



For Immediate Release

July 26' 2023

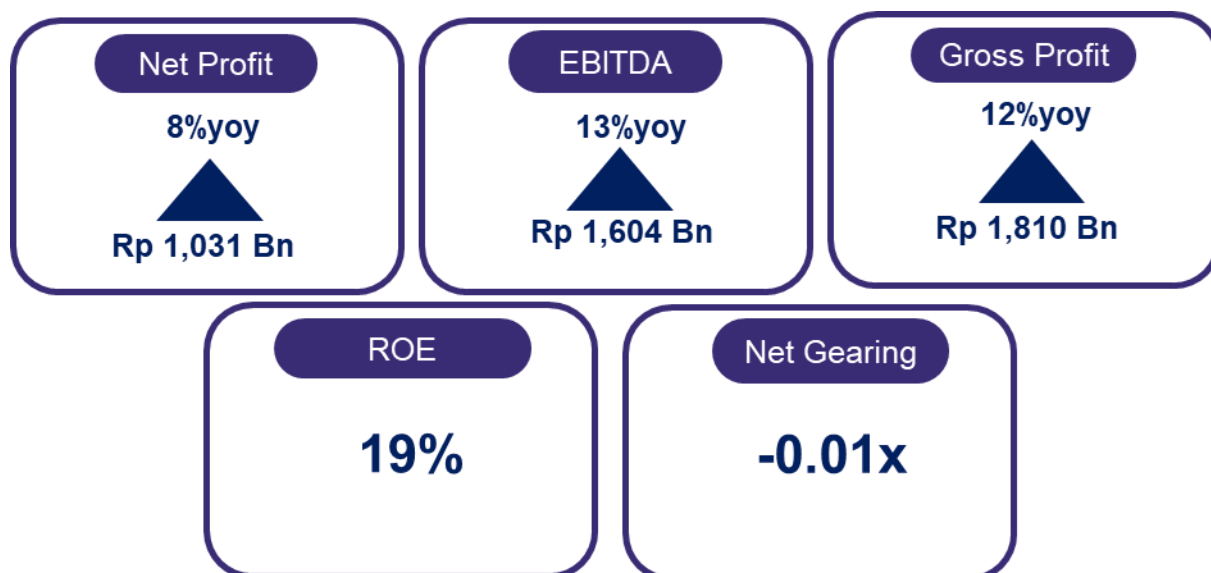
AKRA 6M 2023 Net Profit Rp 1,031 billion
- Grew 8% YOY with higher contribution from Industrial estate segment

JAKARTA, July 26, 2023 – PT AKR Corporindo Tbk (AKRA) reported Net Profit attributable to Equity holders of Rp 1,031 Billion for the 6 month period ended June 30, 2023 compared to Rp 955 Billion during 6M 2022 registering a 8% yoy growth. The Company reported Consolidated Sales revenue of Rp 19,855 billion during the 6 months ended 30th June 2023 lower than same period during the previous year due to lower selling prices in line with reduction in Petroleum and chemical prices.

Gross profit of the Company increased 12% to Rp 1,810 billion and the company delivered EBITDA of Rp 1,604 billion 13% higher than same period last year.

AKRA continues to maintain a strong balance sheet during 6M 2023, with total assets of Rp 25,430 billion with very healthy financial ratios; Current ratio of the Company improved to 1.8x and Return of Equity during this period is reported at 18.8%. The Company continues to maintain very low debt levels and adequate cash balances.

Key Performance Highlights for 6M 2023



Key Highlights:

- Breakdown of Sales Revenue - 6M 2023:

- Trading & distribution: **Rp 18,477 Billion**
- Industrial estate Segment: **Rp 613 Billion**
- Manufacturing and logistic segment: **Rp 764 Billion**

- **Strong Balance Sheet:**

- Total Assets as at 30th June 2023 Rp 25,430 billion (6M 2022: Rp 27,834 billion)
- Total Equity as at 30th June 2023 Rp 13,284 billion (6M 2022: Rp 11,992 billion)
- Current ratio of the company: 1.8x higher compared to Q4 2022 (1.4x)
- Net Gearing of the company: -0.01x
- Cash balance on 30th June 2023 – **Rp 4,574 billion.**

CONSOLIDATED FINANCIAL STATEMENT

Summary of Profit and Loss Account For the Six Months Period Ended 30th June 2023 (Unaudited)

