

PT SARATOGA INVESTAMA SEDAYA TBK

FY 2015 Results

31 March 2016

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CORPORATE INFORMATION

Saratoga, a Leading Active Investment Company



- Leading active investment company in Indonesia with an estimated NAV of USD 1 billion
- Listed on the IDX in 2013 among the top 100 largest market capitalization stocks in IDX
- Focus on early-stage, growth-stage, and special situation opportunities
- Actively engaged with investee companies' management teams in unlocking value of investments
- Invest 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 and grow them into listed blue chip companies

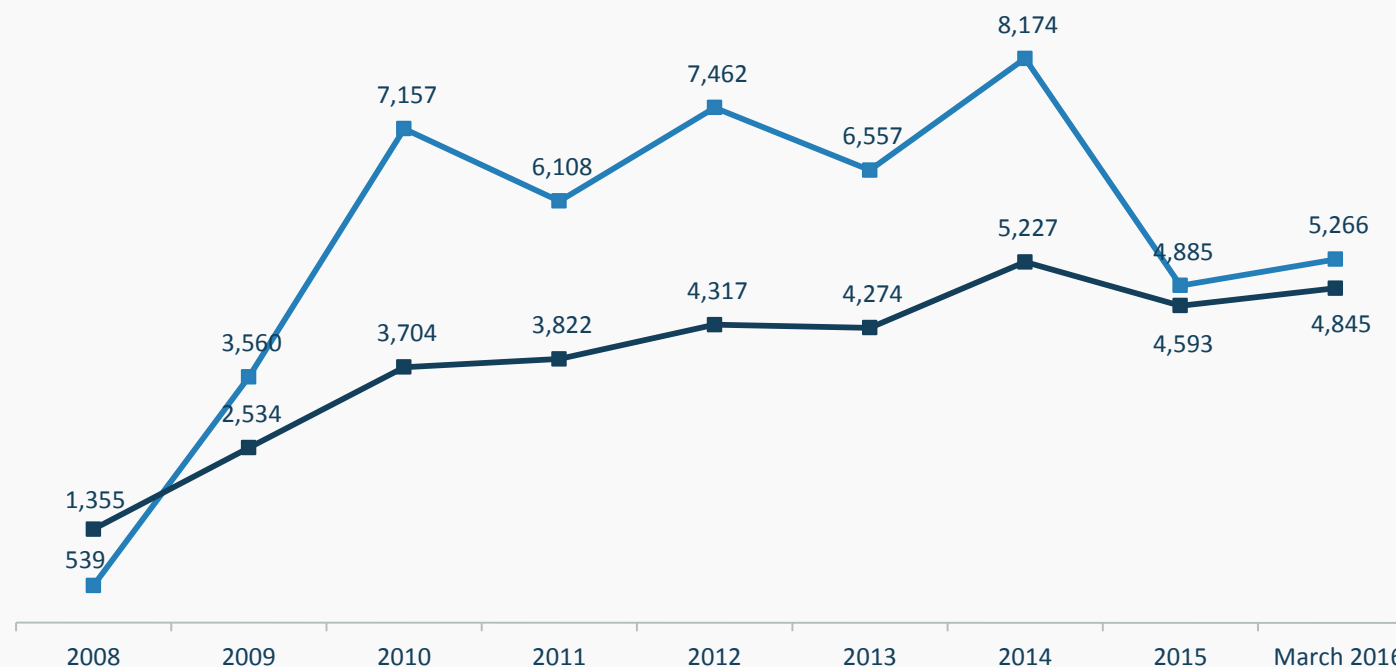


		Early Stage Companies	Growth Companies	Listed Blue Chip Companies	% Sum of the Parts (SOTP)
		<ul style="list-style-type: none"> ✓ Early-stage companies provide large upside potential ✓ Ability to acquire larger stakes allows SIS to exert significant influence, develop company strategy and products and 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</i>	Merdeka Copper Gold <i>copper</i> Provident Agro <i>palm</i> Interra Resources <i>oil</i>	Adaro Energy <i>coal</i>	35%
	Infrastructure	Tenaga Listrik Gorontalo <i>power</i>	Medco Power Indonesia <i>power</i> Paiton Energy <i>power</i> Tri Wahana Universal <i>refinery</i> Lintas Marga Sedaya <i>toll-road</i> Nusa Raya Cipta <i>construction</i> Seroja Investment <i>shipping</i>	Tower Bersama Infrastructure <i>tower</i>	59%
	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>		7%
SOTP		3%	33%	65%	

Data presented are as of 31 Dec 2015
 All listed companies are presented in bold.
 Source: Company information

Net Asset Value Growth

Market conditions in 2015 proved a test for our philosophy to be an active investor. Sentiment across world and regional equity markets impacted asset values. However, looking back we believe the results for 2015 demonstrate we have stood up well to this test.



