PT Avia Avian Tbk

Investor Presentation
Q4 2022 Results

Disclaimer

All investments is highly speculative in nature and involves substantial risk of loss. We encourage our investors to invest very carefully. We also encourage investors to get personal advice from your professional investment advisor and to make independent investigations before acting on information that we publish. Much of our information is derived directly from information published by companies or submitted to governmental agencies on which we believe are reliable but are without our independent verification. Therefore, we cannot assure you that the information is accurate or complete. We do not in any way whatsoever warrant or guarantee the success of any action you take in reliance on our statements or recommendations.

Past performance is not necessarily indicative of future results. All investments carry significant risk and all investment decisions of an individual remain the specific responsibility of that individual. There is no guarantee that systems, indicators, or signals will result in profits or that they will not result in a full loss or losses All investors are advised to fully understand all risks associated with any kind of investing they choose to do.

Various statements contained in this presentation, including those that express a belief, expectation or intention, as well as those that are not statements of historical fact, are forward-looking statements. These forward-looking statements may include projections and estimates concerning the timing and success of strategies, plans or intentions. We have based these forward-looking statements on our current expectations and assumptions about future events. These assumptions include, among others, our projections and expectations regarding: market trends litigation, our ability to create an opportunity with attractive current yields and upside. While we consider these expectations and assumptions to be somewhat reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks, contingencies and uncertainties, most of which are difficult to predict and many of which are beyond our control and could cause actual results to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. Investors should not place undue reliance on these forward-looking statements. We undertake no obligation to update any forward-looking statements to conform to actual results or changes in our expectations, unless required by applicable law.

Avian Brands team

Ruslan Tanoko

Vice President Director

ruslan.tanoko@avianbrands.com

Robert Tanoko

Operations & Development Director

robert.tanoko@avianbrands.com

Kurnia Hadi

Finance Director

kurnia.hadi@avianbrands.com

Andreas Hadikrisno

Head of Investor Relations

investor.relations@avianbrands.com

Avian Brands Q4 2022 snapshot

SALES(1)	GROSS PROFIT(1)	EBITDA(1)	NET PROFIT(1)
~IDR 1.73 T (US$ 118 m)	~IDR 738 B (~US$ 50 m) ~42 %	~IDR 400 B (~US$ 27 m) ~23 %	~IDR 323 B (~US$ 22 m) ~19 %