In IDR Bn	1H23	1H22	%
Total Revenue	19,855	22,109	-10%
Cost of Sales and Revenue	(18,045)	(20,491)	-12%
Gross Profit	1,810	1,618	12%
<i>Operating Expense</i>	(456)	(426)	7%
Operating Profit	1,354	1,192	14%
Other income (expense)	19	(16)	-
Profit Before Final Income Tax	1,372	1,176	17%
Income Tax & Final Tax	(280)	(248)	13%
Net Profit for the year before Non-Controlling Interest	1,092	927	18%
<i>Non-controlling Interest</i>	(61)	28	nm
Net Profit for the year attributable to Shareholders	1,031	955	8%
Earnings Per Share (Rp/sh)	52.23	48.41	8%

Revenue per segment – consistent growth with higher traction from industrial estate

Total Revenue during 6M 2023 was lower due to lower average selling prices – the Company passes all the price movement in Petroleum products using formula based on MOPS and basic chemicals prices were lower during the 1st semester of 2023 after recording high levels during the past year due to improving supplies

Industrial land segment recorded revenue of Rp 613 billion during the 6M 2023 higher than Rp 151 billion during the same period last year; this includes sale of land to large Chinese company Hailiang which started construction of Copper sheet factory which was inaugurated by Indonesian President this quarter and also the lease rentals for the Copper Smelter being built in JIPE

Revenue per segment

Revenue per Segment (IDR bn)	1H23	1H22
Trading & distribution	18,477	21,115
Petroleum	14,997	16,862
Chemicals	3,480	4,253
Logistic service and Manufacturing	764	844
Industrial estate	613	150
Land Sales	482	47
Land Rental	92	85
Utilities	39	18
TOTAL REVENUE	19,855	22,109

Gross Profits – Higher contribution from Industrial Estate segment

The consolidated gross profit in 6M23 reached Rp 1,810 billion or improved by 12% with significant improvement from Industrial Estate segment. The Industrial Estate segment grew by 126%yoy to Rp 324 billion which also contributes 18% to consolidated gross profit improved from 9% in 6M 2022. Overall Gross Margin during the 6M 2023 improved to 9.1% of Sales Revenue from 7.3% in 6M 2022.

Gross profit per segment

Gross profit per Segment (IDR bn)	1H23	1H22
Trading & distribution	1,369	1,374
Industrial estate	324	102
Manufacturing and Logistics	117	142
TOTAL GROSS PROFIT	1,810	1,618

CEO Message

Mr. Haryanto Adikoesoemo, President Director commenting on the results mentioned, “ We are happy to announce financial results for 6 months ended 30th June 2023; AKR consistently deliver strong performance across all economic cycles supported by extensive logistics and supply chain infrastructure and disciplined supply chain management strategy. AKR has succeeded in delivering products to meet customer demand in timely manner despite the global disruptions and supply chain issues.”

“AKRA reported a net profit of IDR 1,031 bn during 6M 2023 higher by 8% compared to IDR 955bn in 6M22. This growth is supported by trading and distribution business segment which has delivered despite global chain disruption and higher contribution from JIPE from booking of land sales in 6M23 also contributed to the growth. We believe the portfolio of business is resilient and deliver across all economic cycles.”

“AKRA has consistently maintained stringent working capital management in the middle of rising interest rate environment and market uncertainty leading to a leaner balance sheet.

The government plan of downstream and manufacturing and rising foreign direct investment development in Indonesia has become engine growth for Indonesia and AKR as well. We believe this will provide ample room for growth for use of petroleum and chemical across sectors. The AKR retail JV, bp AKR posted higher sales volume growth of and has currently rolled out 41 of retail outlets.”

“Furthermore, our industrial estate business segment (JIPE) has gained more traction since the Special Economic Zone has been operational since end of 2022, recording more inquiries from overseas and domestic interests. Special Economic Zone provides fiscal and non fiscal benefit which will be very beneficial to future tenants of JIPE. JIPE along with strategic location offers direct port access and world class utilities to serve tenants. With the largest smelter in the world expected to be operational in Mid 2024, JIPE is creating an ecosystem for copper, chemicals and related industries. The immense requirements of utilities will be served by JIPE and will provide a significant recurring income in the future.”

“In 6M23 JIPE has booked 19.6HA of accounting sales from a prestigious copper foil manufacturer, PT Hailiang Nova Material Indonesia. JIPE also secured a marketing land sales in 2Q23. To realize the development of land and utility facilities, JIPE obtained an IDR 2.5tn credit facility from bank BNI of which IDR 2.0tn has been drawn down. We continue to intensively market Land and utilities which has enabled us to finalise land sales and utilities contracts with international companies. We believe the mix of investment will provide strong and consistent growth to the shareholders.”

