

July 2023



Reliable | Clean | Efficient Power

PT CIKARANG LISTRINDO TBK

Investor Presentation
1H 2023



CIKARANG LISTRINDO
ENERGY

30th
Anniversary



AGENDA



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01



COMPANY OVERVIEW

Company Overview

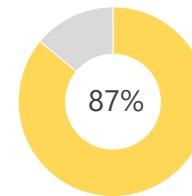
Overview

- › Longest operating private power producer in Indonesia since 1993
 - › Serves Industrial Customers in 5 Industrial Estates (IE) which is one of the largest, most developed, and integrated IE area in Indonesia
 - › IUKU¹ license provides exclusivity to supply power to Industrial Customers within its designated area
- | | |
|---|---|
| <ul style="list-style-type: none">› 1,144 MW› 864 MW - Gas-Fired Power Plant› 280 MW - Coal-Fired Power Plant | <ul style="list-style-type: none">› 14.7 MWp Rooftop Solar Power› 14.7 MWp (installed)› 12.9 MWp (installation and contract finalization process) |
|---|---|
- › First PPU² listed in IDX [POWR:IJ]
 - › Since its IPO (2016-2022), the Company has consistently delivered a robust average dividend yield of 8.6% and strong average ROE of 14.0%
- › Repeat debt issuer in international debt market listed on Singapore Stock Exchange (SGX) (2010, 2012, and 2016)
 - › Coupon : 4.95% p.a.
 - › Tenor : 10 years (until 2026)
 - › S&P / Moody's credit rating of BB+ / Ba1. Both rating is one notch below Investment Grade
- Cikarang Listrindo's debt rating ranks in the top 10 of Indonesia's private non-bank companies covered by S&P and Moody's⁵

Customer Base

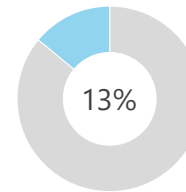
1H23 Revenue:

US\$268.6 million



Industrial Customers

- › 2,624 customers as of June 2023, of which 72% have been with Company for over 10 years
- › Customers largely in diversified businesses namely automotive, electronics, plastics, food, chemicals, consumer goods, textile, heavy industries, data centers, etc



PLN

- › Relationship with PT Perusahaan Listrik Negara ("PLN") since 1996
- › Credit rated BBB / Baa2 / BBB by S&P / Moody's / Fitch
- › Power Purchase Agreements ("PPA") on take-or-pay basis for 150 MW until June 2031



CIKARANG LISTRINDO
ENERGY

Source: Company data.

1. Electricity Business License for Public Interest (*Izin Usaha Ketenagalistrikan untuk Kepentingan Umum* or "IUKU"); 2. Private Power Utility (PPU) is a holder of business area other than PT PLN (Persero); 3. Dividend for the financial year 2016-2022 and share price as of June 30, 2023 (Rp710/share).

Sole Private Electricity Supplier in the Cikarang Area

Company serves five largest Industrial Estates in BEKAPUR¹



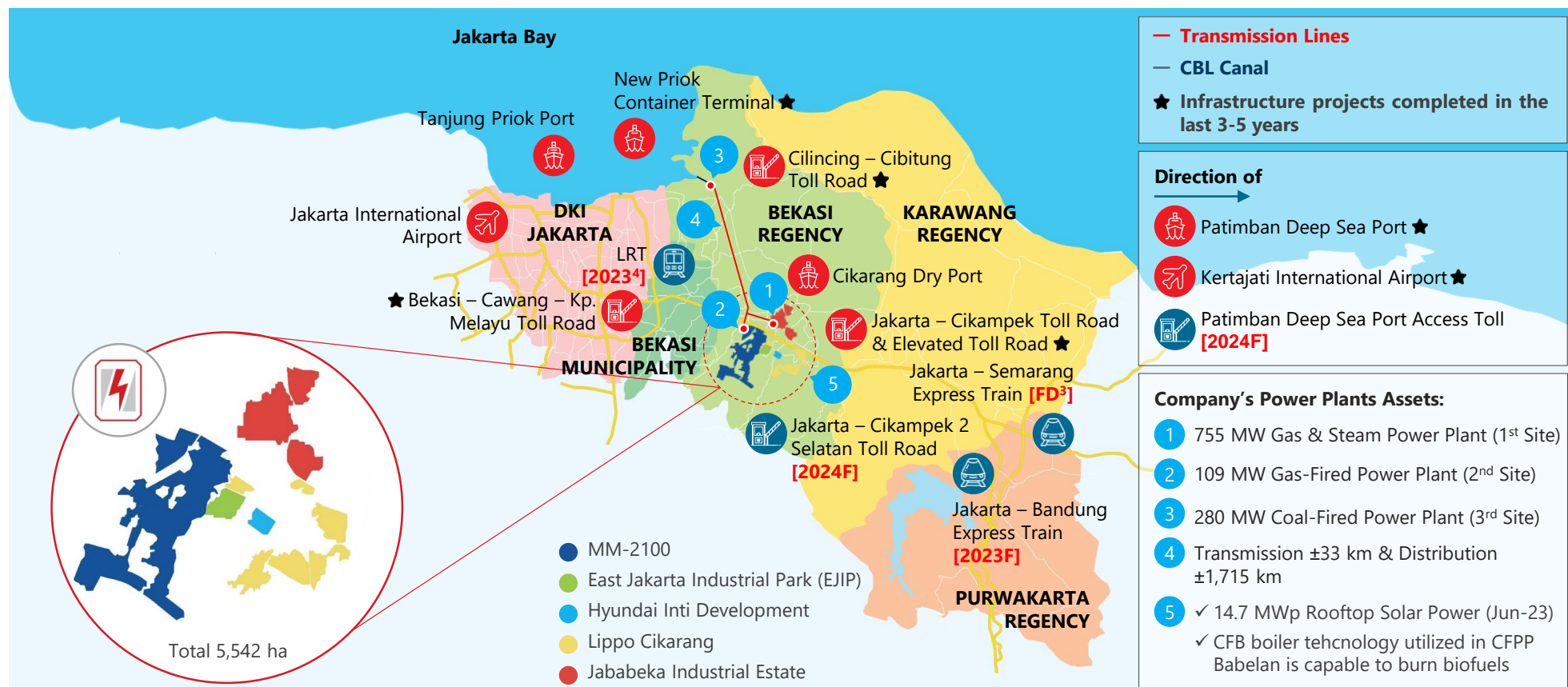
Serves over 96% of IE tenants and well-positioned to continue serving them as they further expand