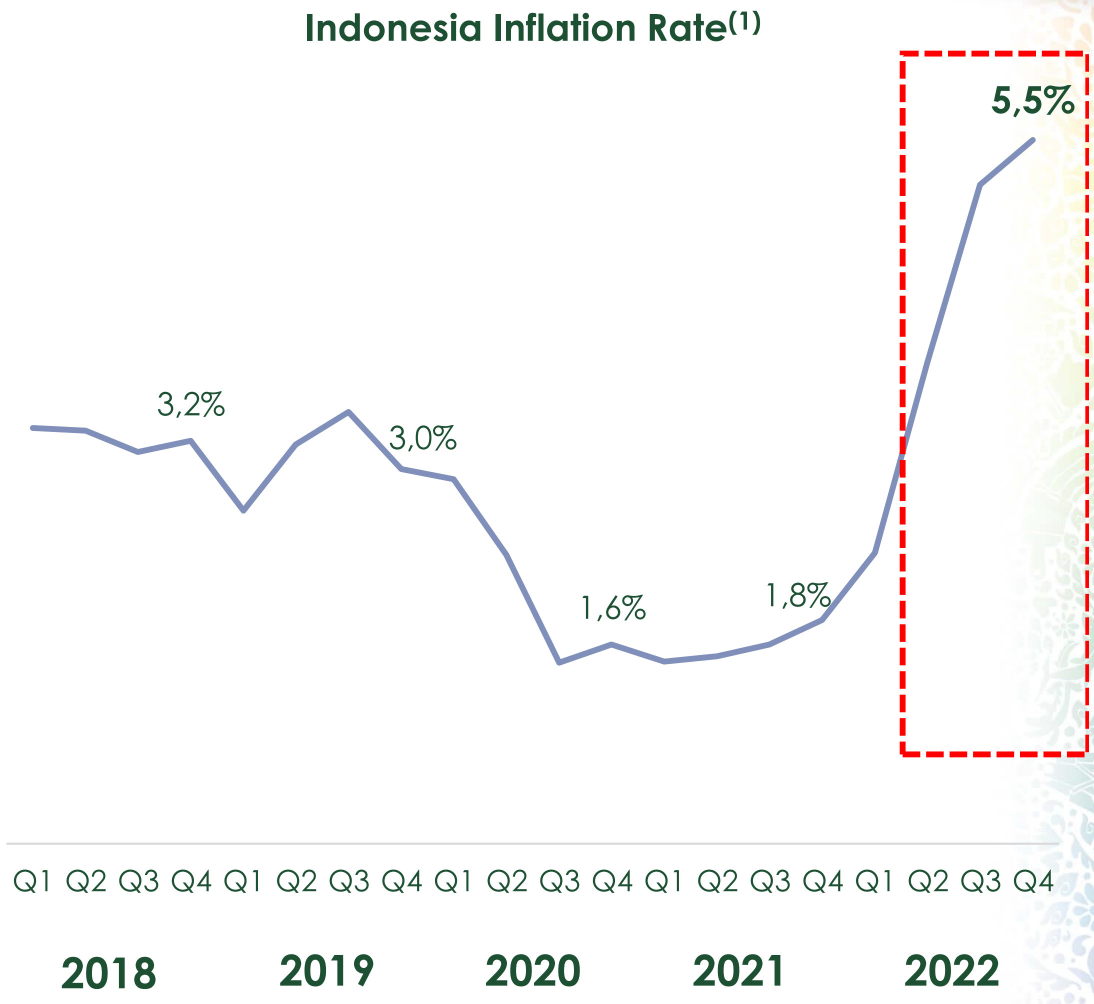
EMPLOYEES	DISTRIBUTION CENTERS	COVERAGE	CUSTOMERS
8,000+	146	37 Provinces 98 Cities	56,000+ Retail shops

Convenience translation from IDR based on average IDR/USD exchange rate in 2022 of 14,683.

(1) The results reported for Q4 represents unaudited figures

Business update in Q4

- High inflation in Q4 has continued to sharply impede growth in the paints and building materials industry
- Pressure from raw materials has eased, but major uncertainties from the USD/IDR exchange rate and oil prices need to be further monitored
- Despite the challenging conditions, Avian Brands has taken several strategic actions including:
  - Continued expansion of distribution centers
  - Launch of new products
  - Prudent sales and marketing activities
  - Continue to implement of the latest technology to improve last-mile delivery at our distribution centers
  - Installation of racking systems to anticipate future growth (sales and product SKUs)
  - Improvement of IT resilience (ISO 27001 – information security management)
  - Various ESG advancements



(1) Bank Indonesia: https://www.bi.go.id/id/statistik/indikator/data-inflasi.aspx

New product launched in Q4

- **VIP wall paint remover** was introduced on December 1, 2022
- This product has the ability to remove up to 24 layers of paints, including interior paints, exterior paints, waterproofing paints, and other solvent-based paints.
- More than 3,000 retail shops have participated in less than two months after its launch

- **Avian Cling wood & metal paint** was launched on December 19, 2022
- The price positioning for this junior product is ~20% cheaper than Avian Wood & Metal Paint. This product was launched to anticipate the weakening market demand and provide customers with a more economical and affordable product.
- More than 8,000 retail shops have participated in less than 2 months after its launch

Distribution centers expansion

Benefits from continued expansion of distribution centers:

- Improve product penetration and provide superior quality of service
- Enhance customer relationship
- Increase inventory management and minimize loss opportunity

