

PT Cisarua Mountain Dairy Tbk

Public Expose

November 2021



Our Presenters Today



Farell Sutantio

President Director

Group Chief Executive Officer



Axel Sutantio

Director

MP Chief Executive Officer



Bharat Joshi

Director

*Chief Financial Officer &
Investor Relations*



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1 | Key Investment Highlights



Key investment highlights



1

Strong foundations position Cimory to continue along high growth trajectory

2

Category creators with a strong track record of product innovations, resulting in market leading Indonesian dairy and food brands

3

Cost effective digital-focused marketing strategies in sync with target demographics

4

Strong presence in Modern Trade, with a rapidly developing footprint in General Trade and our proprietary direct-to-consumer Miss Cimory channel

5

In-house cold-chain logistics infrastructure network

6

Achieving premium price points which contribute to high profitability, defensible due to our competitive advantages and high barriers to entry

7

Execution focused Management team aiming to produce safe and high quality products, whilst simultaneously delivering a positive ESG impact



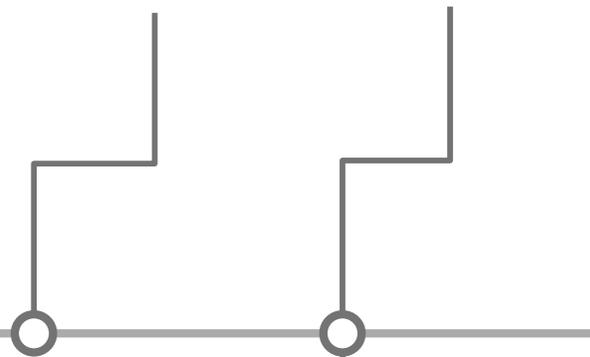
1 Since founding, we have grown to become a household name in Indonesia and are well-positioned for explosive growth



Laying Foundations → Transformation → High Growth Period →

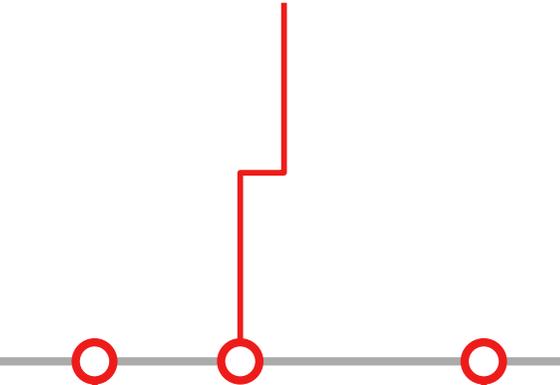
1992
PT Macroprima Panganutama ("MP") established (**Premium Consumer Foods**)

2006
Cold-chain operations established to service **Modern Trade ("MT")** channel



2006
PT Cisarua Mountain Dairy Tbk ("CMD") commenced operations (**Premium Dairy**)

2014
Established **General Trade ("GT")** channel

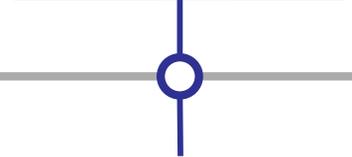


2013
Launched exclusive **Miss Cimory ("MCM")** direct-to-consumer channel

2017
Began **exporting** to overseas markets

2019
Launch of **single-serve RTE** products under Kanzler Singles

2020
Launch of innovative **Cimory Pouch**



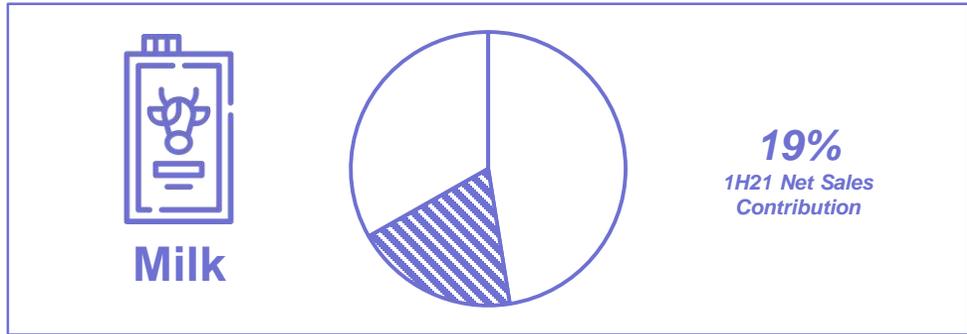
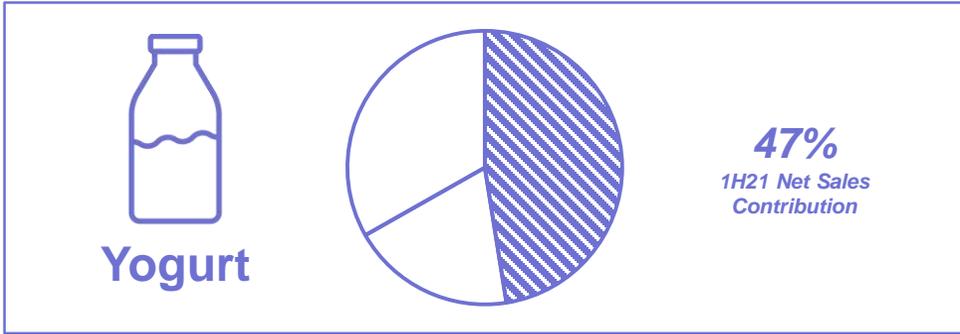
2019
Launch of **UHT Milk** product line



2020
Launch of **Yogurt Drink Low Fat** product line



2 Through innovation, we have gained a market leading position in Yogurt as well as a fast growing foothold in Milk



<p>Drinking Yogurt Market Rank: #1 Market Share: 50% Market Size: US\$138mm</p>	<p>Yogurt (Spoonable) Market Rank: #1 Market Share: 72% Market Size: US\$22mm</p>
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<p>Flavoured Milk Market Rank: n.a. Market Share: 2.4% Market Size: US\$1,009mm</p>	<p>White Milk Market Rank: n.a. Market Share: <1.0% Market Size: US\$472mm</p>
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<p>Cimory Yogurt Drink 250ml (13 SKUs)</p>	<p>Cimory Pouch 120gm (6 SKUs)</p>
<p>Cimory Yogurt Drink UHT 200ml (2 SKUs)</p>	<p>Cimory Greek Yogurt 400gm (2 SKUs)</p>
<p>Cimory Mini Yogurt 70ml (6 SKUs)</p>	

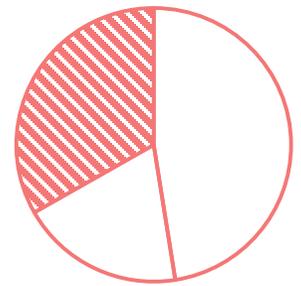
<p>Cimory UHT Milk 250ml (11 SKUs)</p>	<p>Cimory UHT Milk 250ml (1 SKU)</p>
<p>Cimory UHT Milk 125ml (4 SKUs)</p>	<p>Cimory Fresh Milk 950ml (1 SKU)</p>
<p>Cimory Fresh Milk 950ml (6 SKUs)</p>	

Source: Euromonitor.
Note: Euromonitor fixed exchange rate of US\$1.00 = Rp14,582; Indonesian Market Rank, Market Share and Market Rank by RSP Sales Value for 2020 per Euromonitor.

2 We are also achieving strong growth in our Premium Consumer Foods business led by our Kanzler brand




Premium Consumer Foods



33%
 1H21 Net Sales Contribution

Chilled Processed Meat <i>Market Rank: #4 Market Share: 9.7% Market Size: US\$167mn</i>		Frozen Processed Meat <i>Market Rank: #4 Market Share: 3.7% Market Size: US\$641mn</i>		Egg Products & Egg-Based Condiments	
Kanzler Singles Sausage (4 SKUs)		Kanzler (28 SKUs)		Euro Gourmet Mayonnaise & Condiments (19 SKUs)	
		Besto (18 SKUs)		Java Egg (5 SKUs)	

Source: Euromonitor.
 Note: Euromonitor fixed exchange rate of US\$1.00 = Rp14,582; Indonesian Market Rank, Market Share and Market Rank by RSP Sales Value for 2020 per Euromonitor.



Category Creator

Yogurt Pouch



- Introduced pouch format yogurt drink, **first of its kind in Indonesia**
- **On-the-go product** well suited for Modern Trade and General Trade
- **High volume based price point** of Rp80,000/kg
- **Affordable per unit price point** of c. Rp10,000

Kanzler Singles



- RTE sausage product in packaging format for **immediate on-the-go consumption**
- Meets consumer demand for **convenience at affordable per unit price points**
- Ideal for **younger demographics** and **smaller households**

Category Challenger

Flavoured UHT Milk



- Already established segment in Indonesia
- Cimory entered in 2019 after **extensive market research**
- Gained a **foothold through flavour innovation**, launching a total of 12 different novel and chocolate-based flavours

Kanzler Chicken Nuggets



- Entered the RTC chicken nuggets market under the Kanzler brand in 2019
- **Innovative coating** with Bubble Crumb
- Supported with **digital marketing targeting young mothers**

Established track record of **category leadership and penetration** through continued **packaging and flavour innovations**

3 We are digital-focused marketers, enabling us to reach and win Indonesia's tech-savvy younger generation



Above The Line Marketing

(Television, billboards, etc.)



