

PT SARATOGA INVESTAMA SEDAYA Tbk.



# PT SARATOGA INVESTAMA SEDAYA TBK

May 2014

# Saratoga, Indonesia's Leading Active Investment Company



Edwin Soeryadjaya

29.15%

PT Unitas Pertama

31.5%

Sandiaga S. Uno

29.15%

Public

10.2%



- Leading active investment company in Indonesia with total NAV of IDR17.8trn as of 31 Dec 2013
- Focus on key sectors of the Indonesian economy: Consumer, Infrastructure and Natural resources
- Invest in early-stage, growth-stage, and special opportunities and ongoing engagement with long-term Investee Companies
- Work closely with investee companies' management teams and continuously finding ways to unlock value of investments

## Consumer

### Automotive



### Property



## Infrastructure

### Power



### Roads



### Telecommunications



## Natural Resources

### Agriculture



### Oil & Gas



### Metals & Mining



Finders Resources Limited

# Our Investment Strategy



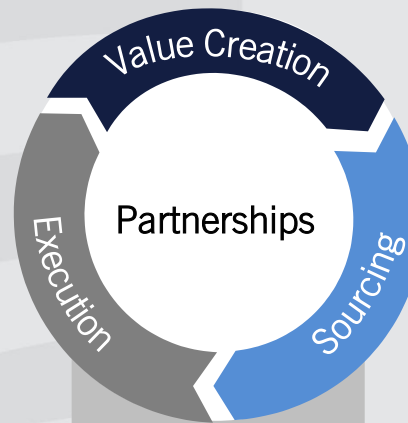
## OUR VISION

- ✓ Leading active investment company in Indonesia
- ✓ Focus on GROWTH, STRENGTH and REPUTATION
- ✓ Partner of choice for both local and foreign investors

### Investment Mandate

- ✓ Good proxy to the Indonesian economy
- ✓ Three key target sectors:
  - Consumer
  - Infrastructure
  - Natural resources and agriculture
- ✓ Blue-chip listed companies offering potential for strong growth with mitigation of portfolio downside risk
- ✓ Smaller early-stage investments with large upside potential

### Our Value Proposition



Track Record

### Our Operating Model

Acquire platforms in strategic sectors



Organic and/or inorganic growth of investments



Monetization of investments

# Experienced sponsor and management team



**Our sponsors and management team's extensive experience and networks in the Indonesian investment landscape and multiple sourcing channels provide us with business opportunities that are not available to others**

## Our Founders



**EDWIN SOERYADJAYA**  
President Commissioner

- Joined PT Astra International in 1978 and worked within the family business for over 15 years, serving as Vice President and Director
- Ernst & Young Indonesia Entrepreneur Of the Year in 2010



**SANDIAGA S. UNO**  
President Director

- Holds or has held positions as an elected member of the Indonesian Economic Committee and vice president of Micro, Small and Medium Enterprises and Cooperatives of the Indonesian Chamber of Commerce and Industry and Chairman of the Indonesian Young Entrepreneurs Association

## Our Management Team

**MICHAEL SOERYADJAYA**  
Business Development Director

- Appointed Director in 2013
- Commissioner of PT Multi Pinasthika Mustika Rent since 2012 and Director of PT Bareika Capital since 2010

**JERRY NGO**  
Finance Director

- Appointed Independent Director in 2013, CFO since 2012
- Previously Executive Director of Institutional Banking at PT ANZ Bank Indonesia and senior management at Standard Chartered Bank

## Portfolio Executives

- |                           |                  |                       |
|---------------------------|------------------|-----------------------|
| ▪ Budianto Purwahjo       | ▪ Kumari         | ▪ Herman Setya Budi   |
| ▪ Yuliantina Wangsawiguna | ▪ Ellie Turjandi | ▪ Arif Qasimi Al Bone |

Supported by 52 full-time employees at the parent-level company and appointed key management executives in the investee companies

## Our Multiple Sourcing Channels

### Investee Companies

Investee Companies offer us opportunities to partner with them for larger transactions and often refer other opportunities to us

### Fund

The Fund's global network of limited partners provides an extensive base of referrals

