



PT Pakuwon Jati Tbk
Public Expose RUPS Aug 25, 2020

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Section 1

Results summary



Results summary

| <i>(Rp bn unless otherwise stated)</i> | 1H 2020 | 1H 2019 | Variance | Comments |
|--|--------------|--------------|----------------|--|
| Revenue¹ | 1,974 | 3,505 | (43.7%) | 36% decrease in recurring revenues and 52% decrease in development revenue recognition. Pakuwon Permai contributed Rp 389bn (20%) of revenues. |
| Gross Profit² | 968 | 2,021 | (52.1%) | |
| <i>Gross Profit Margin (%)</i> | 49.0% | 57.7% | | |
| EBITDA² | 1,004 | 1,973 | (49.1%) | |
| <i>EBITDA Margin (%)</i> | 50.8% | 56.3% | | |
| Net Income for the Period³ | 598 | 1,568 | (61.8%) | |
| <i>Net Income Margin (%)</i> | 30.3% | 44.7% | | |
| Net Income Attributable to Owners³ | 558 | 1,299 | (57.0%) | |
| <i>Net Income Margin (%)</i> | 28.3% | 37.1% | | |
| Earning Per Share (Rp)³ | | | | |
| Basic | 11.59 | 26.97 | (57.0%) | |

Notes:

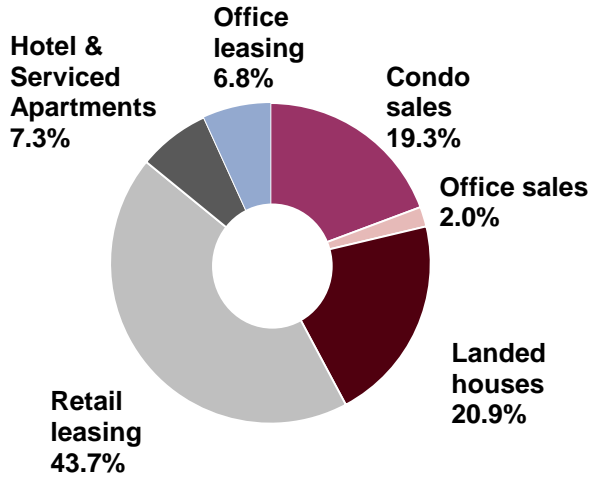
1 Revenue recognition for apartment and office is based on hand over as per IFRS 15. Revenue recognition for shopping center rental and service charge is based on its collectability.

2 Adjusted for acquisition related COGS from goodwill costs of Rp0.5bn in 1H2020 and Rp19bn in 1H2019

3 Adjusted for acquisition COGS from goodwill costs of Rp0.5bn in 1H2020 and Rp19bn in 1H2019, forex gain (loss) of (Rp101bn) in 1H2020 and Rp76bn in 1H2019 respectively, gain on derivative of Rp26bn in 1H2020 and Rp8bn in 1H2019 respectively.

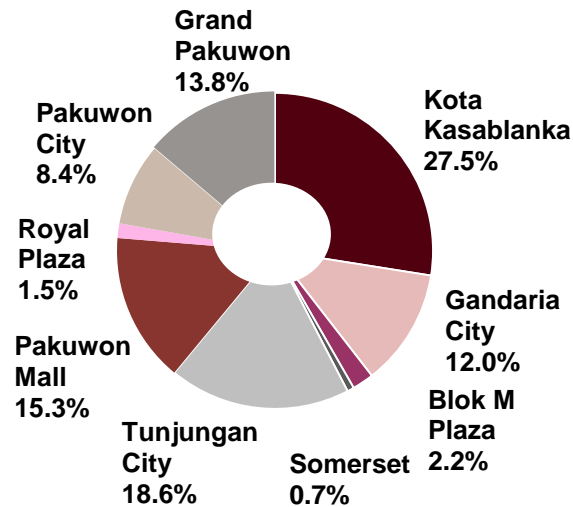
Results breakdown

Revenue by segment (1H2020)



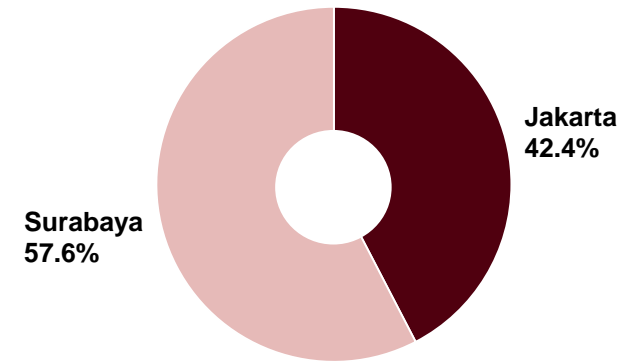
- **58%** recurring revenue
- Contribution of recurring income continues to be driven by retail mall leasing income
- PWON continues to target long term 50/50 recurring/development

Revenue by project (1H2020)



- Increased revenue contribution of Surabaya projects primarily from landed house Grand Pakuwon
- Increased revenue contribution of Jakarta projects primarily from condominiums Kota Kasablanka

Revenue by geography (1H2020)



- Jakarta revenue contribution expected to grow as PWON recognizes Kota Kasablanka phase 2 condos and develops Bekasi landbank
- Continued management focus on growing in both Jakarta and Surabaya

Key recent developments

- ✓ **Opened Pakuwon Mall Phase 4 on 28 February 2020**
- ✓ **Opened Four Points by Sheraton Surabaya Pakuwon Indah on 8 December 2019**
- ✓ **Received in June 2018 ratings upgrade from S&P and Fitch to BB, stable outlook**
- ✓ **Opened Tunjungan Plaza Phase 6 retail mall on 23 September 2017**
- ✓ **Received in July 2017 ratings upgrade from Moody's to Ba2, stable outlook**
- ✓ **Opened Pakuwon Mall Phase 2 & 3 on 22 February 2017**
- ✓ **Refinanced USD200m of 7.125% Senior Unsecured Note due 2019**
- ✓ **Issued USD250m of 5.0% Senior Unsecured Note due 2024**
- ✓ **Acquired in June 2016, 11ha land in Daan Mogot, West Jakarta**

