



PT BARITO PACIFIC TBK

1Q-2021 Performance Earnings Call

19 May 2021

Impact Beyond Returns



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Agenda

- 1Q- 2021 Highlights
- Our Businesses
 - ✓ Petrochemical
 - ✓ Energy
- 1Q-2021 Financial Results
- Project Updates
- ESG
- Q & A

1Q-2021 Highlights



1Q-2021 Highlights

PT Barito Pacific Tbk (BRPT)

- Achieved consolidated **EBITDA of US\$249mn for 1Q-2021**, versus **1Q2020 EBITDA of US\$96mn** and 4Q-2020 EBITDA of US\$211mn. 1Q-2021 EBITDA margin of 34.3% (versus 1Q-2020: 15.7% and 4Q2020: 31.6%).
- Delivered consolidated **Net Profit of US\$116mn for 1Q-2021**, versus **1Q2020 Net profit of US\$14mn** and 4Q-2020 Net profit of US\$65mn.
- **Finance costs normalized to US\$47mn in 1Q2021** from US\$77mn in 4Q-2020 in the absence of one off costs related to global green bond issuance at Star Energy in 4Q2020. Finance costs were comparable to US\$45mn in 1Q-2020.
- Leverage levels remain healthy with 1Q-2021 **Total Debt at US\$2,859mn** slightly lower than US\$2,880mn at end of FY2020.
- Leverage ratios saw an improvement with **LTM Debt-to-EBITDA 3.8x** and **Net-Debt-to-EBITDA 2.5x**, versus 4.9x and 2.9x at the end of FY2020, respectively.
- Wisma Barito Pacific 2, our 24 story office tower, designed with a green concept delivered on completion.
- Bond rating outlook improved from Pefindo A (negative) to **Pefindo A (stable)**.

1Q-2021 Highlights

PT Chandra Asri Petrochemical Tbk (CAP)

- Solid execution to maintain operating rates at 90%.
- Continued profitability improvement with Q1-2021 EBITDA of US\$147mn vs Q4-2020 of US\$121mn, and EBITDA loss of US\$14mn in Q1-2020.
- Annualized cost savings of US\$25mn and >US\$100mn structural working capital released, subsidiary mergers completed.
- Liquidity Pool of US\$1.1bln. Lower leverage with Net Debt-to-EBITDA at 0.2X. Increased Cash Position to US\$767m (vs US\$624m in Q1 2020). Reduced Total Debt to US\$825m (vs US\$885m in Q1 2020).
- Production volume at 928KT grew by 1.6% from 1Q-2020 while sales volume at 539KT, decreased by 2.2% from an year ago.

