

# Alternative Infrastructure Financing

Post-Covid Situation

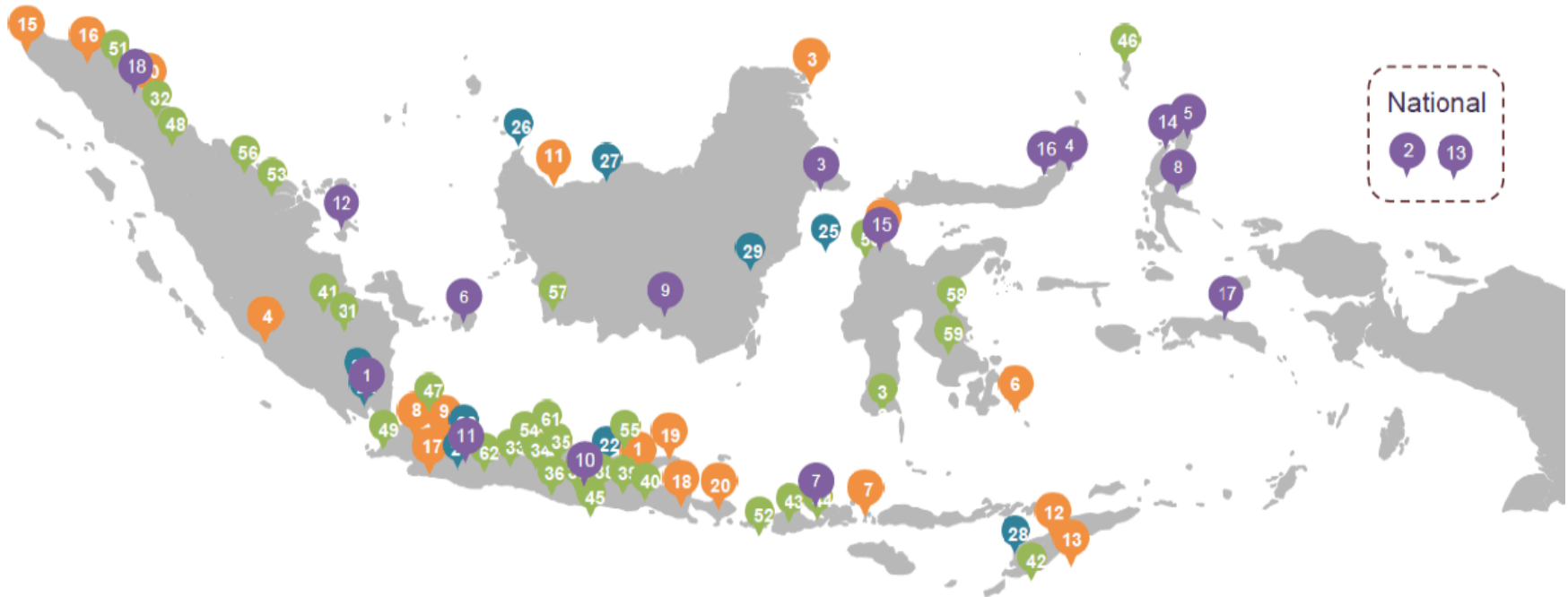
Gary Tejakusuma

25<sup>th</sup> November 2020



# Infrastructure Master Plan

92 Projects worth US\$ 35bn were completed during 2016-2019



**Completed 2016**

20 Projects (US\$ 2.5 Bn)

- 7 Airports
- 1 Toll Road
- 6 Dam
- 1 Seaports
- 1 Gas Pipe
- 4 National Border

**Completed 2017**

10 Projects (US\$ 4.5 Bn)

- 2 Toll Road
- 1 Access Road
- 1 Airports
- 1 Gas Facility
- 3 National Border
- 1 Dam
- 1 Irrigation

**Completed 2018**

32 Projects (US\$ 15.4 Bn)

- 2 Railway
- 4 Dam
- 1 Irrigation
- 10 Toll Road
- 5 SEZ
- 1 Airports
- 4 Industrial Zone
- 4 Smelter
- 1 Fishery Center