NAV per Share*
CAGR-8 years = 31.71%

JCI
CAGR-8 years = 16.48%

Note:

* NAV per Share is adjusted on capital raising

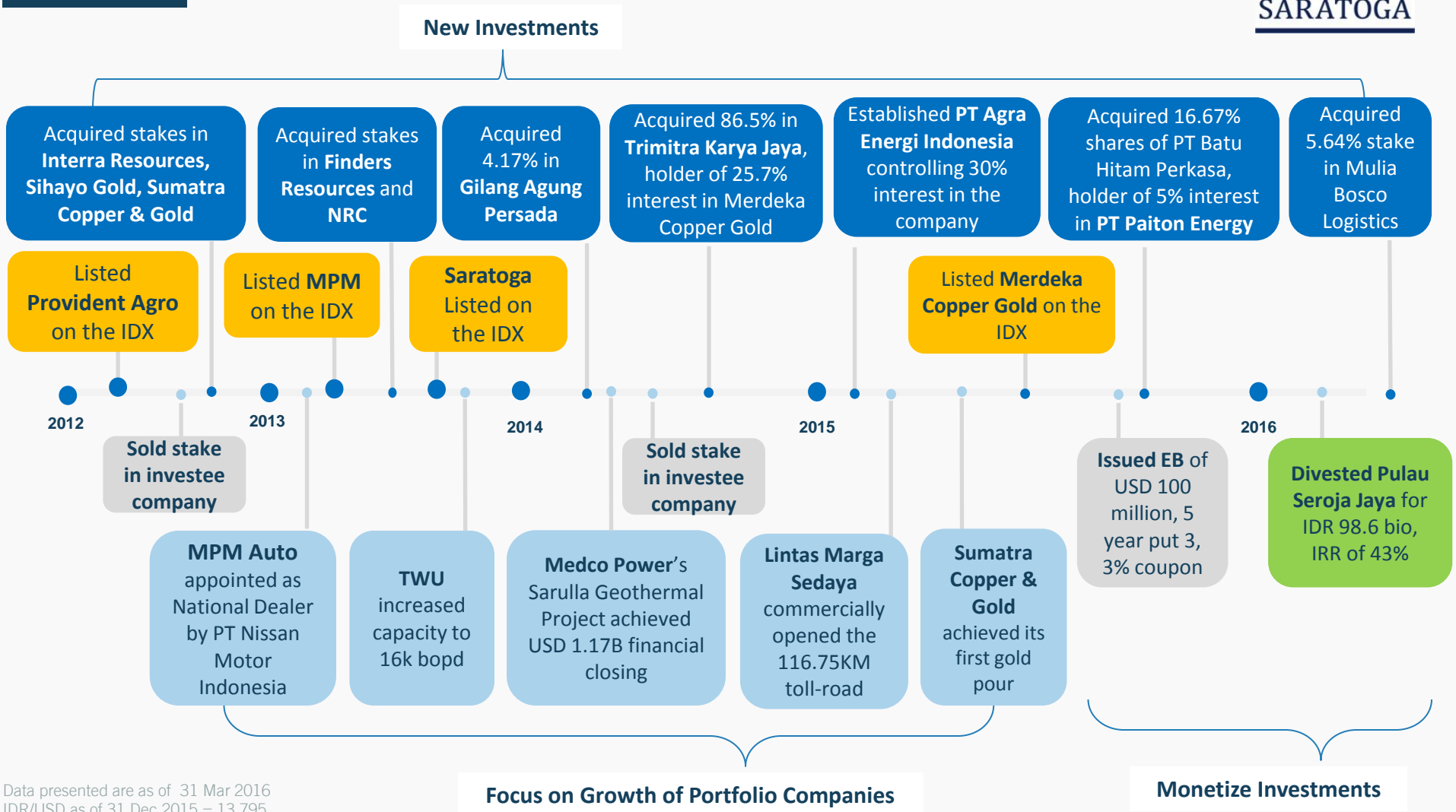
The information contained in this document is intended solely for the use of our internal reference. We used conservative method to do the NAV calculation using market value to calculate all investments in listed companies and book value to calculate all investments in non-listed companies. We make no representations or warranties, express or implied, with respect to the information herein.

Data presented are as of 31 Mar 2016

IDR/USD as of 31 Dec 2015 = 13,795, IDR/USD as of 31 Mar 2016 = 13,874

Source: Company information

We Invest and Grow through the Cycle



Data presented are as of 31 Mar 2016
 IDR/USD as of 31 Dec 2015 = 13,795
 IDR/USD as of 31 Mar 2016 = 13,874
 Source: Company information