Star Energy

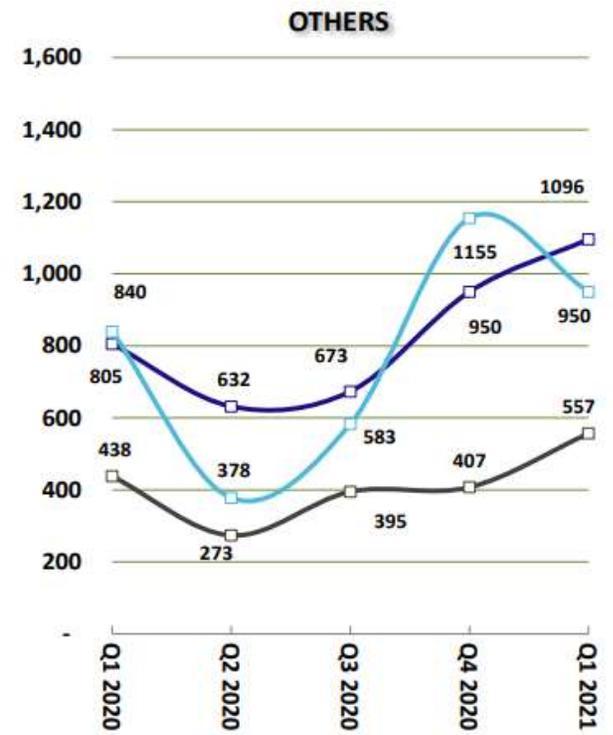
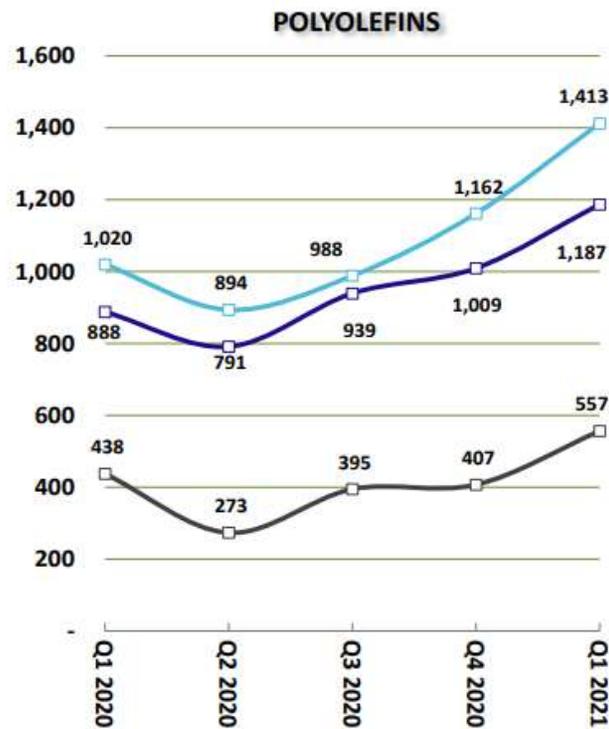
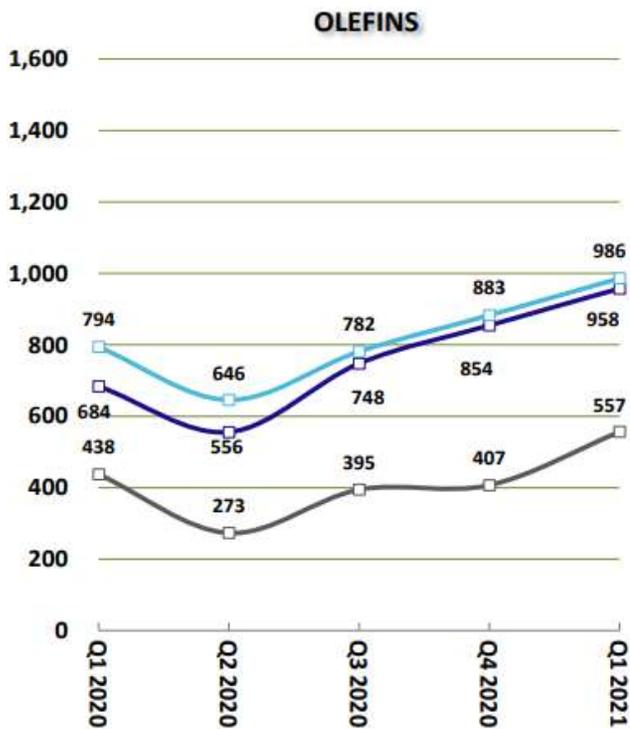
- Maintained high capacity factor for all units > 95%, with the exception of units selling steam to PLN owned turbines on account of scheduled plant maintenance at those units.

Petrochemical Business



Petrochemical Product Spreads

improving spreads with global economic rebound



Legend: Ethylene (dark blue), Propylene (light blue), Naptha (grey)

Legend: Polyethylene (dark blue), Polypropylene (light blue), Naptha (grey)

Legend: SM (dark blue), Butadiene (light blue), Naptha (grey)

Note: Market data from ICIS, CAP



Petrochemical Operating Rates

Naphtha Cracker



Polyethylene Plant



Polypropylene Plant



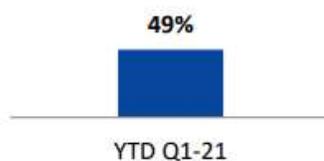
Styrene Monomer Plant



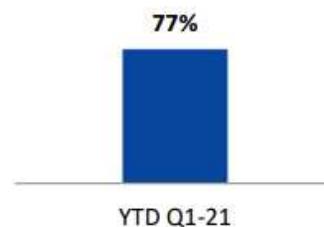
Butadiene Plant



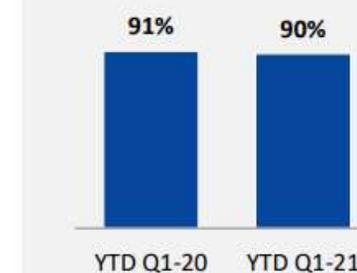
MTBE Plant



Butene-1 Plant



All Plants



(1) New B1-MTBE plants on stream since September 2020. Whilst the plants are already fully operational meeting full specifications, the operating rates are subject to fulfilling long-term raffinate off-take agreements that will run until 2023. This was considered as part of the Final Investment Decision approval process.

