

# Introduction to Summit Power

Corporate Overview

# The Summit Group is the Leading Conglomerate in Bangladesh, Focused on Power and Infrastructure

With 30 years of history, Summit Group is one of the largest conglomerates in Bangladesh

Summit Group



## Summit Power International Limited



### Power and Gas Infrastructure

- **Largest IPP in Bangladesh**
- Co-sponsored the first private power project in Bangladesh
- 2.3 GW of generating capacity
- Operates Bangladesh's second FSRU LNG terminal, with 500 mmcf/d capacity



## Summit Alliance Port Limited



### Port Operations

- **Largest private port services operator in Bangladesh**
- Handles ~25% of containerized export cargo in Bangladesh
- Caters to ~15% of containerized import cargo
- Operates two fluvial ports in India and owns one in Bangladesh

## Summit Oil and Shipping



### Fuel Trading & Supply

- **Leading private supplier of liquid fuels to the IPP sector**
- Imports and supplies ~500,000 MT of HFO to power plants annually
- Expanding into LNG supply
- Additional 600 mmcf/d FSRU under implementation

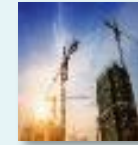
## Summit Communications



### Telecom Infrastructure

- **Largest fiber optic backbone service provider**
- Over 47,100 km of fiber optic network, covering all 64 districts of the country and 60% of the market share
- Largest independent tower company in Bangladesh
- Licensee to the 3rd submarine network operator into Bangladesh

## Summit Assets



### Commercial Real Estate

- Developing a 91-acre high-tech industrial park northwest of Dhaka (Summit Technopolis)
- 40-year concession, under a PPP model
- IPCO Resorts Ltd., a 65-year leasehold over 25 acres for development
- Owns corporate office buildings

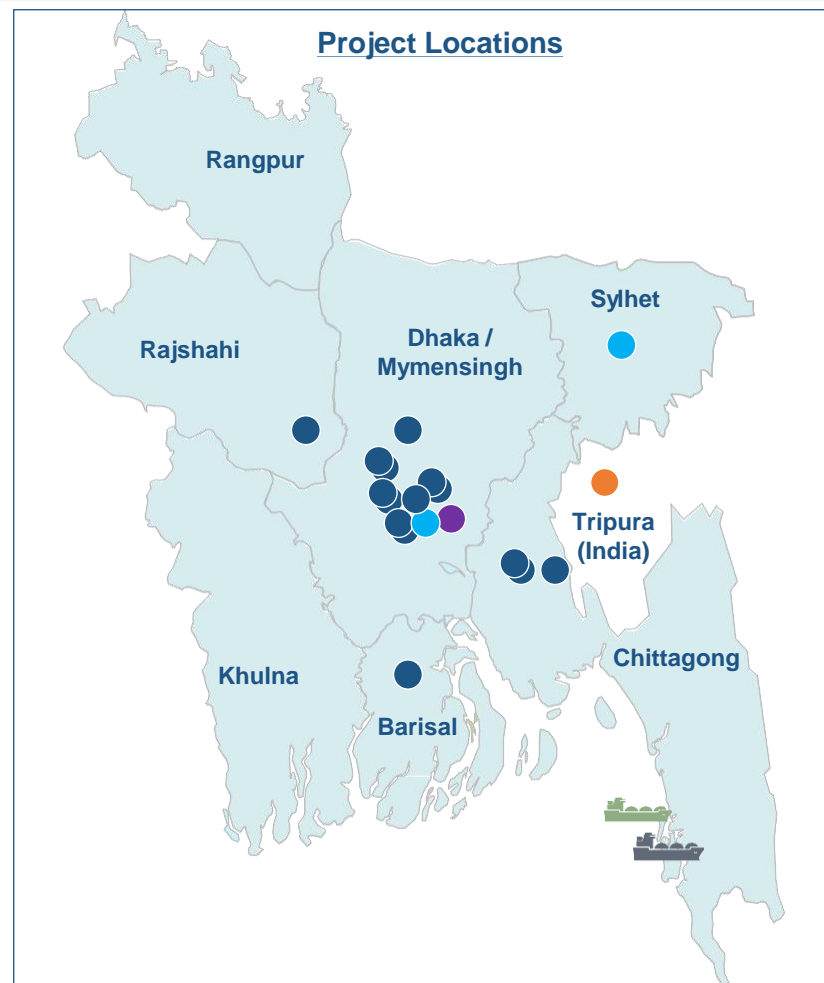
# Summit Power International Limited (“SPIL”) is the Largest Independent Power Producer in Bangladesh



## Largest IPP in Bangladesh

- SPIL has a 25-year operating track record
- 2,255 MW<sup>1)</sup> Generation Portfolio – operated by SPIL
  - 1,665 MW in operation
  - 590 MW committed capacity under construction
  - 67% of capacity is natural gas-fueled, remaining is liquid-fueled
- 500 mmcf/d LNG Terminal (FSRU) – operated by SPIL
- USD 193 million EBITDA and USD 88 million Net Profit in FY 2021<sup>2)</sup>
- Long-term USD-indexed PPAs and Terminal Use Agreement, with fixed capacity payments and fuel costs passed-through
- Ownership of SPIL:
  - **78% by Pioneer Generation** (holding company owned by founder Aziz Khan and Family)
  - **22% owned by JERA**, the largest energy company in Japan and a 50-50 Joint Venture between Tokyo Electric Power and Chubu Electric Power

## 2.3 GW Generation Portfolio 500 mmcf/d FSRU LNG Terminal



- Reciprocating engine plant in operation
- CCGT in operation
- CCGT under development
- CCGT acquisition in process
- 🚢 FSRU
- 🚢 FSRU (dev)

1) Excludes capacity in associate companies.  
2) Audited consolidated figures, FY ending June 2022. EBITDA represents Adjusted Cash EBITDA.