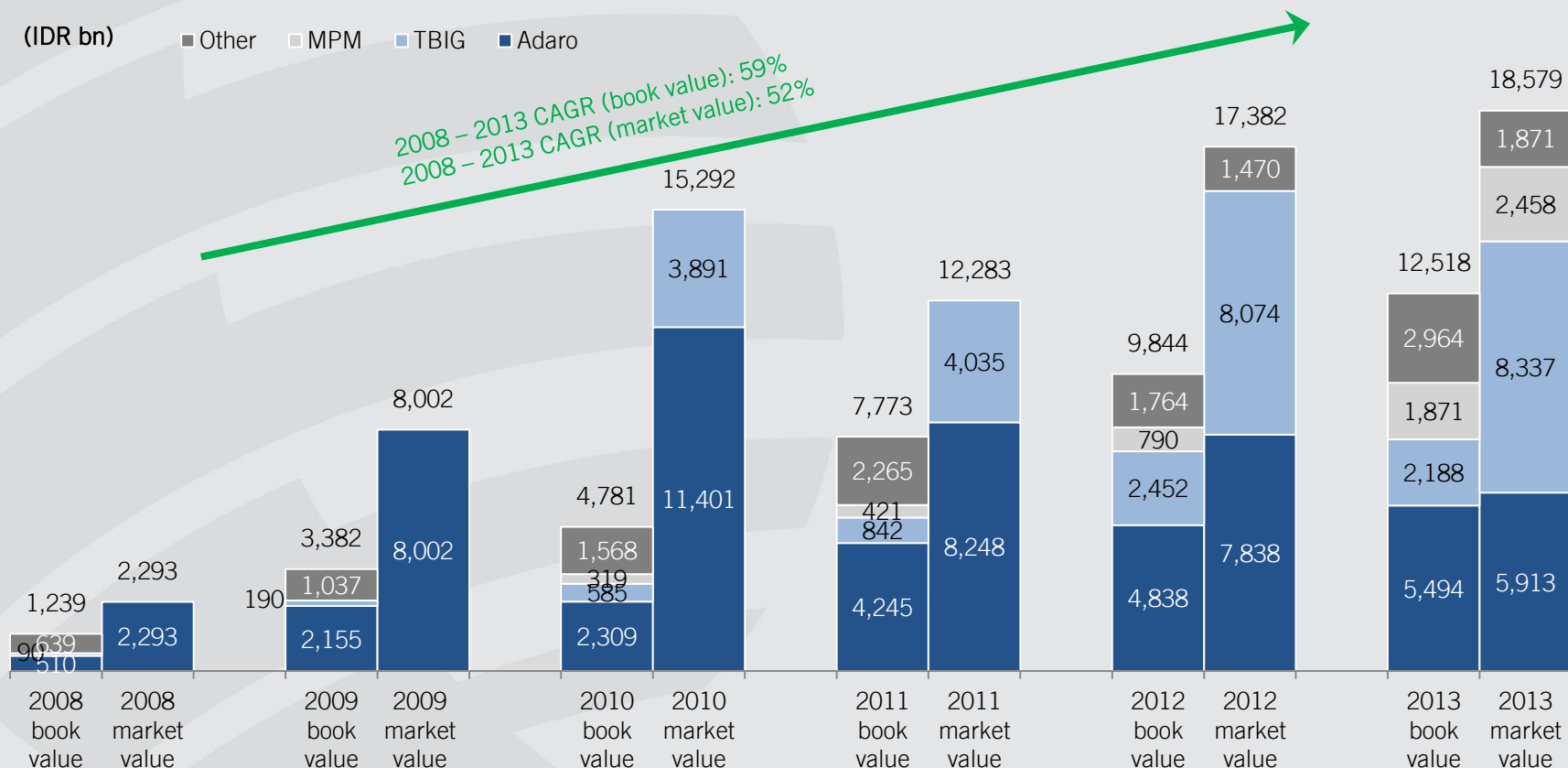
### Financial advisors

We frequently meet with investment banks and other parties that are representing entities seeking a purchaser or strategic investment partner

# Robust track record of strong asset value growth



SIS' investment portfolio has grown significantly and steadily since 2008 in terms of book value as well as market value, with growth coming from an increasing number of investee companies



## Notes:

All financial numbers are based on their nominal values as of 31 December 2008, 2009, 2010, 2011, 2012 and 2013 no adjustments have been made for time value or inflation.