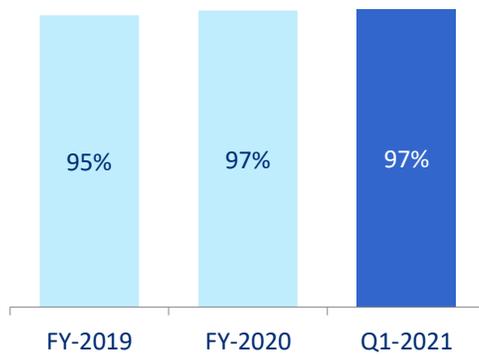
Energy Business



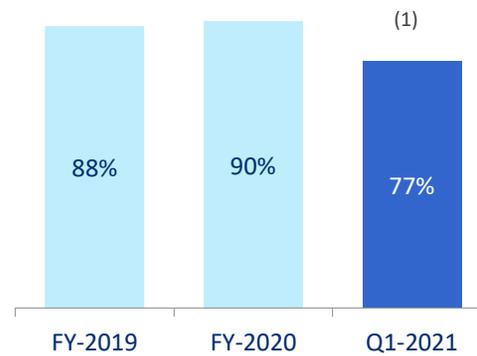
Energy Operating Performance

Star Energy Geothermal Operating Assets – Average Net Capacity Factor

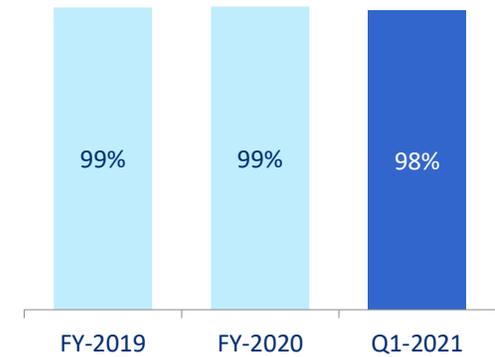
Wayang Windu



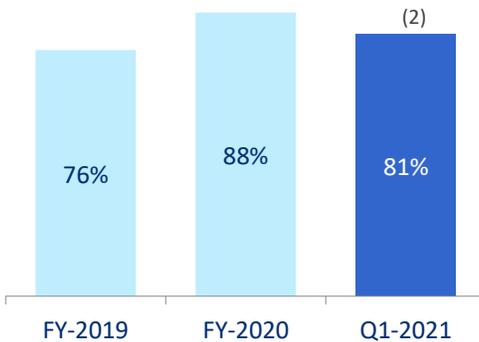
Salak Units 1 to 3
(IP operated turbine)



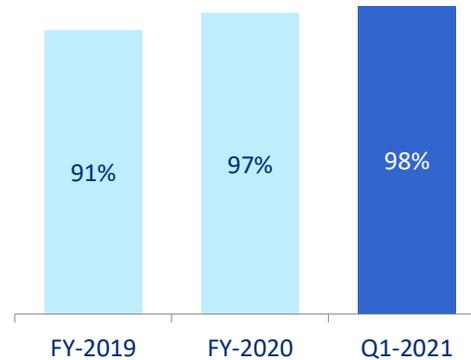
Salak Units 4 to 6



Darajat Unit 1
(IP operated turbine)



Darajat Units 2 & 3



- (1) Scheduled maintenance of PLN owned turbine.
- (2) Scheduled maintenance of PLN owned turbine.

