

Q1 2024, Indocement's Domestic Cement Sales Reach 4.5 Million Tons of Cement

Overview 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%. The new capital city construction remains to be the main growth driver for bulk demand.
- Indocement recorded domestic sales volume (cement and clinker) at 4,479k ton or higher +4.1% than Q1 last year, mainly contributed from Semen Grobogan operation. But sales volume growth like-for-like without Semen Grobogan is -1.4% slightly lower than market.
- 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 and Brunei.
- Net Revenues was at IDR 4,082.6 bio or declined -3.8% due to lower consolidated price from increase in sales composition of bulk products (30.6% in Q1 2024 vs. Q1 2023 of 25.4%) and fighting brands.
- Margin for EBITDA was at 16.8% or IDR 685.2 bio and Profit for the Period at 5.8% or IDR 238.0 bio.

Description	YTD Mar 2024 '000 tons	YTD Mar 2023 '000 tons	Variance	
			'000 tons	%
Total Sales Volume	4,549	4,459	90	2.0%
Domestic	4,479	4,303	176	4.1%
Export	70	156	-86	-55.2%

Description	YTD Mar 2024 Bio IDR	YTD Mar 2023 Bio IDR	Variance	
			Bio IDR	%
Net Revenues	4,082.6	4,245.7	-163.1	-3.8%
Cost of Revenues	-2,902.4	-2,969.8	67.4	2.3%
Gross Profit	1,180.2	1,275.9	-95.7	-7.5%
<i>% of Net Revenues</i>	28.9%	30.1%		
Operating Expenses	-876.6	-822.2	-54.4	-6.6%
Other Operating Income (Expense) - Net	10.2	-12.9	23.1	179.6%
Operating Income	313.9	440.8	-127.0	-28.8%
<i>% of Net Revenues</i>	7.7%	10.4%		
EBITDA	685.2	772.3	-87.1	-11.3%
<i>% of Net Revenues</i>	16.8%	18.2%		
Finance Income - Net	-22.1	23.4	-45.4	-194.6%
Share of Net Profit of Associates - Net	6.5	4.1	2.3	55.5%
Final Tax	-0.2	-0.2	0.0	-13.0%
Profit before Income Tax Expense	298.0	468.2	-170.2	-36.3%
Income Tax Expense - Net	-60.0	-96.8	36.8	38.0%
Profit for the Period	238.0	371.4	-133.3	-35.9%

PT Indocement Tunggal Prakarsa Tbk. (Indocement or the Company) booked overall (cement and clinker) sales volume of 4,549 thousand tons in Q1 2024, higher +90 thousand tons or +2.0% than Q1 last year. Overall domestic cement sales volume was recorded at 4,479 thousand tons, higher +176 thousand tons or +4.1% mainly from additional volume of PT Semen Grobogan. This concluded to our domestic market share (cement only, referred to Indonesia Cement Association/ASI data) to 29.5% in 2023 with Java 38.4% and outside Java 20.4%. Lower clinker export sales in Q1 resulted to decline in overall export sales of 70k ton.

Despite higher overall sales volume, the Company's Net Revenue was at IDR 4,802.6 billion or lower -3.8% from lower consolidate price due to product mix composition. There was significant increase in composition of bulk product from 25.4% in Q1 2023 to 30.6% in Q1 2024 from increasing supply to new capital city. Higher volume of fighting brand also affects to the overall consolidated price.

Cost of Revenues decreased to -IDR 2,902.4 billion or lower -2.3% due to overall efficiencies. Combined with the above, these resulted to Gross Profit margin of 28.9% for Q1 2024.

Higher Operating Expenses of +6.6% to -IDR 876.6 billion was from higher sales volume and recent additional operational in Semen Grobogan that include higher delivery and advertising cost. Higher Other Operating Income (Expense) – Net of IDR 10.2 billion or higher +179.6% was due to forex gain in Q1 2024 vs. forex loss in Q1 last year. These concluded to margin of Operating Income at 7.7% and EBITDA at 16.8% for Q1 2024.

Lower Finance Income - Net of -IDR 22.1 billion or -194.6% was due to interest expense from debt that was incurred during Grobogan acquisition. Income Tax Expense (net) declined to -IDR 60,0 billion or lower -38.0% due to lower profit.

Finally, from the above figures, Profit for the Period was at IDR 238.0 billion for Q1 2024.

Maintaining Strong Balance Sheet

Indocement booked a net cash position with Cash and Cash Equivalents to IDR 2.5 trillion by 31 March 2024.

Description	31-Mar-24	Dec 31, 2023	Variance	
	Bio IDR	Bio IDR	Bio IDR	%
Current Assets	8,600.8	9,228.0	-627.3	-6.8%
Non-Current Assets	20,173.2	20,421.6	-248.4	-1.2%
Current Liabilities	6,271.4	7,368.2	-1,096.8	-14.9%
Non-Current Liabilities	1,295.0	1,311.9	-16.9	-1.3%
Equity	21,207.5	20,969.5	238.0	1.1%
Total Assets = Total Liabilities + Equity	28,774.0	29,649.6	-875.6	-3.0%

Outlook – Expected Volume Recovery

We foresee the cement demand will pick up for the upcoming periods and remain our estimation for cement demand to grow 2%–3% in 2024. We still expect to see bulk cement growth higher than bag cement sales.

About Indocement

Indocement is one of the largest cement producers in Indonesia, which produce Semen Tiga Roda, Semen Rajawali, Mortar Tiga Roda, and Semen Grobogan brands. 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 3,700 employees. Indocement operates and owns 14 plants as well as two plants and one grinding mill on a rental basis, with a total annual production capacity of 33.5 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; one plant in Grobogan, Central Java; two plants in Maros, South Sulawesi, and one grinding mill in Banyuwangi, East Java. In 2022, Indocement has operated Bosowa Plant after signing an Asset Lease Agreement with PT Semen Bosowa Maros and PT Bosowa Corporindo. Heidelberg Materials AG has been Indocement's majority shareholder since 2001.

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Press Release
For Immediate Release



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