Section 2

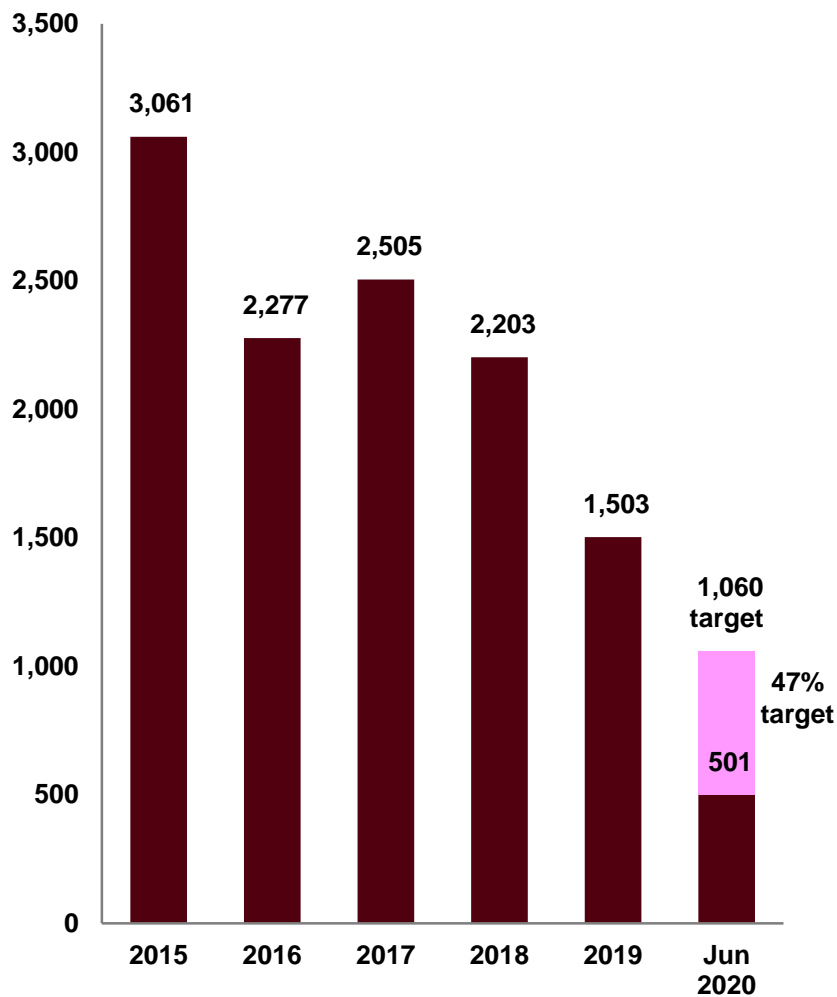
Business summary



Residential development – Take-up of existing projects

Pre-sales across all residential and office projects underpins future growth

Historical Pre-sales (Rp bn)



Pre-sales and construction update (excludes residential township)

| Superblock / Township | Project name | Segment | GSA (sqm) | % Sold | Progress update | Handover Schedule ² |
|-----------------------|-----------------|---------|-----------|-------------------|-------------------|--------------------------------|
| Kota Kasablanka | 88 Kasablanka A | Office | 36.3K | 100% ¹ | Completed | |
| | Casa Grande | Condo | 96.2K | 100% | Completed | |
| | Angelo | Condo | 36.9k | 85% | Completed | |
| | Bella | Condo | 36.8k | 83% | Completed | |
| | Chianti | Condo | 47.3k | 71% | Finishing stage | 2019 |
| | Pakuwon Tower | Office | 32.1k | 17% ¹ | Finishing stage | 2019 |
| Bekasi | Amor | Condo | 27.4k | 27% | Preliminary stage | |
| Tunjungan City | Pakuwon Center | Office | 10.0K | 96% ¹ | Completed | |
| | The Peak | Condo | 30.0K | 100% | Completed | |
| | One Icon | Condo | 57.8K | 68% | Completed | |
| | Pakuwon Tower | Office | 16.4K | 55% ¹ | Finishing stage | 2019 |
| Pakuwon City | Harvard | Condo | 26.0k | 100% | Completed | |
| | Stanford | Condo | 25.5k | 100% | Completed | |
| | Yale | Condo | 25.4k | 100% | Completed | |
| | Princeton | Condo | 25.7k | 100% | Completed | |
| | Amor | Condo | 47.4k | 79% | At level 34 | 2021 |
| | Bella | Condo | 31.2k | 29% | Foundation stage | 2024 |
| Pakuwon Mall | Orchard | Condo | 27.6K | 100% | Completed | |
| | Tanglin | Condo | 32.3K | 100% | Completed | |
| | La Riz | Condo | 41.4K | 100% | Completed | |
| | Anderson | Condo | 57.1k | 90% | Completed | |
| | Benson | Condo | 53.4k | 80% | Finishing stage | 2020 |
| | La Viz | Condo | 26.7k | 48% | At level 32 | 2021 |

Company data as of June 30, 2020

Note: 1 As % of saleable area, excluding approximately 50-60% of area set aside for lease

2 For handover projects starting 2019 onwards

Retail malls – Continued strong leasing interest

Wide appeal of PWON's malls demonstrated by consistently high occupancy

Historical Occupancy

- Maintained strong occupancy across portfolio

| | 2015 | 2016 | 2017 | 2018 | 2019 | 1H 2020 |
|----------------------|------|------|------|------------------|------|------------------|
| Tunjungan Plaza | 98% | 94% | 98% | 96% ¹ | 96% | 95% |
| Kota Kasablanka Mall | 99% | 99% | 98% | 99% | 99% | 99% |
| Gandaria City Mall | 98% | 96% | 96% | 94% | 98% | 95% |
| Pakuwon Mall | 91% | 89% | 94% | 95% ² | 96% | 91% ³ |
| Pakuwon Trade Center | 92% | 92% | 94% | 92% | 92% | 91% |
| Royal Plaza | 97% | 97% | 97% | 96% | 94% | 91% ⁴ |
| Blok M Plaza | 92% | 93% | 91% | 96% | 97% | 95% |

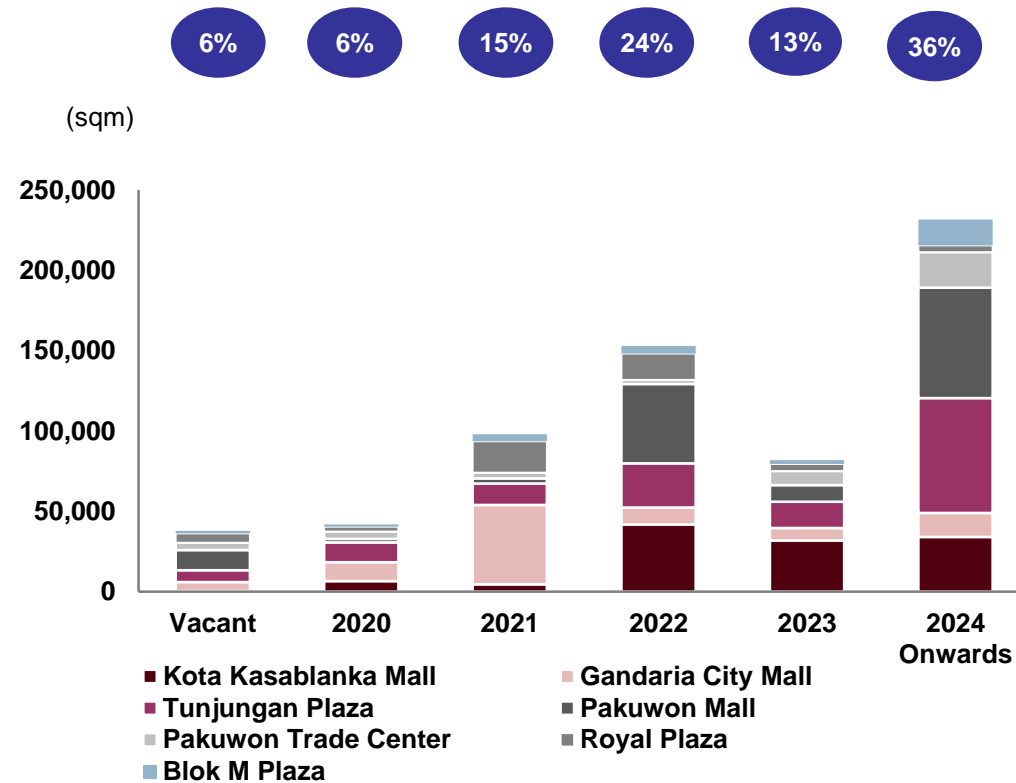
¹ Includes Tunjungan Plaza 6 opened on 23 September 2017

