Danantara Indonesia

SIG

1H 2025
Unaudited Financial Statement
Earnings Call

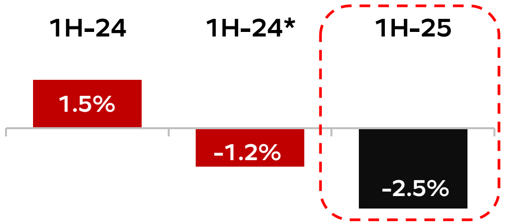
PT Semen Indonesia (Persero) Tbk

1H 2025 Performance

Managing domestic contraction through price discipline and export gains

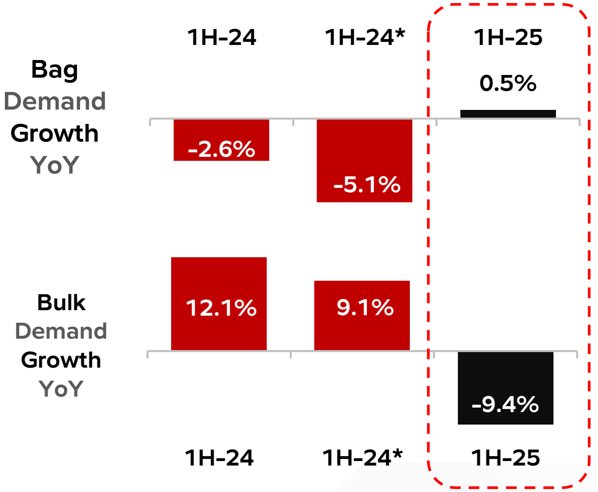
Industry demand in 1H-2025

Domestic demand in 1H-25 continued a contracted of 2.5% YoY as macroeconomic challenges persisted.



Domestic Demand Growth YoY

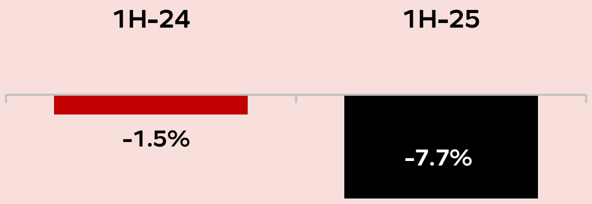
While bag demand recovers with 0.5% growth in 1H25, bulk demand still declined by 9.4% YoY.



*excluding volume from last M&A transaction in industry

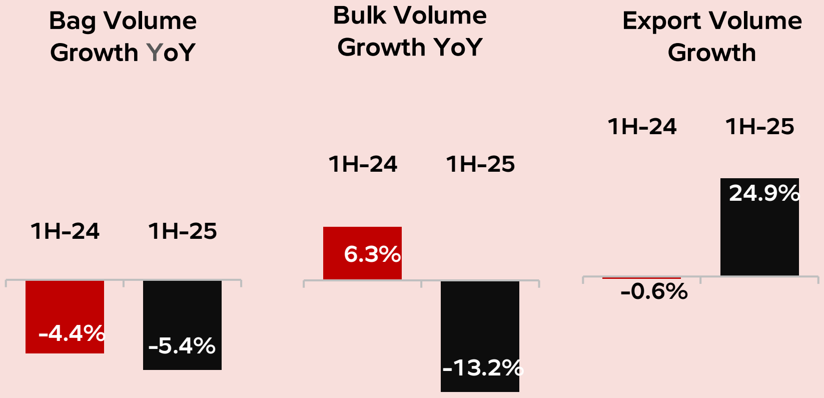
SIG sales volume and cement segment performance

SIG total domestic sales volume 1H-2025 still contracted by 7.7% YoY.