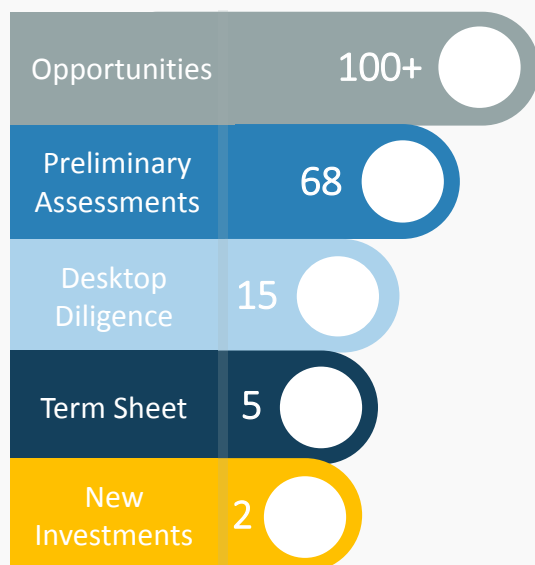
INVESTMENT ACTIVITIES

FY 2015

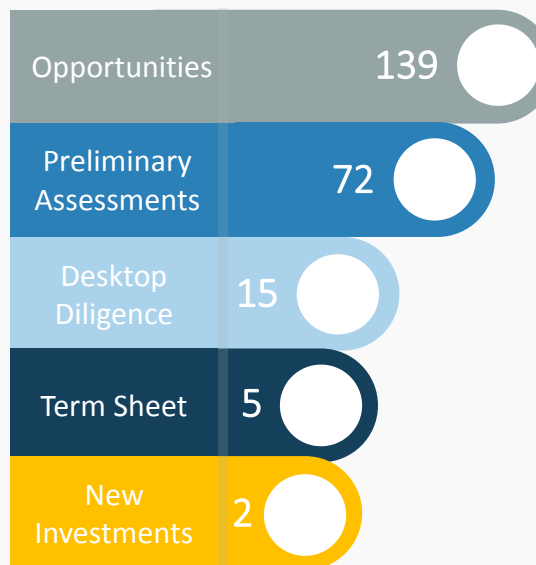
Disciplined Execution in Investment Selection

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.

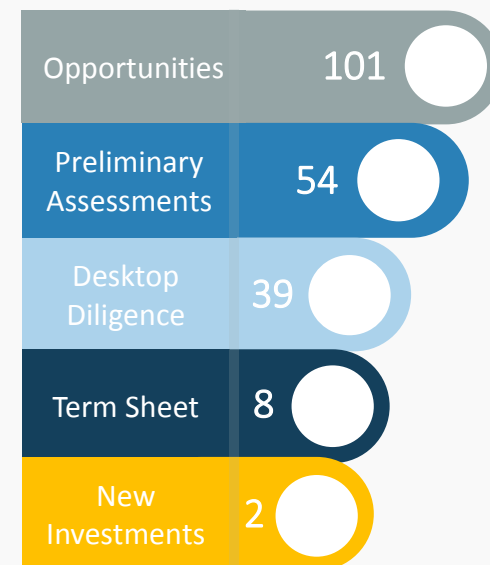
2013



2014

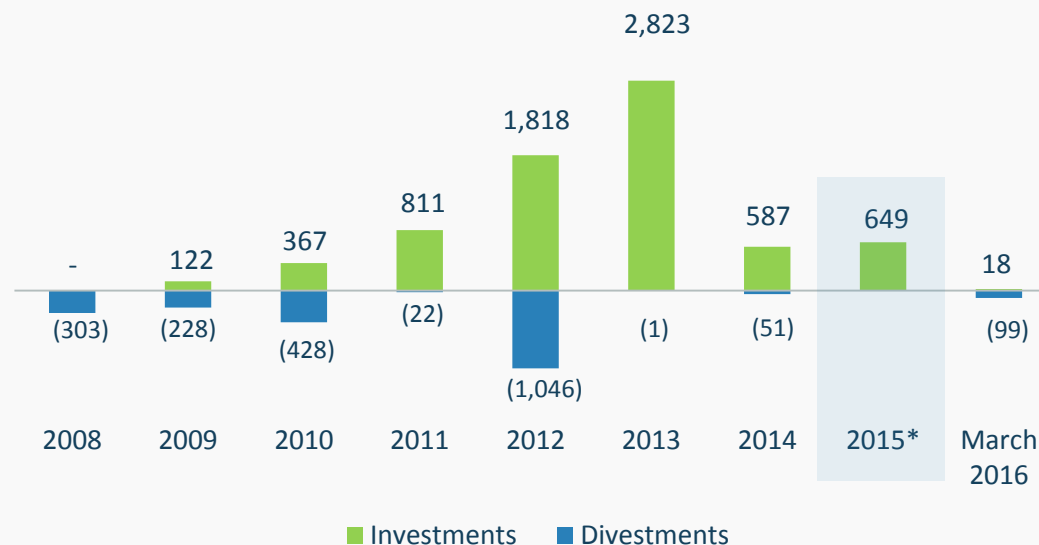


2015



Investments & Divestments

In IDR (billions)		2015
New Investments		304
Follow-On Investments	Natural Resources (Merdeka, Amara, Sumatra)	232
	Infrastructure (LMS, TBIG)	107
	Consumer	0
Share Buy Back		6
Divestments		0
Total Investments		649



IDR 649 billion was invested in 2015, including IDR 304 billion in new investments.

