



Barito Pacific



*Impact Beyond Returns*



**Mandiri Investment Forum 2023**  
Presentation to Analysts and  
Investors

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## Group Overview & Latest Key Updates

**01** Petrochemicals - CAP

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**02** Energy - Barito Renewables (Star Energy)

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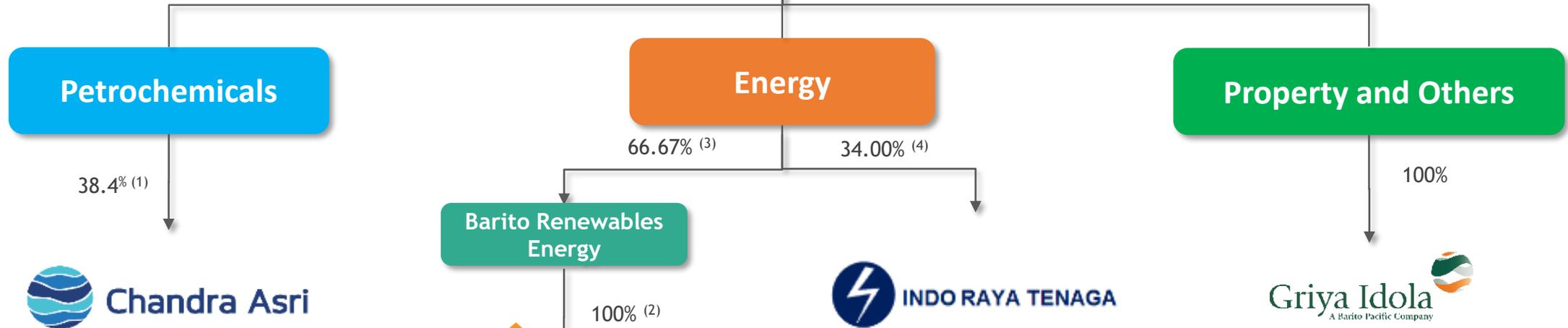
**03** Barito Pacific Transformation

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## Group Structure

- Listed on the IDX since 1993, Barito Pacific has a market capitalization of c.US\$4.9bn as at 30 Sep 2022
- Barito Pacific's largest shareholder is Prajogo Pangestu with a 70.86% stake as at 30 Sept 2022
- Rating Pefindo: idA+ (Stable)

### Barito Pacific



- Indonesia's largest and only integrated petrochemical company. Operates a world scale naphtha cracker.
- Domestic market share (including imports) of approximately 50%, 30% and 32% in olefin, polyethylene, and polypropylene, respectively
- **Market capitalization** of c.US\$13.6bn as at 30 Sep 2022
- **Rating Pefindo: idAA- (Stable)**

- One of the largest operators in Indonesia and in the world.
- 885 MW installed capacity across three operating assets.
- Long-term offtake contract agreement with Pertamina and PLN with JOC expiry period beyond 2039
- Net Book Value 9M22: US\$1,122 Million

- **Ratings (M/F):**
  - **SEG Wayang Windu: Ba3/BB-**
  - **SEG Salak & Darajat: Baa3/BBB-**

- 2,000 MW ultra supercritical coal-fired power project (scheduled COD 1H 2025)
- Consortium with PLN and KEPCO

- Wisma Barito Pacific office complex in Jakarta
- Operator of Integrated industrial park: 60 ha
- Wisma Barito Pacific 2 (delivered: Q2 2021)
- Hotel Mambruk Anyer
- Particle board production plant: 60,000 m<sup>3</sup> pa

- (1) As at 31 July 2021. Direct 34.5% and indirect 3.9%
- (2) Effective acquisition in June 2018
- (3) Ownership restructuring thru share swap in Dec 2022
- (4) Indirectly through PT Barito Wahana Lestari ("BWL") and PT Barito Wahana Tenaga ("BWT")

01

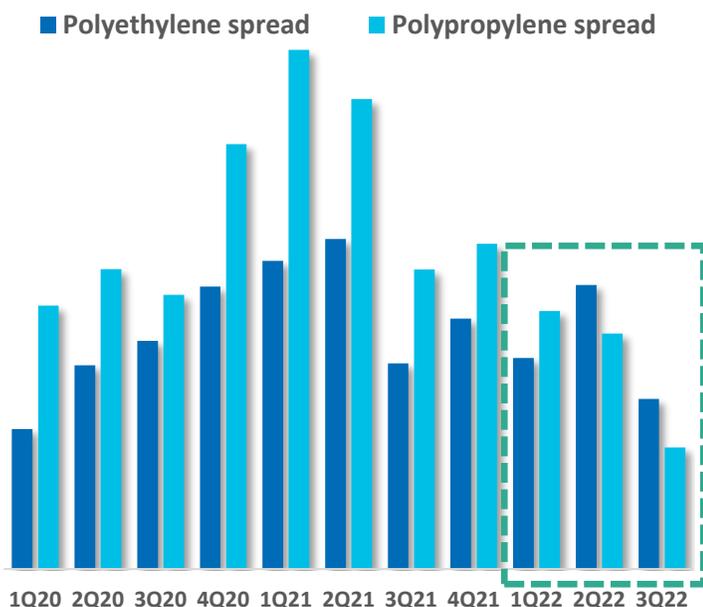
## Petrochemicals

Large war chest & long runway for multi-year growth

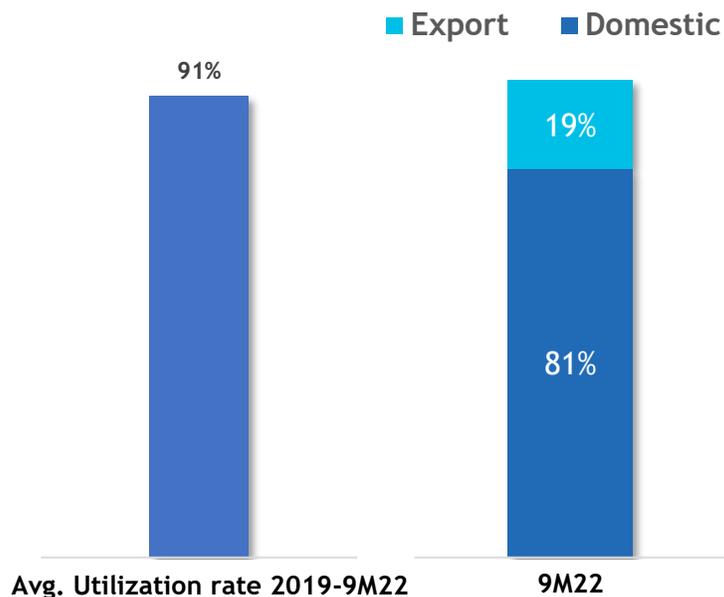
# Latest Key Dynamic Factors

Having endured significant volatility in the petrochemical industry in the past, the addition of an energy business pillar provides a balancing act to our consolidated performance

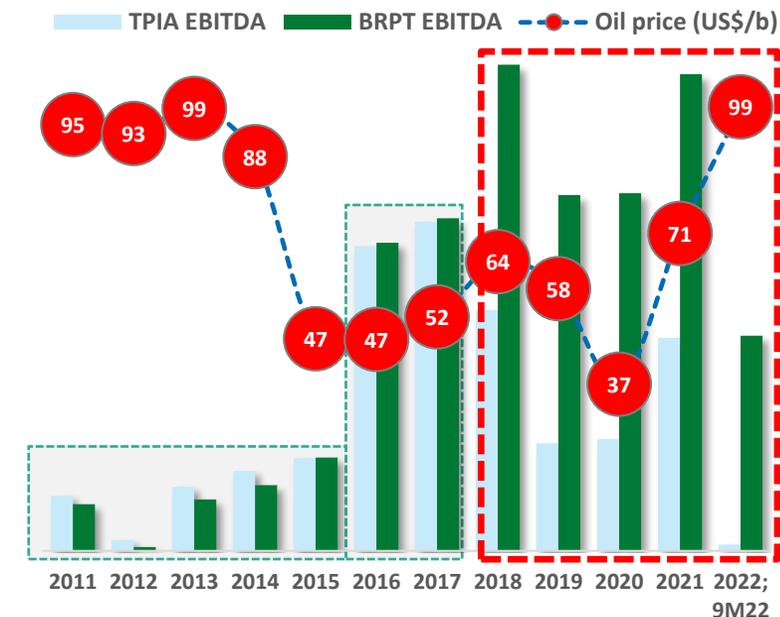
## Petrochemical Spread



## Run rates & Sales Contribution



## Oil Price & EBITDA



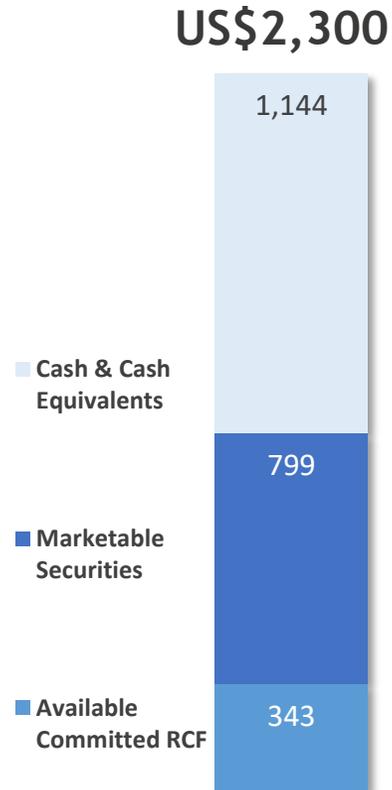
Absence of resuscitation in petrochemical margin on persistently high feedstock costs and continued strict Covid-19 policy in China, resulting in weak selling prices

On the back of healthy domestic demand, operational activity remained healthy

Energy portfolio provides EBITDA stability despite volatility in the petrochemical sector

## Robust Liquidity Pool

US\$ million



As per 9M22

## Ample Liquidity as cushion; Organic expansions

- Strong liquidity provide buffer against uncertain times
- Well-prepared for full-throttle recovery mode in the petrochemical sector
- Secured equity commitment to progress CAP2, in light of the observed volatility

