

December 19, 2024
Shikoku Electric Power Company, Incorporated

Equity participation in an Indonesian Renewable Energy Power Generation Holding Company

We, Shikoku Electric Power Company, Incorporated (“Shikoku Electric”), are pleased to announce our decision to invest in PT Hero Global Investment Tbk (“HGI”), a renewable energy power generation holding company in Indonesia, and to establish a strategic business partnership with HGI. We have signed a share purchase agreement with HGI’s shareholders to acquire a portion of their shares. This is our first investment in an overseas renewable energy power generation holding company.

In response to the steady increase in electricity demand driven by robust economic growth, the Indonesian government aims to ensure a stable energy supply by transitioning to renewable energy as the primary power source in the long term, with the goal of achieving carbon neutrality by 2060.

Since 2010, HGI has been actively engaged in the renewable energy power generation business in Indonesia. Currently, HGI operates two hydropower plants and one biogas power plant, with a total equity capacity of approximately 19,000 kW. These power plants supply electricity under long-term power purchase agreements with the state-owned power company.

In addition, HGI plans to expand its portfolio by developing new hydropower, solar power, biogas, and biomass projects, targeting a total renewable energy contracted capacity of approximately 100,000 kW by around 2030.

Our objective is to support HGI’s stable and efficient operations by leveraging our deep expertise in power plant construction, operation, and maintenance, gained through our domestic and overseas renewable energy businesses. By collaborating closely with HGI from the early stages of power plant design and construction, we intend to contribute to the decarbonization of Indonesia.

We consider this initiative a pivotal step in further expanding our renewable energy presence within the rapidly growing Southeast Asian region.

[Attachment] Overview of HGI

Overview of HGI

1. Business Overview

Company Name	PT Hero Global Investment Tbk		
Established	2010		
Head Office	Jakarta, Indonesia		
Shareholders (percentage of shares) *1	Shikoku Electric	(25%)	
	Current shareholders *2	(55%)	
	General shareholders	(20%)	
Business Description	Renewable Energy Power Generation Business in Indonesia		
		Business	Capacity
	Operating	Hydropower Biogas	22,000 kW
	Under development	Hydropower Solar power Biogas Biomass	82,000 kW
			HGI's Equity Capacity
			Approx. 19,000 kW (Shikoku Electric: approx. 5,000 kW)
			Approx. 72,000 kW (Shikoku Electric: approx. 18,000 kW)

*1: As HGI plans to be listed on the Indonesia Stock Exchange by January 2025, the investment ratio after listing is indicated.

*2: Individual shareholders involved in the establishment of HGI.

2. Project Location Map