Power plants are classified as Vital National Object ("VNO"), receiving protection from the Indonesian police and armed forces



Well-positioned to capitalize on strong growth in electricity demand from fast-developing IEs. From total area of 5,542 ha (2,610 ha in 2008); over 40%² has not been electrified



**CIKARANG LISTRINDO
ENERGY**

Source: Company data as of June 2023.

1. Bekasi, Karawang and Purwakarta regencies.

2. Total area includes 30% of public spaces. We exclude public space area in the calculation of electrified area percentage.

3. Future Development.

4. Currently, the LRT is undergoing trial stages and is scheduled to begin operations in August 2023.

Renewables Initiatives

The Company is proactively embracing renewable energy and reducing carbon emissions, among others, by annually increasing solar PV generation by 10 MWp and increasing the use of biomass to replace coal



Rooftop Solar Power



**PT Aisin
Indonesia**



**PT NSK Bearing
Mfg Indonesia**



**PT Denso
Indonesia**

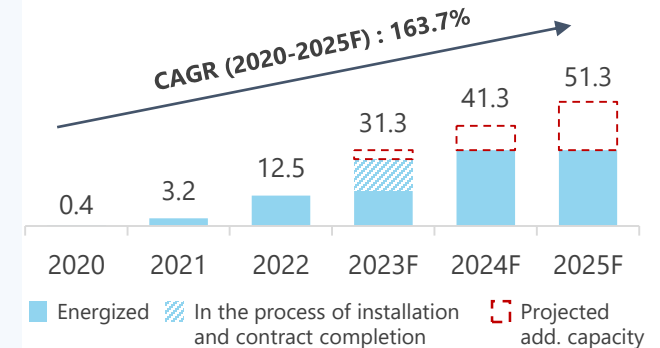


**PT Indofood
Sukses Makmur**

- As of June 2023, rooftop solar power installed capacity reached 14.7 MWp. There is a total of 12.9 MWp in the process of installation and contract completion
- With a target of adding 10 MWp per year, the Company targets the total capacity to reach 31.3 MWp in 2023



Projected Energized Capacity from Rooftop Solar Power



Biomass



Woodchips



**Palm Kernel
Shells**

- As of June 30, 2023, the Company managed to supplement coal fuel with biomass, with a total of 23 kTon or equal to 32 GWh of electric power (1H 2022: 7 kTon ≈ 11 GWh)

As of December 31, 2022, we replaced coal with 26 kTon of biomass or equal to 39 GWh of power.



**CIKARANG LISTRINDO
ENERGY**

Source: 2020 Performance Report of Directorate General of New, Renewable Energy, and Energy Conservation. Press Release of the Ministry of Energy and Mineral Resources No. 290.Pers/04/SJI/2021T dated August 25, 2021. CNBC News titled Pursuing the Target of 3.6 GW, Turns Out This is the Capacity of Solar Panels dated February 10, 2022.