We invested a total of IDR 7,195 billion in the last 8 years.

*In 2015, we issued an Exchangeable Bond worth USD 100 million maturing in 5 years with a put option on year 3. The bond is exchangeable to TBIG shares.

New Investments



Agra Energi Indonesia

- An early stage upstream oil & gas exploration company, jointly established by ex-executives of Unocal.
- Focuses on creating leveraged optionality on early stage exploration assets, particularly deep sea opportunities based in East Indonesia

Date of Investment : Oct 2015
Invested Capital : USD 5.6 mio
Investment : up to USD 7.5 mio
Effective Interest : 30%

Investment Thesis:

- **Experienced management team** with strong history in the region and successful track record.
- **Unique focus** on East Indonesia and deep water exploration
- **Capital efficient** entry points into upstream oil and gas assets

Paiton Energy

- One of the largest IPP in Indonesia with 2,035MW power generating capacity
- Part of the 4GW Paiton power station serving the Java-Bali power grid.

Date of Investment : Aug 2015
Invested Capital : USD 2 mio
Effective Interest : 0.83%

Investment Thesis:

- **Growing power industry in Indonesia**
25GW of the 35 GW generators to be built over the next 5 years would be allocated to IPPs.
- **Strong financials and predictable cash flows**
PPA's stable and long term nature provides strong and stable cash flow.
- **Partners' Extensive IPP experience**
PE's sponsors are world's leading power players extensive experience in power plant operations.

Mulia Bosco Logistik

- Provides refrigerated trucking service serving FMCG blue-chip clients, connecting over 20 cities and operates cold storage facilities in North Jakarta
- MBL aims to scale up its business to deliver end-to-end cold chain logistics benefits for its clients.

Date of Investment : January 2016
Invested Capital : IDR 18.4 billion
Effective Interest : 5.63%

Investment Thesis:

- **High Demand on Vital Logistics Infrastructure**
- **Scalable Business**
- **Reputable Brand**
- **Limited Players**

Significant Milestones of Our Investee Companies



- Commercially opened the 116KM Cipali Toll-Road, a ~10% addition to Indonesia's total toll road length.
- We invested in PT Lintas Marga Sedaya, the concession holder of the Cipali toll road, since 2006.
- We dribbled in our investment through equity (IDR 215B) and mezzanine loan (USD 8.3M), with an effective interest of 18.0% (excludes mezz)



- Listed Merdeka Copper Gold on the IDX in June 2015 with market capitalization of IDR 7T.
- Its Tujuh Bukit Project is considered one of the largest untapped mineral resources in Indonesia, with geological conditions allowing for low cost processing.
- Merdeka achieved USD 130 million financial closing with 3 major banks to support its production activities.
- The project is expected to start its commercial production end of 2016.
- We invested a total of IDR 580B, with an effective interest of 18.7% (post IPO).



- Achieved first gold pour at Tembang Gold project, Sumatra Copper & Gold's flagship project.
- SUM is a listed gold producer on the ASX with projects located in several locations in Sumatera, Indonesia.
- We made first investment in December 2012 and continued to hold 27.4% effective ownership in the company.