**1**

**The Market Leader for Power and Gas Infrastructure in Bangladesh, with a High-Quality Portfolio and Strong Sponsorship over a 25-year Operating History**

**2**

**Priority Focus on Sustainable Operations, Social Responsibility and Supporting Communities**

**3**

**Resilient Business Model Underpinned by an Attractive USD-indexed, Government-Guaranteed Contractual Framework**

**4**

**Strong Growth Prospects Supporting Demand in Bangladesh and South Asia, focused on Gas Power, LNG Infrastructure, LNG Supply and Renewable Energy**

**5**

**Extensive Track Record of Securing and Delivering Projects**

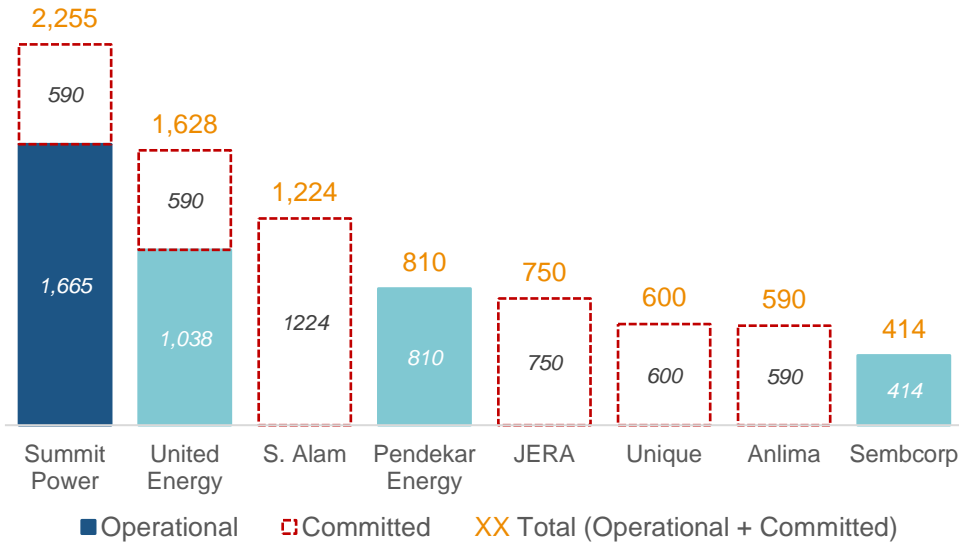
**6**

**Solid Fundamentals, Financial Strength, and Prudent Capital Structure**

**7**

**Singapore-headquartered with International Standards in Corporate Governance**

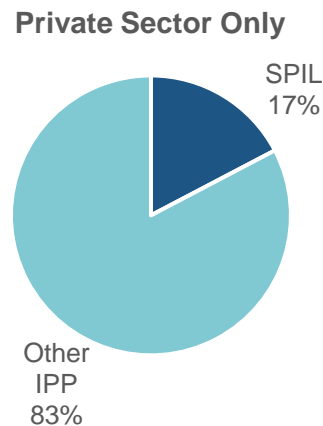
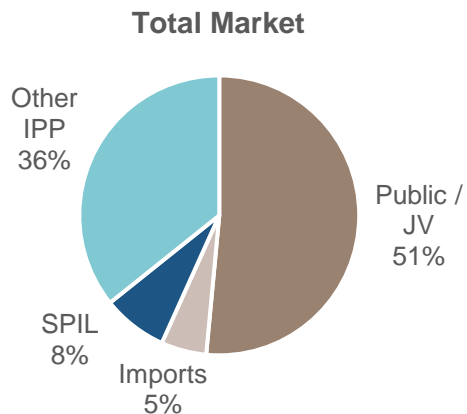
## IPP Installed Capacity (MW)<sup>1)</sup>



## Highlights

- **1997:** SPIL co-sponsored the first IPP in Bangladesh (KPCL I)
  - Introduced Wärtsilä to Bangladesh market through the development of KPCL I and subsequent power plants
- **2014:** First project with General Electric in Bangladesh, with the development of Meghnaghat I power plant utilizing Class 9E turbines
- **2015:** Developed the Bibiyana CCGT utilizing a GE 9FA turbine
- **2019:** First and only Bangladeshi company to develop an FSRU LNG terminal, one of two in the country
- **2023:** Meghnaghat II will utilize the GE Class 9H turbine, the first in Bangladesh and amongst the most efficient in the world