² Includes Pakuwon Mall 2 & 3 opened on 22 February 2017

³ Includes Pakuwon Mall 4 opened on 28 February 2020

⁴ Includes refurbished floor, plan to open on October 2020

Lease Expiry Profile (NLA breakdown)



Office & hotel – Rents and RevPAR

Offices and hotels further diversify income base and increase recurring income, while complementing existing superblocs

Average Office Rental (before service charge)

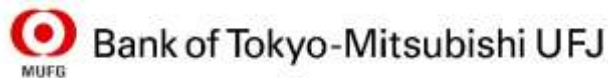
| (Rp'000 psm / month) | 2015 | 2016 | 2017 | 2018 | 2019 | 1H 2020 | 2019 - 1H 2020 % Chg |
|-------------------------|------|------|------|------|------|---------|----------------------|
| Kota Kasablanka Tower A | 223 | 226 | 219 | 215 | 217 | 207 | (5%) |
| Kota Kasablanka Tower B | 168 | 175 | 176 | 176 | 173 | 170 | (2%) |
| Gandaria Tower | 230 | 232 | 236 | 226 | 226 | 222 | (2%) |
| Pakuwon Center | - | - | 159 | 157 | 153 | 154 | +1% |

Hotel RevPAR

| (Rp '000 /room/day) | 2015 | 2016 | 2017 | 2018 | 2019 | 1H 2020 | 2019 - 1H 2020 % Chg |
|------------------------|------|------|------|------|-------|---------|----------------------|
| Sheraton Surabaya | 717 | 515 | 486 | 621 | 651 | 285 | (56%) |
| Somerset Berlian | 824 | 666 | 705 | 659 | 680 | 421 | (38%) |
| Ascott Waterplace | - | 530 | 728 | 760 | 785 | 536 | (32%) |
| Sheraton Grand Jakarta | - | 510 | 767 | 960 | 1,000 | 361 | (64%) |
| Four Points | - | 414 | 503 | 581 | 659 | 257 | (61%) |

Note: - Average Somerset RevPAR USD/IDR exchange rate of Rp13,118 in 2015

Major office tenants



Hotel brands (existing)



Hotel brands (upcoming)



Section 3

Growth & Strategy



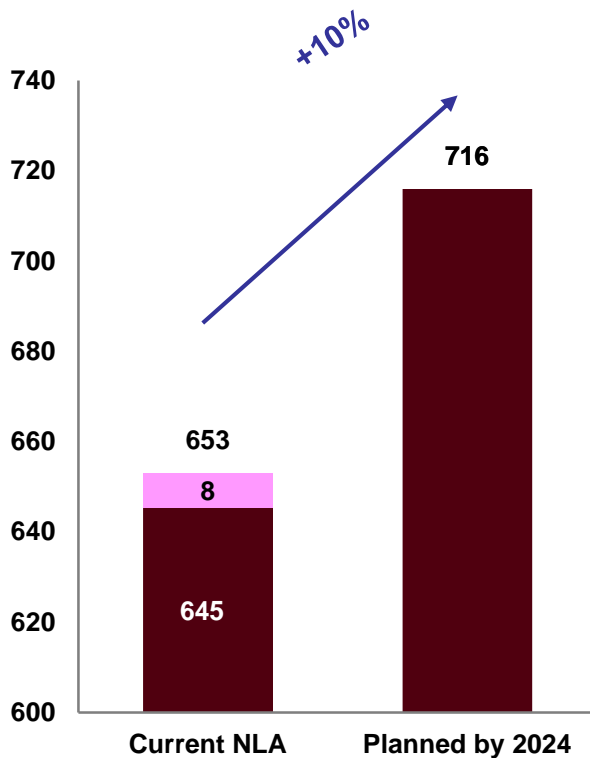
Long term growth strategy on track

- ✓ Target 50/50 recurring/development revenue mix over the long term
- ✓ Leverage on strength in retail malls and superblock developments
- ✓ Continue to dominate Surabaya and expand Jakarta portfolio
- ✓ Actively replenish land bank + acquire land around existing projects
- ✓ Maintain prudent capital structure and balance sheet

Growth of recurring income portfolio

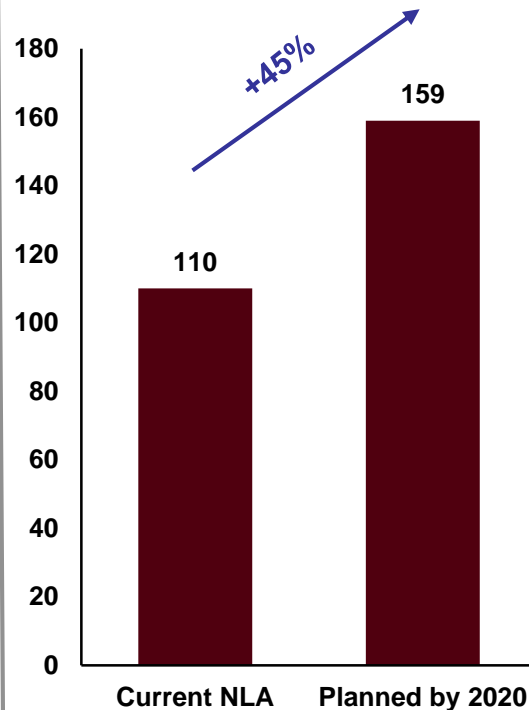
Plans to continue growing retail, office, and hotel portfolio to maintain recurring income mix