Digital Marketing & Social Media

In-house marketing team demonstrating agility and speed of execution

- ✓ Reaching target market of affluent customer groups
- ✓ Strong penetration of 18 – 35 year old age demographic
- ✓ Greater return on investment vs. traditional mediums
- ✓ Includes digital marketing and endorsement by influencers

We have ramped up our marketing efforts on the **underutilised TikTok and Youtube platforms** throughout 2021, achieving **significant viewership**



				
FY2020	Posts	c. 200	c. 100	c. 200
	Views	c. 2 billion	c. 150 million	c. 1 million
1H 2021	Posts	c. 1,000	c. 200	c. 40
	Views	c. 8 billion	c. 200 million	c. 3 million

3 Cimory Pouch launched via a strong digital campaign with influencers and key opinion leaders across platforms



Select Collaborations



@alwifahry
 Likes: c. 400,000
 Comments: c. 1,000



@sprakori_
 Likes: c. 410,000
 Comments: c. 1,000



@WahyuKadeoo
 Likes: c. 380,000
 Comments: c. 1,000



tanboy kun
 Views: c. 11,000,000
 Likes: c. 275,000



Arif muhammad
 Views: c. 6,400,000
 Likes: c. 140,000



Boy William
 Views: c. 3,900,000
 Likes: c. 150,000



Nihongo Mantappu
 Views: c. 3,100,000
 Likes: c. 190,000



@Foodaffair
 Likes: c. 28,000



@Oppakuliner
 Likes: c. 8,000



@adindarindang_
 Likes: c. 7,000



@Jajambeken
 Likes: c. 3,000

3 First to launch 12 different UHT Milk flavours in Indonesia, bringing excitement to an already established category



Select Collaborations



@adhityapeo
Likes: c. 350,000
Comments: c. 1,300



@jendamclover
Likes: c. 70,000
Comments: c. 800



@wahyukadeo90
Likes: c. 50,000
Comments: c. 200



tanboy kun
Views: c. 5,000,000
Likes: c. 140,000



WARINTIL OFFICIAL
Views: c. 4,000,000
Likes: c. 900,000



Arif muhammad
Views: c. 3,000,000
Likes: c. 90,000



Nihongo Mantappu
Views: c. 2,500,000
Likes: c. 100,000



@yackikuka
Likes: c. 15,000



@Jktfoodhunting
Likes: c. 5,000



@kafimbrk98
Likes: c. 5,000



@kokobuncit
Likes: c. 4,000

3 Kanzler Singles is a premium ready to eat offering that emphasizes quality and convenience on-the-go



Select Collaborations



@siscakohl
Likes: c. 2,700,000
Comments: c. 80,000



@siscakohl
Likes: c. 1,900,000
Comments: c. 30,000



@klara_tania
Likes: c. 700,000
Comments: c. 2,500



Jeevan Akawa
Views: c. 12,500,000
Likes: c. 60,000



Superduper Ziyen
Views: c. 12,000,000
Likes: c. 55,000



tanboy kun
Views: c. 6,000,000
Likes: c. 150,000



Jessica Jane
Views: c. 3,000,000
Likes: c. 130,000



@siscakohl
Views: c. 1,400,000



@mgdalenaf
Views: c. 1,300,000



@siscakohl
Views: c. 500,000



@nonaculinary
Views: c. 100,000

We have a strong presence in Modern Trade and are quickly expanding our footprint via Miss Cimory and General Trade



Modern Trade



- Close to 100% penetration of supermarkets, hypermarkets and minimarkets in Indonesia
- Reach c. 18,000 Indomaret and c. 15,000 Alfamart stores

Miss Cimory



- Launched in 2013
- Direct-to-consumer (“D2C”) channel exclusive to Cimory
- Door-to-door sales and marketing of our products



General Trade



- Reach of >50,000 general trade outlets via 80 distributors
- Provide our distributor partners with dedicated cold-storage facilities

Food Service Industry



- Supplier of premium consumer foods directly to QSRs, hotels, CVS and cinemas
- Partnership with a leading Indonesian food and beverage distributor to sell our premium dairy products to foodservice customers

4 With Miss Cimory, we have developed a high social impact, exclusive direct-to-consumer channel

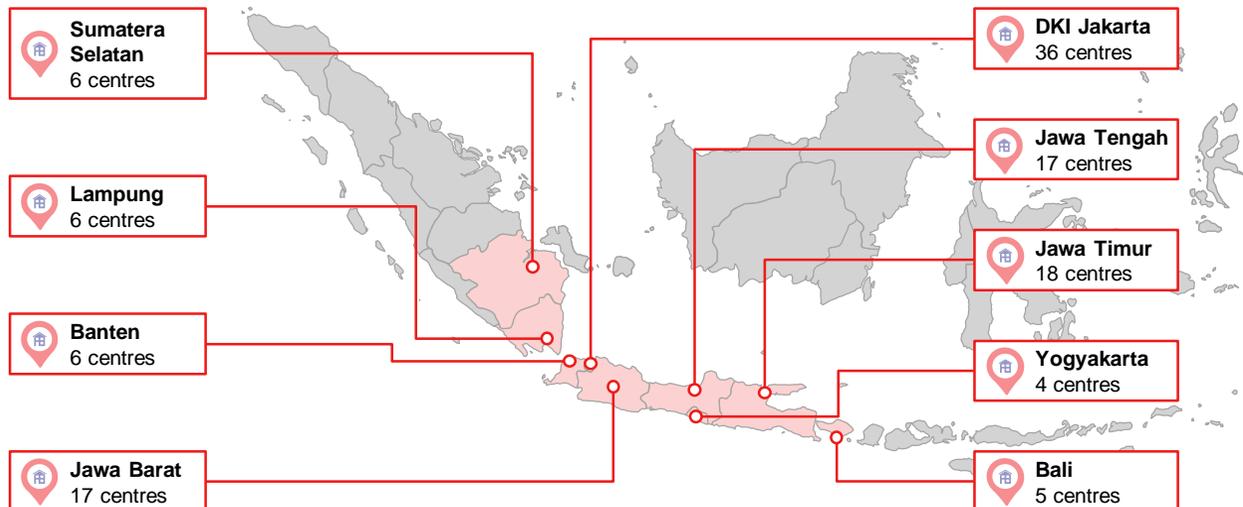


Empowering low-to-medium income women across Indonesia

- Training provided across **115 MCM centres nationwide**
- Empowering our MCM agents to become **micro-entrepreneurs and community ambassadors**
- Commissions received by MCM agents typically **exceed the minimum wage** of the respective regions
- Gives us access to customer bases and markets which are **underpenetrated by other distribution channels**



>2,700
MCM Agents
...
Reaching
>200,000
Households Per Week
...
Across
30
Cities Throughout Indonesia



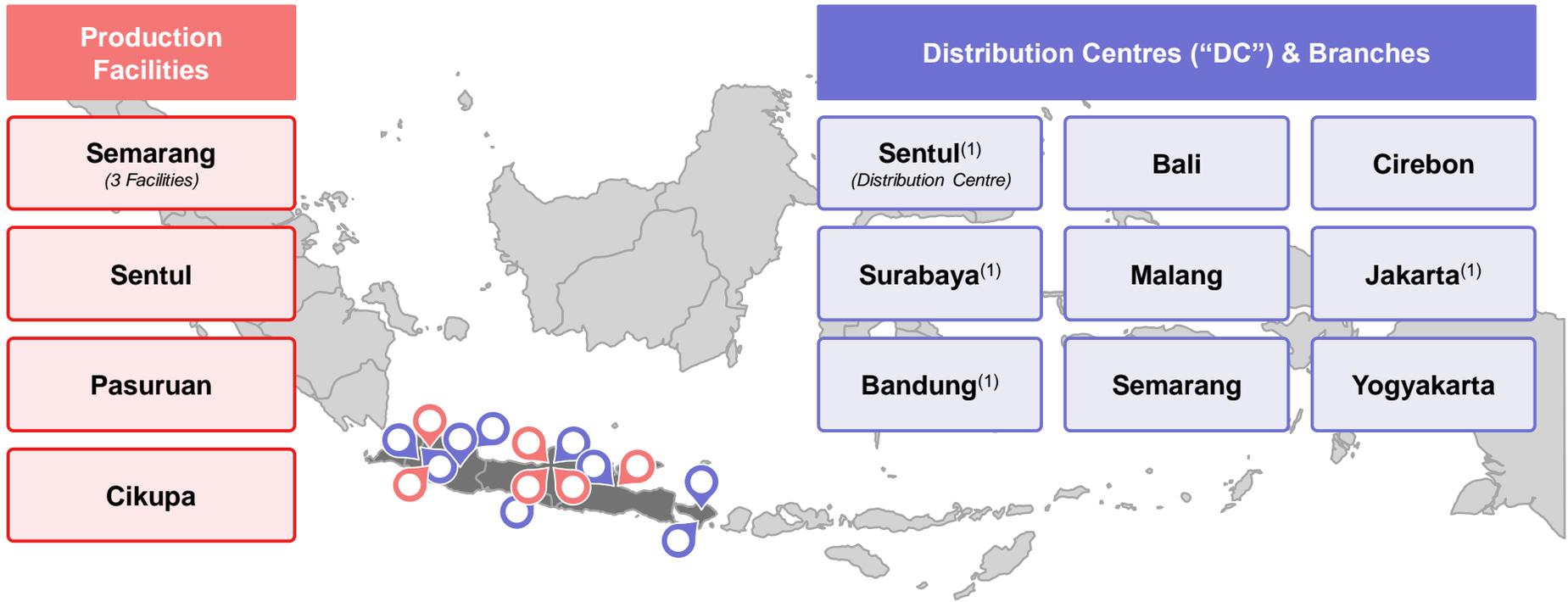
115 MCM centres across **Java, Bali and the Sumatra islands**

Equipped with **cold storage facilities** to maintain product quality and freshness

MCM centres are where agents receive **training, store earnings, and collect compensation & bonuses**

Note: As at 30 June 2021.