02

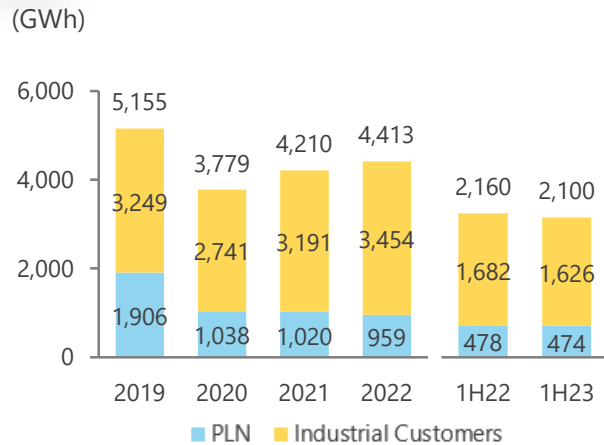


OPERATIONAL PERFORMANCE

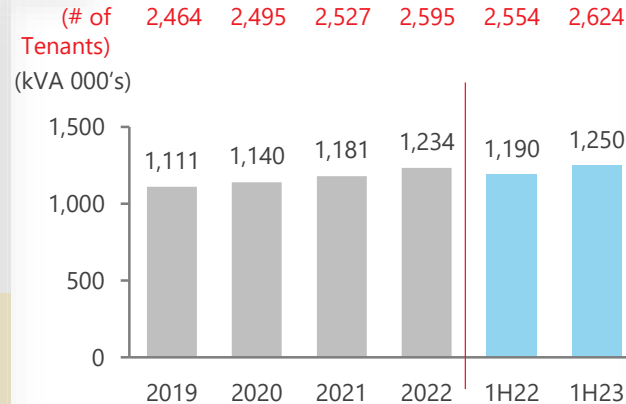
Operational Performance



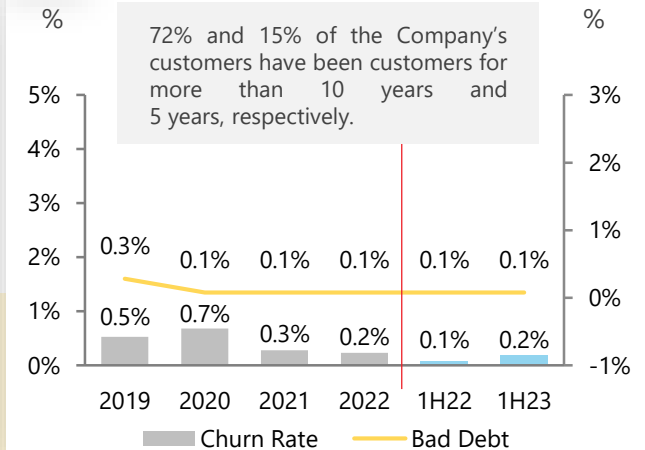
Historical Consumption Growth



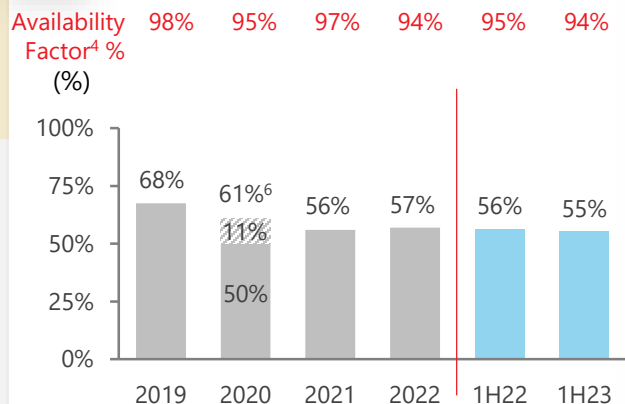
Industrial Customers' Energized¹ Capacity



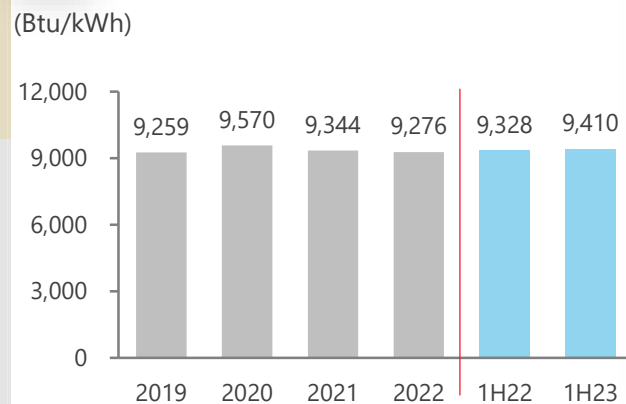
Low Customer Churn Rate² and Bad Debt³



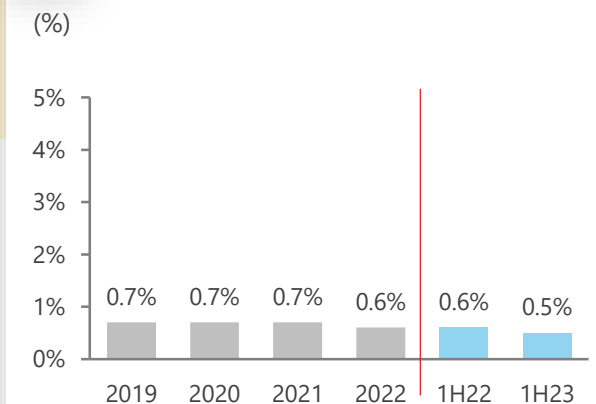
Net Capacity Factor^{4,5}



Net Plant Heat Rate⁴



Network Distribution and Transmission Line Losses⁷



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Source: Company data as of June 2023, unless otherwise indicated.

