

Info Memo



31 July 2024

Tickers

IDX: SMGR

Market

Capitalization

As of 31 July 2024
IDR 26,399 billion

Issued Shares

6,751,540,089

Share Price

As of 31 July 2024
IDR 3,910
Hi/Lo 6M 2024
IDR 6,500
IDR 3,440

Shareholder Composition

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

Investor Relations

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1H 2024 Results (Unaudited)

Highlights

- In the first half of 2024, following the contraction of domestic retail demand, SIG recorded a 1.5% lower domestic sales volume yoy. Yet, bulk segment contribute strong growth of 6.3% yoy with stable export volume.
- Revenue recorded 3.6% lower yoy in line with retail demand contraction which contribute ~70% of SIG revenue.
- Cost of revenue decreased by 0.5% yoy in line with the decrease in sales volume.
- Net finance cost decreased by 12.0% yoy, contributed by lower interest expense due to lower interest bearing debt and higher interest income.
- With strong cash balance amidst the challenging situation, SIG was able to fully repay the maturing bonds of IDR 3.4 trillion and distribute dividends of IDR 572 billion in Q2 2024.

Financial Highlights

Financial Highlight

in billion IDR	30-Jun-24	30-Jun-23	Growth
Revenue	16,411	17,032	-3.6%
Cost of Revenue	(12,553)	(12,616)	-0.5%
Gross Profit	3,858	4,416	-12.6%
Operating Expense	(2,617)	(2,524)	3.7%
Operating Income	1,241	1,892	-34.4%
EBITDA	2,884	3,504	-17.7%
Finance Cost (Net after Finance Income)	(520)	(590)	-12.0%
Profit Before Tax	714	1,304	-45.3%
Net Profit Attributable to Owners of Parent Entity	501	866	-42.1%

Sales Volume

in thousand tons	30-Jun-24	30-Jun-23	Growth
Domestic sales	14,018	14,228	-1.5%
Regional sales	3,683	3,670	0.4%
Total sales volume	17,701	17,898	-1.1%

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. Six Months of 2024 Results (Unaudited)

PT Semen Indonesia (Persero) Tbk (“SIG” or “the Company”) has announced its Unaudited Consolidated Financial Statement as of June 30, 2024. The 6M 2024 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	30-Jun-24	30-Jun-23	Growth
Domestic sales	14,018	14,228	-1.5%
Regional sales	3,683	3,670	0.4%
Total sales volume	17,701	17,898	-1.1%

In the first half of 2024, SIG recorded a 1.5% lower domestic sales volume. Such decrease mainly contributed by a decrease in bag cement sales volume, following lower bag cement demand. However, SIG still managed to record a 6.3% increase yoy in bulk sales volume.

In the same period, SIG regional sales volume increased by 0.4% yoy, with main destination to Bangladesh, Australia, Taiwan, and Timor Leste, including Vietnam sales volume.

Consolidated Statements of Profit or Loss and Other Comprehensive Income

in billion IDR	30-Jun-24	30-Jun-23	Growth
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▪ Revenue

SIG revenue recorded 3.6% lower yoy mainly from domestic revenue which contracted by 2.7% in line with the contraction in retail demand which contribute ~70% from total demand in Indonesia.

▪ Cost of Revenue, Operating Expenses and Others

Cost of revenue decreased by 0.5% yoy in line with the decrease in sales volume. Variable COGS/ton relatively flat yoy contributed by clinker factor reduction for retail cement and optimization of coal logistics costs YoY. Fixed COGS relatively flat yoy with lower maintenance cost and general expenses in production. Operating expenses

(exclude other operating income/expense) recorded increase 2.4% which relatively in line with inflation rate. Net finance cost recorded 12% lower yoy contributed by 3.3% lower interest expense from lower Interest Bearing Debt balance and 51.2% higher interest income.

▪ Profitability

With the contraction in retail demand, profitability remain positive despite EBITDA and net profit margin recorded 3.0% and 2.0% lower yoy, respectively.

Financial Ratios

Description	30-Jun-24	30-Jun-23	Growth
Gross Profit Margin	23.5%	25.9%	-2.4%
Operating Profit Margin	7.6%	11.1%	-3.6%
EBITDA Margin	17.6%	20.6%	-3.0%
Net Profit Margin	3.1%	5.1%	-2.0%
Return on Equity*	4.2%	5.4%	-1.2%
Return on Assets*	2.3%	2.9%	-0.6%

Notes:

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-24	31-Dec-23	Growth
Assets			
Current Assets	16,698	19,783	-15.6%
Non-current Assets	61,321	62,038	-1.2%
Total Assets	78,019	81,821	-4.6%
Liabilities			
Current Liabilities	13,051	16,112	-19.0%
Non-current Liabilities	15,064	15,658	-3.8%
Total Liabilities	28,116	31,770	-11.5%
Temporary Syirkah Funds	2,150	2,250	-4.4%
Equity	47,753	47,801	-0.1%
Total Liabilities, Temporary Syirkah Funds, and Equity	78,019	81,821	-4.6%

- Current Assets decreased by Rp 3,085 billion or 15.6% compared to 31 December 2023, contributed by lower cash & cash equivalents for bond repayment and dividend payment in 2nd quarter 2024, as well as from trade receivables mainly from third parties.
- Non-current Assets decreased by Rp 717 billion or 1.2% compared to 31 December 2023 due to the increase in total Accumulated Depreciation and Depletion which was higher than the amount of additional Fixed Asset.
- Current Liabilities decreased by Rp 3,060 billion or 19.0% compared to 31 December 2023, which was mainly contributed by lower current maturities of long-term borrowings from bond payment by IDR 3,363 billion.