The book value of our investments includes the carrying value of our investments and advances for investments.

The book value of our investment in Adaro Energy includes the book value of our investment in PT Adaro Strategic Capital and PT Adaro Strategic Lestari.

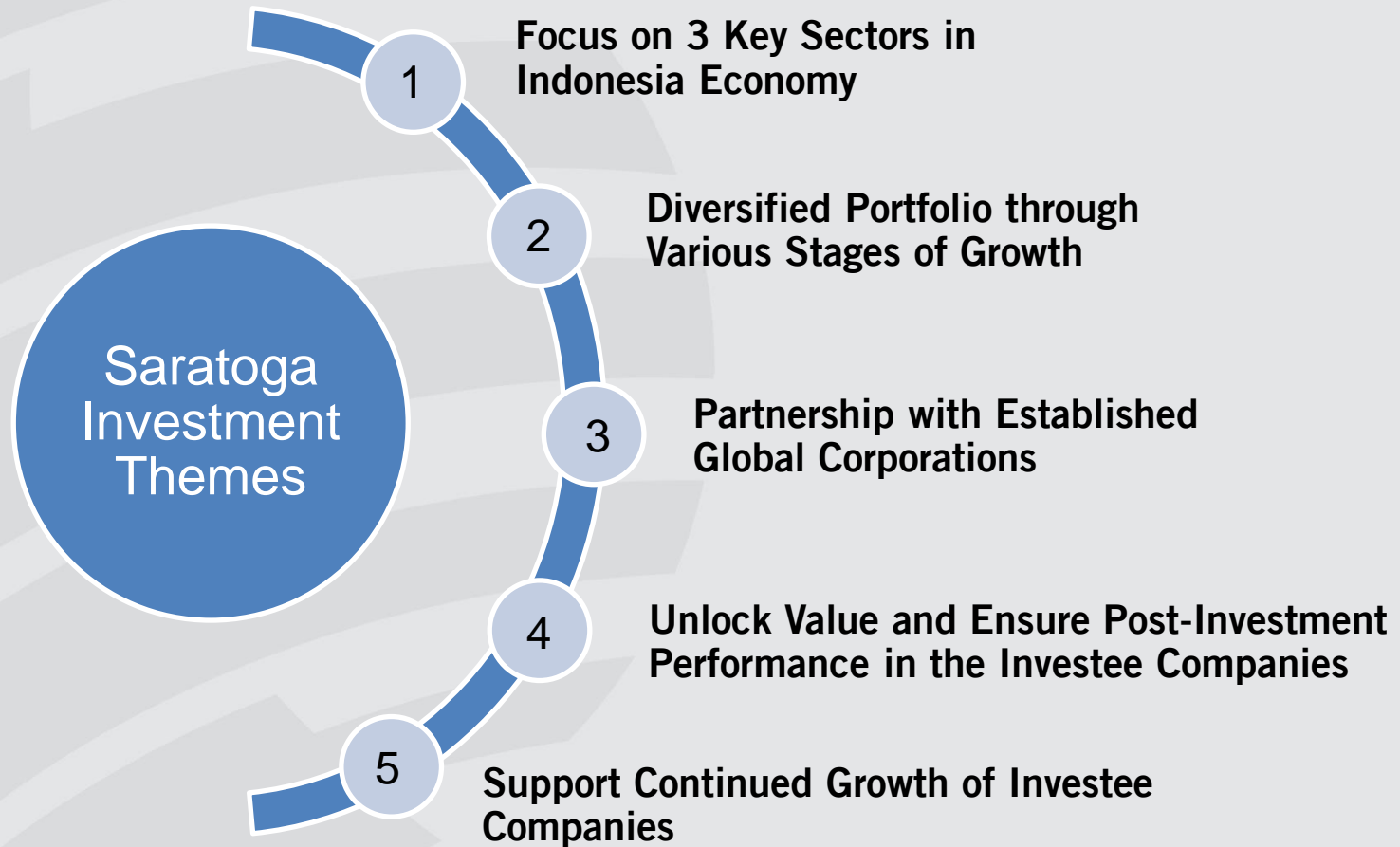
The book value of our investment in Tower Bersama includes the book value of our investment in PT Saratoga Infrastruktur

