



PT Avia Avian Tbk

Investor Presentation
Q3 2024 Results



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Avian Brands Q3 2024 snapshot

SALES

IDR 1.8 T

(US\$ 113 m)

GROSS PROFIT

IDR 776 B

(US\$ 49 m)

43.5%

EBITDA

IDR 427 B

(US\$ 27 m)

24.0%

NET PROFIT

IDR 352 B

(US\$ 22 m)

19.7%

EMPLOYEES

8,000+

DISTRIBUTION CENTERS

162

COVERAGE

**38 Provinces
99 Cities**

CUSTOMERS

**57,000+
Retail outlets**

Convenience translation from IDR based on the average USD/IDR exchange rate in Q3 2024 of 15,821

Q3 2024 financial performance highlights

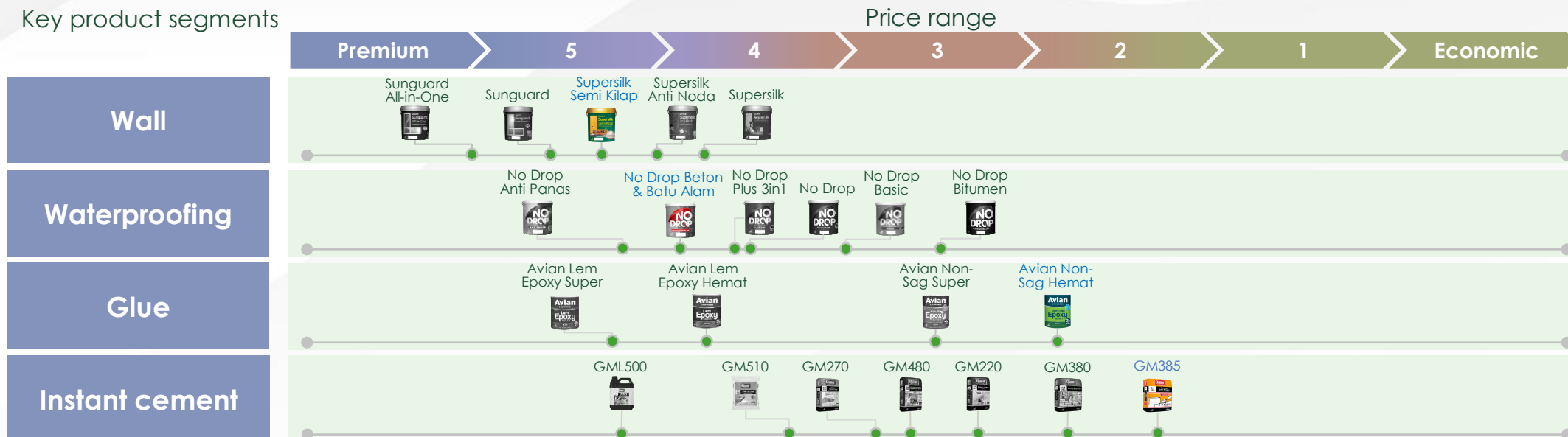
In IDR billion (except per share data)	2024	2023	Change
Consolidated sales	1,784	1,656	7.8%
Architectural solutions	1,352	1,292	4.7%
Trading goods	432	364	18.7%
Gross profit	776	697	11.2%
Architectural solutions	660	634	4.1%
Trading goods	116	63	82.3%
Gross margin	43.5%	42.1%	1.3%
Architectural solutions	48.8%	49.1%	-0.3%
Trading goods	26.7%	17.4%	9.3%
EBITDA	427	410	4.2%
EBITDA margin	24.0%	24.8%	-0.8%
Net profit	352	334	5.4%
Net profit margin	19.7%	20.2%	-0.4%
EPS	5.8⁽¹⁾	5.4	8.0%

- In Q3, consolidated sales were recorded at IDR 1.8 trillion, marking a 7.8% increase compared to the same period last year.
- The inflationary pressures have softened. However, consumer spending remains sluggish, reflecting continued challenges in the economic environment.
- The slight decline in EBITDA and net profit margins was attributable to the increase in the promotion and marketing activities in response to the more aggressive competition.
- Avian Brands is focused on executing its sustainable growth strategies, aiming to grab market share from other competitors amidst the tough market conditions.

(1) Calculated based on the weighted average number of shares in Q3 2024 after taking into account the treasury shares