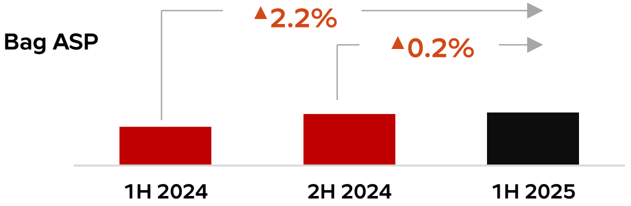
SIG Domestic Sales Volume Growth YoY

Retail segment contracted by -5.4% YoY, while bulk segment declined by 13.2% YoY. Export volume grew by 24.9% YoY, cushioning the domestic weakness, resulting in a -2.2% contraction in SIG total volume for 1H-2025.

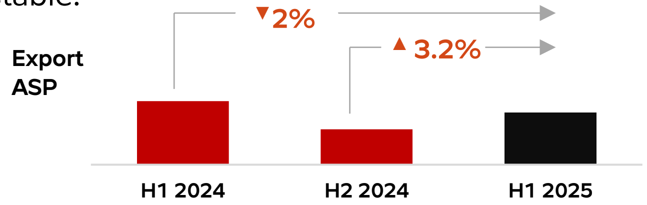


ASP Trend

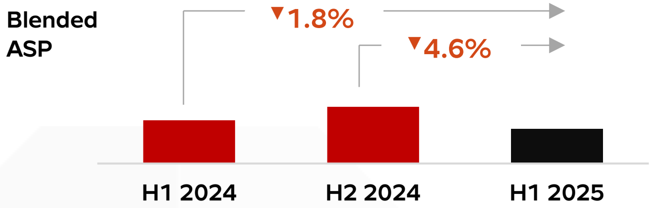
SIG maintained price discipline in 1H 2025, leading to 2.2% bag cement ASP YoY, keeping stable from 2H 2024.



While export is supporting SIG sales volume amid domestic challenges, ASP remained relatively stable.



Blended ASP remains under pressure, driven by weaker bulk prices amid tightening demand, coupled with a higher contribution from exports.



Cost discipline efforts resulting in decline in overall COGS and OPEX, while ongoing deleveraging attributes to lower finance cost

▼ 0.6%

COGS

▲0.8%

Variable COGS/ton

Impacted by increase in fuel cost due to higher coal price starting in 2H 2024.

▼ 0.3%

Fixed COGS excluding incremental of non-cement related COGS

Decrease mainly from maintenance and labor cost

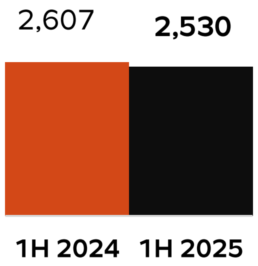
▲2.4%

Incremental COGS in non-cement related business

Moderate increase to support the growth in non-cement related business

▼ 3.0%

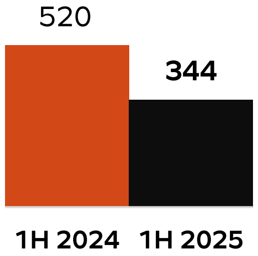
Operating Expenses



Decrease in Opex (excl. other operating expense/income), mainly from decrease in transportation & handling, promotion and labor cost.

▼ 33.7%

Net finance cost



Decrease in line with debt optimization with the decline in Interest-Bearing Debt balance by IDR 2.2 Trillion compared to 1H24.

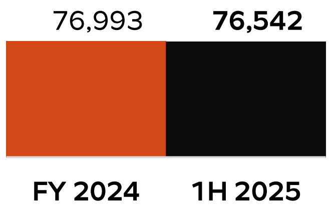
Despite earnings pressure, financial position stability was maintained

Balance sheet strength preserved

▼ 0.6%

Change in total assets due to higher increase in inventories and total accumulated depreciation and depletion compared to the amount of additional Fixed Asset.

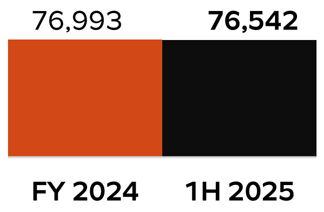
Total Assets (IDR bio)



▼ 0.6%

Change in total liabilities & equity YoY, mainly contributed lower trade payables & temporary syirkah funds balance.