1. Energized kVA represents the amount of capacity each IE customer has purchased for use under the offtake agreements; 2. Churn rate defined as rate at which customers stop subscribing to Cikarang Listrindo's service; 3. Calculated by dividing impairment loss on receivables with total net sales; 4. Combination of Gas-Fired Power Plant and Coal-Fired Power Plant; 5. Net capacity factor is the ratio of power plant's total kWh generation in a given period to its maximum possible kWh generation based on 926 MW; 6. Adjusted with the effect of discontinued PLN-1; 7. Network distribution and transmission line losses are electricity line energy losses in the process of supplying electricity from our plant to the customers.

03



FINANCIAL PERFORMANCE

Financial Performance (1/2)

Profit & Loss (US\$ million)	1H23	1H22	Δ	Δ %
Revenue	268.6	268.2	↑ 0.4	↑ 0.1%
- Industrial Customers	232.3	231.4	↑ 0.8	↑ 0.4%
- PLN	36.3	36.7	↓ 0.4	↓ 1.2%
Operating Expenses	(198.6)	(198.9)	↓ 0.2	↓ 0.1%
- Fuel Expenses	(129.1)	(121.3)	↑ 7.7	↑ 6.4%
- Depreciation Expenses	(28.9)	(28.2)	↑ 0.7	↑ 2.5%
- Employee Expenses	(29.0)	(26.6)	↑ 2.4	↑ 9.2%
- R&M ¹ Expenses	(7.5)	(7.2)	↑ 0.3	↑ 4.8%
- Other Operating Expenses	(8.0)	(8.1)	↓ 0.1	↓ 1.3%
- Other Income	6.1	0.9	↑ 5.2	↑ 609.4%
- Other Expenses	(2.2)	(8.3)	↓ 6.1	↓ 73.7%
Operating Profit	70.0	69.3	↑ 0.6	↑ 0.9%
EBITDA	106.0	104.9	↑ 1.1	↑ 1.0%
Profit Before Income Tax	63.0	57.4	↑ 5.6	↑ 9.8%
Income Tax Expense	(6.6)	(16.9)	↓ 10.3	↓ 60.8%
- Current	(13.7)	(10.2)	↑ 3.5	↑ 34.2%
- Deferred	7.0	(6.7)	↓ 13.8	↓ 204.2%
Net Income	56.4	40.5	↑ 15.9	↑ 39.3%

Profitability Ratios (%)

Operating Profit Margin

26.0%

1H22: 25.8%



EBITDA Margin

39.5%

1H22: 39.1%



Net Income Margin

21.0%

1H22: 15.1%



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Source: Company data.
1. Repair & Maintenance.

Financial Performance (2/2)

Statement of Financial Position (US\$ million)	1H23	2022	Δ	Δ %
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	251.3	305.1	↓ 53.7	↓ 17.6%
Trade receivables – net	55.9	57.3	↓ 1.4	↓ 2.4%
Inventories – net	72.3	63.4	↑ 8.9	↑ 14.0%
Investments	157.1	111.1	↑ 46.0	↑ 41.4%
Other current assets	9.2	5.2	↑ 4.0	↑ 78.3%
Total Current Assets	545.8	542.1	↑ 3.8	↑ 0.7%
NON-CURRENT ASSETS				
Property, plant and equipment – net	758.4	775.3	↓ 16.8	↓ 2.2%
Claims for tax refund	25.7	25.4	↑ 0.4	↑ 1.4%
Net deferred tax assets	0.9	0.0	↑ 0.9	↑ 100.0%
Other non-current assets	20.5	18.9	↑ 1.6	↑ 8.5%
Total Non-Current Assets	805.6	819.6	↓ 13.9	↓ 1.7%
Total Assets	1,351.5	1,361.6	↓ 10.1	↓ 0.7%

