

AKR NEWS RELEASE



For Immediate Release

21 March 2024

AKRA Net Profit FY 2023 IDR 2.78 Trillion, up 16%YoY Earnings boosted by strong performance in Industrial estate Segment

JAKARTA, March 21, 2024 - PT AKR Corporindo Tbk., (AKRA:IJ) released the Audited Consolidated Financial results for the Financial Year ended December 31, 2023 to the Indonesia Stock Exchange and the Financial Services Authority today.

Key Performance Highlights for FY 2023



Highlights:

- AKRA reported **16%yoy** growth in Net Profit attributable to equity holders for FY 2023 of **IDR 2,780 Billion** compared to IDR 2,403 Billion in FY 2022. The company recorded **CAGR of 31%** over the past 5 years.
- Revenue from the Industrial Estate segment **grew 2x in 2023** reaching **IDR 2,323 billion**, driven by growth in **land sales of 91Ha** and recurring income for utilities. The contribution of Industrial Estate to AKRA's consolidated gross profit also increased **by 22%**, higher than 13% in 2022. Gross Profit from Industrial land sales, rental income and utilities in 2023 was **IDR 981 billion**.
- EBITDA grew by 14% in FY 2023 to IDR 4,048 billion** compared to IDR 3,539 billion in 2022
- Strong performance resulted in significant improvement in **ROE 24.7%** and **ROA 9.2%**.
- The Company continues to maintain operational efficiency whereby **Operating Expenses reduced by 14%** to Rp 975 Billion during FY 2023
- The Company reported a strong Balance Sheet position with **Total assets of IDR 30,255 billion** as of December 31, 2023 while maintaining a low **Debt-to-Equity ratio at 0.3x**.
- Cash position as of December 31, 2023 reached **IDR 6,536 billion**, higher by 51% compared to December 31, 2022. The Company remains in **Net Cash Position with Net gearing ratio at -0.16x at the end of FY 2023**.

President Director of AKRA, Mr. Haryanto Adikoesoemo, in his statement:

"We are extremely happy to report a Strong performance during the year 2023 with growth in Net Profit by 16% YoY reaching IDR 2,780 billion. The Company has continued to sustain its growth momentum with growth driven not only by the Core business sectors of Trading and distribution and logistics but also with a significant contribution from the Industrial Estate Segment; during the year FY 2023 JIPE Special Economic Zone in Gresik recorded significant land sales to International companies."

"The Company continued to improve operational efficiencies resulting in significant cost reduction and reported strong operational cash flows. EBITDA also grew by 14% to Rp 4,048 billion which enabled the company to fund its expansions while paying out significant Interim dividends to its Shareholders. The Company has further improved its Return on Equity to 24.7% during FY 2023 and Return on Assets improved to 9.2% driven by the Strong financial performance".

"Trading and distribution of Petroleum and Basic chemicals continued to grow driven by increasing demand in Eastern Indonesia wherein the downstreaming of minerals resulted in higher mining and processing activity; to further address this market, AKRA is investing in logistics and supply chain infrastructure comprising of Storage terminals, Ships and improving its Information technology platforms"

"The Company's investment in the Special Economic Zone JIPE in Gresik, East Java (SEZ JIPE Gresik), has started to yield significant results. We are happy to report that land sales during the year 2023 reached 91 hectares higher than 44 hectares during FY 2022; SEZ JIPE Gresik with its integrated port, industrial estates and utilities continues to attract international and domestic investors who are invested in value-added chain ecosystem in SEZ JIPE which is supporting national industrial growth." said Mr Haryanto.

CONSOLIDATED FINANCIAL STATEMENTS

- Summary of Consolidated Income Statement for the Financial year ended December 31, 2023 (Audited)**

In IDR Bn	2023	2022
Total Revenue	42,087	47,540
Cost of Sales and Revenue	(37,613)	(43,288)
Gross Profit	4,473	4,252
<i>Operating Expense</i>	(913)	(1,166)
Operating Profit	3,561	3,087
Other income (expense)	127	(1)
Profit Before Final Income Tax	3,687	3,086
Income Tax & Final Tax	(609)	(607)
Net Profit for the year before Non-Controlling Interest	3,078	2,479
<i>Non-controlling Interest</i>	(298)	(76)
Net Profit for the year attributable to Shareholders	2,780	2,403
Earnings Per Share (Rp/sh)	140.87	121.77
EBITDA	4,048	3,539