New products launched in Q3 2024

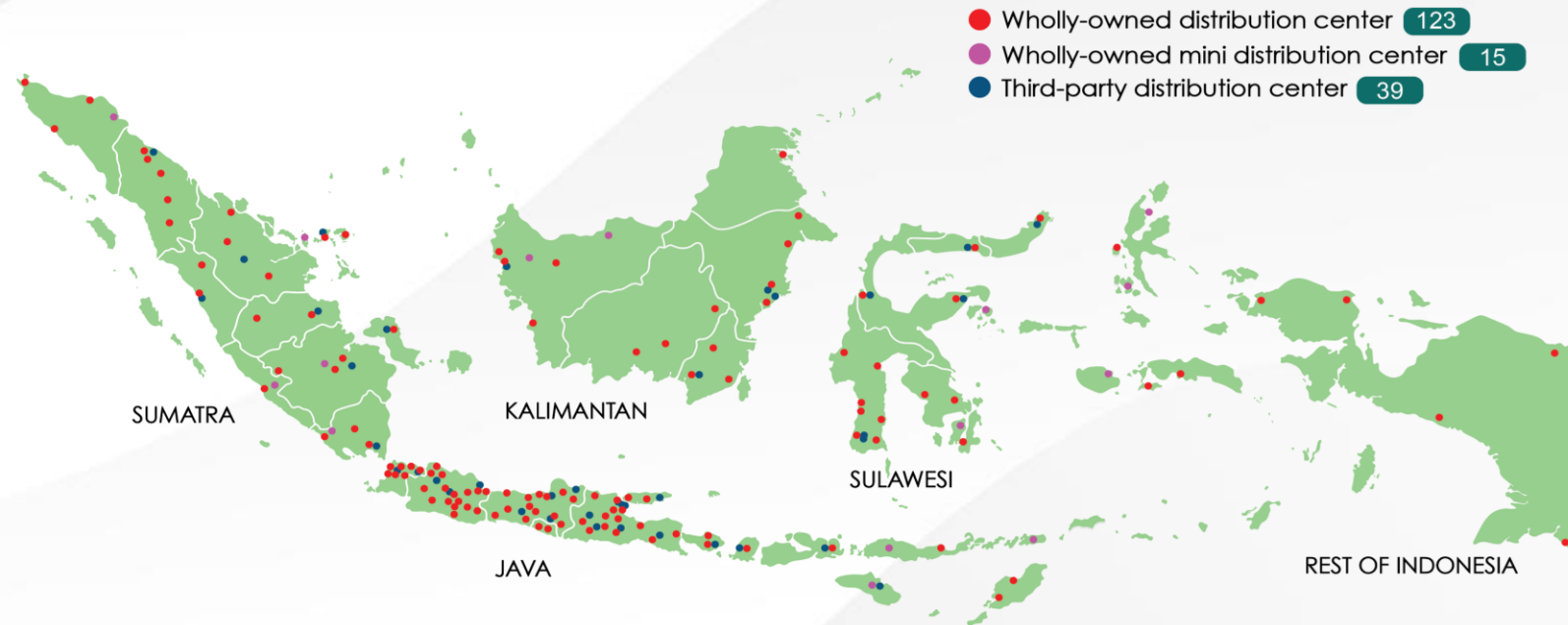
Key product segments



- During Q3 2024, we launched a total of 4 products as indicated in blue labels.
- Our robust research, development, & innovation (RDI) capabilities empower us to continuously deliver best-in-class products, strengthening our leading position in the market.



Distribution center expansion



- Our strong logistical infrastructure enables us to make ~13,000 daily deliveries.
- We are able to achieve 92%⁽¹⁾ 1-day delivery service fulfilment.
- The company is committed to strengthening our delivery capability and optimizing the supply chain efficiency.

(1) For retail outlets located within a 50 km radius of a wholly-owned distribution center

(2) Excluding mini distribution centers

Distribution centers by regions:⁽²⁾

Java: 69

- Greater Jakarta: 12
- West Java: 15
- Central Java: 19
- East Java: 23

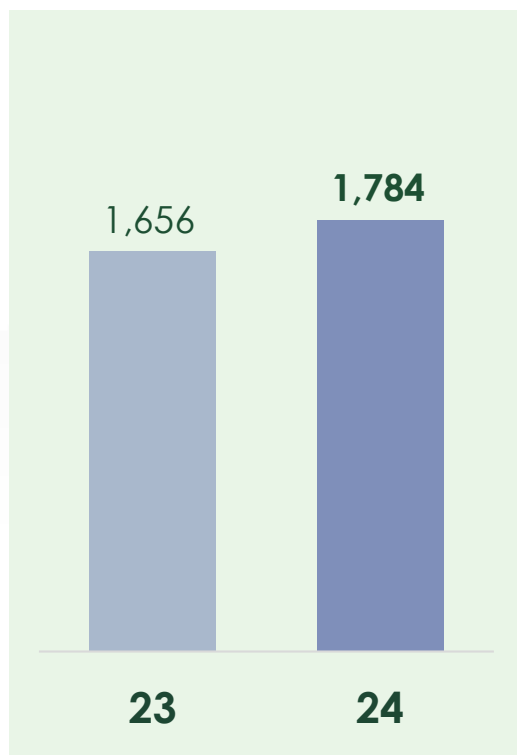
Outer Java: 93

- Sumatra: 35
- Kalimantan: 19
- Sulawesi: 20
- Rest of Indonesia: 19

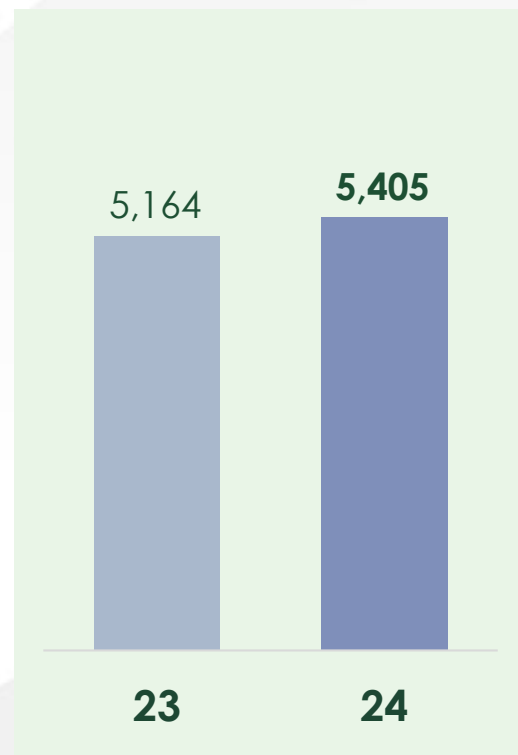
Total: 162

Consolidated business – sales & customers

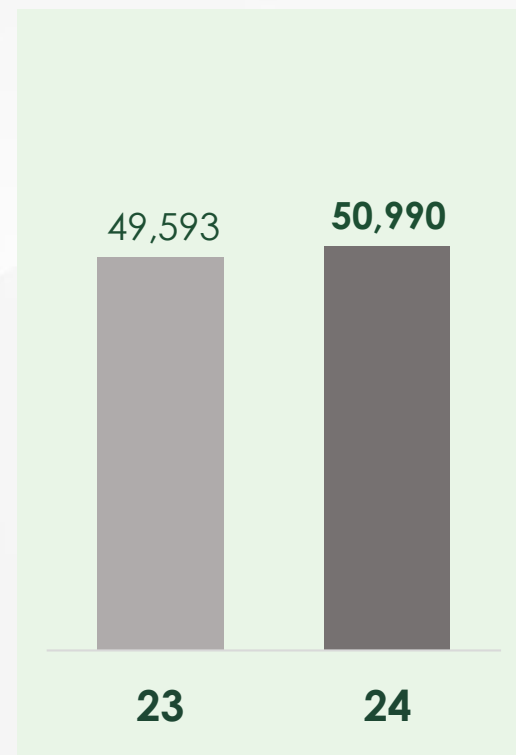
Q3 sales by value
(IDR billion)