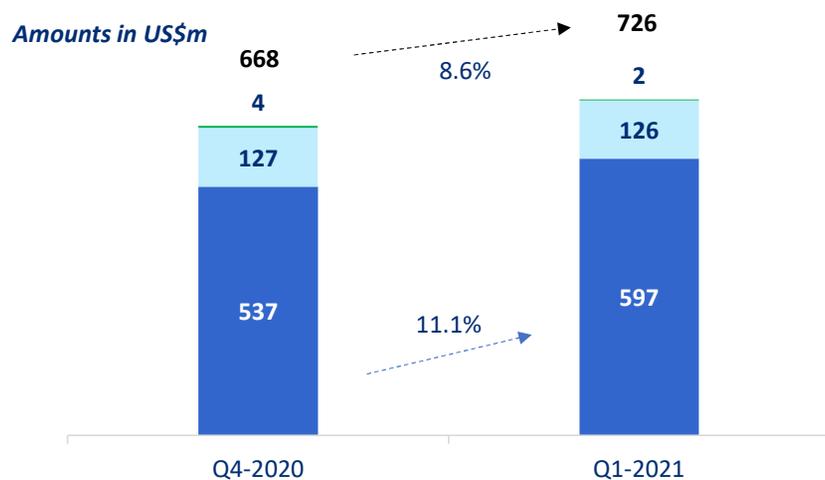
1Q-2021 Financial Results



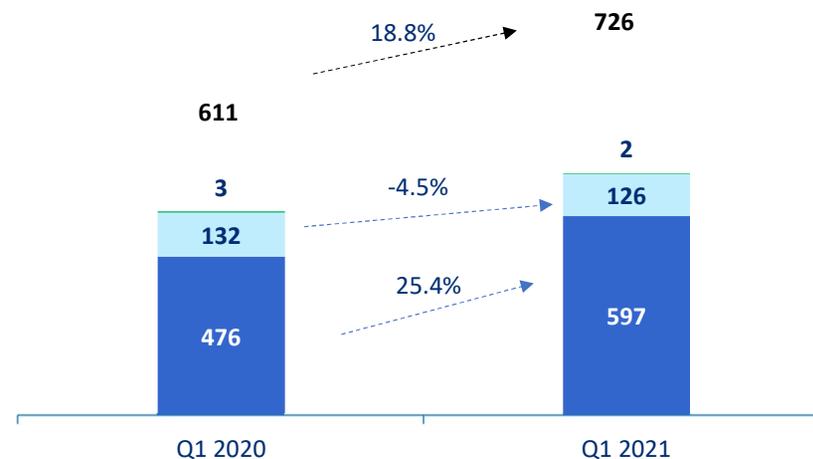
1Q-2021 Financial Results

1Q 2021 revenues up by 18.8% vs 1Q-2020 mainly due to higher net revenue from our petrochemical business reflecting higher average selling prices across all products as spreads improved across the board, while sales volume decreased slightly by 2.2% from 551KT in 1Q-2020 to 539KT in 1Q-2021. On the other hand, geothermal revenue decreased 4.5% due to lower steam offtake by PLN owned turbines on account of their scheduled maintenance activities during the period.