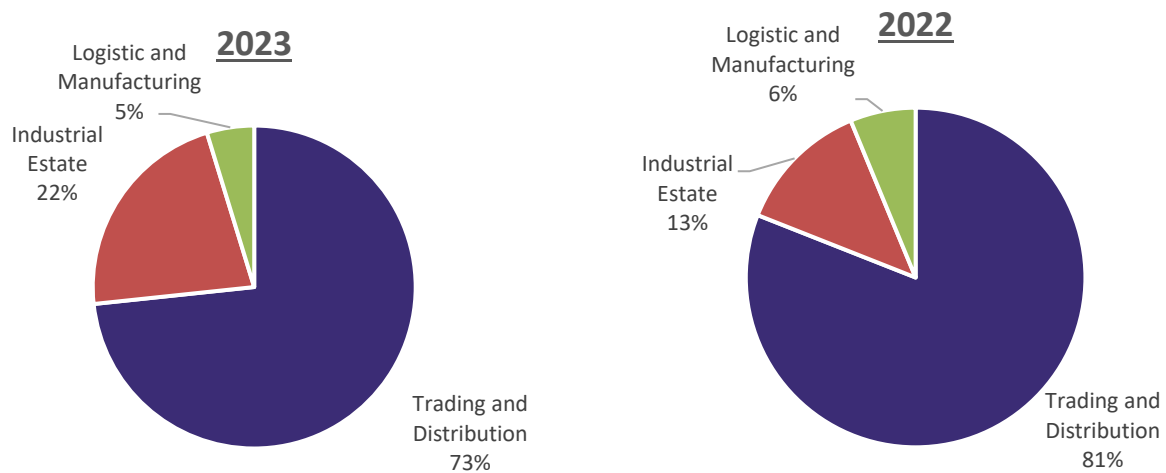
Segment wise Performance

Consolidated revenue during FY 2023 is Rp 42,087 billion; Revenue from Trading and distribution is Rp 38,213 billion lower than Rp 44,698 billion due to the lower Selling prices during the year with normalization of International price of Petroleum and basic chemicals; the Company continued to effectively pass through the price movements while increasing its Volume and maintaining the margins

Revenue from Industrial estate segment increased by 102% with higher land sales and increasing contribution from the utilities segment

Revenue per Segment (IDR bn)	2023	2022
Trading & distribution	38,213	44,698
Petroleum	31,869	36,327
Chemicals	6,344	8,371
Logistic service and Manufacturing	1,552	1,693
Industrial estate	2,323	1,149
Land Sales	2,069	931
Land Rental	174	172
Utilities	80	47
TOTAL REVENUE	42,087	47,540

Consolidated Gross Profit FY2023 was recorded at IDR 4,473 billion with higher contribution from Industrial Estate segment. Trading & distribution, logistics and manufacturing segment contributed 78% to the Gross Profit while the Industrial Estate segment contribution significantly increased to 22% during FY 2022 compared to 13% during FY 2022; The Gross profit of Industrial estate segment grew by 81% YoY to reach IDR 981 billion. Consolidated Gross Profit margin during 2023 improved to 11%, compared to 9% in 2022.



Balance Sheet

The Company's total assets as of December 31, 2023, increased by 11%, recorded at IDR 30,255 billion compared to IDR 27,188 billion last year. During the year FY 2023 the company recorded addition of IDR 933 billion to the Fixed Assets compared to IDR 293 billion during FY 2022. The Company invested in expansion of its fleet of Ships, investments in Storage terminals, retail outlets and other equipments;

Total Asset growth is also attributable to a 51% increase in Cash and Cash Equivalents; as at 31st December 2023 the Company reported cash balance of Rp 6,536 billion compared to Rp 4,338 billion at the end of the previous year.

Total liabilities increased by 16% to IDR 16,212 billion in 2023 from IDR 14,033 billion in 2022, mainly comprising of trade payables and additional bank loans obtaining by its industrial estate subsidiary; The Company continues to main very healthy working capital ratios with Current ratio of 1.4x while maintaining a NET Cash position with net gearing of -0.16x.

On March 13, 2024, PEFINDO reaffirmed the rating of the Company's bond at idAA with STABLE outlook given the strength of the Company's logistics and supply chain infrastructure and potential to increase recurring income from its Industrial estate segment.