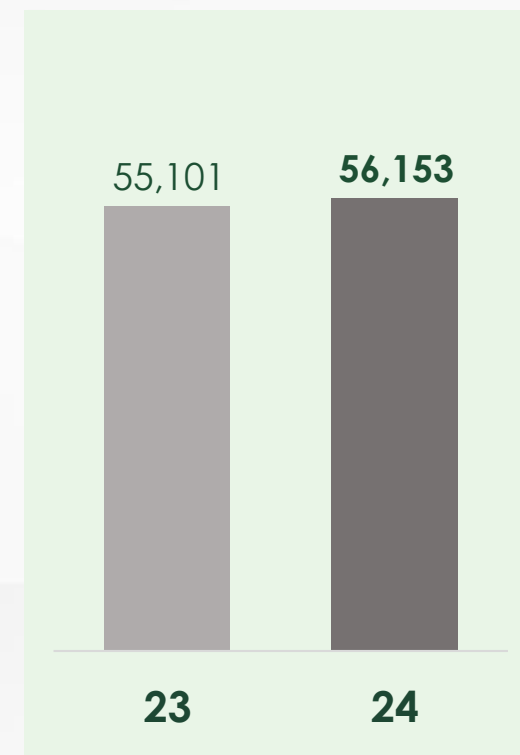
9M sales by value
(IDR billion)