Net Revenue: Q1-2021 vs Q4-2020



Net Revenue : Q1-2021 vs Q1-2020



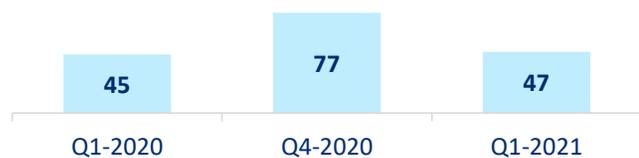
■ Petchem ■ Energy ■ Others

1Q-2021 Financial Results

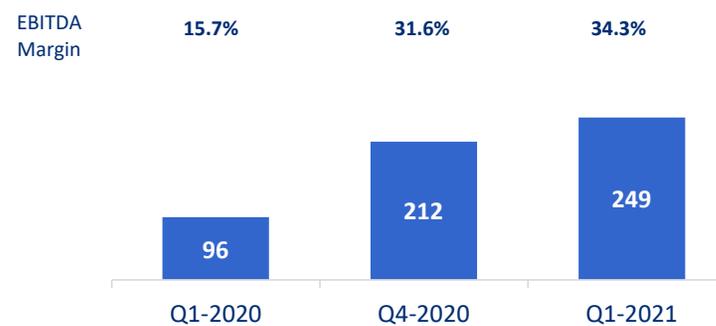
Gross Profit



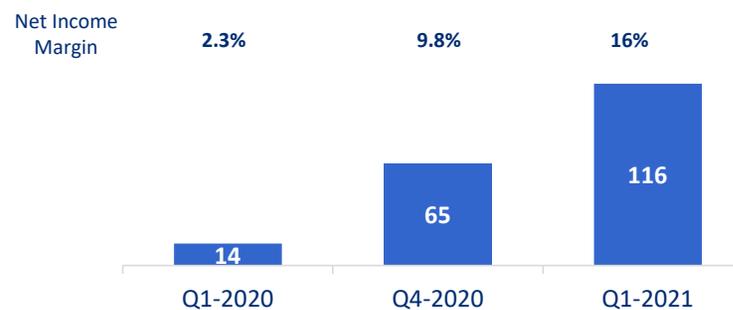
Finance Cost



EBITDA



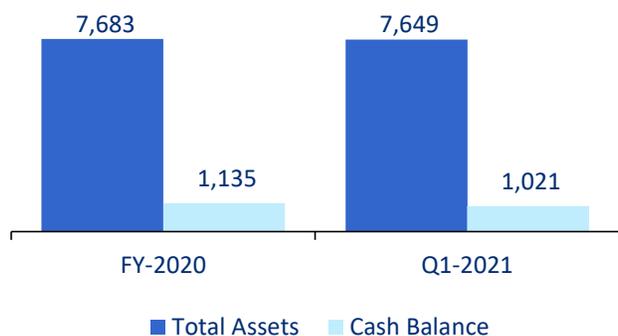
Net Income



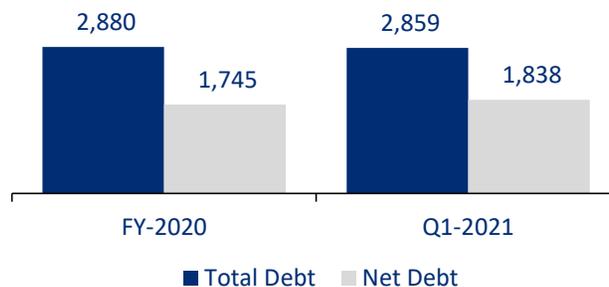
1Q-2021 Financial Profile

Amounts in US\$m

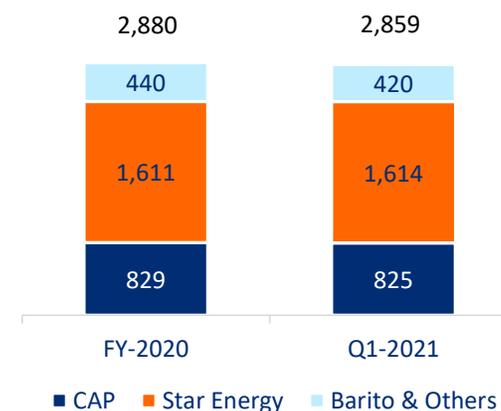
Total Assets and Cash Balance



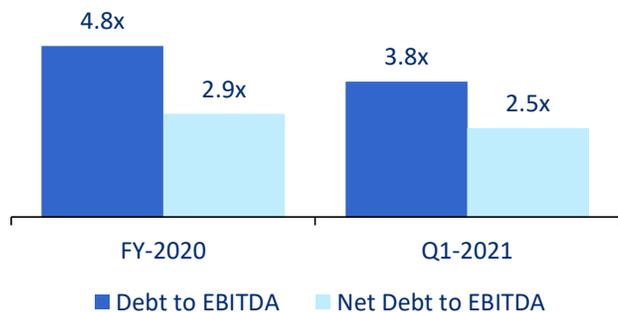