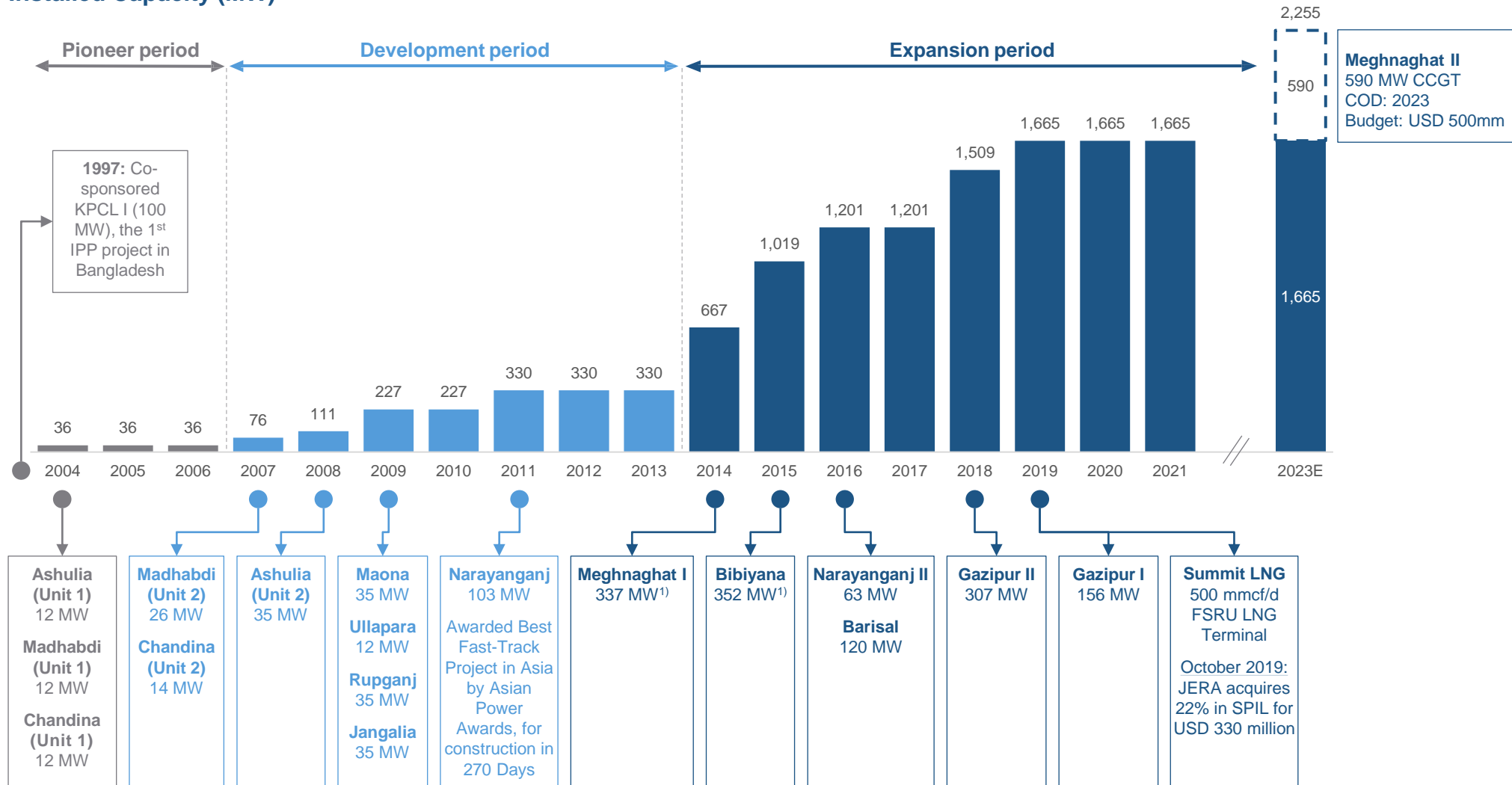
## Breakdown of Power Market (MW)



- ✓ Established track record of industry leadership
- ✓ Historically has introduced the newest technologies
- ✓ Partnership with leading industrial companies

# Summit Power's Track Record of Delivering on its Commitments

## Installed Capacity (MW)



**Co-sponsored the first IPP and has successfully executed all projects awarded since inception**

Note: Years shown are Fiscal Years; which end on June 30.

1) Meghnaghat I and Bibiyana based on fiscal year in which plants achieved Open Cycle COD.

# Resilient Business Model Backed by Government Guarantees



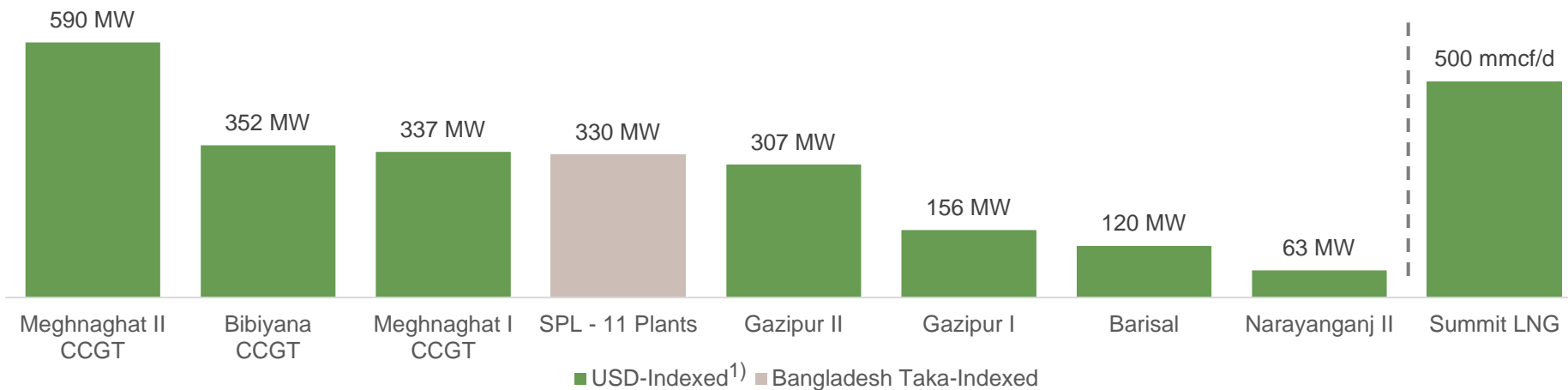
## Robust PPA and TUA Structure

- ✓ Availability-Based Capacity Payments, based on plant or terminal availability irrespective of dispatch
- ✓ Pricing structure is pre-determined within PPA and fuel costs are passed-through
- ✓ Majority of PPA payments are indexed to USD<sup>1)</sup>; LNG Terminal Fee paid directly in USD
- ✓ Inflation adjustment mechanism within O&M payments
- ✓ Power plants under Build-Own-Operate Model

## Strong Contractual Framework

- ✓ Projects governed by Implementation Agreements
  - Provides for right to repatriate earnings and debt service in USD
- ✓ Coterminous Fuel Supply Agreement; non-supply risk resides with the Government<sup>2)</sup>
- ✓ Coterminous Land Lease Agreements in cases where Government owns land where plant is located; pre-determined lease pricing
  - Several plants are on Summit-owned freehold land (~70 acres in total) in valuable industrial areas along river and road connectivity
- ✓ Government of Bangladesh guarantees performance of state-owned counterparties under the Project Agreements

## Majority of PPA and TUA Contracted Payments are Indexed to USD



1) PPA payments are indexed to USD with the exception of a portion of Fixed and Variable O&M payment components which are indexed to Bangladesh Taka, equating to approximately 5% of revenue on average. Summit LNG Terminal Use Agreement (TUA) payments are indexed to USD and paid entirely in USD.