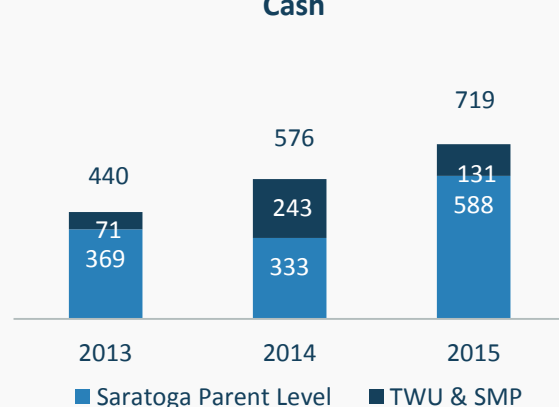


FINANCIAL RESULTS

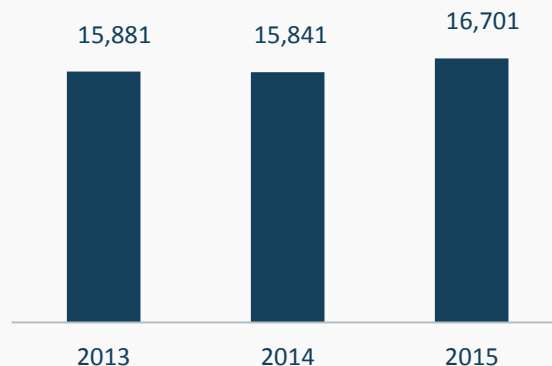
FY 2015

Consolidated Financial Position

Consolidated Cash & Restricted Cash

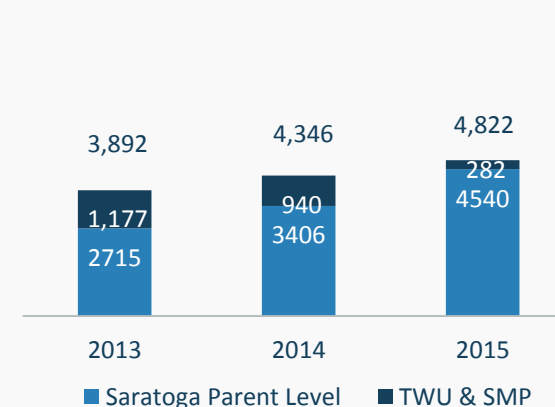


Consolidated Assets

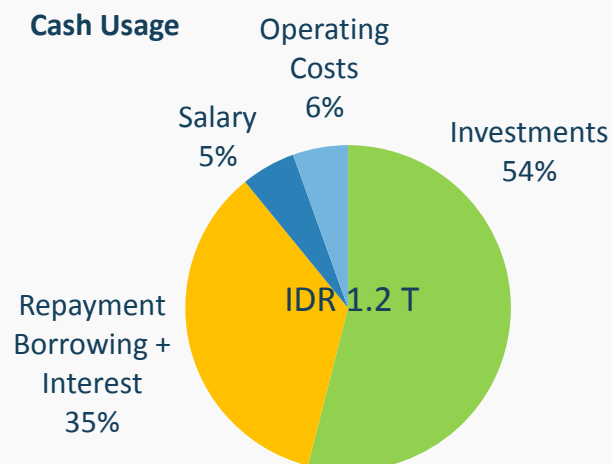


Consolidated Assets increased driven by 39% due to increase in AFS asset to IDR 2.9 T from investment in Merdeka Copper Gold