5 We have built our own nationwide logistics network with cold-chain capabilities, exclusively servicing Cimory



c. 120

Refrigerated truck fleet operated by MN



9

DCs and Branches with cold storage facilities



c. 80

GT distributors with cold storage facilities



115

Miss Cimory centres with cold storage

Note: As at 30 June 2021; (1) DCs and Branches owned by Cimory.

5 Our cold-chain infrastructure generates both top line and profitability benefits, and serves as a moat for competition



Benefits Of Our In-House Cold-Chain Distribution Infrastructure



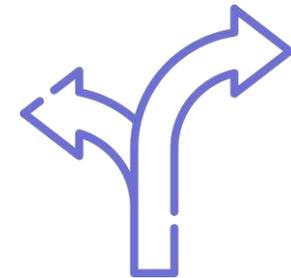
Profitability

- Our chilled and frozen products offer the promise of **superior taste and nutritional content** relative to ambient comparables, commanding a **higher price point**
- **Synergistic distribution** between Premium Dairy and Premium Consumer Food allows for **higher truck utilization and lower distribution costs**



Barrier To Entry

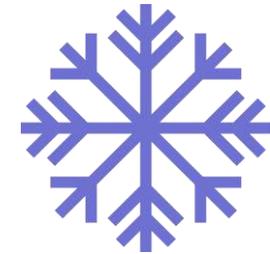
- Cimory has **invested significant time and CAPEX** in developing our in-house infrastructure, which would be **difficult for our peers to replicate**
- Our cold-chain expertise allows us to **efficiently manage our distributors' inventory levels**, resulting in a **low product return rate of 2%** of total sales in FY20



Differentiated Channels

- Miss Cimory serves as an exclusive **cost-effective marketing** and sales initiative to **educate the market on our innovative products** through in-person interaction
- Our GT distributors are **equipped with cold storage facilities**

6 Our operational model enables our premium price points and high margins, whilst maintaining mass market appeal



Product Innovation
Creating new and exciting product categories



Creative Marketing
Through our savvy digital-focused marketing strategies



Cold-Chain Logistics
Supporting deep channel penetration



Strong net sales growth and premium positioning, resulting in high profitability

- 1** | Our high quality, nutritionally beneficial products are poised to benefit from the **ongoing trend of premiumisation**
- 2** | Our premium price points create a **margin buffer** which helps to mitigate volatility in raw material prices
- 3** | We stand to benefit from **significant operating leverage** derived from economies of scale

7 Our management team has a relentless focus on operational excellence and execution



Board of Directors



Farell Grandisuri Sutantio
President Director
Group Chief Executive Officer

- Acting as President Director of Cimory since 2015
- Previously at Boston Consulting Group
- MBA from University of Oxford and Bachelor's degree in Commerce from The University of Western Australia



Axel Sutantio
Director
MP Chief Executive Officer

- Acting as President Director at PT Macroprima Panganutama ("MP") since 2013
- Bachelor's degree in Food Science & Technology from Curtin University, Australia



Bharat Joshi
Director
Chief Financial Officer & Investor Relations

- 15 years of asset management experience at Aberdeen Standard Investments and Credit Suisse
- Bachelor's degree in Actuarial Science, Warwick University, UK
- CFA charterholder



Yerki Teguh
Director
Supply Chain & Operations

- 20 years of experience including at Coca-Cola and Suntory
- Doctorate Degree in Business Management, BINA Nusantara University, Indonesia



Martua Parningotan
Director
Finance

- 15 years of experience in finance including at Unilever Indonesia, Kraft Heinz and Lazada Indonesia
- Bachelor's degree in Accounting, STIE Indonesia



Arjoso Wisantto
Director
Sales

- 30 years of experience in distribution at Orangtua Group, Sanyo Group and Lippo Group
- Master of Science at Delft University of Technology, Netherlands

Board of Commissioners



Bambang Sutantio
Group Founder & President Commissioner

- Cimory Group founder
- Acting as Group's President Commissioner since 2015
- Dipl. Ing. (Food Technology) from Technical University of Berlin, Germany



Wenzel Sutantio
Commissioner

- Acting as Director at PT Java Egg Specialties ("JES"), PT Macroprima Panganutama ("MN"), and MP
- Bachelor's degree in Commerce from University of Sydney, Australia



Alexander Rusli
Independent Commissioner

- Independent Commissioner of Unilever Indonesia and Medikaloka Hermina
- Founder of PT Digi Asia Bios
- Bachelor's degree in Commerce (Hons) and Business, Information System, Curtin University of Technology, Australia
- Doctor of Philosophy in Information System, Curtin University of Technology, Perth, Australia

7 We strive to have a positive ESG impact at every step along our value chain, meeting UN sustainable development goals



- Originally established as a **corporate social responsibility initiative** for Indonesian Farmers
- Continue to work closely with local farming co-operatives



5 | Gender Equality

- Promoting gender equality** through Miss Cimory program, providing employment opportunities and training to >2,700 lower and middle-income women in Indonesia
- MCM agents become micro-entrepreneurs and community ambassadors
- Agent commissions are typically **higher than minimum wage** in the region

Sourcing — Manufacturing — Distribution — End Customers →



- All of our production facilities are equipped with wastewater treatment plants to **minimize our environmental footprint**
- Our production facilities are also materially compliant with the applicable environmental regulations issued by the central and local governments



8 | Decent Work & Economic Growth

- Providing quality employment opportunities** throughout urban and rural Indonesia
- We have 2,428 employees (permanent and temporary) across our various functions
- All employees are enrolled with the Health and Manpower **BPJS health insurance scheme**
- All employees are provided with an **internal pension plan**



2 | Zero Hunger

- Helping to **increase the protein intake of all Indonesians** through our high quality, nutritionally beneficial products

Note: As at 30 June 2021.

2 | Growth Strategies

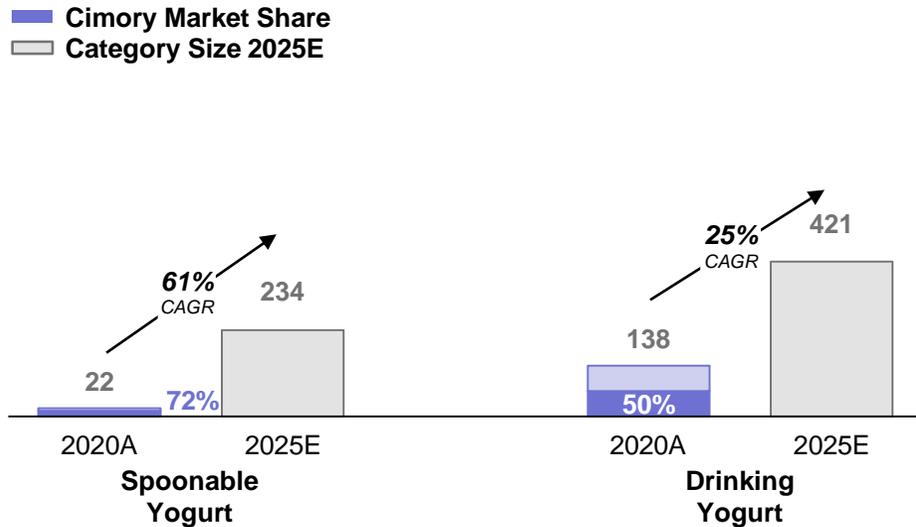


Existing products are positioned in high growth categories, with strong potential to increase market size by growing penetration



Category Leader

Market Size & Cimory Share⁽¹⁾ (US\$m)