2) For Natural Gas or Dual-Fuel power plants; exception is for 5 HFO-fired power plants where Summit Oil and Shipping is the fuel supplier.

# Summit Has Developed Long-standing Relationships with World-class Partners and Investors



## Corporate investors and financiers



- Summit Group has partnered with IFC since 1997
- IFC has provided funding at both the project level and corporate level
  - Invested USD 75 million in the Bibiyana CCGT power plant
  - Lender and lead arranger for Meghnaghat II project financing
- IFC, IFC Asset Management, Daelim Energy and ASMA Capital invested in SPIL at the corporate level in 2016 (exited in 2019)
- In October 2019, JERA acquired a 22% stake in Summit Power for USD 330 million

## Industrial and financial project co-investors



- Mitsubishi, GE and Taiyo Life are investors alongside SPIL group companies at the project-level
  - GE is an investor in the Bibiyana and Meghnaghat II CCGT plants
  - Mitsubishi is a 25% shareholder in Summit LNG, one of Bangladesh's two FSRU LNG Terminals, operated by Summit
  - Taiyo Life is an investor in the Meghnaghat I CCGT project
- GE is also the equipment supplier for Summit Power CCGT plants at Meghnaghat and Bibiyana

Global power expertise and infrastructure financing

Corporate governance best practices

Environment sustainability and social impact



# Summit's Focus on Sustainability – Integral to its Growth Strategy

## Sustainability Growth Strategy

- Summit Power actively tracks its own GHG emissions
- Summit Power's decarbonization framework is focused on the following:
  - Improving the energy efficiency of our portfolio:**
    - Ensuring our plants use the latest technologies to ensure less fuel is used per kWh of generation as we grow our portfolio
  - Diversifying our portfolio** to lower our carbon intensity
    - Focus on gas-fired rather than liquid-fuel plants
    - Greenfield renewables, within Bangladesh and cross-border
    - Pursuing regional renewables M&A, in India and Southeast Asia



Water body located inside Summit's Gazipur power plant



Tree planting at Hamiduzzaman Sculpture Park at Kodda, Gazipur

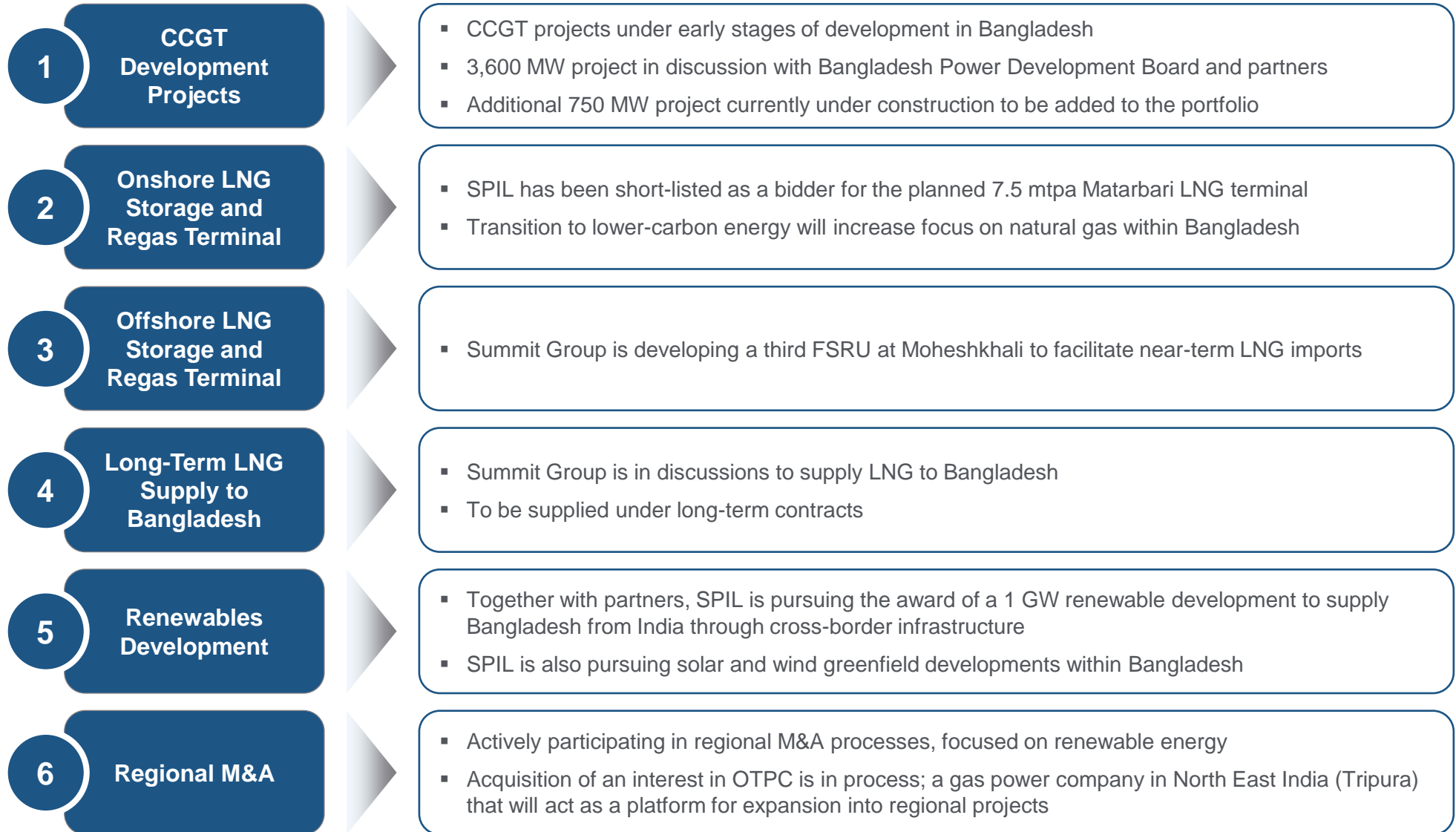


Working with SEID Trust to improve conditions of less advantaged children

## Strong Commitment to CSR

- Vision:** To make a significant difference not only to the wider economy, but to the living standards of the communities in which we operate
- Community Involvement** across several the key areas of **Education, Health and Social Service, Sports, and Arts and Culture**
- Investing in the community**
  - Developing a **solar power project in northern Bangladesh** for a remote 1,000-person community that has no access to electricity
  - In 2021, **funded a new primary school** in northern Dhaka
- Support for Rohingya children and their families** with emergency supplies, collaborating with UNICEF in 2021
- Working with **JAAGO Foundation**, enabling them to educate underprivileged students online in Bangladesh