Total Debt and Net Debt



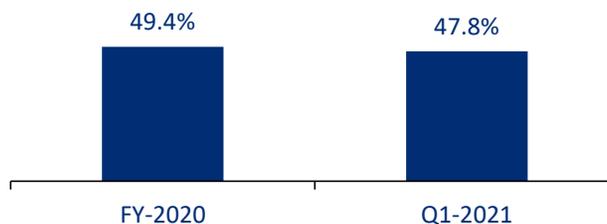
Total Debt by Entity



Debt to EBITDA / Net Debt to EBITDA



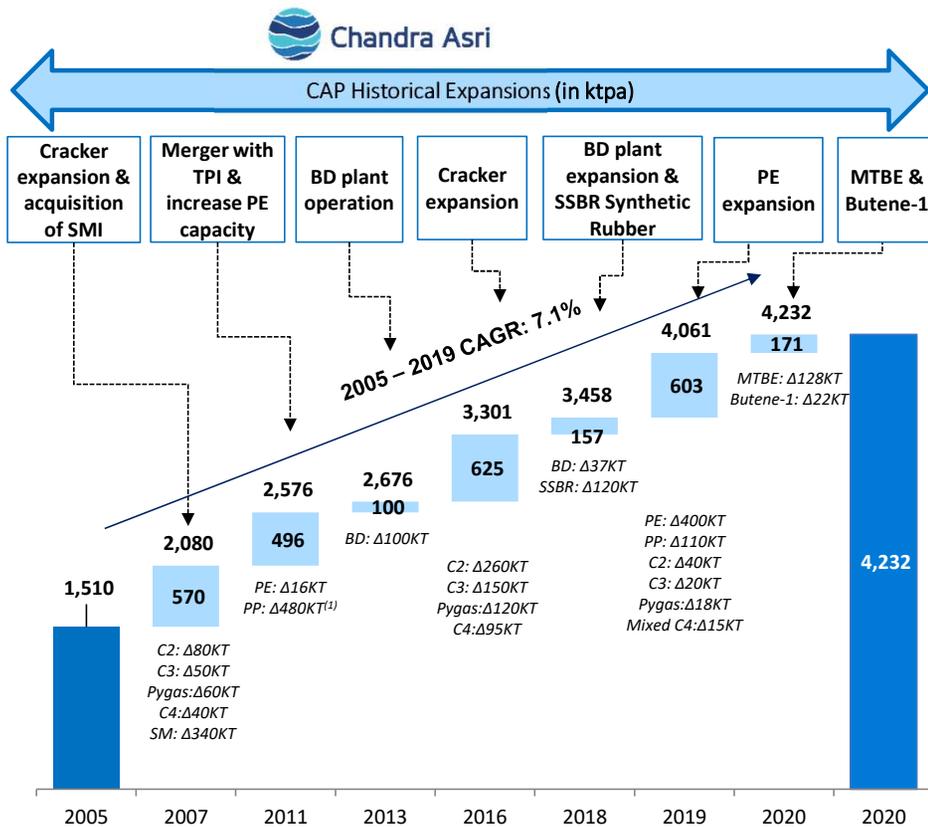
Debt to Capital Ratio



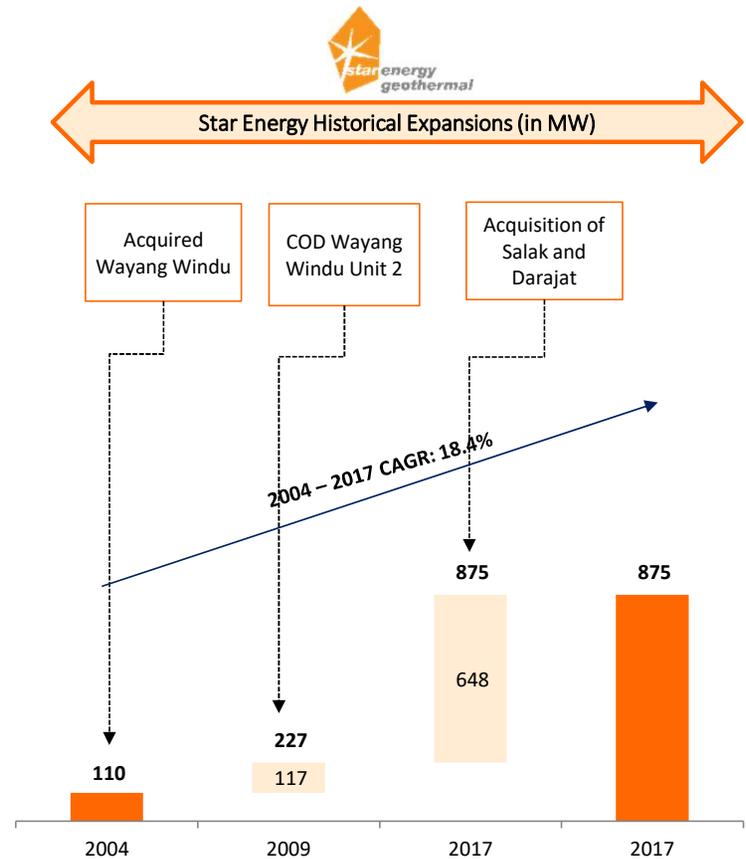
Project Updates



Track record of delivering strategic projects on time and on budget



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



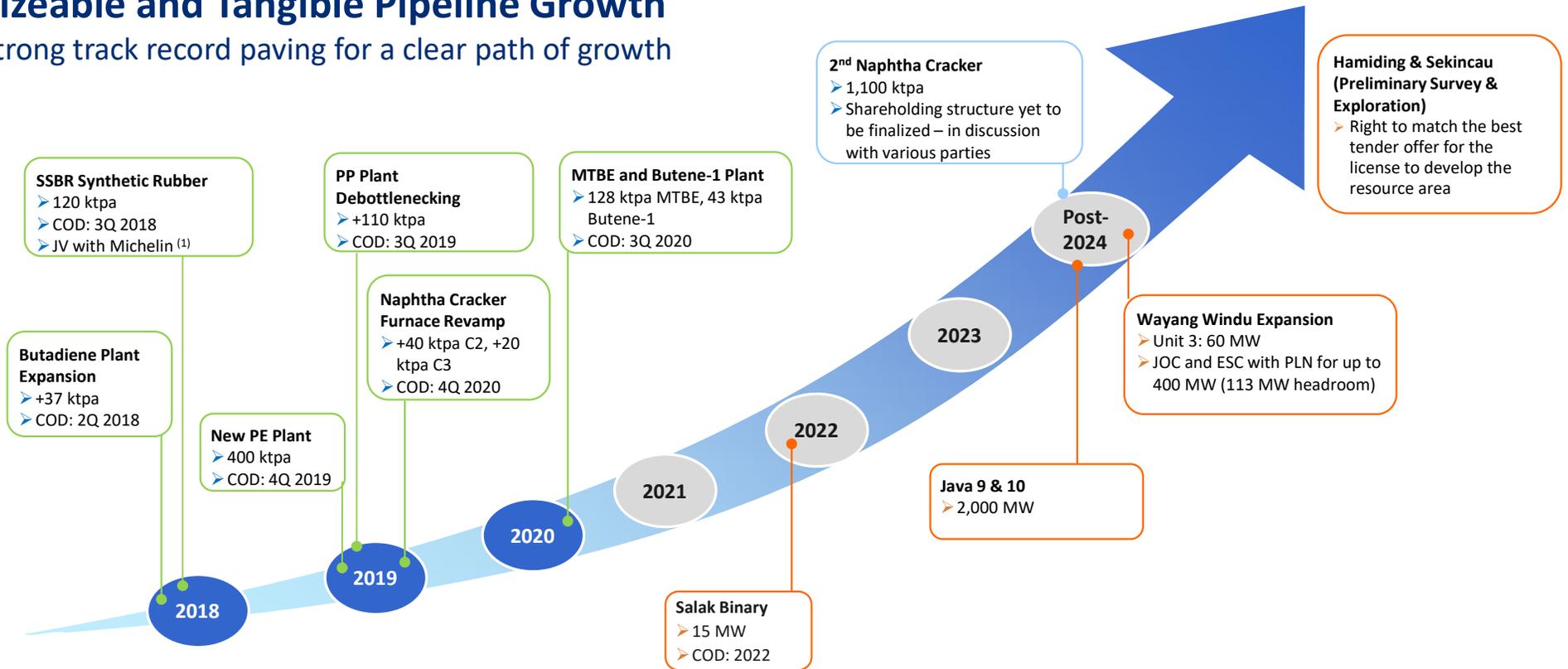
Track record of deploying significant capital and delivering meaningful projects