- Non-current Liabilities decreased by Rp 594 billion or 3.8% compared to 31 December 2023 due to lower bank loans by IDR 691 billion.

Summary of Consolidated Statements of Cash Flow

in billion IDR	30-Jun-24	30-Jun-23	Growth
Cash Flows from Operating Activities	1,022	1,595	-35.9%
Cash Flows used in Investing Activities	(628)	(618)	1.5%
Cash Flows used in Financing Activities	(3,117)	(2,492)	25.1%
Net Increase (Decrease) in Cash & Cash Equivalents	(2,723)	(1,516)	-79.7%
Cash & Cash Equivalents at Beginning of Year	6,940	6,007	15.5%
Effect of Exchange Rate Changes on Cash & Cash Equivalent	18	(31)	157.3%
Cash & Cash Equivalents at End of Year	4,235	4,461	-5.1%

- Cash Flows from Operating Activities decreased by IDR 573 billion due to lower revenue YoY. Higher Cash Flow from Operating Activities in 1st Half 2023 was also impacted by ~Rp 440 Bio tax refund and interest compensation from tax overpayment that received by SIG last year.
- Cash Flows used in Investing Activities increased by Rp 10 billion or 1.5% yoy mainly due to restricted cash release which adding to SIG cash flow Rp 55.5 billion.
- Cash Flows used in Financing Activities increased Rp 625 billion or 25.1% yoy mostly due to repayment of bonds and payment of dividends.

Debt Profile

in billion IDR	30-Jun-24	31-Dec-23	Growth
SHORT TERM LOAN			
BNI	1,080	430	151.3%
Lembaga Pembiayaan Ekspor Indonesia	850	-	
Standard Chartered Bank	37	21	73.8%
Bank Loan - VND	125	106	18.0%
Total Short Term Loan	2,092	557	275.7%
LONG TERM LOAN			
Syndicated Loan BNI & Mandiri	6,921	7,296	-5.1%
Unamortised transaction cost	(38)	(47)	-19.7%
Total Long Term Loan	6,882	7,248	-5.0%
BOND			
Principal	1,594	4,958	-67.8%
Unamortised transaction cost	(12)	(15)	-23.6%
Total Bond	1,583	4,943	-68.0%
Lease Liabilities	858	820	4.6%
Temporary Syirkah Funds	2,150	2,250	-4.4%
TOTAL INTEREST BEARING DEBT	13,564	15,818	-14.2%

Total Interest-Bearing Debt as of 30 June 2024 recorded at IDR 13,564 billion or 14.2% lower compared to the 31 December 2023 position due to the Company repayment of bond. The composition of the total interest-bearing debt comprised of 66.2% of bank loan, 11.7% of corporate bonds, 6.3% of lease liabilities, and 15.9% of temporary syirkah funds.

Description	30-Jun-24	31-Dec-23	Chg.(x)
Net Debt to Equity (x)	0.22	0.21	0.01
Debt to Equity (x)	0.31	0.37	-0.06
Net Debt to EBITDA* (x)	1.30	1.14	0.16
Debt to EBITDA* (x)	1.89	2.03	-0.14
EBITDA/Interest* (x)	5.24	5.60	-0.36

Debt to Equity decreased by 0.06x in line with the lower interest-bearing debt, while Net Debt to EBITDA increased by 0.16 due to lower EBITDA for the June LTM 2024 period. However, EBITDA to Interest recorded decreased by 0.36x in line with the lower EBITDA.

Other Important Information

- On 30 May 2024, SIG collaborated with PT Bina Karya (Persero) in providing building material solutions including products made from green cement, cement derivative products and other building materials.
- On 27 June 2024, SIG expanded its business in IKN through a capital investment of IDR 22.5 billion to PT Karya Logistik Nusantara (KLN), a consortium of BUMN Karya, to supply building materials and sustainable solutions.
- SIG has paid off maturing bonds of IDR 3.4 trillion and has distributed dividends of Rp 572,023 million based on the results of the Annual General Meeting of Shareholders (AGMS) in 2024 which was held on 3 May 2024 as stated on Notarial Deed No. 5.
- PEFINDO assigned SIG as a constituent of the PEFINDO Investment Grade Index for the period of July - December 2024. The index consists of 30 companies listed on the IDX and rated idAAA to id BBB-, reflecting that the Company has abilities to maintain sustainable growth and long-term commitments for all shareholders and stakeholders.