



PT.INTEGRA INDOCABINET .TBK

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Press Release

For Immediate Release

INTEGRA 1Q22 RESULTS

Highlights

- 1Q22 recorded significant strong net sales of IDR 1.98 trillion or grew by 116.6% YoY
- Net margin maintained at 10.5% due to higher building component sales contribution
- Positive operating cash flow of IDR 349 billion
- Significant improvement in inventory and AR days to 168 and 19 respectively

Sidoarjo, June 2nd, 2022

PT Integra Indocabinet Tbk (WOOD) published its 1Q22 unaudited financial results. In 1Q22, WOOD booked net sales of IDR 1.98 trillion or grew significantly by 116.6% YoY. The significant growth in sales was mainly attributed by the strong US market demand particularly for building component product. Sales to US region grew significantly by 118.7% YoY while other region like Asia and Europe region grew by 43.1% and 12.9% YoY, indicating an improvement from these region. Concurrently, overall domestic sales also showing strong growth of 196% YoY. The strong sales growth of US region was due to the growing demand of both furniture and building components which driven not only by the trade war tariff, anti-dumping and anti-subsidy duties against Chinese furniture and building component products, but also the global inflation has caused buyers to shift their order to more competitive pricing producing country particularly Indonesia.

Exports up 114.3% YoY

Despite during congestion in container and space availability challenges, our export sales still grew significantly by 114.3% YoY due to strong demand from the US market and improving demand from other region like Asia and Europe market. Concurrently, the domestic market also showing improvement where the manufacture domestic sales grew by 335.5% YoY.



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Current global inflation might impact the industry, but we believe that the current condition will create an opportunity for the Company for stronger growth. Being strategically located in Indonesia, we are blessed by the abundant availability of raw materials (timber), hence the Company is able to offer more competitive selling price compare to its regional competitors. Therefore, we expect to further expand our export market share particularly to US market as currently pricing is key to compete in the industry during current condition.

Segment	1Q22	1Q21	Change YoY
Manufacture Export	1,900,165,851,575	886,547,757,310	114.3%
<i>Furniture</i>	459,843,595,683	396,699,065,823	15.9%
<i>Building Component</i>	1,440,322,255,892	489,848,691,487	194.0%
Manufacture Domestic	40,653,219,742	9,335,263,802	335.5%
<i>Furniture</i>	12,713,916,862	2,463,258,913	416.1%
<i>Building Component</i>	27,939,302,880	6,872,004,889	306.6%
Forestry	34,862,630,310	7,819,222,690	345.9%
Retail	-	8,357,715,393	-
Total	1,975,681,701,627	912,059,959,195	116.6%

Net margin maintained at 10.5%

Significant sales growth in the building component segment that outpace the strong growth in the furniture segment has led the net margin adjusted to 10.5%, slightly decreased from previous period of 11.2%. Note that furniture sales growth tends to be stronger in 2H, hence we believe the 2H strong growth in furniture segment sales will expand our net margin.

On the other hand, the inventory and AR days have continually improved to 168 and 19 days respectively and resulting a significant improvement in operating cash flow of IDR 348.6 billion.



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	1Q22	1Q21		
	Rp	Rp		
NET SALES	1,975,681,701,627	912,059,959,195	↑	116.6%
COST OF SALES	(1,314,966,606,150)	(610,998,202,384)		
GROSS PROFIT	660,715,095,477	301,061,756,811		
Gross Margin	33.4%	33.0%		
<i>Selling Expenses</i>	(287,864,012,292)	(70,592,918,714)		
<i>General and administrative expenses</i>	(50,808,624,481)	(41,576,581,979)	↑	
OPERATING PROFIT	322,042,458,704	188,892,256,118	↑	70.5%
Operating Margin	16.3%	20.7%		
OTHER INCOME/EXPENSES	(53,717,543,273)	(53,687,359,216)	↑	
PROFIT BEFORE TAX BENEFIT	268,324,915,431	135,204,896,902	↑	98.5%
<i>Current Tax Expense</i>	(61,547,183,280)	(33,357,001,590)		
<i>Deffered Tax Expense</i>	-	-		
PROFIT FOR THE YEAR	206,777,732,151	101,847,895,312	↑	103.0%
Net Margin	10.5%	11.2%		

Business outlook

In the beginning of 2022, we experienced strong sales revenue growth, hence we expect to book revenue growth above our target of 25% as what we have done in the past two years.

Halim Rusli, President Director of the Company, said: "The beginning of 2022 is a strong beginning for the company, we received huge demand even only within 1Q22. We believe the current global inflation will create an opportunity for us to further expand our market share by utilizing our competitive advantage."

About PT Integra Idocabinet Tbk:

Founded in 1989 in Sidoarjo, East Java, PT Integra Indocabinet Tbk is the largest vertically integrated wooden products manufacturer in Indonesia. Integra has established itself as the fastest growing furniture manufacturer with international and domestic accreditation. Integra promotes the use of sustainable resources and supports the livelihoods of local communities. The group employs over 2,500 team members across Indonesia.



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