Statement of Financial Position (US\$ million)	1H23	2022	Δ	Δ %
LIABILITIES				
CURRENT LIABILITIES				
Trade payables	29.7	33.5	↓ 3.8	↓ 11.4%
Other current liabilities	25.9	21.3	↑ 4.6	↑ 21.7%
Total Current Liabilities	55.6	54.8	↑ 0.8	↑ 1.5%
NON-CURRENT LIABILITIES				
Notes payable	519.8	544.0	↓ 24.3	↓ 4.5%
Other non-current liabilities	63.3	63.1	↑ 0.2	↑ 0.3%
Total Non-Current Liabilities	583.1	607.1	↓ 24.1	↓ 4.0%
Total Liabilities	638.6	661.9	↓ 23.3	↓ 3.5%
Equity				
Share capital	282.0	282.0	0.0	0.0%
Treasury shares	(18.8)	(18.8)	0.0	0.0%
Additional paid-in capital	147.6	147.6	0.0	0.0%
Retained earnings	304.9	293.3	↑ 11.6	↑ 3.9%
Other equity	(2.8)	(4.4)	↓ 1.6	↓ 35.5%
Total Equity	712.9	699.8	↑ 13.1	↑ 1.9%
Total Liabilities and Equity	1,351.5	1,361.6	↓ 10.1	↓ 0.7%

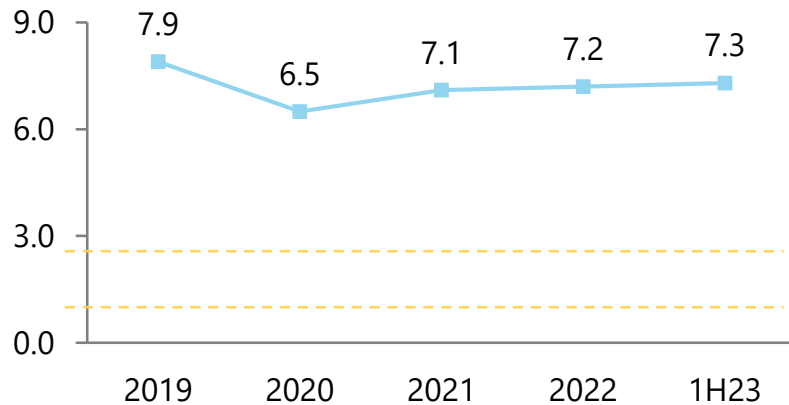


Key Financial Ratios



FCCR

- Ratio of the aggregate amount of Consolidated EBITDA divided by Fixed Charges for the last four quarters
- The Company for the past 5 years has consistently met the FCCR bond covenant (should not be less than 1 - 2.5x)

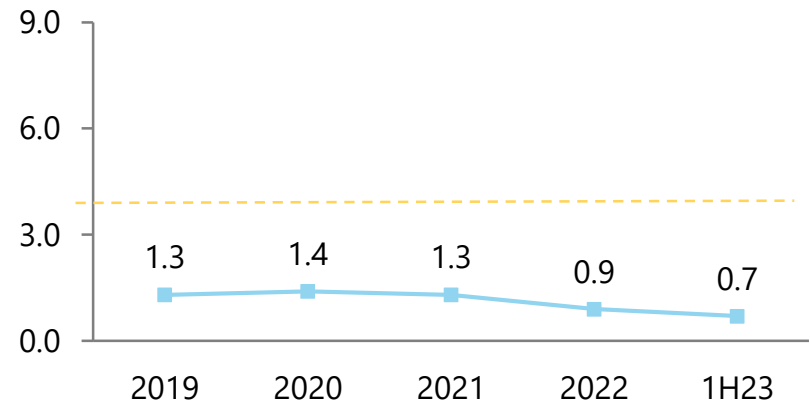


FCCR is greater than 1 - 2.5x



Leverage Ratio

- Ratio of Net Debt¹ to Consolidated EBITDA for the last four quarters
- The Company for the past 5 years has consistently met the leverage ratio bond covenant (should not be greater than 3.75x)



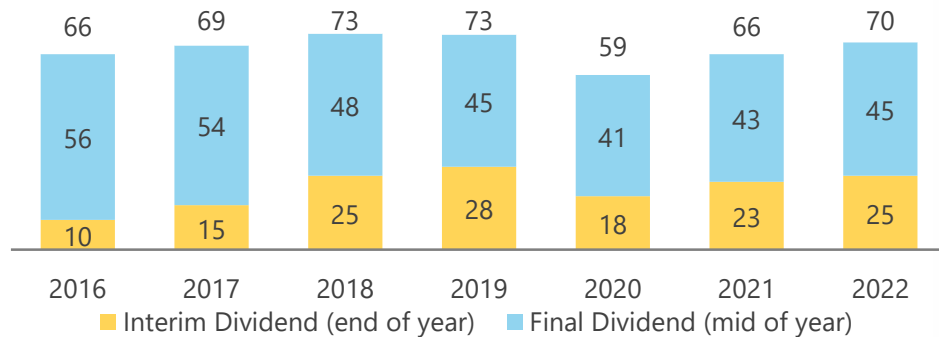
Leverage Ratio is less than 3.75x



Dividend Payment

Historical Dividend since IPO

(US\$ million)

