

# STURDY, INDOCEMENT ACHIEVE 29.4% MARKET SHARE IN H1 2024

## OVERVIEW FINANCIAL RESULT FOR H1 2024

- Indocement domestic cement market share was at 29.4% with Java 37.7% and outside Java 20.5%.
- From ASI data, domestic cement market grew +2.2% in H1 2024 from contraction in bag market -1.9% and growth in bulk market +13.2%.
- Bulk composition from overall domestic volume reaches 30.2% vs. 27.3% H1 last year. The new capital city construction remains to be the main growth driver for bulk demand.
- Indocement recorded domestic sales volume (cement and clinker) at 8,869 ton or higher by +10.0% than H1 last year, mainly contributed from Semen Grobogan. Overall export was 163k ton or declined -45.6%.
- Dividends of IDR 90/share distributed in June 2024, a payout ratio of 15.8%.
- Starting to increase bag price about 1%–2% in June as first step for now, although it was only enough to cover higher input costs from rising USD exchange rate.
- Net Revenues was at IDR8,124.7 bio or 1.9% higher from increase of Semen Grobogan location sales.
- Cost of Revenues increased +5.2% to IDR5,826.4 bio from higher raw material and energy costs.
- Margin for EBITDA was at 16.4% or IDR1,332.5 bio and Profit for the Period at 5.4% or IDR434.7 bio.
- Current share buyback program up to IDR895 billion (including fees, etc.) will end on 31 December 2024.

Description	YTD Jun 2024 '000 tons	YTD Jun 2023 '000 tons	Variance	
			'000 tons	%
Total Sales Volume	9,032	8,360	672	8.0%
Domestic	8,869	8,061	808	10.0%
Export	163	299	-136	-45.6%

Description	YTD Jun 2024 Bio IDR	YTD Jun 2023 Bio IDR	Variance	
			Bio IDR	%
Net Revenues	8,124.7	7,970.0	154.7	1.9%
Cost of Revenues	-5,826.4	-5,538.0	-288.3	-5.2%
Gross Profit	2,298.4	2,432.0	-133.6	-5.5%
<i>% of Net Revenues</i>	28.3%	30.5%		
Operating Expenses	-1,735.0	-1,594.9	-140.1	-8.8%
Other Operating Income (Expense) - Net	12.4	-8.7	21.1	242.3%
Operating Income	575.8	828.4	-252.6	-30.5%
<i>% of Net Revenues</i>	7.1%	10.4%		
EBITDA	1,332.5	1,490.9	-158.4	-10.6%
<i>% of Net Revenues</i>	16.4%	18.7%		
Finance Income - Net	-45.4	44.0	-89.4	-203.2%
Share of Net Profit of Associates - Net	13.2	11.2	1.9	17.2%
Final Tax	-0.4	-0.8	0.4	50.4%
Profit before Income Tax Expense	543.2	882.8	-339.6	-38.5%
Income Tax Expense - Net	-108.5	-184.3	75.9	41.2%
Profit for the Period	434.7	698.4	-263.7	-37.8%

**PT Indocement Tunggal Prakarsa Tbk. (Indocement or the Company)** booked overall (cement and clinker) sales volume of 9,032 thousand tons in H1 2024, higher +672 thousand tons or +8.0% than H1 last year. Overall domestic cement sales volume was recorded at 8,869 thousand tons, higher +808 thousand tons or +10.0% 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 29.4% with Java 37.7% and outside Java 20.5%. Overall export sales were 163 thousand tons.

The Company's Net Revenue was at IDR8,124.7 billion, higher +1.9%. There was significant increase in composition of bulk product from 25.4% in H1 last year to 30.6% in H1 2024 from increasing supply to new capital city and acceleration of other infrastructure project. Higher volume of fighting brand also affected to the overall consolidated price.

Cost of Revenues increased to -IDR5,826.4 billion, higher +5.2% following higher sales volume. These resulted to Gross Profit margin of 28.3% for H1 2024.

Higher Operating Expenses of +8.8% to -IDR1,735.0 billion was from higher sales volume and other costs from expanded operation (Grobogan). Higher Other Operating Income (Expense) – Net of IDR12.4 billion, higher +242.3% was due to forex gain in H1 2024 vs. forex loss in H1 last year, including some sales of scrap this year. These concluded to margin of Operating Income at 7.1% and EBITDA at 16.4% for H1 2024.

Lower Finance Income - Net of -IDR45.4 billion or -203.2% was due to interest expense from debt incurred for PT. Semen Grobogan acquisition. Income Tax Expense – Net declined to -IDR108.5 billion or lower -41.2% due to lower profit.

Finally, from the above figures, Profit for the Period was at IDR434.7 billion for H1 2024.

### **Maintaining Strong Balance Sheet**

Indocement booked a net cash position with Cash and Cash Equivalents to IDR1.8 trillion by 30 June 2024.

Description	30-Jun-24 Bio IDR	31-Dec-23 Bio IDR	Variance	
			Bio IDR	%
<b>Current Assets</b>	<b>7,831.9</b>	<b>9,228.0</b>	<b>-1,396.1</b>	<b>-15.1%</b>
<b>Non-Current Assets</b>	<b>19,914.0</b>	<b>20,421.6</b>	<b>-507.6</b>	<b>-2.5%</b>
<b>Current Liabilities</b>	<b>5,701.1</b>	<b>7,368.2</b>	<b>-1,667.1</b>	<b>-22.6%</b>
<b>Non-Current Liabilities</b>	<b>1,237.9</b>	<b>1,311.9</b>	<b>-74.0</b>	<b>-5.6%</b>
<b>Equity</b>	<b>20,806.8</b>	<b>20,969.5</b>	<b>-162.7</b>	<b>-0.8%</b>
<b>Total Assets = Total Liabilities + Equity</b>	<b>27,745.9</b>	<b>29,649.6</b>	<b>-1,903.8</b>	<b>-6.4%</b>

### **Looking Forward to Improving Demand in Semester 2 2024**

Weak purchasing power of the people may continue to pressure demand on bag cement products including the effect from the regional election in November, however, drier season and less holidays in Semester 2 should have positive impact to the overall construction activities. Bulk products are expected to continue growing from new capital city constructions and acceleration of current major infrastructure projects. We maintain optimist view for the cement industry in Semester 2 ad estimate volume to grow 2%–3% for overall 2024.

### **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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