

Barito Pacific



PT BARITO PACIFIC TBK

9M-2020 Performance Earnings Call

5 November 2020

#Impact Beyond Returns

Agenda



- 9M-2020 Business Highlights
- Petrochemical Business
- Energy Business
- 9M-2020 Financial Results
- Project Updates
- Q & A

9M-2020 Business Highlights





9M-2020 Business Highlights

PT Barito Pacific Tbk (BRPT)

- Achieved consolidated EBITDA of US\$168m for Q3-2020, bringing 9M-2020 EBITDA to US\$386m with EBITDA margin of 23.2%, a 220bps decrease on a year-on-year basis.
- In August 2020, BRPT drawdown US\$183.8m loan to finance its shareholder's loan with PT Indo Raya Tenaga as part of the financing package of Java 9 & 10 project
- BRPT Group donated Rp48.5b worth of medical supplies and equipment to combat Covid-19
- Issued second IDR bond amounting to Rp363.5b (~US\$22.2m) as part of the Company's debt rebalancing
- Reduced stake in IRT to 34%

PT Chandra Asri Petrochemical Tbk (CAP)

- Successfully completed MTBE and Butene-1 plants on time, on budget and on spec amidst Covid-19 pandemic, and started operations in September 2020. As such, CAP completed its 2015-2020 integration master plan for 4,232 KTPA.
- Improved profitability with Q3-2020 EBITDA of US\$61m vs Q2-2020 of US\$18m, realizing double digit EBITDA margin
- Continued rebound in product spread since trough in Q1.

9M-2020 Business Highlights



PT Chandra Asri Petrochemical Tbk (CAP)

- Issued IDR bond totaling Rp1.75 trillion (~US\$117.3m) [Rp1 trillion in August and Rp750billion in February], obtain unsecured loan facility of US\$70m from Permata bank
- Full prepayment of US\$125m secured term loan and bond repurchased of US\$20m to reduce debt by 12% as it lower financing costs through its new IDR bonds.
- Given the volatile macroeconomic situation, took the decisive step forward to re-phase capex for 2020 from total planned capex of US\$430 million to US\$135 million, primarily through deferring the CAP 2 pre-FID spend by around US\$300 million
- Production volume at 2,757KT and sales volume at 1,626KT, increased by 34% and 17% respectively

Star Energy

- Maintained high capacity factor for all units > 90%
- Repaid amortizing loan principal of Salak and Darajat (Safari Loan) totalling US\$46.6m and SEGWW Green Bond of US\$7.5m in 1H-2020. Star's total debt at end of 9M-2020 amounted to US\$1.42b.
- Reduce capital expenditure spending by US\$40m in 2020 from deferment of some activities to 2021.

Others

- PT Griya Idola expected to complete the construction of Wisma Barito Pacific 2 building in 4Q-2020

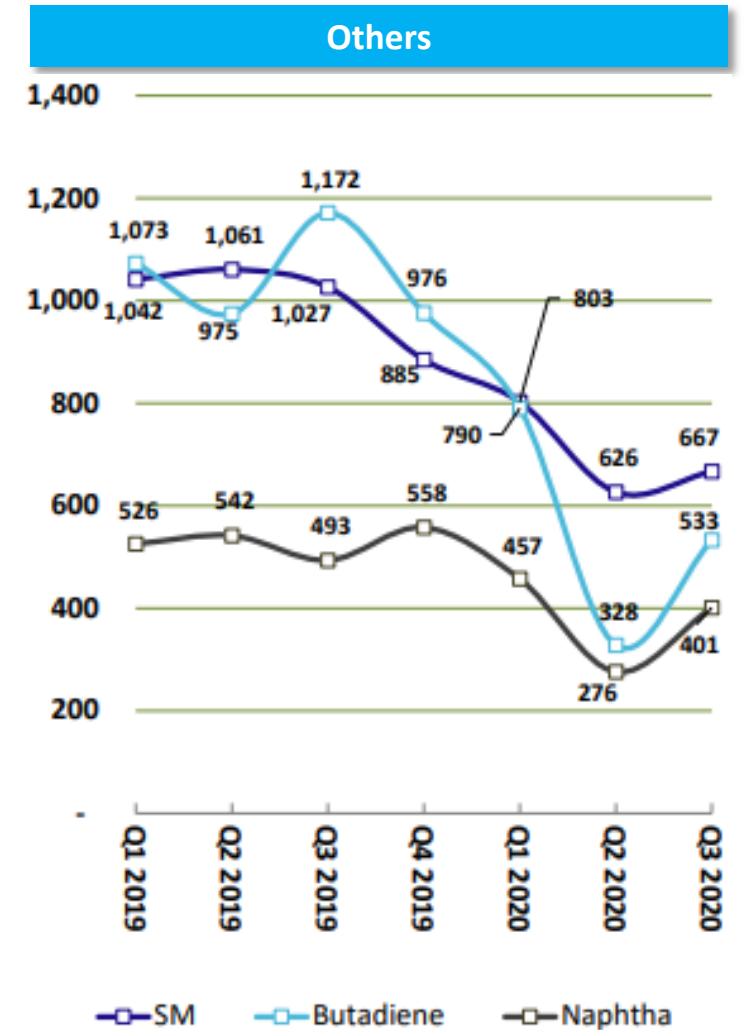
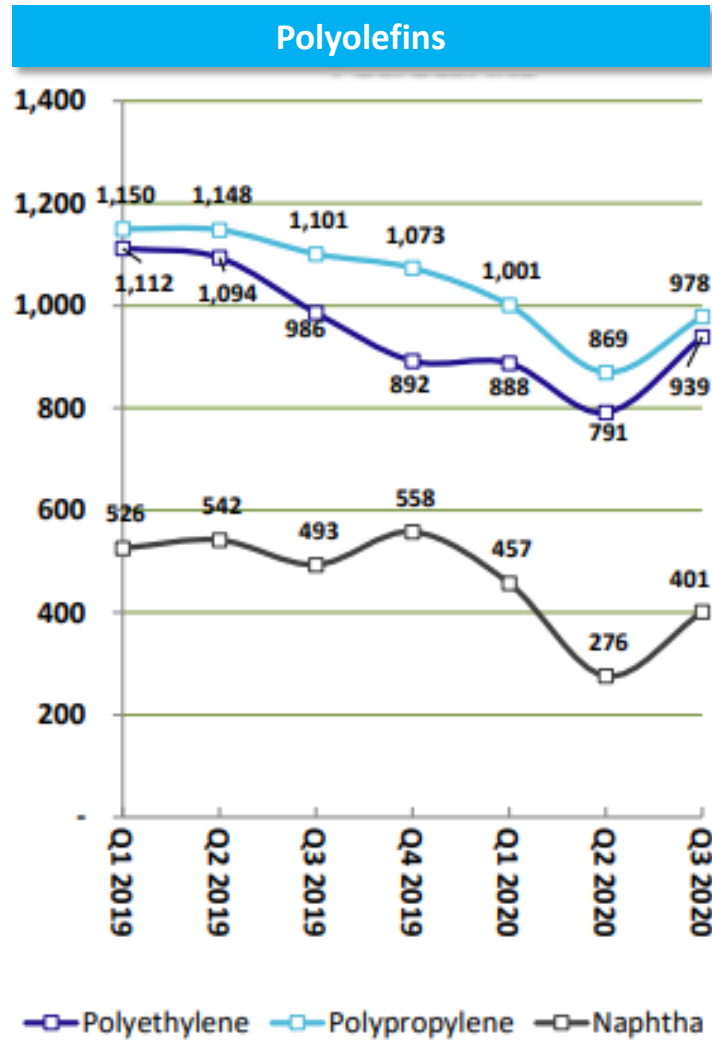
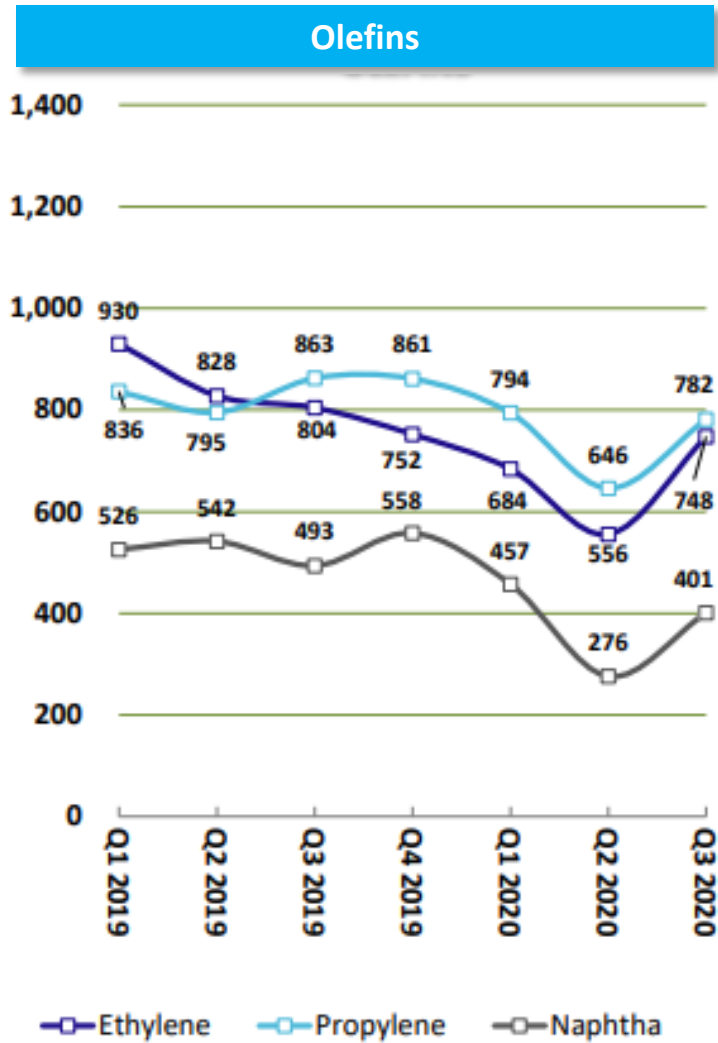
Petrochemical Business