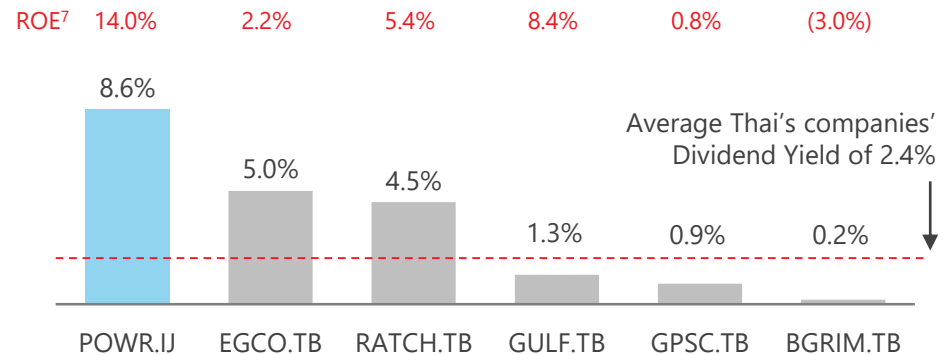


	2016	2017	2018	2019	2020	2021	2022
Dividend Payout	64%	64%	92%	64%	79%	73%	96%
Total Dividend/Share ¹	Rp56	Rp60	Rp67	Rp67	Rp53	Rp61	Rp66
Dividend Yield ²	7.9%	8.4%	9.4%	9.4%	7.5%	8.6%	9.4%

- > The historical dividend payout is **above the dividend payout communicated during IPO of 60%**
- > Management is **committed to distribute a regular dividend** (interim and final dividend) with careful consideration to the Company's cash flow
- > Throughout the years 2016 to 2022, **POWR has consistently delivered a robust average dividend yield of 8.6%**

- > POWR's dividend yield is also **greater than average Thai's power companies' dividend yield³ of 2.4%, MSCI World Utilities⁴ of 3.8%, and MSCI Emerging Market⁴ of 3.3%**
- > The Company's average ROE for 2016-2022 of 14.0% is **higher compared to average Thai's power companies of 2.8%**
- > POWR is **included in the ESG Quality 45 IDX KEHATI and ESG Stock Leaders IDX KEHATI Index⁵** for the period of June - November 2023

Dividend Yield³



Indicators indicate significant under value of POWR stocks:
 (1) High Dividend Yield; (2) Lower Enterprise Value of US\$1.0⁶ billion compared to Implied Asset's Replacement Value of US\$1.4 billion, accepted by our insurer through PT Marsh Indonesia



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Source: Company data. 1. Excluding treasury shares as of June 30, 2023 (303.0 million shares); 2. Share price as of June 30, 2023 (Rp710/share); 3. Data dividend period 2022, except POWR 2016-2022 and share price as per June 30, 2023; 4. MSCI World Utilities Index (USD) and MSCI Emerging Market Index (USD) as per June 30, 2023; 5. ESG Quality 45 IDX KEHATI Index is an index that measures the stock price performance of 45 stocks that consider the quality of financial and ESG aspects with relatively large market capitalization and high liquidity. ESG Sector Leaders IDX KEHATI is an index that offers broad market exposure and diversification by choosing representative in each industry with best ESG score. Stocks with above average ESG score are selected to represent the industry and grouped by IDX Industry Classification. Both indexes are jointly developed with the Indonesian Biodiversity Foundation (KEHATI Foundation); 6. EV as per June 30, 2023 using share price as of June 30, 2023 (Rp710/share); 7. Company's data over the period of 2016-2022 (average). Thai companies' data period 2022.

04



FUTURE DEVELOPMENT

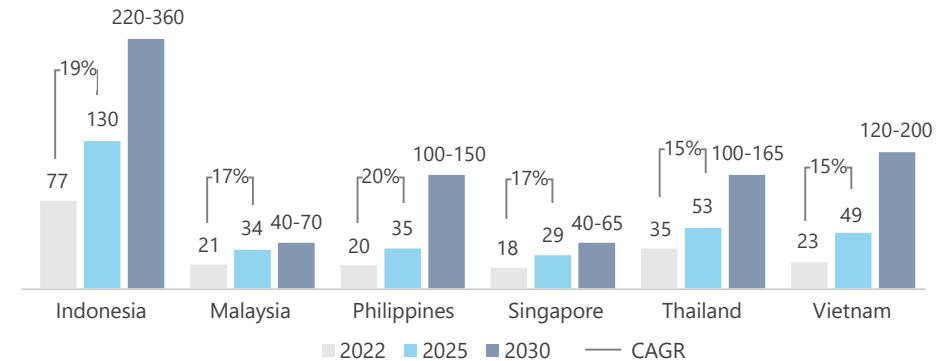
Potential Capacity Growth from Data Center Market