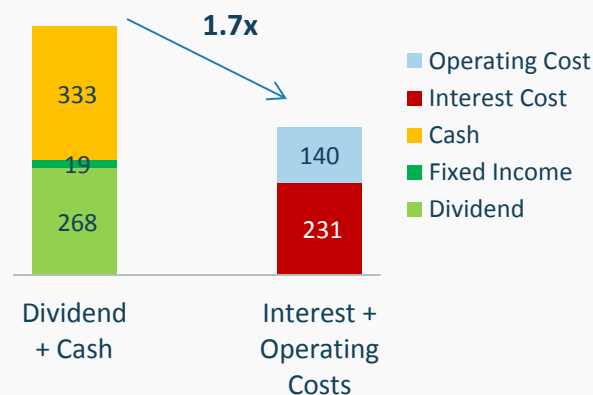
Consolidated Debt



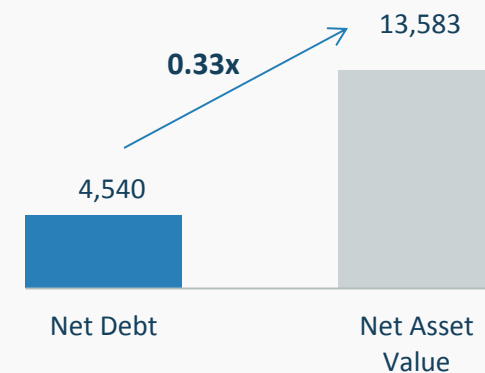
Cash Usage



Dividend + Cash / Interest + Opex

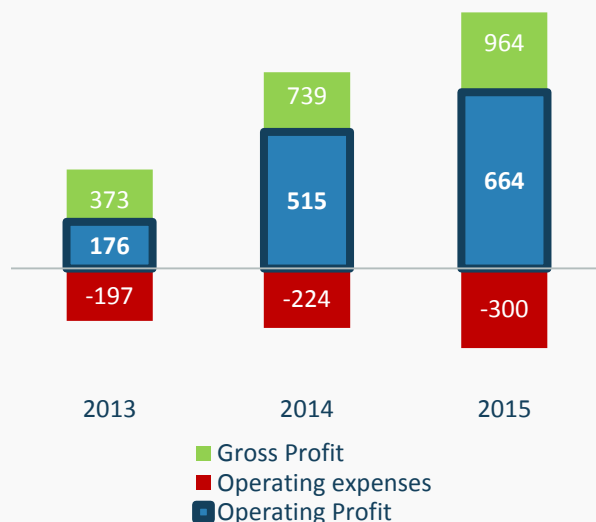


Net Debt / NAV as of 31 Dec 2015

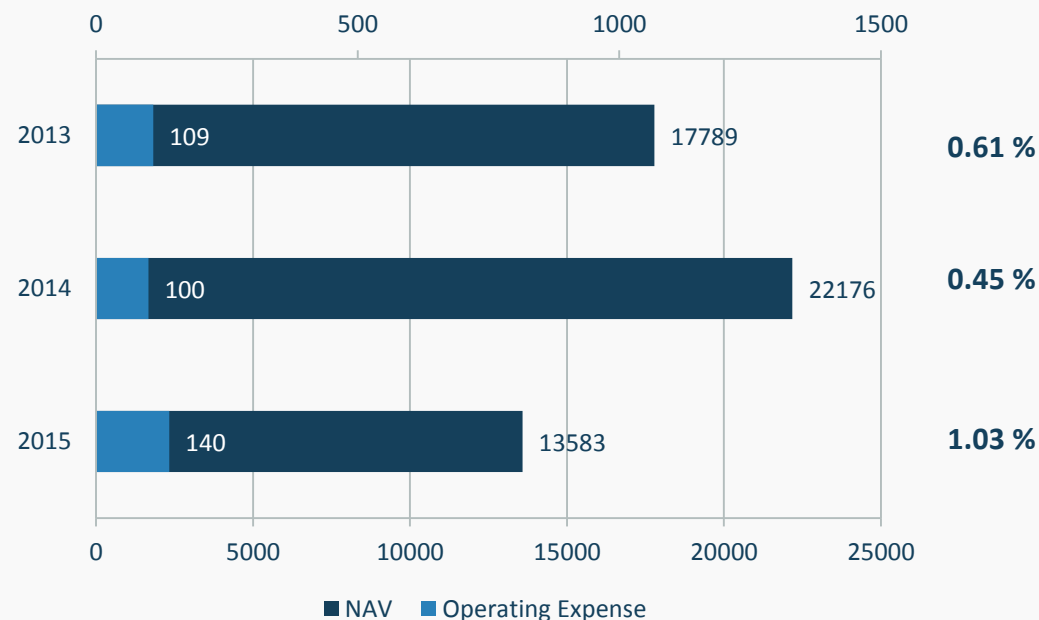


Consolidated Income Statement

Operating Profit
(in IDR billion)



Operating Expense vs. NAV



Consolidated Operating Profit

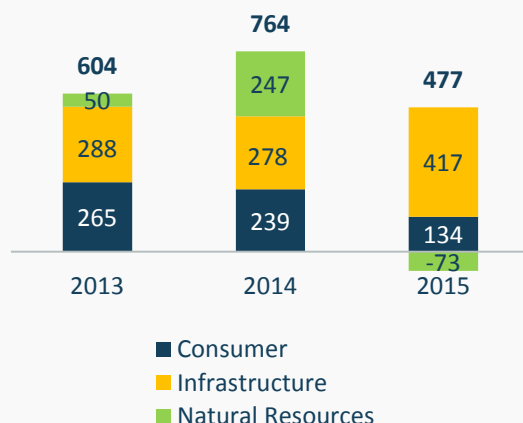
- Increase in Gross Profit from oil refinery business in which margin is positively affected by the decline in oil price.
- Operating expenses of IDR 300B:
 - IDR 159B OpEx from TWU
 - IDR 140 B OpEx from Saratoga parent

Operating Expense – Parent Level

- Include salary, rental, professional fees, and other operating expenses at Saratoga parent level.
- The increase in OpEx/NAV ratio in 2015 was driven by the decline in NAV, while there is an increase in OpEx related to investment due diligence activities and EB issuance.

Consolidated Income Statement

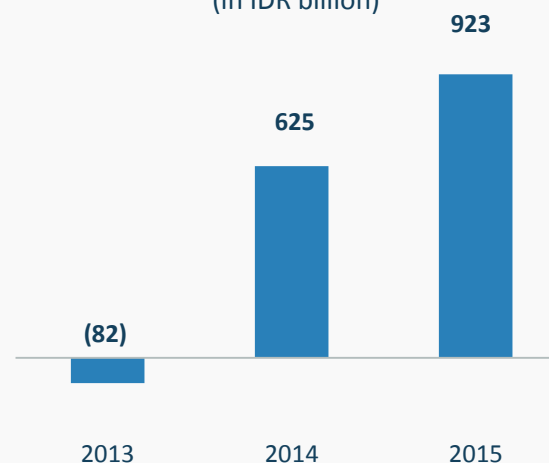
Net Share Profit from Associates (in IDR billion)



Net Share Profit

The decline in Net Share Profit mainly driven by Early stage investee companies while the Listed Blue Chip Companies such as Adaro, Tower Bersama, and MPM remain positive and contribute IDR 802 billion in net share profit.

