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Establishment date: 19 May 1989
Listing date: 21 June 2017
Security code: WOOD IJ
Business field: Industry, trade, and processing services of wood-based furniture and other wood products, forest concessions, as well as retail and distribution of furniture and home decorations through the Company and subsidiaries.
Market cap: IDR 3.5 trillion

Company at a glance

The Company was established under the initial name of PT Integra Indocabinet in 1989 as a manufacturing company for simple wooden products. Throughout its journey, Integra has become the largest integrated wood-based manufacturing company in Indonesia. The Company listed its shares on the Indonesia Stock Exchange on 21 June 2017 and became PT Integra Indocabinet Tbk with a ticker code of “WOOD”.

Integra engages in 3 (three) business fields, namely Forest Concession, Manufacturing of Wooden Furniture Processing, and Trading, which are currently operated through 7 (seven) subsidiaries: PT Narkata Rimba, PT Belayan River Timber (Forest Concession), PT Intertrend Utama, PT Interkraft, PT Intera Indonesia, PT Inter Kayu Mandiri (Manufacturing), and PT Integriya Dekorindo (Trading).

As of 31 December 2020, Integra had 2,568 employees across various regions of Indonesia.

(1) As of 31 December 2020
**Efficient operations**
Largest vertically-integrated timber products manufacturer, which results in margin improvement due to cost efficiencies.

**Immense growth potential**
Taking advantage of the US-China trade war opportunity and AD & CVD implementation on China’s timber products, Integra, as the largest Indonesian timber products exporter to the US, is strongly positioned to expand its exports and market share.

**Sustainable raw materials**
Strategically located in a tropical region rich with tropical hardwood and softwood species, the company gains competitive advantages on wood material prices and availability. Additionally, Integra also owns FSC-certified forest concessions.

**Credible international certifications**
The Company has obtained international certifications such as FSC and ISO.

**Resiliency in COVID-19**
The Company benefits from favorable demand dynamics in the US market due to a shift to stay-at-home lifestyle which includes significant home redesign and furniture enhancements, boosting wooden product sales.
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- **1989**: Establishment of Integra
- **2002**: Establishment of Interkraft (fully-assembled furniture)
- **2004**: Establishment of Intertrend (garden/outdoor and accent furniture as well as building components)
- **2008**: Acquisition of Belayan and Narkata (forestry concessions)
- **2012**: Establishment of Integriya Dekorindo (furniture distribution and retail) and of the door and panel division in Integra
- **2013**: Relocation of Interkraft’s factory to an 8-ha site in Lamongan; establishment of Woodone Integra (wooden doors); commencement of the production of sofas
- **2015**: Establishment of KANA Home
- **2016**: IPO of Integra Group (WOOD)
- **2017**: Converted Barecore production facility to Millwork/Gesso
- **2018**: Doubled the capacity of Millwork/Gesso (from 61,760 cbm to 113,520 cbm)
- **2019**: Increased the capacity of Millwork/Gesso (from 113,520 cbm to 198,660 cbm)

**Key Dates:**
- 1989: Establishment of Integra
- 1998: Establishment of Interkraft
- 2002: Establishment of Intertrend
- 2004: Acquisition of Belayan and Narkata
- 2008: Establishment of Integriya Dekorindo
- 2012: Relocation of Interkraft’s factory
- 2013: Establishment of KANA Home
- 2015: IPO of Integra Group
- 2016: Converted Barecore production facility
- 2017: Increased capacity of Millwork/Gesso
- 2018: Doubled capacity of Millwork/Gesso
- 2019: Increased capacity of Millwork/Gesso
- 2020: Increased capacity of Millwork/Gesso
Corporate structure

PT. INTEGRA INDO LESTARI

71.9% 28.1%

PUBLIC

Forestry
- PT Narkata Rimba
- PT Belayan River Timber

Manufacturing
- PT Intertrend Utama
- PT Interkraft
- PT Intera Indonesia

Retail & Distribution
- PT Integriya Dekorindo
Board of Commissioners

Hendro Rusli

President Commissioner

- President Commissioner since 2016
- Director at PT Interkraft, PT Belayan River Timber, and PT Narkata Rimba
- Commissioner at PT Intera Indonesia.
- Previously served as President Commissioner at PT Intertrend Utama (2013-2016), Director at PT Intertrend Utama (1998-2013) and Director at CV Jati Rimba (1992-1998)

Stephanie Kane Ilham

Commissioner

- Commissioner since 1993
- Obtained her Bachelor of Marketing and Management degree from Stamford College, Singapore in 1985
- Previously served as Director of the Company since 1991 – 1993
- Currently she also served as President Director of PT Integriya Dekorindo since 2016

Bing Hartono Poernomosidi

Independent Commissioner

- Independent Commissioner since 2016
- Obtained his Bachelor of Economics degree from Airlangga University, Surabaya in 1984
- Previously served as Director at PT Poernomosidi Strategic Consulting (PSC), Managing Partner at Prasetio, Sarwoko & Sandjaja (Ernst & Young), as well as President Director at PT Jaya Pari Steel Tbk

Heri Sunaryadi

Independent Commissioner

- Independent Commissioner since 2016
- Obtained his Bachelor of Agriculture degree from Bogor Institute of Agriculture in 1987
- Previously served as Director at PT Telekomunikasi Indonesia (Persero) Tbk and as President Director at PT Kustodian Sentral Efek Indonesia (Persero), PT Bahana Pembinaan Usaha Indonesia, and PT Bahana Securities

From left to right: Bing Hartono Poernomosidi, Heri Sunaryadi, Hendro Rusli, Stephanie Kane Ilham
Board of Directors

Halim Rusli

President Director
- President Director since 1989 and one of the founders of the Company
- Received his Bachelor of Business Administration degree from Redlands University, United States in 1985

Meity Lin Lin

Vice President Director
- Vice President since 2016
- President Director at PT Intertrend Utama and Director at PT Integriya Dekorindo
- Began her career in PT Aetna Life Indonesia (1989-2000)
- Received her Bachelor’s degree from Universitas Widya Mandala, Surabaya

Widjaja Karli

Marketing Director
- Marketing Director since 1991 and one of the founders of the Company
- Commissioner at PT Belayan River Timber and PT Narkata Rimba
- Director at PT Intertrend Utama
- Received his Bachelor of Science in Marketing degree from San Francisco State University, United States in 1988

Syany Tjandra

Director of Operations
- Director of Operations since 1991
- Received her Bachelor of Science in Accounting degree from San Francisco State University, United States in 1988

Wang Sutrisno

Director of Finance
- Finance Director and Independent Director since 2016
- Previously served as Director at PT Integra Indo Lestari (2011-2016), Director at a retail company (2002-2011), and Head of Dep’t at Petra Christian University (1994-2002)
- Received his Bachelor of Economics degree from Petra Christian University, Surabaya in 1994 and Master of Business Management degree from Oklahoma State University, United States in 1998
Shareholder structure

As of 31 March 2021:

<table>
<thead>
<tr>
<th>No.</th>
<th>Name</th>
<th>Number of Shares</th>
<th>% of Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>PT Integra Indo Lestari</td>
<td>4,532,469,620</td>
<td>71.9</td>
</tr>
<tr>
<td>2</td>
<td>Public float</td>
<td>1,773,780,380</td>
<td>28.1</td>
</tr>
<tr>
<td></td>
<td><strong>Total shares</strong></td>
<td><strong>6,306,250,000</strong></td>
<td><strong>100.0</strong></td>
</tr>
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Commitment to minority shareholders

As a listed Company, we are committed to creating value for minority shareholders and acting in their best interests through:

**Fair Disclosure**
The Company is committed to fairly disclosing information to all our shareholders.

**Voting in General Meeting**
All our shareholders have voting rights in the General Meeting by following the provisions and regulations of the Indonesia Financial Services Authority (OJK).

