

# INVESTOR PRESENTATION

November 2021

PT SARATOGA INVESTAMA SEDAYA TBK



# Disclaimer

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# COMPANY OVERVIEW



# Investment Approach

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## Strategy

Focus on early-stage, growth-stage, special-situation opportunities

## Sector

Focus on growing sectors that cater to the rising demand of the largest market in SE Asia

## Geography

Indonesia, South East Asia and opportunistic on other markets

## Why Saratoga

- ✓ **Proven** investment track record across key businesses
- ✓ Ability to **transform** early and growth-stage companies into established enterprises
- ✓ Access to **value accretion** from unlisted and listed entities
- ✓ **Strong** balance sheet and low operating costs
- ✓ **Partner of choice** of international renowned co-investors
- ✓ **Deep knowledge** about the local investment landscape

## Target annual capital deployment

USD 50mn – 100mn

## Target IRR

Target IRR above 20%

## Investment Horizon

Medium to long-term

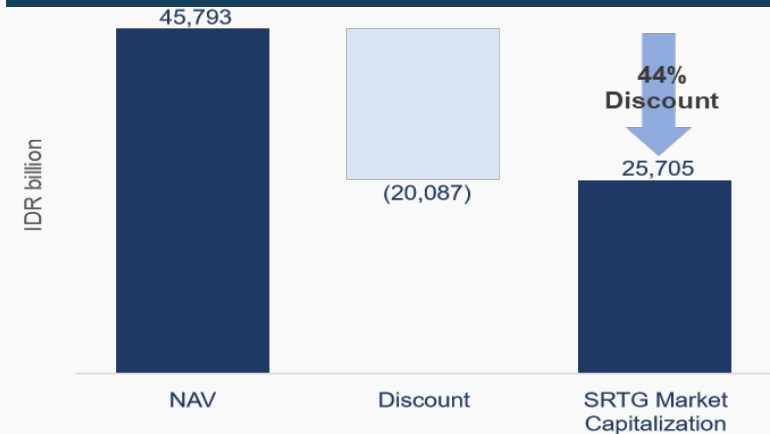
# Saratoga – A Leading Active Investment Company



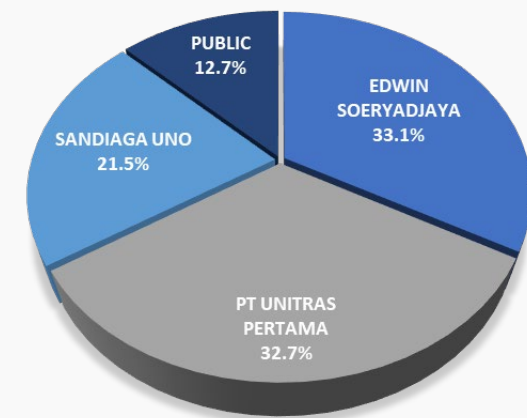
## Company Overview

- Founded in **1997**, listed on IDX with ticker **SRTG** in 2013
- Leading investment company in Indonesia with **Net Asset Value of IDR 45.8tn (USD 3.2bn)**
- Focus on **early-stage, growth-stage, and special situation opportunities**
- **Actively engage** with investee companies' management to unlock value and enhance growth quality
- **Invest in growing sectors** that drive the Indonesian economy, including prominent sector players such as **ADRO, MDKA, TBIG, and MPMX**

## NAV Analysis – SRTG at 44% Discount to NAV



## Ownership Structure



# Quality Investment Portfolio Diversified Across Key Businesses



Growth Focused		Blue Chip Companies	
Provident Agro	Palm Oil Plantation	Adaro Energy	Coal and Energy
Interra Resources	Oil & Gas	Merdeka Copper Gold	Copper and Gold
Sihayo Gold	Gold	Tower Bersama	Telecommunication Tower
Aneka Gas Industri	Industrial Gas	Mitra Pinasthika Mustika	Automotive
Mulia Bosco Logistik	Cold-Chain Logistics		
Nusa Raya Cipta	Construction		
Primaya Hospital	Healthcare		
Deltomed	Herbal Medicine		
Amazing Farm	Vegetable Produce		
Julo	Fintech		
Sirclo	E-Commerce Enabler		
Fuse	Insuretech		
Provident Growth Fund	Technology Fund		
SC Tech Investment	Technology Fund		

# 3Q21 Highlights

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**PT Saratoga Investama Sedaya (SRTG)** directly invested in two new technology companies:

- **SIRCLO, leading e-commerce solutions** company in Indonesia that helps businesses enter the online market. It offers solutions for entrepreneurs (i.e. Sirclo Store) and enterprises (i.e. Sirclo Commerce).
- **Fuse, insuretech platform** which connects various insurance products with multiple distribution channels and partners. Applies cutting-edge technology to make insurance accessible and affordable for everyone.