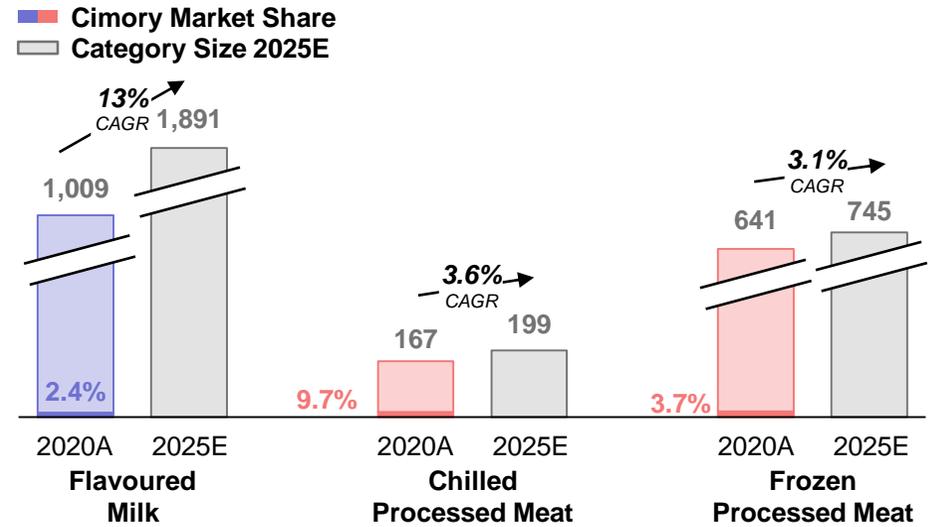


Growing Market Size & Increasing Category Penetration

- Strong potential as **consumption per capita of yogurt is low**
- Drive category adoption through **investment in marketing**
- **Maintain dominant market share** in each category

Category Disrupter

Market Size & Cimory Share⁽¹⁾ (US\$m)

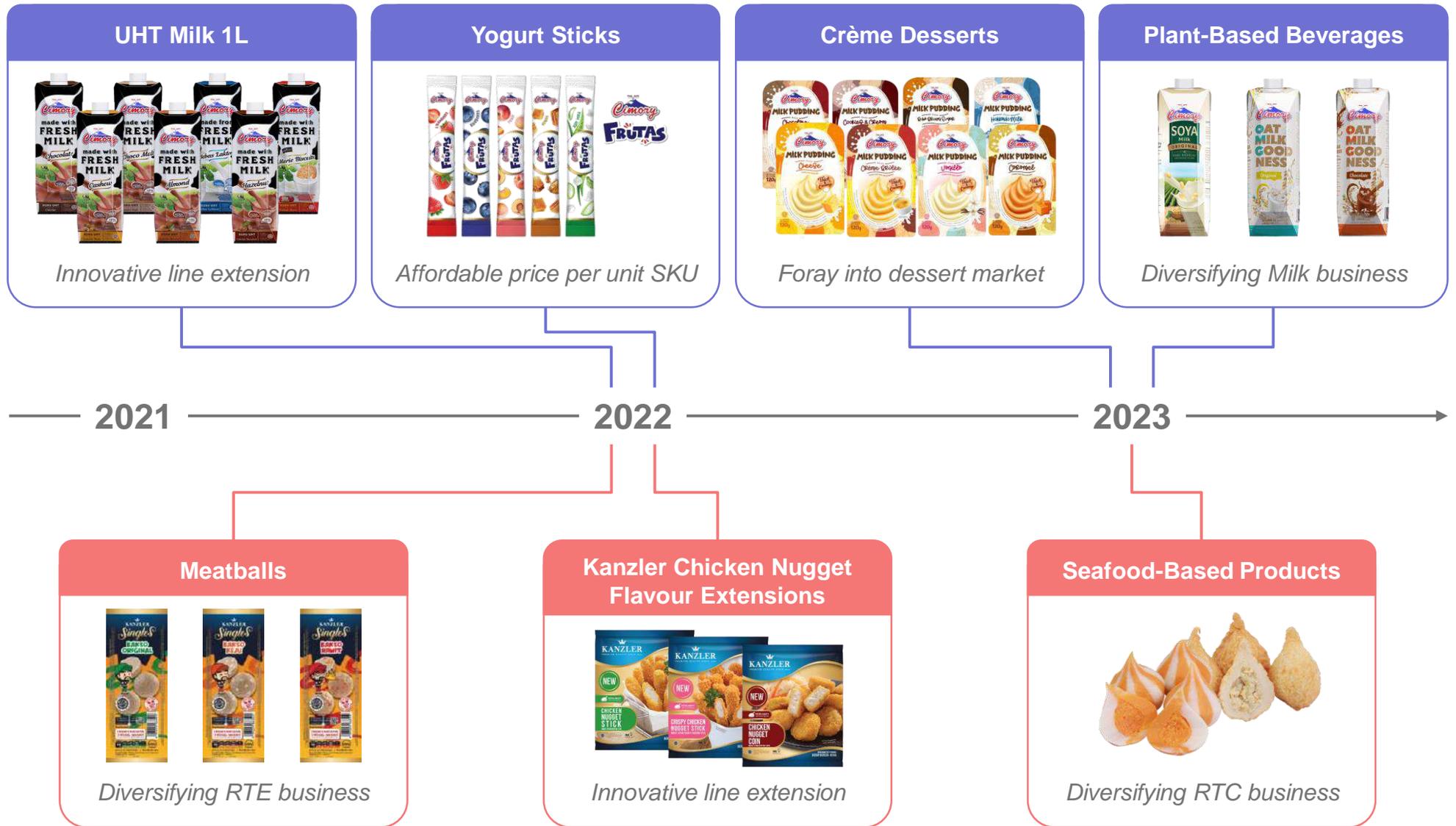


Gaining Market Share Through Innovation

- Core competency in **understanding Indonesian consumer's shifting tastes and preferences**
- Track record of successful targeted product line extensions which are **differentiated by flavour profile** (e.g. our UHT Milk product lines)
- **Product innovation pairs hand-in-hand with our digital marketing strategy**, with the ability to build strong interest at launch

Source: Euromonitor.
 Note: Euromonitor fixed exchange rate of US\$1.00 = Rp14,582; (1) Per Euromonitor.

We will continue to leverage our core competency of product innovation with new category offerings

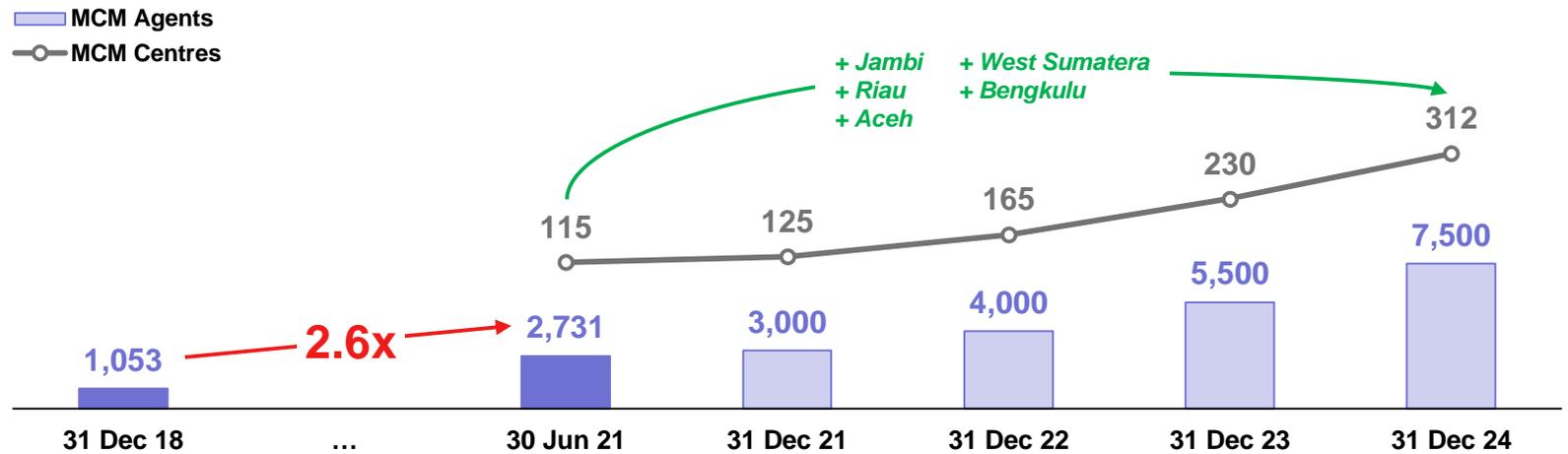


Significant growth potential in Miss Cimory, with plans to expand into new areas in Sumatera and grow our presence in Java & Bali



