

2 May 2023

Tickers
IDX: SMGR

Market Capitalization
As of 28 April 2023
Rp 40,172 billion

Issued Shares
6,751,540,089

Share Price
As of 31 March 2023
Rp 6,300
Hi/Lo 1Q 2023
Rp 7,750
Rp 6,000

Shareholder Composition
Government of Indonesia: 51,2%
Public: 48,8%

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1st Quarter of 2023 Results (Unaudited)

Highlights

- SIG recorded higher revenue in the 1st Quarter of 2023 (1Q 2023), with a 4.5% increase yoy despite a 2.3% lower yoy total sales volume due to national demand contraction. Such increase was contributed by a higher ASP in 1Q 2023 compared to the previous year.
- While domestic sales volume were lower 6.3% yoy, the Company managed to substantially increase export volume by 16.4% as coal supply has been secured for both domestic and export needs for the year.
- As the Company have managed full DMO coal for 2023, the incremental in COGS was mainly related to subsidized fuel price increase in 4Q 2022. However, the Company was able to be more efficient in operating expenses and lower finance cost, which contributed to the higher net profit attributable to owners of parent entity by 11.1% yoy.

Financial Highlights

in billion IDR	31-Mar-23	31-Mar-22	Growth
Revenue	8,935	8,554	4.5%
Cost of Revenue	(6,489)	(6,105)	6.3%
Gross Profit	2,446	2,449	-0.1%
Operating Expense	(1,347)	(1,381)	-2.5%
Operating Income	1,099	1,068	2.9%
EBITDA	1,884	1,912	-1.5%
Finance Cost (Net after Finance Income)	(293)	(338)	-13.2%
Profit Before Tax	803	743	8.1%
Net Profit Attributable to Owners of Parent Entity	562	506	11.1%

Sales Volume

in thousand tons	1Q 2023	1Q 2022	Growth
Domestic sales	7,414	7,908	-6.3%
Regional sales	1,956	1,681	16.4%
Total sales volume	9,370	9,589	-2.3%

Disclaimer

This document contains certain financial information and results of operation, and may also contains projections, plans, strategies, and objectives of SIG that are not statements of historical fact which would be treated as forward-looking statements within the meaning of applicable law. Forward looking statements are subject to risk and uncertainties that could cause actual events or future results to be materially different than expected or indicated by such statements. No assurance can be given that the results anticipated by SIG, or indicated by any such forward looking statements, will be achieved.

The financial information provided herein is based on SIG consolidated financial statements in accordance with Indonesian Financial Accounting Standards.

PT Semen Indonesia (Persero) Tbk. 1st Quarter of 2023 Results (Unaudited)

PT Semen Indonesia (Persero) Tbk (“SIG” or “the Company”) has announced its Unaudited Consolidated Financial Statement as of March 31, 2023. The 1st Quarter of 2023 Unaudited Consolidated Financial Statements were prepared in accordance with the Indonesian Financial Accounting Standard and have been submitted to Indonesian Stock Exchange (IDX).

Sales Volume

in thousand tons	1Q 2023	1Q 2022	Growth
Domestic sales	7,414	7,908	-6.3%
Regional sales	1,956	1,681	16.4%
Total sales volume	9,370	9,589	-2.3%

The domestic demand in 1Q 2023 still continued the trend of being soft, as shown from the 6.4% lower demand yoy. As such, SIG domestic sales volume for the 1Q 2023 was also impacted with a 6.3% lower domestic sales volume yoy. However, the regional sales volume showed a remarkable 16.4% increase yoy, mainly due to a better availability of coal. SIG export volume from Indonesia showed double digit growth, as the coal availability was improved from the same period last year.

Consolidated Statements of Profit or Loss and Other Comprehensive Income

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▪ Revenue

Despite the contraction in the domestic demand, SIG was able to manage the impact to revenue, and recorded a 4.5% revenue increase yoy through the higher domestic and export average selling price and higher export volume compared to the same period last year.