Indonesia Data Center Market

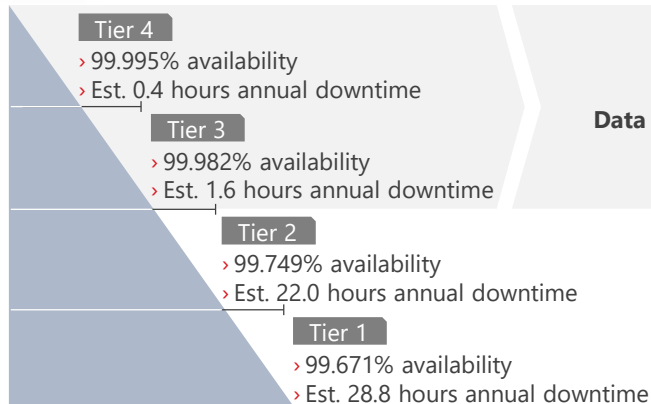
- Indonesia Data Center Market size is expected to grow from US\$2.1 billion in 2023F to US\$4.0 billion by 2028F, at a CAGR of 14.09% from 2023 to 2028. Meanwhile on an MW basis, expected growth rate of colocation data centers reached 28% per annum¹
- Indonesia's digital economy is the largest and fastest-growing in Southeast Asia with around 275 million people, the world's fourth most populous nation, and expected to reach GMV² around US\$130 billion by 2025 and US\$220-US\$360 billion by 2030
- Driven by high undersea cable connectivity, a central geographic location in Southeast Asia, coupled with growing digital transformation, rapid growth of start-up companies and an ever-growing population, Indonesia has been transitioning itself to a global data center market. Major cloud services providers have also increasingly made its way to the market
- Favorable Government regulations support the development data center infrastructure, among others: Regulation No. 71/2019 for Public Domain, OJK Regulation No. 38/2019 for Bank, and No. 69/2016 for Insurance, and the rise of e-governments



SEA Internet Economy (GMV², US\$B)



Data Center Tiers



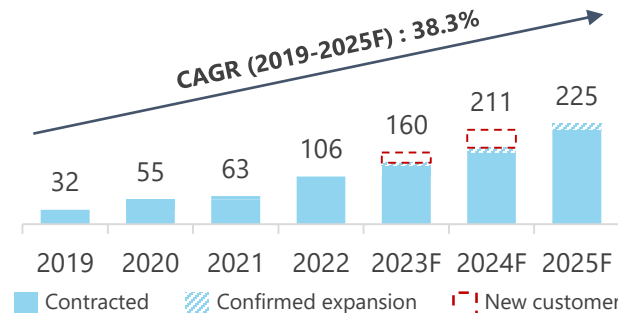
POWR's Data Center Customers



Projected Energized Capacity from Data Center

('000 kVA)

Data Center currently contributed to 5% of industrial customers' consumption



As of June 2023, data center industry contracted capacity reached 130 MVA

We are still expecting 1 new data center customer who already purchased land in the area we served



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Source: Frost & Sullivan, 2019; Jakarta DCI Report 2022: Data Center Colocation, Hyperscale Cloud & Interconnection by Structure Research; e-Economy SEA 2022 Report by Google, Temasek & Bain & Company; The Future of Data Centers in the Face of Climate Change by Digital Realty and Eco Business; Indonesia Data Center Market Size and Share Analysis – Growth Trends and Forecast (2023-2028) by Mordor Intelligence; Data Vantage: SEA Welcomes Five New Unicorns in 2021 + Other SEA Deal Updates by Dealstreet Asia; News titled What is Indonesia's Population in 2022?; World Bank data per 2022 accessed on July 27, 2023.

1. CAGR between 2022 – 2027F; 2. Gross Merchandise Value.

Sustainable Business



Since its establishment, the Company is committed towards **building a sustainable business and commits to supporting communities**



The Company spirit in strengthening its sustainability commitment by carrying out the SDGs goals, is embedded in the Company's STAR¹ values. Currently, the Company **contributes to 14 of 17 SDGs**

ESG Risk Rating



SUSTAINALYTICS	MSCI	S&P
26.7 \nearrow 4.1	BB \nearrow B	43 \nearrow 22

The Company is **committed to continuously improving** the quality of our ESG initiatives as well as our transparency and disclosure



The Company's clear priorities for sustainable and long-term value creation, extending beyond compliance



The Company has started its renewable energy commitment through the **installation of rooftop solar power and co-firing with biomass in CFB boiler**



The Company has started its **commercial pilot project to provide EV infrastructure in industrial areas** served by the Company. We plan to **further study the viability of the business model**



In addition to OJK Regulation and GRI Standards, the Company also adopted **Task Force on Climate-Related Financial Disclosure (TCFD)** in its Sustainability Report. The Company has published 2022 Annual Report and Sustainability Report in **March 2023**