**Holding Shareholders General Meeting (SGM) as requested by Shareholders**
The Company will hold an SGM as requested by shareholders by following the Indonesia Financial Services Authority’s (OJK) regulations and Company’s Articles of Association.

**Dividend Policy**
The Company plans to pay cash dividends at least once a year. The amount of dividend depends on the Company’s profit during the current fiscal year with consideration of the Company’s soundness and without prejudice to the rights of the General Meeting of Shareholders of the Company to decide otherwise, in accordance with the Company’s Articles of Association. The Company’s capital structure has a max payout ratio of cash dividends to annual profit of 35%.
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<td>Governance</td>
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<td>Certifications and awards</td>
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<td>Balance sheet</td>
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<td></td>
<td>Capex and production capacity</td>
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<td></td>
<td></td>
<td>Impact of COVID-19</td>
<td></td>
<td></td>
<td>Capital structure</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Earnings guidance</td>
</tr>
</tbody>
</table>
Wood consolidated its facilities to increase the capacity:

- Furniture: 47,775 m³
- Building Components: 345,060 m³ (almost double)

Production Strategy:
Optimizing capacity

WOOD should benefit from wooden products impacted by the Anti-Dumping & Countervailing Policies

US-China Trade War & Anti-Dumping Opportunities

Financial Strategy

- Providing financial support to ensure growth
- Improving financial structure

Market Strategy

- Focusing on the US Market
- Maintaining furniture growth through big account customers
- Accelerating growth through newly developed building components particularly Millwork products
- Improving margins through Direct Marketing Arms
- Utilizing growing demand in online platform

2021 Target

- Target sales increase by 25% YoY
- Target net margin: 10-12%

2021 Business Plan
Consolidating production facilities
WOOD is preparing the foundations to move the business towards green business.

Preparing material resources
WOOD is preparing local material resources to anticipate the jump of production to gain its competitive advantages.

Increasing production capacity
WOOD is consolidating new building component facilities under Intertrend, doubling capacity of Millwork products and Plywood.

Increasing competitiveness
WOOD is making sure both material and labor costs are competitive versus those of regional competitors by moving to more efficient levels of production processes.

Strategy in facing 2021 challenges
Product portfolio

Knock-down furniture

Fully-assembled furniture

Building components

Millwork
Plywood
Wall paneling
Window blinds
Doors
Product portfolio

Target: Knock-down furniture

Coaster/Scott Living Furniture: Setup furniture

Costco: Setup furniture
Government projects: Mid-low housing and boarding house furniture

On Friday, 04 January 2019, Indonesian President Jokowi Widodo inaugurated 3 apartment towers, in which one was a student apartment named “STKIP PGRI” in Tulungagung, East Jakarta.

President Jokowi said that in 2018 the government developed 275 apartment towers and would develop another 300 towers in 2019.
Product portfolio

Fast-growing products

Window blinds

Millwork

Wall panel

Plywood
Vertically-integrated operations

Forestry (FSC Certified)
- Logs (Shorea / Meranti)
- 2 forestry concessions of over 163,425 ha with capacity of 90,000 m³ per year

Distribution & Retail
- Points of sale across Indonesia with 2 stores in Surabaya and 1 store in Bali

Manufacturing
- Furniture – 47,775 cbm
- BC – 345,060 cbm
## Value chain

### Forestry
- Log yard
- Sawmill process
- Wet sawn timber warehouse
- Kiln dry process
- Dry sawn timber warehouse

### Manufacturing

#### Fully-assembled furniture
- Dry sawn timber warehouse
- Processing
- Sanding
- Assembling
- Final sanding
- Finishing
- Packing
- Finished goods warehouse
- Customer

#### Knock down furniture
- Dry sawn timber warehouse
- Processing
- Final sanding
- Finishing
- Packing
- Finished goods warehouse
- Customer

#### Building components
- Dry sawn timber warehouse
- Processing
- Packing
- Finished goods warehouse
- Customer

### Processing
- Sanding
- Assembling
- Final sanding
- Finishing
- Packing
- Finished goods warehouse
- Customer

### Finishing
- Sanding
- Assembling
- Final sanding
- Finishing
- Packing
- Finished goods warehouse
- Customer

### Packing
- Sanding
- Assembling
- Final sanding
- Finishing
- Packing
- Finished goods warehouse
- Customer

### Customer
- Sanding
- Assembling
- Final sanding
- Finishing
- Packing
- Finished goods warehouse
- Customer
Geographic footprint and key customers

### Top 10 Customers

#### Export 2020

1. Hampton Lumber
2. Target Store
3. Composite Technology International
4. Alpine Furniture Inc
5. Starlight Forever PTE, LTD
6. Flexsteel
7. OI-WOOD PRODUCTS LLC
8. H & M HENNES & MAURITZ GBC AB
9. PT. SUMBER MAS INDAH PLYWOOD
10. ORIGINS by Alpine LLC

#### Domestic 2020

1. PT. KAYU LAPIS ASLI MURNI
2. Dinas Pendidikan Kab. Sidoarjo
3. Bend. Pekas Smu Taruna Nusantara
4. PT. PROFITINDO PRIMA MULTIAKASA
5. Dinas Pendidikan Propinsi Kal-Bar
6. PT. KUTAI TIMBER INDONESIA
7. PT. BINAR INTER NUSA
8. PT. BALIKPAPAN FOREST INDUSTRIES
10. OI-WOOD PRODUCTS LLC
# Production capacity

## Installed capacity (in m3)

<table>
<thead>
<tr>
<th>Year</th>
<th>Integra Indocabinet</th>
<th>Interkraft</th>
<th>Interkraft</th>
<th>Intertrend</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Millwork</td>
<td>Wooden Blind</td>
<td>Plywood</td>
<td>Furniture</td>
<td>BC</td>
</tr>
<tr>
<td>2018</td>
<td>19,688</td>
<td>6,125</td>
<td>7,088</td>
<td>8,750</td>
<td>56,760</td>
</tr>
<tr>
<td>2019</td>
<td>28,438</td>
<td>9,188</td>
<td>7,088</td>
<td>-</td>
<td>13,200</td>
</tr>
<tr>
<td>2020</td>
<td>28,438</td>
<td>12,250</td>
<td>7,088</td>
<td>-</td>
<td>141,900</td>
</tr>
</tbody>
</table>

In 2020, WOOD increased the production capacity for building components:

- **Millwork**: from 113,520 cbm to 198,660 cbm
- **Wooden Blind**: double capacity from 13,200 cbm to 26,400 cbm
- **Plywood**: double capacity in 2020

---

In 2020, WOOD increased the production capacity for building components:

- **Millwork**: from 113,520 cbm to 198,660 cbm
- **Wooden Blind**: double capacity from 13,200 cbm to 26,400 cbm
- **Plywood**: double capacity in 2020
Production area

Since Q2 2019 WOOD consolidated its production facilities:

- Integra focused on furniture and changes its FJLB target market from China to USA
- Intertrend focuses on building components:
  - Moving furniture to Integra
  - Changing its FJLB facility to produce Wooden Blind and Millwork Products

Note: WOOD still owns 30 ha land for further development
Production facilities

**PT Integra Indocabinet**

Address: Sidoarjo
Area: 21 ha
No. of employees: 1,268
Production facilities

**PT Intera Indonesia**

Address: Sidoarjo
Area: 7.6 ha
No. of employees: 166
Production facilities

PT Interkraft

Address: Lamongan
Area: 10 ha
No. of employees: 428
Production facilities

PT Intertrend Utama

Address: Sidoarjo
Area: 14 ha
No. of employees: 419
Impact of COVID-19

- Safety and prevention efforts to protect our employees, such as:
  - Public service announcements on sanitation and general recommendation to minimize contact and transmission
  - Temperature checks upon entry
  - Sanitation, protection and immune boosters
  - Early social distancing training and implementation
  - Employee rotation
- Operations remain normal as the Company has implemented safety and prevention efforts earlier
- Business remains strong despite the pandemic as the US (the largest importer of furniture and building components) shifted sourcing out of China (the largest exporter) to alternative locations, benefiting our Company
- Sales continue to be robust as in 1H20 the Company recorded 16% YoY growth
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Following the Company’s sustainability strategies and initiatives, we contribute to the following SDGs:

- **5 Gender Equality**: Equal remuneration for women and men.
- **6 Clean Water and Sanitation**: Recycle and reuse our water.
- **8 Decent Work and Economic Growth**: Given large opportunity to grow the business, the Company’s expansion create job opportunities.
- **13 Climate Action**: Energy efficiency through usage of wood waste as fuel for our kiln dry machine.
- **15 Life on Land**: Source only legal and certified timber for our production.
- **Zero-tolerance policy towards all forms of violence and harassment at work.**
- **No discarded wastewater to the water source or any other media.**
- **No cases of workplace violence and harassment.**
- **Given large opportunity to grow the business, the Company’s expansion create job opportunities.**
- **Energy efficiency through usage of wood waste as fuel for our kiln dry machine.**
- **Restore the forest after timber harvesting including replanting.**
- **Manage and safeguard High Conservation Value Forest.**
- **Constantly implement the Reduce Impact Logging (RIL) practice in every timber harvesting operation.**
Preserving our environment

Sustainable sourcing

Our core principle in managing two of our forest concessions is to conduct responsible tropical natural management in line with both FSC and National guidelines to maintain our status as the well-managed tropical natural forest. Hence, we obtained both FSC\(^1\) and SVLK (Indonesia’s National Timber Legality) certifications. As we supply our end product mostly to international customers, and due to our commitment to preserve the nature and source wood from more sustainable sources, we source only legal and certified timber for our production. Our own forest concession supplies 30-50% of its production to our manufacturing, while the rest of the timber is sourced from certified suppliers. As we source our timber from certified internal forestry and third parties, PT Integra Indocabinet Tbk obtained FSC\(^2\) Chain of Custody (COC) certification. The FSC COC gives credible assurance for products with environmentally and socially responsible sources to access the market.

We have commitment in combatting illegal logging that leads to deforestation and protecting biodiversity of the forested areas affected by our operations, particularly the supply chain of our raw materials. Strongly holding on to our commitment, we constantly implement the Reduce Impact Logging (RIL) practice in every timber harvesting operation. Our forestry company also conducts in-house training for our team on RIL that cooperates with The Nature Conservancy, Tropical Forest Fund, and Tropical Forest Foundation, and RIL-C activity that cooperates with Responsible Asia Forestry and Timber Trade. Additionally, our forestry division strictly adheres to the duty and responsibility in government regulations and FSC guidelines which covers replanting policy, community engagement, community welfare, trees cutting guidelines and environmental assessment.

(1) FSC-C109061 & FSC-C007461
(2) FSC-C129307
Preserving our environment

Climate

We believe climate change poses a threat to our planet and its impact has become more visible. At Integra, we address this issue through energy efficiency by reducing energy usage. In our manufacturing division, in line with our spirit to realize a zero-waste strategy, we use our raw materials and wood waste such as sawdust and bark as fuel for our kiln dry machine. Moreover, we recycle and reuse our water, hence there is no discarded wastewater to the water source or any other media.

As part of our effort to combat climate change, Integra also conducts forest development activity to restore the forest after timber harvesting, which covers replanting on harvesting area and non-productive area or empty land. Additionally, sustainable forest management with FSC guidelines encourages the Company to manage High Conservation Value Forest and safeguard the protected species in the Convention of International Trade in Endangered Species of Wild Fauna and Flora (CITES) and follow the guidelines of the Convention on the Conservation of Biological Diversity (CBD) and International Timber Agreement (ITTA).
Preserving our environment

Manufacturing

Health & Safety
We place health & safety as our first priority to realize Zero Accident strategy in our working environment. Moreover, to be a supplier for international buyers, providing healthy & safe working environment at our production facilities is essential.

The occupational health & safety standards in the company are compliant with the relevant regulations the Ministry of Manpower, Ministry of Health, and Ministry of Industry. Furthermore, the company regularly conducts reviews and safety training for the employees.

Water Management
Following our commitment to preserve the nature and reduce water use, we recycle our wastewater and reuse it, hence there is no wastewater discarded to the environment. Concurrently, we also do regular checks and tests of our drinking water and clean water against the minimum regulatory limit to ensure health and safety of our workers and working environment.

Pollution Prevention
The Company is committed to obeying the environmental laws and regulations. The adherence is also part of the code of conduct and ethics to be a supplier for international buyers. We regularly conduct analytical testing of the air quality in our production facilities. By far, our test results show that the ambient and emission air quality in our facilities is within regulatory limits.

The regulatory limits are based on:
1. Governor of East Java Regulation No.10/2009 for Ambient Air Standard Quality
2. Environment Minister Regulation No.13/2009 on The Quality of Source Emission Quality For Oil And Gas Activities
3. Minister of Manpower Regulation No.5/2018 on Health and Safety in Working Area
4. Health Minister Regulation No.31/2017 in Environmental Quality Standards For Environmental Health and Requirements Water Health For Hygiene Sanitation Needs, Swimming Pool, Solus Per Aqua and General Bath
5. Minister of Health Regulation No. 492/MENKES/2010 in Drinking Water Standard Quality
Nurturing our talent

No. of employees
2,419

Retention rate
FY2019
97%

No. of trainings
32

Competitive Benefits
At Integra, we value our employees who become part of our family and grow with the company. Understanding the economic growth and increasing inflation, we provide wages and benefits that meet or exceed the local law requirements. Therefore, we are able to retain our talent and maintain a high retention rate.

Training & Development
In 2020, we carried out 30 trainings for our employees to enhance our talent’s skills and knowledge.

No Underage Labor And Forced & Bonded Labor
Integra highly respects and values human rights in every aspect. We believe every individual deserves to be treated with dignity and respect. Hence, in recruiting new employees and creating a safe environment in the workplace, we follow regulations regarding human rights including prohibition of forced & bonded labor and no child labor.
Integra adheres to the following good corporate governance (GCG) principles:

**Transparency**
Ease of access to complete, accurate and timely information for stakeholders.

The Company openly carries out decision-making processes and is open in disclosing material and relevant information.

**Accountability**
Clarity of functions, structure, systems and accountability of Company components.

Accountability in the Company is implemented by encouraging all individuals and/or organs of the Company to realize their responsibilities, authorities, rights and obligations so that the Company’s management is carried out effectively.

**Responsibility**
Compliance in the management of the Company with applicable laws and regulations and sound corporate principles.

The Company always monitors the compliance of the Company’s business processes with the applicable laws and regulations as a form of violation prevention.

**Independence**
Professionally managed company without conflict of interests and influence or pressure from any party that is contrary to applicable laws and regulations and sound corporate principles.

The Company believes that in its decision making, the Company must act professionally without influence or pressure from other parties.

**Fairness**
Fair and equal treatment in fulfilling the rights of stakeholders that arise based on agreements and applicable laws and regulations.

The Company guarantees that each shareholder and stakeholder receives fair, equal treatment and can use their rights in accordance with applicable laws and regulations.
Governance

Governance structure

GMS – The Government regulation no.40/2007 on Limited Liability Companies require a company to held GMS and placed it as the highest organ in the Company structure. Both BOC and BOD are responsible to the GMS. The latest GMS was held on 28 May 2019.

BOC – The Board of Commissioners is an organ with vital role in conducting supervisory function on the Board of Directors and the management team. In its supervision, the Board of Commissioners acts independently in fulfilling their responsibilities to the Company. Legal basis of the Board of Commissioners’ role and duties is stipulated in Article 108 paragraph (1) of Law No. 40 of 2007 regarding Limited Liability Companies and the Company’s Articles of Association. The supervisory role performed by the Board of Commissioners is a key part that assists the Company in reaching operational success as well as in implementing GCG principles.