**Completed by December 2019**

30 Projects (US\$ 12.2 Bn)

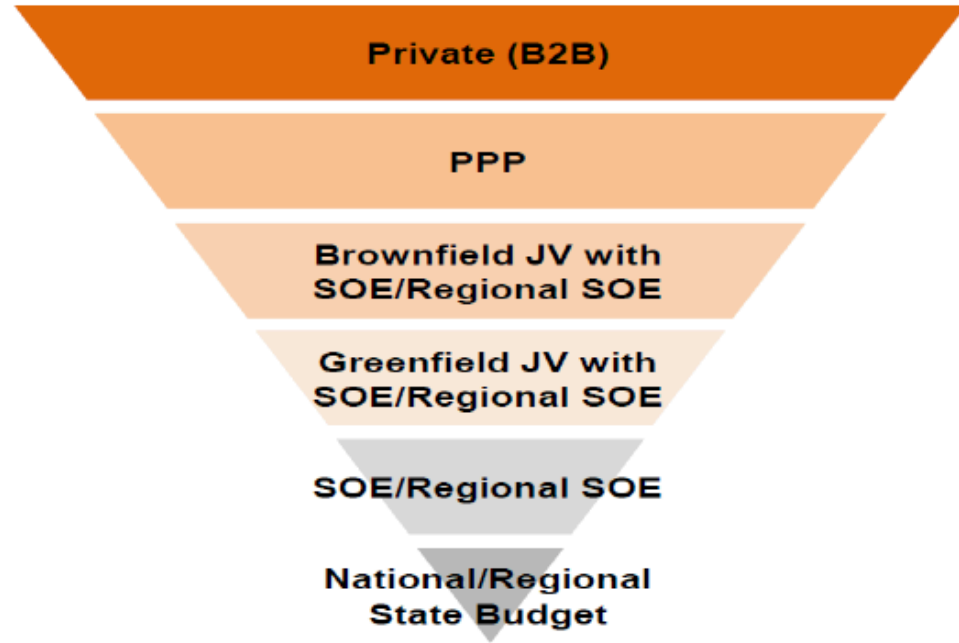
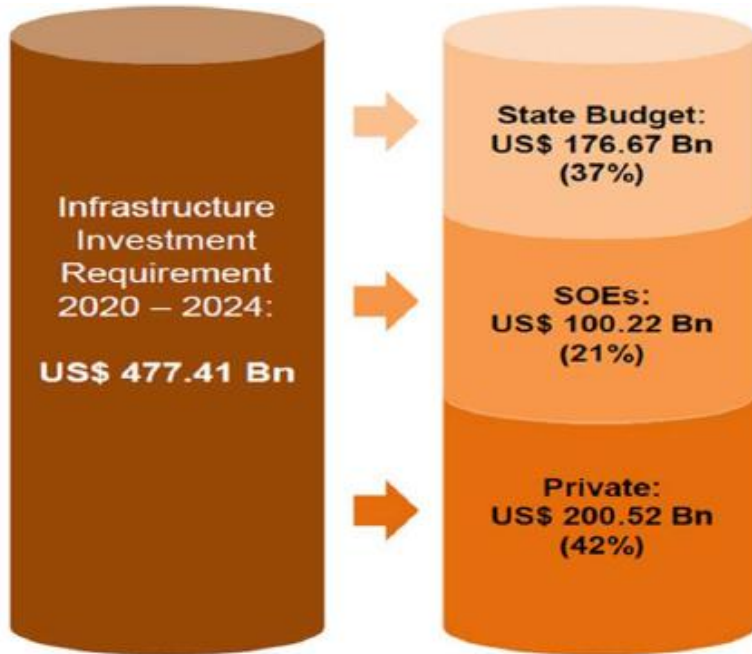
- 4 Airports
- 9 National Road
- 6 Industrial Zone
- 2 Smelter
- 4 Dam
- 2 Technology
- 2 railways
- 1 seaport