The Company's Total Equity increased by 7% to IDR 14,043 billion as of December 31, 2023, compared to IDR 13,155 billion last year.

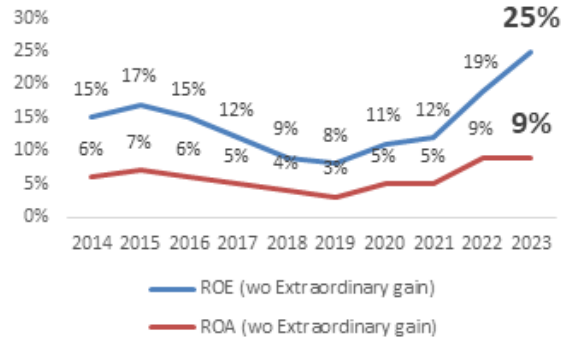
(in IDR billion)

ASSET		LIABILITIES & EQUITY	
Current Assets		Current Liabilities	
Cash and cash equivalents	6,536	Trade payables	9,519
Trade receivables	6,403	Short term bank loan & others	5
Inventories	3,134	Current maturities of long-term bank loans & Bond	1,126
Industrial estate land inventory	1,621	Other current liabilities	1,883
Other current assets	428		
Total Current Assets	18,121	Total current liabilities	12,533
Non-Current Assets		Non-Current Liabilities	
Long Term trade receivables	387	Long-term bank loans and others	3,117
Property, plant and equipment	5,466	Bond payables	–
Investment Property	1,817	Other long term liabilities	561
Industrial estate land inventory under development	3,026	Total non current Liabilities	3,678
Other non-current assets	1,437	Total liabilities	16,212
Total Non-current Assets	12,134	Total Equity	14,043
TOTAL ASSETS	30,255	TOTAL LIABILITIES AND EQUITY	30,255

Cash Position and Net Gearing Ratio



ROE and ROA



The consolidated financial statements that have been submitted to OJK and IDX today can be downloaded from the company's website www.akr.co.id

Corporate Secretary PT AKR Corporindo Tbk

For More Information please Contact:
corporate.secretary@akr.co.id
ir@akr.co.id

About AKR Corporindo Tbk

PT AKR Corporindo Tbk (the Company) was formally established in Surabaya in 1977 and was listed on the Indonesian Stock Exchange in 1994. The Company is Indonesia's leading integrated supply chain solutions provider and largest private sector distributor of petroleum and basic chemicals to industrial customers. The Company entered retail petroleum distribution since 2010 on being appointed by the Government of Indonesia to distribute subsidized petroleum. Since 2018, the Company has established joint ventures with BP for non-subsidized gasoline stations under BP-AKR retail in various locations in Java, established aviation petroleum supply stations in eastern part of Indonesia. The Company has through a number of its subsidiaries also operates third party logistics services, manufacturing and trading and distribution of basic chemicals and lubricants.

The Company is developing Java Integrated Industrial Port Estate ("JIPE") in Gresik, East Java, one of the largest integrated industrial estates in the country with access to deep seaport, multimodal transportation, and utilities to serve the needs of industrial customers. JIPE encompasses a total area of 3,000 ha comprising of 1,800 hectares of Industrial estate operated by company's subsidiary PT Berkah Kawasan Manyar Sejahtera ("BKMS"), 400 hectares of deep seaport developed by affiliate company PT Berlian Manyar Sejahtera ("BMS") and 800 hectares of residential estate developed by PT AKR Land Development (an affiliate of AKR). JIPE has been designated as Special Economic Zone (SEZ) by Government of Indonesia vide President Proclamation No 71 / 2021 which would enable industrial tenants and customers to avail various fiscal and non-fiscal benefits and other facilities which will improve ease of doing business in JIPE. The Company aims to build utilities including Power plants, water supply and other supporting infrastructures which will generate significant recurring income.

The Company is committed to implementing best practices for growth of its business in a sustainable manner and has undertaken various ESG initiatives covering areas of clean energy, Health & Safety, Human Rights, Environment, Energy use, Business Ethics, and Integrity. AKR is now one of the constituent stocks in the IDX ESG leaders index, SRI Kehati Index, ESG LQ 45 index and other indices of the Indonesian stock exchange.

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