By 2026, we will have 140 wholly owned DCs and more than 40 third party DCs

Wholly owned DC logistics & delivery fleet

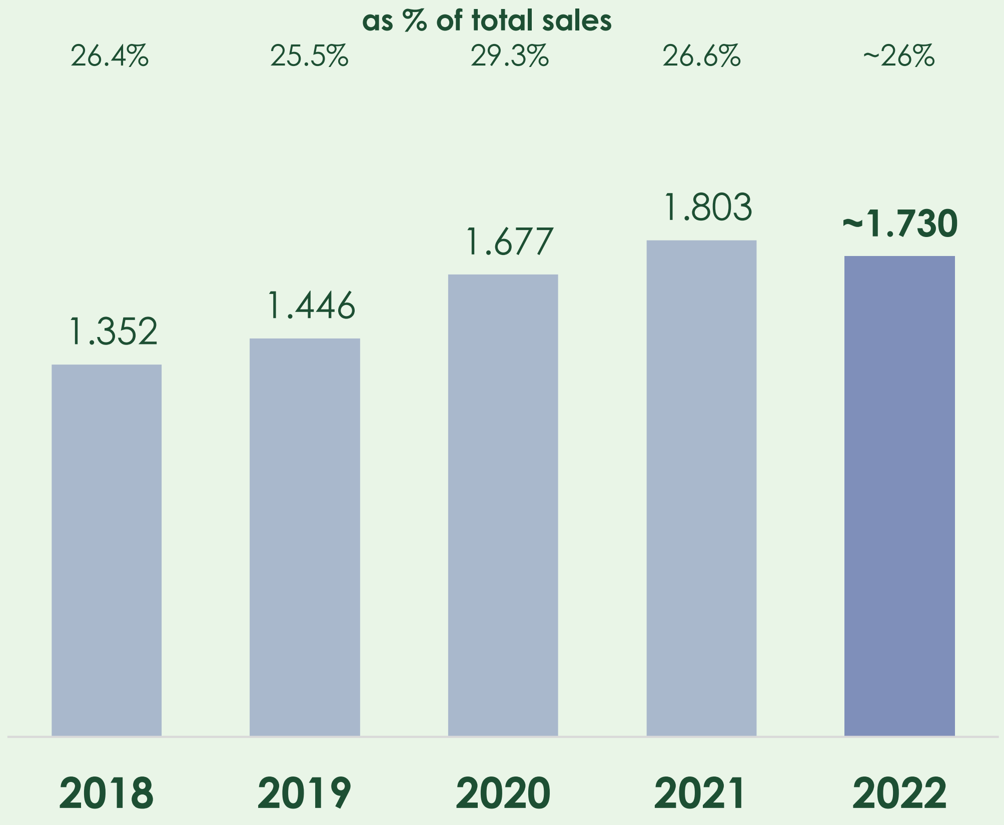
- In Q4, we opened 3 wholly owned DCs and 3 mini DCs
- We own and operate 580 delivery trucks that allow us to make ~8,800 deliveries per day
- High-touch deliveries with tablet support to improve productivity and accuracy
- 93%* 1-day delivery service fulfilment

* For retail shops within 50 km radius from a wholly owned DC

Consolidated business segment - sales

Q4 sales by value[1]

(IDR billion)