Exchange rate: US\$ 1 = IDR 13,500

# Indonesia Investment Requirement

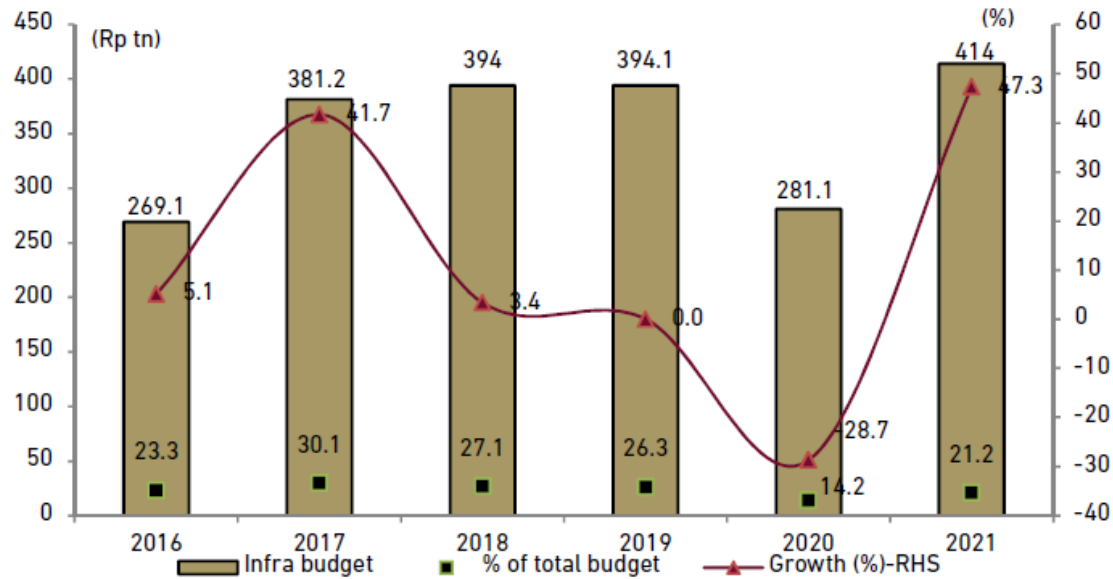
43% GDP in 2017 → 50% in 2024

## Investment Requirement and Priority



# Infrastructure Budget

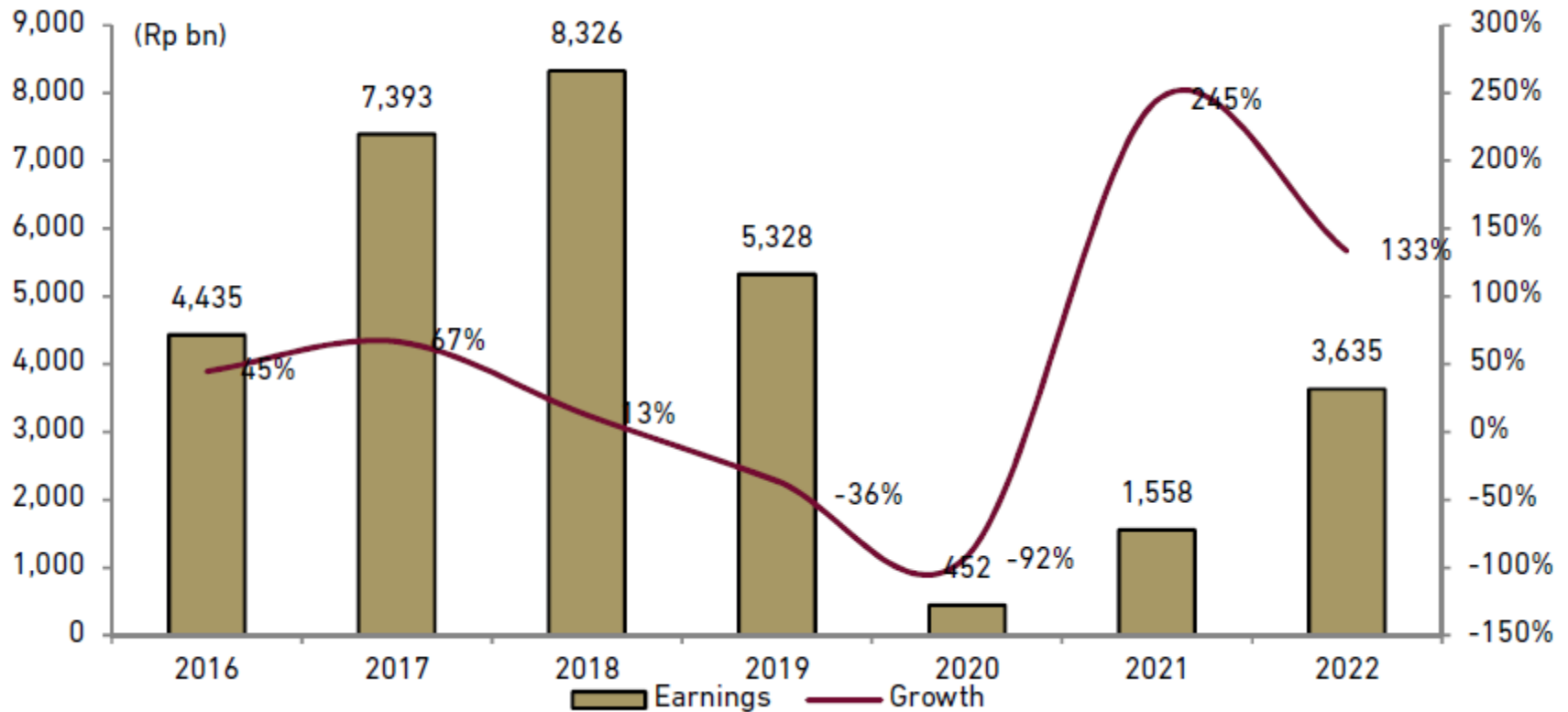
## Trendline and Structure Breakdown



	2020	2021	Chg.
Min. of Public Work (PUPR)	75.6	149.8	98%
Min. of Transportation (Kemenhub)	32.7	45.7	40%
Transfer to village	112.5	131.9	17%
State equity injection (PMN)	18.9	17.4	-8%
State Asset Management (LMAN)	-	11.1	n/a
Others	41.3	58.1	41%
<b>Total</b>	<b>281.0</b>	<b>414.0</b>	<b>47%</b>

# Construction Overview

## Profitability, Growth, and Capacity



# Divestment Plan

## Pricing Power is the key

Type of divestments	Concessionaire entities	Assets	Locations	Nominal value (x)	Target proceeds (Rp bn)	Gross gain (Rp bn)	Seller	Buyer	Stake %	Target transaction
<b>Sales purchase agreement</b>										
Outright stake divestment	Citra Karya Jabar	Cileunyi-Sumedang-Dawuan toll road	Java	1.2	50	8.4	PTPP	Brantas Abipraya	14%	2020
