

**PUBLIC EXPOSE REPORT OF PT SOLUSI BANGUN INDONESIA, TBK
DATE 12 MAY 2023**

I. TIME AND PLACE

Day/Date : Friday, 12 May 2023
Time : Pukul 16.00-16.45
Place : Pandawa 1 & 2 Ballroom
Ra Suites Simatupang, Pandawa Room 1-2, Lt 2, Jl TB Simatupang No 30, Jakarta Selatan 12430, Indonesia & melalui *Video Conference*

II. Present Company Management

1. Mr Lilik Unggul Raharjo, President Director
2. Mr Ony Suprihartono, Director
3. Mr Soni Asrul Sani, Director
4. Mr Yasuhide Abe, Director
5. Mr Andika Lukmana, Corporate Secretary
6. Mr Giri Prabowo, ACM Group Head
7. Mrs Ani Cahyani Aprilia, Finance Group Head

III. Agenda

1. The Public Expose was opened by the host, Ms. Grace Easter Parsaulian at 16.00 WIB.
2. The event was continued with opening remarks, introduction of the Company's management who were present and management presentation by Mr. Lilik Unggul Raharjo, President Director of the Company and also through a management presentation video. The Public Expose presentation consists of, among others:
 - a. Overview of the cement and construction business sector in 2022;
 - b. Overview of the company's 2022 financial performance;
 - c. Company operational review for 2022;
 - d. Review of financial performance for the first quarter of 2023;
 - e. Company focus in 2023;
 - f. Business projections for 2023;
 - g. Results of the resolutions of the Annual General Meeting of Shareholders on 12 May 2023.We have attached the Public Expose presentation material to this report.
3. The Public Expose ended with a question and answer session and closed at 16.45 WIB

IV. Attendance

The Public Expose was attended by analysts, investors, media and other parties. The number of Public Expose participants is 25 participants.

The list of attendees of the Public Expose is attached to this report.

V. Q&A

1. Mr Rinalditama – Individual Investor

Responding to current market conditions and the oversupply that still occurs in the cement industry, how can management make efficiency efforts to be competitive in the market?

Answer:

Current market conditions in Indonesia are still experiencing an oversupply of the 119 million tons of existing factory capacity. The supply absorbed in 2022 is only 63 million tons or only 52% has been utilized. Even though utilization is still low, the Company achieves utilization above the national average, which is around 70%.

Going forward, the Company expects to strengthen synergy with SIG for product distribution and supply chain so that it is hoped that the cost to serve will be more competitive. Second, in terms of operational costs, the Company is targeting 4 focuses, namely Operational Excellence, Process Optimization, then Sustainable Development and People & Leaders. In terms of Sustainable Development, the Company launched products that have competitive advantages, some of which are environmentally friendly concrete products such as SpeedCrete, ThruCrete which can absorb water and solutions that facilitate construction and have added value. We also launched MiniMix which can deliver concrete to smaller streets. Then other value added products such as soil stabilizer. In addition, we also carry out efficiencies including the use of alternative fuels and digitization so that production costs can be reduced, then added value in accordance with environmentally friendly products supported by the Company's subsidiary, namely Solusi Bangun Beton.

2. Mrs Rissa Janiola & Mr Rinalditama – Industrial Info Resources & Individual Investor

What are PT SBI's plans for the next 5 years? Will there be product plans, expansion projects, new markets to be developed, seeing as the development/construction industry has started to improve?

Answer:

In the next five years, if the domestic market is still as it is now or has not grown optimally, even though there is a projected growth of 2-4%, the Company must seek market share for exports. By cooperating with Taiheiyo Cement Corporation (TCC), the Company can gain additional export market share to the United States, the Philippines and Australia which will increase sales volume.

Besides products that are more environmentally friendly. Currently the Company is also in intense discussion with the Ministry of Industry in order to issue standards for environmentally friendly cement and in line with government programs to reduce CO₂.

Currently the Company has no plans to increase capacity. We are doing expansion to meet export needs by building a special port to serve the export market in Tuban which will be completed in early 2024.

3. Mr Sadewa – Kontan Newspaper

Sales volume growth target in FY 2023? What are the Capital Expenditures 2023 for?

Answer:

We project a market growth of 2-4%, of course not only for growth in the domestic market, but also in the export market because with the projected market growth, market conditions are still oversupply.

Currently, the largest CAPEX 2023 is used for the continuation of the construction of a special port in Tuban to serve the United States market, which is currently expected to reach an export volume of up to 1 million tons per year. In addition, also Capex for the continuity of the company's operations.

4. Mr Yandi – Cumericumi.com

If the synergy project between SBI and TCC has been completed, how much is the increase in estimated revenue at SBI? As well as how to deal with the production side in order to accommodate demand from these exports?

Answer:

With the completion of port development to meet the export market, the Company targets exports of 500,000 -1 million tons per year. Estimated revenue depends on existing market prices. We have long prepared the resources and infrastructure to export to the United States to the strictest specification standards. The company has conducted trials and sent samples to TransCalifornia to obtain a certificate. The company has obtained a specification certificate for Type V cement which can be produced and exported to the United States. When the development of the dock facilities and cement production is complete, we are ready to export.

5. Mrs Hilda – Kompas.com

a. Regarding decarbonization and SBI's commitment to support sustainability through green industry practices, when is the Company's target to make a full 100% transition from coal to fossil energy to become more environmentally friendly in carrying out operations? What are the Company's efforts to support this target?

Answer:

In order to support sustainable development which among its initiatives is decarbonization, SBI has a 2030 sustainability road map that targets reducing CO₂ is around 30% from the 2010 baseline. One of our efforts is to increase efficiency or reduce the clinker factor, meaning that SBI will produce cement with lower carbon or what we call a green product. The use of alternative energy that replaces fossil fuels and the application of new

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technological innovations. We need support from the government to immediately issue environmentally friendly cement standards. Regarding the energy transition, the Company has long used alternative energy to replace fossil fuels such as industrial waste, biomass and municipal waste which are processed into refused-derived fuel (RDF). All of that still takes time, requires a lot of adjustments and depends on the availability of alternative energy so that the company is able to switch 100% from fossil fuels. Currently, the use of alternative energy in SBI reaches 21-22% in reducing fossil fuels and will continue to be increased.

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