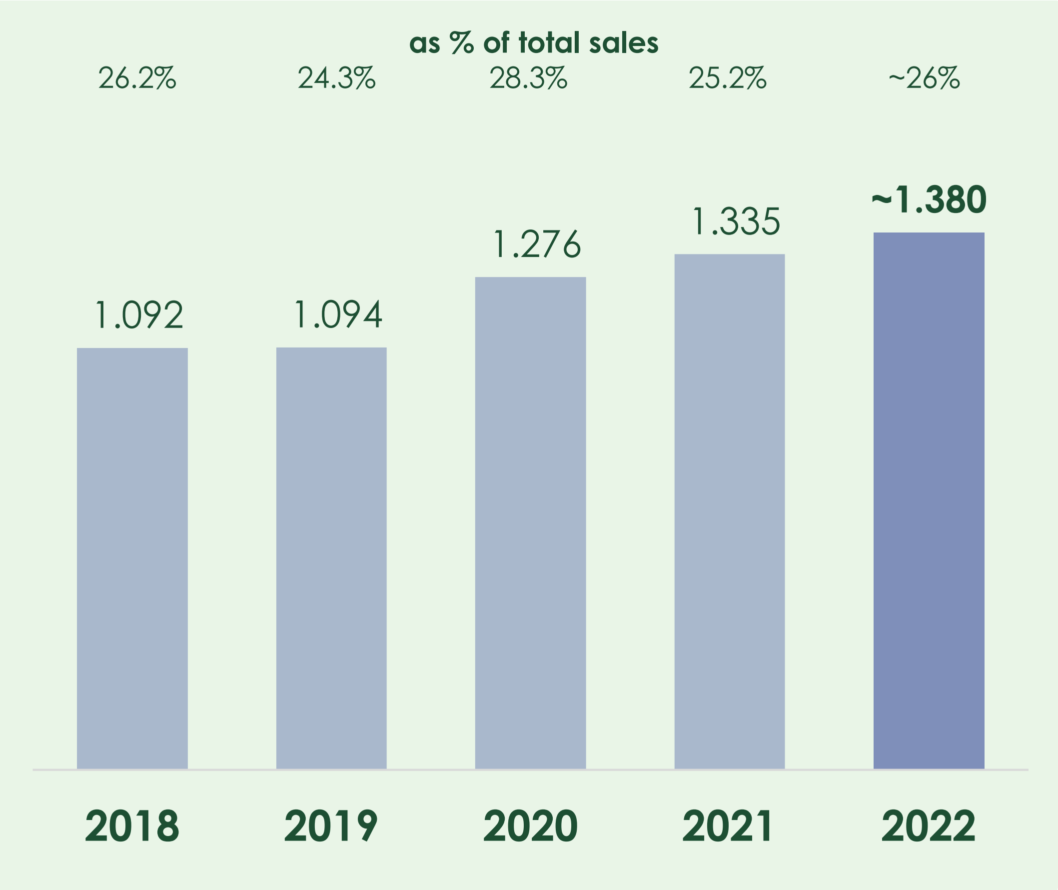


- In the fourth quarter this year we added around 900 retail shops.
- Consolidated sales declined slightly by ~4%
- According to our market surveys, demand was weak in almost all areas of the building materials industry nationwide.
- In our opinion, the paint industry as a whole was affected by a decline in 2022 due to weak consumer demand and high inventories at retail shops.
- The architectural solutions segment performed better than the trading goods solutions segment in Q4.