Q3 number of customers

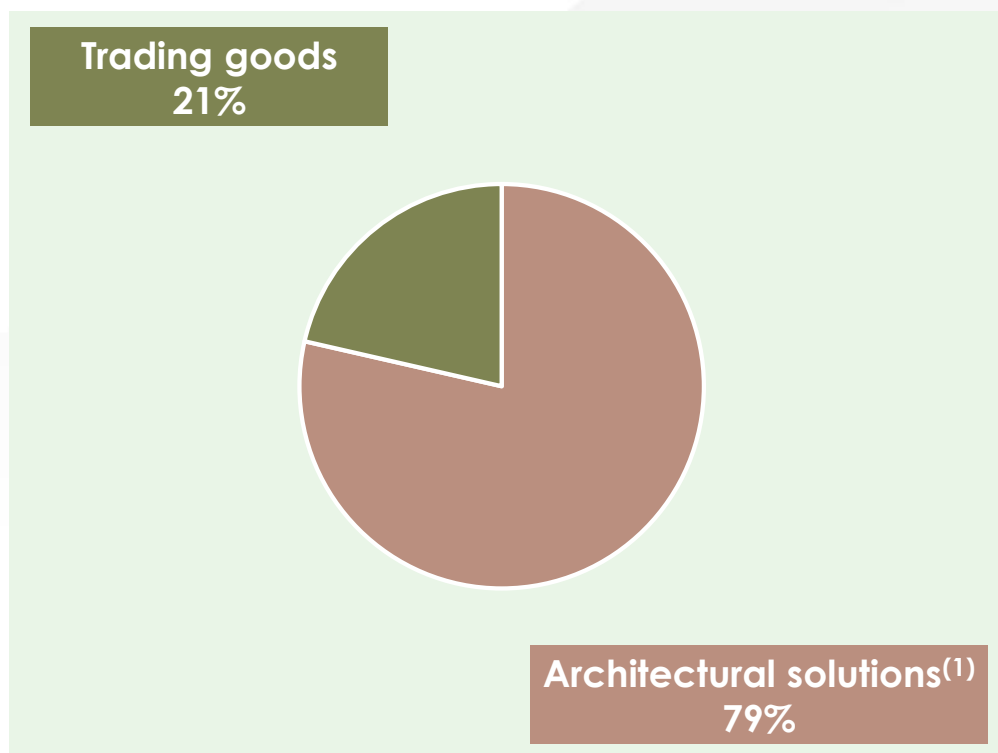


9M number of customers

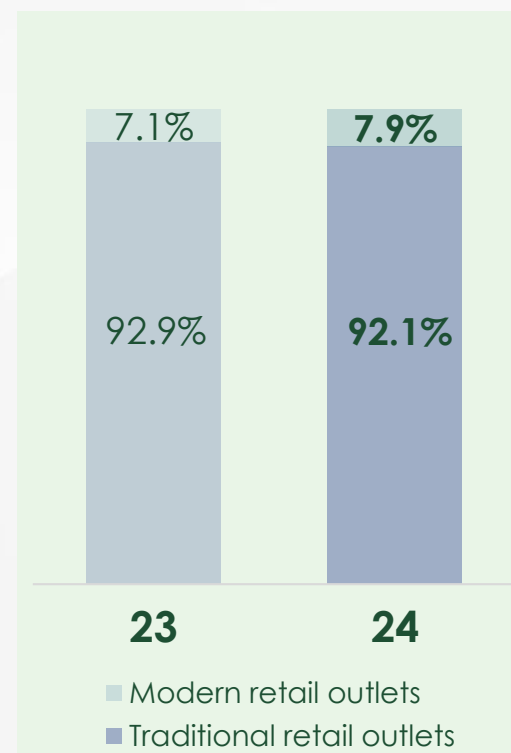


Consolidated business – sales

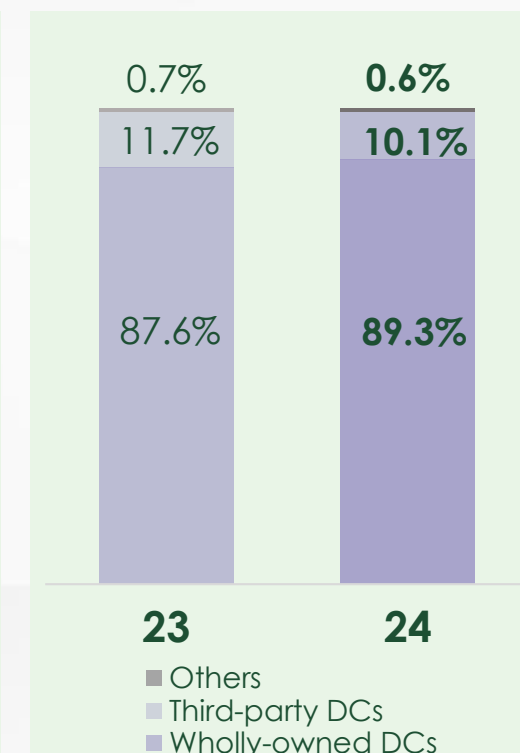
9M 2024 sales by segments



9M sales by customers



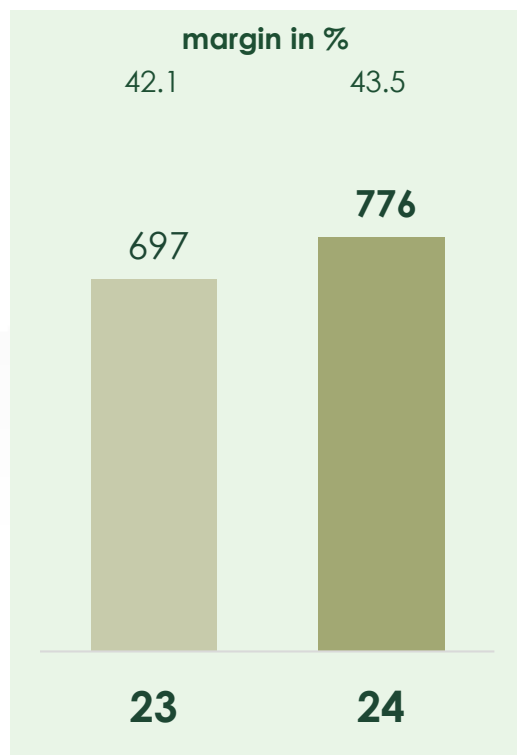
9M sales by distribution networks



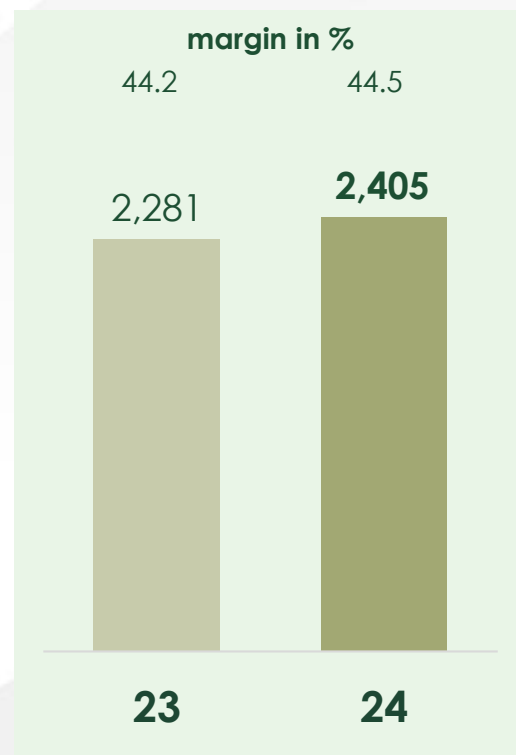
(1) For investors who require details on the sales breakdown by segments, please contact our Head of Investor Relations

Consolidated business – gross profit

Q3 gross profit (IDR billion)



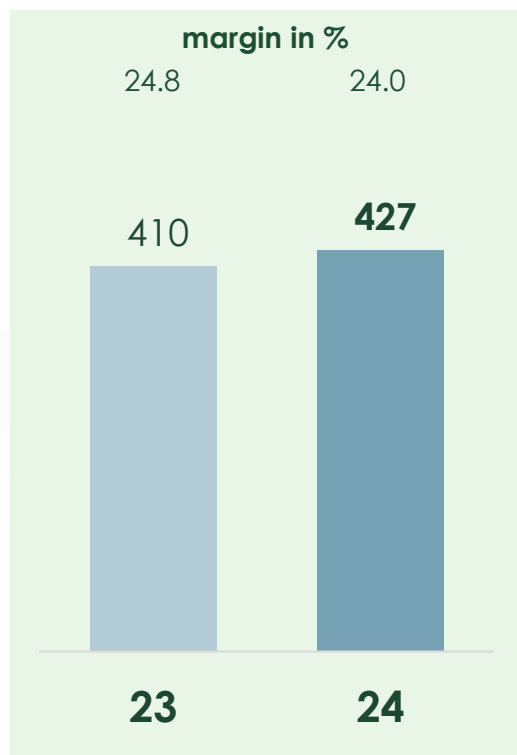
9M gross profit (IDR billion)



