

Financial Results Q1 2024 PT Indocement Tunggal Prakarsa Tbk.

3 May 2024



■ Key indicator for Q1 2024:

- From ASI data, **domestic cement market was stagnant in Q1 2024** from contraction in bag market -5.4% and growth in bulk market +14.9%
- **Bulk composition from overall domestic volume breaks to 30.7% in Q1 2024** vs. 26.8% from Q1 last year. The new capital city construction remains to be the main growth driver for bulk demand
- Indocement recorded domestic sales volume (cement & clinker) at 4,479k ton or higher +4.1% than Q1 last year, mainly contributed from Semen Grobogan operation. Overall export was 70k ton or declined -55.2%, the clinker export for Q1 2024 was mainly to Australia & Malaysia while Q1 last year there were shipments to Bangladesh & Brunei
- **Indocement domestic cement market share was at 29.5% with Java 38.4% and outside Java 20.4%**
- Net Revenues was at IDR 4,082.6bio or declined -3.8% due to lower consolidated price from increase in sales composition of bulk products (**30.6% vs. Q1 2023 of 25.4%**) and fighting brands
- Cost of Revenues decreased -2.3% to IDR 2,902.4bio from overall efficiencies
- Margin for EBITDA was at 16.8% or IDR 685.2bio and Profit for the Period at 5.8% or IDR 238.0bio

■ Sustainability:

- **CO² emission Scope 1 Specific NET for Q1 2024 was similar to FY2023: 546 kg CO²/t cement equivalent vs. FY2022 at 587 kg CO²/t cement equivalent**, still on track with our 2030 target of 490 kg CO²/t cement equivalent
- NO^x, SO², and dust emissions are well below standard regulation
- Installation of solar panel for 2024 in Tarjun plant is scheduled to operate in Q2 & Citeureup plant in Q4

AGENDA

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Market Overview

- Cement Market Evolution
- Cement Market Volume & Growth Distribution
- Java-Outside Java & Bag-Bulk Markets

2

Financial Performance

- Financial result
- Cost Control & Margin Development
- Balance Sheet

3

Operational Performance & Strategy

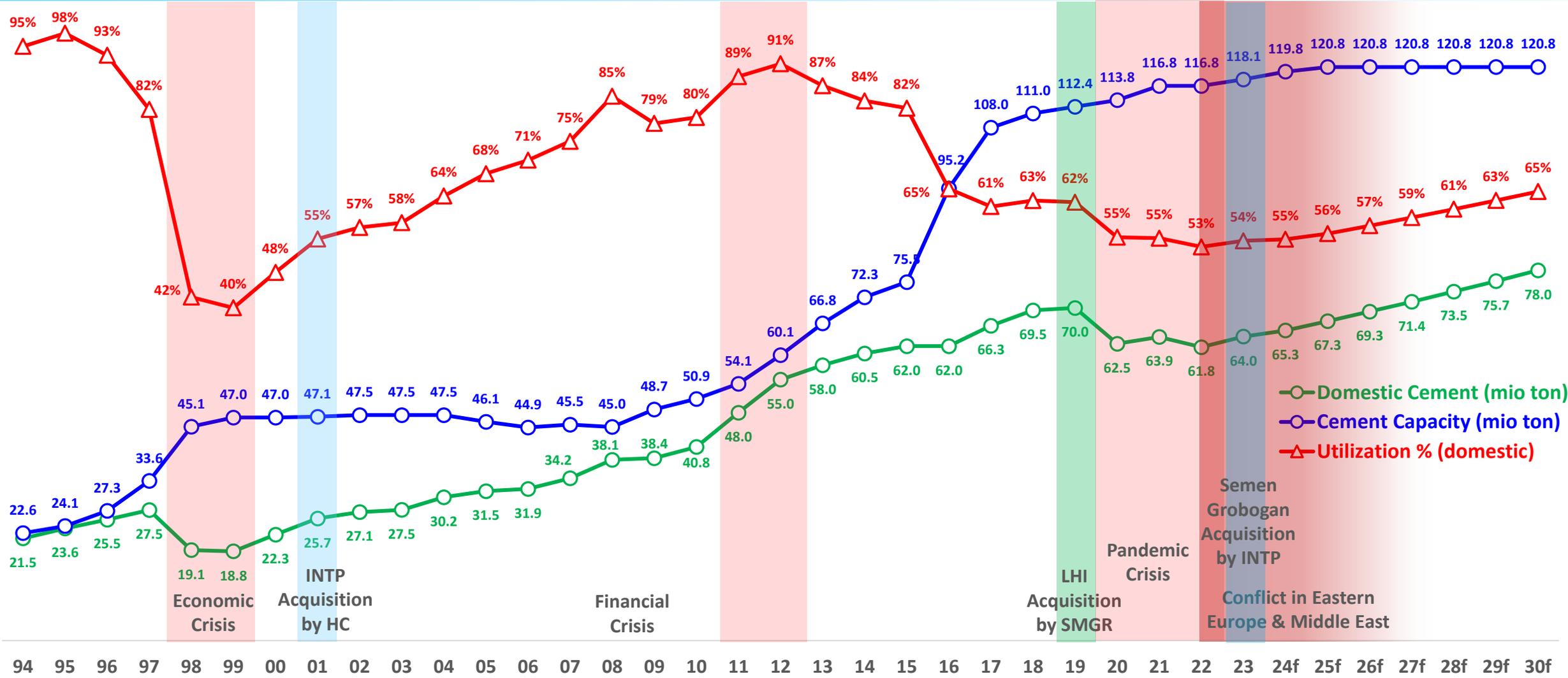
- Emission Reduction
- Indocement Expanded Footprint
- Outlook

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Q&A



Cement Market Evolution



- From 2007 to 2010, clinker/cement ratio (domestic) was 80-90%
- From 2011 above, the ratio is 70-80%

