

**PUBLIC EXPOSE REPORT
PT SOLUSI BANGUN INDONESIA TBK
JUNE 25TH, 2025**

I. Time and Place

Day/Date : Wednesday, June 25th, 2025

Time : 4.40 p.m - 5.40 p.m

Place : Space Ballroom

Aloft Hotel South Jakarta, Jl TB Simatupang Kav.8, Cilandak, Jakarta Selatan,
DKI Jakarta.

II. Company's Management in Attendance

1. Mr. Asri Mukhtar, 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. Joan, ACM Group Head
7. Mr. Farid Nugraha, Finance Group Head

III. Event Schedule

1. Public Expose was commenced by the Master of Ceremony, Ms. Asty Asmawaty, at 4.40 p.m.
2. Public Expose then continued with opening remarks, introduction of the Company's attending management and management presentation delivered by Mr. Asri Mukhtar, President Director of the Company along with management presentation video. The materials presented in Public Expose includes:
 - a. Overview of cement and construction industry in 2024;
 - b. Summary of the Company's financial performance in 2024;
 - c. The Company's operational review in 2024;
 - d. The Company's financial performance review in Q1/2025;
 - e. The Company's focus in 2024;
 - f. Business projections in 2025;
 - g. Result of Annual General Meeting of Shareholders held on 25 June 2025.The presentation materials for Public Expose are attached to this report.
3. Public Expose concluded with a Question and Answer session and ended at 5.40 p.m.

IV. Attendance

Public Expose was attended by analysts, investors, medias, and other participants. A total of 102 participants attended the session.

Public Expose attendance list is attached in this report.

V. Question and Answer

1. Sofya Tresnawati, Radar Berita Nasional, What is the Company's CAPEX plan in 2025 and the Company's long-term plan of business strategy?

In 2025, capital expenditure (CAPEX) of PT Solusi Bangun Indonesia Tbk will be focused selectively on prioritized projects, particularly the completion of production facilities for export market in Tuban which is currently in commissioning phase. Aside from that, CAPEX will be allocated for supporting routine annual maintenance activities in order to ensure operational reliability and efficiency. In the long-term, the Company remains committed to a strategy based upon four key pillars, operational excellence, asset and sustainable optimization, human resource development, and product innovation. The Company will also expand its export market through Taiheiyo's support in the strategic network, while introducing competitive low-carbon cement product.

The Company's waste management business through Nathabumi remains as a main priority, especially through partnerships with regional governments to become RDF offtaker as an alternative to replace coal, that aligns with the objective to create efficient and sustainable business that creates positive impact for the environment and society. To protect operational performance, the current plant utilization rate stands at above 70%, exceeding the national average of below 60%. On that matter, another part of CAPEX will be allocated to ensure sustainability and efficiency of the production facilities, including the development of jetty infrastructures to support export activity to the United States.

The Company is also currently exploring new export opportunities as a part of short-term initiatives that will potentially give bigger advantage for the business. For mid-term and long-term initiatives, the Company initiates technology collaboration with Taiheiyo to develop new products and services that can create new market opportunities and increase revenue. On the other hand, SBI will strengthen its aggregate business as a part of sustainable business diversification strategy.

2. Siti Salamah, Jurnal Nusantara. What kind of marketing strategy is the Company planning to adopt to increase income and face competitors?

Currently, the Company applies adaptive, data-based marketing strategies in synergy with SIG. We utilize SIG's national institutional network to access retail and bulk markets, with a focus on distribution efficiency. That means, the Company can provide a better and

faster service within a region and will have bigger opportunities in optimized direct delivery of products to the customer.

Essentially, maintaining local market sustainability, especially in areas near production facilities, is the key to maintaining profitability.

3. **Dimas Andi Sadewo, Kontan.** There are several points.

a. How much is SMCB's sales and net profit targets in 2025?

Regarding net profits, the current projection depends on the market condition. However, if the scenario is similar to 2024 or even better, we are confident that the net profit will increase, alongside efficiency and focused marketing strategy.

b. Is weak cement demand still an SMCB challenge this year?

The risk of weak cement demand is still a challenge for the Company in 2025. Based on the 2024 condition, the Company did not experience seasonal demand pattern that is usually called the cobra effect—where the demand starts to increase in July and peaks in October. In contrast, the previous year showed an anomaly with a prolonged demand trend without early spikes that usually happened. The Company hopes this condition is temporary and will normalize in 2025 so that the market trend is easier to predict. As a mitigation step, the Company together with SIG will maintain the market share through a more focused strategy that directly engages with end consumers. In addition, the Company sees an opportunity for higher margin improvements in the West Coast region of the United States due to more competitive pricing compared to other regions.