**PT Famon Awal Bros Sedaya (Primaya Hospital)** launched two new hospitals in 3Q21: Primaya Hospital Semarang-Central Java and Primaya Hospital PGI Cikini-Jakarta. This brings 9M21 new launching to 5 hospitals and total operating assets of 14 hospitals. Going forward, Primaya aims to launch 3-4 new hospitals per year.

**PT MGM Bosco Logistics** completed the construction of the second phase of the Mulia Bosco Utama Bekasi cold storage facility earlier than the initial schedule and has already accepted customers. The second phase of the cold storage development add about 30 percent to the existing storage capacity.

**PT Mitra Pinasthika Mustika (MPMX):**

- 9M21 net revenue increased by 15% Y-Y to IDR 9.6tn with NPAT of IDR 323bn, a significant recovery from IDR 7bn in 9M20, driven by revenue recovery, cost efficiency, and associate's income turning positive.
- In September 2021, introduced OtoDeals, an innovative used car sales platform designed to assist buyers in finding the right, high-quality and guaranteed used car according to their individual needs.
- Strong balance sheet with cash & cash equivalents of IDR 1.8tn and a net cash position.

**PT Aneka Gas Industri (AGII)**

- 9M21 revenue grew 32% Y-Y to IDR 2.1tn with net profit reaching IDR 179bn, an increased of more than five times from 9M20 profit of IDR 32bn. Driven by demand growth not only in healthcare sector but also infrastructure, consumer goods, and retail.
- EBITDA margin improved to 35% in 9M21 from 30% in 9M20 supported by efforts in maintaining operational excellence and process improvement.

**PT Adaro Energy (ADRO)**

- Initiated a share buyback plan with a maximum amount of IDR 4tn and number of shares repurchased not exceeding 20% of the paid-up capital. The buyback will be carried out from 28 September 2021 to 26 December 2021.
- Newcastle coal price reached a historical high level of above USD200/t in 3Q21 from USD80/t in the beginning of the year due to supply tightness.



# Transforming early-stage and growth companies into established enterprises



## Adaro Energy

2002	2008	2010	2016	2018	2020
Coal production of c.20mtpa	Listed on IDX Raised IDR12.2tn	Acquired 25% of IndoMet Coal Project (100% stake in 2016)	Commenced construction of 2x1GW Batang Power Plant	Jointly acquired 80% of Kestrel Coal Resources with EMR Capital	Coal production of 55mt IDR45.7tn mkt. cap.

## Tower Bersama

2004	2010	2012	2017	2018	2020
Founded with 7 towers under operation	Listing on IDX Raise IDR1.1tn	Acquire 2,500 tower assets from Indosat	13.5k sites under operation with 23k total tenants	Acquire 50.1% of GHON and 51.0% of GOLD (public tower companies)	16.3k operating sites with 31.9k total tenants IDR36.9tn mkt. cap.

## Merdeka Copper Gold

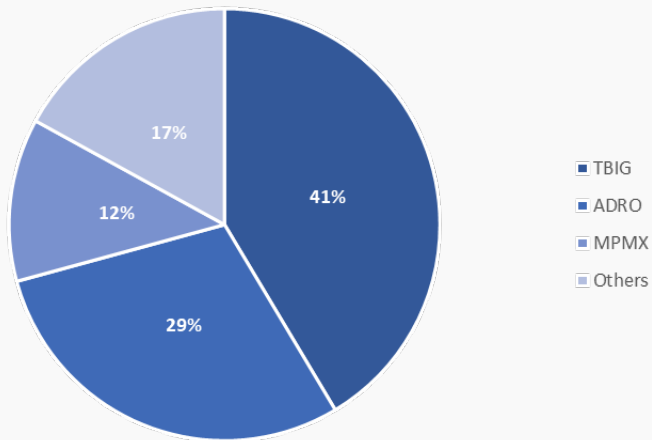
2012	2015	2017	2018	2019	2020
Established-single undeveloped gold project	Listing on IDX Raise IDR839bn	Tujuh Bukit Gold produce 141k oz of gold	Acquire 67.9% of Wetar Copper and 66.7% of Pani Gold Project	Sign JV with PSAB to combine Pani Projects	MoU with Tsingshan on Acid Iron Metal Project Gold production of 157k oz IDR53.2tn mkt. cap.



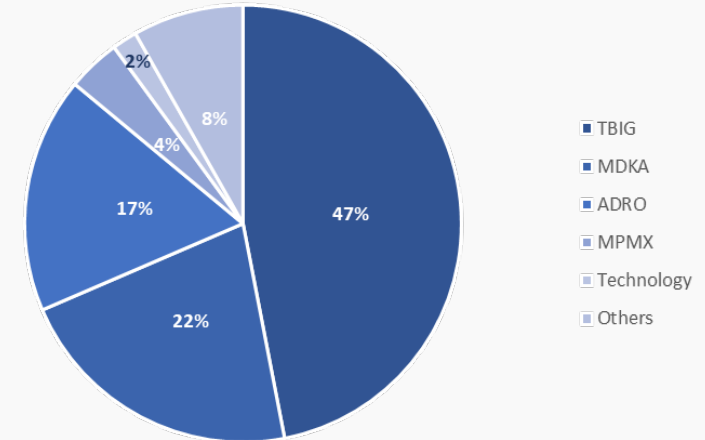
# Delivering growth from both Listed and Unlisted Investee Companies