Petrochemical Product Spread

Polymer spreads improved to US\$500-600/T with economic rebound in China and North East Asia

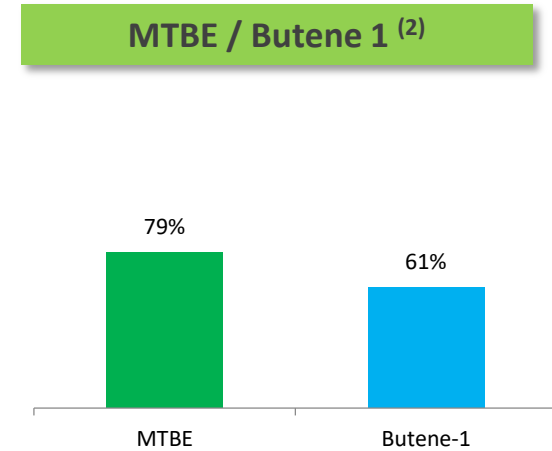
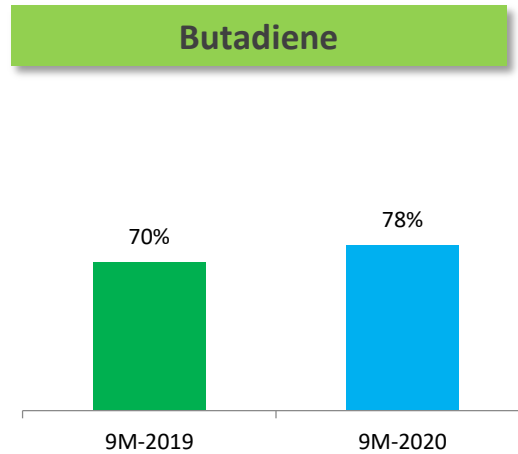
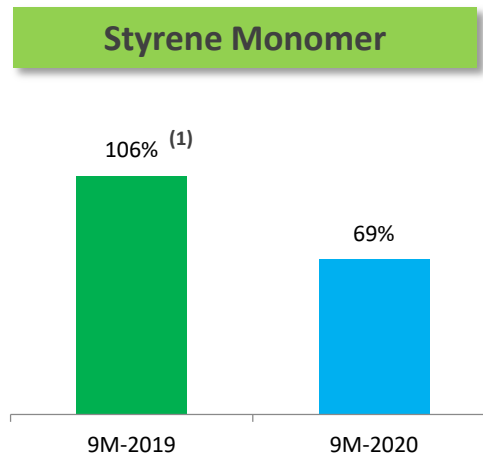
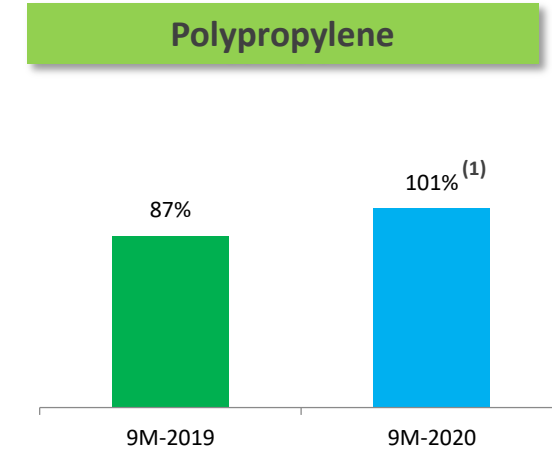
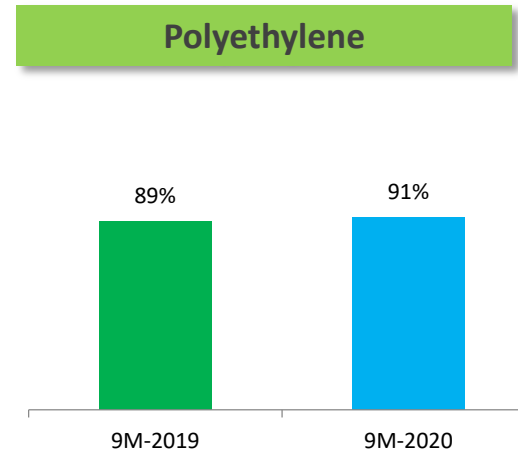
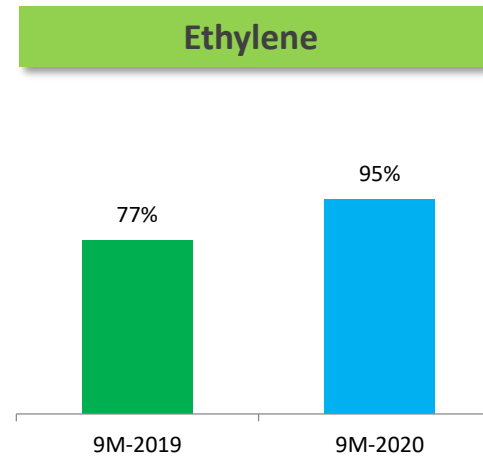