Completed Major Projects	Capex (U\$m)	Year
CAP: Cracker expansion project and TAM	380	2015
STAR ENERGY: Acquired Salak/Darajat Geothermal	2,103	2017
CAP: Formed JV with Michelin, SBR Plant and Butadiene Plant Expansion	477	2018
BRPT: Acquisition of Star Energy Geothermal	755	2018
CAP: New Polyethylene Plant, PP Debottlenecking and Furnace Revamp	468	2019
CAP: MTBE and Butene – 1 Plant	131	2020
CAP: Enclosed Ground Flare	14	2020
Total Capex (completed projects)	4,328	
Major Project under Construction Phase		
Indo Raya Tenaga: Java 9&10 (2 x 1,000 MW USC technology)	3,280	2023-24
Major Projects Pre-FID		
CAP: Second Petrochemical complex	5,000	2025-26
STAR ENERGY: Salak Binary	40	2022
	5,040	
Grand Total	12,648	

Delivered during Covid-19 Pandemic

Sizeable and Tangible Pipeline Growth

Strong track record paving for a clear path of growth



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

 Petrochemical, Completed

Environmental
Social
Governance



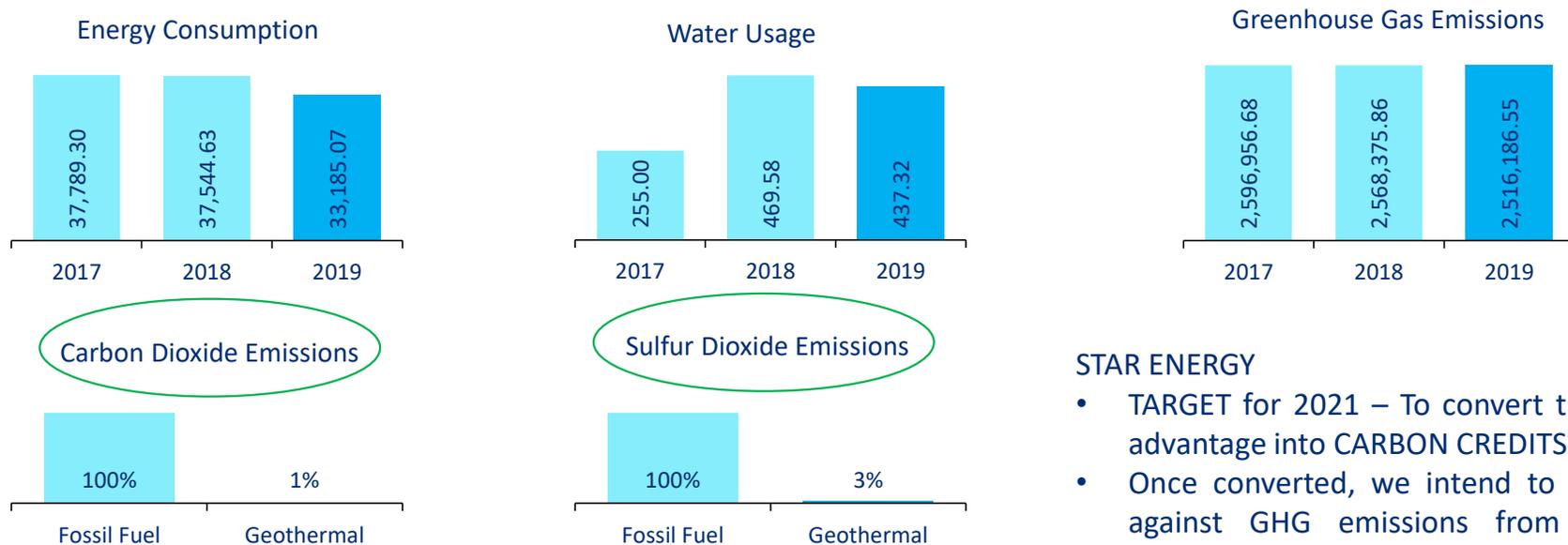
Current ESG rating of Barito Pacific.. On the path of continuous improvement.

Rating Provider	Current Score	Target
MSCI ESG LEADERS ✓	BB	A
Sustainalytics	34.1 (High Risk)	25-27 (Medium Risk)
FTSE ESG	Under review	

- ESG ratings are a relatively new phenomena but catching up fast.
- Barito acknowledges that our ratings can improve by better disclosure and by targeting the addressable areas. This remains the **key focus** for senior management.
- Star Energy has issued two global green bonds – the first two green bonds by an Indonesian corporate. Our operating assets already comply with those covenants. We are working to ensure that ESG ratings providers also credit Barito Pacific for these endeavors.