The Company’s Board of Commissioners structure and membership consist of four members, comprising 1 (one) President Commissioner, 1 (one) Commissioner, and 2 (two) Independent Commissioner as regulated in Law of Limited Liability Companies No. 40 of 2007, POJK No.33/ POJK.04/2014 dated December 8, 2014 and BEI Regulation No. 1-A dated January 30, 2004. All members of the Board of Commissioners are assessed and evaluated regardless of their gender, ethnicity or religious background.

BOD – is a Company instrument that is responsible to lead, manage, and represent the Company’s daily activities. The Board of Directors is also responsible for the implementation of strategic objectives and necessary actions, preparation of business plan, budget, and institutionalization of internal control so as to function properly. The Board of Directors’ authority is regulated based on the provisions of Article 92 paragraph (1) of Law No. 40 of 2007 regarding Limited Liability Companies and the Company’s Articles of Association.
Governance

Whistleblowing policy

The violation reporting system or also known as the Whistleblowing System was established in order to encourage the employees to report violations based on a reward system. The approach used by the Company to maintain management discipline aligns with the Company’s intent to implement GCG in all organizational levels.

Reports regarding violations can be submitted through e-mail, complaint contact or any other media provided by the Company. The Company guarantees the confidentiality of the reporter’s identity and provides guarantees for the protection of the reporter.
Certifications and awards

Forest Stewardship Council is an international non-governmental organization dedicated to promote responsible forest management. The Company obtained FSC from 2016-2021. The FSC logo illustrates that the wood comes from independently managed forests or other controlled sources.

BSCI is an initiative of the Foreign Trade Association (FTA), the leading business association of European and international commerce that brings together over 1,500 retailers, importers, brands and national associations to improve the political and legal framework for trade in a sustainable way. BSCI support more than 1,500 FTA member companies to integrate social compliance at the heart of their global supply chains.

SVLK certification is required by Indonesian law for all wood products exporter from Indonesia. SCS is a leading third-party certifier for forestry practice, and one of the verification agents to obtain accreditation through the Indonesian National Accreditation Committee (KAN) by providing SVLK verification services. The company earned this certificate in 2015-2018.

On 12 March 2019, the company received PALAMARTA GOLD 2019 award from Medium Tax Office of Sidoarjo for its contribution in achieving the state revenue target. PALAMARTA is an award given by Medium Tax Office (KPP Madya) of Sidoarjo to the Taxpayers who made a major contribution in achieving the state revenue target.

ISO 9001:2015 is a Quality Management System. This standard is designed as a basis of quality management system. It also serves as the basis for many other quality management systems. ISO 9001:2015 remains as the most popular QMS standard in the world.

The Higg Index evaluates brands, companies and their facilities, in different stages of sustainability, measuring the environmental, social and labor impact, allowing to improve in the different areas, thus confirming the quality and the commitment developed over time.
COVID-19 safety and prevention efforts

Public services announcements

Temperature checks upon entry

Sanitation, protection and immune boosters

SOCIAL DISTANCING TRAINING AND IMPLEMENTATION

- Hand sanitizers are provided by the Company for each department and placed in every room and every communal space.
- Disinfectant sprays are placed upon entry and sprayed on Company vicinity after office hours.
- Protective gear are always to be worn to minimize exposure in public areas.
- A bottle of herbal drink (concoction of ginger, clove and curcumin) are prepared for all staff and workers to promote a healthy and strong immune system.

- Education/training about social distancing are provided by management.
- In smaller teams, distance are added between office desks to minimize point of contact between employees.
- In larger teams, office attendance are rotated between employees, and coordination meetings are done regularly via Zoom, Skype, or WhatsApp.
<table>
<thead>
<tr>
<th>Introduction</th>
<th>Corporate overview</th>
<th>Business overview</th>
<th>ESG, sustainability and safety</th>
<th>Growth drivers</th>
<th>Financial overview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company profile</td>
<td>Milestones</td>
<td>Business model and growth strategy</td>
<td>UN Sustainable Development Goals</td>
<td>Opportunity in US protectionism</td>
<td>Sales order update</td>
</tr>
<tr>
<td>Investment case</td>
<td>Corporate structure</td>
<td>Product portfolio</td>
<td>Preserving our environment</td>
<td>Opportunity in US and China tensions</td>
<td>Sales by segment</td>
</tr>
<tr>
<td></td>
<td>Board of Commissioners</td>
<td>Vertically-integrated operations</td>
<td>Nurturing our talent</td>
<td>Global furniture trading</td>
<td>Sales by region</td>
</tr>
<tr>
<td></td>
<td>Board of Directors</td>
<td>Value chain</td>
<td>Governance</td>
<td>Rising online home furnishing sales</td>
<td>Financial highlights</td>
</tr>
<tr>
<td></td>
<td>Shareholder structure</td>
<td>Geographic footprint and key customers</td>
<td>Certifications and awards</td>
<td>Business outlook</td>
<td>Balance sheet</td>
</tr>
<tr>
<td></td>
<td>Commitment to Minority Shareholders</td>
<td>Production capacity, area, and facilities</td>
<td>COVID-19 safety and prevention measures</td>
<td></td>
<td>Capex and production capacity</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Impact of COVID-19</td>
<td></td>
<td></td>
<td>Capital structure</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Earnings guidance</td>
</tr>
</tbody>
</table>
Opportunity in US protectionism

In addition to US trade war tariffs implemented on imported Chinese products which started in 06 July 2018, China also faced additional anti-dumping (AD) and anti-subsidy (CVD) duties that cause its products becoming less competitive compared to the other countries. Wood-based products such as furniture and building components has been recently hit by the duties tariff which is much higher than the trade war tariff.

• On 16 February 2021, the US Commerce Department Issued the countervailing duty order on wood mouldings and millwork products (millwork products) from China with the rate of 20.56% - 252.29% (21) and antidumping rate of 45.49% - 231.60% (22)

• On 02 October 2020, the U.S. Trade Representative initiated a Section 301 trade investigation on Vietnam regarding the alleged use of illegal timber and other practices that may harm U.S. commerce and valuation of its currency (23, 24, 25)

• On 08 January 2020, The Coalition of American Millwork Producers (CAMP) filed antidumping (AD) petitions on imports of wood moldings and millwork products from Brazil and China and a countervailing duty (CVD) petition on imports of wood moldings and millwork products from China (1,2)

• On 17 April 2020, the USITC made its final determination in this investigation (3,4,5,6,7) where the China-wide entity anti-dumping duty is 262.2% and countervailing duty is 29.9%.

• As the result of tariff and duties implementation, China’s furniture exports to the US market declined significantly in 2019 by 35.9%, hence, giving opportunities to other exporting countries to expand their market share in the US furniture import market (8)

• US Coalition for Fair Trade of Hardwood Plywood requested the US Department of Commerce to launch an anti-dumping and countervailing investigation on hardwood plywood products from Vietnam (18, 19)

• In October 2017, the ITC had a hearing on imports of Chinese hardwood plywood and listened to the testimony of numerous US producers, company executives, and members of Congress. The Department of Commerce made its final determinations against Chinese hardwood plywood and set an anti-dumping duty of 183.6%, as well as countervailing duties ranging up to 194.9%.

• On 17 November 2004, the US Department of Commerce made a final determination that all Chinese enterprises involved in the export of wooden bedroom furniture to the US will have a 5.1% ~ 198.1% anti-dumping rate. In 2019, there is no change to the rate for Chinese-wide entities from the preliminary results. The existing rate for the Chinese-wide entities is 216.0%.
Opportunity in US protectionism

US Imposed AD and CVD on Chinese wood moldings and millwork products

On 16 February 2021, the US Commerce Department Issued final Antidumping and Antisubsidy Determinations on Wood Moldings and Millwork Products from China (21,22). DOC imposed final antidumping duties on China imports ranging from 45.49% – 231.6% and antisubsidy duties ranging from 20.56% - 252.29%.