Note: Market data from ICSI, CAP



Petrochemical Operating Rates

Operating rates driven by economics and sustained focus on maintaining safe operations. Activity levels ramping up from June 2020



(1) Figures > 100% denote utilization in excess of nameplate capacity

(2) MTBE and Butene 1 plants started operations in September 2020

Energy Business





Energy Operating Performance

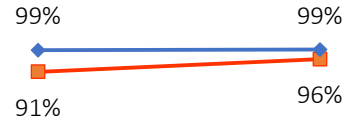
Average Net Capacity Factor (1)

Wayang Windu



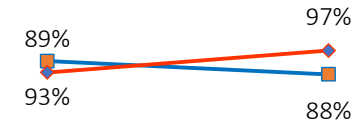
9M-2019 9M-2020

Salak



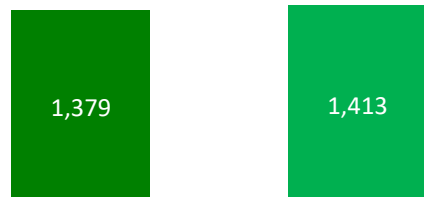
9M-2019 9M-2020
 ■ Units 1-3 ◆ Units 4-6

Darajat (2)

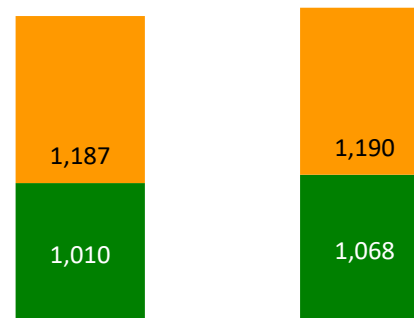


9M-2019 9M-2020
 ■ Unit 1 ◆ Units 2-3

Net Dispatch (GWh)



9M-2019 9M-2020



9M-2019 9M-2020
 ■ Units 1-3 ■ Units 4-6



9M-2019 9M-2020
 ■ Unit 1 ■ Units 2-3

(1) Net capacity factor means the ratio of the actual output of the relevant geothermal turbine-generator unit to the theoretical output assuming full capacity usage (excluding planned maintenance)

(2) Darajat Unit 1 power plant is operated by PT Indonesia Power, a subsidiary of PLN. Lower generations in 2019 due to the planned shutdown for maintenance.

9M-2020 Financial Results

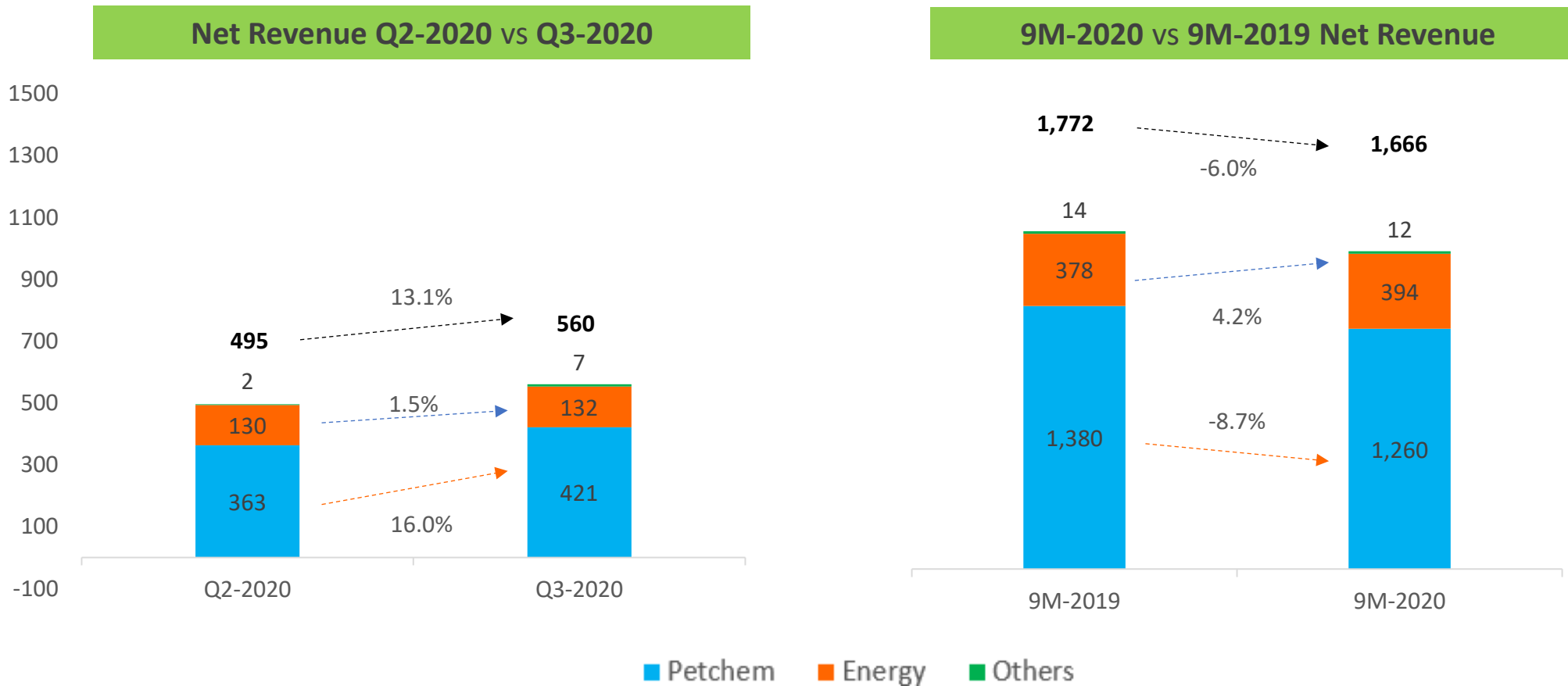




9M-2020 Financial Results

9M-2020 revenues down by 6.0% vs 9M-2019 mainly due to lower net revenue from our petrochemical business reflecting lower average selling prices across all products of US\$780/T in 9M-2020 vs US\$996/T in 9M-2019, while sales volume increased by 17% from 1,394KT in 9M-2019 to 1,626KT in 9M-2020. On the other hand, geothermal revenue increased due to higher steam and electricity generation due to less planned/unplanned shutdown in 9M-2020.