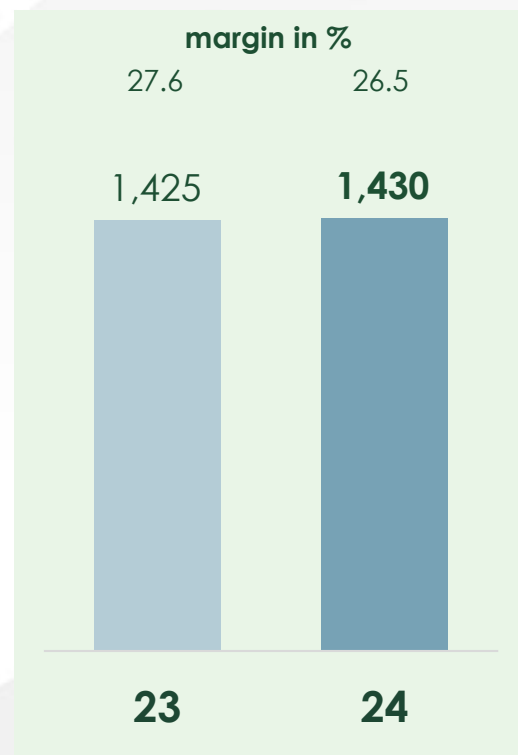
- In Q3, Avian Brands recorded a consolidated gross profit of IDR 776 billion, indicating an increase of 11.2% year-on-year. The gross margin for the quarter was 43.5%.
- For the nine months, consolidated gross profit reached IDR 2.4 trillion, representing a 5.4% year-on-year increase. During the same period, gross margin was registered at 44.5%.
- Raw material prices exhibited a relatively stable trend in Q3. The company is actively monitoring fluctuations in the USD/IDR exchange rate and the upward trend in certain materials.

Consolidated business – EBITDA & net profit

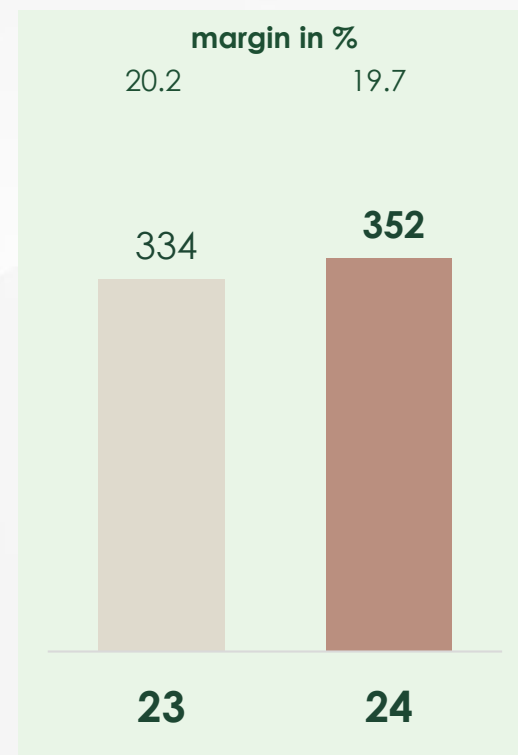
Q3 EBITDA
(IDR billion)



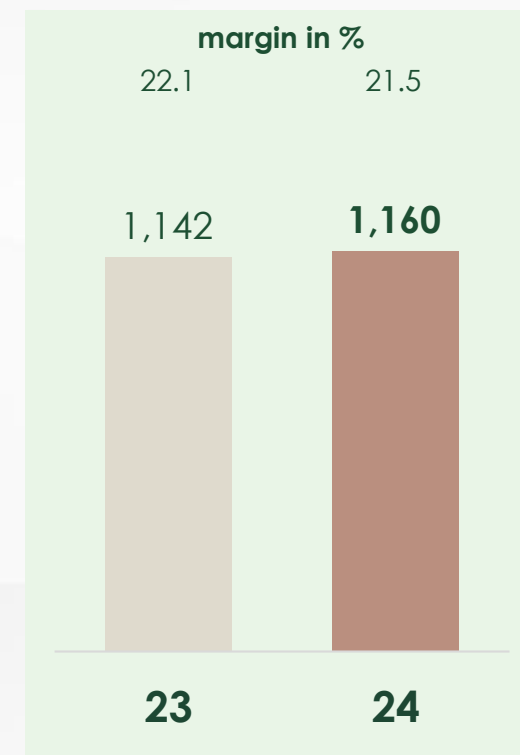
9M EBITDA
(IDR billion)



Q3 net profit
(IDR billion)

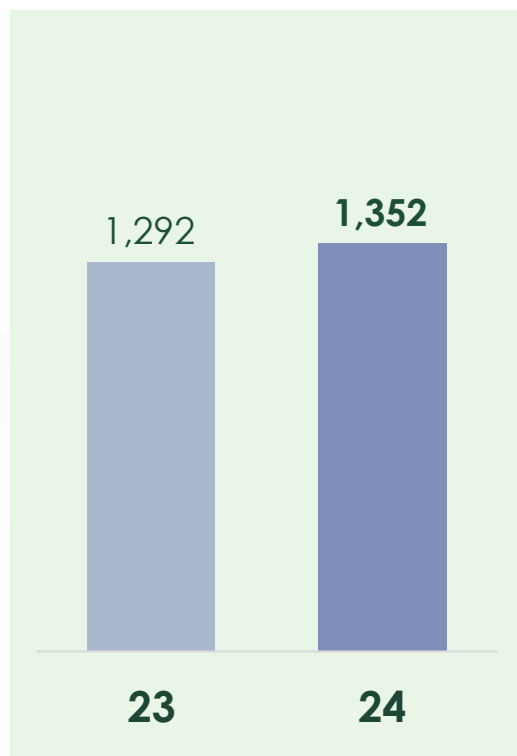


9M net profit
(IDR billion)