<b>Conditional sales purchase agreement</b>										
Outright stake divestment	Prima Multi Terminal	Multipurpose Port Kuala Tanjung	Sumatera	1	372	0	PTPP	Pelindo 1	25%	CSPA: 2020 SPA: 2021F
RDPT issuance	Kusuma Dyandra Marga	Bekasi-Cawang-Kp. Melayu toll road	Jakarta	1	550	0	WSKT (through WTR)	KIK RDPTE Danareksa Toll Road-01	30%	CSPA: Aug-20 SPA: Sep-20
<b>Under process</b>										
Outright stake divestment	Jasamarga Pandaan Malang	Pandaan-Malang toll road	Java	1.5	720	240	PTPP		25%	2020F
Outright stake divestment	Cibitung Tanjung Priok Port Tollways	Cibitung - Cilincing toll road	Java	1.5			WSKT (through WTR)		10%	2020F
Outright stake divestment	Jasamarga Kualanamu tol	Medan Kualanamu Tebing Tinggi toll road	Sumatera	1.5	331	110	PTPP		15%	2020F
Outright stake divestment	Prima Terminal Petikemas	Belawan container seaport	Sumatera	1.5-1.7	250-280	83-85	WIKA		17%	2020F
Assets swap	Waskita Toll Road's (WTR) subsidiaries	3 toll road assets				1,000-1,200	WSKT (through WTR)			2020F