▪ Cost of Revenue & Operating Expenses

SIG managed to secure coal at Domestic Price Obligation for 2023, which helped maintain coal purchase price lower than market price. However, the slight increase in

fuel & energy cost was due to the coal freight cost increase. COGS was recorded increased 6.3% yoy, mainly contributed by 18.4% increase in other manufacturing overhead which mostly come from transportation cost as an impact of the subsidized fuel price increase in 4Q 2022.

Meanwhile, the operating expense recorded lower at Rp 1,347 billion or 2.5% lower compared to 1Q 2022. Such decrease was mainly contributed by 14.4% lower selling expense from lower transportation & handling cost.

▪ Profitability

SIG managed to record better profitability in 1Q 2023, amidst the challenges of demand contraction, hypercompetition as well as coal and fuel price increases. Revenue and COGS were recorded higher than 1Q 2022. Despite gross margin and EBITDA margin both decreased by 1.2% yoy, the Company managed to increase net profit margin and net attributable to owners of parent entity by 0.4% and 11.1% respectively from lower operating expense and finance cost.

Earnings per share for 1Q 2023 recorded at Rp 83 per basic share, compared to 1Q 2022 of Rp 85 per basic share as the average outstanding shares for 1Q 2022 does not include shares purchased by the Government during the rights issue, while the net profit of SMBR has been consolidated into SMGR. If the shares purchased by the Government during the rights issue are calculated in the average shares outstanding, the basic earnings per share 1Q 2022 will be Rp 79 per basic share.

Financial Ratios

Description	31-Mar-23	31-Mar-22	Growth
Gross Profit Margin	27.4%	28.6%	-1.2%
Operating Profit Margin	12.3%	12.5%	-0.2%
EBITDA Margin	21.1%	22.4%	-1.3%
Net Profit Margin	6.3%	5.9%	0.4%
Return on Equity*	5.6%	5.8%	-0.2%
Return on Assets*	3.0%	2.7%	0.3%

Notes:

*ROE & ROA 31 March 2022 are based on based on 1st quarter 2022 SMGR report before restatement as we do not provide 1st quarter 2021 number for LTM net profit calculation

Operating Margin is Operating income (including other operating income/expenses) to Revenue

EBITDA margin is EBITDA (including other operating income/expenses) to Revenue

Net Profit margin is Profit for the Year Attributable to the Owners of Parent Entity to Revenue

Return on Equity is LTM Profit for the Year Attributable to the Owners of Parent Entity to Equity Attributable to the Owners of Parent Entity

Return on Assets is LTM Profit for the Year Attributable to the Owners of Parent Entity to Total Assets

Summary of Consolidated Statements of Financial Position

in billion IDR	31-Mar-23	31-Dec-22	Growth
Assets			
Current Assets	17,291	18,879	-8.4%
Non-current Assets	63,673	64,081	-0.6%
Total Assets	80,964	82,960	-2.4%
Liabilities			
Current Liabilities	10,892	13,061	-16.6%
Non-current Liabilities	19,927	20,210	-1.4%
Total Liabilities	30,819	33,271	-7.4%
Temporary Syirkah Funds	2,400	2,450	-2.0%
Equity	47,745	47,239	1.1%
Total Liabilities, Temporary Syirkah Funds, and Equity	80,964	82,960	-2.4%

- Current Assets decreased Rp 1,588 billion or 8.4% lower compared to 31 December 2022 mainly contributed by lower trade receivables as we recorded higher receivables that matured during 1Q 2023 compared to new receivables. Lower current asset also contributed by lower cash & cash equivalents for bank loans repayment.
- Non-current Assets decreased Rp 408 billion or 0.6% lower compared to 31 December 2022, largely related to the increase of Accumulated Depreciation and Depletion that is higher than the amount of additional Fixed Assets during 2022.
- Current Liabilities decreased Rp 2,169 billion or 16.6% lower compared to 31 December 2022, mainly due to lower trade payables and sales advances following the maturity of trade payables and realization of sales advance.
- Non-current Liabilities decreased Rp 283 billion or 1.4% lower compared to 31 December 2022, mainly contributed by repayment of long-term bank loans.
- Total Equity increased Rp 505 billion or 1.1% higher compared to 31 December 2022 mainly due to the increase in unappropriated retained earnings.