The market value of our effective shareholding calculated using two week volume weighted average price as of 31 December 2008, 2009, 2010, 2011, 2012 and 2013.

Source: Company financials, Bloomberg

# INVESTMENT THEMES



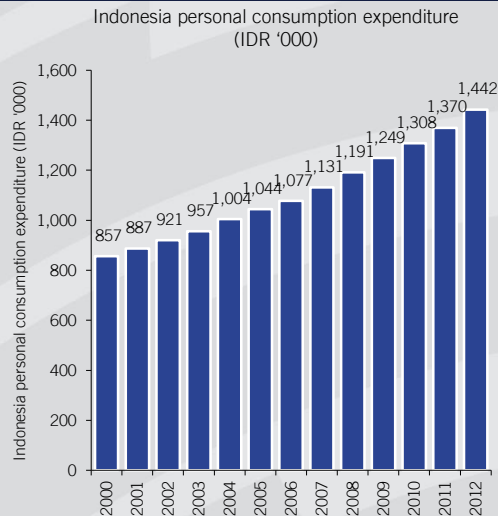


# Indonesia's economic drivers of growth



Three key sectors of consumer, infrastructure and natural resources believed to propel Indonesian growth

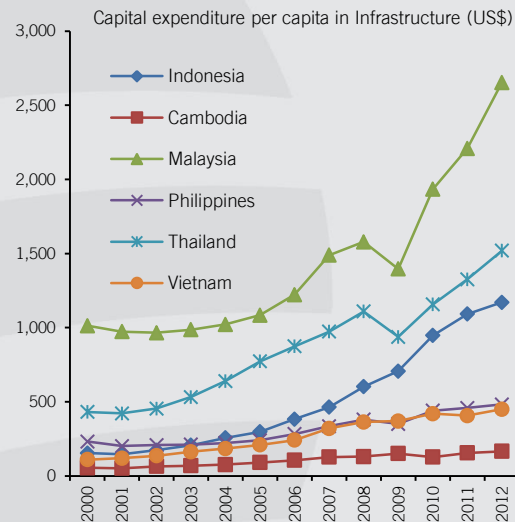
## Consumer



Source: IMF

- ✓ Growth in personal consumption expected to fuel the Indonesian consumer sector
- ✓ Rising GDP to also drive the consumer finance sector

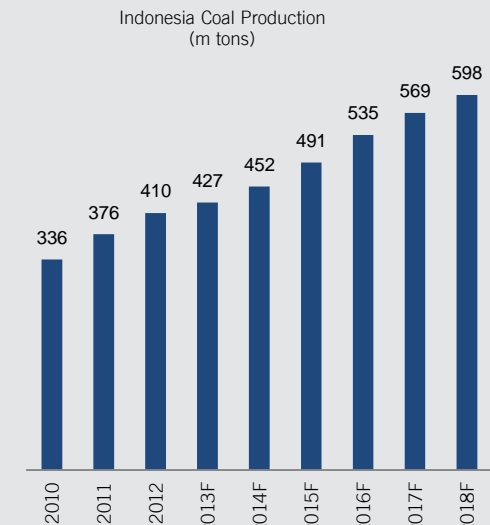
## Infrastructure



Source: Business Monitor International

- ✓ Capital expenditure per capita in Indonesia has increased in the past few years, but remains insufficient compared to developed peers
- ✓ Construction activity to be driven by:
  - Favourable macroeconomic fundamentals
  - Conducive monetary conditions
  - Increased government expenditure
- ✓ Indonesia to offer infrastructure projects worth US\$150bn in the next five years, in which 70% will require funding from private sector
- ✓ Consist mainly of railway, power and water supply projects