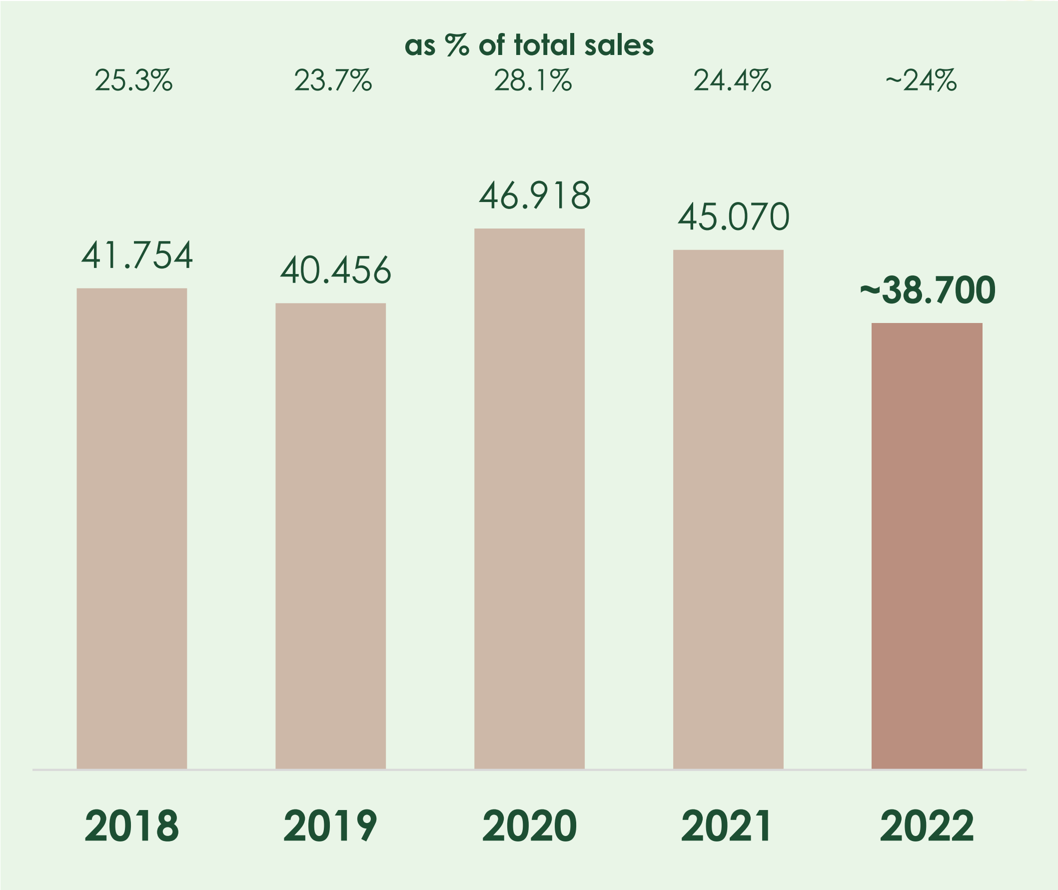
(1) The results reported for Q4 represents unaudited figures

Architectural solutions sales in Q4

By Value(1)
(IDR billion)



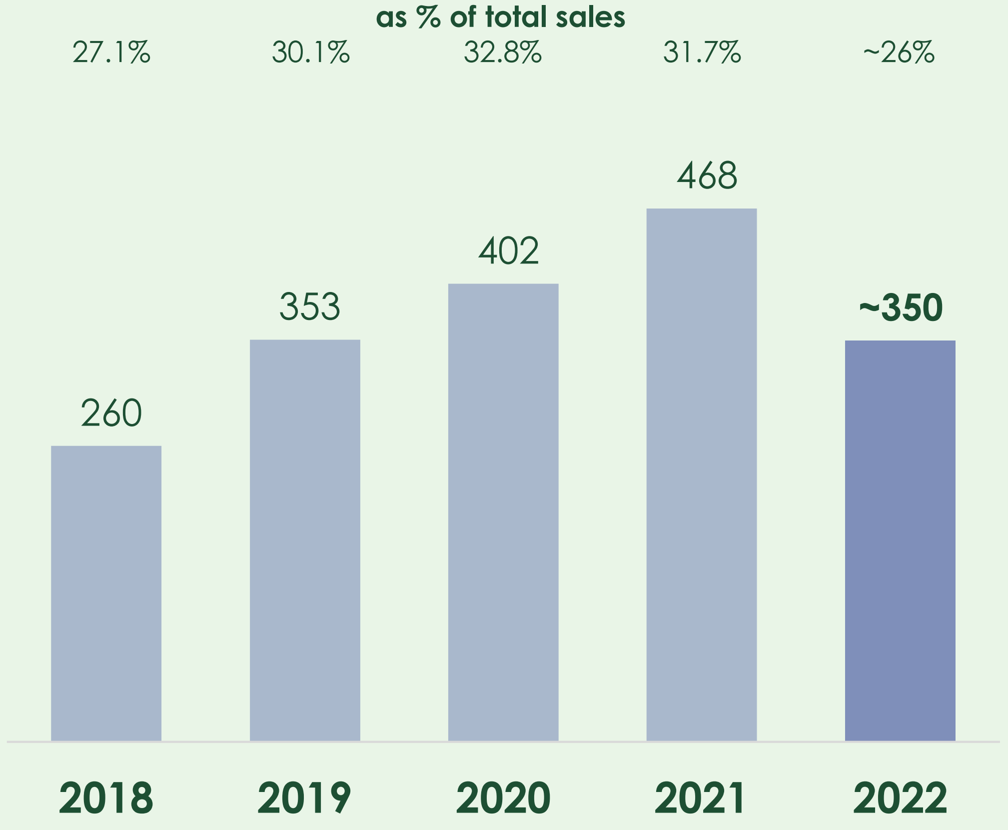
By Volume(1)
(metric ton)