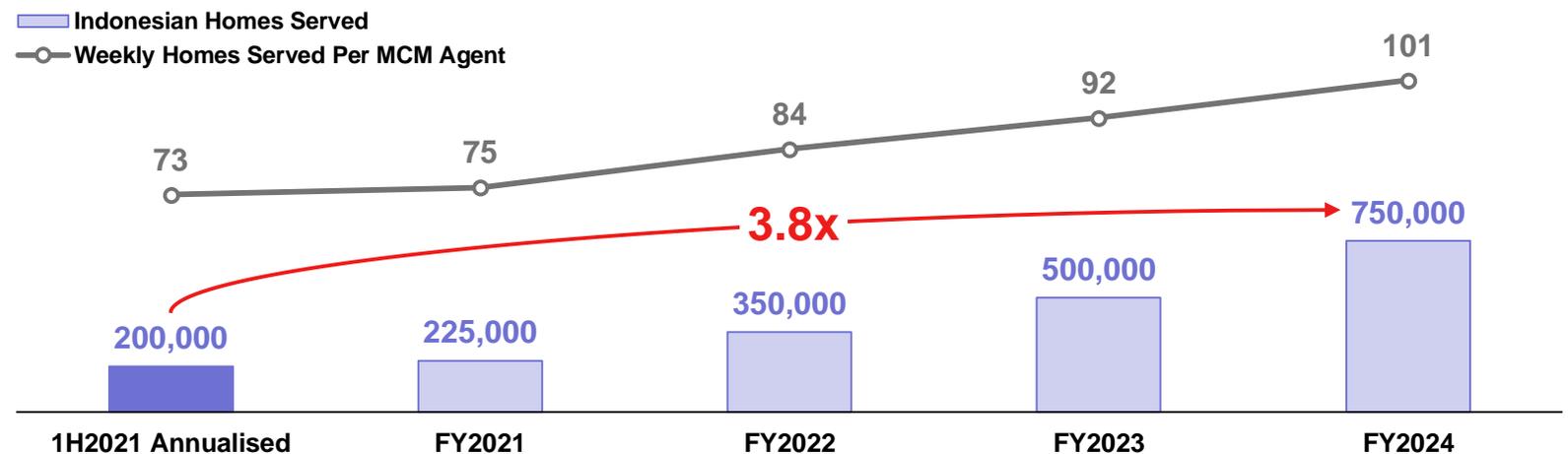
Planned Expansion of MCM Centres & Sales Force

MCM Agents & Centres



Target MCM Channel Reach

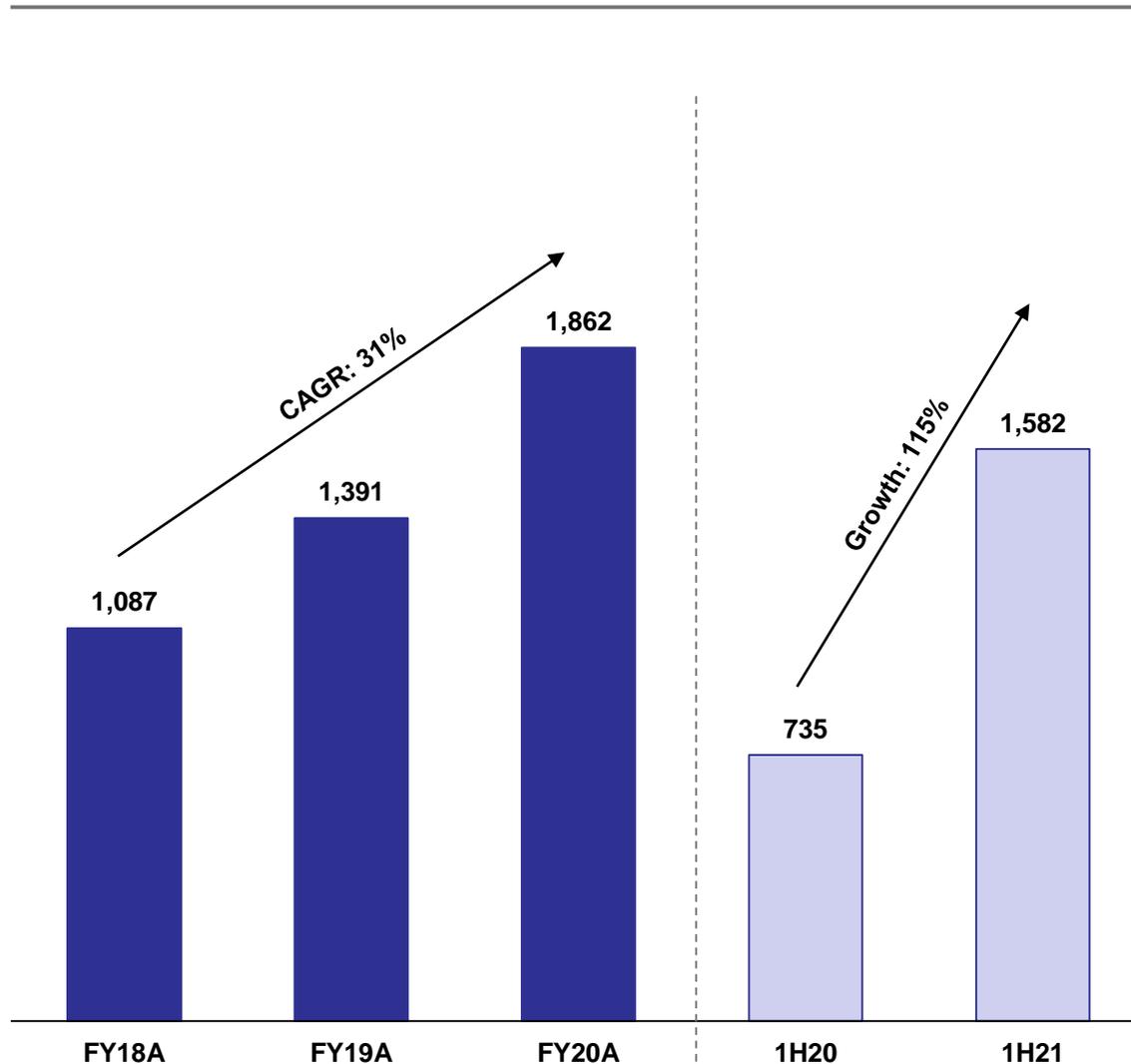
MCM Reach



3 | Financial Performance



Total Net Sales (Rp bn)



Commentary

■ Yogurt

- Growth primarily attributable to **new product launches**, namely **Cimory Pouch** and Cimory Greek Yogurt in 2020

■ Milk

- Growth partially due to **launch of Cimory UHT Milk** product line in 2019 and subsequent **new flavour extensions** in 2020

■ Premium Consumer Foods

- Growth primarily **driven by Kanzler Singles** launch in 2019, and **new flavour extensions** launched in 2020 and 1H21

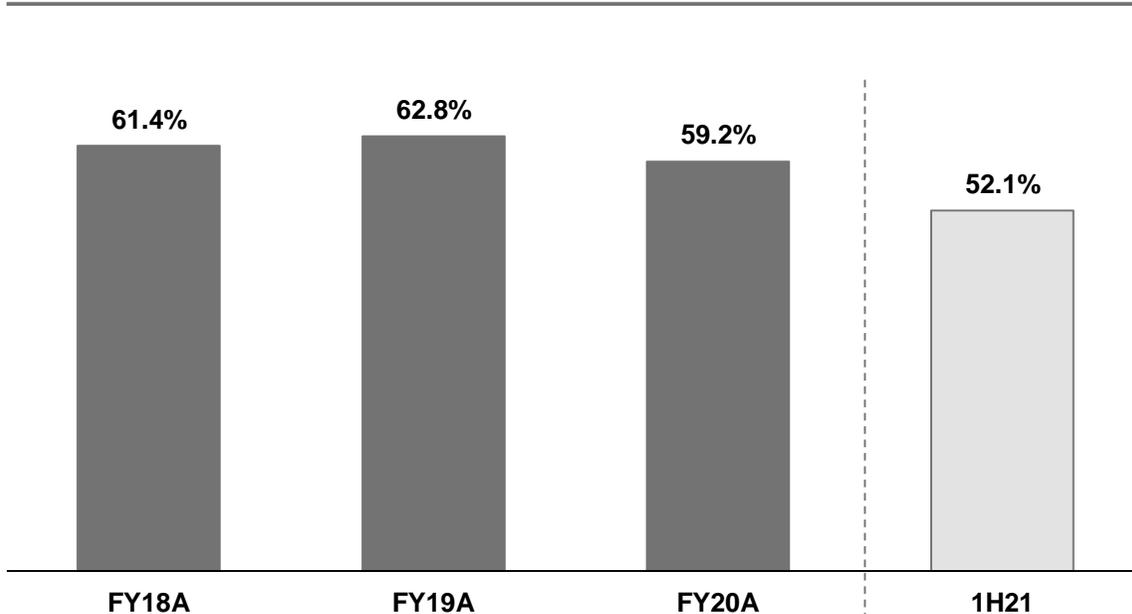
- Overall growth partially attributed to **success of new product launches**, and subsequent **increases in sales volumes**

- Additionally aided by **increasing reach of GT and MCM distribution channels**

Gross profit



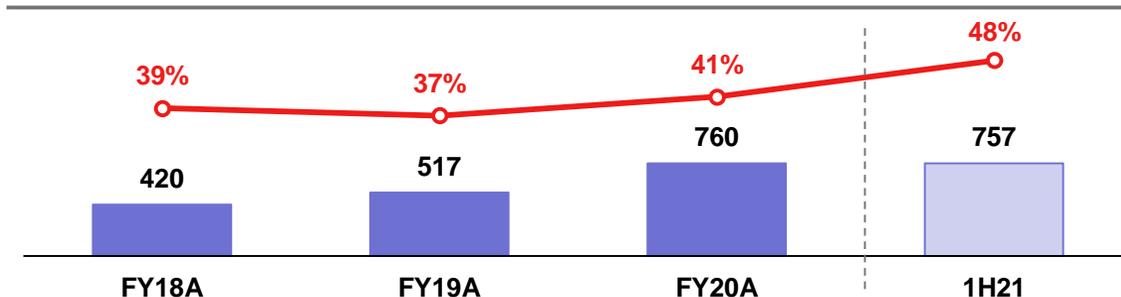
Cost of Sales % Net Sales (Rp bn)