Retail Mall NLA Growth



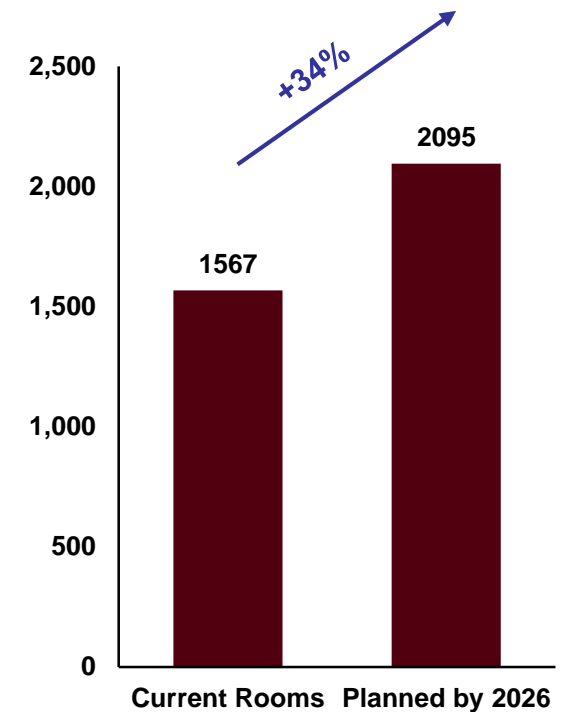
- Pakuwon City Mall 2
- Pakuwon City Mall 3
- Pakuwon Mall Bekasi

Office Leasing NLA Growth



- Pakuwon Tower Jakarta

Hotel Room Growth



- The Westin
- Bekasi Hotel (Moxy & Four Points)

Land bank – Sufficient for >10 years of development

480.7 hectares of land bank to sustain growth and high margins, without being a drag on balance sheet and return on capital

| Location | Project | Land under development (ha) | Additional land bank (ha) | Total land bank (ha) |
|------------------------|------------------------|-----------------------------|---------------------------|----------------------|
| South Jakarta | Kota Kasablanka | 2.7 | 3.8 | 6.5 |
| | Gandaria City | - | 1.9 | 1.9 |
| | Simatupang land bank | - | 4.5 | 4.5 |
| West Jakarta | Daan Mogot land bank | | 11.0 | 11.0 |
| Greater Jakarta | Bekasi land bank | | 3.6 | 3.6 |
| Central Surabaya | Tunjungan City | 1.1 | 2.2 | 3.3 |
| East Surabaya | Pakuwon City Township | 1.0 | 244.6 | 245.6 |
| | Outside Pakuwon City | - | 21.5 | 21.5 |
| West Surabaya | Grand Pakuwon Township | - | 167.8 | 167.8 |
| | Pakuwon Mall | 3.3 | 2.9 | 6.2 |
| | Royal Plaza | - | 1.9 | 1.9 |
| | Outside Grand Pakuwon | - | 6.9 | 6.9 |
| Total Land Bank | | | | 480.7 |

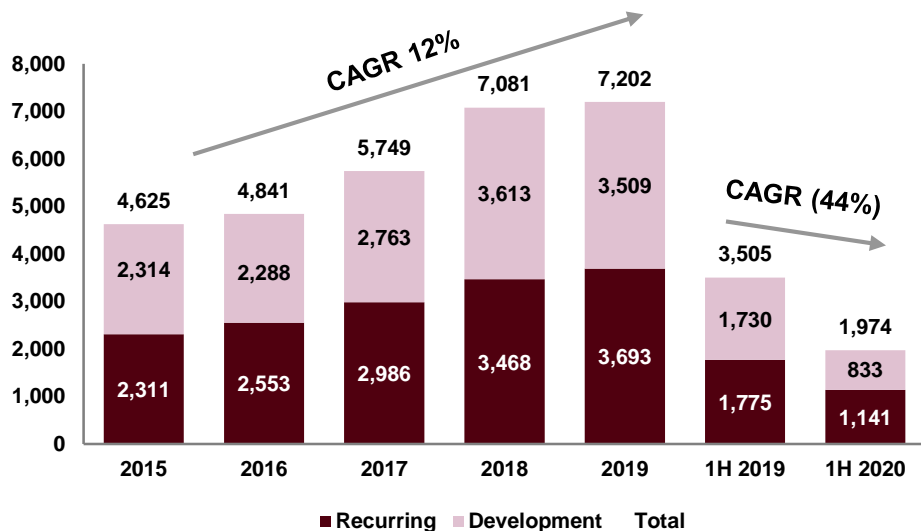
Section 4

Capital management

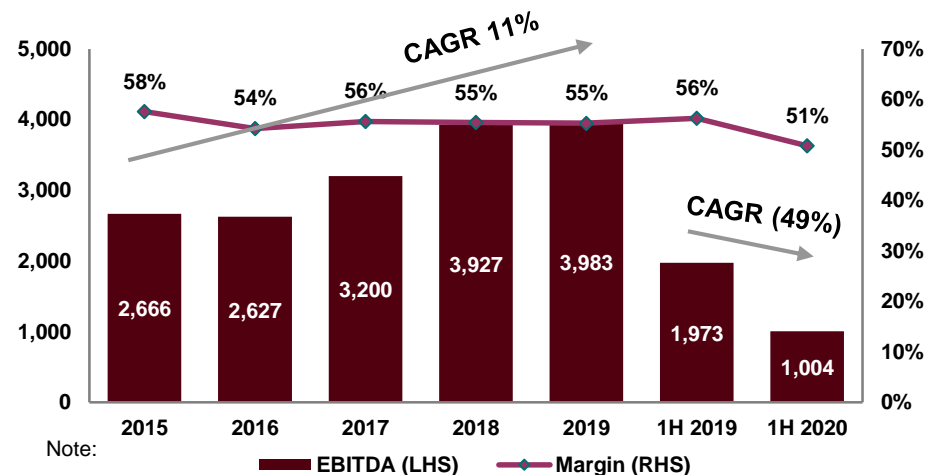


Strong financial and optimized capital structure

Revenue (Rp bn)



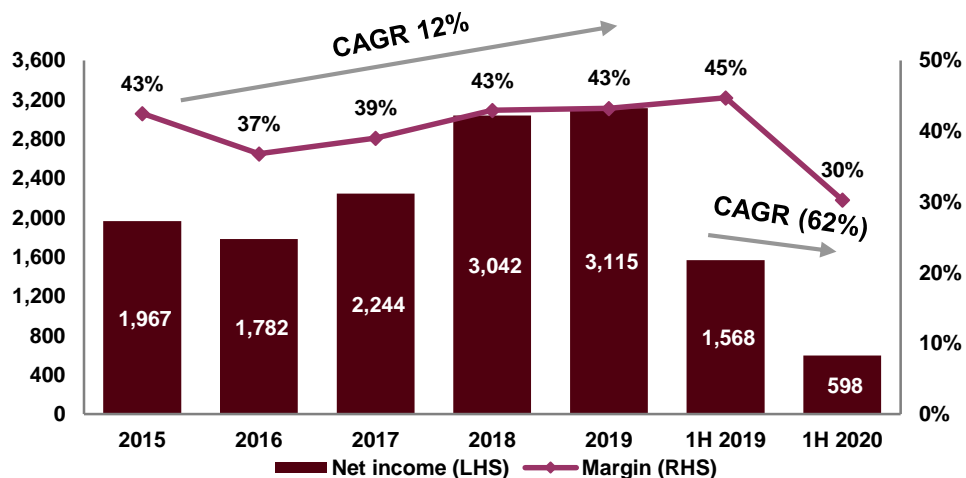
Adjusted EBITDA¹ (Rp bn)



