

31 July 2023

**Tickers**  
IDX: SMGR

**Market Capitalization**  
As of 28 July 2023  
Rp 45,572 billion

**Issued Shares**  
6,751,540,089

**Share Price**  
As of 28 July 2023  
Rp 6,750  
Hi/Lo 2Q 2023  
Rp 7,750  
Rp 5,700

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

**Investor Relations**  
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## 1<sup>st</sup> Half of 2023 Results (Unaudited)

### Highlights

- 1<sup>st</sup> Half of 2023 (1H23) painted a positive color for the Company, with sales volume, revenue and net profit saw an increase yoy.
- Total sales volume increased by 0.1% yoy, mainly supported by a 21.8% yoy higher export sales volume as coal supply is no longer an issue in 2023.
- SIG's revenue increased by 2.0% yoy in the 1H23 from Rp 16,701 billion to Rp 17,032 billion, mainly supported by a 22.3% increase in overseas revenue.
- SIG's total operating expenses declined by 9.5% yoy in 1H23, which was contributed by a 25.5% lower transportation and handling compared to last year.
- As a result, SIG continued to book a positive profitability, with net profit attributable to owners of parent entity increased by 3.1% yoy from Rp 840 billion to Rp 866 billion in 1H23.

### Financial Highlights

in billion IDR	30-Jun-23	30-Jun-22	Growth
Revenue	17,032	16,701	2.0%
Cost of Revenue	(12,616)	(11,916)	5.9%
Gross Profit	4,416	4,784	-7.7%
Operating Expense	(2,546)	(2,813)	-9.5%
Operating Income	1,892	2,039	-7.2%
EBITDA	3,504	3,716	-5.7%
Finance Cost (Net after Finance Income)	(590)	(697)	-15.3%
Profit Before Tax	1,304	1,344	-3.0%
Net Profit Attributable to Owners of Parent Entity	866	840	3.1%

### Sales Volume

in thousand tons	1H 2023	1H 2022	Growth
Domestic sales	14,228	14,862	-4.3%
Regional sales	3,670	3,013	21.8%
<b>Total sales volume</b>	<b>17,898</b>	<b>17,875</b>	<b>0.1%</b>

#### 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. 1<sup>st</sup> Half of 2023 Results (Unaudited)

PT Semen Indonesia (Persero) Tbk (“SIG” or “the Company”) has announced its Unaudited Consolidated Financial Statement as of July 31, 2023. The 1<sup>st</sup> Half 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	1H 2023	1H 2022	Growth
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Regional sales	3,670	3,013	21.8%
<b>Total sales volume</b>	<b>17,898</b>	<b>17,875</b>	<b>0.1%</b>

SIG’s total sales volume recorded a 0.1% increase yoy in 1H23. Such increase was mainly supported by regional sales, which increased 21.8% yoy due to sufficient coal supply. The domestic demand in 1H23 was still soft, since the 2<sup>nd</sup> quarter of 2023 has the least effective workdays due to holiday season, and was reflected in the Company’s 4.3% lower domestic sales volume in the 1H23. However, the sales volume trend from the last 2 months of 2<sup>nd</sup> quarter of 2023 showed a promising trend towards recovery in the 2<sup>nd</sup> half of 2023.

### Consolidated Statements of Profit or Loss and Other Comprehensive Income

in billion IDR	30-Jun-23	30-Jun-22	Growth
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#### ▪ Revenue

SIG was still able to record a 2.0% revenue increase yoy amidst the contraction in the domestic demand. Such increase was supported by a higher sales volume, as well as a higher blended Average Selling Price (ASP) yoy. Domestic ASP recorded increase by 4.5% yoy, while overseas revenue recorded increase 22.3% compared to last year.

## ▪ Cost of Revenue & Operating Expenses

Cost of revenue increased by 5.9% yoy and represented 74.1% of revenue. Such increase was the result of the increase in raw material usage by 11.9% yoy (as an impact of slightly higher sales volume and increase in fuel price), increase in fuel and energy by 5.4% yoy due to higher subsidized fuel price and increase in manufacturing overhead by 7.0% yoy which mostly come from the higher transportation cost which was also impacted by higher subsidized fuel price.

However, the Company managed to lower their total operating expenses by 9.5% from IDR 2,813 billion to IDR 2,546 billion in 1H23. Such decrease was mainly contributed by lower transportation and handling by 25.5% compared to last year.

## ▪ Profitability

As the result of the Company's resilience amidst challenging domestic situation, SIG still managed to record higher 1H23 profitability compared to 1H22. Despite gross profit and EBITDA both decreased by 7.7% and 5.7% yoy, the Company still managed to increase net profit and net attributable to owners of parent entity by 0.8% and 3.1% respectively.

Earnings per share for 1H23 recorded at IDR 128 per basic share, compared to 1H22 of IDR 141 per basic share as the average outstanding shares for 1H22 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 1H22 will be IDR 132 per basic share.