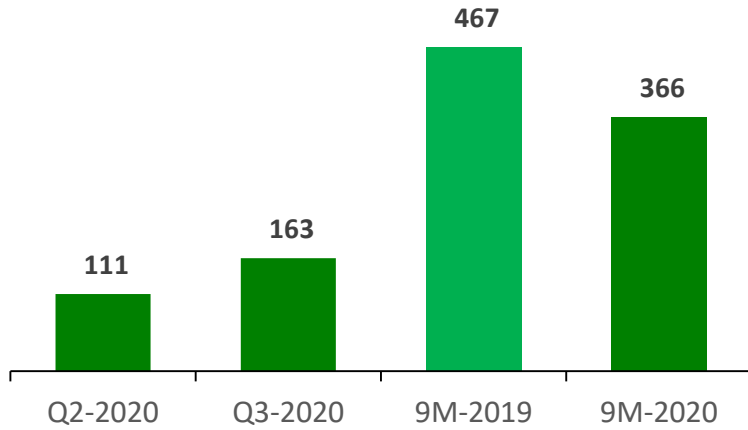
Amounts in US\$m



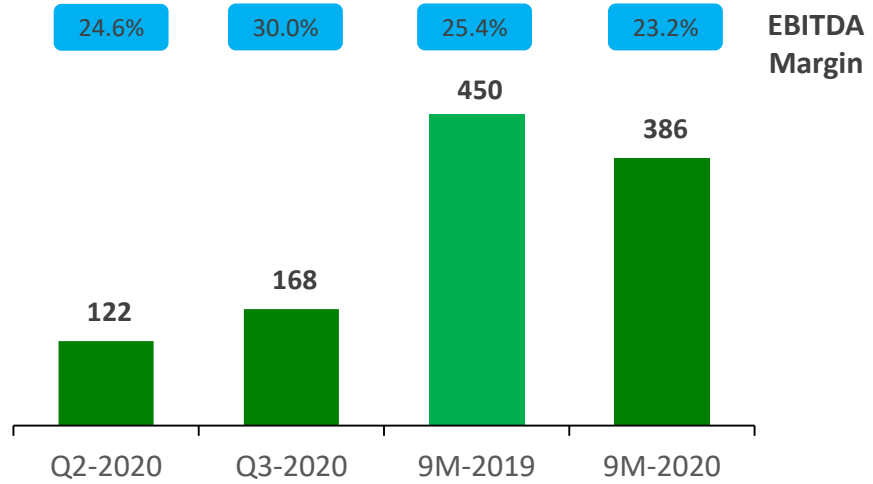
9M-2020 Financial Results



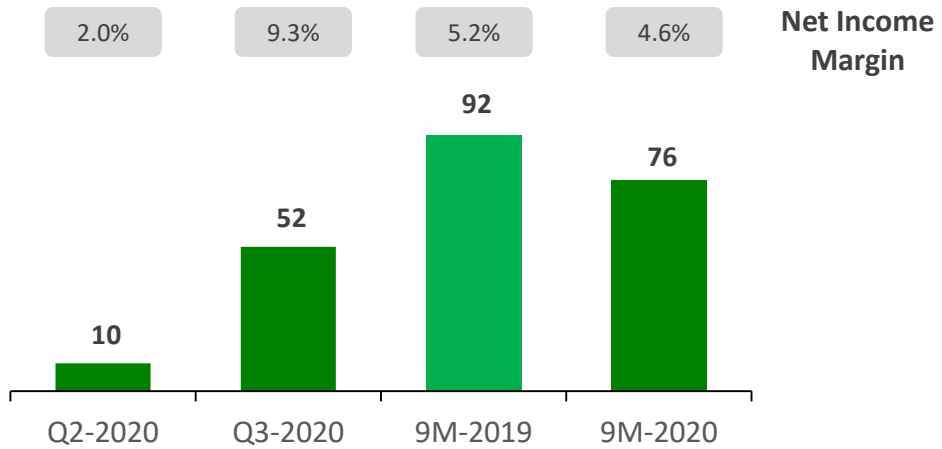
GROSS PROFIT



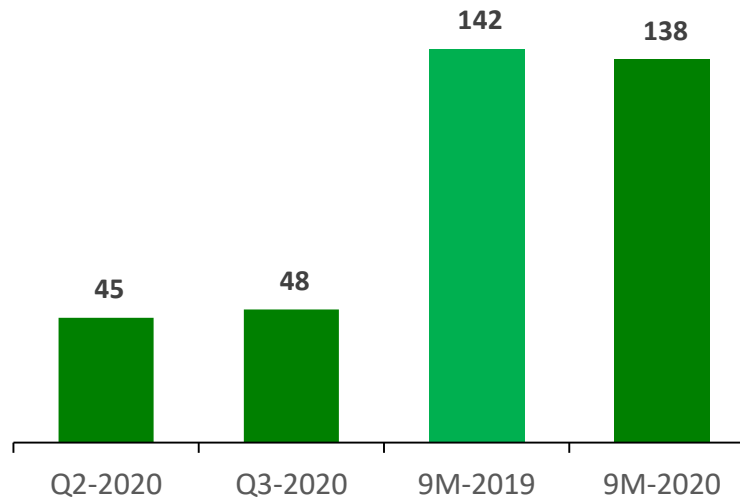
EBITDA



NET INCOME



FINANCE COST

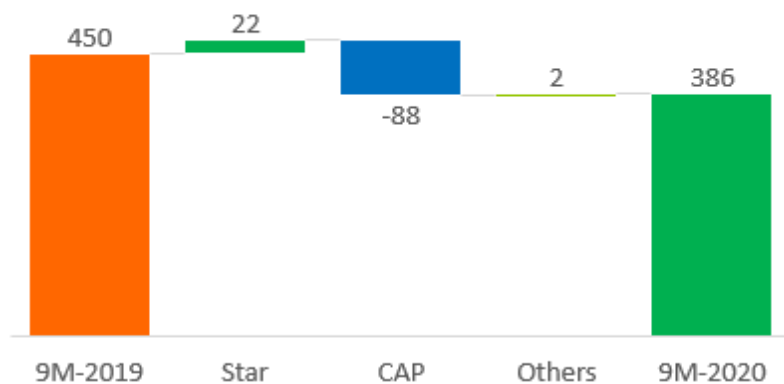
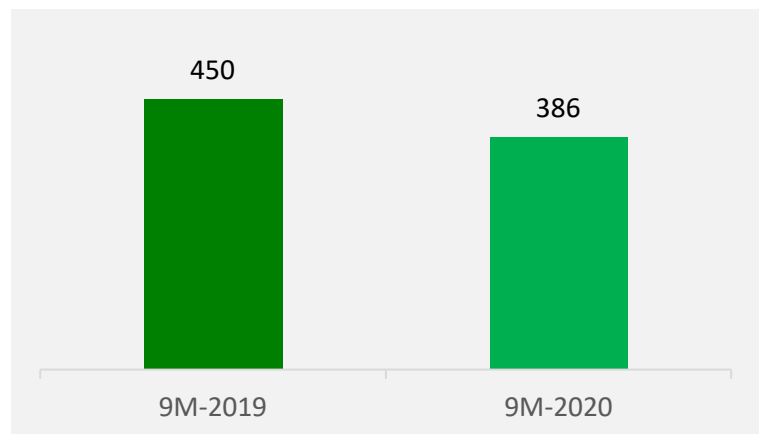


9M-2020 Financial Results

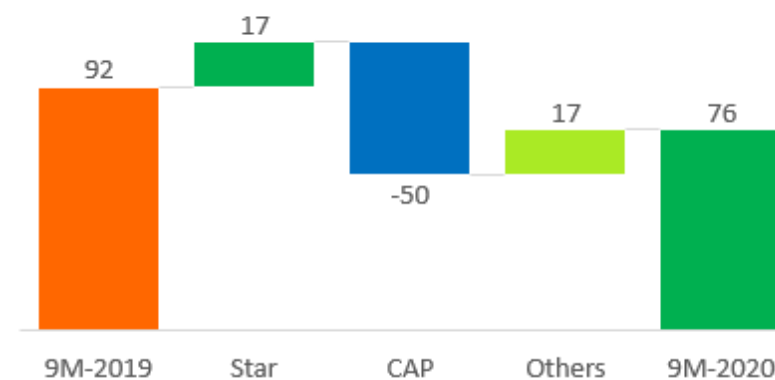
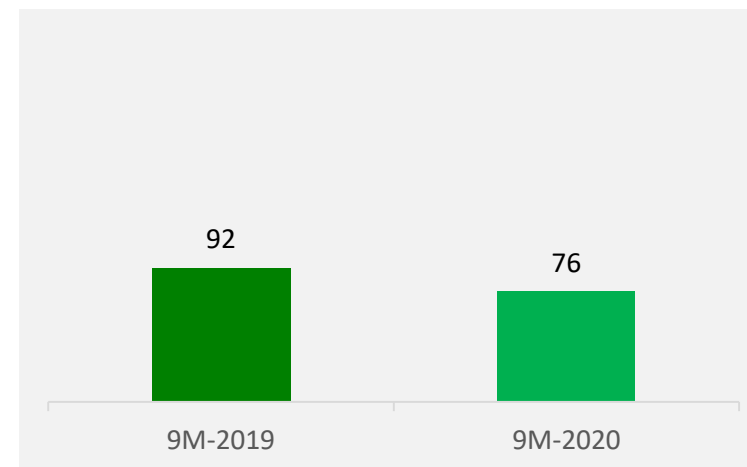
Amounts in US\$m