STRONG BALANCE SHEET adapting to rising rate environment

AKR Balance sheet as at 30th June 2023 reflects a strong position with Total Assets of Rp 25,430 billion and Net Equity of Rp 13,284 billion. The company is also adapting to potential rising interest rate environment in the upcoming quarters by efficient working capital management leading current ratio to improve to 1.8x in 6M23 from 1.4x in 4Q22. The net gearing ratio is also maintained at the low level at -0.01x indicating cash position improvement in 6M23.

Balance sheet

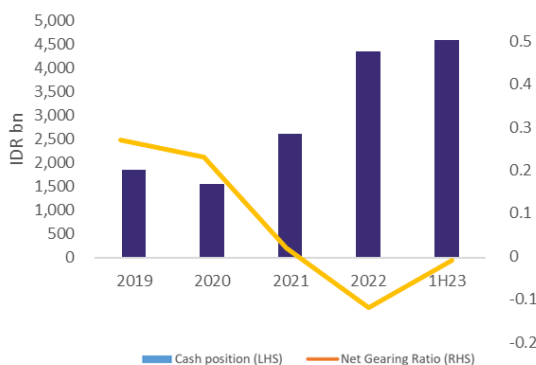
Assets		Liabilities & Equity	
Current Assets		Current Liabilities	
Cash and Equivalents	4,574	Trade Payables	5,749
Trade Receivables	6,156	Short term bank loans	10
Inventories	1,274	Current Maturities of LT bank loans	1,011
Industrial estate land inventory	2,162	Other Current Liabilities	1,345
Other Current Assets	277	Total Current Liabilities	8,115
Total Current Assets	14,443	Non-Current Liabilities	
Non-Current Assets		Long term bank loans	3,358
Long Term Receivables	260	Bonds Payable	37
Property, plant & equipment-Net	4,940	Other Long Term Liabilities	635
Investment Property	1,817		
Industrial estate land under development	2,581	Total Liabilities	12,145
Other non-current assets	1,389		
Total Non-current Assets	10,987	Total Equity	13,284
Total Assets	25,430	Total Liabilities & Equity	25,430

Key Ratios

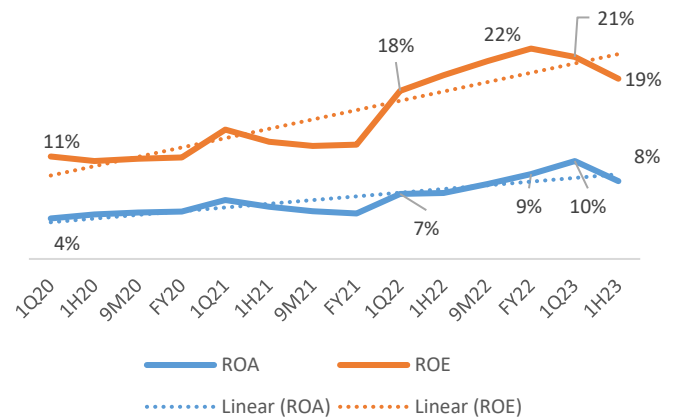
	UOM	1H23	1H22
Profitability			
Gross Margin	%	9.1%	7.3%
Operating Margin	%	6.8%	5.4%
Net Margin	%	5.2%	4.3%
Asset Management			
Return on Asset	%	8.1%	6.9%
Return on Equity	%	18.8%	19.1%
Total Asset Turnover	x	1.6	1.6
Receivable Period	Days	59	67
Inventory Period	Days	13	21
Payable Period	Days	58	100
Leverage			
		Jun-23	Dec-22
Current Ratio	x	1.8	1.3
Debt/equity	x	0.3	0.2
Net Gearing	x	(0.01)	(0.06)

The Company's reported further improvement in key financial ratios; Return on Equity reached 19% and Return on Assets to 8%; with very healthy working capital ratios.

Cash Position and Net Gearing Ratio



ROE and ROA



AKRA is also added to IDX30 by Indonesia Stock Exchange effective from August 1st 2023 to January 2024.

Indonesia stock exchange added AKR Corporindo (AKRA) to IDX30. This will be effective from August 1st 2023 to January 2024. The IDX30 is an index that includes 30 stocks that are selected based on liquidity and several other criteria such as market capitalization, liquidity, company fundamental conditions and company growth prospects and other criteria that are reviewed every six months.

AKRA committed to ESG improvements towards a sustainable future through executing strategies such as 1) improve CO2 reporting, 2) supply chain innovation and optimization, 3) sustainable fuel offering, 4) championing industry 5) developing green industrial estate and 6) Sustainable economic development. Currently AKR is rated medium risk by Sustainalytics.

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 and Investor Relations
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PT 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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