Profit Attributable to Shareholders (in IDR billion)



Profit Attributable to Shareholders

Consolidated net profit attributable to shareholders increased 48% to IDR 923 billion, mainly driven by:

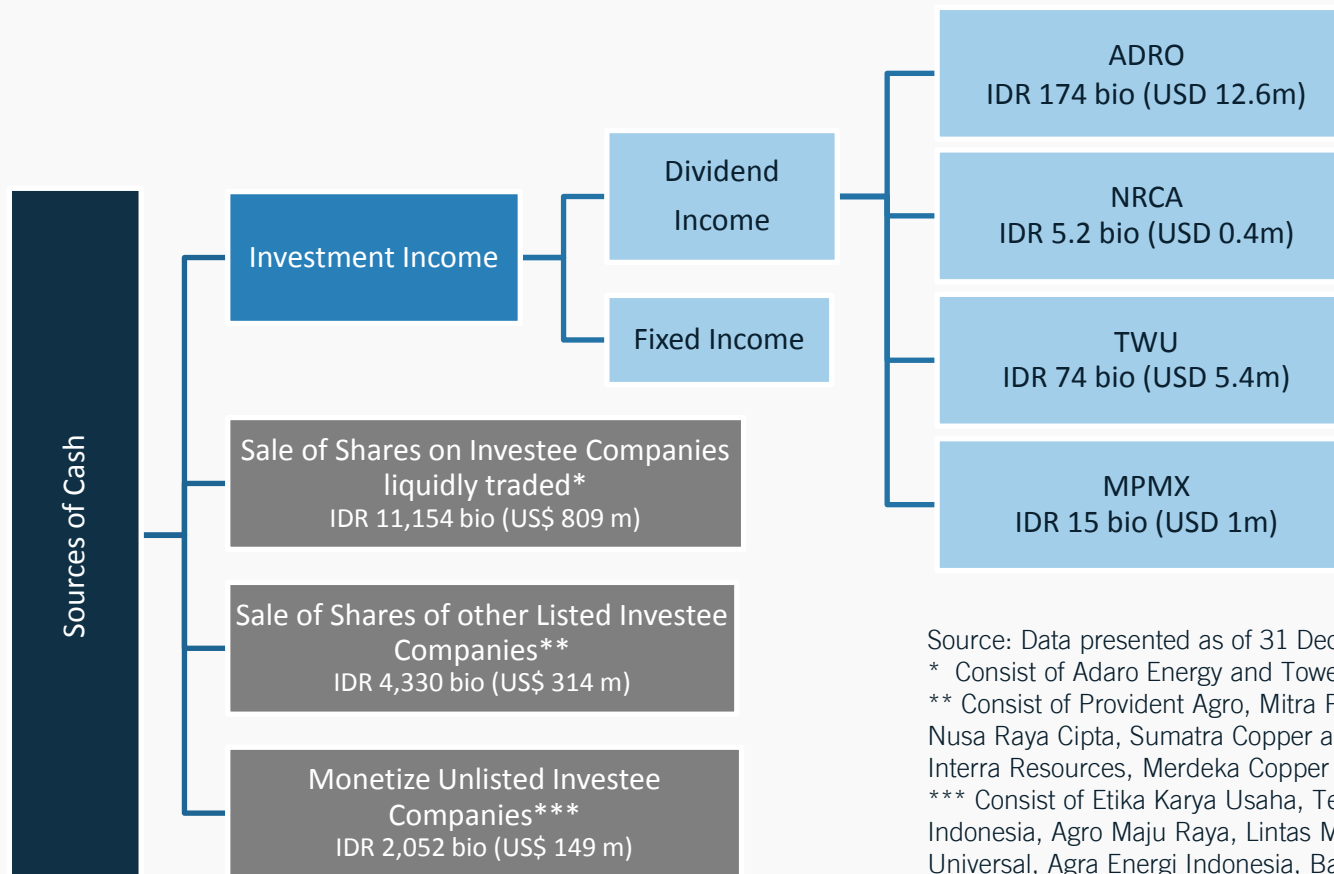
- Realization of investment value in Merdeka as the company became listed IDR 1T

Offset by

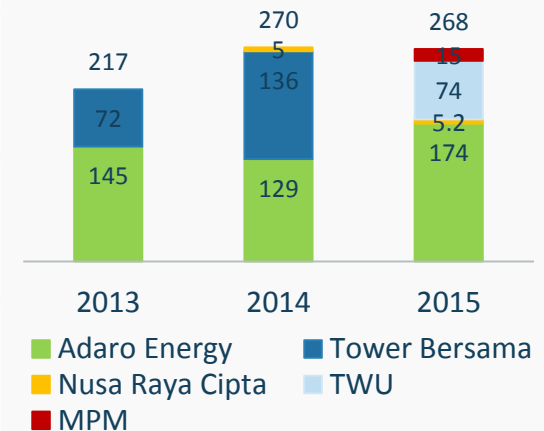
- Reduction in net share profit
- Increase in FX loss
- Increase in interest cost.