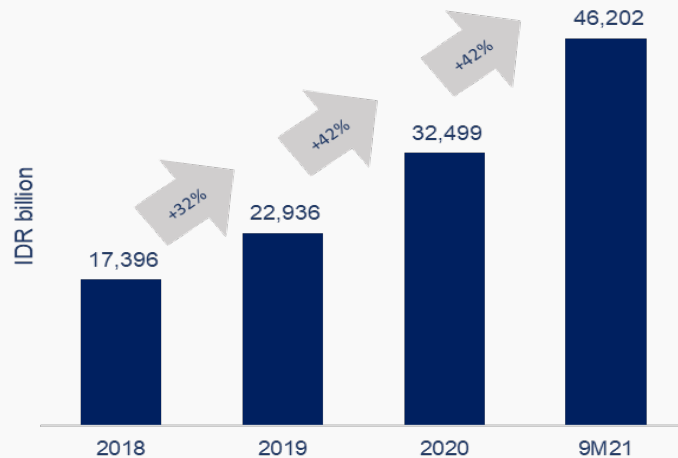
**Dec 2013 - IDR 20.1tn Portfolio Breakdown**



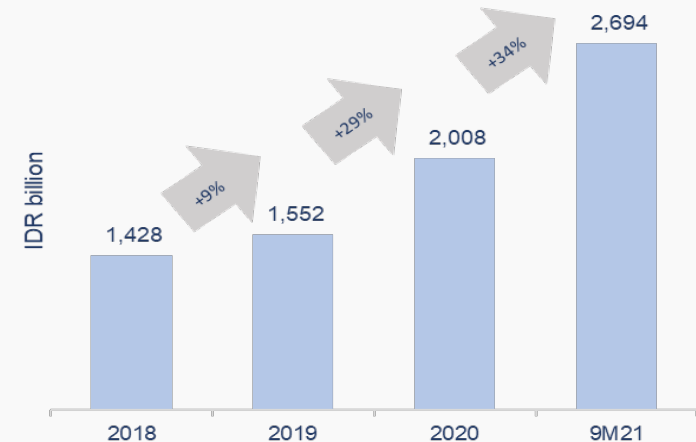
**Sep 2021 - IDR 48.9tn Portfolio Breakdown**