The source of CAPEX funding in 2025 still comes from the Company's **internal (internal cash flow)**.

4. **Mustika Widiani, Detik. Pipit, Liputan 6.id.** Is there any dividend distribution to the shareholders and change in the Board of Directors?

The company will distribute 50% as dividends this year.

5. **Zulfikar, iNews.ID.** How does SBI sees the cement prospects in Indonesia, particularly amid the challenges of green development and what sustainability strategy is implanted by SBI in cement plant operation?

The Company has received various appreciations from the government, including from the Ministry of Industry, for its achievement as a pioneer in RDF and thermal serviced usage in the cement industry. The Company is also recorded as the first cement company to have a solar power plant with a 6.39 MWp capacity. Although the transition towards green industry is full of challenges, the Company sees them as opportunities to continue growing sustainably.

There are four main steps taken by the Company in supporting the green transition. First, the transition from fossil energy to alternative energy and the usage of alternative raw materials. Second, operational efficiency through the implementation of operational excellence principles. Third, the development of environmentally friendly cement, in which the Company has marketed four types of low CO₂ emission cement. Fourth, the implementation of advanced technology, such as AI-based and machine learning-based advanced process control and machine learning that has already been applied in all plants to maintain operational stability.

The Company is also the only company in Southeast Asia using hydrogen-rich gas (HRG) technology at Narogong Plant. This technology increases combustion efficiency, productivity, and reduces CO₂ emissions by 8-10 million index. On the other hand, collaboration with more than 15 regional governments in utilizing RDF shows SBI's contribution as a complete waste treatment solution without residue. The collaboration is also carried out with various industries in managing waste into raw materials or alternative fuels.

These steps strengthen the Company's position in the green industry competition. On the momentum of its 54th anniversary, SBI confirms its commitment to building the future through innovation, resilience, and sustainability.

6. **Saut Simajuntak, UpRadio.** In the current weakened property market, what strategies have been prepared to boost product sales?

One of the programs initiated by SIG is introducing new solutions, precision interlock bricks. The Company will also promote this solution. We have also communicated how to address the weakening demand and what actions we will take.

7. **3 questions from Hilda Alexander (Kompas.com)** Although there is a ceasefire, how does the geopolitical uncertainty in the Middle East, particularly the potential disrupt in the Strait of Hormuz, affects the cost and availability of fuel, oil and gas, as well as shipping costs which are significant components in SBI's cement production and distribution. Is there any indication of changes in shipping routes, or strategies to diversify the raw materials supply, such as coal for cement plants utilized by cement producers as a response to the conflict risk, and how do this affect efficiency and production costs?

Until now, there has been no change in distribution patterns, but the Company is aware that if there is a sudden rise in oil prices, the entire cement industry will be affected. Therefore, the Company's focus is to improve the operational efficiency by increasing thermal substitution rate (TSR) to reduce dependence with coal and diesel. This effort is carried out by replacing parts of the heat energy needs with alternative fuels, particularly in the heating up phase, to suppress fossil energy consumption and maintain operational sustainability amid energy price fluctuations.

8. What is SBI's view on global economic uncertainty triggered by Iran-Israel geopolitical conflict, such as inflation and potential for recession and investment delays affecting cement demand for construction, infrastructure, and property projects, especially in markets that are sensitive to cost and capital availability?

The Company is aware that geopolitical uncertainty also suppresses inflation and interest rate, that affects the construction and property sectors—particularly segments that are sensitive to cost and financing. This condition has the potential to cause project delays, inefficient infrastructure spending, and weakening demand in housing sector. This challenge is addressed by the Company through a careful strategy, including operational efficiency and distribution optimization through synergy with the SIG group. The Company also targets the operation of export production facilities in Tuban to support the export of type 5 cement to the United States. In addition, the Company continues to promote the development of more competitive and environmentally friendly products. With a strong business foundation, the Company remains optimistic about continuing to grow amid fluctuating market conditions.

9. Considering the potential increase in cement production costs due to geopolitical conflicts, is there any potential to accelerate the cement industry's transition toward more sustainable energy sources, such as alternative fuels, to reduce dependence on fossil fuels in which the prices are vulnerable to geopolitical conflicts?

The potential increase in production costs due to global conflict strengthens the Company's commitment toward sustainable energy transition instead. Dependence on coal with fluctuating prices has become the main driver to increase the use of alternative fuels such as RDF, biomass, and industrial waste. For the Company, energy transition is not merely a response to global risk, but is a part of long-term strategy to improve efficiency, strengthen operational resilience, and support the green industry agenda in Indonesia. The target is a significant growth in the utilization of alternative energy through 2030.

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