Diversified Sources of Cash

Saratoga has multiple internal sources of cash and liquidity



**Dividend Income
(in IDR Billion)**



Source: Data presented as of 31 December 2015

* 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, Lintas Marga Sedaya, Sinar Mentari Prima, Tri Wahana Universal, Agra Energi Indonesia, Batu Hitam Perkasa and Pulau Seroja Jaya

Data presented are as of 31 Dec 2015

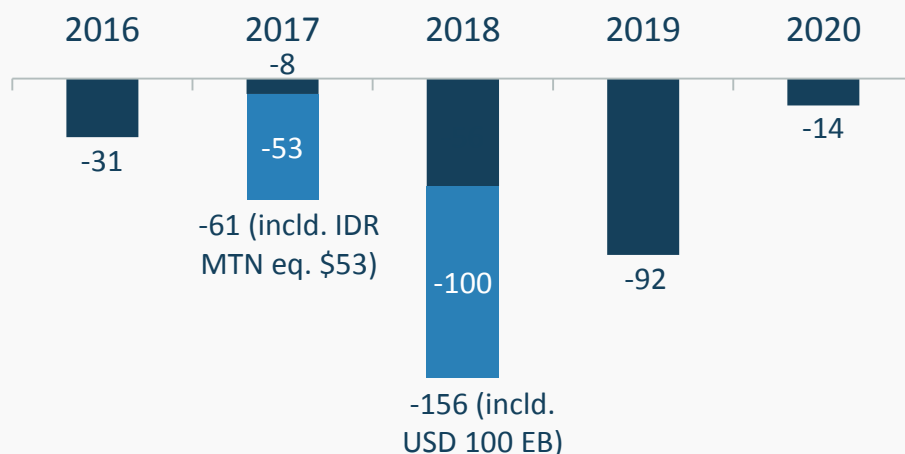
IDR/USD as of 31 Dec 2015 = 13,795

Source: Company information

Strong Funding Capability

Aligning Loan Maturity Profile with Investment Duration

**Maturity Profile (USD millions)
as per 31 Dec 2015**



Cash Availability:

- Preserve Cash at Saratoga's parent level sufficient to cover our borrowing principal.
- Keep Bank facility available for immediate needs.
- Additional cash flows from investee company dividends and divestments are expected in 2016.

Diversifying 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

- Bank Loans**
 - Types: Revolving Credit Facility, Bilateral Loan, Syndicated Loan
 - Banks: SCB, ING, Natixis, HSBC, and others
- 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
- Exchangeable Bond**
 - Issued a 5-year, put option at year 3, USD 100 million EB in May 2015 with a coupon of 3%, YTM 3.75%
 - Exchangeable to TBIG common shares at IDR 10,707

Net Asset Value

Valuation as per 31 Dec 2015

Investments	31-Dec-15		Current 31-Dec-15	
	Effective Ownership	CCY	2wks VWAP Market Price (ccy)	Valuation (IDR bio)
Natural Resources				
1 PT Adaro Energy Tbk	16.38%	IDR	491	2,572
2 Provident Agro	44.16%	IDR	505	1,588
3 Sumatra Copper and Gold plc	28.16%	AUD	0.04	86
4 Sihayo Gold Limited	18.14%	AUD	0.01	28
5 Finders Resources	7.11%	AUD	0.13	60
6 Interra Resources Limited	15.67%	SGD	0.09	68
7 Merdeka Copper Gold	18.89%	IDR	2005	1,352
8 Agro Maju Raya	25.00%		Book Value	158
9 Agra Energi Indonesia	35.53%		Book Value	68
Infrastructure				
10 Tower Bersama Infrastructure	30.23%	IDR	5911	8,581
11 Nusa Raya Cipta	6.97%	IDR	604	105
12 Seroja Investment Limited	23.26%	SGD	0.06	49
13 Tri Wahana Universal	35.00%		Book Value	512
14 Medco Power Indonesia	12.30%		Book Value	314
15 Tenaga Listrik Gorontalo	46.25%		Book Value	77
16 Lintas Marga Sedaya	18.00%		Book Value	336
17 PT Pulau Seroja Jaya	9.61%		Book Value	27
18 Sinar Mentari Prima	50.00%		Book Value	119
19 PT Batu Hitam Perkasa	16.67%		Book Value	28
Consumer				
20 Mitra Pinasthika Mustika	47.62%	IDR	468	994
21 Etika Karya Usaha	29.40%		Book Value	91
22 Gilang Agung Persada	4.17%		Book Value	63
23 Others**			Book Value	258
Sum of investee companies				17,536
- Debt per 30 Dec				4,540
+ Cash Balance as per 30 Dec				588
Net Asset Value for SIS				13,583

FX Rates per 31 Dec 2015 per BI mid rate

USDIDR	✓	13,795
AUDIDR	✓	10,064
SGDIDR	✓	9,751

The Company calculates the NAV of its investments on the basis of:

- For **listed companies**: the market value of the proportionate shares that are held by SRTG
- For **unlisted companies**: the book value of SRTG' shareholding in the company

Where:

- Market value** is derived from the 2 week volume weighted average share price.
- Book value** is derived from investment at cost adjusted by accumulated profit or loss to arrive at the ending balance

DISCLAIMER:

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