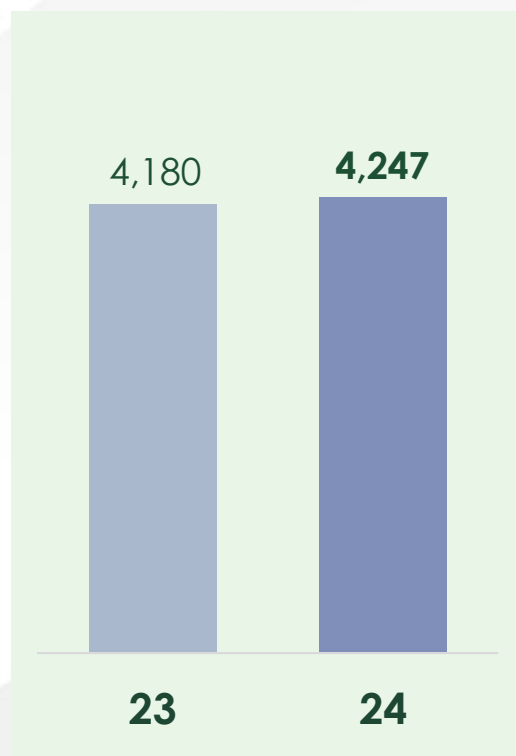


Architectural solutions – sales

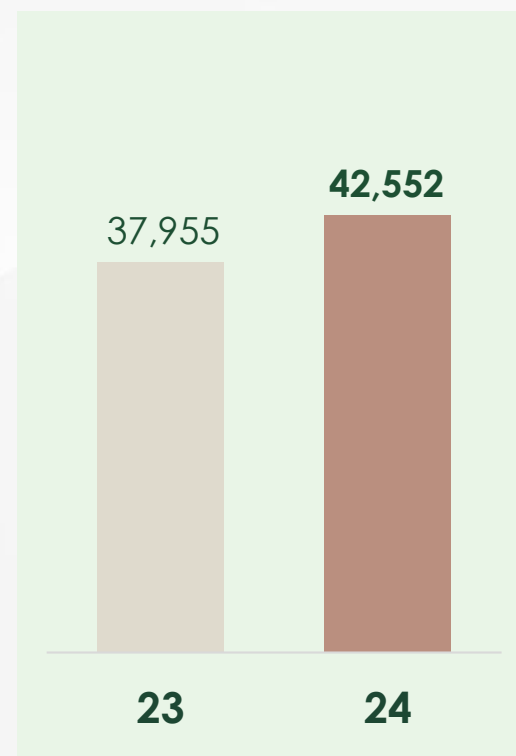
Q3 sales by value
(IDR billion)



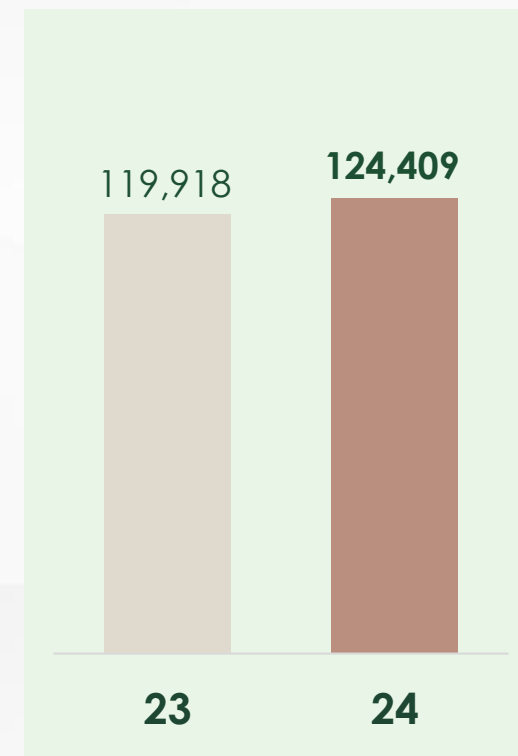
9M sales by value
(IDR billion)



Q3 sales by volume⁽¹⁾
(metric ton)



9M sales by volume⁽¹⁾
(metric ton)



(1) Excluding instant cement

Architectural solutions – customers

Q3 number of customers

9M number of customers

as % of total customers
91.3 91.5

45,285 46,664

23

24

as % of total customers
91.1 91.7

50,191 51,496

23

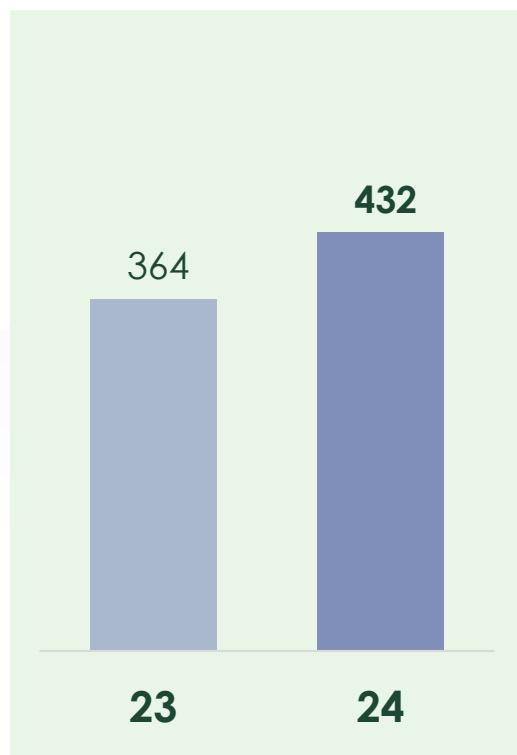
24



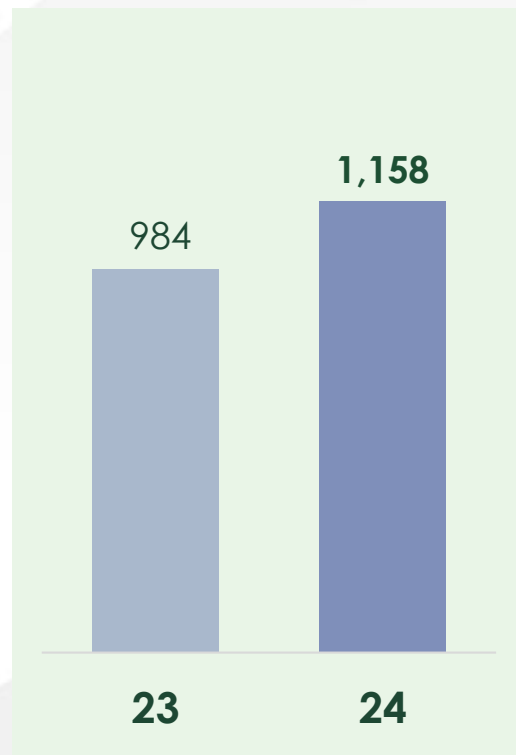
27th August 2024 - Avian Brands' customer gathering, Bandung