## Inorganic Opportunity

### CAP signed Share Purchase agreement to acquire PT Krakatau Daya Listrik & PT Krakatau Tirta Industri

- ❑ Bolt-on acquisition supported by stable and resilient cash flow
- ❑ Further enhancement of business fundamentals, and unlocks many attractive synergies
- ❑ Diversifying revenue toward supporting infrastructure utilities
- ❑ Fully synced with the expansions plans for 2<sup>nd</sup> petrochemical Complex

## Growth initiatives (2013-2022)

### Petrochemical

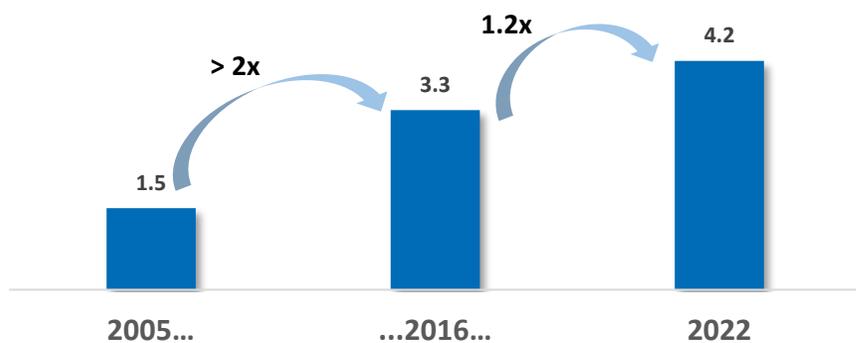
Strategic growth via downstream integration & capacity expansions

		Capex	Completion	
2013	Cracker Expansion	US\$380m	2016	
2013	Formed JV with Michelin	US\$477m	2018	
2013	New PE plant, PP debottlenecking, Furnace revamp	US\$468m	2019	
2018	MTBE & Butane -1 Plant	US\$131m	2020	Delivered during pandemic
2018	Enclosed ground flare	US\$14m	2020	Delivered during pandemic

Total capex

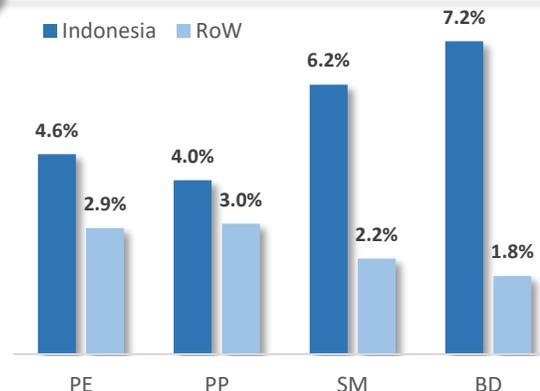
USD1.5b

### Historical Capacity Expansions (Mtpa)

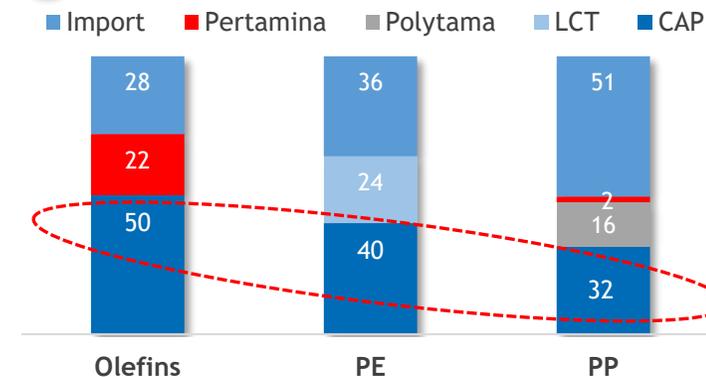


## Well-positioned to benefit from attractive industry outlook

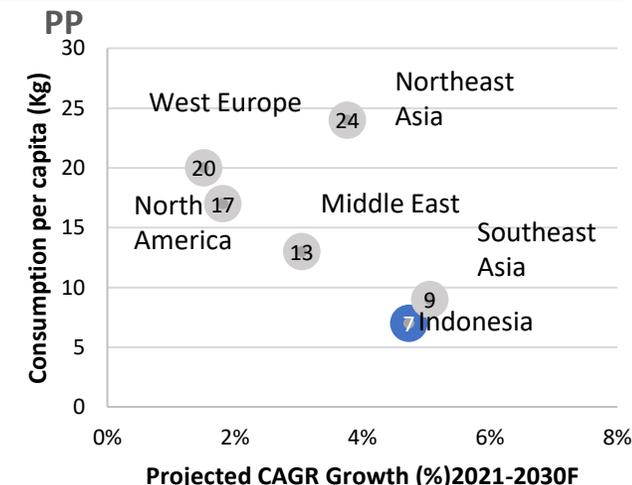
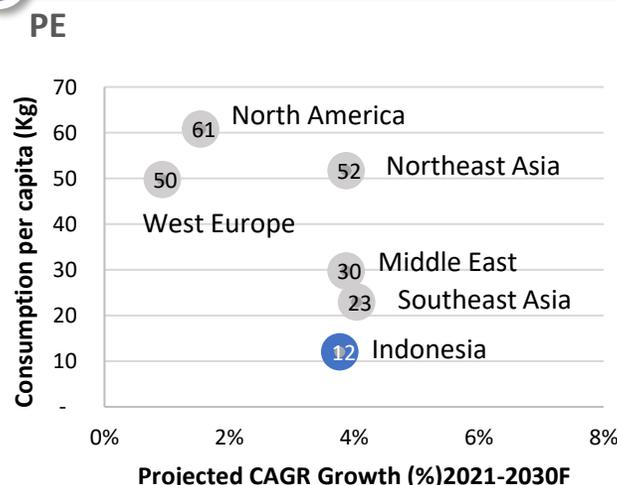
### 1 Attractive growth fundamentals



### 2 Market Leader



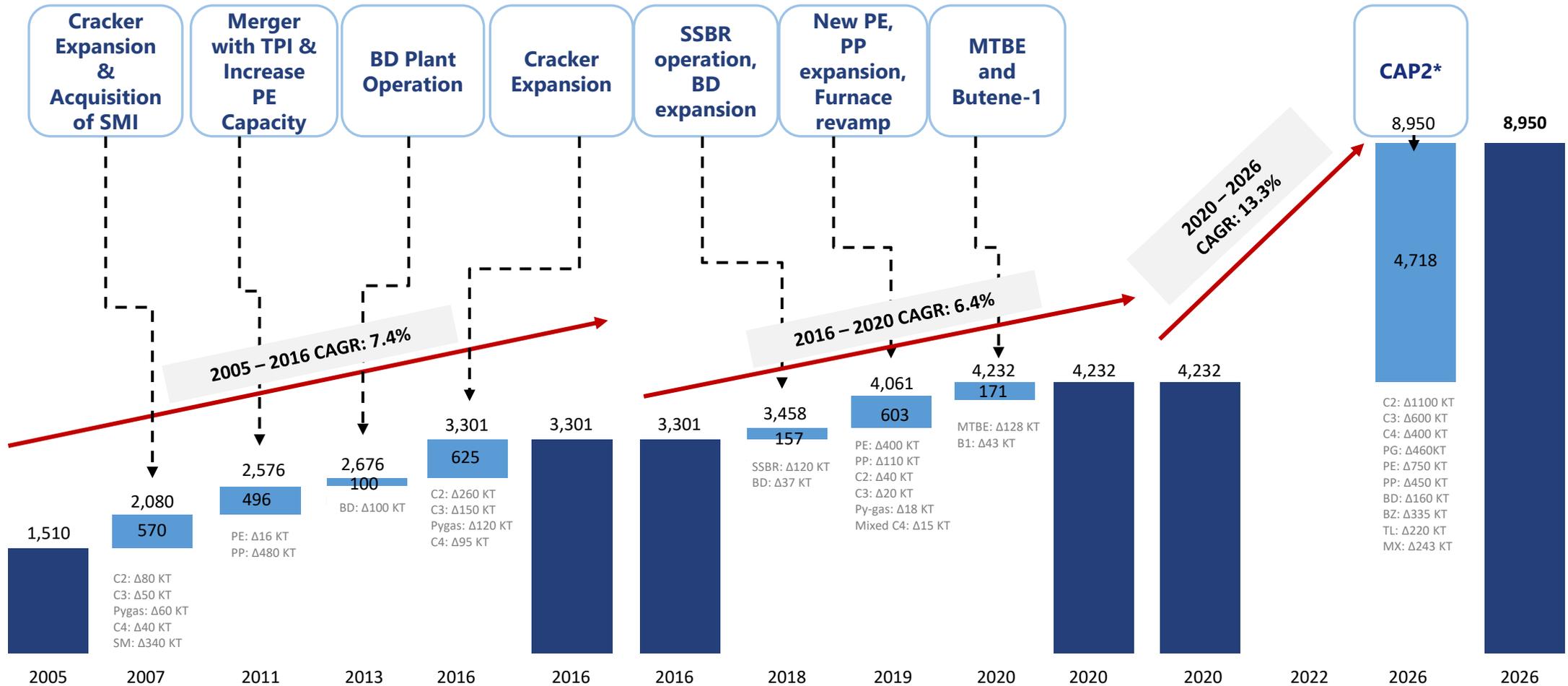
### 3 Low PE & PP consumption per capita