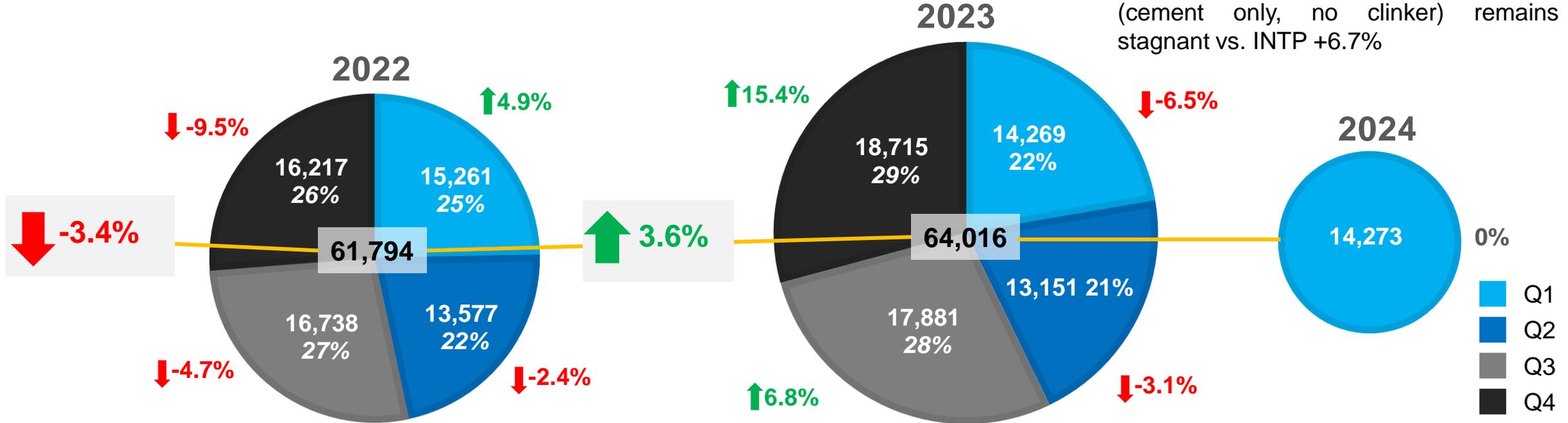
CAGR	07A-10A	10A-13A	13A-16A	16A-19A	19A-22A	22A-25F	25F-28F
Demand	+6.1%	+12.5%	+2.2%	+4.2%	-4.1%	+2.9%	+3.0%
Capacity	+3.8%	+9.5%	+12.5%	+5.7%	+1.3%	+1.1%	-

• Source: Ministry of Industry with Internal Indocement Projection
• The capacity data could be revised based on industry update

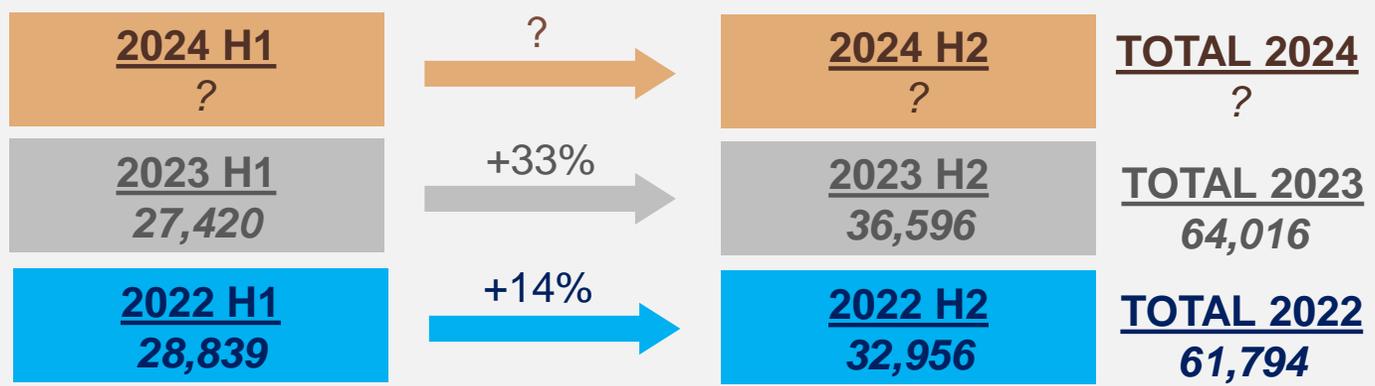
Cement Volume Development



Quarterly Market Volume (k ton)



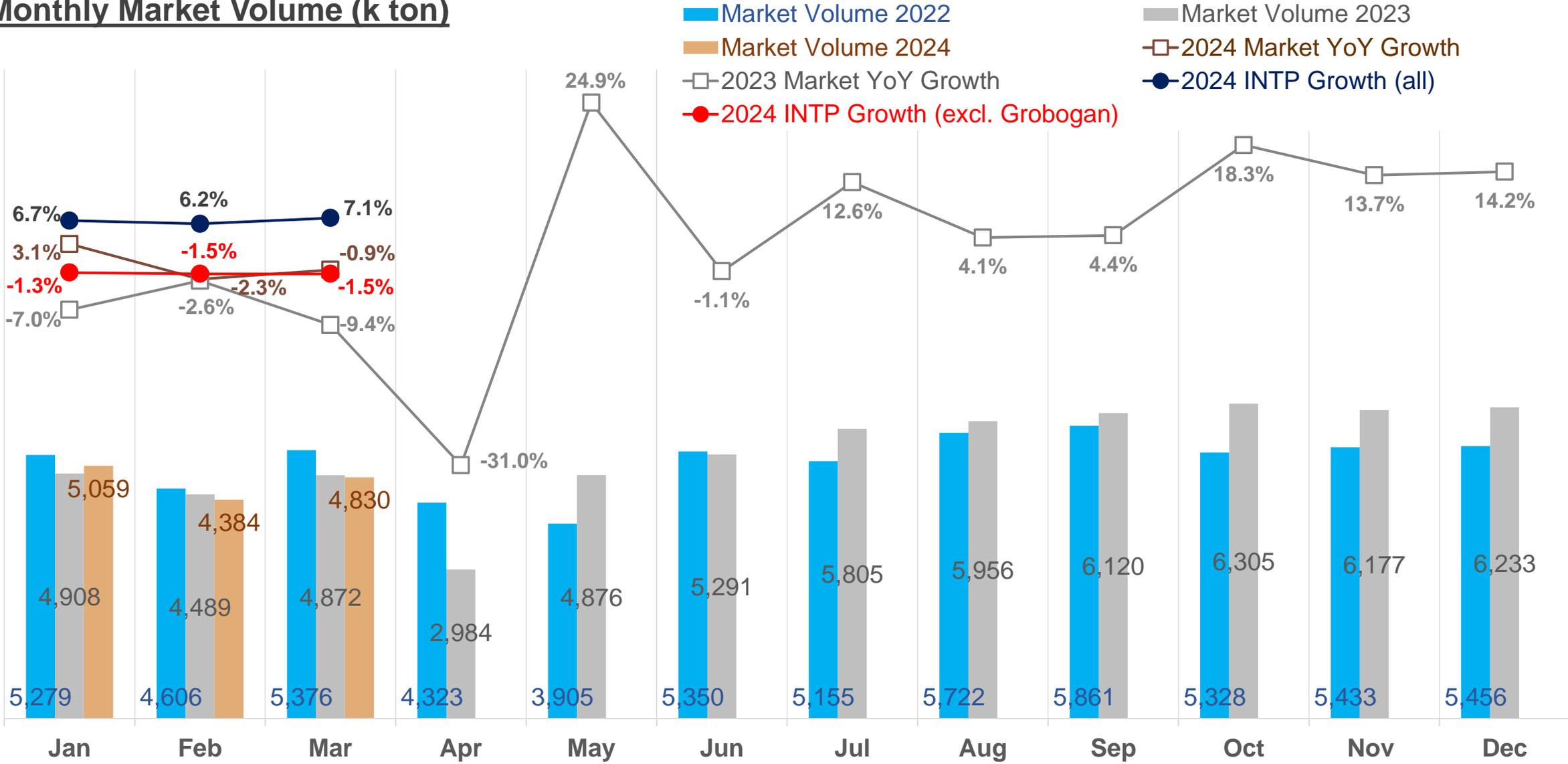
Semester Market Summary (k ton)