Commentary

- **Benefits of scale** flowing through as sales volume grows rapidly
- Profitability improvements partially minimized by rising raw material costs
 - COVID-19 has impacted supply chains globally and increased the cost of imported raw materials
 - Historically, imported raw materials have also been affected by adverse FX movements

Gross Profit & Margin (Rp bn)



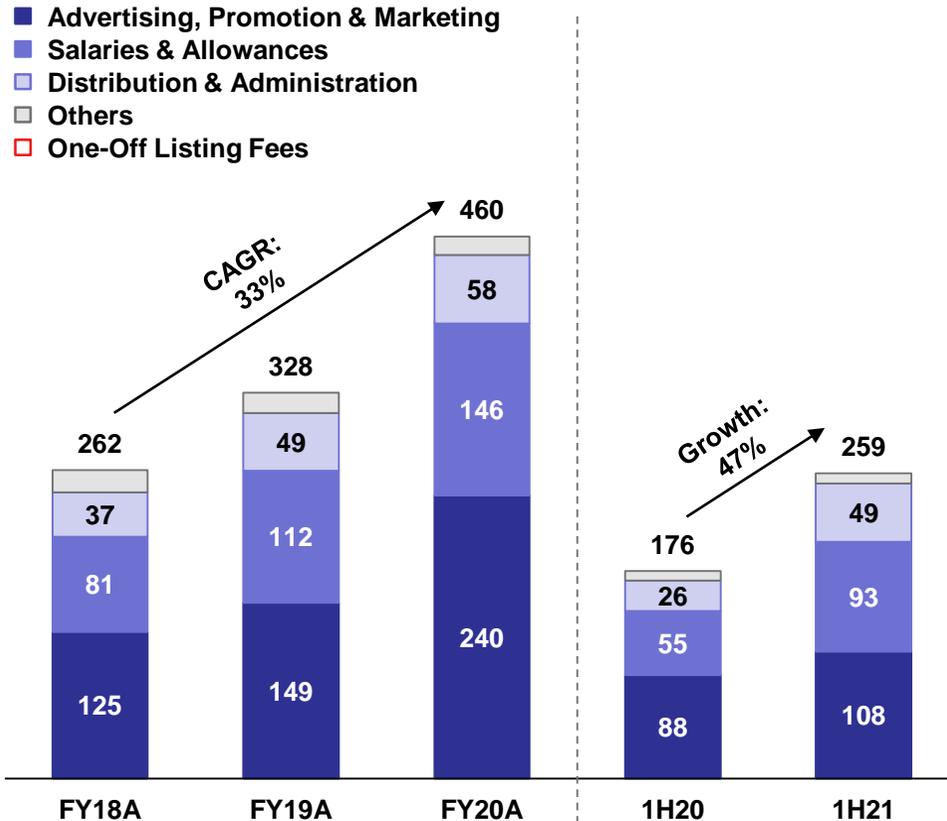
Commentary

- Generally, **profitability improvements from product mix changes** have far outweighed impact of raw materials prices
- Additionally, **growing scale of operations** contributing to gross margin uplift

Selling & marketing expenses

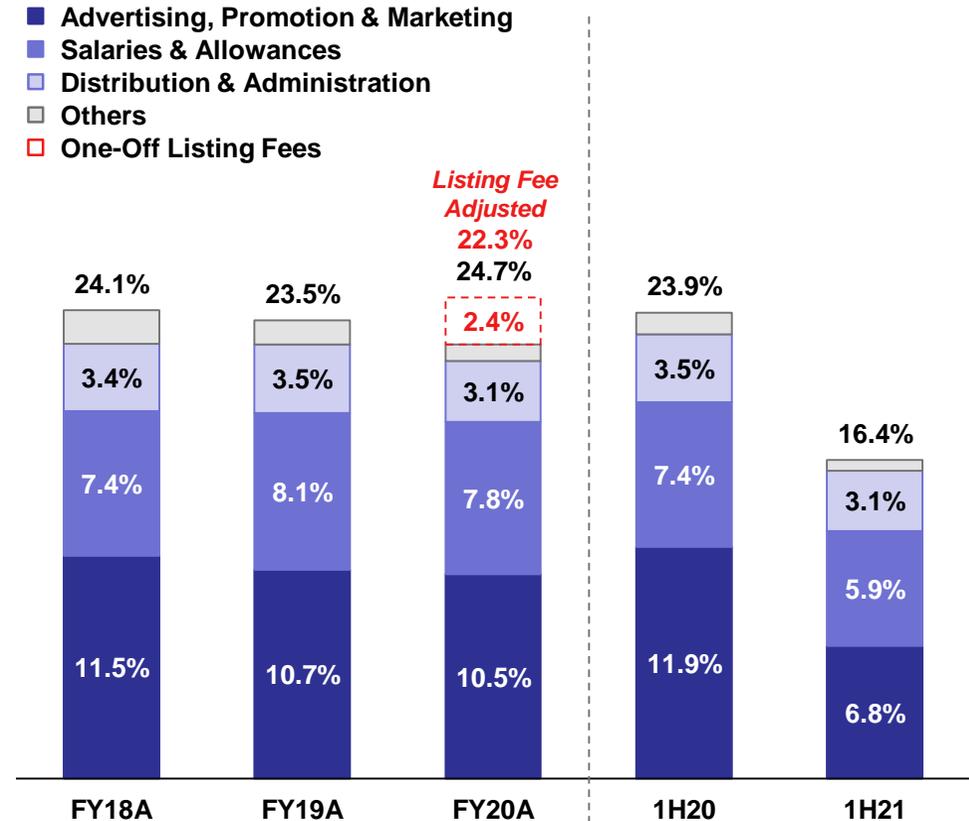


Selling & Marketing Expenses (Rp bn)



- **Continually growing expenditure** on Advertising, Promotion & Marketing to promote brand adoption
- Growing Salaries & Allowances and Distribution & Administration expenses as our **operations continue to expand**

Selling & Marketing Expenses % Net Sales (Rp bn)

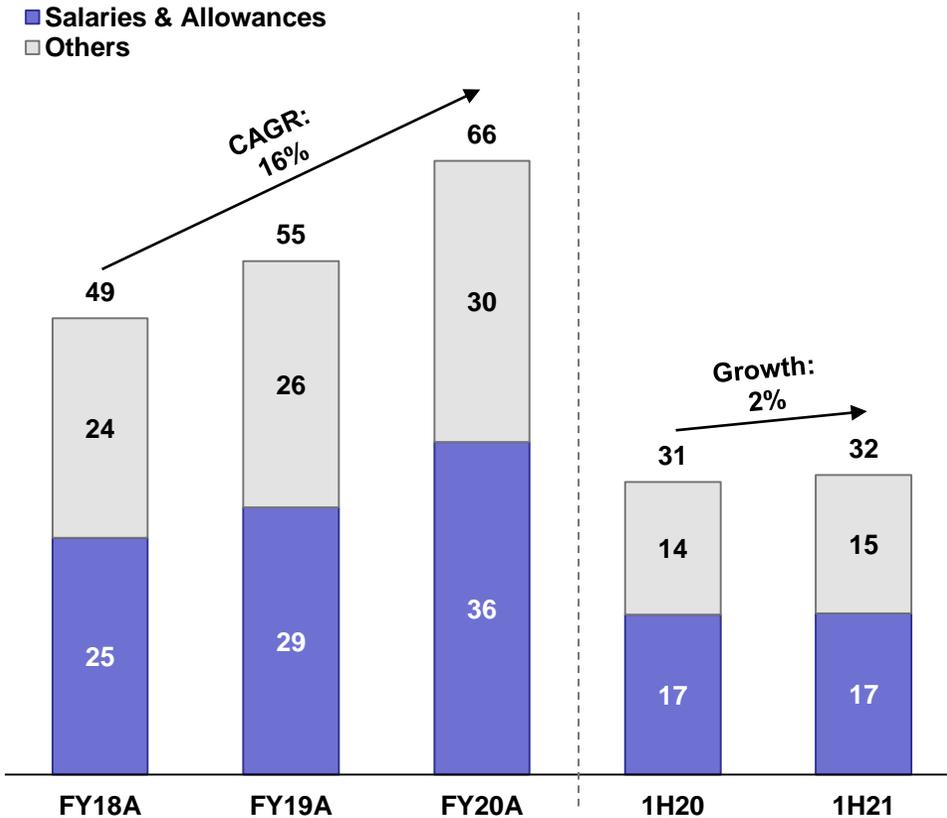


- **Downward trend** of Selling & Marketing Expenses as a % of Net Sales when adjusted for one-off listing fees
- Marketing and distribution functions enjoying benefits of scale as top line net sales grow rapidly