Source: Company, Nexant 2022

# Petrochemical Growth Roadmap

Expanding capacity to deliver sustainable growth ahead



\* Subject to FID

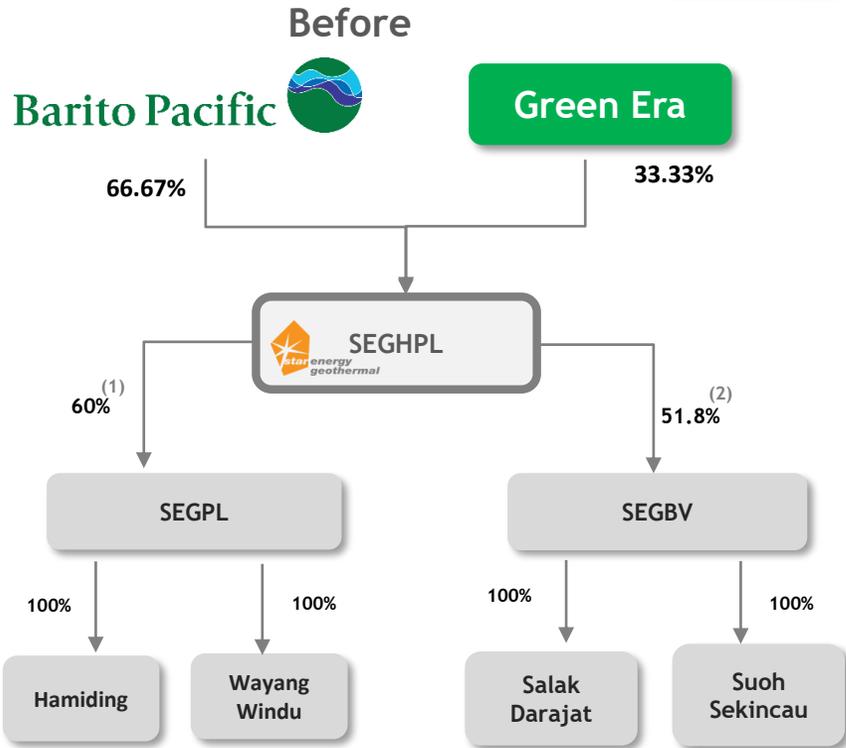
02

## Energy

Geothermal - best positioned to support transition to green energy

# A New Milestone Achieved through Group Consolidation

## Corporate structure (simplified)

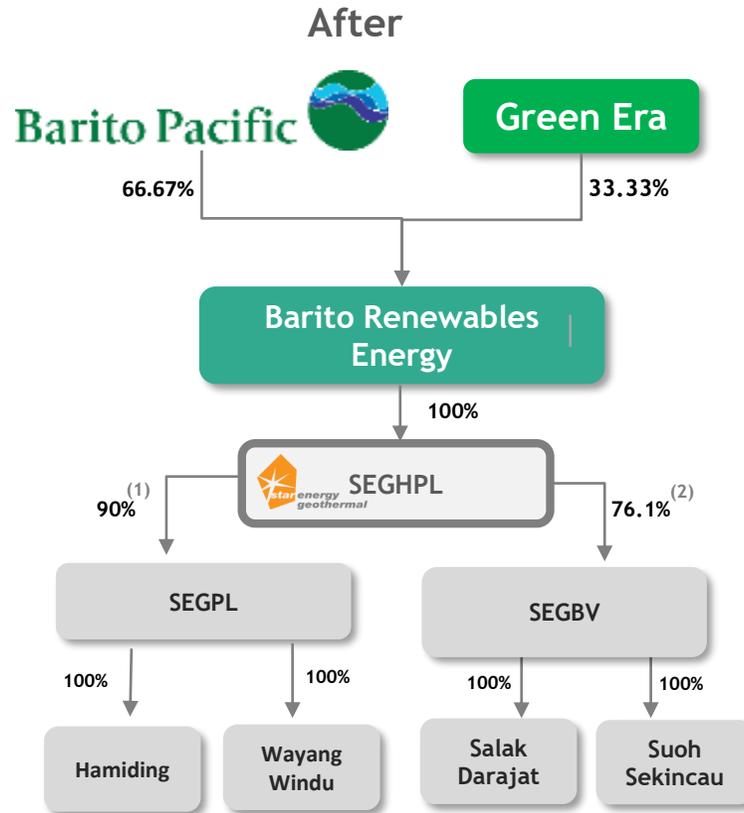


SEGHPL: Star Energy Group Holdings Pte. Ltd  
 SEGPL: Star Energy Geothermal Pte. Ltd  
 SEGBV: Star Energy Geothermal (Salak Darajat) BV

(1): Mitsubishi owned 20% of SEGPL & ECGO owned 20% of SEGPL  
 (2): Mitsubishi owned 8.2%, Ayala owned 19.8% of SEGBV, and ECGO owned 20.1%



## Corporate structure (simplified)



SEGHPL: Star Energy Group Holdings Pte. Ltd  
 SEGPL: Star Energy Geothermal Pte. Ltd  
 SEGBV: Star Energy Geothermal (Salak Darajat) BV

(1): Mitsubishi owned 10% of SEGPL,  
 (2): Mitsubishi owned 4% and Ayala owned 19.8% of SEGBV

## Restructuring & Consolidation

### Barito Renewables Energy (BREN)

- BREN to strengthen BRPT's position as leading domestic integrated energy player
- Group restructuring through share swap of BREN & SEGHPL
- Expand business portfolios and funding access

### Geothermal asset consolidation

- Concluded series of transactions, increasing effective ownership on three geothermal assets
- In line with focus on the renewable energy and to strengthen position as one of the leading energy companies in Indonesia

# Geothermal Energy - Large Growth Potential

## Tapping into world's largest geothermal powerhouse

- Nearly around 40% of world's geothermal potential are located in Indonesia, but only ~4% in utilization.
- Through Barito Renewable Energy (BREN), Barito Pacific will continue its focus to develop more renewable energy.
- Partnering with Pertamina Geothermal Energy and PT PLN to distribute 885MW power capacity.
- Ongoing exploration in North Maluku (Hamiding) and Lampung (Sekincau).