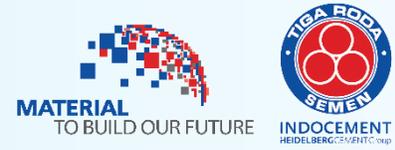
Cement Volume Development



Monthly Market Volume (k ton)



Cement Market Portion & Growth

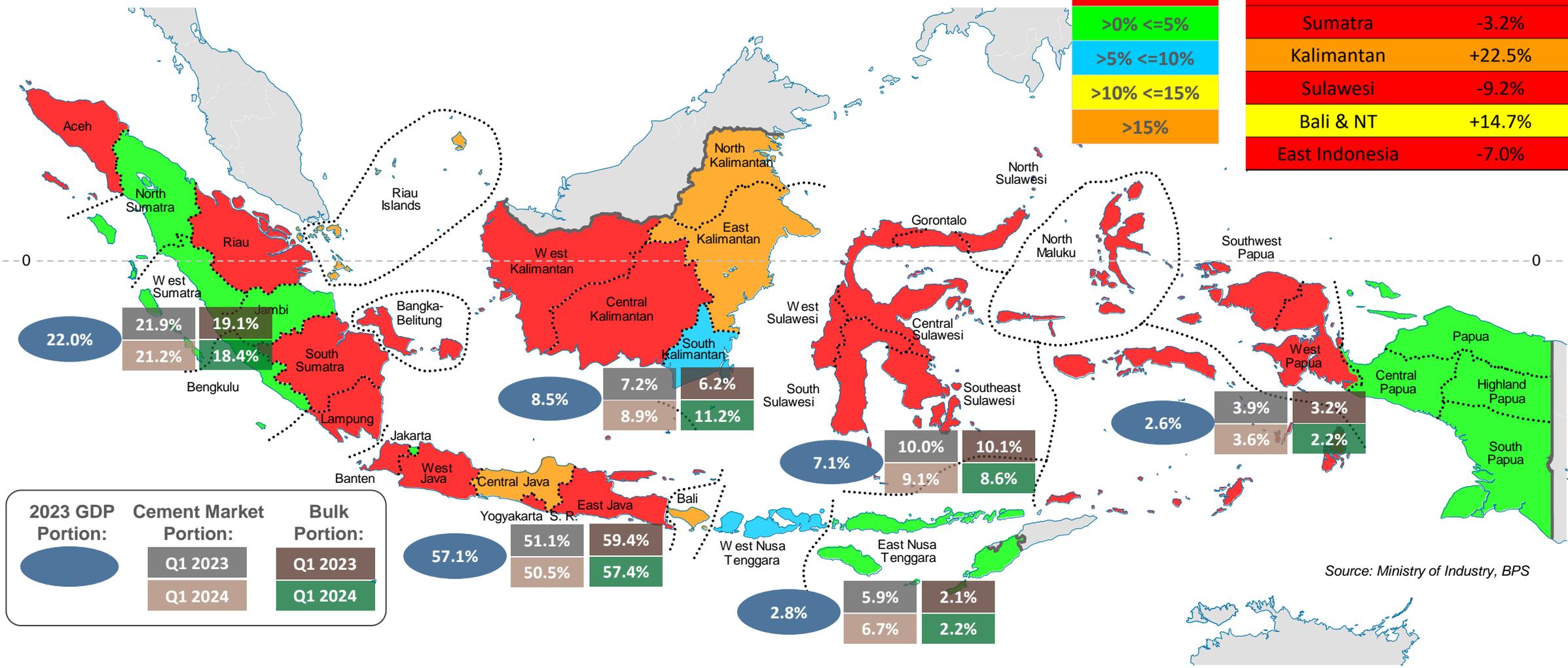


- Continuous strong bulk demand in North & East Kalimantan from construction of new capital city

YoY Area Growth:

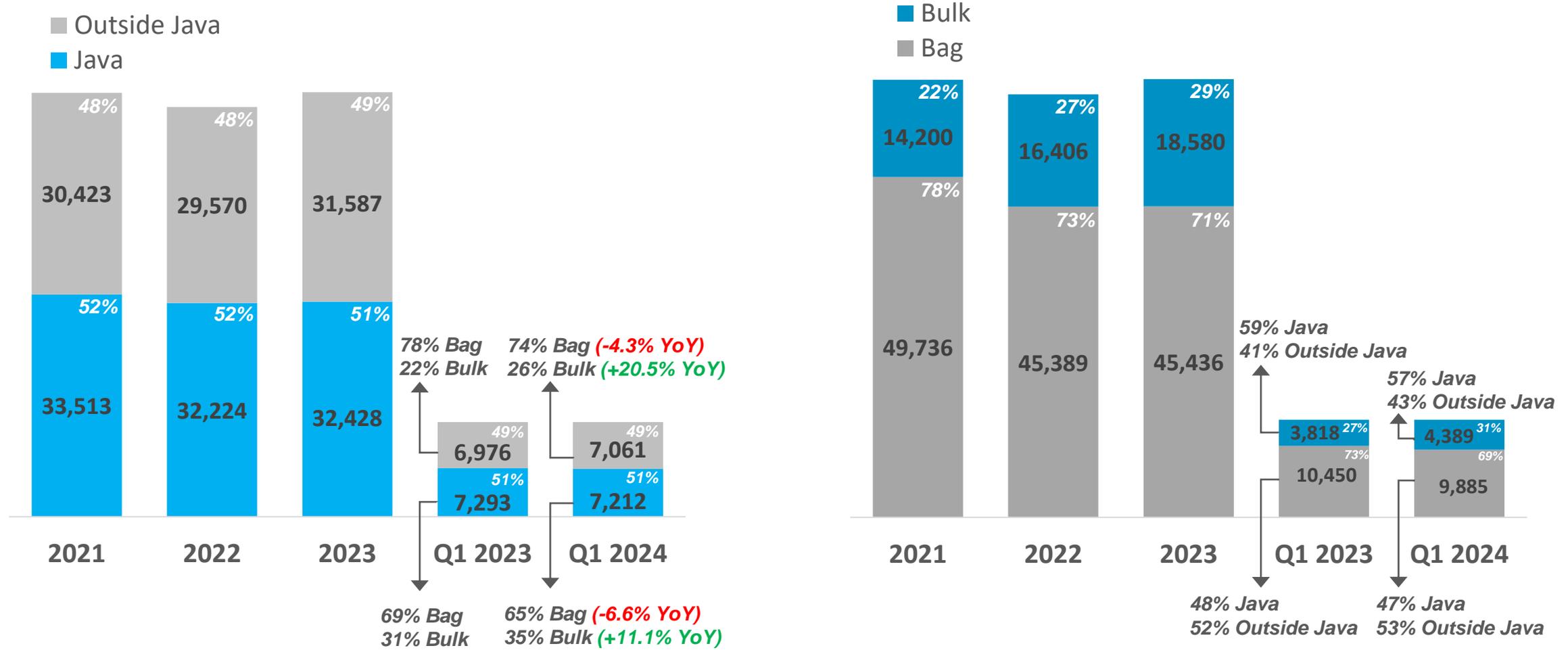
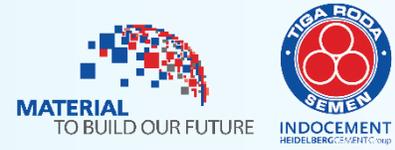