Consolidated EBITDA



Consolidated NET INCOME

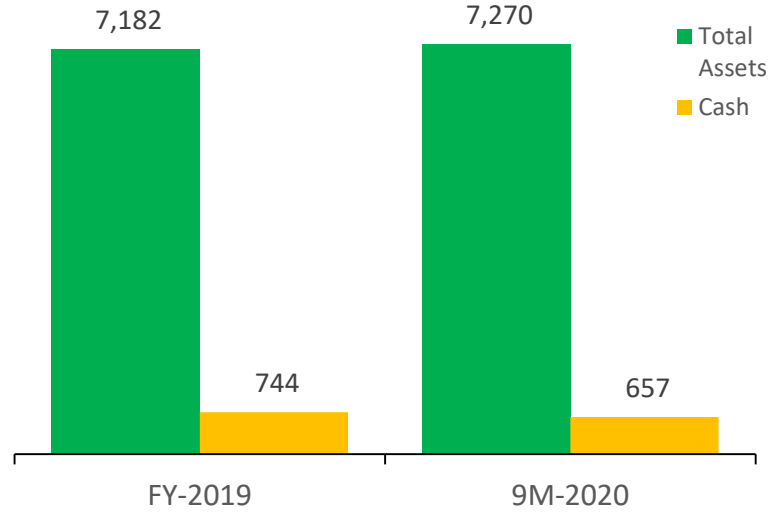


9M-2020 Financial Profile

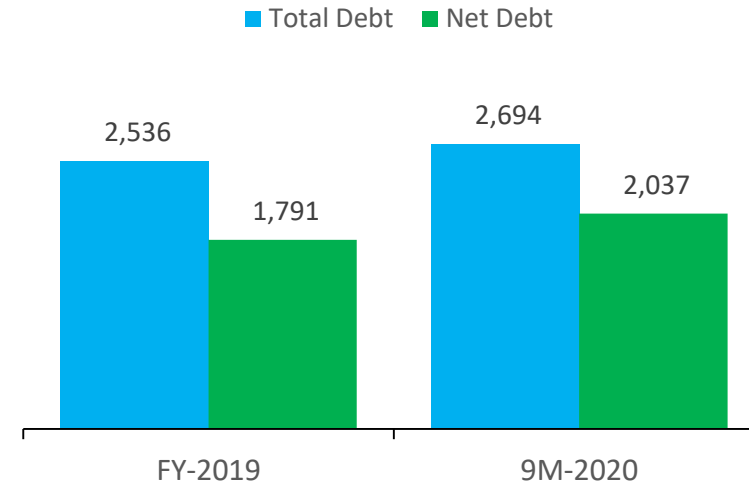


Strong Balance Sheet with modest leverage ratio

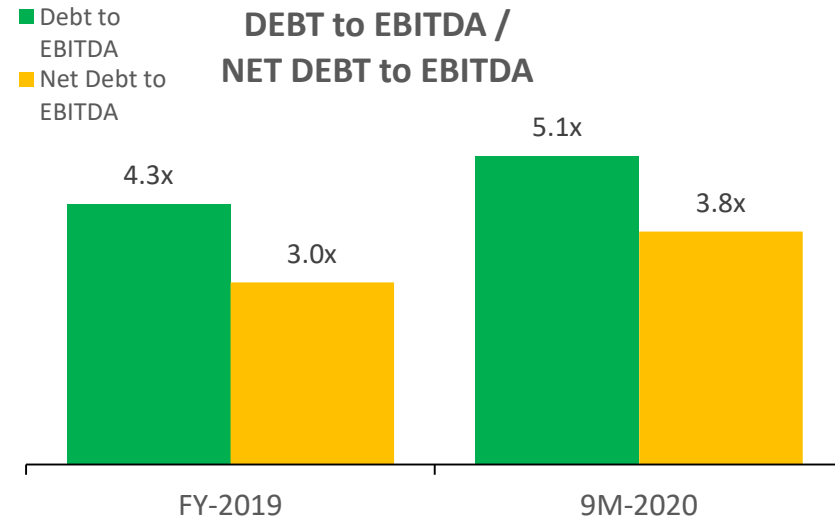
TOTAL ASSETS & CASH BALANCE