Liabilities & Equity (IDR bio)

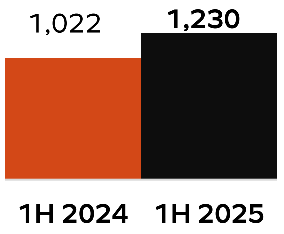


Robust cashflow generation

▲ 20.4% YoY to ~Rp 1.2 Tn

Strong cashflow delivery due to higher cash generated from core operations, lower tax payment and net finance cost.

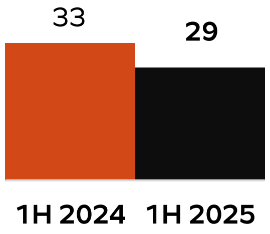
Cashflow from Operations (IDR bio)



▼ 4 days

Improved cash conversion cycle driven by more efficient inventory management & longer payment period.

Cash Conversion Cycle (Days)

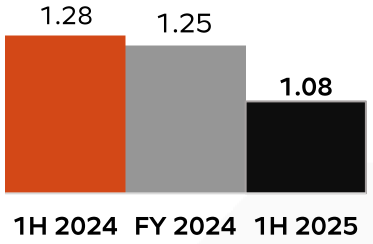


Maintained liquidity through prudent debt management

Addition of short-term borrowings led to a modest increase in interest-bearing debt and a lower current ratio.

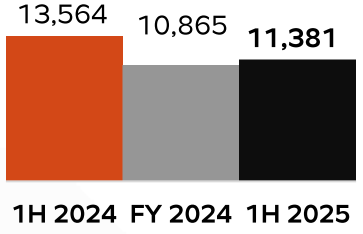
▼ 0.20x YoY

Current Ratio (x)



▼ 16.1% YoY

Interest Bearing Debt (IDR bio)

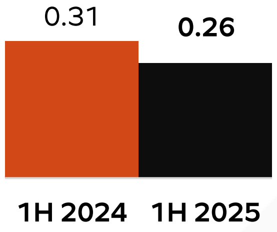


Stable leverage profile sustained

▼0.05x YoY

Debt/Equity (x)

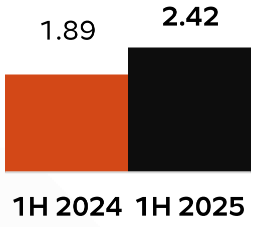
Lower YoY from reduction of Interest-Bearing Debt YoY.



▲ 0.53x YoY

Debt/EBITDA (x)

Slight increase due to EBITDA pressure.



Management Remarks

Go Beyond Next

MANAGEMENT INTRODUCTION

New executive leaders to drive company turnaround

Led by a President Director with deep cement industry experience, the new Management team incorporates cross-sector leaders, bringing a fresh perspective and renewed momentum to drive SIG's strategic execution.

Indrieffouny Indra
Newly appointed as President Director

Previously President Director of PT Semen Padang and holding a longstanding experience within the company.

Andriano Hosny Panangian
Reappointed as Vice President Director

Former Finance & Portfolio Management Director and SVP of Finance of SIG, bringing deep understanding of the company, along with extensive experience in advisory.

Sigit Prastowo
Newly appointed as Finance & Risk Management Director

Previously Finance & Strategy Director at Bank Mandiri (BMRI), with a total of 10-year experience as Finance Director in the banking sector.

Dicky Saelan
Newly appointed as Marketing & Sales Director

Previously President Director of PT. Coca Cola Indonesia, with broad experience in marketing, sales, and management across FMCG industry.

Dennis Pratistha
Newly appointed as Business Development & Strategy Director

Previously CIO of Mandiri Capital, experienced in leadership in venture capitals and strategic investments.

Hadi Setiadi
Newly appointed as Human Capital Director

Former SVP of Procurement of SIG, having previous leadership roles within the energy, mining, and trading sectors.