Area	Q1 2024 Volume
Java	-1.1%
Sumatra	-3.2%
Kalimantan	+22.5%
Sulawesi	-9.2%
Bali & NT	+14.7%
East Indonesia	-7.0%



Source: Ministry of Industry, BPS

Java-Outside Java and Bag-Bulk Markets



Source: Ministry of Industry

Continuous strong bulk demand at outside Java. Bulk composition reaches 31% in Q1 2024

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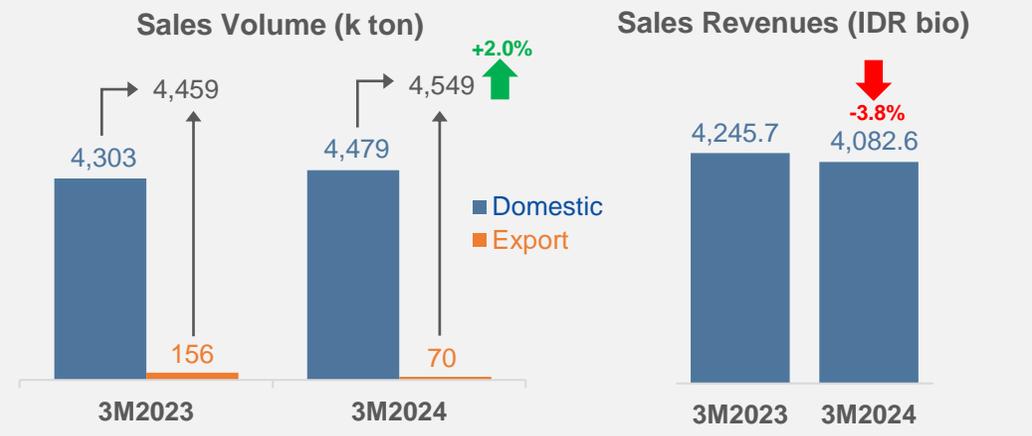
Q&A