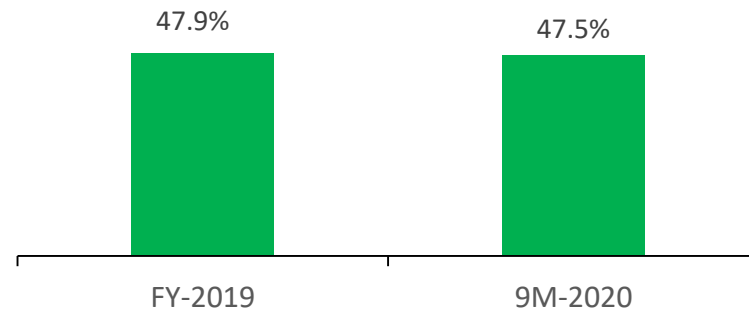
TOTAL DEBT & NET DEBT



**DEBT to EBITDA /
NET DEBT to EBITDA**



DEBT to CAPITAL RATIO



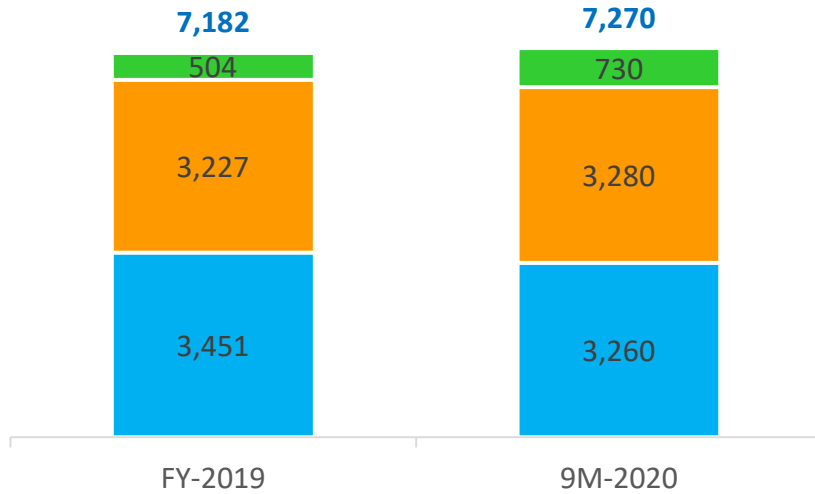


9M-2020 Financial Profile by Subsidiary

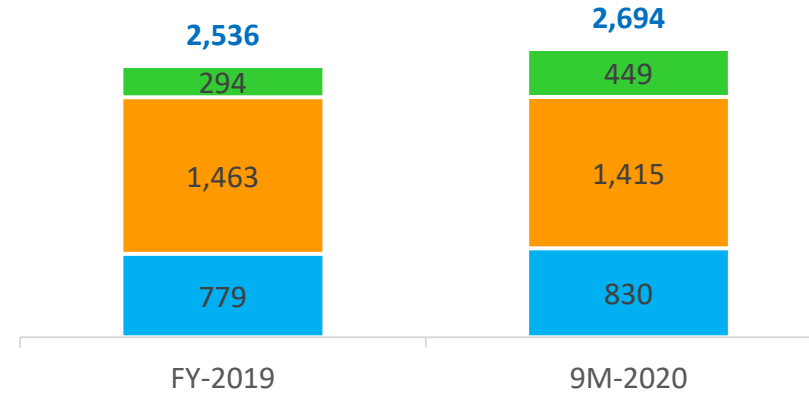