Note:

- Adjusted for acquisition related COGS from goodwill costs of Rp19bn in 1H 2019 and Rp0.5bn in 1H 2020

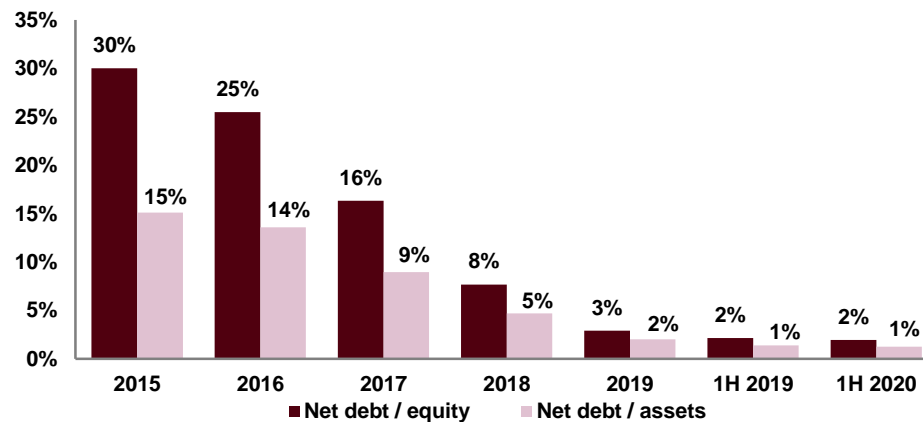
Net income¹ (Rp bn)



Note:

- Adjusted for forex gains/(losses) of Rp (277bn), 58bn, (25bn), (189bn), 130bn, 76bn and (101bn) in 2015, 2016, 2017, 2018, 2019, 1H2019 and 1H2020 ; derivative financial instruments gain/(losses) of Rp (76bn), (32bn), (31bn), (8bn), 25bn, 8bn and 26bn in 2015, 2016, 2017, 2018, 2019, 1H2019 and 1H2020, adjusted for additional COGS from goodwill costs of Rp, 108bn, 28bn, 26bn, 18bn, 30bn, 19bn and 0.5bn in 2015, 2016, 2017, 2018, 2019, 1H2019 and 1H2020 and penalty on redemption of bond payable of Rp 154bn in 2017

Consistent deleveraging



Strong financial position and prudent balance sheet

| <i>(Rp bn unless otherwise stated)</i> | As of 1H 2020 | As of 1H 2019 |
|---|---------------|---------------|
| Cash | 4,003 | 4,895 |
| Total Debt¹ | 4,336 | 5,249 |
| Net Debt | 332 | 355 |
| Net Debt / Equity | 2% | 2% |
| Net Debt / Assets | 1% | 1% |
| Fixed Charge Coverage Ratio (FCCR)² | 4.2x | 5.7x |
| % Fixed Rate Debt | 82% | 67% |
| Credit rating | | |
| S&P | BB/stable | BB/stable |
| Moody's | Ba2/stable | Ba2/stable |
| Fitch | BB/stable | BB/stable |

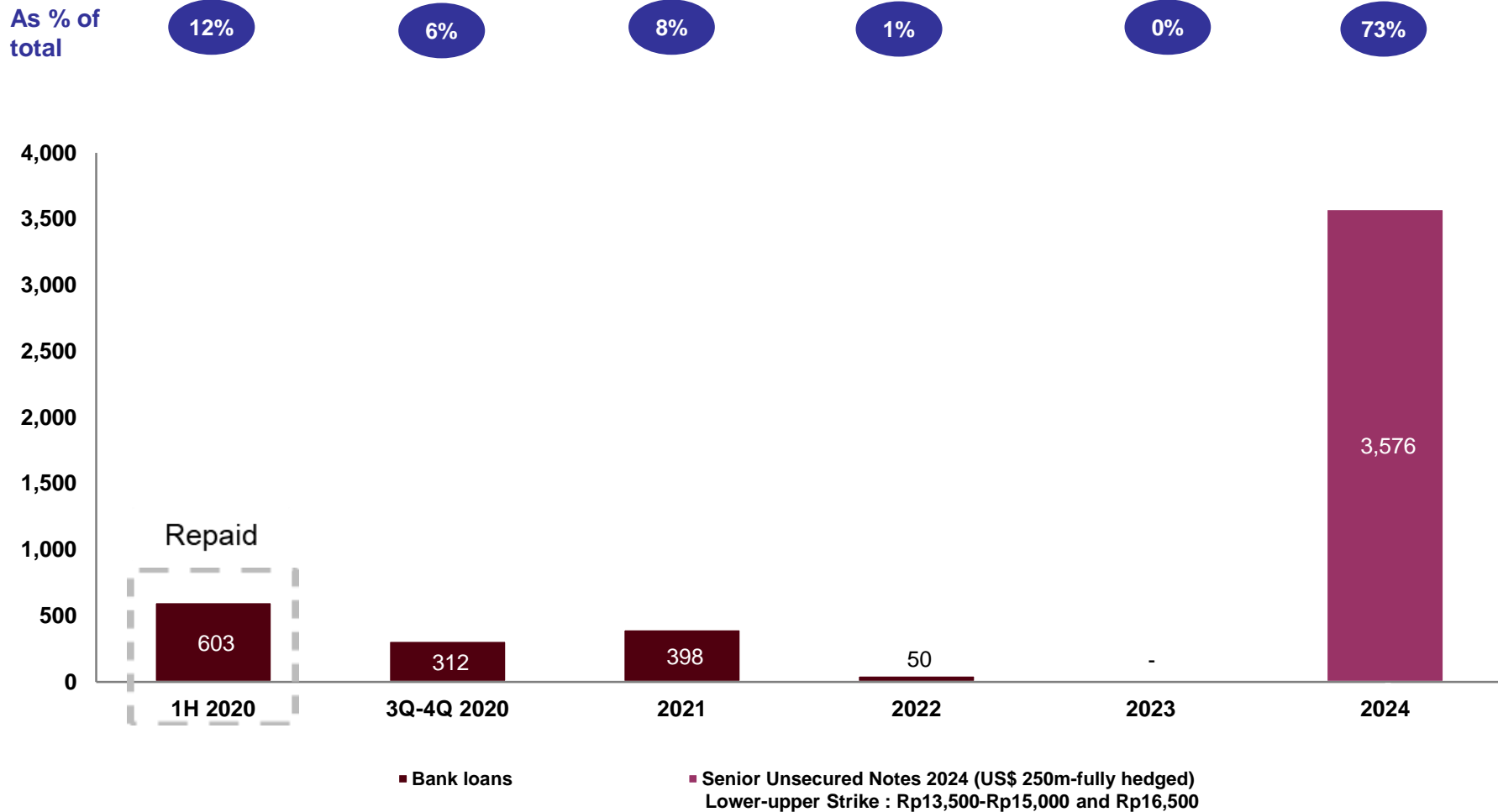
Notes:

1. Issuance of US\$250m of 5.0% Senior Unsecured Notes due 2024 and redemption of US\$200m of 7.125% Senior Unsecured Notes due 2019
2. FCCR calculated as EBITDA / Consolidated Fixed Charges (Interest)

Well balanced debt maturity profile

Average debt maturity of 3.5 years, with cost of debt between 5% – 8.75% p.a.¹

Debt Maturity Profile (Rp bn)

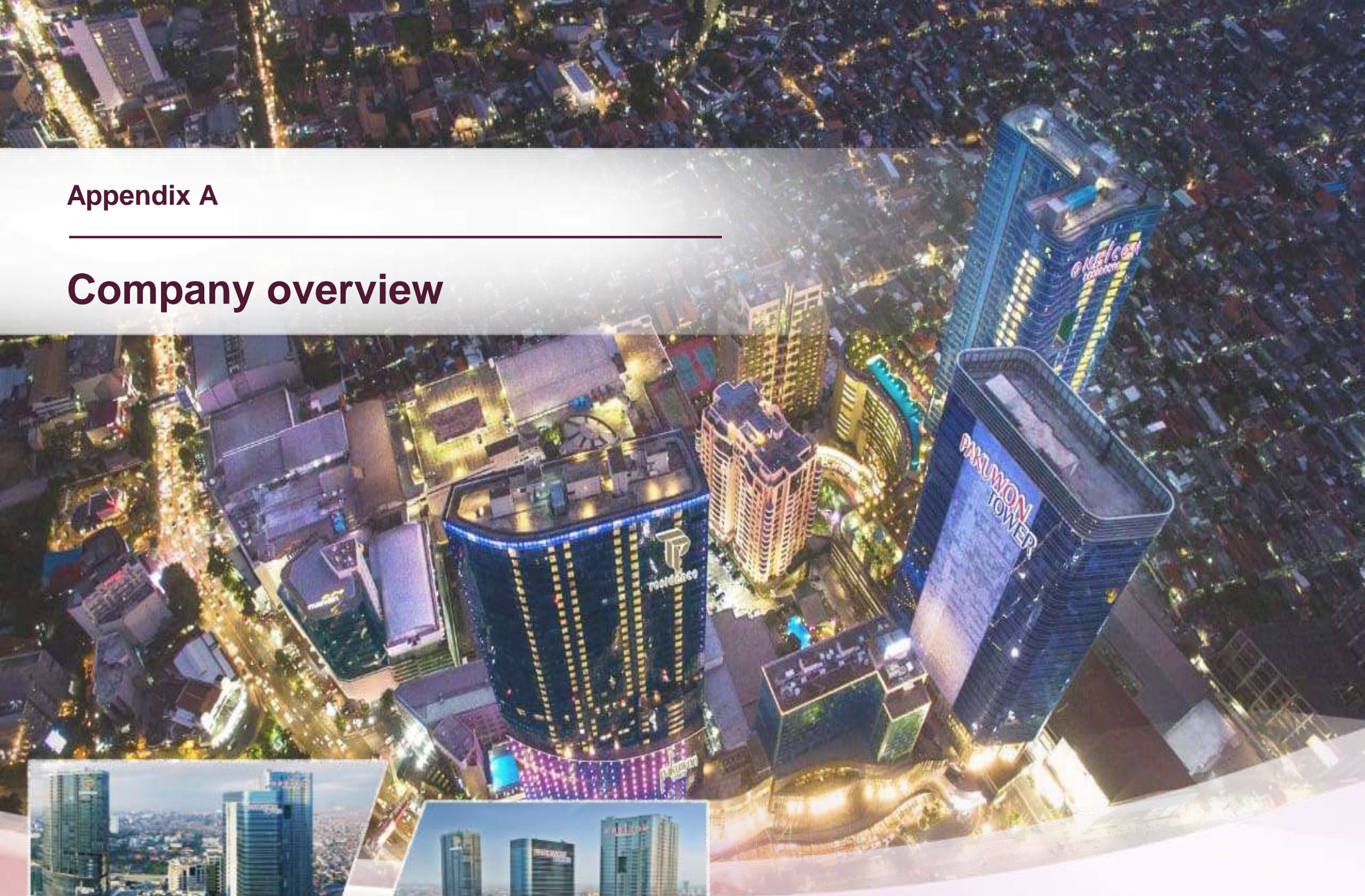


Note:

1 Based on post-FX hedging cost of US\$250m of 5.0% Senior Unsecured Notes due 2024

Appendix A

Company overview



What sets Pakuwon Jati apart

- ✓ The largest retail mall owner amongst Indonesian developers
- ✓ A well-balanced portfolio of development and investment properties
- ✓ Growth and value creation from identified development pipeline
- ✓ Strategically located in Indonesia's two largest and wealthiest metropolises
- ✓ One of Indonesia's most established developers, with a 38 year track record

Market leader in Surabaya

-  **#1** Largest superblock in Surabaya
-  **#1** Largest land bank in Surabaya City
-  **#1** Largest shopping mall in Indonesia
-  **1st** To launch retail mall and condos in Surabaya

Market leader in South Jakarta

-  **#1** +  **#3** Largest superblocks in South Jakarta
-  **#1** Largest shopping mall in South Jakarta
-  **#2** Largest mall portfolio in Jakarta
-  **#3** Largest shopping mall in Jakarta