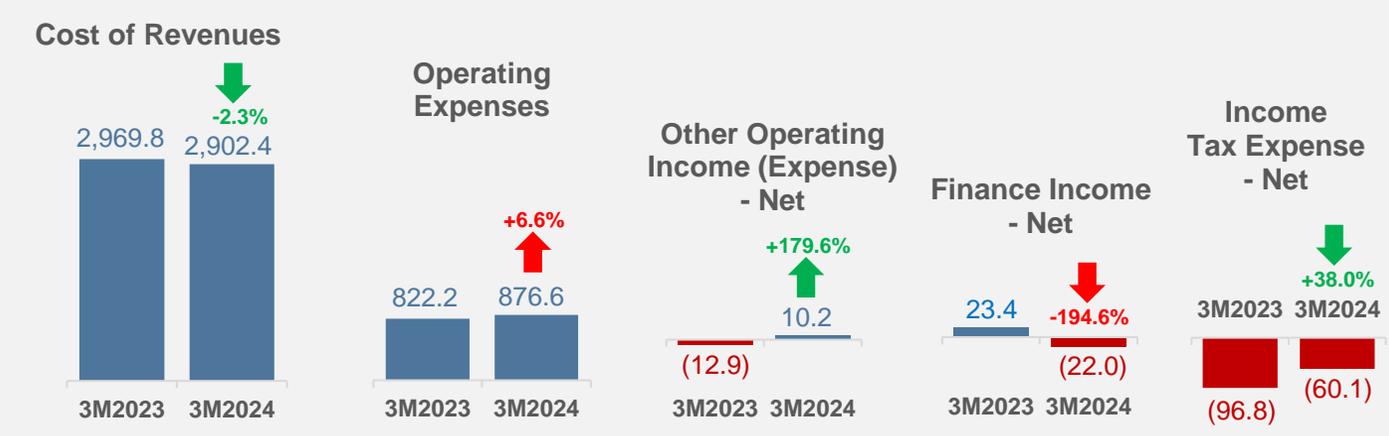
Financial Result



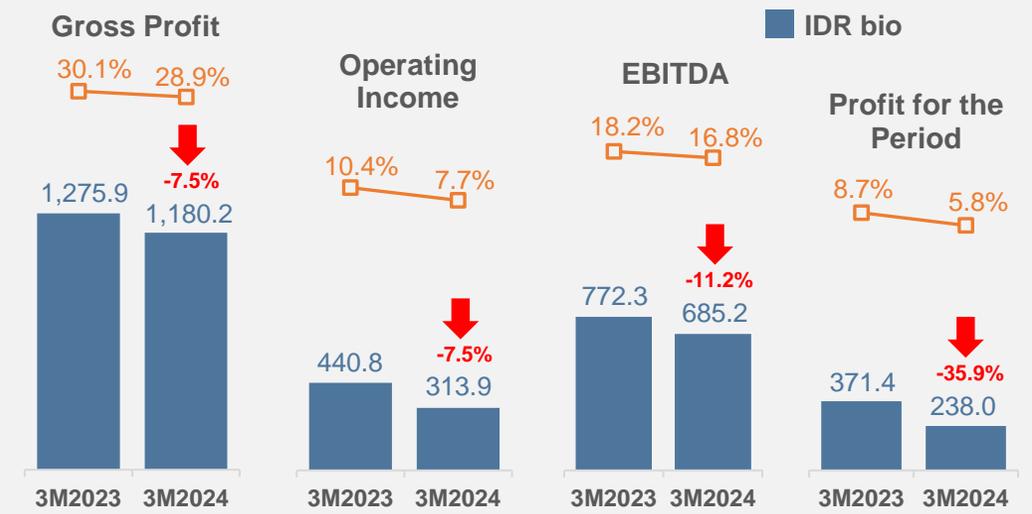
Sales Result



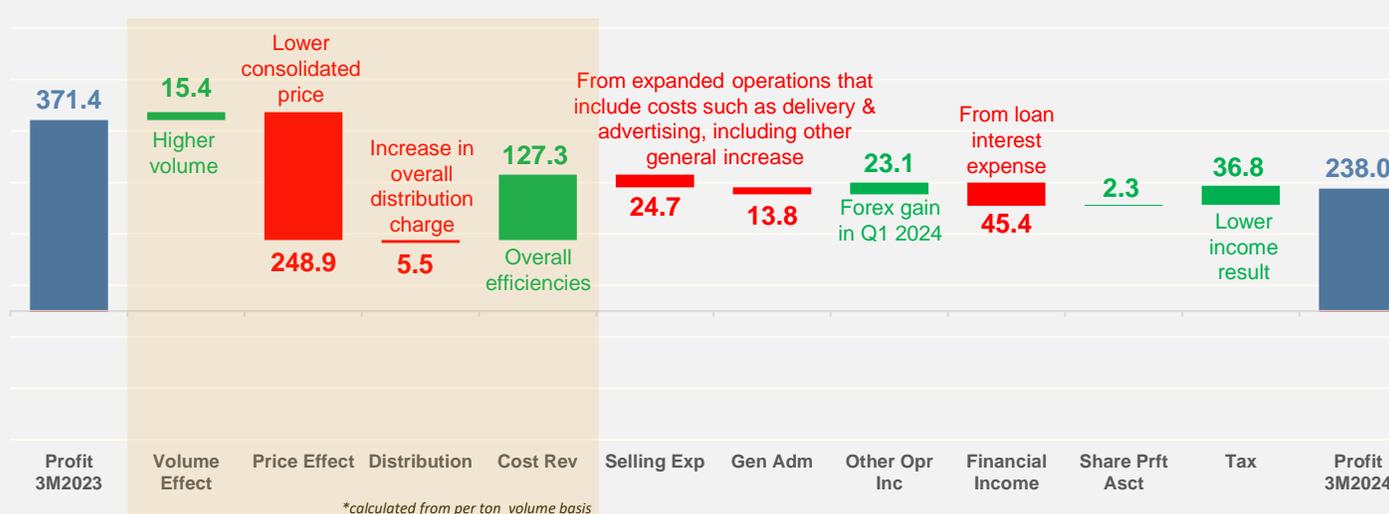
Operating Driver (in IDR bio)



Key Financial



Profit Bridging (in IDR bio)

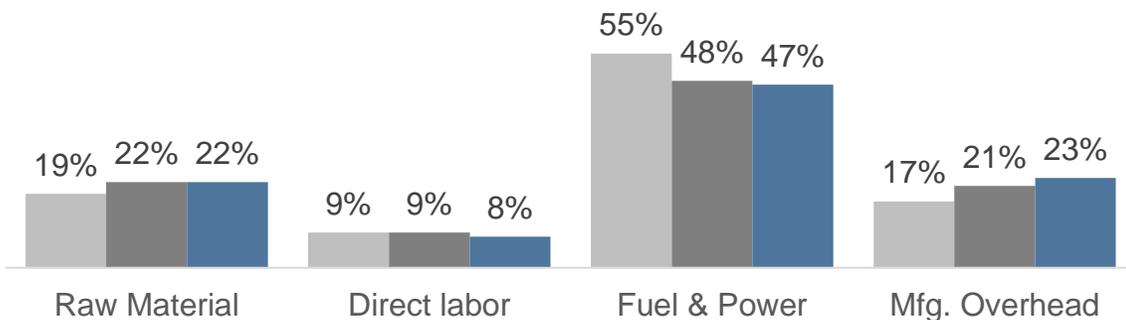


Cost Control and Margin Development



Q1 Manufacturing Cost

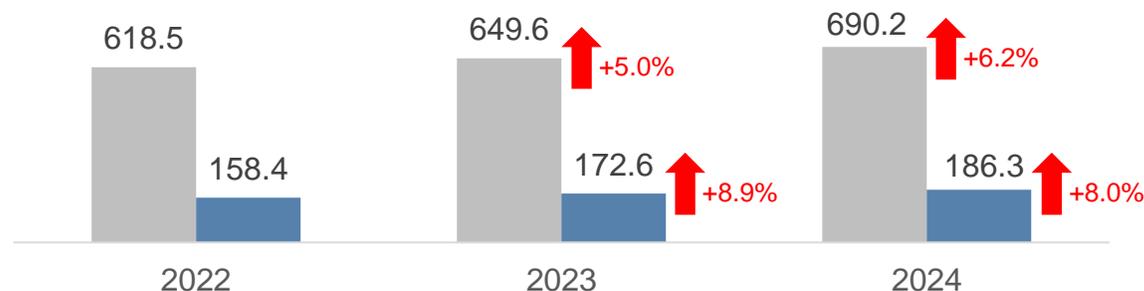
■ 2022 ■ 2023 ■ 2024



- Higher Raw Material was from higher price of diesel, trass, & slag
- Lower Fuel & Power due to energy cost efficiency (more AF)
- Higher Mfg. Overhead was from additional scope of Grobogan operation

Q1 Operating Expenses (bio IDR)

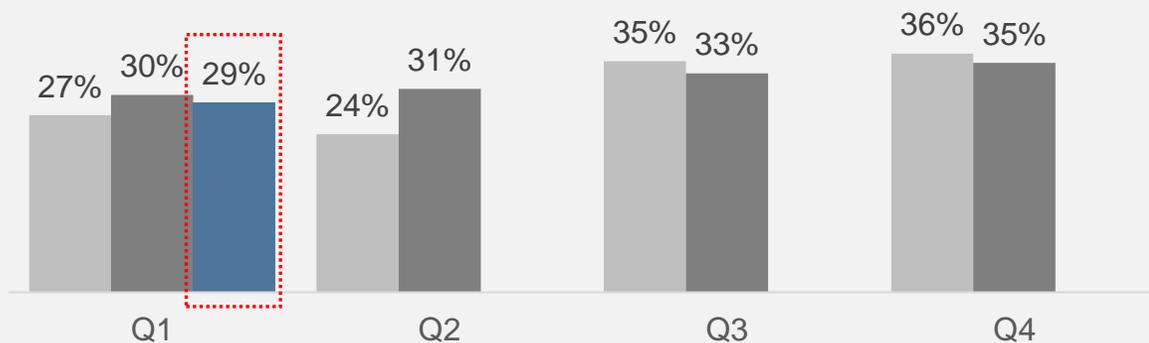
■ Delivery & Selling Expense ■ G&A Expense