The Company has **secured the Assurance Statement conforming all Company's work area' GHG emission in accordance with ISO 14064-1:2018** by Transpacific Certifications Limited (TCL)



The Company managed to **achieve a green-rating PROPER² status for GSPP Jababeka** and maintain a blue-rating PROPER² status for CFPP Babelan

POWR's Climate Goals



The Company strengthening its commitment to sustainability by setting a climate goal for its operations, inline with Indonesia's Enhanced Nationally Determined Contribution¹



GHG Emissions Reduction Targets²

10%	Reductions by 2025	20%	Reductions by 2030
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Main Actions

Actions to reduce emissions, includes:

- › Increase Solar PV generation by 10 MWp p.a.
- › Increase use of biomass to replace coal. By 2025, we plan to replace up to 20% of boiler capacity, with biofuels
- › Continuously searching technical possibilities to improve the efficiency of our units but also optimize the operation of the power generation fleet



In 2022, the Company's managed to reduce its emission intensity by 5.9% from 0.68 GHGe/MWh in 2021 to 0.64 GHGe/MWh in 2022

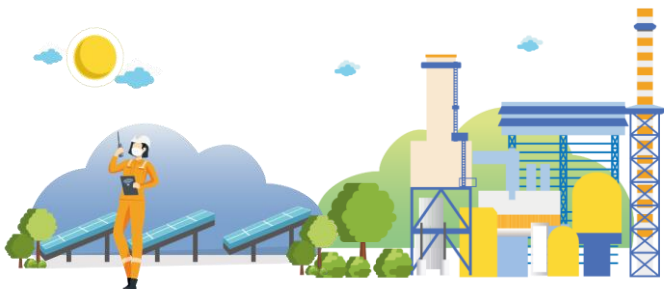


Empowering Sustainable Practices



Renewable Energy Certificate (REC)

- › To cater rising customer demand for electricity generated from renewable energy and to support the accelerating low-carbon and decarbonisation trends in recent years, the Company **has introduced Renewable Energy Certificate (REC)**
- › The Sales and Purchase of REC service **provides customers with the value of being able to virtually declare a certain portion of CO₂ emissions from general electricity use to be ZERO** by utilizing REC without making any changes to the current power contract
- › Each unit of the REC will represent 1 MWh of electrical energy and currently **sourced from rooftop solar power and biofuels generation**. The selling price² for each REC **quoted by PLN is at ~US\$2 per MWh**



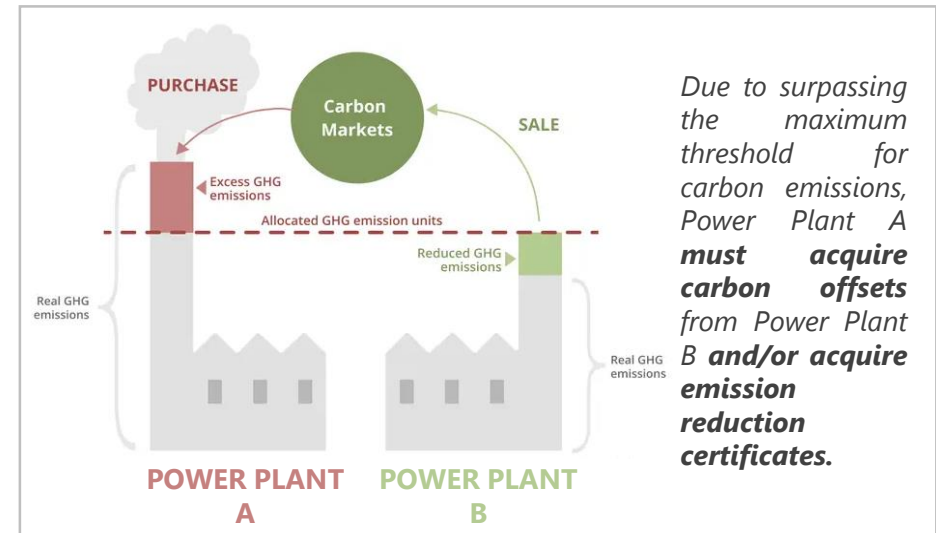
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1. Coal Fired Power Plant (CFPP); Non Mine-mouth (Non MM); and Mine-mouth (MM)
2. Assuming FX Rate of Rp15,000/US\$1



Carbon Trading

- › In phase 1 (2023-2024), carbon trade was first carried out for **99 CFPPs connected to the PT PLN (Persero) power network**
- › Determination of the upper limit for **power plants outside the business area of PT PLN (Persero) and/or for their own interests** will be stipulated no later than December 31, 2024
- › Given the 2022 GHGe cap, **it is possible that the Company's emissions may be lower than the cap, allowing us to generate carbon credits** that can be sold





Thank You