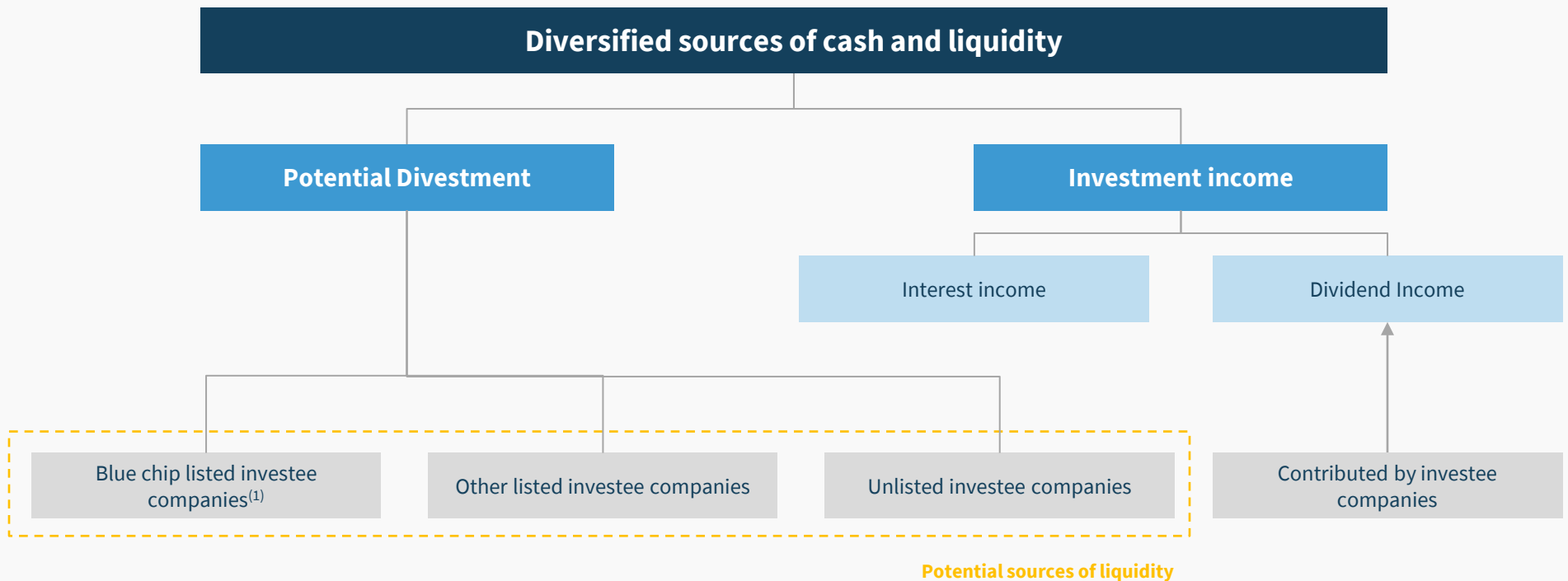
**Value of Listed Investee Companies**



**Value of Unlisted Investee Companies**



# Diversified Sources of Cash and Liquidity

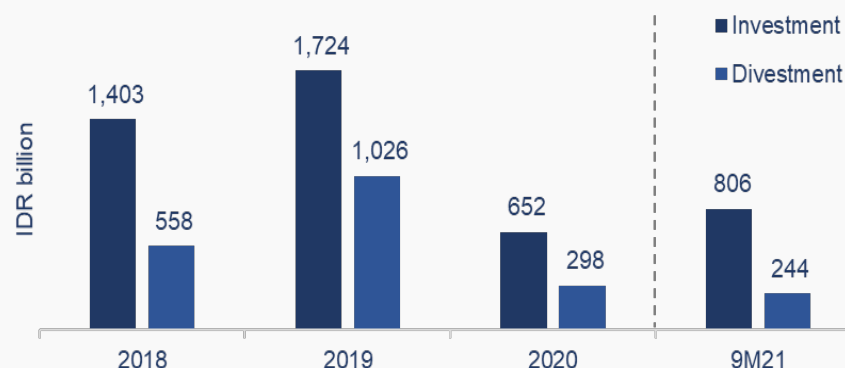


(1) Consist of Adaro Energy, Tower Bersama, Mitra Pinasthika Mustika and Merdeka Copper Gold  
Source: Company information

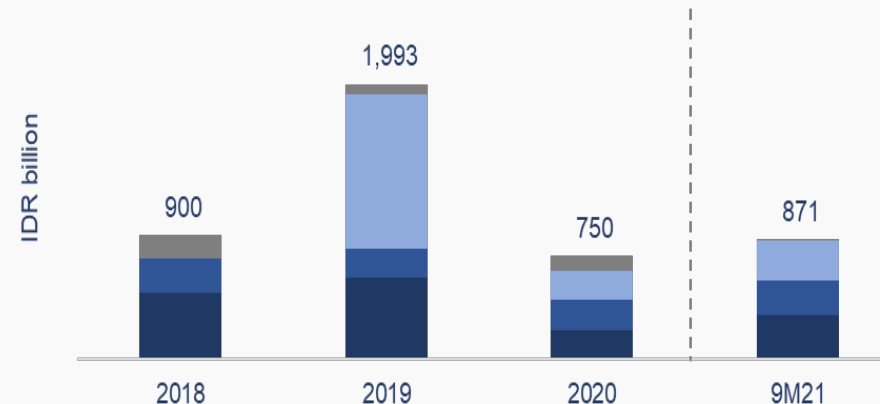
# Active Investment and Divestment with Diversified Dividend Stream



## Investment and Divestment



## Dividend Income



## Summary

- In 9M21, Saratoga directly invested in 2 new technology companies: Sirclo and Fuse
- Saratoga also increased their ownership in MPMX to 56.6% from 52.2% and in AGII to 8.8% from 7.8%
- Booked solid dividend income in 9M21, an increased of 35% vs. IDR 645 bn in 9M20. This was mostly contributed by Adaro Energy, Mitra Pinasthika Mustika, and Tower Bersama

Company	2018	2019	2020	9M21
ADRO	483	593	215	322
TBIG	251	206	214	248
MPMX	-	1,118	210	291
Others	166	76	111	11
<b>Total Dividend</b>	<b>900</b>	<b>1,993</b>	<b>750</b>	<b>871</b>

Figures are in IDR billion, unless otherwise stated  
 Data as of September 2021  
 Source: Company information

## Investment Team

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**Edwin Soeryadjaya**  
**Founding Partner**

Chairman of Investment Committee.  
More than 40 years of experience in  
investing in Indonesia.



**Michael Soeryadjaya**  
**President Director**

Investment Committee member.  
Specialist in Merger and Acquisition.

**Lany Wong**  
**Finance Director**

Investment Committee member. More  
than 20 years of experience in Finance.