Amounts in US\$m

■ CAP ■ Star Energy ■ Barito & Others

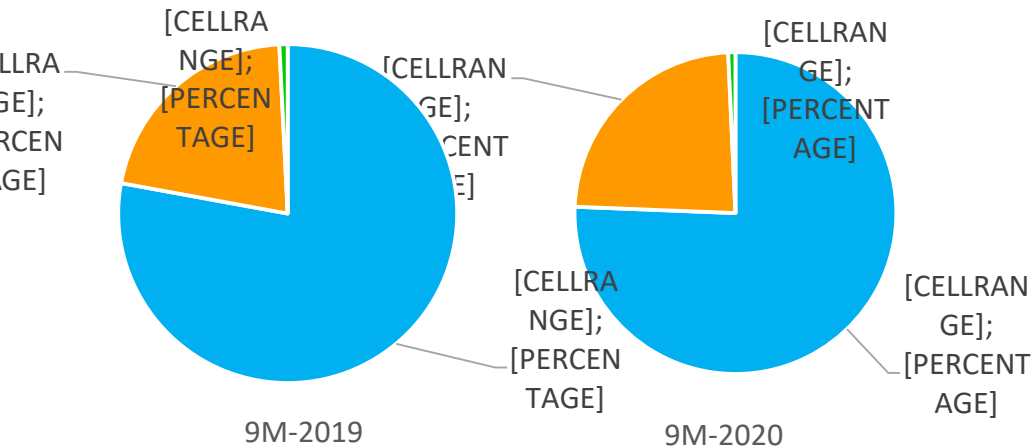
Total Assets



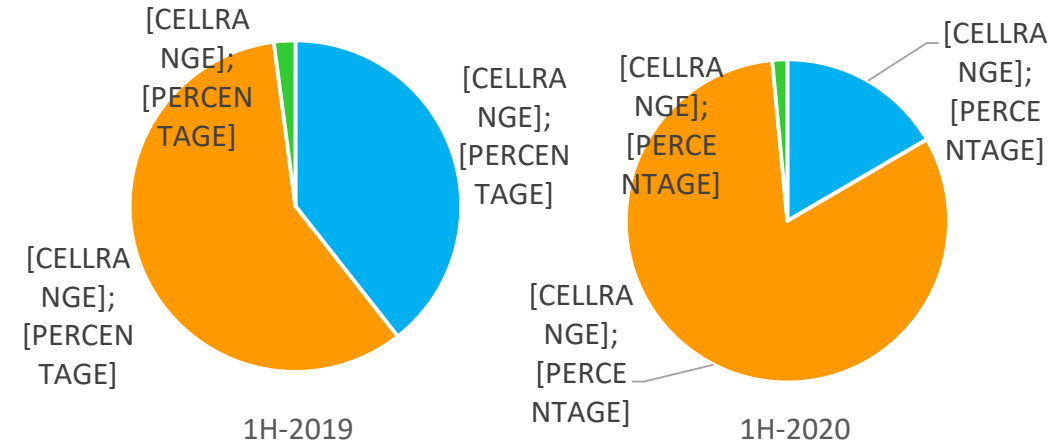
Total Debt



Net Revenue



EBITDA

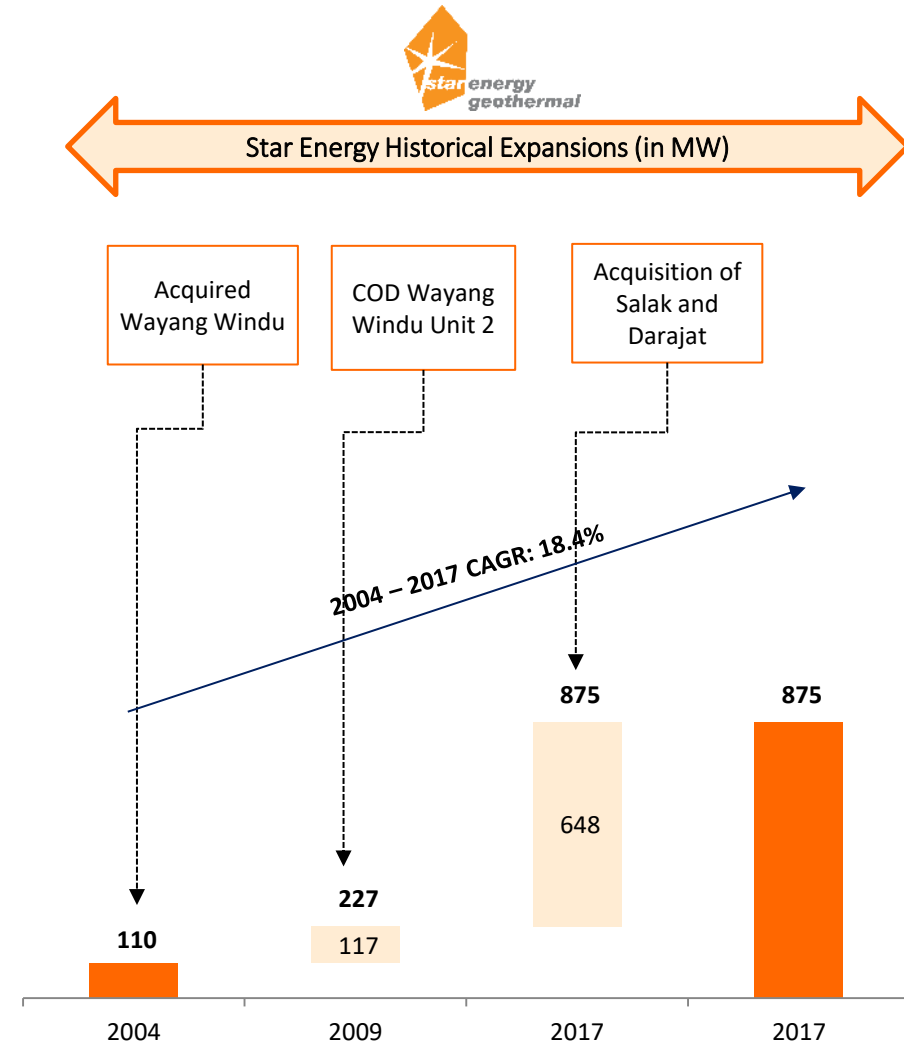
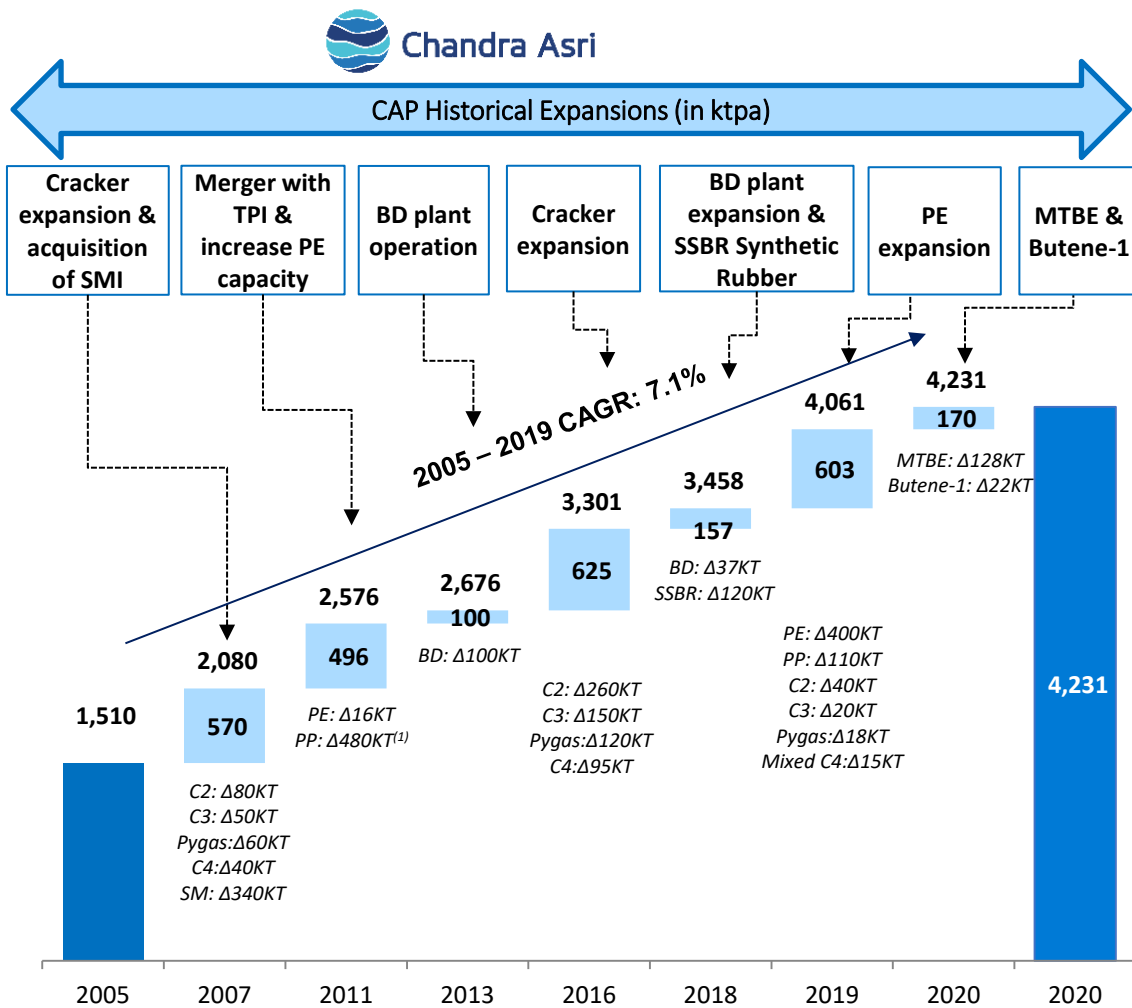