Environmental → Reducing water usage, energy consumption and greenhouse gas emission despite increase in production capacity

- CAP total production capacity increased by 28%
- Total GWh of electricity sold from renewable energy source 15.485 (2017: 5.152GWh ; 2018: 5.229GWh ; 2019: 5.104GWh)
- Geothermal power plant has low carbon dioxide emission



STAR ENERGY

- TARGET for 2021 – To convert this emission advantage into CARBON CREDITS.
- Once converted, we intend to offset them against GHG emissions from our other operations.

Environmental → What we've done

- Reforestation and Green Corridor ; Natural Spring revitalization
- Plastic Asphalt Program
- 53 New fleet electrical forklifts replacing diesel
- Install Solar Panels to reduce CO2 emissions
- Invest in Enclosed Ground Flare - leaves no air discharge, reduces noise, eliminates heat & smoke
- Wisma Barito Pacific 2 Building, implements green building standards in all of its elements, saving energy and water, producing more O2, and reducing CO2 emission for the environment
- Professional waste management (WASTE4CHANGE) with zero waste to landfill.



Energy Saving

±25%

±54 kWh/sqm/year



Water Saving

±82%

±10 litre/person/day



Green Area

±24%

±1,250 sqm

Environmental → What to expect next in 2021

- Longer term Emission and reduction targets
- CAP Water usage and water intensity to be improved on partnership with ECO LABS. Announced Dec 2020.
- CAP Enclosed ground flare project delivered. Started construction in 2018. Delivered in 2020. Effect will be felt in our emission data from 2021.
- Attain CARBON NEUTRALITY by using Carbon Credits of Star Energy.
- Continue to work with all stakeholders:
 - PRODUCERS (product composition and disposal),
 - CUSTOMERS (product design and end of life disposal)
 - CONSUMERS (education and disposal)
 - GOVERNMENT (policy creating and implementation).

Social → **Yayasan Bakti Barito: Corporate Social Responsibility Arm of Barito Pacific**

Pillars of Bakti Barito	Expenditure (Rp billion)	Period
Education	40.8	Since 2011
Teachers' training ; Scholarship Program ; Vocational School ; Early Childhood program; digital library		
Environment	40.0	Since 2011
Reforestation and Green Corridor ; Natural Spring revitalization		
Covid-19 Prevention Response	48.5	2020
Mobile Lab PCR, Medical equipment and supplies		
Circular Economy	23.8	Since 2011
Integrated Farming ; Waste Management ; eco-friendly coffee farming		
Social Program	121.8	Since 2011
Health program, infrastructure development; support and empowers local communities		
	274.9	



BARITO PACIFIC GROUP

Prajogo Pangestu, founder of Barito Pacific, together with its business units are supporting Indonesia to fight the pandemic.

WITH TOTAL OF
48,5
BILLION



#baritopacificgroupberbakti

*March - September 2020



Governance → Highly Experienced Management Team

Board representation for partners, highly experienced and diverse team

Name	Position	Company	Name	Position	Company
Prajogo Pangestu	President Commissioner	BRPT	Tanawong Areeratchakul	Commissioner	CAP
Henky Susanto	Independent Commissioner	BRPT	Thammasak Sethaudom	Commissioner	CAP
Salwati Agustina	Independent Commissioner	BRPT	Erwin Ciputra	President Director	CAP
Lim Chong Tian	Commissioner	BRPT, CAP	Baritono Prajogo Pangestu	Vice-President Director	CAP
Agus Salim Pangestu	President Director, Commissioner, Director	BRPT, CAP, SEG	Chatri Eamsobhana	Vice-President Director	CAP
Rudy Suparman	Vice-President Director, Director	BRPT, SEG	Somkoun Sriwattagaphong	Director	CAP
David Kosasih	Independent Director	BRPT	Fransiskus Ruly Aryawan	Director	CAP
David Raimond Sulaiman	Director	BRPT	Suryandi	Director	CAP
Diana Arsiyanti	Director	BRPT	Hendra Soetjipto Tan	Director/CEO	SEG
Djoko Suyanto	President Commissioner (Independent)	CAP	Bundit Sapianchai	Director	SEG
Tan Ek Kia	Vice-President Commissioner (Independent)	CAP, SEG	Chaiwat Kovavisarach	Director	SEG
Ho Hon Cheong	Komisaris Independen	CAP	Shuhei Kurosawa	Director	SEG
			Danuja Simasathien	Director	SEG
			Patrice R. Clause	Director	SEG

Representative from:

AC Energy

SCG

EGCO

Mitsubishi

BCPG

Governance → Creating impact beyond returns for all stakeholders

- Board of Commissioners and Board of Directors represent an average of more than 15 years of experience in our industries. Our global partners are represented at the board level in all our group companies.
- Board composition and diversity compliant with IDX/ OJK best practices.
- In 2021, management is targeting better disclosure and receiving credit for all ESG initiatives we have already undertaken.
- Over medium to long term management continues to engage with all stakeholders – employees, shareholders, regulators, governments and other corporates to find solutions to complex global challenges at a local, national and international scale.

Sustainability - a path, not just a goal

THANK YOU

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