The details of the AD and CVD as as follows:

<table>
<thead>
<tr>
<th>Company</th>
<th>Anti-dumping duty</th>
<th>Countervailing duty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fujian Nanping Yuanqiao Wood Industry Co., Ltd</td>
<td>45.49%</td>
<td>252.29%</td>
</tr>
<tr>
<td>Fujian Yinfeng Imp &amp; Exp Trading Co., Ltd</td>
<td>45.49%</td>
<td>20.56%</td>
</tr>
<tr>
<td>Others</td>
<td>45.49 - 231.60%</td>
<td>20.56%</td>
</tr>
</tbody>
</table>

US imports of millwork & wood moldings products (under HS code 440910, 440922 and 440929) reached USD1.3bn in 2020. China as one of the largest exporter keep declining since 2019 while Indonesia export value grew significantly by 152% in 2020.

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indonesia</td>
<td>22,160,650</td>
<td>23,762,343</td>
<td>21,465,274</td>
<td>20,121,198</td>
<td>26,251,198</td>
<td>66,163,564</td>
</tr>
<tr>
<td>Growth (%)</td>
<td>29.3%</td>
<td>7.2%</td>
<td>-9.7%</td>
<td>-6.3%</td>
<td>30.5%</td>
<td>152.0%</td>
</tr>
<tr>
<td>China</td>
<td>203,009,989</td>
<td>199,756,342</td>
<td>287,073,269</td>
<td>365,336,117</td>
<td>292,376,556</td>
<td>181,941,027</td>
</tr>
<tr>
<td>Growth (%)</td>
<td>11.6%</td>
<td>-1.6%</td>
<td>43.7%</td>
<td>27.3%</td>
<td>-20.0%</td>
<td>-37.8%</td>
</tr>
<tr>
<td>Brazil</td>
<td>391,115,694</td>
<td>382,355,313</td>
<td>435,690,482</td>
<td>417,027,165</td>
<td>429,775,622</td>
<td>430,980,114</td>
</tr>
<tr>
<td>Growth (%)</td>
<td>-3.4%</td>
<td>-2.2%</td>
<td>13.9%</td>
<td>-4.3%</td>
<td>3.1%</td>
<td>0.3%</td>
</tr>
<tr>
<td>Total world</td>
<td>1,235,966,467</td>
<td>1,173,298,082</td>
<td>1,327,571,371</td>
<td>1,364,975,129</td>
<td>1,328,478,420</td>
<td>1,334,049,126</td>
</tr>
<tr>
<td>Growth (%)</td>
<td>3.3%</td>
<td>-5.1%</td>
<td>13.1%</td>
<td>2.8%</td>
<td>-2.7%</td>
<td>0.4%</td>
</tr>
</tbody>
</table>

Source: UNcomtrade
Opportunity in US protectionism

US-imposed AD and CVD duties on Chinese wooden cabinets and vanities products

US imports of wooden cabinets and vanities product from China reach USD4.7b in 2018 but dropped significantly in 2020 to USD1.7bn or drop by -45.5% y/y. As of 06 March 2019, the American Kitchen Cabinet Alliance (AKCA) filed an anti-dumping petition against their competitors in China, claiming the Chinese government's "manipulation and unfair trade practices" have led to a more than 75% rise in Chinese imports of kitchen and bath cabinetry since 2015, creating a threat to the USD9.5b American industry (14,15). On 28 February 2020, the Department of Commerce (DOC) issued the final duty determinations on Chinese imports of wooden cabinets and vanities. On 17 April 2020, the USITC made its final determination in this investigation (3,4,5,6,7)

The details of the AD and CVD as as follows:

<table>
<thead>
<tr>
<th>Company</th>
<th>Anti-dumping duty</th>
<th>Countervailing duty</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Ancientree Cabinet Co., Ltd</td>
<td>4.37%</td>
<td>13.33%</td>
</tr>
<tr>
<td>Dalian Meisen Woodworking Co., Ltd</td>
<td>262.18%</td>
<td>18.27%</td>
</tr>
<tr>
<td>Foremost Woodwork</td>
<td>101.46%</td>
<td>31.18%</td>
</tr>
<tr>
<td>Henan Adijia Furniture</td>
<td>101.46%</td>
<td>293.45%</td>
</tr>
<tr>
<td>Deway International</td>
<td>262.18%</td>
<td>293.45%</td>
</tr>
<tr>
<td>Others</td>
<td>48.5% - 262.18%</td>
<td>20.93%</td>
</tr>
</tbody>
</table>

US Wooden Cabinets and Vanities Imports Value from China in USD

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>3,848,655,773</td>
<td>3,853,043,889</td>
<td>4,264,917,772</td>
<td>4,729,011,526</td>
<td>3,038,169,044</td>
<td>1,655,827,160</td>
</tr>
<tr>
<td>Growth (%)</td>
<td>8.6%</td>
<td>0.1%</td>
<td>10.7%</td>
<td>10.9%</td>
<td>-35.8%</td>
<td>-45.5%</td>
</tr>
<tr>
<td>World</td>
<td>7,417,638,035</td>
<td>7,606,727,884</td>
<td>8,339,653,737</td>
<td>9,189,797,647</td>
<td>8,362,953,623</td>
<td>8,662,902,508</td>
</tr>
<tr>
<td>Growth (%)</td>
<td>10.4%</td>
<td>2.5%</td>
<td>9.6%</td>
<td>10.2%</td>
<td>-9.0%</td>
<td>3.6%</td>
</tr>
</tbody>
</table>

Source: UNcomtrade
# Export tariff to US

<table>
<thead>
<tr>
<th>Products</th>
<th>China</th>
<th>Others</th>
<th>Potential Market</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Trade war tariff</td>
<td>Anti dumping duty</td>
<td>Anti subsidy duty</td>
</tr>
<tr>
<td>Wood Mouldings &amp; Millwork</td>
<td>25%</td>
<td>45.49 - 231.60%</td>
<td>20.56% - 252.29%</td>
</tr>
<tr>
<td>Wooden Cabinets &amp; Vanities</td>
<td>25%</td>
<td>48.5% - 262.18%</td>
<td>20.93% - 293.45%</td>
</tr>
<tr>
<td>Hardwood Plywood</td>
<td>25%</td>
<td>183.6%</td>
<td>194.9%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Products</th>
<th>Market Share in US (as of 2020)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>China</td>
</tr>
<tr>
<td>Wooden Furniture</td>
<td>15.7%</td>
</tr>
<tr>
<td>Wood Mouldings &amp; Millwork</td>
<td>13.6%</td>
</tr>
<tr>
<td>Hardwood Plywood</td>
<td>12.4%</td>
</tr>
</tbody>
</table>

*Source: UNComtrade*
Opportunity in US-China tensions

- **US furniture imports** has been the largest among other importing countries, with wooden furniture as the most imported product. In 2019, the import value reached USD25.5bn and grew by 1.2% in 2020 to USD25.8bn. In 2020, Chinese wooden furniture export to the US dropped by 38.8% y/y which was due to the tension between the US and China with the implementation of trade tariffs and AD & CVD duties.

- **US wooden furniture imports** have showed resilient growth in 2020, where the import value for wooden furniture alone reached USD13.7bn or a growth of 2.3% y/y. The largest wooden furniture exporter to US are dominated by Chinese and Vietnamese companies. However, Chinese contribution has been gradually falling due to the decline in competitiveness in terms of labor cost and raw materials. Vietnam on the other hand, outpaced China, hence its contribution towards US wooden furniture imports reached 38.5% in 2020 compared to 17% in 2010. In 2020, most of other exporting countries showed robust growth while China market share keep decreasing to 15.7%.