- Higher Delivery & Selling Expense was from higher sales volume & other costs (delivery, advertising) from expanded operation
- Higher G&A Expense was from expanded operation & overall general increase

Gross Profit Margin

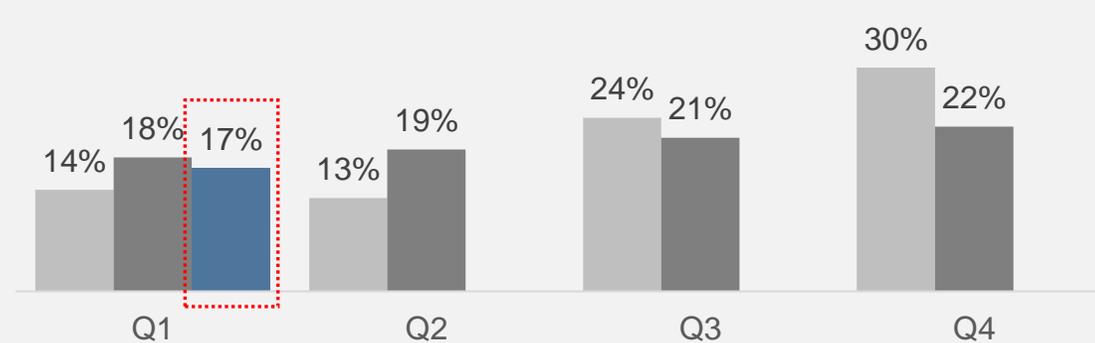
■ 2022 ■ 2023 ■ 2024



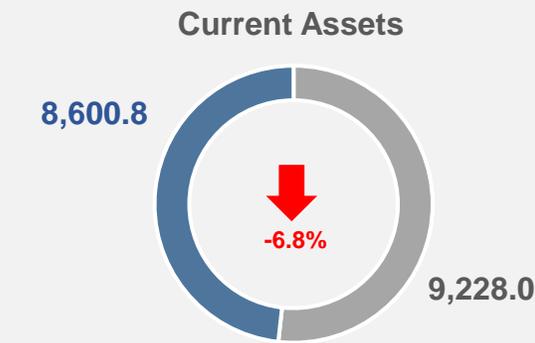
- Lower consolidated price from increase sales composition of bulk products & fighting brands contributed to lower margin, including increase in other costs from the expanded operations

EBITDA Margin

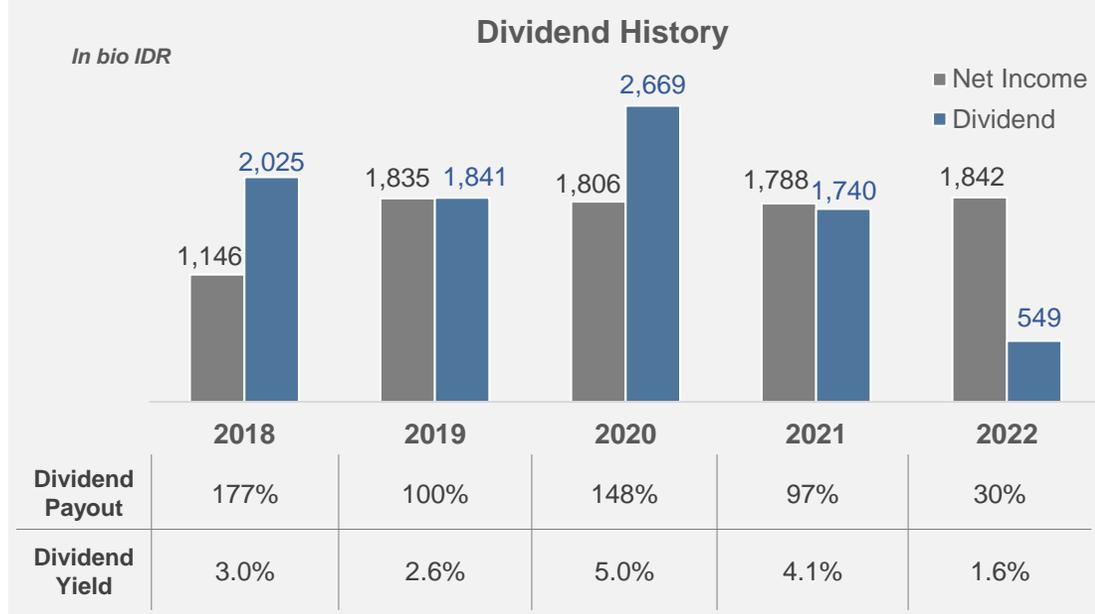
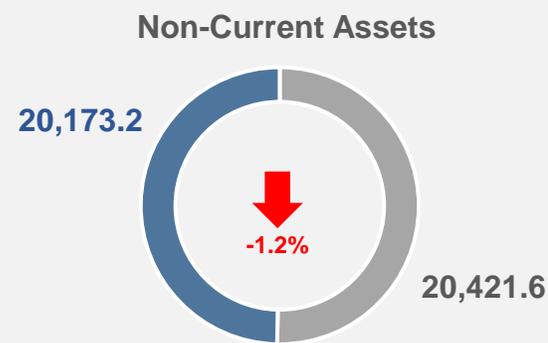
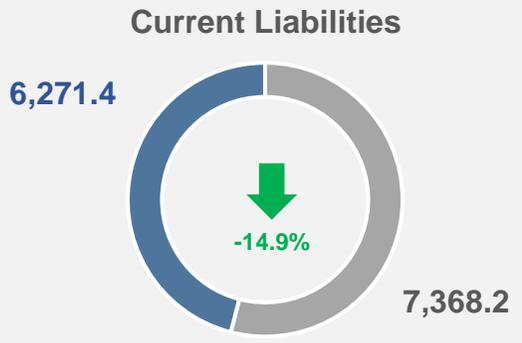
■ 2022 ■ 2023 ■ 2024