## Barito Renewable Geothermal Assets (885MW)

Wayang Windu



Salak



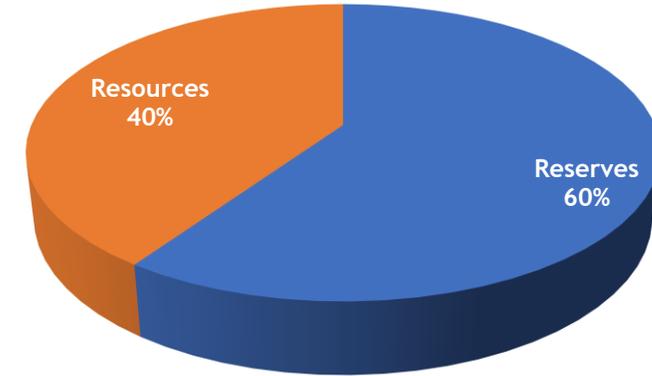
Darajat



## Geothermal Resources & Reserves (as of Dec 2018)

+/- 29GW potential capacity

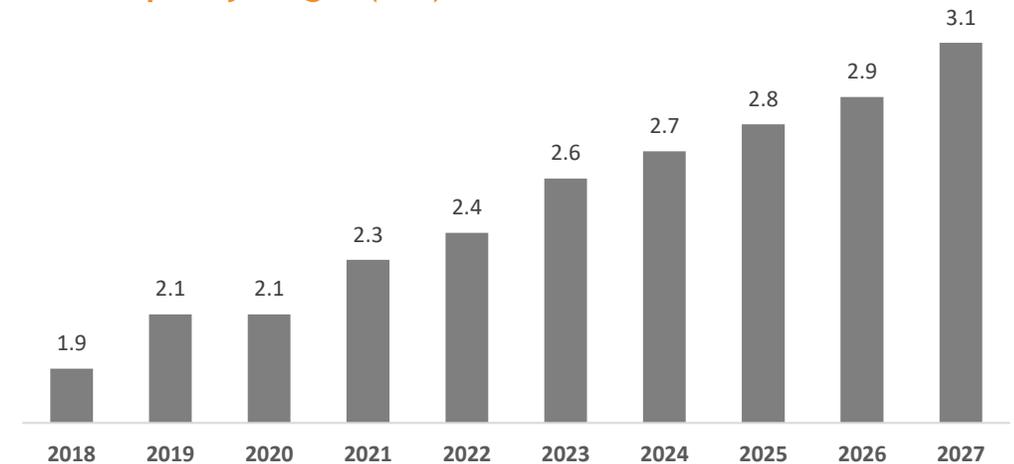
~2.3GW  
Installed capacity



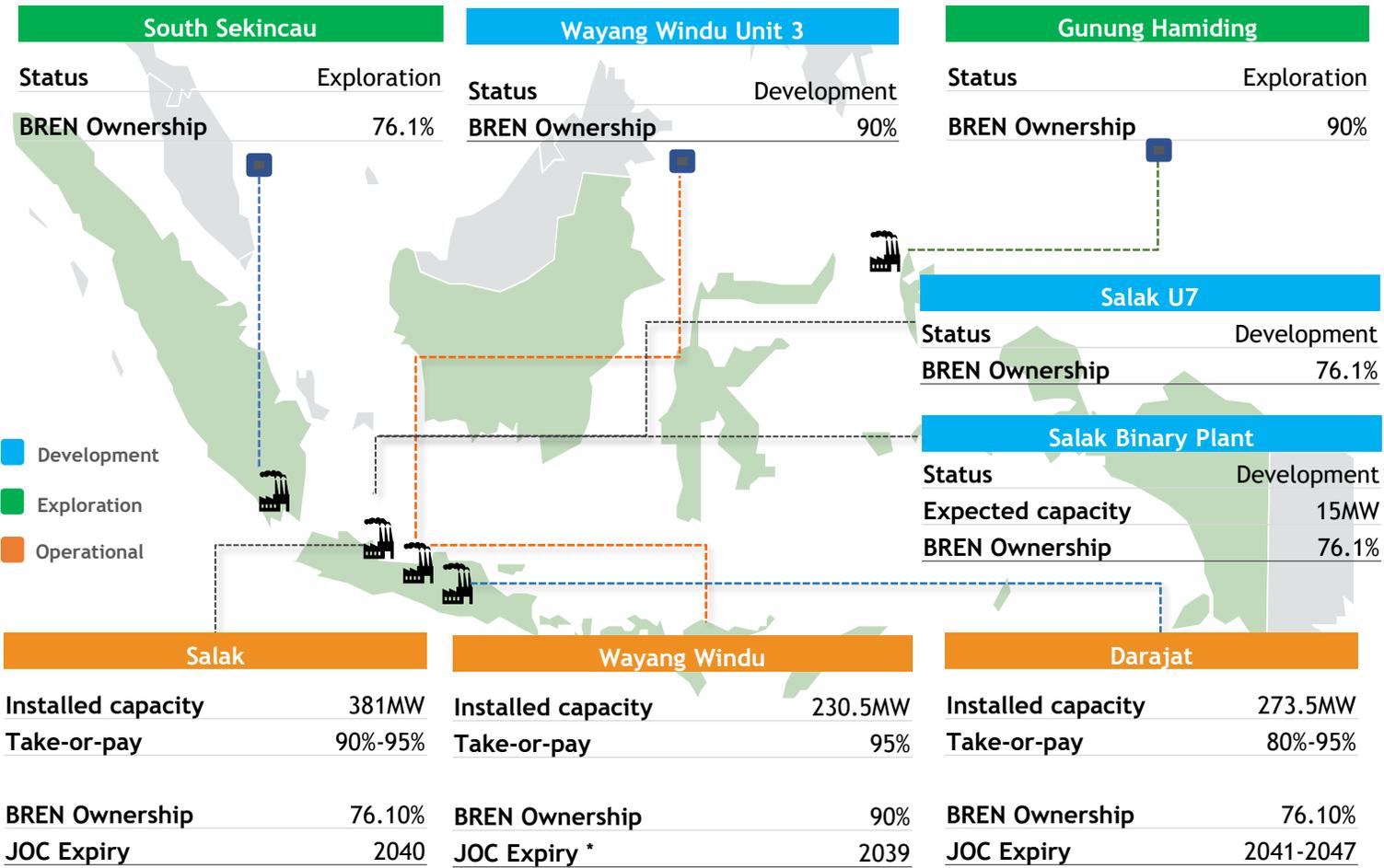
13x  
Domestic potential vs. installed

## Indonesia Geothermal Capacity (PLN Target)

### Domestic Capacity Target (GW)



## BREN currently operates 885MW geothermal power



Asset Name	Installed capacity	Take-or-pay	BREN Ownership	JOC Expiry
Salak	381MW	90%-95%	76.10%	2040
Wayang Windu	230.5MW	95%	90%	2039
Darajat	273.5MW	80%-95%	76.10%	2041-2047

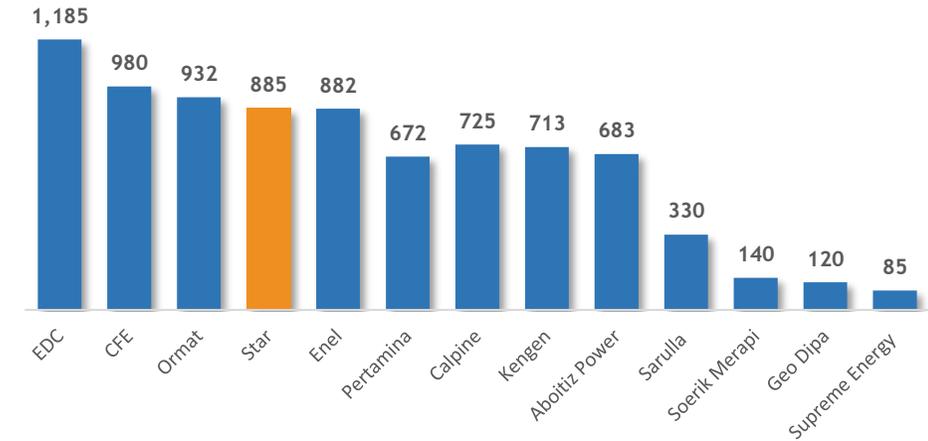
The only concession operating within conservation forest



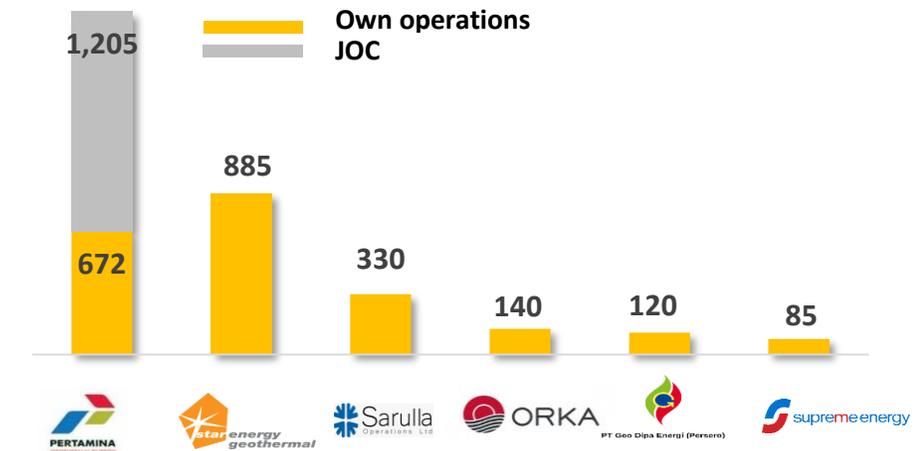
\* Extended for another 30yrs from commissioning of WW3

## Top Geothermal Producers Globally

Global Geothermal installed capacity (in MW)



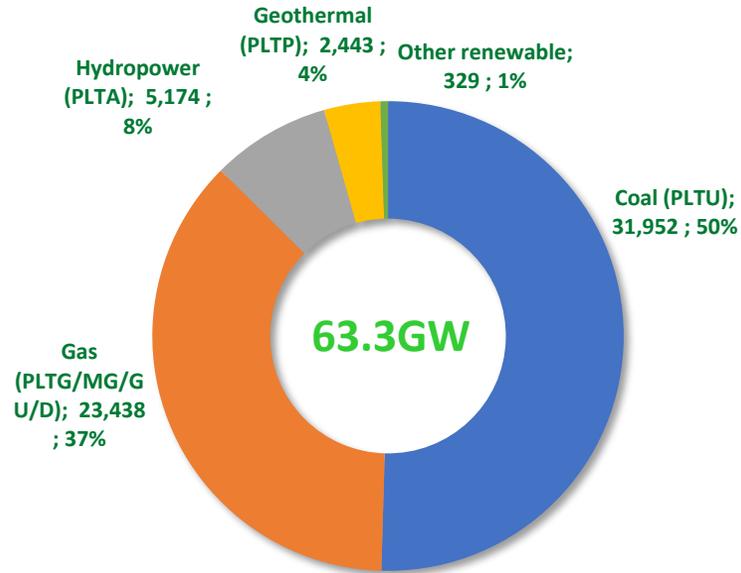
## Leading Domestic Geothermal Producers