# Summit's Growth Initiatives are Focused on Gas Power, LNG Infrastructure, LNG Supply and Renewable Energy



## Summit's Plans for Third FSRU in Bangladesh

- Summit, through SOSCL, has received In-Principle Approval to construct a 500 mmcf/d send-out capacity FSRU at Moheshkhali
  - To be the 2<sup>nd</sup> FSRU developed by Summit and the 3<sup>rd</sup> in Bangladesh
- Project Scope:
  - Summit to enter into a Terminal Use Agreement with Petrobangla; does not include LNG supply / price risk
  - Revenue to be USD-denominated, based on availability of FSRU (rather than on throughput or regasification volume), comprising:
    - Fixed component to cover fixed costs
    - Operating component including port-services payment
    - USD-indexed with inflation adjustment
  - Government Guarantee
  - 15+ year contract (final agreed tenor may be longer)
- Summit currently in discussions with FSRU providers and finalizing key terms of the agreement with Petrobangla



## Location: Southern Bangladesh

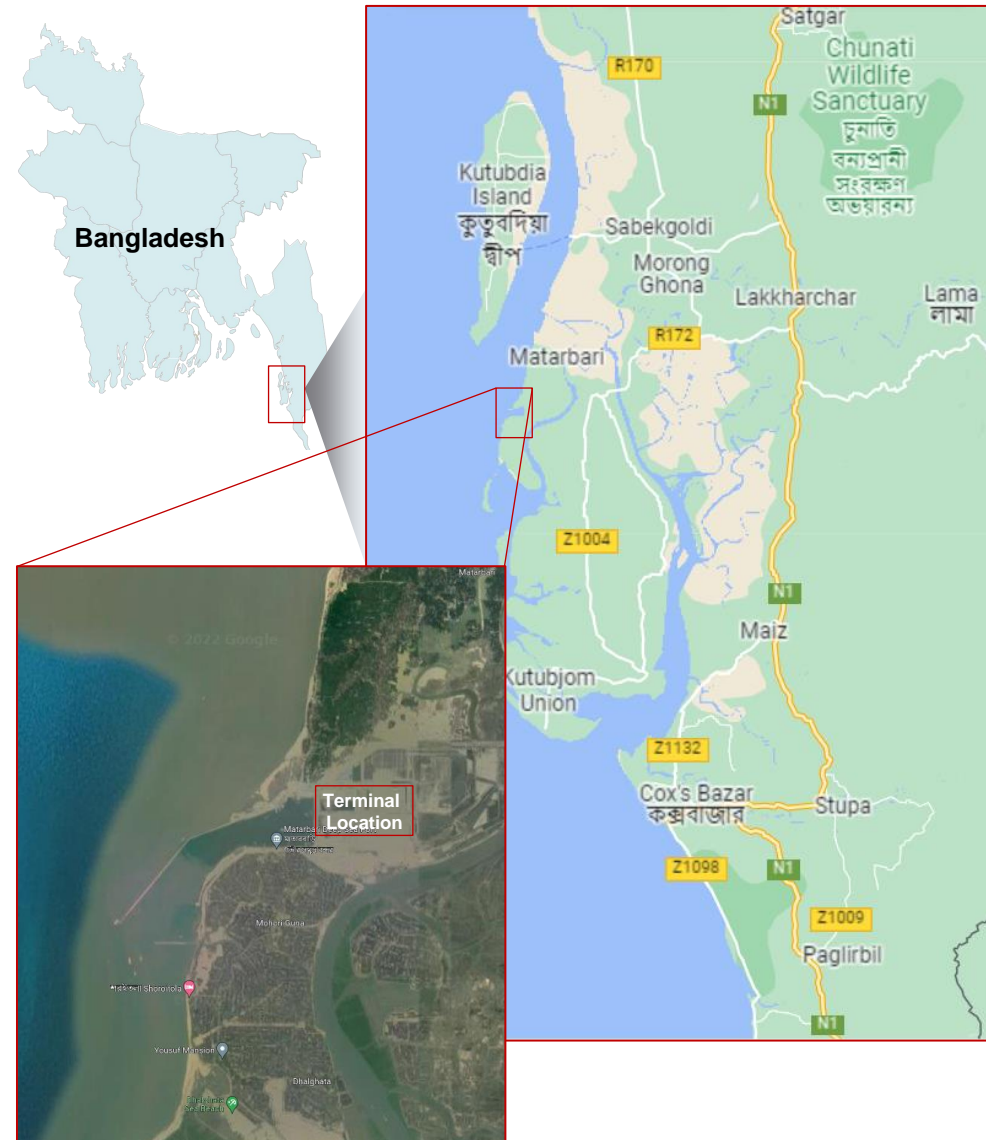


# Bangladesh's Onshore LNG Terminal at Matarbari

## Overview of the Matarbari LNG Terminal Project

- RPGCL, a subsidiary of Petrobangla, has requested proposals for developers to build an onshore LNG terminal at Matarbari in Bangladesh
  - **Size:** 7.5 mtpa (1,000 mmcf/d)
  - **LNG Storage** capacity of at least 500k m<sup>3</sup>
  - Jetty and berth facilities capable of receiving Q-Max carriers
  - BOOT (Build, Own, Operate, Transfer) model
- Key objectives for the project:
  - Supplement domestic gas production to meet growing demand
  - Ensure energy security for Bangladesh
- The scope of the project includes:
  - Jetty and LNG unloading facilities
  - Berthing facilities
  - LNG storage and regasification facilities
  - Boil-off gas facilities
  - Utilities
  - Pipeline interconnection
- Summit, in association with JERA, is a shortlisted bidder
- Estimated project cost: USD 1bn
- Timeline:
  - Bidding: 2023
  - Financial Close: 2024
  - COD: 2028