## Natural resources



Source: Business Monitor International

- ✓ World's largest exporter of thermal coal
- ✓ Production in Indonesia underpinned by strong growth in Asian coal consumption
- ✓ Chinese power plants built to take on Indonesian coal due to low sulphur content
- ✓ World's largest palm oil exporter in the world (>19 mio ton/year)



# Diversified Investment Portfolio



Diversified exposure to investments at various stages of growth – early-stage investments provide large upside potential and strategic interests in leading blue-chip companies provide income stability



Early Stage Companies	Growth Companies	Listed Blue Chip Companies
<ul style="list-style-type: none"> <li>✓ Early-stage companies provide large upside potential</li> <li>✓ Ability to acquire larger stakes allows SIS to exert significant influence, develop company strategy and products and generate strong returns</li> </ul>	<ul style="list-style-type: none"> <li>✓ Growth companies generate sustainable and healthy cash flows for SIS' portfolio</li> <li>✓ Provides great upside potential when growth companies enter into mature phases</li> </ul>	<ul style="list-style-type: none"> <li>✓ Blue-chip Investee Companies are established industry leaders with growth and capital appreciation opportunities</li> <li>✓ SIS to remain a long-term shareholder in these businesses</li> </ul>



Natural Resources



Infrastructure



Consumer



# Growing through Partnerships



Strong track record of sourcing proprietary deals and create wealth for joint venture partners

## Partners

## Opportunities



# Operating executives ensure post-investment performance



Ability to monitor and improve investees through team of experienced executives

## Expertise at SIS...

- Operating executives have sector-based oversight and day-to-day management responsibilities at selected Investee Companies
- Assist Investee Companies on an ongoing basis on financial, strategic and operational matters

Company	Position
	Edwin Soeryadjaya (president commissioner), Herman Setya Budi (president director), Budianto Purwahjo (director)
	Edwin Soeryadjaya (president commissioner), Sandiaga Uno (director)
	Edwin Soeryadjaya (president commissioner), Michael Soeryadjaya (commissioner at MPMRent), Sandiaga Uno (member of nomination & remuneration committee)
	Edwin Soeryadjaya (president commissioner), Sandiaga Uno (commissioner)
	Yuliantina Wangsawiguna (CFO), Michael Soeryadjaya (commissioner)
	Kumari (commissioner), Michael Soeryadjaya (commissioner)
	Edwin Soeryadjaya (president commissioner), Sandiaga Uno (vice president director), Yuliantina Wangsawiguna (CFO)
	Edwin Soeryadjaya (commissioner), Kumari (director), Budianto Purwahjo (director)
	Edwin Soeryadjaya (chairman)
	Edwin Soeryadjaya (president commissioner), Sandiaga Uno (commissioner), Arif Qasimi Al Bone (GM Finance)
	Edwin Soeryadjaya (chairman), Sandiaga Uno (deputy chairman)

## ... To unlock value of Investee Companies...

Obtain board positions and/or to appoint key members of management

Facilitating improved assistance to Investee Company in identifying ways through which it can improve or expand the business

Provide access to our broad business network and to support opportunities for synergistic relationships, potential acquisitions or divestments as well as third-party financing