General & administrative expenses

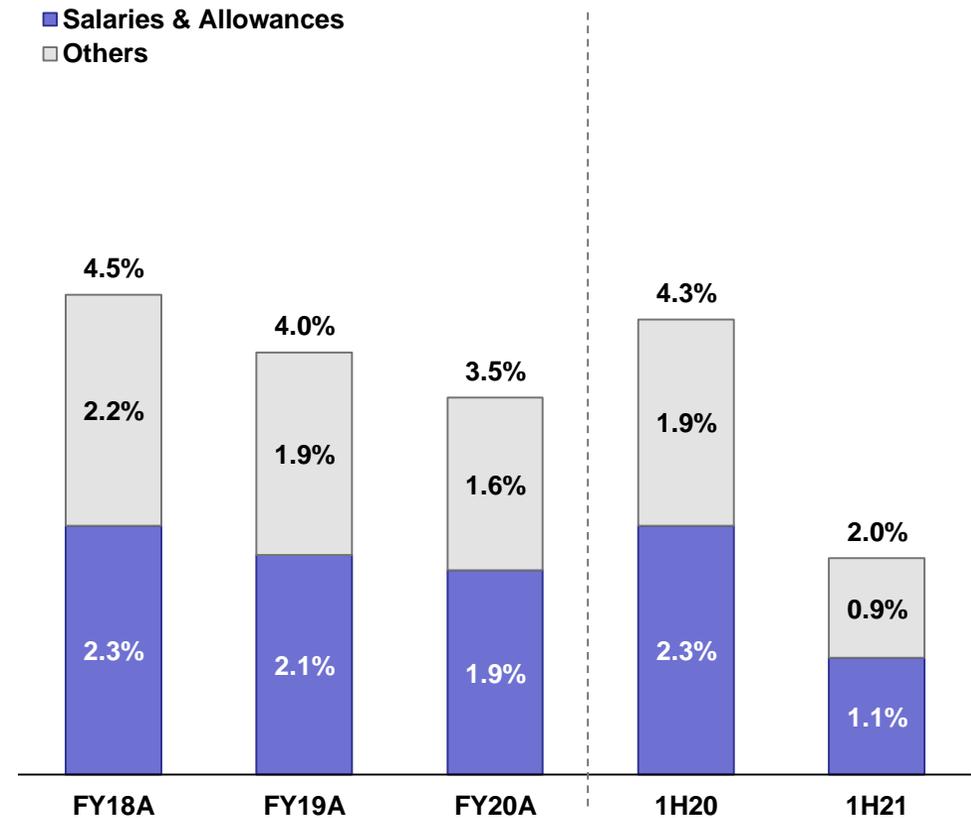


General & Administrative Expenses (Rp bn)



- Year on year growth in Salaries & Allowances expenses as operations continue to expand

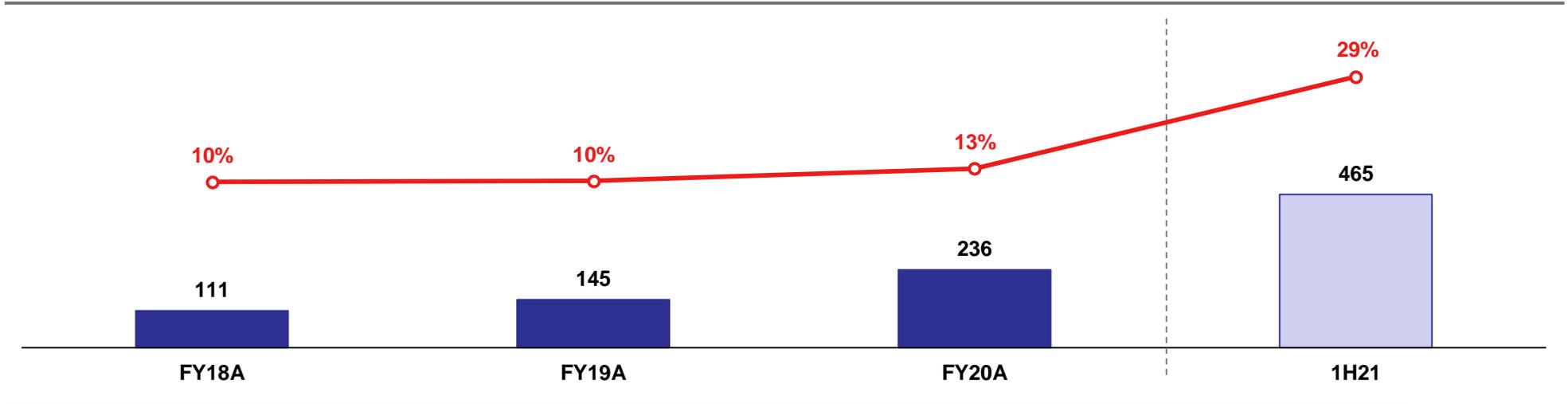
General & Administrative Expenses % Net Sales (Rp bn)



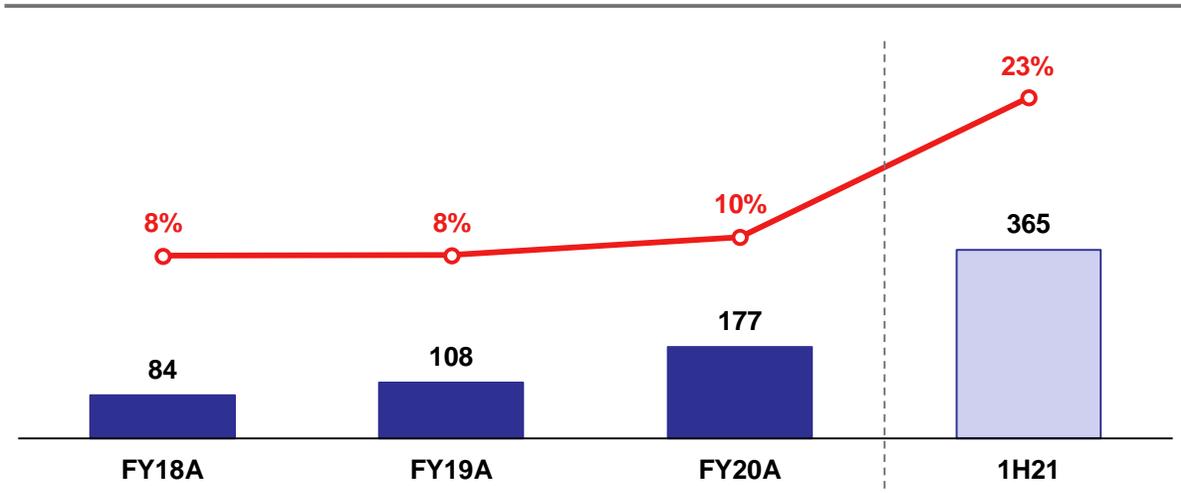
- **Consistent downward trend** in General & Administrative Expenses as a % of Net Sales, owing to **significant operating leverage**



Operating Profit & Margin (Rp bn)



Net Profit & Margin⁽¹⁾ (Rp bn)



Commentary

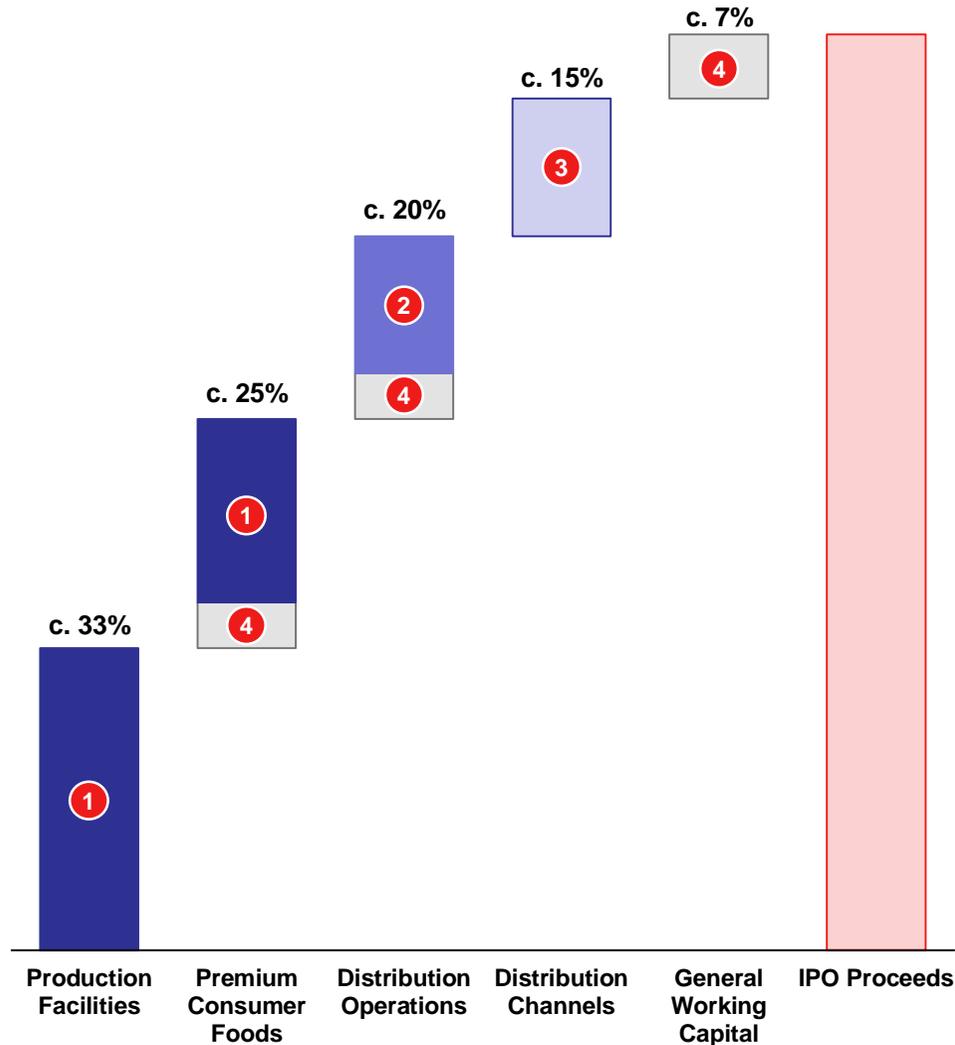
- Strong top line growth leads to a significant increase in net profit margins due to **operating leverage and scale**
- Further enhanced by the adoption of Cimory's new product lines leading to higher net profit margins

Note: (1) Net Profit excluding profit from discontinued operations.