# Historical Pricing (Bond Issuance)

## Compensation over Attractiveness

Date	Issuer	Tenure	Coupon	Amount Sized	Amount Size	Rating	Govies	Issues Spread	AAA Average
9/28/2020	IIF	1	5	1,000,000,000,000.00	66,666,666.67	AAA	3.81	1.19	1.453
9/16/2020	Pegadaian	1	5.5	1,300,000,000,000.00	86,666,666.67	AAA	3.784	1.716	
9/9/2020	Merdeka C	1	8.25	149,000,000,000.00	9,933,333.33	A	3.871	4.379	
9/2/2020	TBIG	1	6.3	231,000,000,000.00	15,400,000.00	AA-	3.939	2.361	
9/2/2020	BFIN	1	8	275,500,000,000.00	18,366,666.67	A-	3.939	4.061	
10/5/2020	FIF ASIIIJ	3	7.25	645,000,000,000.00	43,000,000.00	AAA	5.164	2.086	1.8335
9/28/2020	IIF	3	6.65	1,000,000,000,000.00	66,666,666.67	AAA	4.945	1.705	
9/16/2020	Pegadaian	3	6.45	1,130,000,000,000.00	75,333,333.33	AAA	4.96	1.49	
9/9/2020	Mayora	3	7	8,000,000,000.00	533,333.33	AA	4.875	2.125	
9/9/2020	Merdeka C	3	10.25	151,000,000,000.00	10,066,666.67	A	4.875	5.375	
9/8/2020	JSMR	3	7.9	1,100,000,000,000.00	73,333,333.33	AA	4.936	2.964	
9/2/2020	TBIG	3	8	469,000,000,000.00	31,266,666.67	AA-	4.943	3.057	
9/2/2020	BFIN	3	9.5	437,000,000,000.00	29,133,333.33	A-	4.943	4.557	
9/1/2020	TOWR	3	7	84,000,000,000.00	5,600,000.00	AAA	4.947	2.053	
9/28/2020	IIF	5	6.9	1,000,000,000,000.00	66,666,666.67	AAA	5.663	1.237	1.673
9/9/2020	Mayora	5	7.9	295,000,000,000.00	19,666,666.67	AA	5.514	2.386	
9/8/2020	JSMR	5	8.25	286,000,000,000.00	19,066,666.67	AA	5.5	2.75	
9/2/2020	PLN	5	6.7	312,000,000,000.00	20,800,000.00	AAA	5.564	1.136	
9/1/2020	TOWR	5	7.7	67,000,000,000.00	4,466,666.67	AAA	5.528	2.172	
8/28/2020	PUPUK	5	7.7	857,840,000,000.00	57,189,333.33	AAA	5.553	2.147	
9/9/2020	Mayora	7	8.25	40,000,000,000.00	2,666,666.67	AA	6.485	1.765	1.287
9/8/2020	JSMR	7	8.6	90,050,000,000.00	6,003,333.33	AA	6.476	2.124	
9/2/2020	PLN	7	7.25	28,000,000,000.00	1,866,666.67	AAA	6.497	0.753	
8/28/2020	PUPUK	7	8.3	431,850,000,000.00	28,790,000.00	AAA	6.479	1.821	
9/8/2020	JSMR	10	9	523,600,000,000.00	34,906,666.67	AA	6.869	2.131	0.957
9/2/2020	PLN	10	7.9	158,000,000,000.00	10,533,333.33	AAA	6.943	0.957	
9/2/2020	PLN	15	8.65	841,000,000,000.00	56,066,666.67	AAA	7.436	1.214	1.214
9/2/2020	PLN	20	8.86	161,000,000,000.00	10,733,333.33	AAA	7.47	1.39	1.39



**Manulife**