## Location

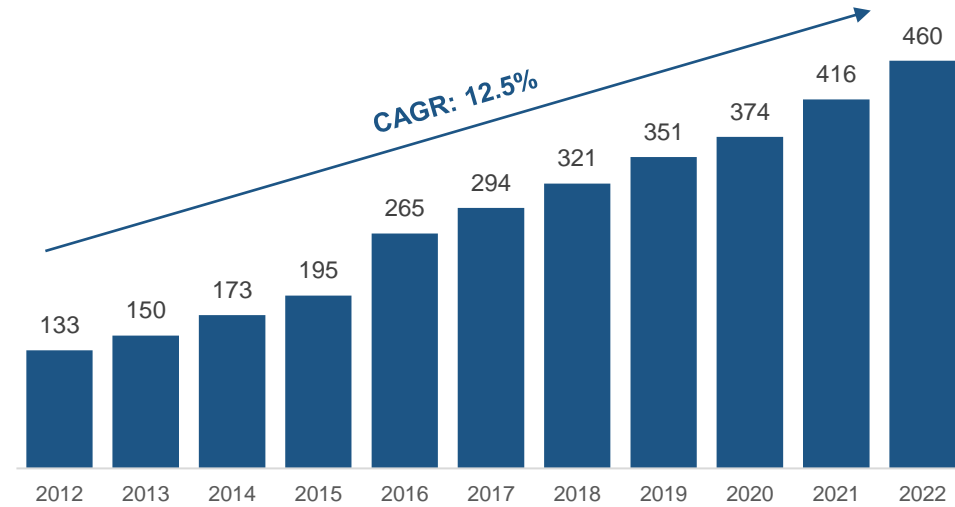


# Bangladesh Is a Vibrant and Rapidly Growing Economy

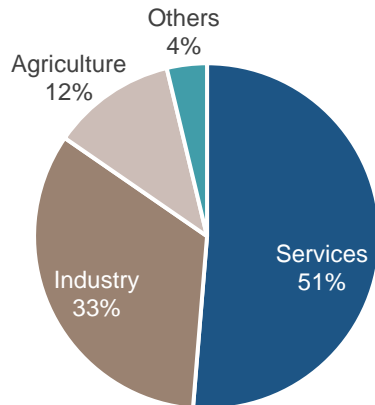
## Key Statistics

- Population (2022): 171.2 million<sup>1)</sup>
  - 8th largest in the world
- Nominal GDP (2022): USD 460.2 billion<sup>1)</sup>
  - 11.9% CAGR over past 10 years
- GDP per capita: USD 2,688<sup>2)</sup>
  - One of the highest in South Asia, higher than India and Pakistan
- FX Reserves (Feb 2023): USD 32.3 billion<sup>1)</sup>
  - ~1x months of import cover
- Exports (2022): USD 49.2 billion<sup>3)</sup>
  - One of the largest garment exporters in the world
- USD Exchange Rate (Mar 2023) : 107 BDT / USD<sup>1)</sup>

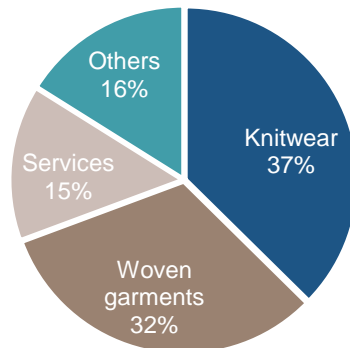
## 10-Year Historical GDP (USD bn, Nominal)<sup>1)</sup>



## National Accounts – By Type

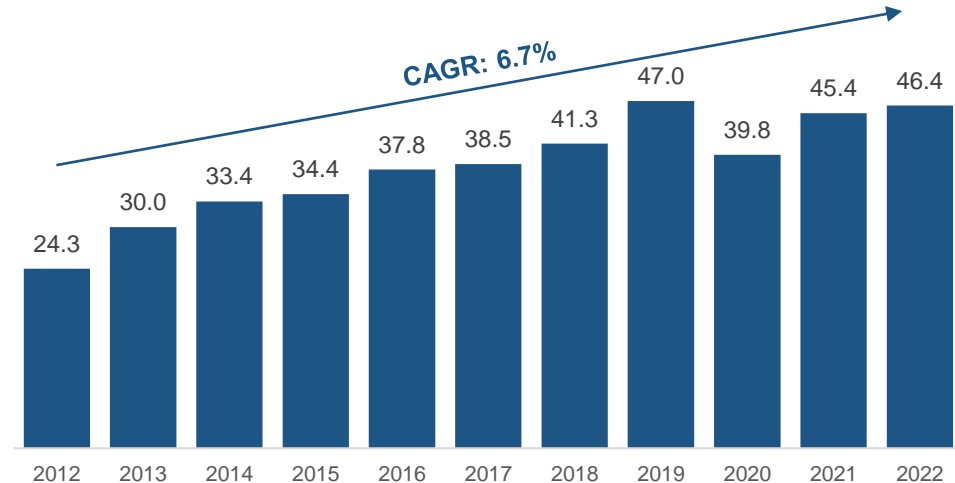


Nominal GDP (2022):  
USD 460 bn<sup>1)</sup>



Goods and Services Exports (2021):  
USD 49.2 bn<sup>2)</sup>

## 10-Year Historical Exports (USD bn)<sup>3)</sup>



1) Source: Bangladesh Bank (BB).