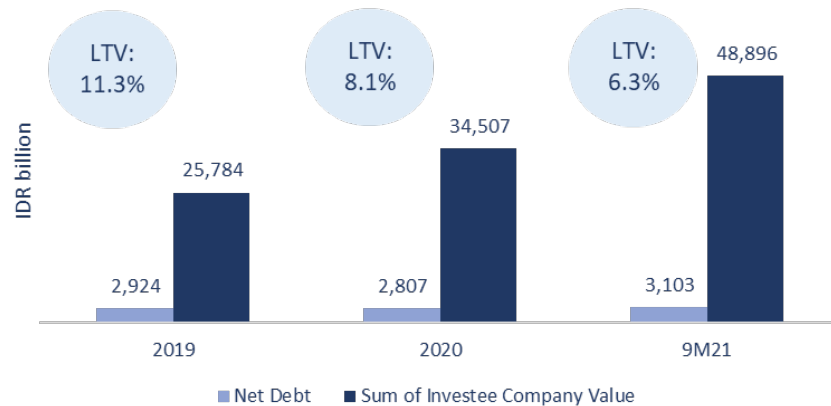
**Devin Wirawan**  
**Investment Director**

Investment Committee member.  
Specialist in Merger and Acquisition.

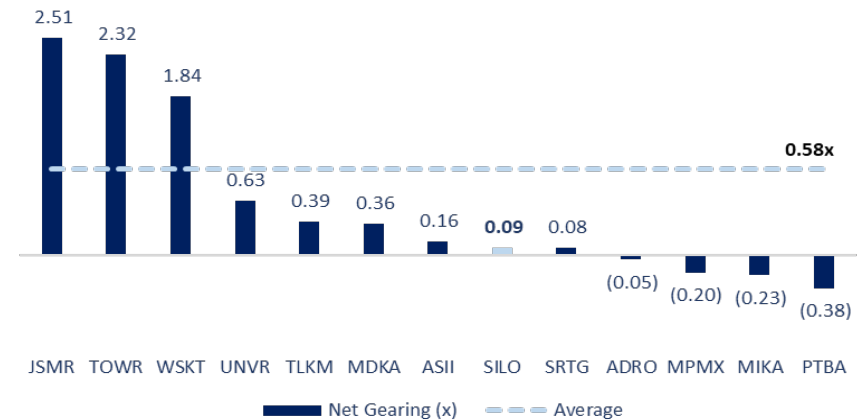


# Strong Financial Profile and Multiple Sources of Funding

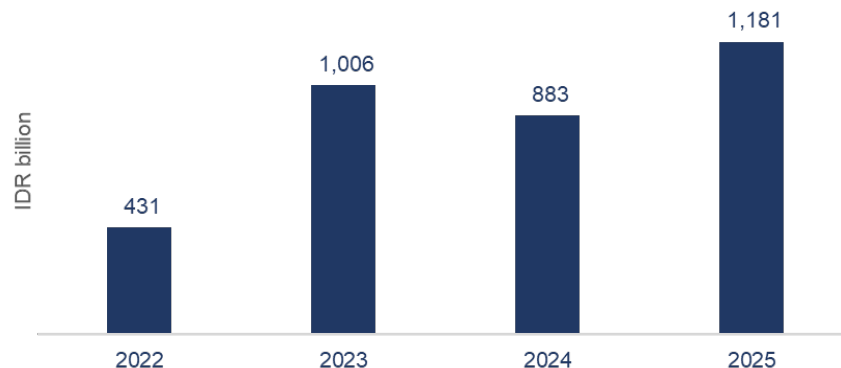
## Solid Capital Structure



## Low Net Gearing Among Indonesian Companies



## Loan Maturity Profile



## Access to Multiple Sources of Funding

Partner banks for revolving credit facility and bilateral loans:



Data as of September 2021; Net gearing comparison as of December 2020

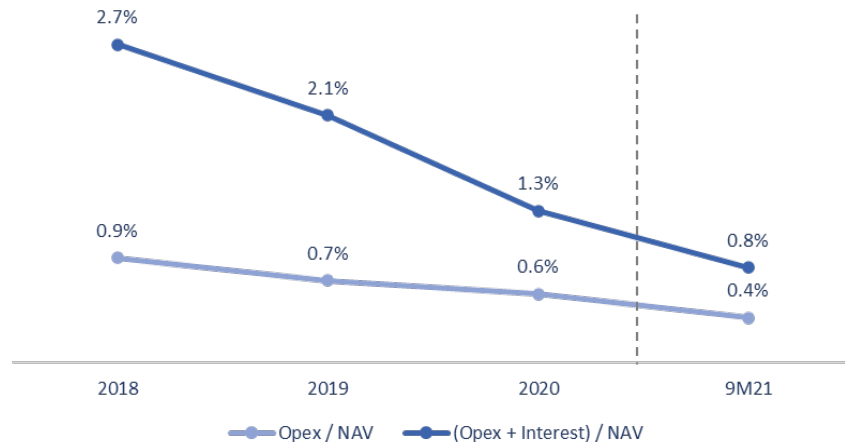
Source: Company information

\*Net Gearing for SRTG is calculated as Net Debt/Total Net Asset Value

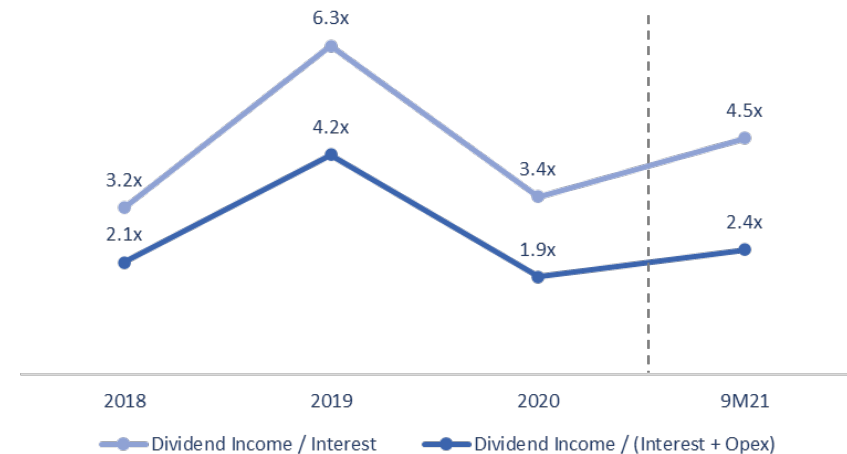
# Low Cost-Structure and Healthy Coverage Ratio Allow Consistent Dividend Disbursement



