<b>6</b>

# Investee Companies Highlights 9M18



Investee Company	Adaro Energy (ADRO)	Merdeka Copper Gold (MDKA)	Mitra Pinasthika Mustika (MPMX)
Activity	Acquisition	Acquisition	Divestment
Amount	2.25B USD	Ongoing	436M USD
Date	August 2018	Ongoing	June 2018
Investment/Divestment Summary	Adaro Energy and EMR Capital completed the acquisition of Rio Tinto's 80% interest in the Kestrel Coal Mine in Australia	Through public tender Merdeka is in the process of acquiring Finders Resources, an Australian public listed entity with copper assets in Indonesia	A strategic divestment of MPM's lubricant business to Esso Petroleum Company, Limited and ExxonMobil UK Limited ("ExxonMobil")





# FINANCIAL HIGHLIGHTS



# Financial Highlight – 9M18



Consolidated Statement of Profit and Loss (IDR billions)	9M18	9M17*	% variance
Income (loss)	(499)	3,697	(114%)
Expenses	(396)	(449)	12%
(Loss) profit before tax	(895)	3,248	(128%)
Income tax	(22)	(23)	4%
<b>(Loss) profit for the period</b>	<b>(917)</b>	<b>3,225</b>	<b>(128%)</b>
<i>Attributable to owners of the Company</i>	<i>(965)</i>	<i>3,312</i>	<i>(129%)</i>
<i>Attributable to non-controlling interests</i>	<i>48</i>	<i>(87)</i>	<i>155%</i>
Other comprehensive income	-	-	-
Total comprehensive income for the period	(917)	3,225	(128%)
<i>Attributable to owners of the Company</i>	<i>(965)</i>	<i>3,312</i>	<i>(129%)</i>
<i>Attributable to non-controlling interests</i>	<i>48</i>	<i>(87)</i>	<i>155%</i>

Key Balance Sheet Items (IDR billions)	9M18	9M17 *	% variance
Investment in equity securities	24,342	24,755	(2%)
Cash and cash equivalents	729	902	(19%)
Borrowings and Exchangeable Bonds	3,722	3,424	9%
Total liabilities	4,529	4,342	4%
Equity attributable to owners of the Company	20,878	22,033	5%

## Summary

- ❖ Loss on investment in equity securities was IDR 1.2 trillion, mainly contributed by the weakening of market price of TBIG and ADRO shares. .
- ❖ Dividend income amounted to IDR 734 billions. The contributors for the dividends came from ADRO IDR 3187bio, TBIG IDR 251bio, PALM IDR 117bio and other investees.
- ❖ Loss after tax to IDR 917 billion, which brings total assets to IDR 25.7 trillion and investment in equity securities to IDR 24.3 trillion.
- ❖ Cash and Debt level remain stable throughout the first nine months of the year.
- ❖ The majority of the Exchangeable Bond was redeemed in May 2018.