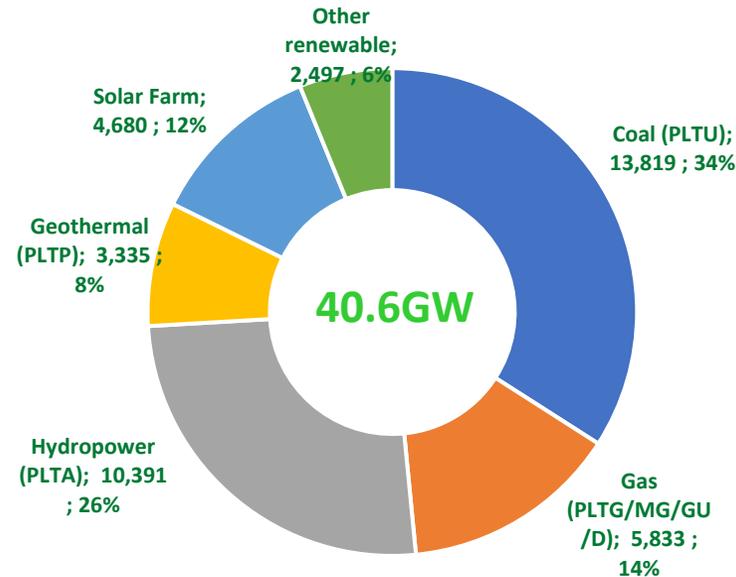
Source: Company

# Best Positioned to Support Indonesia Green Energy Transition

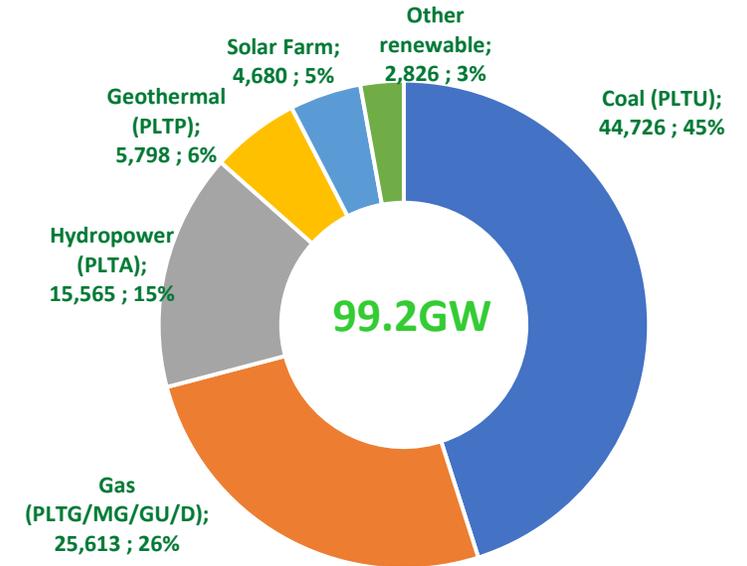
## Installed capacity 2020



## New Installation Plan 2021-2030



## Installed capacity 2030

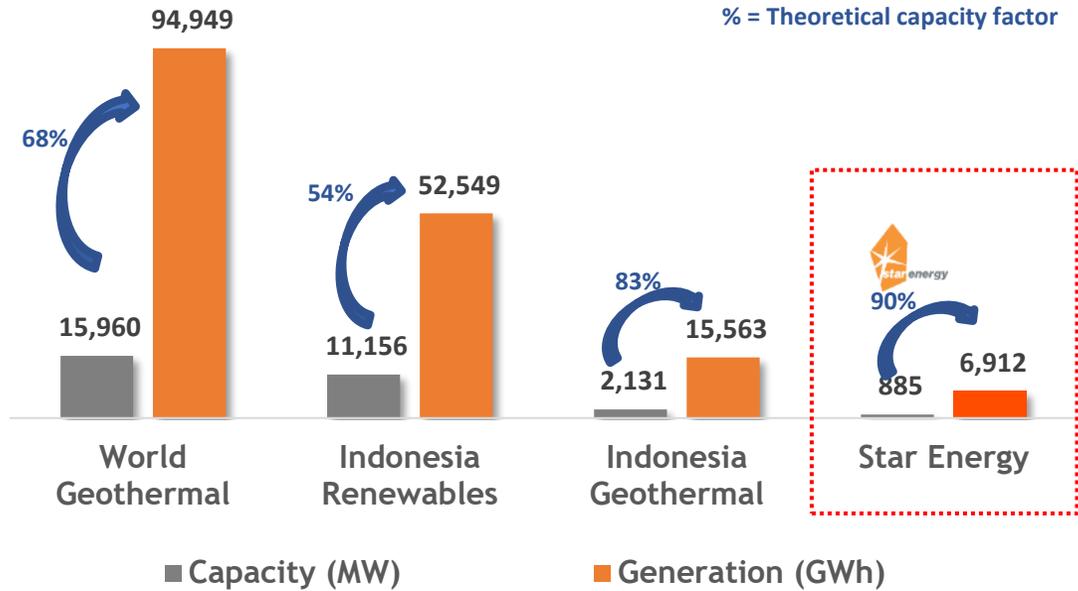


- Govt. target: 29% GHG emission through own effort or 41% with international support
- Renewable energy accounts for half (20.9GW) of total 40.6GW additional power capacity
- PLN target to achieve 29% share of renewable energy mix by 2030
- Coal-fired remains as the largest portion of additional installed capacity

Source: PLN National Electricity Supply Business Plan (RUPTL 2021-2030)

# Geothermal - Most Reliable with Baseload Generation Capabilities

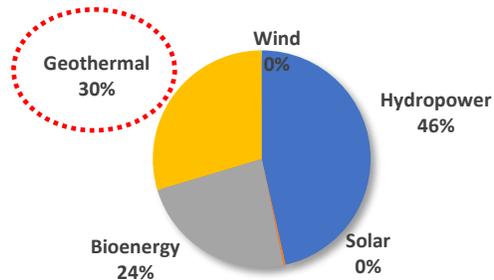
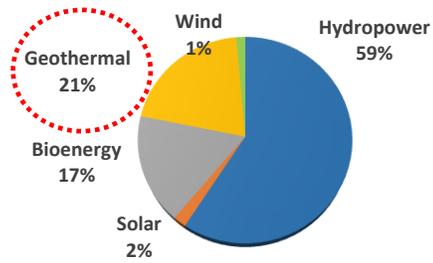
## Capacity & Generation 2021



## Domestic Capacity & Generation 2020

2020 capacity: 11,156MW

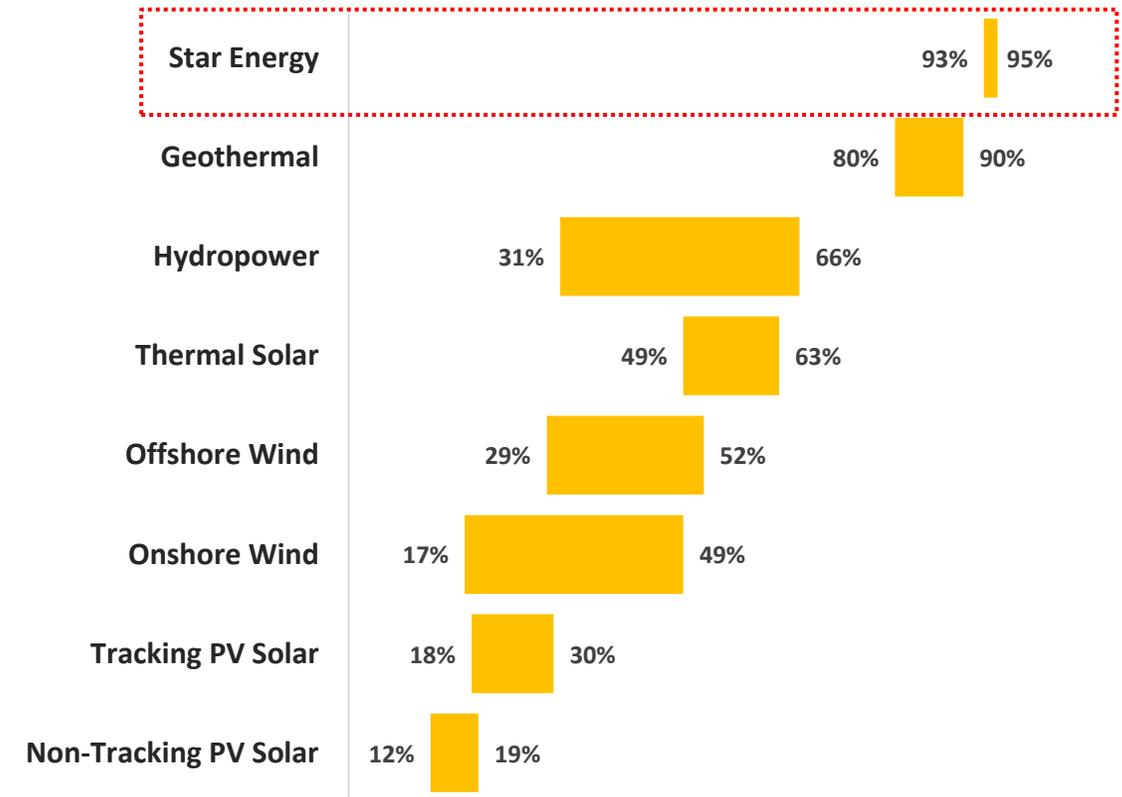
2020 generation: 52,557 GWh



Source: irena.org



## Renewable Energy Capacity Factor



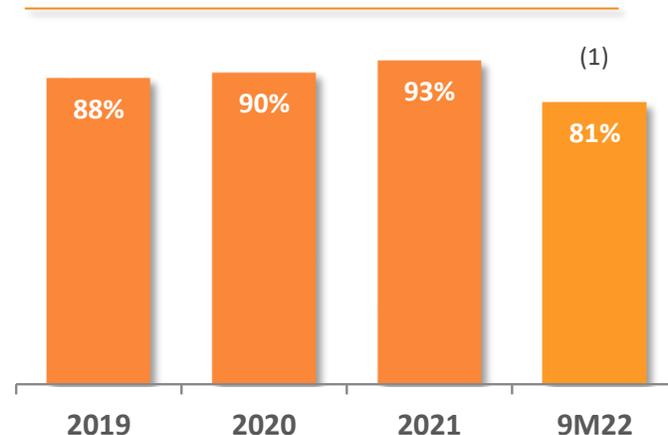
- Low intermittent vs. other renewable fuel sources
- Fairly reliable and comparable to the conventional baseload power

## Star Energy Geothermal Operating Assets - Average Net Capacity Factor

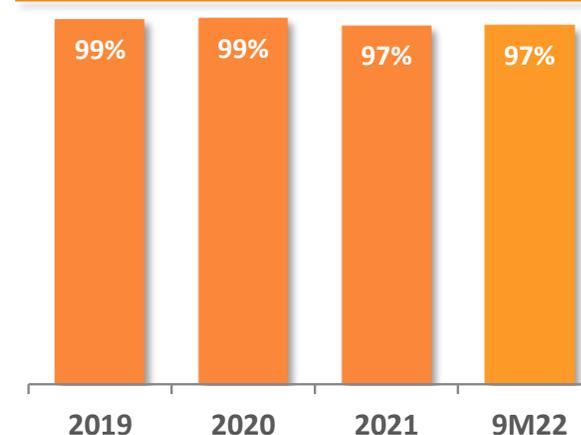
### Wayang Windu



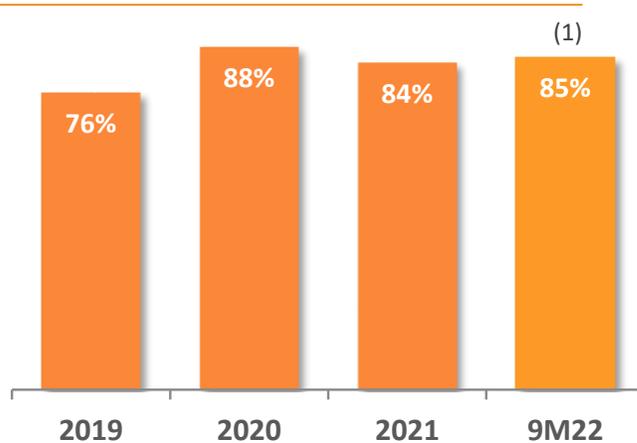
### Salak Units 1 to 3 (IP operated turbine)