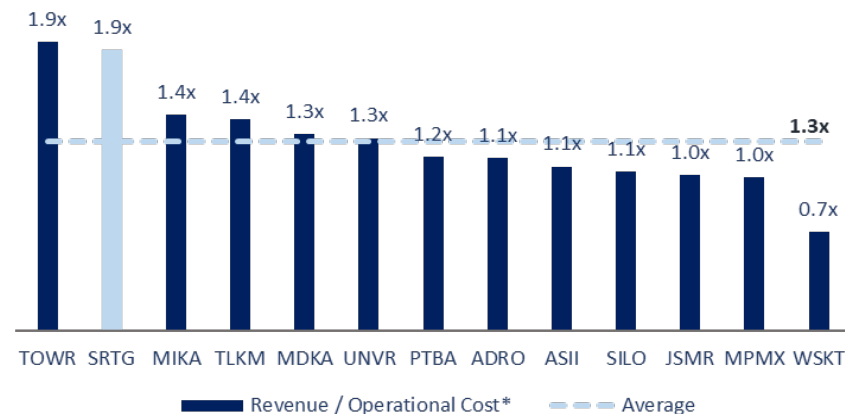
## Low Cost Ratio



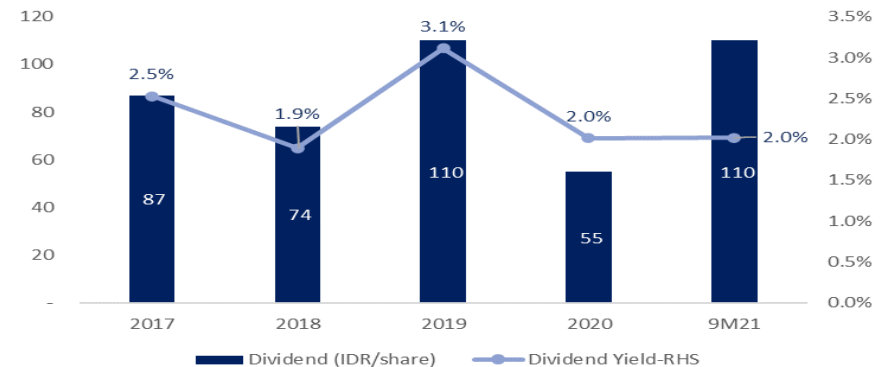
## Healthy Interest Coverage Ratio



## Cost Coverage Ratio Comparison



## Consistent Dividend Disbursement

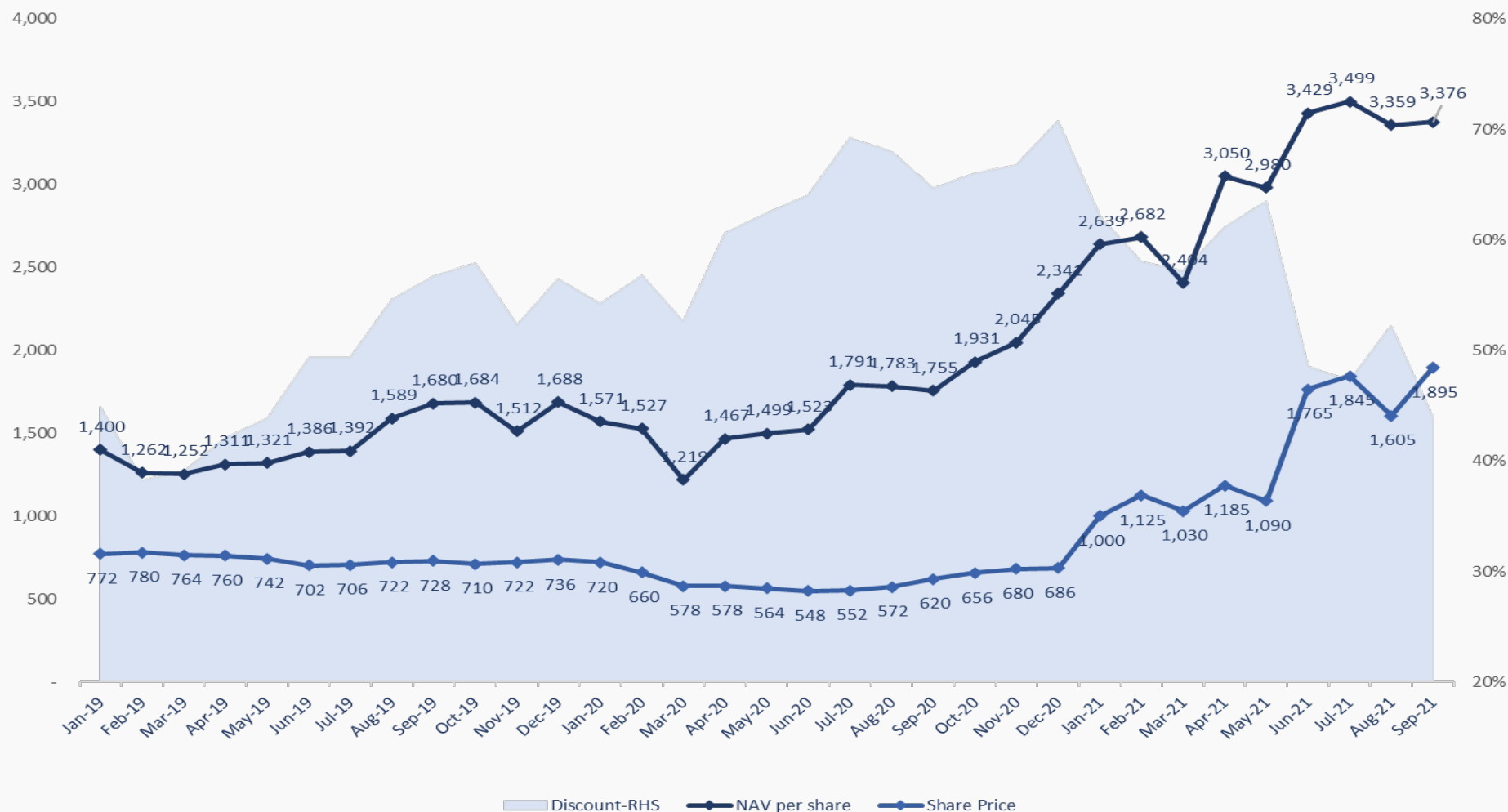


Data as of September 2021; Ratio comparison as of December 2020

\*Operational cost is calculated as COGS + Opex + Interest cost, dividend income as SRTG's revenue