## Recent Actions...

Obtained Nissan distributorship for MPM

Assisted in merging MPM's two finance companies & partnering with JACCS

Provided Amara & Provident Agro a round of financing

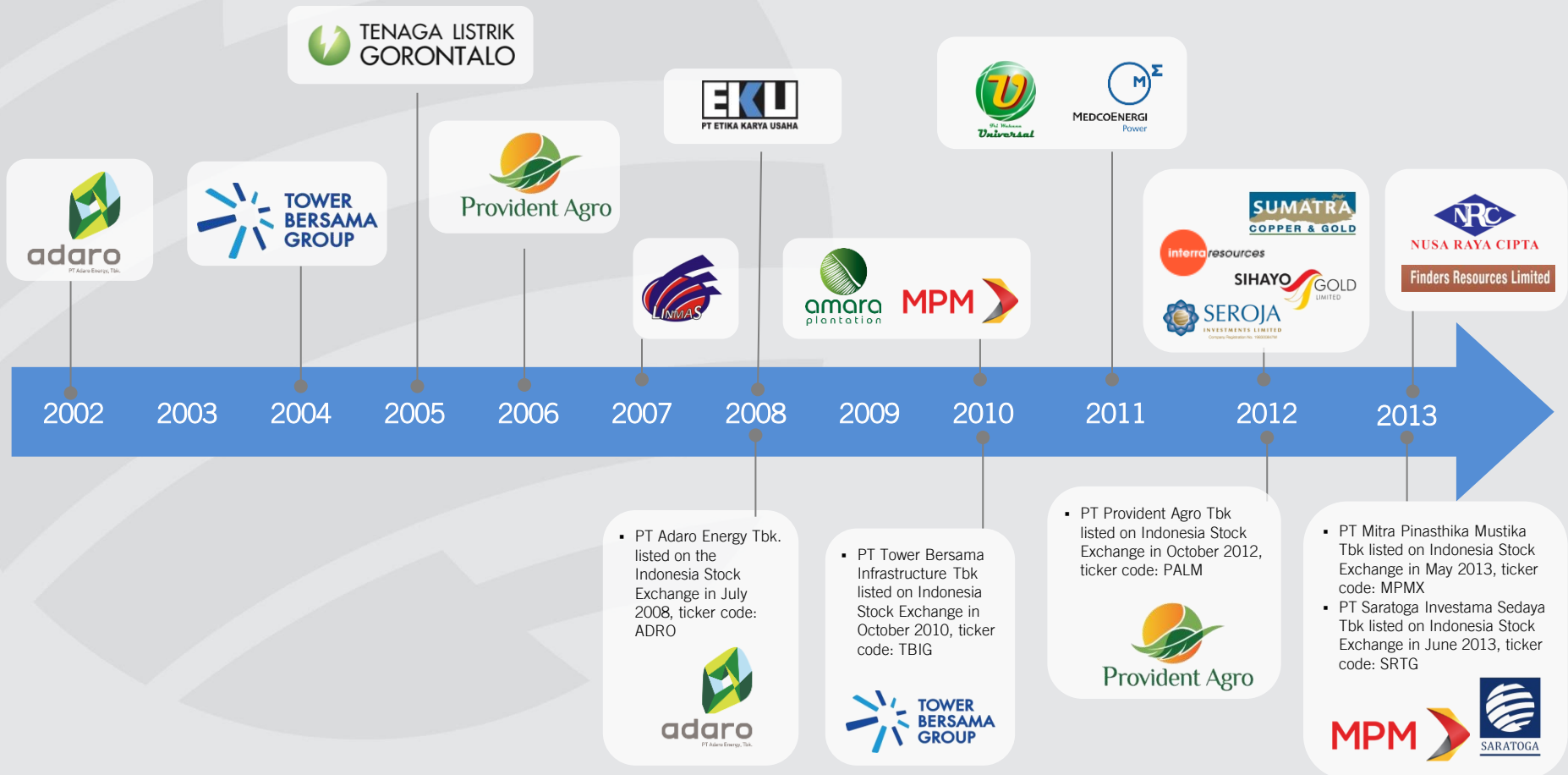
Assisted Interra in ongoing Benakat acquisition

Supported Finders on round of equity financing to bring it up to close to production

# Unlock Values and Continued Support of Investee Companies



Investment from early stage opportunities, unlock value of investments and ongoing long-term engagement with Investee Companies



# 2014 INVESTMENTS ACTIVITIES



# 2014: Deal Pipeline



Expanding reach in consumer sector

**Enhance portfolio mix by making additional investments into companies in consumer and services sectors displaying resilient business models**

Capturing lucrative infrastructure projects

**Fund infrastructure projects, across various project development cycle, which provide superior risk adjusted returns**

Deploying capital selectively in natural resource assets

**Deploy capital selectively in natural resources companies with substantial resource base and low cost of production**

Supporting our Investee Companies

**Support existing investee companies in M&A and financing activities to accelerate business expansion**

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