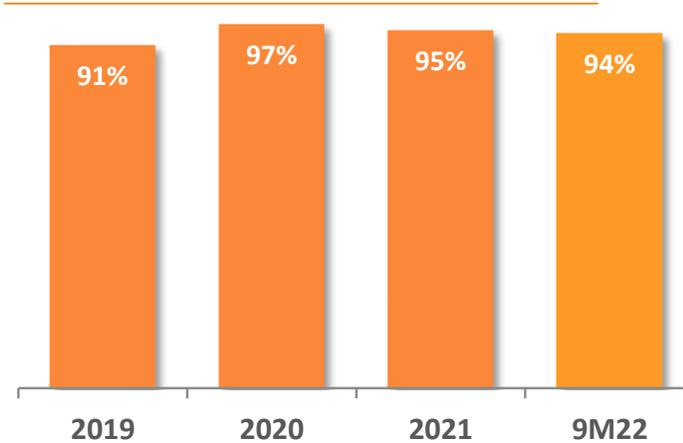
### Salak Units 4 to 6



### Darajat Unit 1 (IP operated turbine)



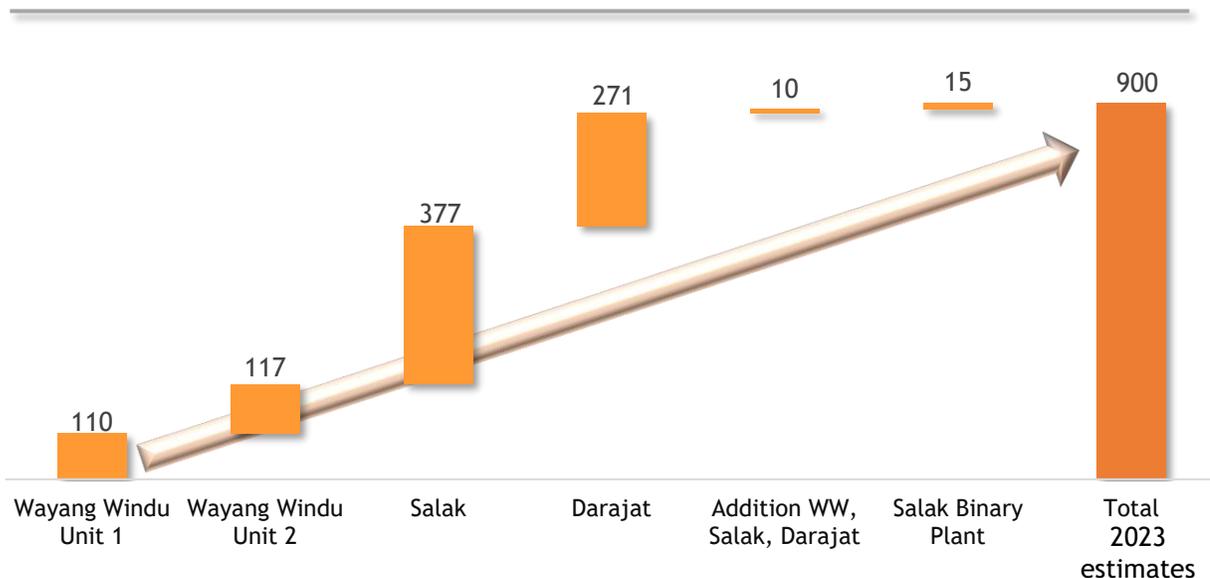
### Darajat Units 2 & 3



## EBITDA & Margin



## Star Energy Capacity Build-up (MW)



## Reaching Critical Mass



Ability to grow geothermal assets portfolio via brownfield & greenfield developments, and acquisitions

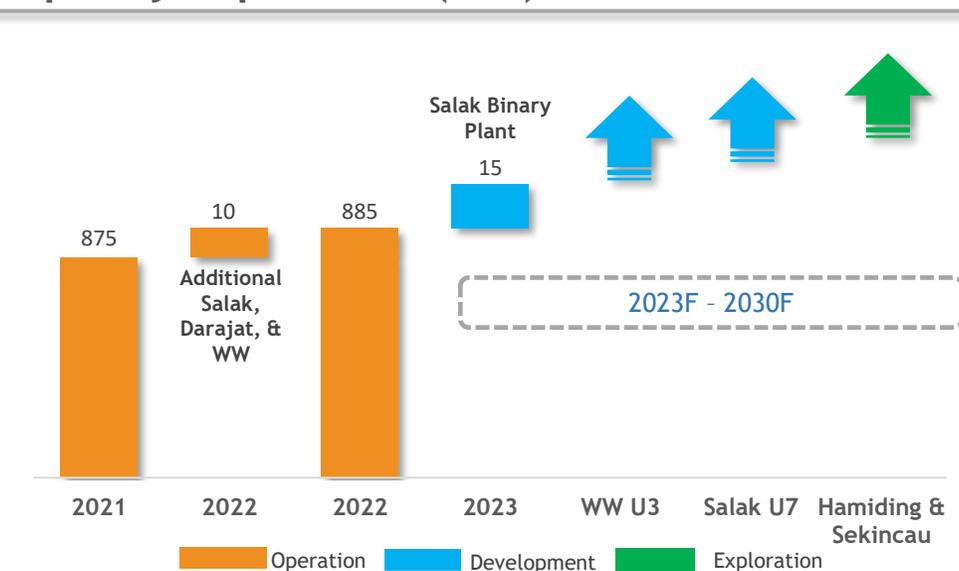


Highly experienced technical team with strong capabilities across steam field



Progressing toward the next level of efficiency curve

## Capacity expansions (MW)



03

## Barito Pacific

Fostering resilience & sustainable growth through balance pillars

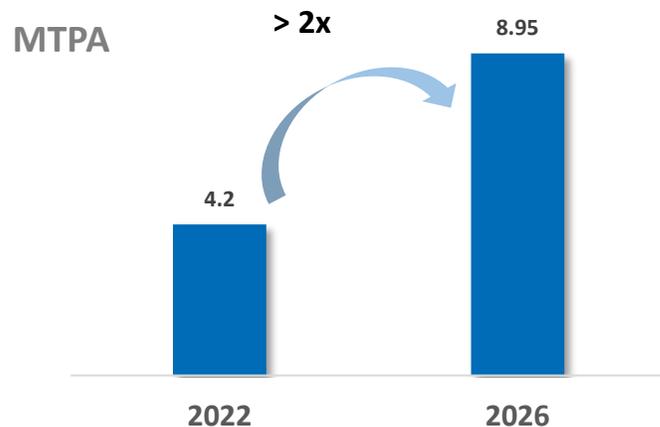
# Roadmap For Expansions

Best positioned to benefit from long runway of multi-year organic growth

## Petrochemical

- CAP 2<sup>nd</sup> Petrochemical Complex
- Appointed Thai Oil as strategic partner
- Secured most equity requirement
- > 2x capacity increase to 8.95MTPA
- Moving towards Final Investment Decision

### Chandra Asri expansions plan

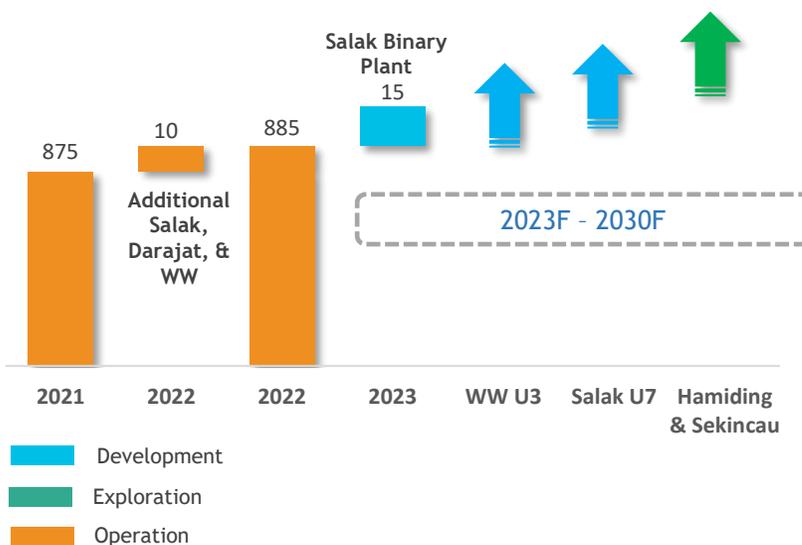


## Geothermal

### Pipeline projects:

- 2023: +15MW Salak Binary Plant
- Unit 3: Expansions on Wayang Windu
- Unit 7: Expansions on Salak
- Exploration of Hamiding & Sekincau

### Star Energy expansions plan (in MW)

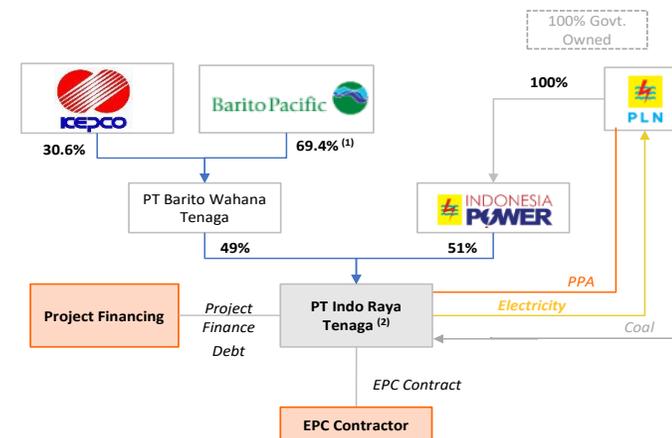


## Indo Raya Tenaga (PLTU)

### USC Coal-fired:

- 2 x 1,000MW Ultra Supercritical Coal-fired power plant
- Close proximity to CAP integrated petrochemical complex
- > 80% construction phase

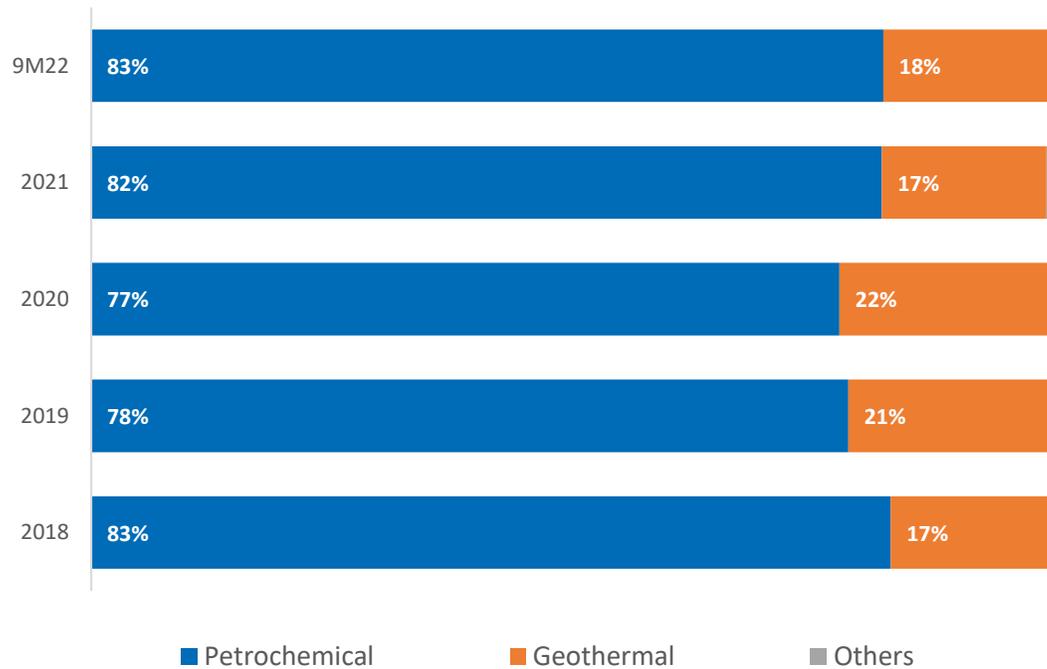
### IRT ownership structure



(1) Indirectly through PT Barito Wahana Lestari ("BWL") and PT Barito Wahana Tenaga ("BWT")