Project Updates





Track Record of Delivering Strategic Projects on Time and on Budget



Strong history of achieving operational and structured growth

(1) Represents addition to capacity due to merger with TPI that had installed propylene capacity of 480 ktpa at the time of merger



Track Record of Delivering Strategic Projects on Time and on Budget

Project Description	Target COD	Actual COD	CAPEX (US\$m)	Capacity Increase
FY-2013 to 2015				
CAP: Butadiene plant (100KTA)	4Q-2013	4Q-2013	130	100KT/A
CAP: Cracker expansion project and TAM	4Q-2015	4Q-2015	380	260KT/A C2; 150KT/A C3; 120KT/A Pygas; 95KT/A C4
FY-2017 to 2018				
STAR ENERGY: Acquired Salak/Darajat Geothermal	2017	2017	2,103	648MW
CAP: Formed JV with Michelin, SBR Plant	2017/2018	3Q-2018	435	120KT/A
CAP: Butadiene Plant Expansion	2Q-2018	2Q-2018	42	37KT/A
BRPT: Acquired Star Energy Geothermal	4Q-2017	2Q-2018	755	875MW
FY-2019 to 2020				
CAP: PP Debottlenecking	4Q – 2019	3Q – 2019	40	110 KT/A
CAP: New Polyethylene Plant	4Q – 2019	4Q – 2019	380	400 KT/A
CAP: Furnace Revamp	4Q – 2019	4Q – 2019	48	40 KT/A C2; 20 KT/A C3 18KT/A Pygas; 15KT/A mixed C4
CAP: MTBE and Butene-1	3Q-2020	3Q-2020	131	128 KT/A MTBE; 43 KT/A B1
CAP			1,586	1,485KT/A (57.6%)
Star Energy			2,103	648MW (285%)
Barito Pacific			755	
Total			4,444	

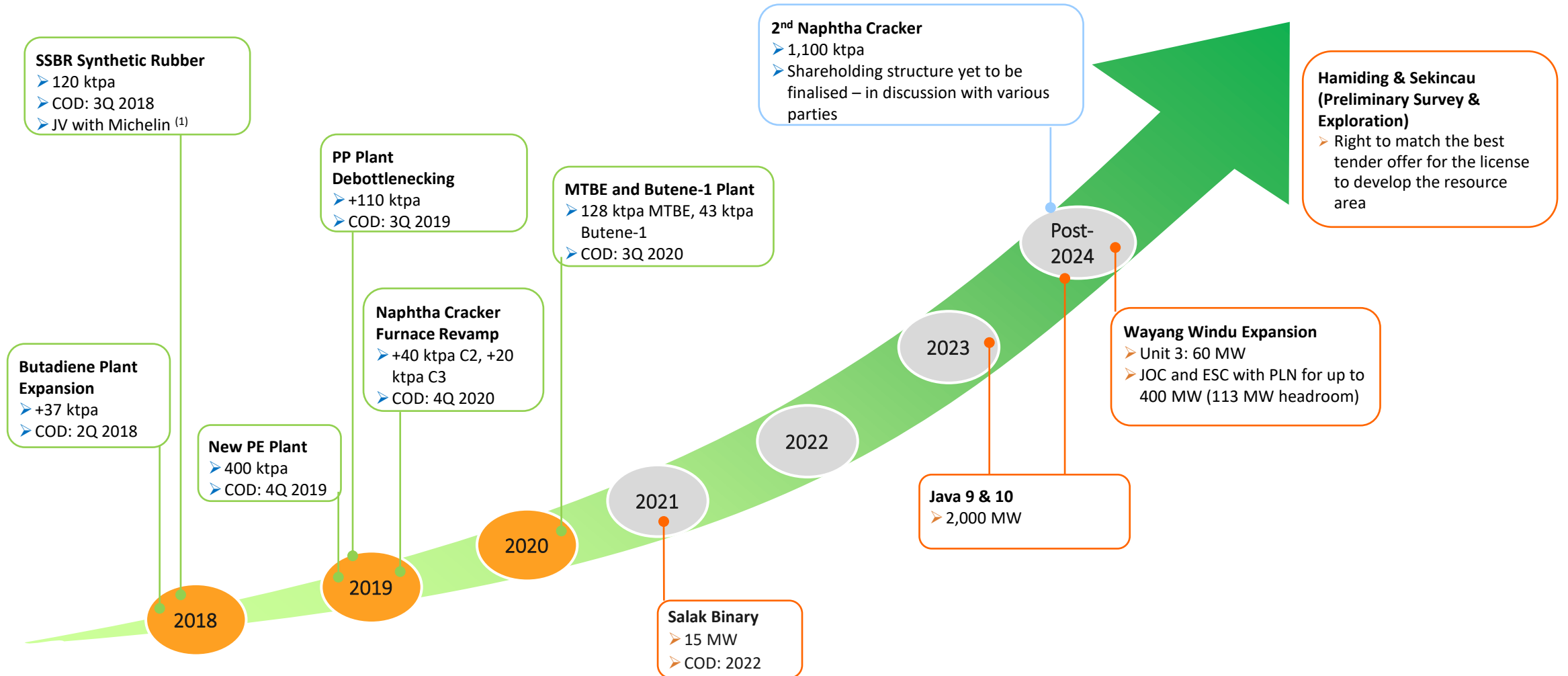


Covid-19 Impact on Current and Upcoming Capex

Project Description	Target COD	Actual COD	CAPEX (US\$m)	Capacity Increase
IN PLANNING & IN EXECUTION				
In Execution:				
Indo Raya Tenaga: Java 9&10	2023/2024	Delayed by 1yr, but FID secured in 2Q2020	3,280	2 x 1,000MW
In Planning:				
CAP: Second Petrochemical complex	2024	Potential FID deferred by 1yr	5,000	1,100KT/A
STAR ENERGY: Salak Binary	2022	Some drilling deferred 1yr	40	15MW



Sizeable and Tangible Pipeline Growth



● Petrochemical, Completed

(1) 55% held by Michelin and 45% held by CAP (indirectly, through wholly-owned subsidiary PT Styrimdo Mono Indonesia)



Thank You