Trading goods – sales & customers

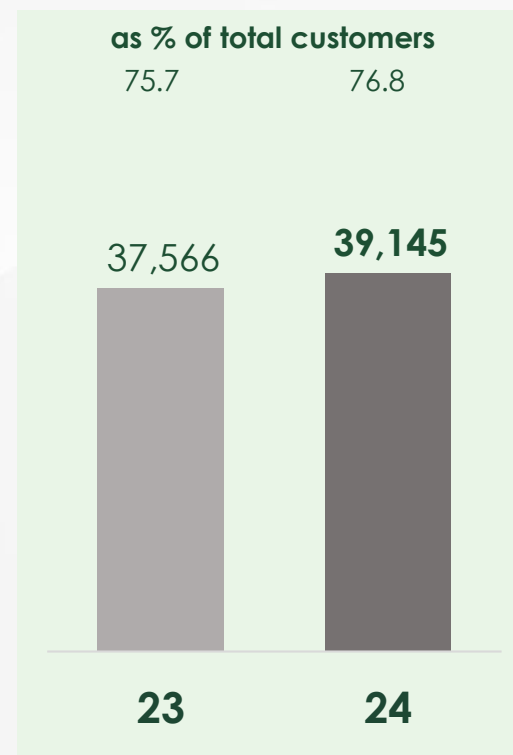
Q3 sales by value
(IDR billion)



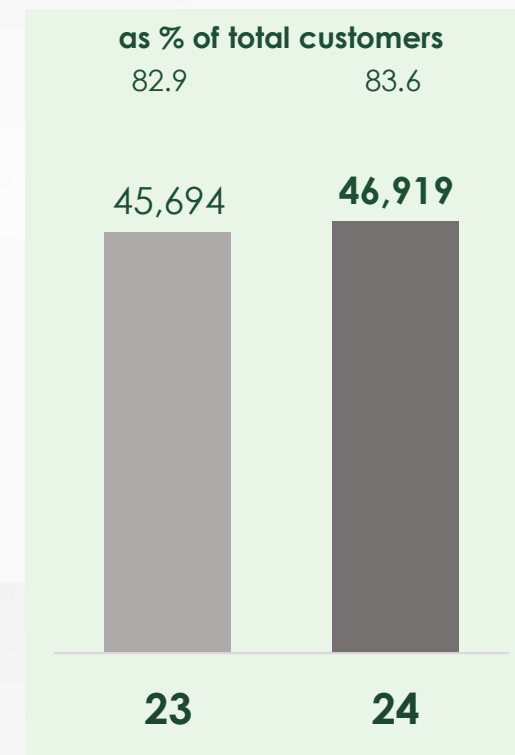
9M sales by value
(IDR billion)



Q3 number of customers



9M number of customers



Gross profit by segments

Architectural solutions

Q3 gross profit
(IDR billion)

margin in %
49.1 48.8

634 **660**

23 **24**

9M gross profit
(IDR billion)

margin in %
50.4 50.8

2,106 **2,158**

23 **24**

Trading goods

Q3 gross profit
(IDR billion)

margin in %
17.4 26.7

63 **116**

23 **24**

9M gross profit
(IDR billion)

margin in %
17.8 21.3

175 **247**

23 **24**

Well-managed cost structure

Cost breakdown (as % of sales)

	2023	9M 24
G & A ⁽¹⁾	3.2%	3.4%
Sales and marketing ⁽¹⁾	17.7%	18.1%
COGS ⁽¹⁾	54.6%	55.5%
Total	75.5%	77.1%

COGS breakdown (as % of sales)

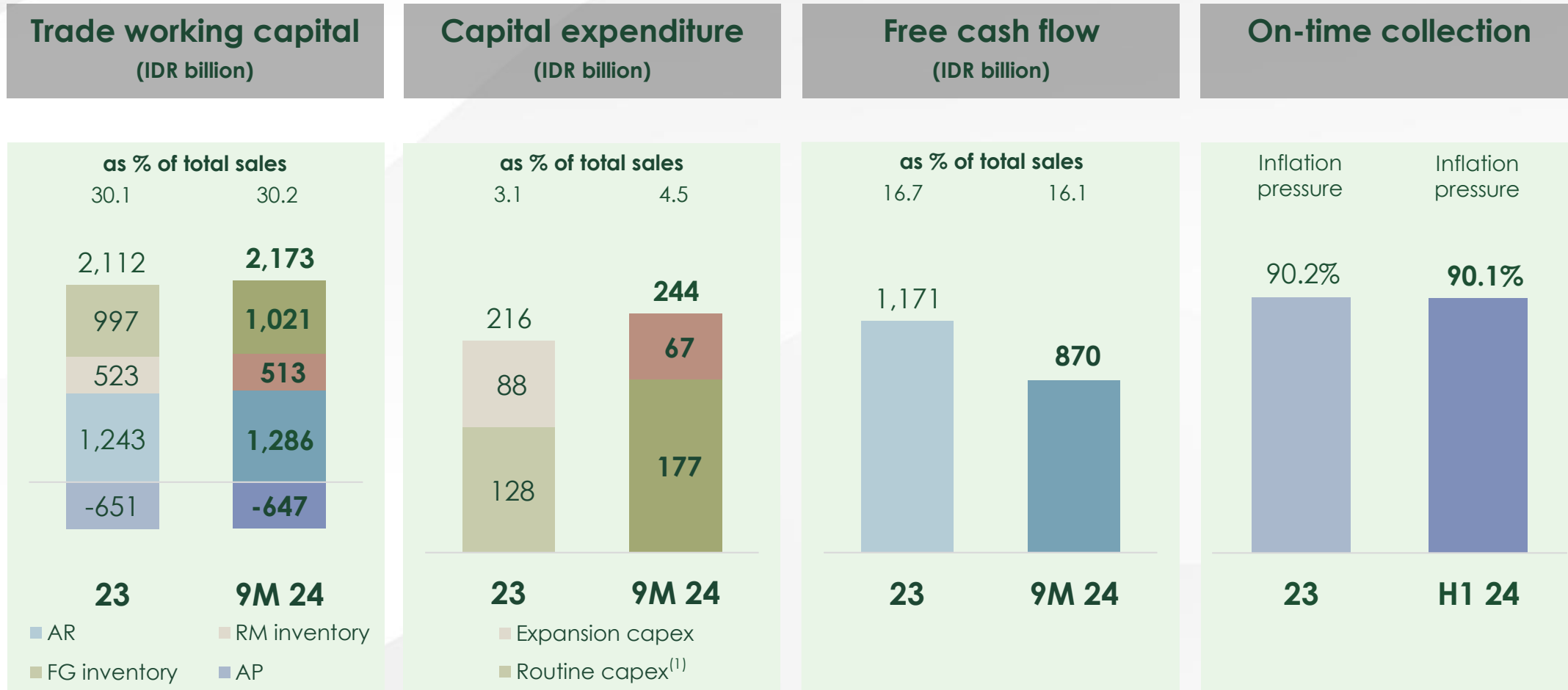
	2023	9M 24
Raw material	27.8%	25.3%
Direct labour	1.1%	1.1%
Factory overhead	2.4%	2.7%
WIP and FG	15.8%	17.8%
Below-the-line (BTL) expenses	7.6%	8.6%
Total	54.6%	55.5%

