

**Press Release**  
For Immediate Release

**OVERVIEW FINANCIAL RESULT FOR SEMESTER I/2021**

- **Promising growth**  
Indocement summarized the first half of the year with overall sales volume growth of +11.3% from Domestic Sales growth of +8.8% and Export Sales growth of +513.4%. Our market share for Semester I/2021 is at 25.6%.
- **Improved financial indicators**  
Margins on financial indicators such as Gross Profit, EBITDA, and Profit for the Period showed improvement due to the sales volume growth and continuous operational efficiency.
- **Attractive dividend**  
Dividend payment of IDR 500 per share will be distributed in August 2021 and with the interim dividend of IDR 225 per share distributed in December 2020, thus total dividend amount for year 2020 is IDR 725 per share.
- **Strong Balance Sheet**  
As of 30 June 2021, Indocement maintained strong Balance Sheet position with Cash and Cash Equivalents of IDR 8.1 trillion and zero debt.

Description	YTD Jun 2021	YTD Jun 2020	Variance	
	Bio IDR	Bio IDR	Bio IDR	%
<b>Total sales volume (thousand tons)</b>	<b>8,192</b>	<b>7,364</b>	<b>829</b>	<b>11.3%</b>
Domestic Sales Volume (thousand tons)	7,970	7,328	642	8.8%
Export Sales Volume (thousand tons)	222	36	186	513.4%
<b>Net Revenues</b>	<b>6,666.9</b>	<b>6,175.2</b>	<b>491.7</b>	<b>8.0%</b>
<b>Cost of Revenues</b>	<b>-4,572.9</b>	<b>-4,295.3</b>	<b>-277.6</b>	<b>-6.5%</b>
<b>Gross Profit</b>	<b>2,094.1</b>	<b>1,879.9</b>	<b>214.1</b>	<b>11.4%</b>
<i>% of Net Revenues</i>	<i>31.4%</i>	<i>30.4%</i>		
<b>Operating Expenses</b>	<b>-1,485.6</b>	<b>-1,465.3</b>	<b>-20.3</b>	<b>-1.4%</b>
<b>Other Operating Income (Expense) - Net</b>	<b>33.1</b>	<b>-36.8</b>	<b>70.0</b>	<b>190.0%</b>
<b>Operating Income</b>	<b>641.7</b>	<b>377.8</b>	<b>263.9</b>	<b>69.9%</b>
<i>% of Net Revenues</i>	<i>9.6%</i>	<i>6.1%</i>		
<b>EBITDA</b>	<b>1,280.6</b>	<b>958.8</b>	<b>321.8</b>	<b>33.6%</b>
<i>% of Net Revenues</i>	<i>19.2%</i>	<i>15.5%</i>		
<b>Finance Income - Net</b>	<b>76.8</b>	<b>165.2</b>	<b>-88.4</b>	<b>-53.5%</b>
<b>Share of Net Profit of Associates - net</b>	<b>12.5</b>	<b>6.8</b>	<b>5.7</b>	<b>83.6%</b>
<b>Final Tax</b>	<b>-0.2</b>	<b>-0.2</b>	<b>0.0</b>	<b>1.3%</b>
<b>Profit before Income Tax Expense</b>	<b>730.9</b>	<b>549.6</b>	<b>181.2</b>	<b>33.0%</b>
<b>Income Tax Expense - Net</b>	<b>-144.3</b>	<b>-79.6</b>	<b>-64.7</b>	<b>-81.2%</b>
<b>Profit for the Period</b>	<b>586.6</b>	<b>470.0</b>	<b>116.5</b>	<b>24.8%</b>
<b>Total Comprehensive Income for the Period</b>	<b>586.8</b>	<b>457.9</b>	<b>128.9</b>	<b>28.2%</b>

**PT Indocement Tunggal Prakarsa Tbk. ("Indocement" or "the Company")** booked overall domestic (cement and clinker) sales volume of 8.0 million tons in Semester I/2021, higher 642 thousand ton or +8.8% from the same period last year that set the Company's market share at 25.6% for Semester I/2021.

The Company's sales volume growth in outside Java of +10.6% (market share of 15.7%) was higher than Java of +3.0% (market share of 34.3%). The increase in outside Java was mainly in Sulawesi with sales volume growth of +61.3% (market share of 8.9%) supported by the smelter project in Konawe,

followed by sales growth in Kalimantan of +15.7% (market share of 22.3%) and Sumatra of +10.8% (market share of 13.1%).

The Company's Net Revenue increased by +8.0% to IDR 6,666.9 billion vs. Semester I/2020 of IDR 6,175.2 billion particularly due to higher overall sales volume.