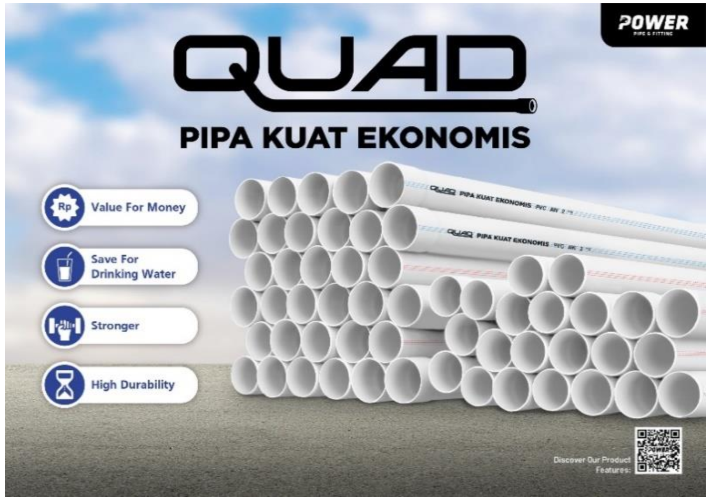
(1) The results reported for Q4 represents unaudited figures

Trading goods sales in Q4

By Value[1]
(IDR billion)



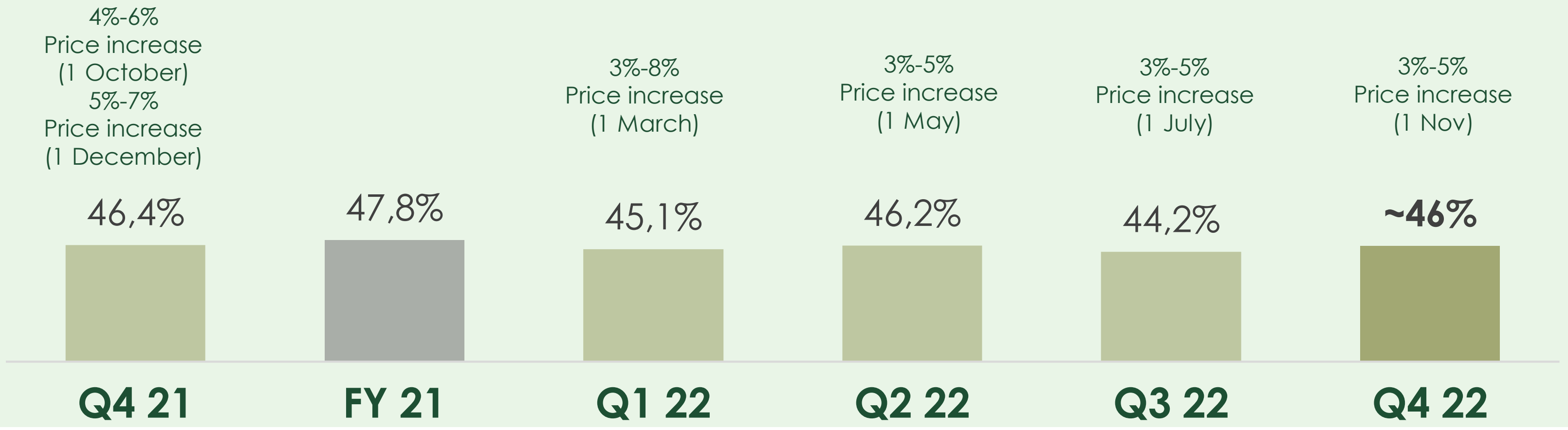
- The PVC pipes segment impacted the performance of the trading goods segment. Sales in this segment decreased by approximately 25% compared to the same quarter last year. In Q4 2021, there were 2 price hikes that resulted in retailers stocking up.
- The problem of downtrading in the PVC pipes segment further intensified the situation.
- To participate in a more economical PVC pipe market, a lower-cost variant of PVC pipe was introduced in November 2022.