- Avian Brands maintained an aggressive approach in its marketing efforts. This led to an increase in the sales and marketing expenses.

- Raw material prices remain relatively stable during the nine-month period.
- The company intensified its promotional activities amidst the growing competition, contributing to an increase in BTL expenses.

(1) Includes depreciation and amortization

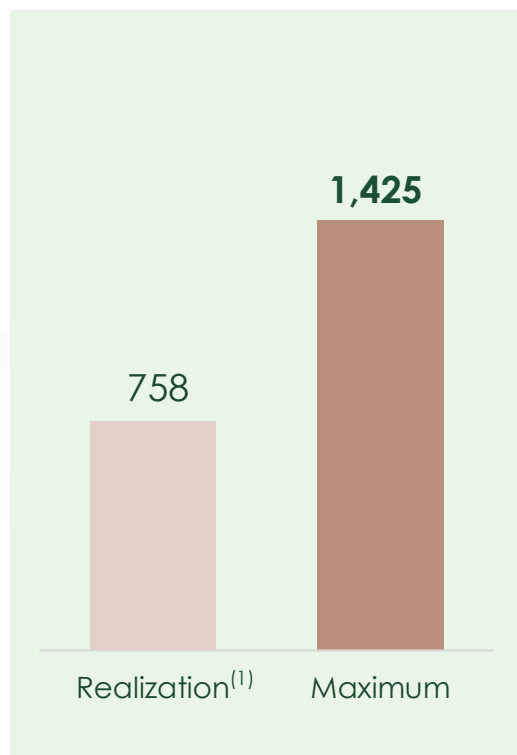
Robust cash-flow generation & AR management



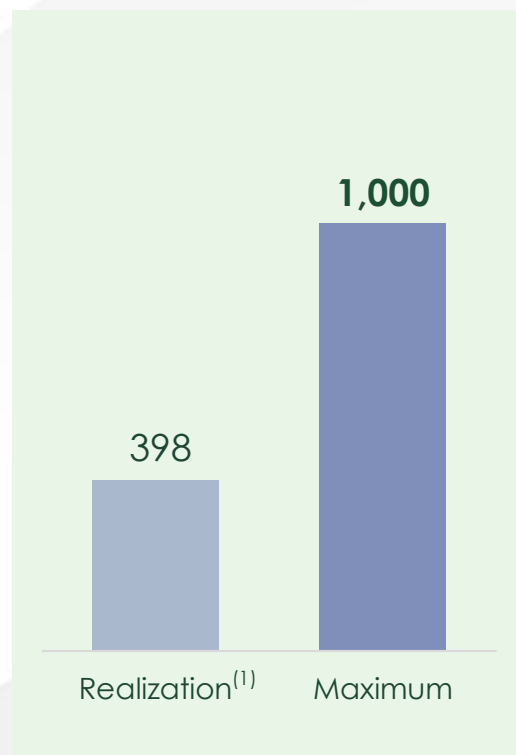
(1) The routine capex consists of upgrades to the manufacturing facilities and IT infrastructure, trucks and vehicles in the distribution centers, and tinting machines for retail outlets

Updates on the share buyback program

Number of shares (million)



Value in Rupiah (IDR billion)



- Avian Brands launched a share buyback program in December 2023.
- The maximum authorized number of shares for the buyback program is 1.4 billion shares with a budget limit of IDR 1 trillion.
- As of September 2024, the company has successfully acquired ~53% of the maximum number of shares, using ~40% of the allocated fund.
- The primary objective of the share buyback program is to bolster investor confidence.

(1) As of September 2024

Guidance for 2024

FY 2024 sales guidance:

- Value growth 6 - 10%
- Volume growth 4 - 8%

Planned actions in 2024:

- Launch new products in various segments and accelerate the deployment of tinting machines at retail outlets.
- Expand the distribution centers to strengthen product penetration and market presence.
- Elevate our service quality to deliver exceptional value to customers.
- Proceed with the share buyback program.
- Optimize internal operations and strengthen ESG initiatives to drive efficiency and sustainable growth.



*Painting a Beautiful Picture of
Indonesia*