

Number : SE.01.01/A.SEKPER.WG.08700/2022

13 December 2022

To:

Directors of PT Bursa Efek Indonesia (Indonesia Stock Exchange, "IDX")

Gedung Bursa Efek Indonesia Menara I Lantai 6

Jl. Jend. Sudirman Kav. 52-53

Jakarta, 12190

Subject : **Report on the Public Expose 2022
PT Wijaya Karya Bangunan Gedung Tbk. ("Company")**

Dear Sir/Madam,

In compliance with Section V of the Regulation of the IDX No. I-E on Disclosure Obligations, we wish to submit the Report on the Company's Public Expose, as follows:

1. The Public Expose was held online via Zoom and Stockbit Stream, and in-person with limited invitation at Ballroom B, Novotel Hotel, Balikpapan on Thursday, 8 December 2022.
2. The Public Expose was attended by:
 - a. The Company's Management: Syailendra Ogan (Director of Finance, Human Capital, and Risk Management); Bagus Tri Setyana (Director of Operations I); Akhmadi Tricahyono (Director of Operations II); Yulianto (Director of QHSE and Marketing); and Purba Yudha Tama (Corporate Secretary).
 - b. The Public Expose was attended by 50 people via Zoom, 80 people via Stockbit, 37 people in person, and 20 representatives from Media Outlets via Zoom (attendance sheet attached).
3. The Public Expose was opened at 09.00 Western Indonesia Time (WIB) and ended at 10.30 WIB by the Moderator, Yuki Yaturrahmah.
4. The Company's Presentation in the Public Expose was delivered by the Company's Corporate Secretary, Purba Yudha Tama (summary of the question-and-answer session attached).

We thank you for your kind attention.

Sincerely Yours,

PT Wijaya Karya Bangunan Gedung Tbk.
Corporate Secretary

[signed]

Purba Yudha Tama
Corporate Secretary

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PT Wijaya Karya Bangunan Gedung Tbk. (“WEGE”)

Minutes of the Public Expose 2022
Ballroom B, Novotel Hotel, Balikpapan
8 December 2022
09.00 WIB – 10.30 WIB

Presented by

Syailendra Ogan : Director of Finance, Human Capital, and Risk Management
Bagus Tri Setyana : Director of Operations I
Akhmadi Tricahyono : Director of Operations II
Yulianto : Director of QHSE and Marketing
Purba Yudha Tama : Corporate Secretary

Moderator : Yuki Yaturrahmah

Attendees : 187 invitees, consisting of analysts, investors, individuals, and representatives from Media Outlets. The presentation was livestreamed using the Zoom application and Stockbit Stream.

The following is a summary of the question-and-answer session of the Public Expose 2022:

1. Sia – Mirae Asset Sekuritas

Question:

Is the modular technology one of the major catalysts for winning new contract tenders? If so, how significant is the impact of the modular segment on new contracts secured? Please share the progress towards achieving the Company’s targets by end of 2022.

Answer:

WEGE has an advantage in terms of construction technology, which is a strong market driver. WEGE is a leader in applying construction technology, such as modular buildings and precast, thus enhancing project owners’ confidence in the Company to carry out their projects.

WEGE has secured new contracts worth Rp4.4 trillion from its target of Rp7.1 trillion. The Company has participated in 10 to 11 tenders that are currently in the evaluation process and awaiting announcement. Based on tender schedules and outstanding new contract targets, WEGE is still optimistic to achieving its target for this year. In addition, some projects are being moved forward and can help the Company to achieve its target in 2022.

WEGE offers modular technology as a solution against deforestation. It is what differentiates WEGE from other companies. WEGE always offers construction solutions through its expertise in construction technology.

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WEGE's modular buildings are currently based on steel construction. In the future, we will produce reinforced concrete modules and current precast sections will be made into modular modules. In doing so, it enables competitive advantages such as lower construction time, consistent quality, and meets green and lean construction practices.

WEGE's achievement in Q3-2022 faced a slowdown in securing new contracts. In addition, there were some changes in the carry-over private sector projects, especially apartments, where progress is put on hold in order to maintain our cash flow. Revenue and net profit are forecasted to grow year-on-year (YoY). WEGE is optimistic to achieve close to Rp320 billion in net profit this year, higher than Rp216 billion booked in the previous year.

2. Hengky – BPJS Ketenagakerjaan

Question:

Is the size of the modular modules standardized, similar to shipping containers? What is the cost per square metre? Is the cost acceptable and profitable?