Balance Sheet



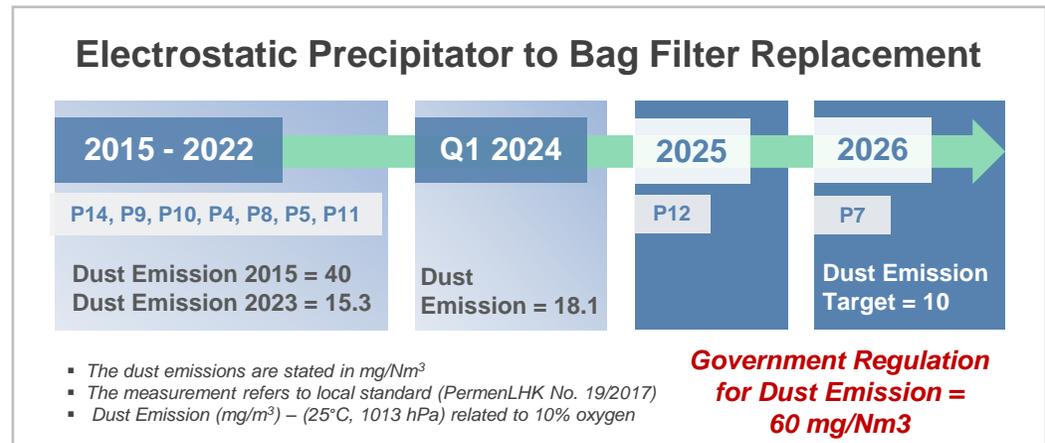
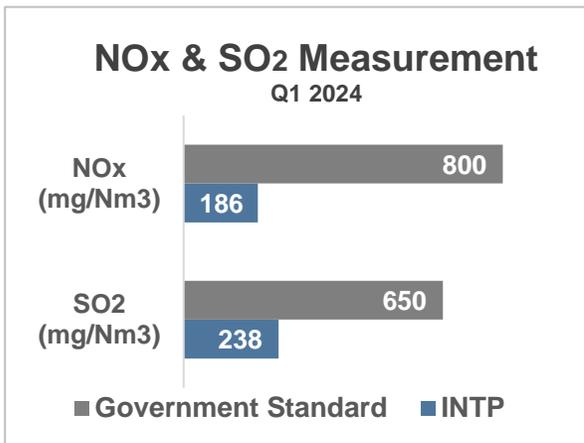
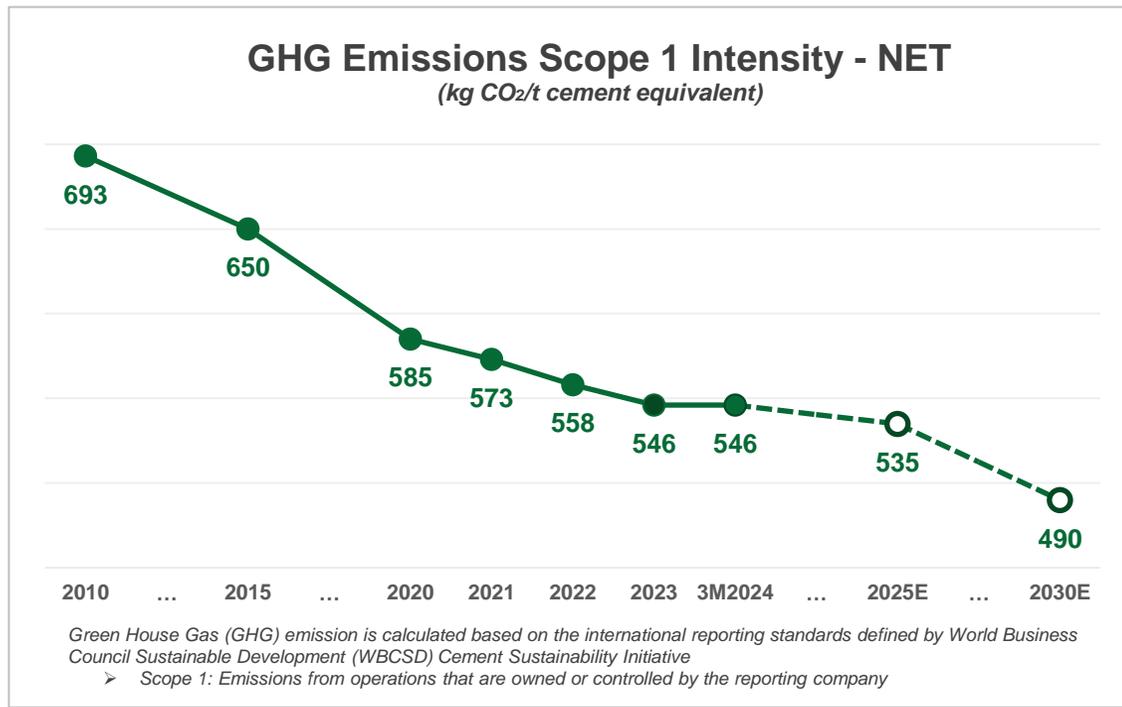
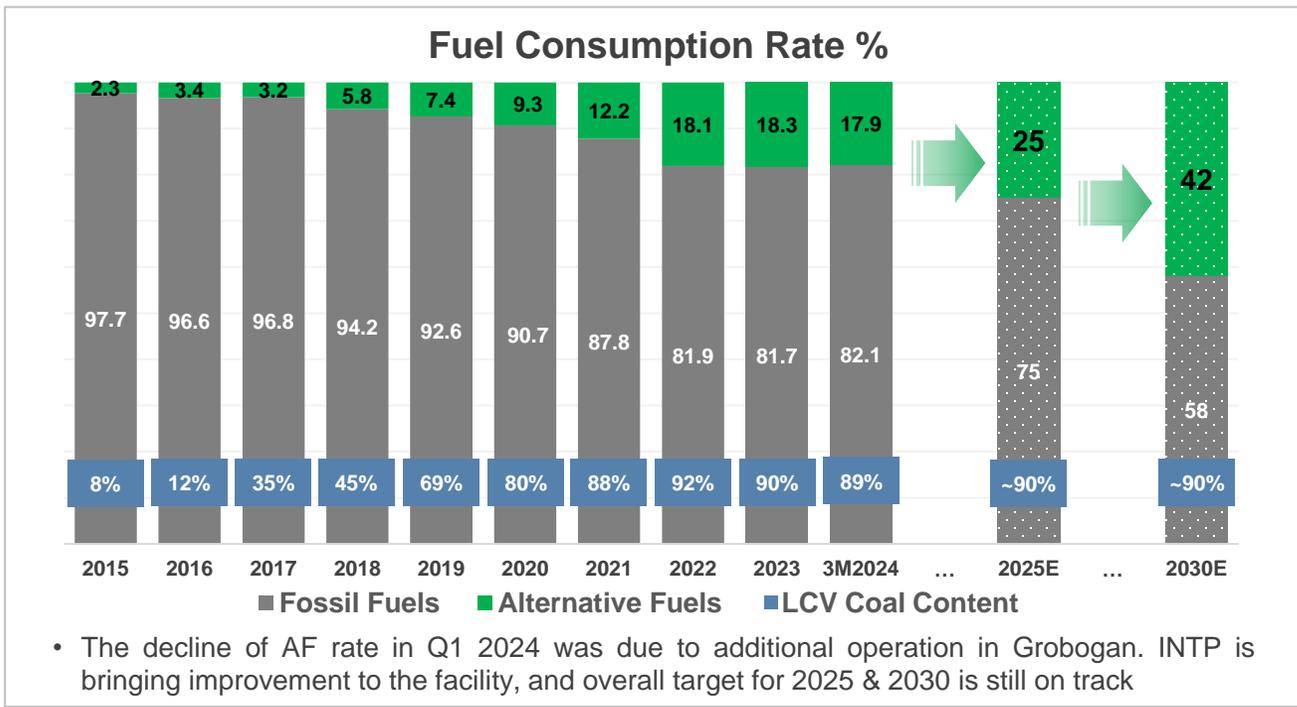
In bio IDR
 Mar 2024
 Dec 2023