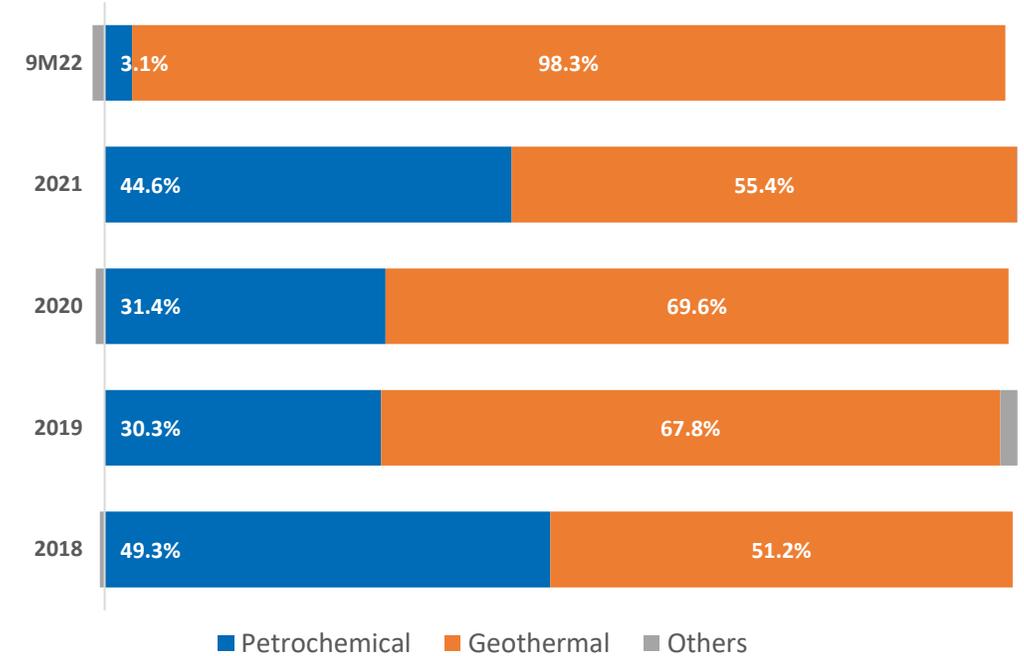
## Revenue contribution of Barito Pacific

While revenue generation stems mostly from the petrochemical segment...



## EBITDA contribution of Barito Pacific

... Barito group's operating income is more secure due to geothermal segment's high profitability profile.

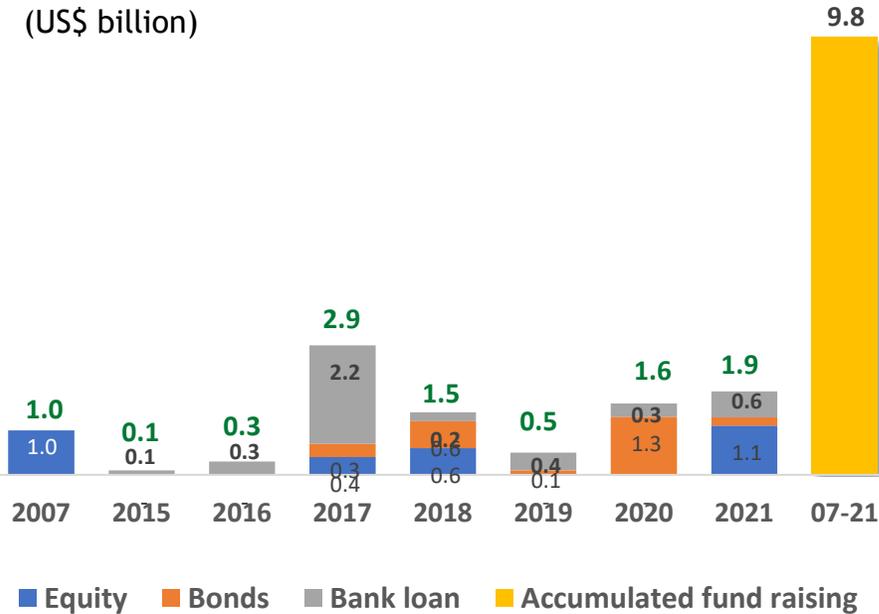


# Strong Funding Capability Track Record

## Funding activities

- Successful raised series of funding to support expansions
- Heavy green capex spending over the period of 2015-2022 (70% of accumulated)
- **Geared toward more green investment ahead** 

(US\$ billion)