\* as restated for PSAK 71 implementation

# Key Financial Statement 9M18



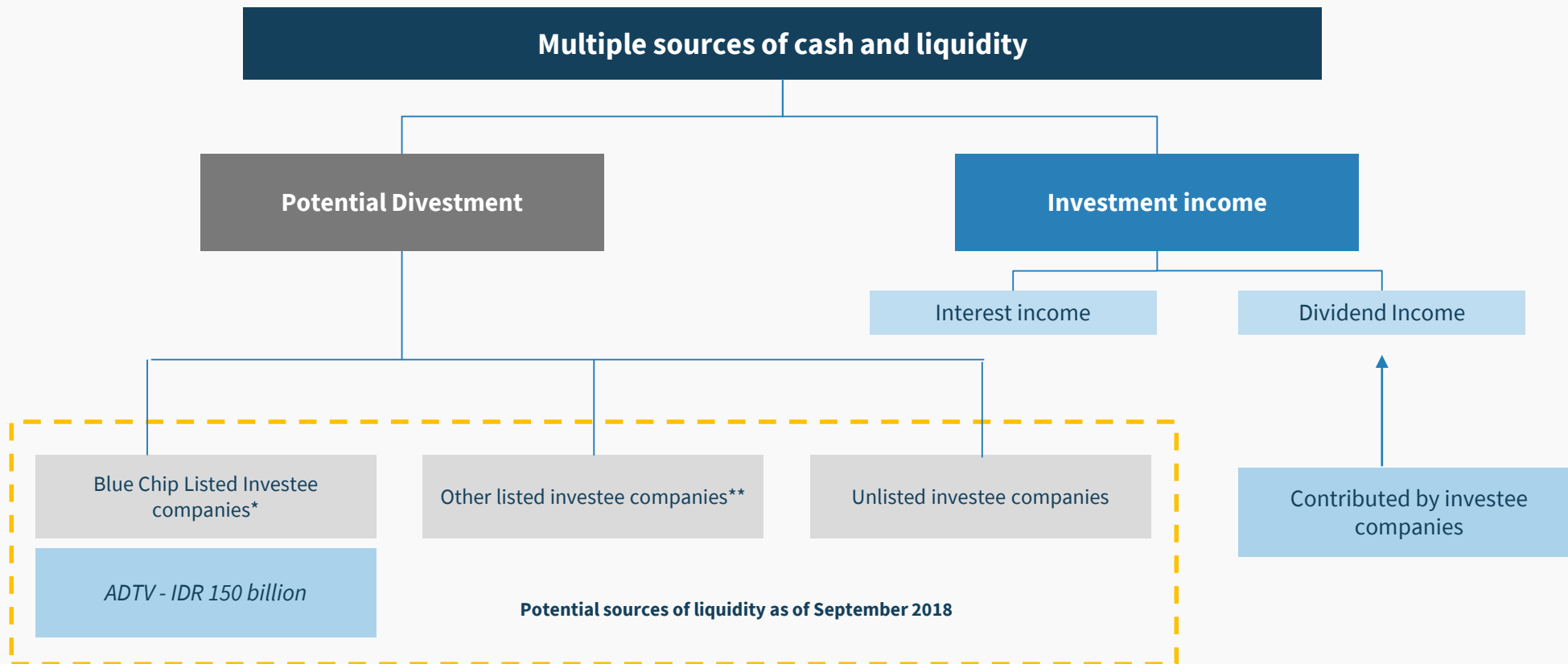
Figures in IDR billion

Profit & Loss Statement		Statement of Financial Position	
Net loss on investment in equity securities	(1,152)	Cash and cash equivalents	729
		Receivables	141
<b>Dividend, Interest and Investment Income</b>	759	Investment in equity securities	24,342
Loss on exchange rate	(205)	Advances for investment in equity securities	318
Interest Cost	(197)	Others	178
Operating Expenses (incl. Salary)	(125)	<b>Total Assets</b>	<b>25,708</b>
Other income (expenses)	25	Borrowings	3,722
		Deferred Tax	740
		Others	67
<b>Loss before tax</b>	<b>(895)</b>	<b>Total Liabilities</b>	<b>4,529</b>
<b>Loss for the period attributable to owners of the Company</b>	<b>(964)</b>	<b>Net Equity attributable to owners of the Company</b>	<b>20,878</b>
		<b>Net Asset Value of investment portfolio<sup>(1)</sup></b>	<b>21,522</b>

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



# Diversified Sources of Cash and Liquidity



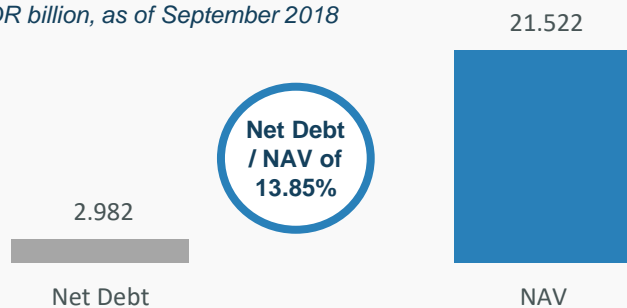
\* Consist of Adaro Energy and Tower Bersama

\*\* 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 and etc.

# Strong Capital Structure

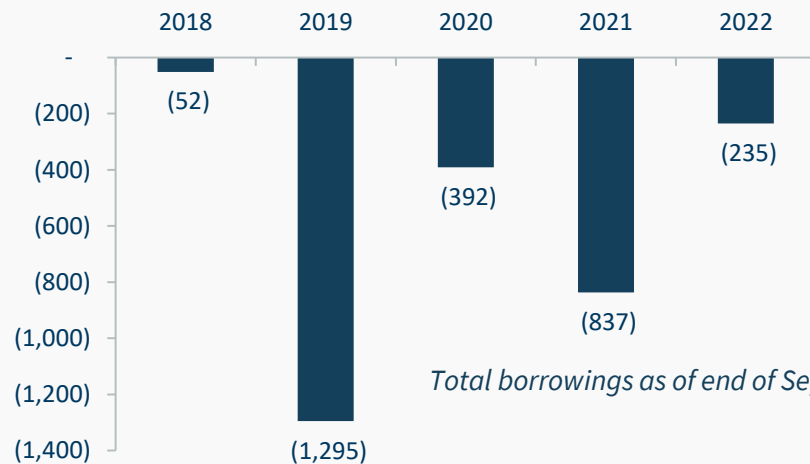
## Capital structure

Figures in IDR billion, as of September 2018



## Loan maturity profile\*

Figures in IDR billion



Total borrowings as of end of September stands at IDR 3.4T

## 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

### Current Funding Structure

- ❖ Bank Loans
  - Revolving credit facility
  - Bilateral Loan
- ❖ Banking partners: ING, Natixis, DBS, BTMU and HSBC

### Alternative Funding sources

- ❖ Convertible Bond
- ❖ Exchangeable Bond
- ❖ Medium Term Notes and others

# Expense Coverage Ratios



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	0.73%	2.19%	2.3x	1.5x
2017	0.95%	2.51%	2.5x	1.6x
9M18	0.77%	2.00%	2.8x	1.7x

## Operating Expense (Opex)

- Maintain low operating expense to below 1%.
- Expenses include salary, rental, professional fees, and other operating expenses.
- The decrease in Opex/NAV ratio in 9M18 was driven by the decrease of Opex related to investment and divestment activities.





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