Reni Wulandari
Operations Director

Former Operation Director of PT Semen Gresik, possessing experience and operational depth across various plants within the Group.

Amid the backdrop of challenging market dynamics, SIG has realigned strategic focus for performance recovery

Core issue	Declining market share		Weakening profitability
	Optimize resources for sharper execution of micro market strategy	**Cement derivatives and non cement business refocus**	**Deepening focus on cost leadership**
	- Assigning sales and outbound logistic functions to cement subsidiaries - Increase market visibility and availability - Refine go-to-market excellence	- Cement derivative product optimization (mortar, Precise Interlocking Bricks, ready mix) - Scale up non cement business - Portfolio revitalization	- Integration of interplant logistics to operations for optimized COGS - Improve efficiencies, mainly in energy and fixed cost - Improve effectiveness of promotion costs
Aim 2025	Sustain market share from 2024	Increase in non-cement absolute EBITDA vs 2024	Reduced inefficiencies in cost structure
Mid-term	Recover market share to >50%	Value added creation up to 10% of EBITDA	EBITDA margin towards 20%

IMPORTANT NOTICE

THIS PRESENTATION IS NOT AND DOES NOT CONSTITUTE OR FORM PART OF, AND IS NOT MADE IN CONNECTION WITH, ANY OFFER FOR SALE OR SUBSCRIPTION OF OR SOLICITATION, RECOMMENDATION OR INVITATION OF ANY OFFER TO BUY OR SUBSCRIBE FOR ANY SECURITIES NOR SHALL IT OR ANY PART OF IT FORM THE BASIS OF OR BE RELIED ON IN CONNECTION WITH ANY CONTRACT, COMMITMENT OR INVESTMENT DECISION WHATSOEVER.

This presentation includes forward-looking statements, which are based on current expectations and forecast about future events. Such statements involve known / unknown risks uncertainties and other factors, which could cause actual results to differ materially from historical results or those anticipated. Such factors include, among others:

- economic, social and political conditions in Indonesia, and the impact such conditions have on construction and infrastructure spending in Indonesia;
- the effects of competition;
- the effects of changes in laws, regulations, taxation or accounting standards or practices;
- acquisitions, divestitures and various business opportunities that we may pursue;
- changes or volatility in inflation, interest rates and foreign exchange rates;
- accidents, natural disasters or outbreaks of infectious diseases, such as avian influenza, in our markets;
- labor unrest or other similar situations; and
- the outcome of pending or threatened litigation.

We can give no assurance that our expectations will be attained.

DISCLAIMER

This information contained in this report has been taken from sources which we deem reliable. However, none of PT Semen Indonesia (Persero) Tbk and/or its affiliated companies and/or their respective employees and/or agents make any representation or warranty (express or implied) or accepts any responsibility or liability as to, or in relation to, the accuracy or completeness of the information and opinions contained in this report or as to any information contained in this report or any other such information or opinions remaining unchanged after the issue thereof.

We expressly disclaim any responsibility or liability (express or implied) of PT Semen Indonesia (Persero) Tbk, its affiliated companies and their respective employees and agents whatsoever and howsoever arising (including, without limitation for any claim, proceedings, action, suits, losses, expenses, damages or costs) which may be brought against or suffered by any person as a result of acting in reliance upon the whole or any part of the contents of this report and neither PT Semen Indonesia (Persero) Tbk, its affiliated companies or their respective employees or agents accepts liability for any errors, omission or mis-statements, negligent or otherwise, in this report and any liability in respect of the report or any inaccuracy therein or omission therefrom which might otherwise arise is hereby expresses disclaimed.

“Leading the industry transformation towards sustainability”

@semenindonesia | Semen Indonesia | Semen Indonesia | @semenku

PT Semen Indonesia (Persero) Tbk.

South Quarter, Tower A, Floor 19-20
Jl. RA. Kartini Kav. 8, Jakarta Selatan 12430, Indonesia