Answer:

The steel-based modules are in its third generation and we are developing the fourth generation modules. WEGE is actively conducting research and development regarding construction technology and methods. The modular modules used to construct Covid-19 hospitals were 2.6 by 5.2 metres or about 13.7 m². To fulfil the market demand, WEGE now offers the larger Modular Lite modules measuring 3 by 6 metres. The Modular Lite can be used for up to two-storey buildings while the WG Flatpack can be used for up to five-storey buildings. For projects in the IKN (*Ibu Kota Negara*, "IKN"), we are using the WG Flatpack modules measuring 2.6 by 5.2 metres.

WEGE has prepared the next generation modules called Volumetrics modules, intended for the flats of civil servants (ASN) which is up to 12 stories high. Each module measures 3 by 8 metres. The unit price is about Rp6 to 7 million per square metre, which is competitive compared to conventional construction methods. The unit price does not include landscaping and other processes.

3. Zirna – BPJS Kesehatan

Question:

What is the payment mechanism for IKN projects carried out by WEGE? What is the stated receivable collection period for IKN projects? There is an increase in WEGE's Order Book, so what is the share of IKN projects in the Order Book? What is WEGE's contribution to the WIKA Group?

Answer:

The IKN project is fertile grounds for construction companies, but the WEGE is prudent in selecting the projects. Throughout 2022, the Company only targeted projects that has been budgeted in the State Budget. WEGE's current projects in the IKN in 2022 are state-funded projects only, without any Public-Private Partnership (*Kerjasama Pemerintah dengan Badan Usaha*, "KPBU") or turnkey projects. In the future, the government will partner with investors for construction

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projects under the KPBU scheme. In this matter, WEGE will select and target KPBU projects using Availability Payment (AP) scheme.

WEGE is currently the largest contributor to WIKA Group's financial performance compared to other WIKA subsidiaries.

WEGE's competitive advantage in construction, especially in IKN projects, is that it can enter into almost any sector. WEGE's core business is building construction, and therefore WEGE can enter the conventional construction market, construction using KPBU schemes with investments and concessions, and also precast and modular market.

4. Novembri Tobing

Question:

Does WEGE have any non-tender projects this year? What is the winning rate of tenders participated? Is WEGE still optimistic about achieving this year's profit target?

Answer:

Until the end of 2022, WEGE is still optimistic in achieving the new contract target according to WEGE's Work Plan and Budget 2022. WEGE continuously monitors the process since there are only 20 days left in 2022. Almost 30% to 40% of the contracts are from the government, about 30% from state-owned enterprises, and the rest is from the private sector. As mentioned by Mr Syailendra Ogan, the Director of Finance, Human Capital and Risk Management, there is a strong likelihood of an increase in profit compared to last year.

5. Ronaldo

Question:

What is the prospect for new contracts for 2023? Has demand for construction services recovered? Why did the revenue in Q3 decline sharply by 30%? Please explain.

Answer:

In 2023, WEGE is optimistic that the number of new contracts will increase. In addition to the IKN project as the main driver of new contracts, WEGE has also targeted some state-owned enterprises and private sector companies. In 2023, the Company is expected to grow by 10% to 20% from 2022.

The decline in the Q3 revenue was due to several reasons:

1. There was a slowdown in securing new contracts.
2. We put on hold the progress of some carry-over private sector projects, especially apartment and office buildings, in order to maintain cash flow since the market demand for those segments was weak. In this case, WEGE adjusted to the project owners' ability to finance their projects.
3. Several projects such as the Kediri Airport had design changes which required more time and adjustments before construction can start. In addition, there was an increase in the scope of work to include design and build as well.

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6. Jevon Wicaksono Ramadhani

Question:

Is the Company open for concessions with private entities?

Answer:

Concessions with private entities is possible as long as it has a captive market and profitable. Before entering a concession partnership, WEGE will first learn the capabilities of the potential partners. WEGE has met and signed MoUs with private entities focusing on IKN projects. One of them is a Korean company and another is a domestic developer. In the partnership, WEGE is a minority partner.

7. Mohammad Slamet Yahya

Question:

In practice, is the BIM (Building Information Modelling) technology used as intended by the designer or does it need further adjustments during construction?

Answer:

BIM is what differentiates WEGE from other companies and also functions to improve efficiency and reduce risks during construction. WEGE has a special room called the War Room specifically to monitor how BIM is implemented in projects. BIM is not an engineering tool, but also as a management tool. BIM is an example on how technology is applied for a more modern, efficient, and effective construction project.

BIM requires the involvement of the project owner. BIM provides many advantages in the construction management process and of course is beneficial to the owner. The application of BIM technology also involves universities as a teaching tool. WEGE has planned to collaborate with universities to support widespread mastery of BIM technology.

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