Summary of Consolidated Statements of Cash Flow

in billion IDR	31-Mar-23	31-Mar-22	Growth
Cash Flows from Operating Activities	535	522	2.5%
Cash Flows used in Investing Activities	(210)	(267)	21.5%
Cash Flows used in Financing Activities	(606)	(190)	218.9%
Net Increase (Decrease) in Cash & Cash Equivalents	(281)	64	-535.9%
Cash & Cash Equivalents at Beginning of Year	6,007	2,955	103.3%
Effect of Exchange Rate Changes on Cash & Cash Equivalent	(34)	3	-1414.8%
Cash & Cash Equivalents at End of Year	5,693	3,022	88.4%

- Cash Flows from Operating Activities increased Rp 13 billion or 2.5% higher compared to 1Q 2022 which was impacted by increasing receipts from customers and lower payments to employees.
- Cash Flows used in Investing Activities decreased Rp 57 billion or 21.5% lower compared to 1Q 2022, mainly due to no maturity of short-term investments.
- Cash Flows used in Financing Activities increased Rp 416 billion or 218.9% compared to 1Q 2022 mostly due to repayment of long-term bank loan.

Debt Profile

in billion IDR	31-Mar-23	31-Dec-22	Growth
SHORT TERM LOAN			
BNI	430	435	-1.2%
Bank Loan - VND	72	64	11.9%
Total Short Term Loan	502	499	0.5%
LONG TERM LOAN			
Syndicated Loan BNI & Mandiri	7,792	8,262	-5.7%
Unamortised transaction cost	(38)	(34)	11.4%
Total Long Term Loan	7,754	8,228	-5.8%
BOND			
Loan principal	4,958	4,958	0.0%
Unamortised transaction cost	(17)	(18)	-5.0%
Total Bond	4,941	4,940	0.0%
Lease Liabilities	787	684	15.1%
Temporary Syirkah Funds	2,400	2,450	-2.0%
TOTAL INTEREST BEARING DEBT	16,384	16,801	-2.5%

Total Interest-Bearing Debt as of 31 March 2023 recorded at Rp 16,384 billion or 2.5% lower compared to the 31 December 2022 position as the Company repaid some of the long-term bank loan. The composition of the total interest-bearing debt comprised of 50.4% of bank loan, 30.2% of corporate bonds, 4.8% of lease liabilities, and 14.6% of temporary syirkah funds.

Description	31-Mar-23	31-Dec-22	Chg.(x)
Net Debt to Equity (x)	0.25	0.25	0.00
Debt to Equity (x)	0.38	0.39	-0.01
Net Debt to EBITDA (x)	1.35	1.36	-0.01
Debt to EBITDA (x)	2.07	2.11	-0.04
EBITDA/Interest (x)	5.67	5.57	0.10

- Net Debt to Equity remained stable, while Net Debt to EBITDA slightly decreased by 0.01 on 31 March 2023 compared to 31 December 2022 position, in line with the decrease in interest bearing debt.
- EBITDA to Interest increased by 0.1x in line with the lower interest expense.

Other Important Information

On 17 April 2023, SIG held the 2023 Annual General Meeting of Shareholders with 10 agendas. On agenda 3 regarding the utilization of the Company's 2022 net profit, the AGMS has approved to allocate 70% of the 2022 net profit as cash dividend, while the remaining 30% is allocated for other reserves.

The schedule for the dividend payment will be as the following table:

Cum date	3 May 2023
Ex date	4 May 2023
Recording date	5 May 2023
Payment date	17 May 2023

Other agendas and their resolutions can be accessed on the Summary of the minutes of AGMS on SIG's website at the following link: <https://www.sig.id/storage/downloads/rupst-rupslb/2023-rupst/ringkasan-risalah-rupst-2023-fix.pdf>