Portfolio overview

Strategically located superblocks and townships in Jakarta and Surabaya

Kota Kasablanka



Gandaria City



Tunjungan City



| Location | Jakarta Fringe CBD | South Jakarta | Surabaya CBD |
|---------------------------|---|---|--|
| Description | 12.9ha located right next to Jakarta's Golden Triangle. Contains the largest mall in South Jakarta, opened on July 28, 2012 | 3 rd largest superblock in South Jakarta, sitting on a 9.3ha lot along a main thoroughfare linking South Jakarta to West Jakarta | PWON's first development in 1986, expanded in phases. Developing Phase 5 and 6 with premium retail, office, and residential towers |
| Residential | 4 condos, 1,077 units, GSA: 96k sqm 3 additional condos, GSA: 121k sqm | 2 condos, 715 units 1 condo GSA: 83k sqm | TP5: TP Residence GSA: 30k sqm TP6: One Icon GSA: 58k sqm |
| Office (for sale) | Tower A GSA: 34k sqm Tower C GSA: 32k sqm | Tower A GSA: 37k sqm | TP5: Pakuwon Center GSA: 10k sqm TP6: Pakuwon Tower GSA: 16k sqm |
| Retail | Middle to upmarket NLA: 119k sqm | Middle to upper middle NLA: 98k sqm | NLA: 103k sqm TP5: NLA: 20k sqm TP6 NLA: 25k sqm |
| Office (for lease) | Tower A NLA: 24k sqm Tower B NLA: 32k sqm Tower C NLA: 48k sqm | Tower A NLA: 21k sqm | TP5: Pakuwon Center NLA: 10k sqm TP6: Pakuwon Tower NLA: 24k sqm |
| Hotel | | 293 rooms, 5-star hotel | 359 rooms, 5-star hotel 293 rooms, 4-star hotel |

Projects in red are currently under construction or targeted to start construction within the next 2 years. GSA/NLA and number of units/rooms are estimates.
NLA : Net Leasable Area, GSA: Gross Saleable Area

Portfolio overview (cont'd)

Strategically located superblocks and townships in Jakarta and Surabaya

Pakuwon Mall



Royal Plaza



Blok M Plaza



Somerset Berlian



| Location | West Surabaya | South Surabaya | South Jakarta | South Jakarta |
|---------------------|---|---|---|--|
| Description | <p>14.6ha Superblock located in West Surabaya's affluent residential neighborhood.</p> <p>Has a mid-market retail mall, Pakuwon Mall ("PM") and a strata retail mall 89% owned and managed by PP, Pakuwon Trade Centre ("PTC").</p> <p>Developing Phase 3 & 4 with premium leased retail, residential condos and hotels.</p> <p>Phase 2 & 3 mall are over 80% leased.</p> | <p>Mid-market strata retail mall 78% owned and managed by a subsidiary of PP.</p> <p>Situated along one of Surabaya's main thoroughfares connecting North, Central and Greater Surabaya and easily accessible from nearby toll roads, bus terminals and train stations.</p> | <p>Mid-market retail mall in South Jakarta's commercial district.</p> <p>Situated along the main thoroughfare connecting South Jakarta and the central business district.</p> <p>MRT terminal connected directly into the Mall in March 2019.</p> | <p>Serviced apartment situated in the exclusive residential area of South Jakarta and a short drive from the financial center.</p> <p>Managed by The Ascott Limited under the "Somerset" brand</p> |
| Opening date | PM Phase 1: 2003, PTC: 2004, PM Phase2&3: 2017 | 2006 | 1991 | 2007 |
| Residential | <p>Phase 2: "Orchard" & "Tanglin" towers GSA: 60k sqm</p> <p>Phase 3: "LaRiz" tower GSA: 41k sqm</p> <p>Phase 4: Three condo towers GSA: 135k sqm</p> <p>Phase 5: Three condo towers GSA: 105k sqm</p> | | | |
| Retail | <p>PM NLA: 48k sqm, PTC NLA: 46k¹ sqm</p> <p>Phase 2 NLA: 37k sqm</p> <p>Phase 3 NLA: 40k sqm</p> <p>Phase 4 NLA: 7k sqm</p> | NLA: 53k ² sqm | NLA: 31k sqm | |
| Hospitality | <p>317 rooms, 4-star hotel</p> <p>204 rooms, 5-star hotel</p> <p>182 serviced apartment units (Ascott brand)</p> | | | 123 serviced apartment units ³ (Somerset brand) |

Projects in red are currently under construction or targeted to start construction within the next 2 years. GSA/NLA and number of units/rooms are estimates.

NLA : Net Leasable Area, GSA: Gross Saleable Area

Notes:

1. Pakuwon Trade Center ("PTC") NLA excludes sold area of 5,467 sqm
2. Royal Plaza NLA excludes sold area of 15,226 sqm
3. 7 out of 123 units have been sold to 3rd party investors, who in turn receive 5% of all net income generated by the Somerset Berlian

Portfolio overview (cont'd)

Strategically located superblocks and townships in Jakarta and Surabaya

Pakuwon City



Grand Pakuwon



Bekasi Project



| Location | East Surabaya | West Surabaya | Greater Jakarta |
|--------------------------|--|---|---|
| Description | Self-contained city in East Surabaya, consisting of a residential area, commercial area, and an education park | Self contained city in West Surabaya, consisting of residential area and a future commercial area | 3,6 ha located at West Bekasi Contains the mall, 4 condominiums, and 2 brand of Hotels |
| Residential | House and land lot community 4 Educity condos GSA:103k sqm ¹ 3 ECM condos GSA: 108k sqm | House and land lot community | 4 condominiums, 2.991 unit GSA: 119k sqm |
| Office (for sale) | Shophouses, university, schools, and a hospital | | |
| Retail | Family shopping centre NLA: 21k sqm PCM Phase 2 NLA: 10k sqm PCM Phase 3 NLA: 11k sqm | | NLA: 43k sqm |
| Hotel | | | 180 rooms, Moxy 144 rooms, Four Points |