Source: Company information

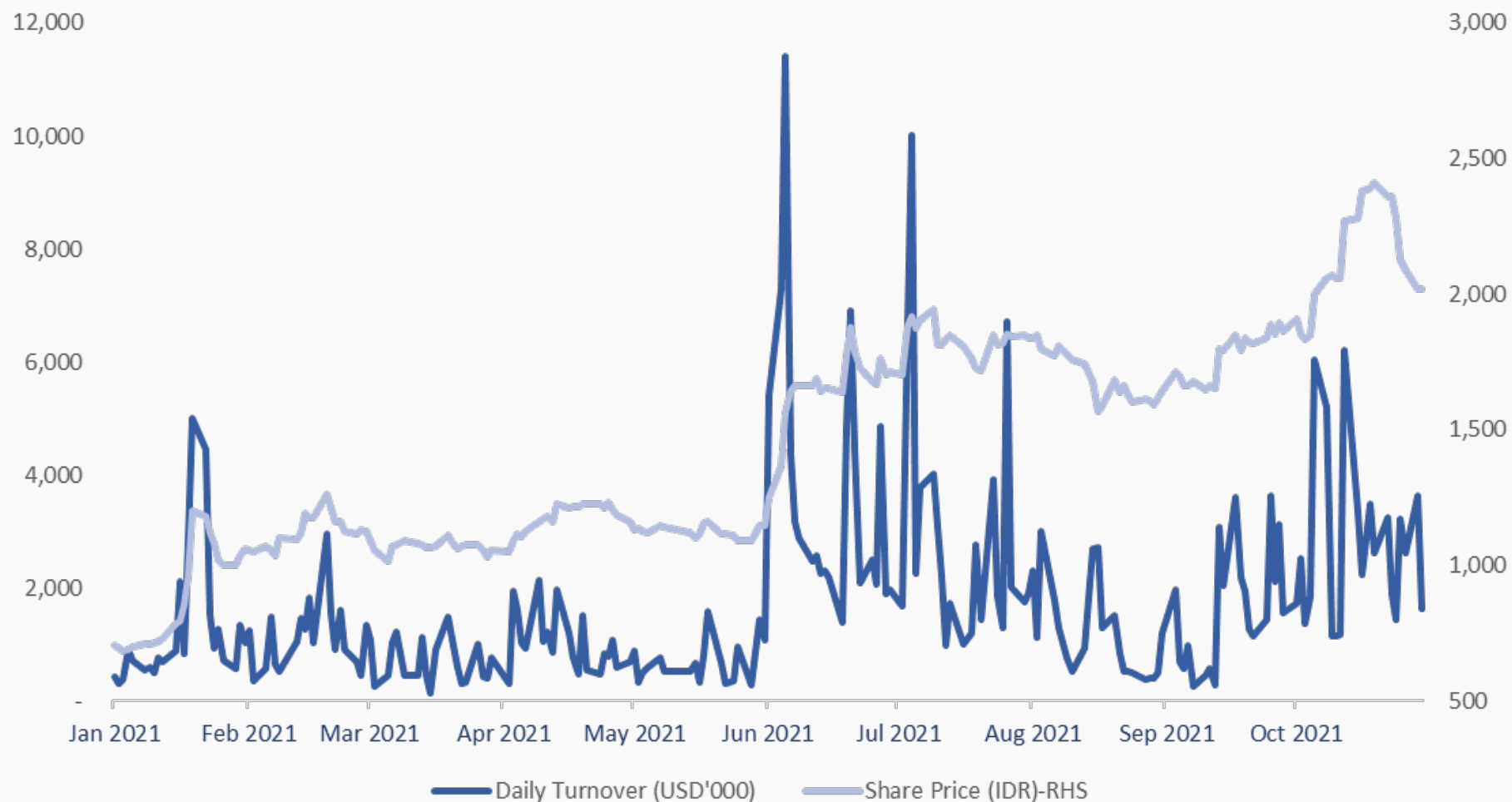
# SRTG Share Price Still Lagging Despite Robust NAV Growth



NAV is calculated using the sum of the parts methodology, adjusted for debt and cash balance; Listed companies were valued based on market price for the day; Unlisted companies were valued based on cost method (investments under one year) and fair value (beyond one year); FX rates used were based on Bank Indonesia mid rates as published during the day  
Source: Company information, Bloomberg



## Daily Turnover Value has Improved Along with Share Price



Source: Company information, Bloomberg

# Financial Highlights



Consolidated Statement of Profit and Loss	FY20	FY19	% Y-Y	9M21	9M20	% Y-Y
Net gain (loss) on investment in shares and other equity securities	8,419	6,226	35%	13,825	652	2,022%
Dividend and interest income	768	2,015	(62%)	877	659	33%
Interest expenses	(221)	(317)	(30%)	(145)	(173)	(16%)
Operating expenses	(182)	(157)	16%	(129)	(143)	(10%)
<b>Profit (loss) before tax</b>	<b>8,693</b>	<b>7,738</b>	<b>12%</b>	<b>14,390</b>	<b>826</b>	<b>1,642%</b>
Income tax benefit (expense)	130	(394)	(133%)	(318)	372	n.m.
<b>Profit (loss) for the year attributable to owners of the Company</b>	<b>8,825</b>	<b>7,371</b>	<b>20%</b>	<b>14,072</b>	<b>1,198</b>	<b>1,074%</b>
Key Balance Sheet Items	FY20	FY19	% Y-Y	9M21	9M20	% Y-Y
Investment in shares, equities, and others	34,508	25,794	34%	48,896	26,487	85%
Cash and cash equivalents	431	394	9%	398	702	(43%)
<b>Total assets</b>	<b>35,049</b>	<b>26,658</b>	<b>31%</b>	<b>49,406</b>	<b>27,356</b>	<b>81%</b>
Borrowings	3,230	3,325	(3%)	3,489	3,402	3%
<b>Total liabilities</b>	<b>3,652</b>	<b>3,883</b>	<b>(6%)</b>	<b>4,220</b>	<b>3,589</b>	<b>18%</b>
<b>Equity attributable to owners of the Company</b>	<b>31,378</b>	<b>22,725</b>	<b>38%</b>	<b>45,167</b>	<b>23,746</b>	<b>90%</b>

Figures are in IDR billion, unless otherwise stated

Data as of June 2021

Source: Company information

## Summary

- Saratoga recorded a positive 9M21 net profit attributable to shareholders of IDR 14.1tn compared to IDR 1.2tn in 9M20
- The robust performance was mainly attributed to share price appreciation of TBIG, MDKA, ADRO, and MPMX
- 9M21 dividend income grew to IDR 877bn, driven by ADRO, MPMX, and TBIG

# Thank you

For more information please contact [investor.relations@saratoga-investama.com](mailto:investor.relations@saratoga-investama.com)



**SARATOGA**