Use of IPO proceeds



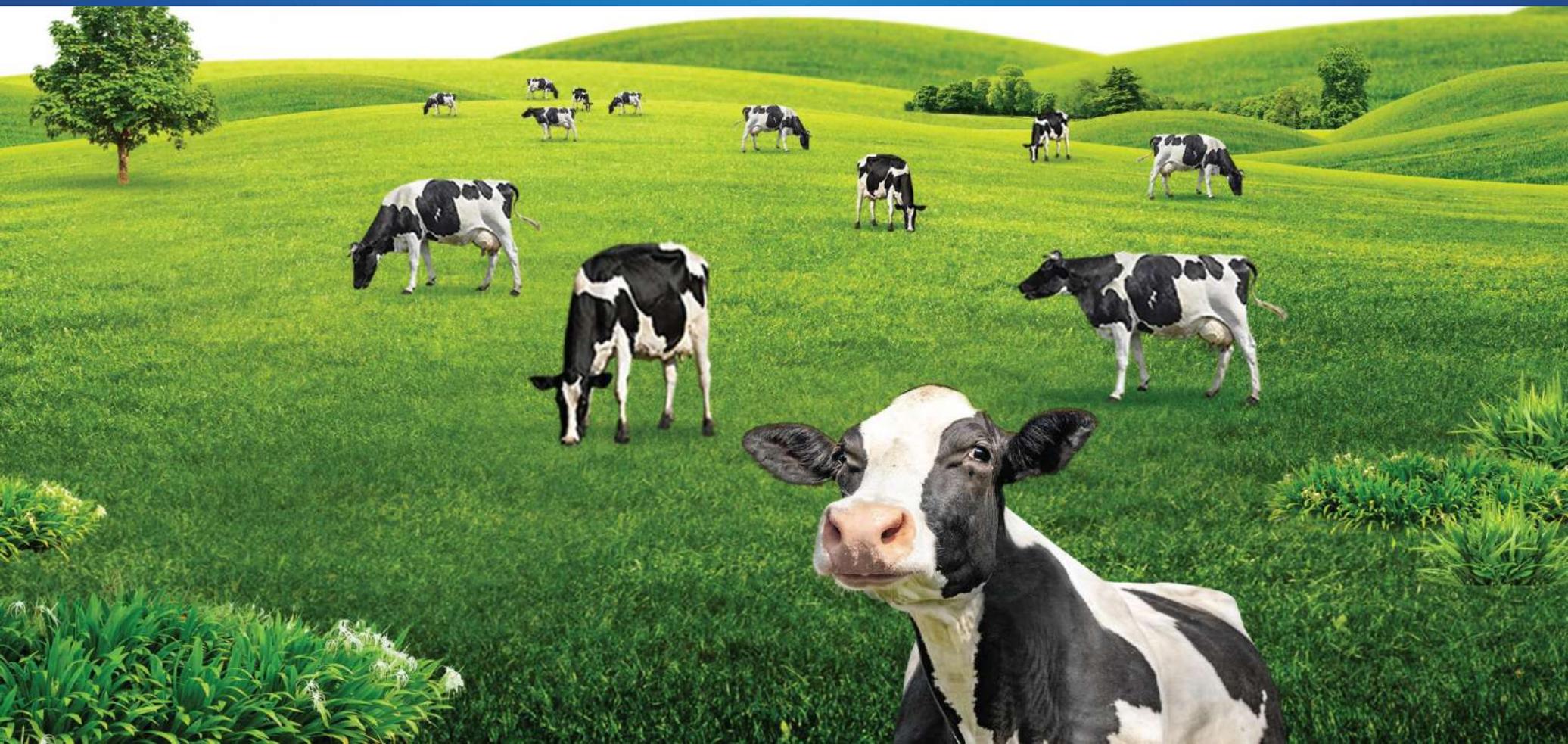
Use of IPO Proceeds (Rp bn)



Commentary

	Short Term <i>By FYE22</i>	Medium To Long Term <i>FY23 & Beyond</i>
1 Production Capacity	Address immediate Cimory Pouch & UHT Milk market overhang with additional capacity by FYE22	Increase capacity of Premium Dairy and Premium Consumer Foods by 3.6x and 2.4x by FYE24
2 Distribution Centres	Fund construction of East Java DC , doubling our warehousing capacity	Complete West Java DC , reaching aggregate warehousing capacity to 35,000 pallet positions
3 Distribution Channels		Reach 150,000 GT outlets by FYE24, including c. 68,000 chillers Grow to 312 MCM Centres , supporting c. 7,500 MCM Agents by FYE24
4 Working Capital	For working capital purposes, including but not limited to employees' salary payment, accounts payable, operational cost, etc.	

4 | Transaction Overview



Offering summary



Issuer	<ul style="list-style-type: none"> PT Cisarua Mountain Dairy Tbk (“Cimory”)
Offering Structure	<ul style="list-style-type: none"> Up to 15% of enlarged share capital (1,190,203,000 shares)
Offering Price Per Share	<ul style="list-style-type: none"> Rp 2,780 – Rp 3,160
Listing & Distribution	<ul style="list-style-type: none"> Indonesian Stock Exchange (“IDX”) Regulation S under the US Securities Act (“Regulation S”)
Use of Proceeds	<ul style="list-style-type: none"> c. 33% of the net proceeds for capital expenditures of the Company relating to additional capacity in the form of PP&E for our production facilities; c. 25% of the net proceeds will be used for capital injection in MP, with the following details: <ul style="list-style-type: none"> c. 80% of them will be used by MP for capital expenditures relating to additional capacity in the form of PP&E for our production facilities; c. 20% of them will be used by MP for working capital purposes c. 20% of the net proceeds will be used for capital injection in MN, with the following details: <ul style="list-style-type: none"> c. 75% of them will be used by MN for capital expenditures relating to expansion plans with respect to our distribution centers in the form of acquisition of land, buildings and supporting equipment relating to our operational activities mostly in West Java; c. 25% of them will be used by MN for working capital purposes c. 15% of the net proceeds will be used for capital expenditures of the Company relating to distribution channel expansion in the form of (a) increasing about 68,000 chillers available in general trade outlets and (b) investing in more supporting facilities such as training and development facilities to support the growing number of MCM agents; c. 7% of the net proceeds for working capital purposes of the Company
Lock-Up Period	<ul style="list-style-type: none"> Issuer: 12 months Existing Shareholders: 6 months
Joint Global Coordinators	<ul style="list-style-type: none"> CLSA Limited PT Mandiri Sekuritas Nomura Singapore Limited
International Selling Agents	<ul style="list-style-type: none"> CLSA Limited Nomura Singapore Limited
Lead Domestic Underwriters	<ul style="list-style-type: none"> PT CLSA Sekuritas Indonesia PT Mandiri Sekuritas
Company’s Domestic Legal Counsel	<ul style="list-style-type: none"> Armand Yapsunto Muharamsyah & Partners
Auditors	<ul style="list-style-type: none"> Paul Hadiwinata, Hidajat, Arsono, Retno, Palilingan & Rekan (a member firm of PKF International Limited) KAP Purwanto, Sungkoro & Surja (a member firm of Ernst & Young Global Limited)
Notary	<ul style="list-style-type: none"> Notaris Aulia Taufani, SH.
Share Registrar	<ul style="list-style-type: none"> PT Datindo Entrycom

IPO key dates



November 2021

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

December 2021

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

Events	Key Dates
Bookbuilding Period	10 Nov 2021 – 17 Nov 2021
Pricing Date	17 Nov 2021
OJK Effective Statement	26 Nov 2021
Additional Information In Newspaper	29 Nov 2021
Public Offering Period	30 Nov 2021 – 2 Dec 2021
Allotment	2 Dec 2021
Distribution	3 Dec 2021
IDX Listing	6 Dec 2021