## Financial Ratios

Description	30-Jun-23	30-Jun-22	Growth
Gross Profit Margin	25.9%	28.6%	-2.7%
Operating Profit Margin	11.1%	12.2%	-1.1%
EBITDA Margin	20.6%	22.3%	-1.7%
Net Profit Margin	5.1%	5.0%	0.1%
Return on Equity*	5.7%	5.8%	0.0%
Return on Assets*	3.0%	2.9%	0.2%

Notes:

\*ROE & ROA 30 June 2022 are based on 2nd quarter 2022 SMGR report before restatement as we do not provide 2nd 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 Balance Sheet

in billion IDR	30-Jun-23	31-Dec-22	Growth
<b>Assets</b>			
Current Assets	16,530	18,879	-12.4%
Non-current Assets	62,914	64,081	-1.8%
<b>Total Assets</b>	<b>79,444</b>	<b>82,960</b>	<b>-4.2%</b>
<b>Liabilities</b>			
Current Liabilities	14,367	13,061	10.0%
Non-current Liabilities	16,437	20,210	-18.7%
<b>Total Liabilities</b>	<b>30,804</b>	<b>33,271</b>	<b>-7.4%</b>
<b>Temporary Syirkah Funds</b>	<b>2,350</b>	<b>2,450</b>	<b>-4.1%</b>
<b>Equity</b>	<b>46,290</b>	<b>47,239</b>	<b>-2.0%</b>
<b>Total Liabilities, Temporary Syirkah Funds, and Equity</b>	<b>79,444</b>	<b>82,960</b>	<b>-4.2%</b>

- Current Assets decreased by Rp 2,349 billion or 12.4% compared to 31 December 2022 which was contributed by lower trade receivables by 20.7% and cash & cash equivalents by 25.7% for bank loans repayment.
- Non-current Assets decreased by Rp 1,167 billion or 1.8% 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 increased by Rp 1,306 billion or 10.0% compared to 31 December 2022, mainly due to increase of current maturities of long-term borrowings from bond which will be due in May 2024.
- Non-current Liabilities decreased by Rp 3,772 billion or 18.7% compared to 31 December 2022, which mainly contributed by lower long-term borrowings net of current maturities.
- Total Equity decreased by Rp 949 billion or 2.0% compared to 31 December 2022 mainly due to the decrease in unappropriated retained earnings as the Company distributed dividend in May 2023.

## Summary of Consolidated Statements of Cash Flow

in billion IDR	30-Jun-23	30-Jun-22	Growth
Cash Flows from Operating Activities	1,595	1,229	29.7%
Cash Flows from/used in Investing Activities	(618)	595	-204.0%
Cash Flows used in Financing Activities	(2,492)	(2,368)	5.2%
<b>Net Increase (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(1,516)</b>	<b>(544)</b>	<b>-178.4%</b>
Cash & Cash Equivalents at Beginning of Year	6,007	2,955	103.3%
Effect of Exchange Rate Changes on Cash & Cash Equivalent	(31)	5	-753.7%
<b>Cash &amp; Cash Equivalents at End of Year</b>	<b>4,461</b>	<b>2,415</b>	<b>84.7%</b>

- Cash Flows from Operating Activities increased by Rp 365 billion or 29.7% yoy which was impacted by increasing receipts from customers and lower payments to employees.
- Cash Flows from/used in Investing Activities decreased by Rp 1,213 billion or 204.0% yoy mainly due to placement of short-term investments.
- Cash Flows used in Financing Activities decreased Rp 123 billion or 5.2% yoy mostly due to repayment of long-term bank loan.

## Debt Profile

in billion IDR	30-Jun-23	31-Dec-22	Growth
<b>SHORT TERM LOAN</b>			
BNI	542	435	24.8%
Bank Loan - VND	112	64	73.8%
<b>Total Short Term Loan</b>	<b>654</b>	<b>499</b>	<b>31.1%</b>
<b>LONG TERM LOAN</b>			
Syndicated Loan BNI & Mandiri	7,566	8,262	-8.4%
Unamortised transaction cost	(34)	(34)	1.6%
<b>Total Long Term Loan</b>	<b>7,531</b>	<b>8,228</b>	<b>-8.5%</b>
<b>BOND</b>			
Loan principal	4,958	4,958	0.0%
Unamortised transaction cost	(14)	(18)	-20.5%
<b>Total Bond</b>	<b>4,944</b>	<b>4,940</b>	<b>0.1%</b>
<b>Lease Liabilities</b>	<b>804</b>	<b>684</b>	<b>17.5%</b>
<b>Temporary Syirkah Funds</b>	<b>2,350</b>	<b>2,450</b>	<b>-4.1%</b>
<b>TOTAL INTEREST BEARING DEBT</b>	<b>16,283</b>	<b>16,801</b>	<b>-3.1%</b>

Total Interest-Bearing Debt as of 30 June 2023 recorded at Rp 16,283 billion or 3.1% 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 50.3% of bank loan, 30.4% of corporate bonds, 4.9% of lease liabilities, and 14.4% of temporary syirkah funds.

Description	30-Jun-23	31-Dec-22	Chg.(x)
Net Debt to Equity (x)	0.28	0.25	0.03
Debt to Equity (x)	0.39	0.39	0.00
Net Debt to EBITDA (x)	1.53	1.36	0.17
Debt to EBITDA (x)	2.10	2.11	-0.01
EBITDA/Interest (x)	5.67	5.57	0.09

Net Debt to Equity slightly increased by 0.03x in line with lower equity, while Net Debt to EBITDA decreased by -0.09 on 30 June 2023 compared to 31 December 2022 position, in line with the lower interest bearing debt. EBITDA to Interest increased by 0.36x in line with the lower interest expense.

## Other Important Information

Semen Tonasa, subsidiary of SIG, recently awarded the Award of Excellence in Energy Management from Clean Energy Ministerial (CEM) in the 2023 CEM's Energy Management Leadership Awards. Semen Tonasa was one of the only 2 global companies being awarded with such award. This award was a proof of SIG & its subsidiaries in their commitment on energy management system implementation and continuously increase global awareness of