Cost of Revenues increased by -6.5% from IDR-4,572.9 billion to IDR-4,295.3 billion in line with overall sales volume growth. The Company managed to keep the cost percentage increase lower than the sales volume percentage increase despite of higher coal price, due to continuous efforts of increasing the use of alternative fuels and low calorific value (LCV) coal, including operating the most efficient kilns.

As a result, Gross Profit margin improved by +1.0% to 31.4% in Semester I/2021 vs. the same period last year of 30.4% with increase in IDR value by +11.4% from IDR 1,879.9 billion to IDR 2,094.1 billion. Operating Income margin improved by +3.5% from 6.1% to 9.6% and EBITDA margin improved by +3.7% from 15.5% to 19.2%.

The Company recorded a lower Finance Income in Semester I/2020 to IDR 76.8 billion due to lower interest rate gain following progressive interest rate cut by Bank of Indonesia.

Profit for the Period increased by +24.8% to IDR 586.6 billion in Semester I/2021 vs. IDR 470.0 billion from the same period last year.

### Resilient Balance Sheet

The Company booked a net cash position with Cash and Cash Equivalents to IDR 8.1 trillion as of 30 June 2021. Strong cash flow generated from operations and persistent efforts from Management to increase working capital is the key to maintain our resilient balance sheet.

Description	Jun 30, 2021 Bio IDR	Dec 31, 2020 Bio IDR	Variance	
			Bio IDR	%
<b>Current Assets</b>	<b>12,799.6</b>	<b>12,299.3</b>	<b>500.3</b>	<b>4.1%</b>
<b>Non-Current Assets</b>	<b>14,557.6</b>	<b>15,045.4</b>	<b>-487.8</b>	<b>-3.2%</b>
<b>Current Liabilities</b>	<b>3,666.1</b>	<b>4,216.0</b>	<b>-549.9</b>	<b>-13.0%</b>
<b>Non-Current Liabilities</b>	<b>928.0</b>	<b>952.5</b>	<b>-24.4</b>	<b>-2.6%</b>
<b>Equity</b>	<b>22,763.1</b>	<b>22,176.2</b>	<b>586.8</b>	<b>2.6%</b>
<b>Total Assets = Total Liabilities + Equity</b>	<b>27,357.2</b>	<b>27,344.7</b>	<b>12.5</b>	<b>0.0%</b>

Dividend payment of IDR 500 per share decided in the Annual General Meeting of Shareholders in July 2021 will be distributed in August 2021 and with the interim dividend of IDR225 per share distributed in December 2020, thus total dividend amount for year 2020 is IDR725 per share.

With strong Balance Sheet Position and no bank debt, Indocement is ready to invest both in the digitalization program and the automation of the Company's operations, from cement sales to factory operations. Investments are also made to convert factories to use alternative fuels and produce more environmental friendly products, as well as for expansion in logistics and distribution. Indocement is ready for possibility on cement industry consolidation in the future as well.

### Continued Expectations for Recovery in Cement Consumption amid Uncertainty

The first half of the year signaled positive sentiments on the economic recovery however since July when Indonesia has been experiencing another wave of the pandemic and followed by strict mobility restrictions from the Government, asserting COVID-19 to be the continuous uncertainty factor on the economic recovery.

Nevertheless Indocement remains positive on the domestic cement consumption for 2021 with an estimated growth of +5%. From past years, cement consumption in the second semester grew more than +30% from the first semester. Same trend would follow as current projects to push their budget spending towards the end of the year, more infrastructure and private projects to commence in the second half, and residential sector to benefit from VAT incentive on new homes, lower interest rate, including LTV/FTV ratio relaxation, by taking into account the hope for the recovery of cement consumption in the end will highly depend on the extent of the spread of COVID-19 which can be controlled properly.

Another factor that also creates uncertainty is related to the high increase in energy costs, both coal and fuel prices, that will require the Company to continue to make efficiency both in its production costs and with various innovations to increase the use of alternative fuels in the future.

### About Indocement

Indocement is one of the largest cement producers in Indonesia. To date, Indocement and its subsidiaries are engaged in several business fields which include the manufacturing and sale of cement (as a core business) and ready-mix concrete, as well as aggregate and trass mining, with approximately 5,000 employees. Indocement has 13 plants with a total annual production capacity of 24.9 million tons of cement. Ten plants are located in the Citeureup Factory, Bogor, West Java; two plants in the Cirebon Factory, Cirebon, West Java; and one plant in Tarjun Factory, Kotabaru, South Kalimantan.

Jakarta, 3 August 2021

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