- Indonesia should benefit from the limited raw materials and labor supply in Vietnam which will eventually lead to higher costs. Given its small contribution towards US wooden furniture imports, Indonesia, which has the world’s 3rd largest tropical forest area, will have an opportunity to expand its market share in the growing US furniture market.

### Table: Wooden Furniture Import Value by Country (USD Mln)

<table>
<thead>
<tr>
<th>Year</th>
<th>China</th>
<th>Vietnam</th>
<th>Canada</th>
<th>Malaysia</th>
<th>Indonesia</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>5.8%</td>
<td>40.8%</td>
<td>4.4%</td>
<td>2,789</td>
<td>13,761</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>15.7%</td>
<td>38.5%</td>
<td>7.8%</td>
<td>10.0%</td>
<td>23.4%</td>
<td>13,450</td>
</tr>
<tr>
<td>2019</td>
<td>26.3%</td>
<td>31.4%</td>
<td>9.4%</td>
<td>6.9%</td>
<td>22.1%</td>
<td>14,346</td>
</tr>
<tr>
<td>2018</td>
<td>38.4%</td>
<td>24.0%</td>
<td>10.0%</td>
<td>8.8%</td>
<td>20.1%</td>
<td>12,343</td>
</tr>
<tr>
<td>2017</td>
<td>38.1%</td>
<td>24.0%</td>
<td>9.2%</td>
<td>5.2%</td>
<td>20.1%</td>
<td>12,197</td>
</tr>
<tr>
<td>2016</td>
<td>37.2%</td>
<td>23.9%</td>
<td>9.3%</td>
<td>5.0%</td>
<td>20.2%</td>
<td>11,137</td>
</tr>
<tr>
<td>2015</td>
<td>37.6%</td>
<td>23.7%</td>
<td>9.3%</td>
<td>5.5%</td>
<td>19.9%</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>38.4%</td>
<td>21.9%</td>
<td>9.3%</td>
<td>5.2%</td>
<td>20.8%</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>39.8%</td>
<td>20.5%</td>
<td>9.4%</td>
<td>5.3%</td>
<td>20.2%</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>41.4%</td>
<td>19.4%</td>
<td>9.4%</td>
<td>6.1%</td>
<td>19.0%</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>42.5%</td>
<td>17.0%</td>
<td>9.8%</td>
<td>6.0%</td>
<td>20.1%</td>
<td></td>
</tr>
</tbody>
</table>

**Source:** UN Comtrade
US remains the leading furniture importer with the value of USD25.8bn imported in 2020, which grew by 1.2% y/y.

The largest value of furniture type imported is the wooden furniture which accounted for more than 50% of its total furniture import.

Source: UNComtrade
Rise in online home furnishing sales in 2020 (9)

- Bed Bath & Beyond digital sales were up 16% YoY in March 2020.
- Wayfair sales doubled since the COVID-19 crisis started.
- Target has seen very strong growth in e-commerce sales of home furnishing products in 1H 2020.
- V12, a leading provider of purchase intent insight and marketing services said that during March 2020, online browsing for furniture increased by 200+% as evidenced by examples including a 242% increase in online browsing for desks, a 260% increase for outdoor furniture and a 205% increase for home décor (17)
- Online furniture sales for 2020 have already exceeded full-year 2019 results according to statistics from Blueport Commerce (20)
Business outlook

Integra will continue to benefit from:

- Market expansion
- China and US tensions; implementation of tariffs, AD and CVD on Chinese exports (particularly wood-based products) to the US and potentially other large exporting countries, such as Brazil and Vietnam; opportunity to take over the shrinking Chinese market share in the US, particularly in the wooden furniture products space
- Limited resources of Vietnam in terms of raw materials and labor availability
- Favorable COVID-19 demand dynamics

Millwork/Molding production facility expansion
Since 2019, the Company has kept increasing its millwork production capacity to satisfy the large demand from the US given the expected significant drop in Chinese supply due to the implementation of AD and CVD.

Sustainable raw materials
Integra only sources legally produced wood which is supported by its own FSC-certified forest concession.

Abundant supply of raw materials
The Government of Indonesia has banned log exports to combat illegal logging, hence, the supply of wood as raw materials is abundant with a stable price trend. This gives opportunity for the Company to expand its gross margin.

Strongly managed operations to ensure no negative impact from the ongoing pandemic
The company has practiced social distancing and conducted education drives regarding the safety and prevention measures against COVID-19 even before the outbreak of the disease in Indonesia. Therefore, our operations have not been disrupted so far.
Sales order update (as of Feb 2021)

<table>
<thead>
<tr>
<th>in IDR</th>
<th>Value</th>
<th>Growth YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q21</td>
<td>912,059,959,195</td>
<td>48.9%</td>
</tr>
<tr>
<td>O/S sales order</td>
<td>851,488,417,661</td>
<td></td>
</tr>
<tr>
<td>Total 2021FY sales target</td>
<td>3,711,000,000,000</td>
<td>25%</td>
</tr>
</tbody>
</table>

- By Feb 2021, the company sales order reached IDR1.8tn, with IDR912bn realized in the 1Q21.
- This strong sales order indicated US buyers showed their interest and trust on Integra capabilities as the largest vertically Integrated furniture and building component producer in Indonesia. We believe this trend will continue going forward and enable Integra to gain more market share by taking over China’s.
Highest 1Q21 Earnings Result

- Strong sales in 1Q21 has brought the Company’s Revenue growth to be highest. Concurrently, followed by its operating profit and net profit.
- The increasing demand for furniture and BC also boosted by the current pandemic where most people in US moving out of big expensive city to smaller metros (26,27) which also lead to surge in mortgage applications (28).

<table>
<thead>
<tr>
<th></th>
<th>1Q18</th>
<th>2Q18</th>
<th>3Q18</th>
<th>4Q18</th>
<th>1Q19</th>
<th>2Q19</th>
<th>3Q19</th>
<th>4Q19</th>
<th>1Q20</th>
<th>2Q20</th>
<th>3Q20</th>
<th>4Q20</th>
<th>1Q21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>469</td>
<td>437</td>
<td>473</td>
<td>723</td>
<td>493</td>
<td>485</td>
<td>431</td>
<td>728</td>
<td>482</td>
<td>652</td>
<td>751</td>
<td>1,084</td>
<td>912</td>
</tr>
<tr>
<td>Op. income</td>
<td>96</td>
<td>102</td>
<td>118</td>
<td>157</td>
<td>105</td>
<td>128</td>
<td>115</td>
<td>143</td>
<td>111</td>
<td>125</td>
<td>167</td>
<td>223</td>
<td>189</td>
</tr>
<tr>
<td>Net income</td>
<td>57</td>
<td>57</td>
<td>68</td>
<td>61</td>
<td>60</td>
<td>63</td>
<td>59</td>
<td>35</td>
<td>57</td>
<td>56</td>
<td>76</td>
<td>106</td>
<td>102</td>
</tr>
</tbody>
</table>
Sales by segment 1Q21 vs 1Q20

Our 1Q21 export sales grew significantly by 120.8% YoY due to strong demand from the US market. Meanwhile, Domestic, forestry and retail remain weak with growth of -56.2% YoY, -83.4% and -31.2% YoY respectively.
Sales by segment FY20 VS FY19

Manufacturing export segment showed strong growth of 72% YoY.

<table>
<thead>
<tr>
<th>in IDR</th>
<th>2020</th>
<th>2019</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing – export</td>
<td>2,423,132,599,171</td>
<td>1,408,433,497,926</td>
<td>72.0%</td>
</tr>
<tr>
<td>Manufacturing – domestic</td>
<td>382,937,764,873</td>
<td>532,802,270,054</td>
<td>-28.1%</td>
</tr>
<tr>
<td>Forestry</td>
<td>119,286,874,505</td>
<td>138,641,770,227</td>
<td>-14.0%</td>
</tr>
<tr>
<td>Retail and distribution</td>
<td>43,297,520,709</td>
<td>56,408,507,757</td>
<td>-23.2%</td>
</tr>
<tr>
<td>Total</td>
<td>2,968,654,759,258</td>
<td>2,136,286,045,964</td>
<td>39.0%</td>
</tr>
</tbody>
</table>
Sales by region 1Q21 vs 1Q20

Sales by region as of 1Q21, US sales showed strong growth of 139.9% YoY. Concurrently, Europe sales recover and grew by 42.1%. Meanwhile, Asia and Indonesia sales down by -33.3% YoY and -68.3% respectively.