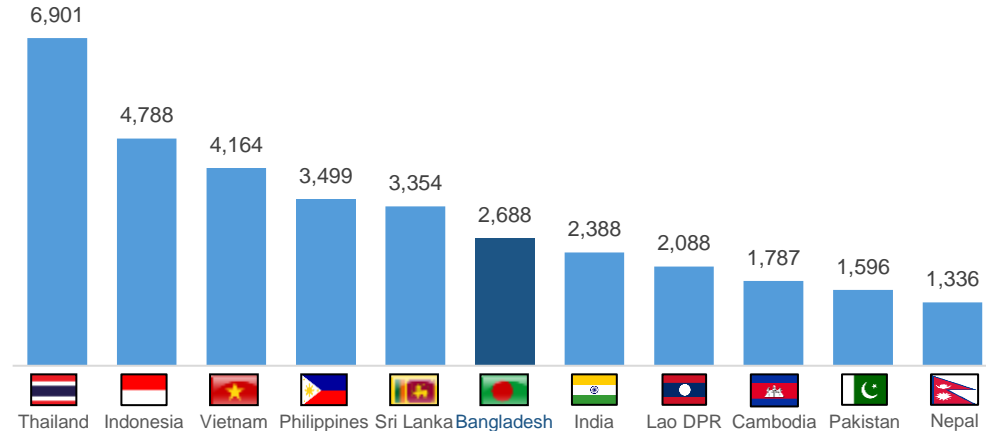
2) Source: World Bank Group.

3) Source: Export Promotion Bureau (EPB). GDP Services Account Composition: Wholesale and Retail Trade, Repair of Vehicles and Goods, Hotels and Restaurants, Transport, Storage & Communication, Financial Intermediation, Real Estate, Public Administration and Defense, Education, Health and Social Works, Community and Personal Services.

# Attractive Power Industry Dynamics in Bangladesh

## GDP Per Capita (2022, USD)<sup>1)</sup>

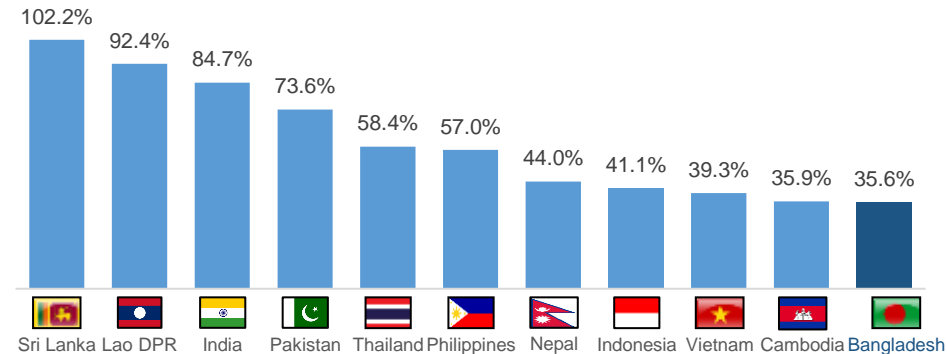
Higher than India, Yet Poised for Future Growth



## Debt / GDP (2022, %)<sup>2)</sup>

Healthy Government Balance Sheet Enabling Sectoral Support

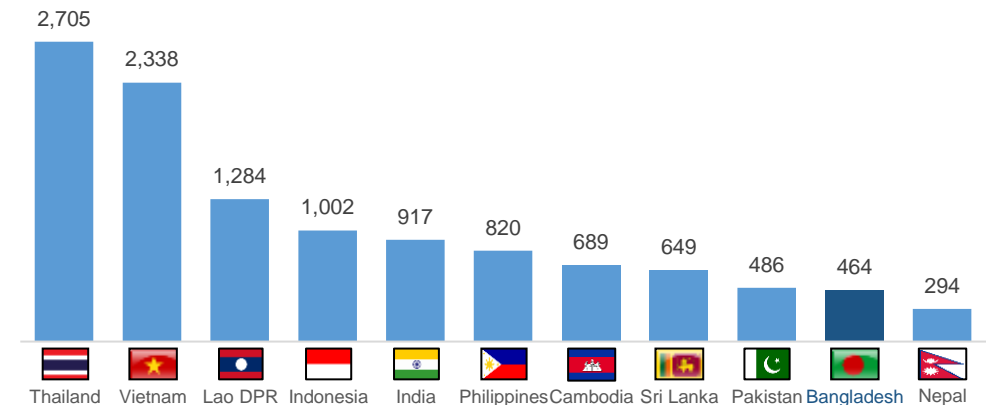
Credit Rating <sup>3)</sup>	SD / Ca / RD	- / Caa3 / n/a	BBB- / Baa3 / BBB-	CCC+ / Caa3 / CCC-	BBB+ / Baa1 / BBB+	BBB+ / Baa2 / BBB	- / - / -	BBB / Baa2 / BBB	BB+ / Ba2 / BB	n/a / B2 / -	BB- / B1 / BB-
2021 Debt/Revenue <sup>2)</sup>	12.4x	6.1x	4.3x	5.9x	2.9x	2.7x	1.9x	3.0x	2.1x	1.7x	3.8x