- Cash and Cash Equivalents of IDR 2.52tr as of 31 Mar 2024
- Capex spending in Q1 2024 was IDR 119bio

* Dividend is distributed at the following year

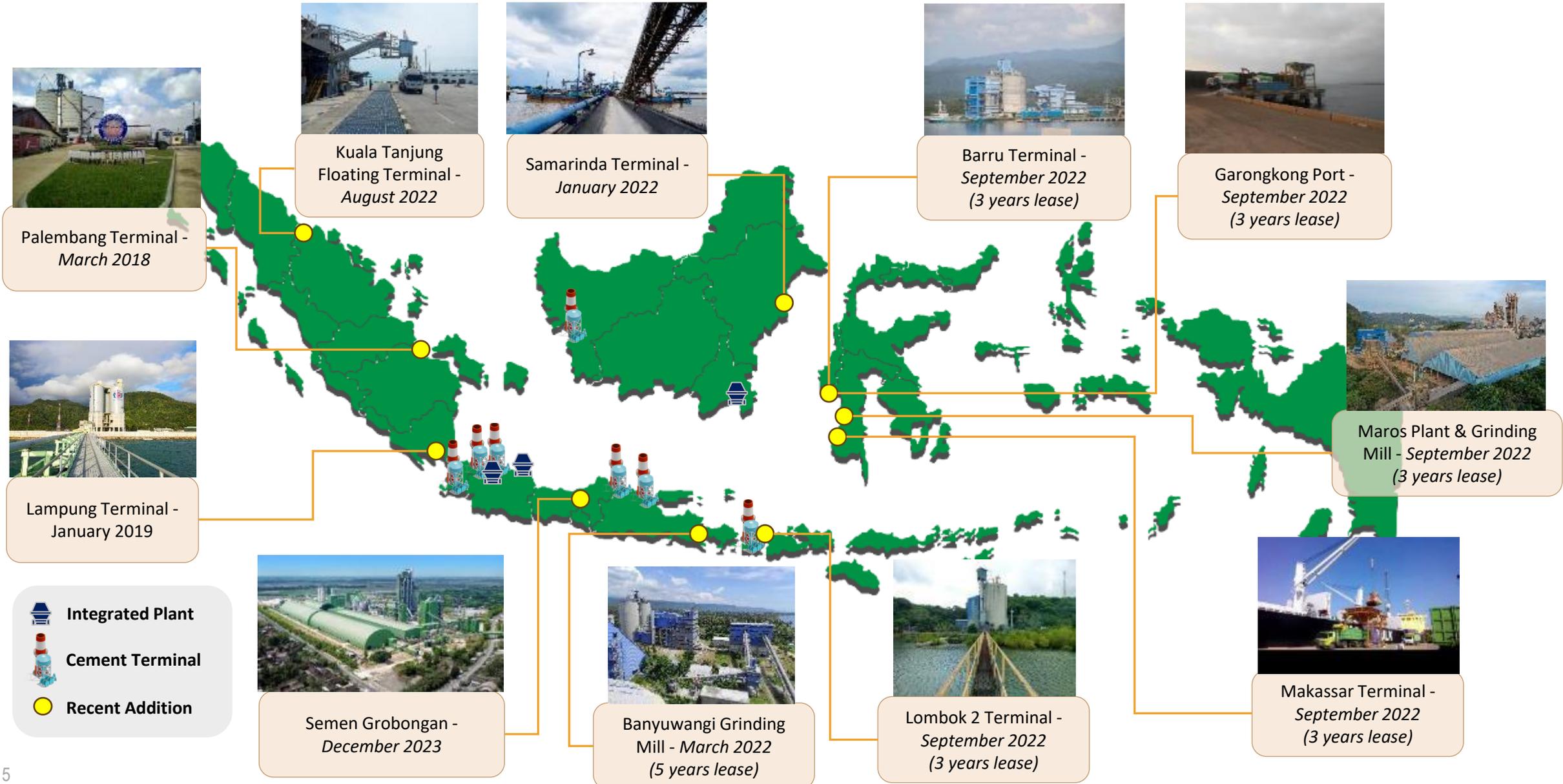
Emission Reduction



Solar Panel Installation

Location	Capacity (MWp DC)	Output (GWh/year)	Potential CO ₂ Reduction (ton/year)
Tarjun (Q2 2024)	19.65	26.37	31k
Citeureup (Q4 2024)	32.5	45	40k

Indocement Expanded Footprints



- ✔ **Our projection for 2024 domestic cement volume remains at 2 to 3% with continuous strong bulk demand.** Increasing trend of bulk composition is anticipated to continue in both Java & outside Java, generating multiplier effects to adjacent areas and stimulate more demands for bag cement
- ! **Global situation might further raise WTI Fuel price** causing non-subsidized fuels to increase and **the weakening IDR against USD**
- ! **Government Policy Changes: 1) ODOL (Over Dimension & Over-loading) policy & 2) The plan of Carbon Tax implementation.** Both might subject to the policy of the new Government
- ✔ **Expected to have more Green cement sales in 2024 for bulk cement (Slag cement & Hydraulic cement) and also bag cement** after obtaining new SNI that allow us to introduce **new type of cement with lower clinker but with the same quality**
- ✔ Our Samarinda terminal with 4 new constructed Silos @2,500 ton capacity ensures supply of bulk cement to IKN (new capital city) and smelter – hydropower projects in Northern Kalimantan. In addition, **our readymix batching plant is fully operational to supply projects in IKN**
- ✔ Our recent footprint expansion will provide **further synergy to our logistic and distribution network**, with room for savings to the production costs from using **more alternative fuel and alternative material at our latest facilities**
- ✔ **Enhancing our Sustainability strategy and Digitalization/Automation process to Semen Grobogan and Maros plants**
- ✔ **Plan to have 2nd round of share buyback program starting 15 May 2024 up to IDR 895bio (including fee, etc.), subject to AGMS approval on 14 May 2024**

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Q&A



Thank You

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