<table>
<thead>
<tr>
<th></th>
<th>in IDR</th>
<th>1Q21</th>
<th>1Q20</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>America</td>
<td>842,739,457,070</td>
<td>351,262,939,925</td>
<td>139.9%</td>
<td></td>
</tr>
<tr>
<td>Asia</td>
<td>24,451,685,114</td>
<td>36,683,773,172</td>
<td>-33.3%</td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td>19,356,615,126</td>
<td>13,625,716,542</td>
<td>42.1%</td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Indonesia</td>
<td>25,512,201,884</td>
<td>80,565,027,420</td>
<td>-68.3%</td>
<td></td>
</tr>
</tbody>
</table>
Sales by region FY20 VS FY19

<table>
<thead>
<tr>
<th>Region</th>
<th>2020</th>
<th>2019</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>America</td>
<td>2,196,919,994,012</td>
<td>1,120,908,444,133</td>
<td>96.0%</td>
</tr>
<tr>
<td>Asia</td>
<td>152,874,910,471</td>
<td>156,939,950,965</td>
<td>-2.6%</td>
</tr>
<tr>
<td>Europe</td>
<td>73,337,694,688</td>
<td>130,140,062,173</td>
<td>-43.6%</td>
</tr>
<tr>
<td>Others</td>
<td>-</td>
<td>445,040,656</td>
<td>-100.0%</td>
</tr>
<tr>
<td>Indonesia</td>
<td>545,522,160,086</td>
<td>727,852,548,038</td>
<td>-25.1%</td>
</tr>
</tbody>
</table>

US sales showed strong growth of 96% y/y, while other regions dropped.
### Financial highlights

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>1Q20</th>
<th>1Q21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>1,323</td>
<td>1,734</td>
<td>2,101</td>
<td>2,136</td>
<td>2,969</td>
<td>482</td>
<td>912</td>
</tr>
<tr>
<td>Gross profit</td>
<td>458</td>
<td>561</td>
<td>739</td>
<td>744</td>
<td>997</td>
<td>169</td>
<td>301</td>
</tr>
<tr>
<td>GPM</td>
<td>34.6%</td>
<td>32.3%</td>
<td>35.2%</td>
<td>34.8%</td>
<td>33.6%</td>
<td>35.0%</td>
<td>33.0%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>284</td>
<td>353</td>
<td>473</td>
<td>490</td>
<td>642</td>
<td>111</td>
<td>189</td>
</tr>
<tr>
<td>OPM</td>
<td>21.4%</td>
<td>20.4%</td>
<td>22.5%</td>
<td>23.0%</td>
<td>21.6%</td>
<td>23.1%</td>
<td>20.7%</td>
</tr>
<tr>
<td>Net income</td>
<td>141</td>
<td>171</td>
<td>242</td>
<td>218</td>
<td>314</td>
<td>57</td>
<td>102</td>
</tr>
<tr>
<td>NPM</td>
<td>10.7%</td>
<td>9.9%</td>
<td>11.5%</td>
<td>10.2%</td>
<td>10.6%</td>
<td>11.8%</td>
<td>11.2%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>352</td>
<td>441</td>
<td>561</td>
<td>592</td>
<td>716</td>
<td>135</td>
<td>208</td>
</tr>
<tr>
<td>EBITDA Margin</td>
<td>26.6%</td>
<td>25.4%</td>
<td>26.7%</td>
<td>27.7%</td>
<td>24.1%</td>
<td>28.1%</td>
<td>22.8%</td>
</tr>
<tr>
<td>Operating cash flows</td>
<td>(194)</td>
<td>41</td>
<td>(414)</td>
<td>(406)</td>
<td>171</td>
<td>57</td>
<td>22</td>
</tr>
</tbody>
</table>

### Key ratios

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>1Q20</th>
<th>1Q21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue growth (%)</td>
<td>18.3%</td>
<td>31.1%</td>
<td>21.1%</td>
<td>1.7%</td>
<td>39.0%</td>
<td>-2.2%</td>
<td>89.2%</td>
</tr>
<tr>
<td>Net income growth (%)</td>
<td>266.1%</td>
<td>21.5%</td>
<td>41.2%</td>
<td>-9.9%</td>
<td>44.2%</td>
<td>-4.3%</td>
<td>78.3%</td>
</tr>
<tr>
<td>Debt to equity (x)</td>
<td>0.78</td>
<td>0.69</td>
<td>0.70</td>
<td>0.83</td>
<td>0.76</td>
<td>0.83</td>
<td>0.74</td>
</tr>
<tr>
<td>Debt to EBITDA (x)</td>
<td>3.16</td>
<td>2.99</td>
<td>3.04</td>
<td>3.82</td>
<td>3.20</td>
<td>16.9</td>
<td>11.1</td>
</tr>
<tr>
<td>ROA (%)</td>
<td>4.6%</td>
<td>4.5%</td>
<td>5.3%</td>
<td>4.2%</td>
<td>5.3%</td>
<td>1.0%</td>
<td>1.7%</td>
</tr>
<tr>
<td>ROE (%)</td>
<td>9.2%</td>
<td>4.5%</td>
<td>9.9%</td>
<td>8.2%</td>
<td>10.4%</td>
<td>2.1%</td>
<td>3.3%</td>
</tr>
<tr>
<td>EBITDA / interest expense (x)</td>
<td>3.2</td>
<td>3.5</td>
<td>3.6</td>
<td>2.8</td>
<td>3.0</td>
<td>2.7</td>
<td>3.9</td>
</tr>
</tbody>
</table>
## Balance sheet