## Electricity Consumption per Capita (kWh / Capita / Year)<sup>4)</sup>

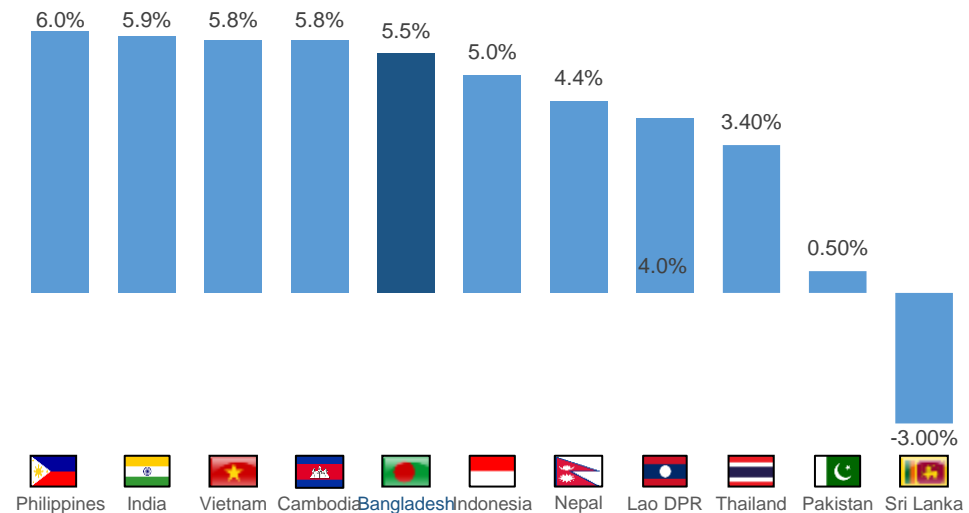
Significant Need for Additional Electricity

Country	Installed Capacity (GW) <sup>4)</sup>
Thailand	49.5
Vietnam	76.6
Lao DPR	0.0
Indonesia	81.2
India	416.1
Philippines	26.9
Cambodia	4.5
Sri Lanka	5.0
Pakistan	43.8
Bangladesh	23.3
Nepal	2.2



## 2023 Real GDP Growth Forecast<sup>2)</sup>

Forecasts Demonstrate Robust Growth Profile



1) World Bank Group.

2) International Monetary Fund, World Economic Outlook, April, 2023

3) S&P / Moody's / Fitch. (SD: Selective Default defined by S&P, RD: Restricted Default defined by Fitch)

4) Energy data from respective countries Energy Authorities ranging across CY2020-2022.





# SPIL's Experienced Management Team and Board



## Experienced Executive Team

Key Personnel	Experience
 <b>Muhammed Aziz Khan</b> <i>(Executive Chairman)</i>	<ul style="list-style-type: none"> <li>Over 40 years of industry experience</li> <li>Founder of Summit Group</li> <li>President of Bangladesh Association of Publicly Listed Companies</li> <li>Honorary Consul General of Finland to Bangladesh</li> </ul>
 <b>Ayesha Aziz Khan</b> <i>(Managing Director and Chief Executive Officer)</i>	<ul style="list-style-type: none"> <li>Extensive experience in financial management and structuring for power generation companies, infrastructure finance and structured finance</li> <li>Raised over USD 900 million of financing for projects across Summit Group</li> </ul>
 <b>Wu Yan Bin</b> <i>(Chief Financial Officer)</i>	<ul style="list-style-type: none"> <li>12 years of project finance banking experience with Mizuho, MUFG and OCBC in U.S, India, Bangladesh, North Asia and South East Asia</li> <li>Experienced in providing financial advisory services to clients in project bids and M&amp;A deals</li> </ul>

## Proven On-the-Ground Team

Key Personnel	Experience
 <b>Faisal Karim Khan</b> <i>(Director, Business Development)</i>	<ul style="list-style-type: none"> <li>Oversees business development for Summit Power; instrumental in developing Summit's more than 2GW and LNG Terminal over the past decade</li> <li>Member of the Board of Directors</li> </ul>
 <b>A.N.M Tariqur Rashid</b> <i>(MD, Turbines Division and FSRU)</i>	<ul style="list-style-type: none"> <li>35 years of experience in power plant development, construction and operations</li> <li>Responsible for the gas turbine projects and the FSRU project within SPIL</li> </ul>
 <b>Engr Md Mozammel Hossain</b> <i>(MD, Reciprocating Division)</i>	<ul style="list-style-type: none"> <li>Over 40 years of experience in power generation and transmission projects</li> <li>Responsible for the development, construction and operations of SPIL's reciprocating engine projects</li> </ul>
 <b>Syed Sohel</b> <i>(Executive Director, Finance)</i>	<ul style="list-style-type: none"> <li>BBA and MBA in Finance with more than 18 years of experience in banking and project finance</li> <li>Leads SPIL corporate and project finance activities in Bangladesh</li> </ul>

## Independent Directors

Key Personnel	Experience
 <b>Suresh Prabhakar Prabhu</b> <i>(Chairman Audit &amp; Risk Committee)</i>	<ul style="list-style-type: none"> <li>Renowned parliamentarian of India and currently serving as Chairman of the Drafting Committee for the National Cooperation Policy of India, visiting Professor at the London School of Economics and Founding Chancellor of Rishihood University</li> <li>Previously held important cabinet positions at the federal level of the Government of India</li> </ul>
 <b>Tang Kin Fei</b> <i>(Chairman, Strategy and Investment Committee)</i>	<ul style="list-style-type: none"> <li>35 years of industry experience</li> <li>Group President and CEO of Sembcorp Industries from 2005 until 2017</li> <li>Chairman of Singapore LNG Corporation, SIA Engineering Company, Metis Energy Limited, the Ngee Ann Polytechnic Council, and is a Board Member of Singapore Cooperation Enterprise and the National Research Foundation</li> </ul>

## JERA Directors

Key Personnel	Experience
 <b>Toshiro Kudama</b>	<ul style="list-style-type: none"> <li>CEO of JERA Asia Pte. Ltd. and a Senior Managing Executive Officer of JERA Co. Inc.</li> <li>Started his professional career at Tokyo Electric</li> <li>CEO of JERA Americas from 2018 until 2019</li> <li>Masters degree in Mechanical Engineering from the Tokyo Institute of Technology</li> </ul>
 <b>Izumi Kai</b>	<ul style="list-style-type: none"> <li>Executive Officer and Head of Platform Business Division, JERA Co., Inc</li> <li>Prior to this, he was the President of JERA Energy America, which procures natural gas and power for LNG production and export.</li> <li>Began his career as a civil engineer at Tokyo Electric and has more than 25 years of corporate and business development experience in Japan, Malaysia, Australia and the U.S.</li> <li>MBA from the Arizona State University</li> </ul>