

Optimizing Capabilities to Lead The Market
Earnings Call 3rd Quarter of 2023 Unaudited Financial Report



Improvement in revenue and discipline cost management amid increasing fuel cost, provide 1.8% yoy growth in net profit 9M 2023

Industry update in Q3 2023

Positive demand growth* in Q3-2023 YoY and QoQ....

...mainly supported by growth in bulk segment.

And positive trend still continue in October 2023.

SIG improved profitability in 9M23

IDR bio

▲ 4.0% Increase in revenue

▲ 1.8% Increase in absolute net profit**

Maintain Focus on 4 Main Strategies

Red Ocean

▲ 5.9% Total Sales volume expansion

Supported by bulk and export volume

Blue Ocean

Revenue Growth

Ready mix
SpeedCrete| ThruCrete| Minimix

Revenue Growth

Masonry
Special application cement

Operational Excellence & Decarbonization

Operating Expense

Interest Expense

PCC Clinker Factor

TSR

Consistent improvement in operation not only contribute to cost efficiency but also to decarbonization target achievement

Emission Intensity - Scope 1
(Specific Net - kg CO₂/ton cement eqv)

CO₂ emission reduction

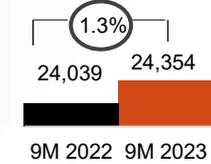
*Source: Demand data 2023 from Indonesia Cement Association, adjusted

**attributable to owners of parent entity

Minimize the impact of fuel price increase through revenue optimization, operational excellence and deleveraging

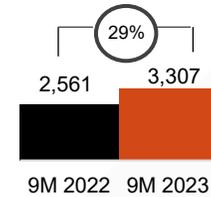
(in IDR billion)

Domestic Revenue



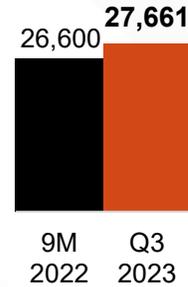
Increased YoY supported by 5.9% increased volume with 1% increase in blended domestic ASP.

Regional Revenue

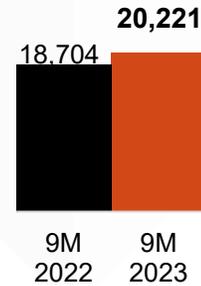


Higher Regional Revenue yoy, inline with the increase in export volume

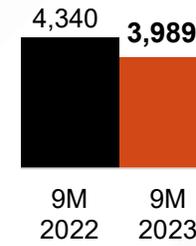
▲ **4.0%**
Change in Total Revenue YoY



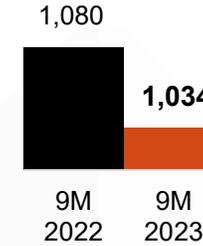
▲ **8.1%**
COGS increase



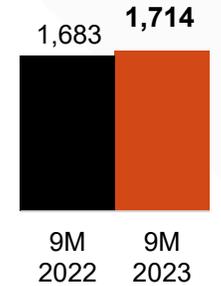
▼ **8.1%**
Lower operating expenses*



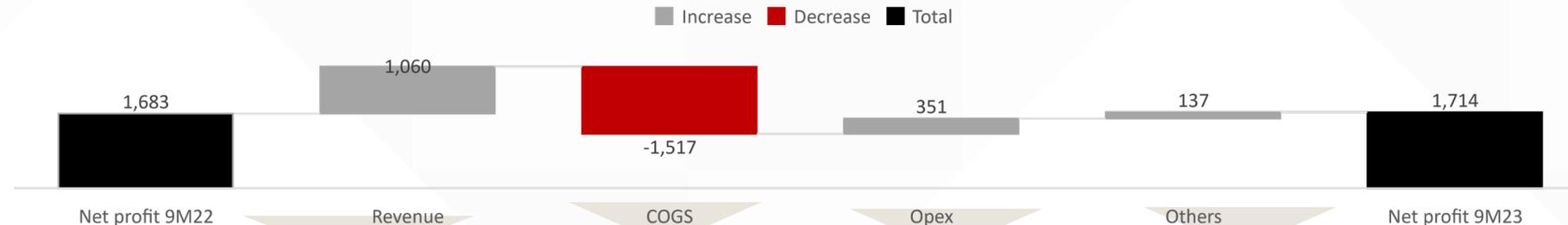
▼ **4.2%**
Decrease in finance cost



▲ **1.8%**
Improvement in net profit*



Net Profit Bridge** (IDR billion)



Increase in revenue
Contributed by higher sales volume mainly from bulk and export

Higher COGS
as an impact of higher sales volume, as well as increase in higher fuel price, affecting the logistics cost of energy, distribution and raw material

Lower operating expenses
From lower transportation cost

Lower net finance cost
Contributed by lower interest expense from lower interest bearing debt balance and increase in finance income from higher cash balance

*include other operating income/expense

**attributable to owners of parent entity

Strengthen the 4 main strategies to create more sustainable values

Revenue Optimization

Red Ocean
“Optimize profitability”

Domestic market

Micromarket strategy

Modernization of retail ecosystem

to gain better visibility on retail level

Bulk market

maintain leadership in strategic national projects

Maximize export market

Up to **8.5 mio ton**
Port capacity for export

Attractive price
Positive
contribution margin

Blue Ocean
“Expand the products & businesses”

Existing product & solution

Ready mix solution

Non-OPC bulk cement

Masonry

Mortar

Further invest in BM solution, including distribution & logistics

SIG wide operations

385 Distributors

>70,000 Retail stores

Cost Management

Operational Excellence

“Optimize production index & cost efficiency”

Up to **11%**
(2019-2030)
Clinker factor reduction

Coal index reduction

SEEC
Specific Electrical Energy Consumption Reduction

STEC
Specific Thermal Energy Consumption Reduction

“Cargo consolidator”

~3,000 routes
~88% land and 12% sea routes

~9,800 trucks
~11% owned

Decarbonization

“Reduce emission”

AFR
▲ 20%
Thermal Substitution Rate 2030 Target

RDF
Tonasa & Tuban
RDF plant facilities

Solar Panel
▲ 572 MWp*
Solar Panel Rollout 2021-2030 Target

SMBR Integration

“Value creation”

- Integrated functions & group policies:
- ✓ Sales & marketing
 - ✓ Supply chain
 - ✓ Procurement
 - ✓ Finance
 - ✓ Production
 - ✓ Human Capital
 - ✓ ICT

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