



PT.INTEGRA INDOCABINET .TBK

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Press Release

For Immediate Release

INTEGRA 1H22 RESULTS

Highlights

- 1H22 recorded net sales of IDR 3.1 trillion or grew by 46.5% YoY
- Net margin slightly contracted to 9.6%
- Inventory days increased to 236 days due to raw material preparation to anticipate growing demand in 2H22

Sidoarjo, August 26th, 2022

PT Integra Indocabinet Tbk (WOOD) published its 1H22 unaudited financial results. In 1H22, WOOD booked net sales of IDR 3.1 trillion or grew by 46.5% YoY. The sales growth was contributed mostly by sales in US region which grew by 44.5% YoY. Despite current high inflation, US import for both furniture and building component globally still growing as of 5M22 by 13.2% YoY and 68.0% YoY respectively. Therefore, we see that the Company still has large opportunity for growth in 2H22.

Exports up 44.5% YoY

Both global inflation and shipping congestion remain challenging but our export sales growth was still strong at 44.5% YoY particularly strong demand from the US market. Based on our channel check with our big buyers in US, despite the inflation issues in US, they see that the impact would not significantly impact the industry and demand remain strong and will keep growing particularly in 2H22. The Company with strong penetration in US market will remain as one of their main suppliers. Imports from Indonesia particularly the Company will remain crucial for our main buyers in US due to trade war tariff, antidumping and countervailing duties on China products that are still intact.



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Segment	1H22	1H21	Change YoY
Manufacture Export	3,003,637,696,896	2,078,309,043,263	44.5%
<i>Furniture</i>	852,764,880,346	912,577,859,734	-6.6%
<i>Building Component</i>	2,150,872,816,550	1,165,731,183,529	84.5%
Manufacture Domestic	48,606,781,401	53,995,156,650	-10.0%
<i>Furniture</i>	16,863,256,255	36,464,188,613	-53.8%
<i>Building Component</i>	31,743,525,146	17,530,968,037	81.1%
Forestry	83,386,358,212	7,927,954,090	951.8%
Total	3,135,630,836,509	2,140,232,154,003	46.5%

Operating margin down on product mix and shipping cost

Building component remain as the largest sales revenue contributor which accounted for 69.6% of total sales in 1H22. Due to the larger contribution of building component segment sales, our operating margin contracted to 15.1%. Meanwhile, the higher operating expenses in 1H22 was mainly due to shipping cost that stemming from change in shipping terms from FOB to CIF and DDP, hence the Company bear the shipping cost. Note that our shipping terms remain FOB, hence the shipping cost which was bear by the Company (due to the change in shipping terms to CIF and DDP) already price in to the selling prices. Therefore, the Company is still optimistic to expand its operating margin and maintain the net margin at 10-12% by 2022FY, particularly with the strong sales from higher profit margin furniture segment in 2H22.



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	1H22	1H21		
	Rp	Rp		
NET SALES	3,135,630,836,509	2,140,232,154,003		46.5%
COST OF SALES	(2,022,756,123,619)	(1,466,690,195,041)		
GROSS PROFIT	1,112,874,712,890	673,541,958,962		
Gross Margin	35.5%	31.5%		
<i>Selling Expenses</i>	(542,683,053,401)	(191,459,803,465)		
<i>General and administrative expenses</i>	(97,099,377,268)	(84,253,733,956)		
OPERATING PROFIT	473,092,282,221	397,828,421,541		18.9%
Operating Margin	15.1%	18.6%		
OTHER INCOME/EXPENSES	(82,639,016,903)	(105,933,996,195)		
PROFIT BEFORE TAX BENEFIT	390,453,265,318	291,894,425,346		33.8%
<i>Current Tax Expense</i>	(90,357,456,200)	(70,151,000,700)		
<i>Deffered Tax Expense</i>	-	-		
<i>Proforma Effect Adjusment</i>	-	90,874,266		
PROFIT FOR THE YEAR	300,095,809,118	221,834,298,912		35.3%
Net Margin	9.6%	10.4%		

Business outlook

Halim Rusli, President Director of the Company, said: "The 1H22 sales performance showed our business resiliency even during global inflation. We expect to book stronger growth in 2H22 as higher demand from the furniture segment start to kick in. Additionally, our strategy to penetrate deeper to US market particularly to retailers will further boost our growth going forward. The strong demand in 2H22 should enable exceed our initial target of 25% YoY in 2022".



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About PT Integra Indocabinet 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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