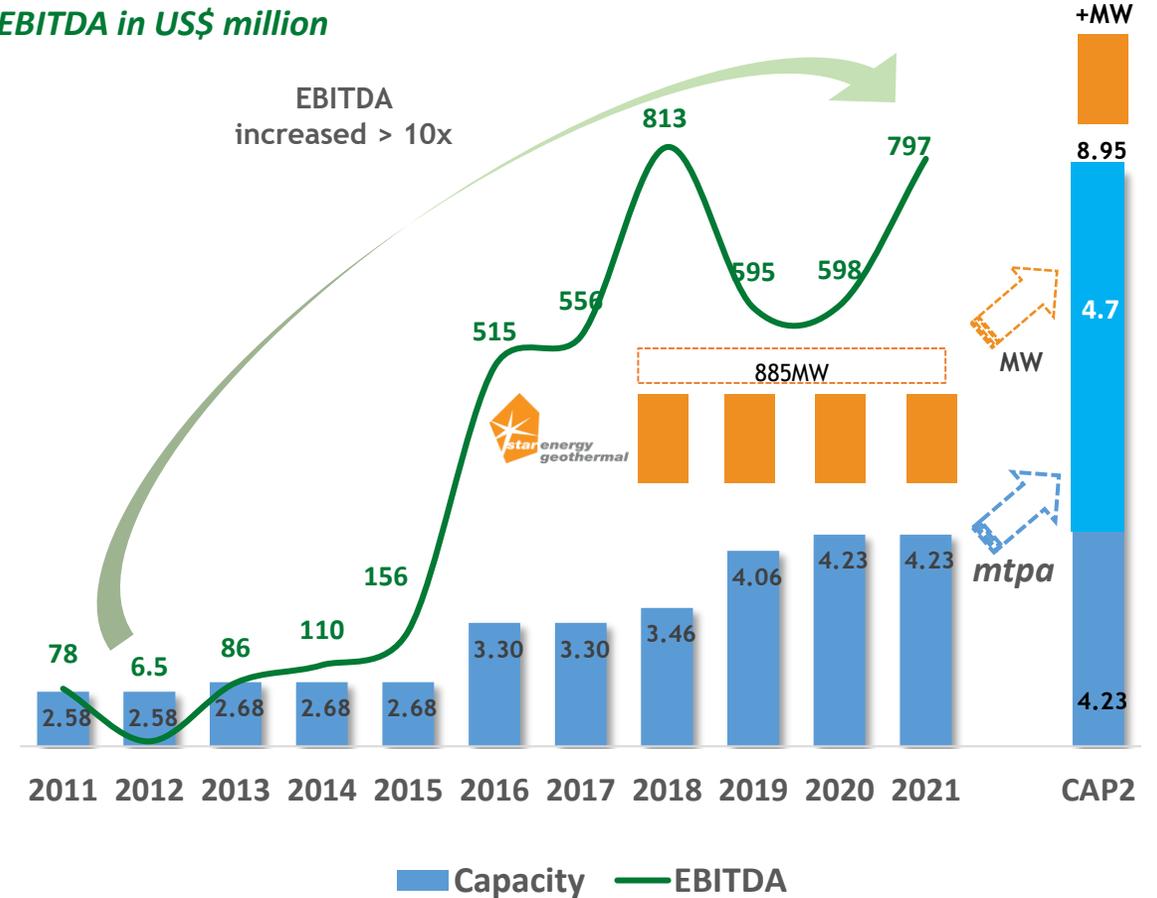
\*From 2007-2021

## Capex (US\$ billion)

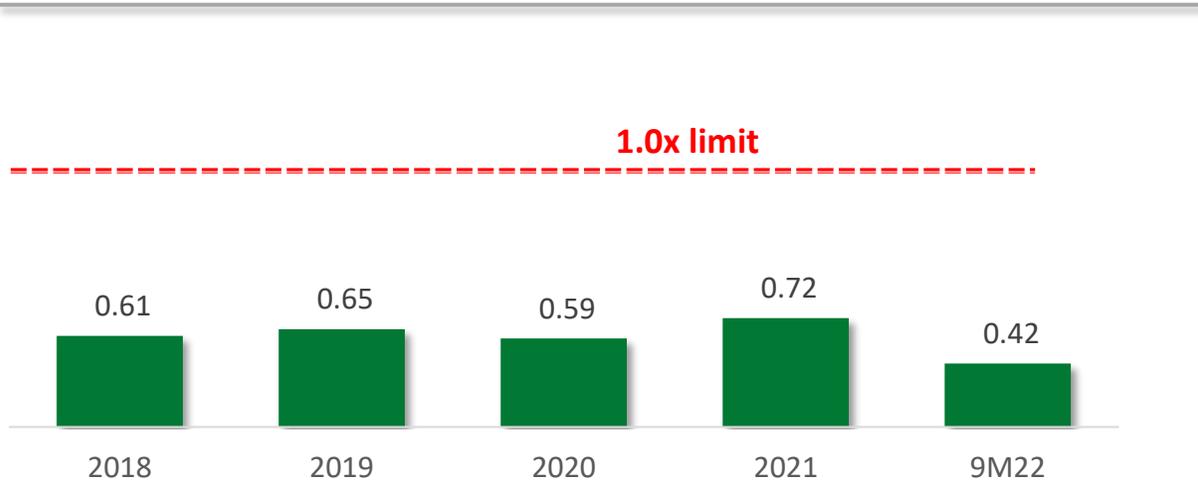


## Clear path to greater EBITDA

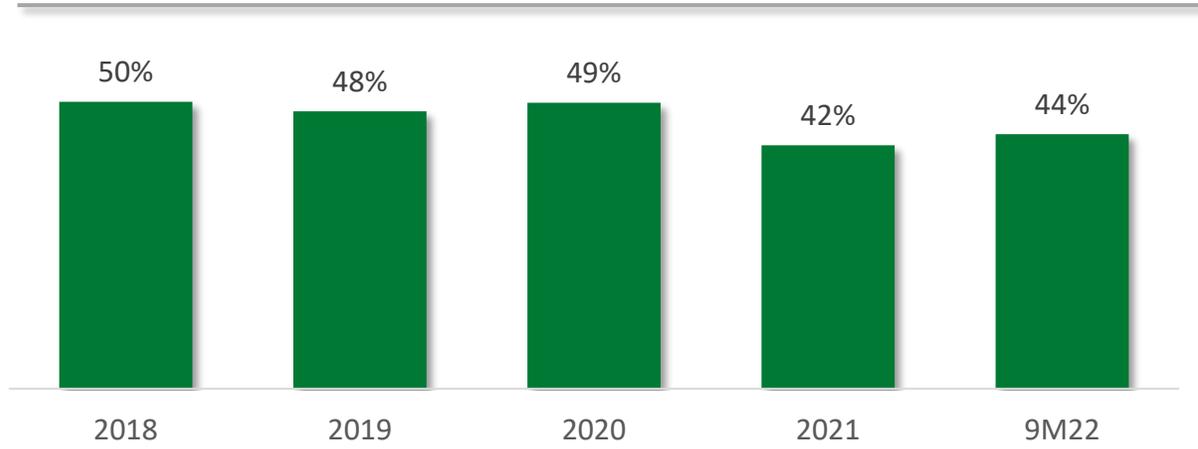
### EBITDA in US\$ million



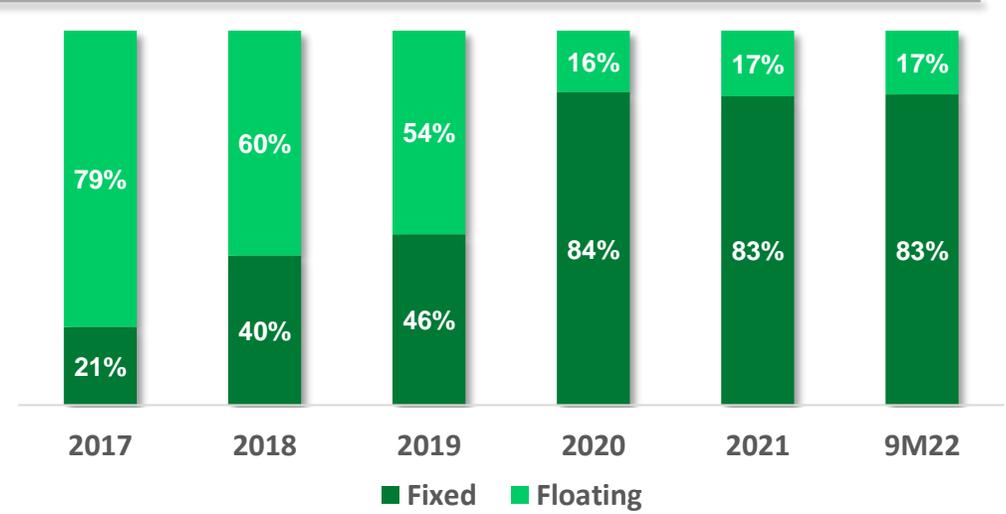
## Net Debt to Equity (x)



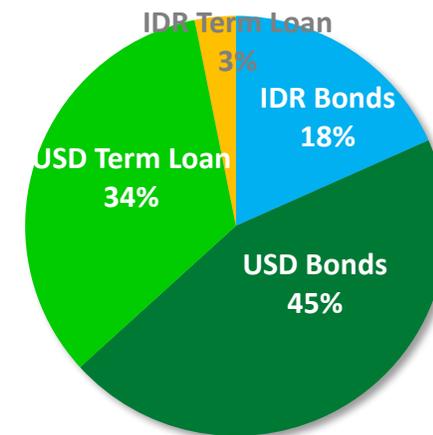
## Debt to Capital (%)



## Fixed vs. Floating (%)



## Debt composition





## Energy

Partners

	<ul style="list-style-type: none"> <li>■ Partnered with Star Energy on the acquisition of Salak and Darajat geothermal assets from Chevron on 31 March 2017</li> <li>■ Acquired 20.00% stake in Wayang Windu in 2012<sup>(1)</sup></li> </ul>
	<ul style="list-style-type: none"> <li>■ Partnered with Star Energy on the acquisition of Salak and Darajat geothermal assets from Chevron on 31 March 2017</li> <li>■ Acquired 20.00% effective stake in Wayang Windu and 20.10% effective stake in Salak &amp; Darajat in 2014<sup>(2)</sup></li> </ul>
	<ul style="list-style-type: none"> <li>■ Partnered with Star Energy on the acquisition of Salak and Darajat geothermal assets from Chevron on 31 March 2017</li> </ul>
	<ul style="list-style-type: none"> <li>■ Partnered with Barito Pacific in the development of Java 9 &amp; 10, a 2 x 1,000 MW ultra supercritical coal-fired power project</li> </ul>
	<ul style="list-style-type: none"> <li>■ Partnered with Barito Pacific in the development of Java 9 &amp; 10.</li> </ul>

Customers & Counterparts

	<ul style="list-style-type: none"> <li>■ PLN has been an offtaker of Star Energy since 1994</li> </ul>
	<ul style="list-style-type: none"> <li>■ Star Energy's counterpart under the Joint Operation Contract basis to develop geothermal fields in Indonesia</li> </ul>



## Petrochemicals

Partners

	<ul style="list-style-type: none"> <li>■ Acquired 30% stake in CAP in 2011</li> <li>■ Currently owns a 30.57% stake in CAP</li> <li>■ Sharing of technical and operational expertise</li> <li>■ Access to Thai financial institutions</li> </ul>
	<ul style="list-style-type: none"> <li>■ Partner to CAP in the Synthetic Rubber JV (45% held by CAP and 55% held by Michelin)</li> </ul>
	<ul style="list-style-type: none"> <li>■ Strategic partner with 15% ownership in CAP</li> </ul>

Reputable Suppliers & Customers

	<ul style="list-style-type: none"> <li>■ Largest supplier of naphtha feedstock to CAP, accounting for 23.1% of total supply in 2017</li> </ul>
	<ul style="list-style-type: none"> <li>■ Key supplier of naphtha feedstock to CAP, accounting for 31% of total supply in 2019</li> </ul>
	<ul style="list-style-type: none"> <li>■ Key supplier of naphtha feedstock to CAP</li> </ul>
	<ul style="list-style-type: none"> <li>■ Signed MoU in 2020 for potential naphtha supply</li> </ul>
	<ul style="list-style-type: none"> <li>■ Key customer / offtaker of ethylene from CAP</li> </ul>









(1) SEGHPL bought 10% effective stakes from Mitsubishi in 2022

(2) SEGHPL bought all ECGO's shares in Wayang Windu and Salak & Darajat in 2022

## ESG - On the path of continuous improvement

Rating Provider	2020 Score	2021 Score	2022 Score	Target
MSCI ESG LEADERS ✓	BB	BBB	A	Maintain
Sustainalytics (BRPT)	34.1 (High Risk)	27.2 (Medium Risk)	27.2 (Medium Risk)	15 - 20 (Low Risk)
Sustainalytics (TPIA)	Not rated	Not rated	17.7 (Low Risk)	Maintain

- Chandra Asri received an overall ESG Risk rating Score of 17.7 “Low Risk” from Sustainalytics.
- Barito Pacific: upgrade of MSCI ESG Leaders rating from BBB to A in 2022



### Four Pillars of Yayasan Bakti Barito :



#### Education

- Teacher training
- Scholarship
- Vocational education
- Early childhood education
- Smart Kiosk



#### Environment

- Reforestation and green corridor development
- Waste management
- Springs water revitalization



#### Social

- Health program
- Infrastructure development
- Supporting and empowering local communities



#### Economy

- Integrated farming
- Integrated coffee plantation
- Urban farming

## Impact Beyond Returns

✓1



**Fostering resilience & sustainable growth through balance pillars**

✓ Balance portfolio to underpin more resilience growth profile

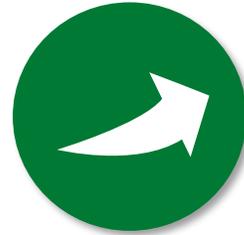
✓2



**Long Runway For multi-years Growth**

✓ Well-positioned to benefit from attractive industry outlook

✓3



**Large scale operations ensure both a leadership in the market & cost advantage**

✓ Market leading position with cost competitive advantage

✓4



**Excellent Asset Quality with strategic location**

✓ Attracting capital from strategic partners

✓5



**Robust Capital to support expansions**

✓ Solid track record in fund raising with cost and capital discipline

## Delivering Impact Beyond Returns to Generate Shareholder Value





# Q&A

# Thank you

Barito Pacific



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