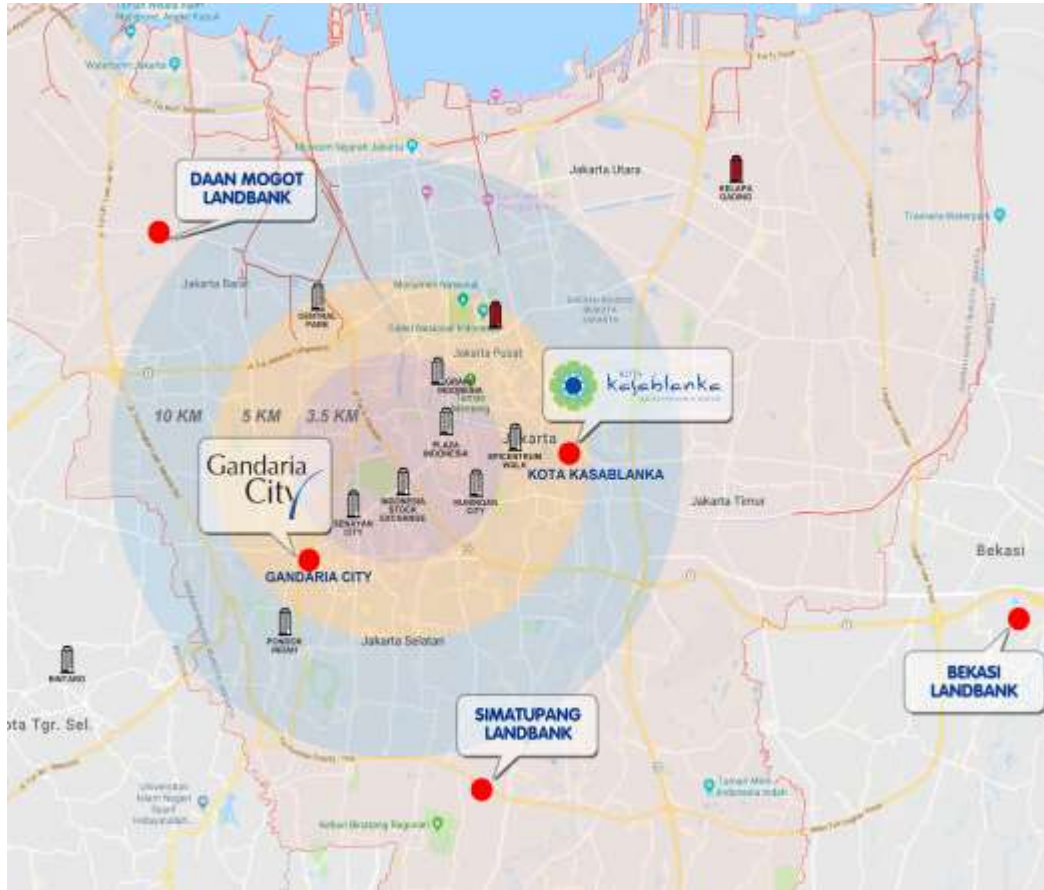
Projects in red are currently under construction or targeted to start construction within the next 2 years. GSA/NLA and number of units/rooms are estimates.

Note 1 : Remaining 15 planned condo developments

NLA : Net Leasable Area, GSA: Gross Saleable Area

Project Locations

Jakarta

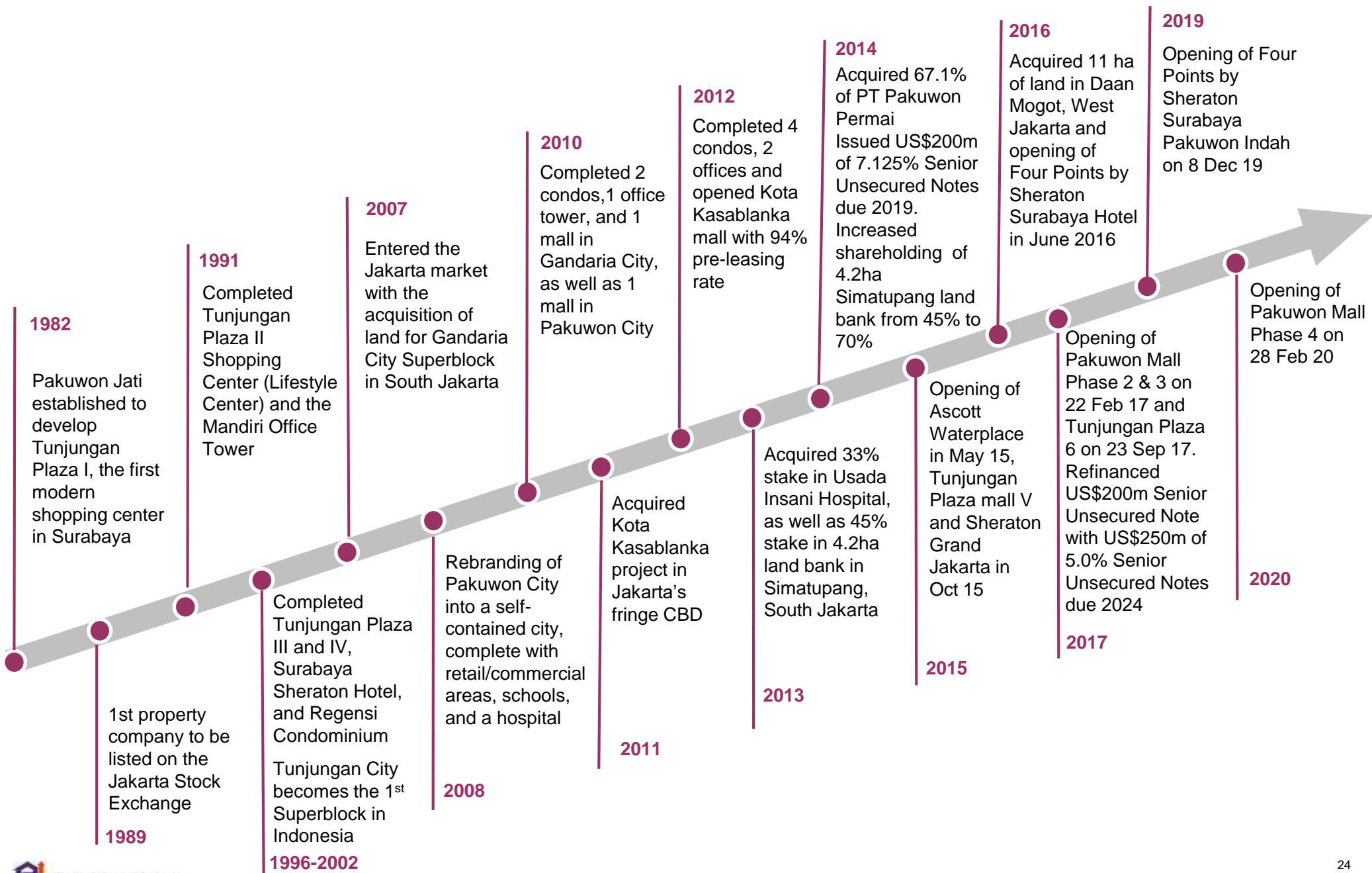


Surabaya



Source: Company Data

38 year track record and growing...



Appendix B

CSR Activities 2019



CSR Activities 2019



Inauguration of Al Ittihad Mosque, Jan 31, 2019, Pakuwon Mall



Sharing Happiness in Lidya Orphanage, Feb 1, 2019, Four Points by Sheraton Surabaya



Earth Hour, Mar 30, 2019, Gandaria City



Development of MSME in Kampung Kreasi, Apr 25-28, 2019, Royal Plaza

CSR Activities 2019

Throughout 2019, the Company carried out Corporate Social Responsibility programs with total funds of Rp11.36 billion, a significant increase of 186.15% from total funds allocated in 2018 which were Rp3.97 billion.



Blood Donation, Apr 28, 2019, Plaza Blok M



Earth Day, Apr 28, 2019, Sheraton Surabaya Hotel & Towers



Inauguration of Executive Musholla, Oct 1, 2019, Plaza Blok M



Shoes to School, Oct 11, 2019, Sheraton Surabaya Hotel & Towers



THANK YOU

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