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>1Q21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; ST investments</td>
<td>30,450</td>
<td>54,484</td>
<td>64,216</td>
<td>23,743</td>
<td>42,105</td>
<td>30,339</td>
</tr>
<tr>
<td>Inventories</td>
<td>893,017</td>
<td>1,172,715</td>
<td>1,431,983</td>
<td>1,775,706</td>
<td>2,112,620</td>
<td>2,424,623</td>
</tr>
<tr>
<td>Account receivable</td>
<td>187,912</td>
<td>165,131</td>
<td>460,194</td>
<td>936,334</td>
<td>687,421</td>
<td>604,926</td>
</tr>
<tr>
<td>Others</td>
<td>216,324</td>
<td>274,066</td>
<td>369,674</td>
<td>316,038</td>
<td>550,817</td>
<td>438,897</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td>1,327,702</td>
<td>1,666,397</td>
<td>2,326,067</td>
<td>3,051,821</td>
<td>3,392,962</td>
<td>3,498,785</td>
</tr>
<tr>
<td>LT investments</td>
<td>15,880</td>
<td>15,880</td>
<td>18,870</td>
<td>21,134</td>
<td>25,300</td>
<td>25,300</td>
</tr>
<tr>
<td>Net fixed assets</td>
<td>1,642,859</td>
<td>1,679,941</td>
<td>1,935,200</td>
<td>2,365,300</td>
<td>2,334,406</td>
<td>2,312,928</td>
</tr>
<tr>
<td>Others</td>
<td>95,433</td>
<td>480,785</td>
<td>311,522</td>
<td>80,635</td>
<td>196,339</td>
<td>202,851</td>
</tr>
<tr>
<td><strong>Non current assets</strong></td>
<td>1,754,172</td>
<td>2,176,606</td>
<td>2,265,592</td>
<td>2,467,069</td>
<td>2,556,045</td>
<td>2,541,079</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>3,081,874</td>
<td>3,843,002</td>
<td>4,591,659</td>
<td>5,518,890</td>
<td>5,949,007</td>
<td>6,039,864</td>
</tr>
<tr>
<td>Account payables</td>
<td>72,604</td>
<td>122,616</td>
<td>77,142</td>
<td>160,385</td>
<td>208,956</td>
<td>201,653</td>
</tr>
<tr>
<td>ST borrowings</td>
<td>943,394</td>
<td>1,229,877</td>
<td>1,607,823</td>
<td>2,091,468</td>
<td>2,199,626</td>
<td>2,209,796</td>
</tr>
<tr>
<td>Others</td>
<td>85,360</td>
<td>132,187</td>
<td>114,935</td>
<td>102,704</td>
<td>141,939</td>
<td>146,723</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td>1,101,359</td>
<td>1,484,590</td>
<td>1,799,900</td>
<td>2,354,557</td>
<td>2,550,520</td>
<td>2,558,172</td>
</tr>
<tr>
<td>LT debts</td>
<td>160,818</td>
<td>84,466</td>
<td>78,396</td>
<td>173,325</td>
<td>93,328</td>
<td>65,355</td>
</tr>
<tr>
<td>Others</td>
<td>389,664</td>
<td>361,322</td>
<td>266,327</td>
<td>290,060</td>
<td>275,321</td>
<td>284,652</td>
</tr>
<tr>
<td><strong>Long term liabilities</strong></td>
<td>550,482</td>
<td>445,788</td>
<td>344,723</td>
<td>463,385</td>
<td>368,649</td>
<td>350,007</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>1,651,841</td>
<td>1,930,378</td>
<td>2,144,623</td>
<td>2,817,942</td>
<td>2,919,169</td>
<td>2,908,179</td>
</tr>
<tr>
<td>Paid in capital</td>
<td>500,000</td>
<td>625,000</td>
<td>630,625</td>
<td>630,625</td>
<td>630,625</td>
<td>630,625</td>
</tr>
<tr>
<td>Capital surplus</td>
<td>25,093</td>
<td>213,063</td>
<td>226,788</td>
<td>226,788</td>
<td>223,992</td>
<td>223,992</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>92,465</td>
<td>285,211</td>
<td>540,241</td>
<td>786,041</td>
<td>1,121,196</td>
<td>1,223,027</td>
</tr>
<tr>
<td>Capital adjustment</td>
<td>786,850</td>
<td>766,890</td>
<td>1,040,173</td>
<td>1,048,424</td>
<td>1,043,664</td>
<td>1,043,664</td>
</tr>
<tr>
<td>Shareholders’ equity</td>
<td>1,404,409</td>
<td>1,890,164</td>
<td>2,437,827</td>
<td>2,691,879</td>
<td>3,019,477</td>
<td>3,121,308</td>
</tr>
<tr>
<td>Minority interest</td>
<td>25,624</td>
<td>22,460</td>
<td>9,209</td>
<td>9,070</td>
<td>10,361</td>
<td>10,378</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>1,430,033</td>
<td>1,912,624</td>
<td>2,447,036</td>
<td>2,700,949</td>
<td>3,029,837</td>
<td>3,131,685</td>
</tr>
</tbody>
</table>
## Capex and production capacity

### Capex (IDR’m)

<table>
<thead>
<tr>
<th></th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>115,811</td>
<td>201,382</td>
<td>270,633</td>
<td>95,763</td>
</tr>
<tr>
<td></td>
<td>85%</td>
<td>97%</td>
<td>98.8%</td>
<td>99.5%</td>
</tr>
<tr>
<td>Forestry</td>
<td>15,263</td>
<td>5,675</td>
<td>813</td>
<td>42</td>
</tr>
<tr>
<td></td>
<td>11%</td>
<td>2%</td>
<td>0.3%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Commerce</td>
<td>4,580</td>
<td>5,273</td>
<td>2,385</td>
<td>401</td>
</tr>
<tr>
<td></td>
<td>3%</td>
<td>1%</td>
<td>0.9%</td>
<td>0.4%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>135,654</strong></td>
<td><strong>212,330</strong></td>
<td><strong>273,831</strong></td>
<td><strong>96,206</strong></td>
</tr>
<tr>
<td>Advances</td>
<td>269,443</td>
<td>285,548</td>
<td>221,270</td>
<td>83,499</td>
</tr>
</tbody>
</table>

### Production capacity

#### Furniture (m³)

<table>
<thead>
<tr>
<th></th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Installed capacity</td>
<td>38,106</td>
<td>41,650</td>
<td>44,710</td>
<td>47,775</td>
</tr>
<tr>
<td>Net increase in capacity</td>
<td>3,063</td>
<td>3,544</td>
<td>3,060</td>
<td>3,065</td>
</tr>
<tr>
<td>Production volume</td>
<td>25,116</td>
<td>27,518</td>
<td>29,678</td>
<td>30,246</td>
</tr>
<tr>
<td>Capacity utilization</td>
<td>66%</td>
<td>66%</td>
<td>66.4%</td>
<td>67.6%</td>
</tr>
</tbody>
</table>

#### Building component (m³)

<table>
<thead>
<tr>
<th></th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 2019</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Installed capacity</td>
<td>129,238</td>
<td>126,760</td>
<td>213,720</td>
<td>345,060</td>
</tr>
<tr>
<td>Net increase in capacity</td>
<td>-</td>
<td>(2,477)</td>
<td>86,960</td>
<td>131,340</td>
</tr>
<tr>
<td>Production volume</td>
<td>85,260</td>
<td>75,156</td>
<td>91,463</td>
<td>164,270</td>
</tr>
<tr>
<td>Capacity utilization</td>
<td>66%</td>
<td>58%</td>
<td>42.8%</td>
<td>47.6%</td>
</tr>
</tbody>
</table>
## Capital structure

<table>
<thead>
<tr>
<th>Debt</th>
<th>IDR facilities</th>
<th>USD facilities</th>
<th>Total debt in IDR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short term debt facility</td>
<td>1,965,282,957,367</td>
<td>6,000,000</td>
<td>2,038,142,957,367</td>
</tr>
<tr>
<td>Long term debt facility</td>
<td>213,942,218,221</td>
<td>-</td>
<td>213,942,218,221</td>
</tr>
<tr>
<td>Total debt facility</td>
<td>2,078,653,018,277</td>
<td>6,000,000</td>
<td>2,245,491,667,844</td>
</tr>
<tr>
<td>Undrawn debt facility</td>
<td>4,131,750,529</td>
<td>-</td>
<td>101,176,934,593</td>
</tr>
<tr>
<td><strong>Gross debt</strong></td>
<td><strong>2,074,521,267,747</strong></td>
<td><strong>6,000,000</strong></td>
<td><strong>2,237,711,301,690</strong></td>
</tr>
<tr>
<td>Net debt (gross debt less cash)</td>
<td></td>
<td></td>
<td>2,211,569,174,700</td>
</tr>
<tr>
<td>EBITDA</td>
<td></td>
<td></td>
<td>208,318,448,291</td>
</tr>
<tr>
<td>Net debt / EBITDA</td>
<td></td>
<td></td>
<td>10.62x</td>
</tr>
<tr>
<td>Net debt / equity</td>
<td></td>
<td></td>
<td>0.71x</td>
</tr>
<tr>
<td>Interest rate (p.a.)</td>
<td>9.4% to 10.0%</td>
<td>6.0% to 7.5%</td>
<td></td>
</tr>
</tbody>
</table>
2021 Earnings guidance

- 25% sales growth y/y
- 10-12% net profit margin
- 14-35% EPS growth y/y

Integra allocated IDR100-120bn capex in 2021 for expansion and maintenance capex
THANK YOU!

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Website: www.integrafurniture.co.id