(1) The results reported for Q4 represents unaudited figures

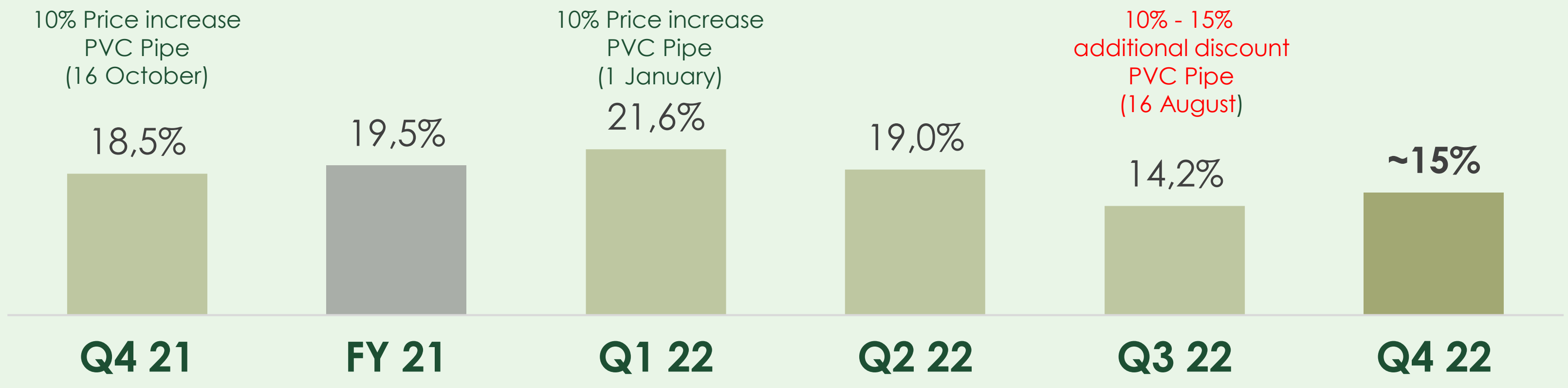
Quarterly gross margin

Architectural solutions segment[1]



- Gross margin for the architectural solutions segment improved in the fourth quarter following a price increase effective November 1.

Trading goods segment[1]



- In the trading goods segment, gross margin began to normalize.
- Fluctuations in PVC resin prices fluctuations have decreased.

(1) The results reported for Q4 represents unaudited figures

ESG update in Q4

Environment

- Avian Brands received Green Proper certification. We are the first paint company in Indonesia to receive this award (only 5.3% companies out of all participating companies are able to receive Green Proper status).
- Green Proper assessment is carried out through an evaluation process of compliance towards:
  - ISO 14001, energy efficiency, water conservation, emission reduction, biodiversity protection, 3R (reduce, reuse and recyle) of B3 waste and non-B3 solid waste, community empowerment and disaster response.
- Avian Brands also received Green Industry certification. The Green Industry Award is given to companies that prioritize the efficient and effective use of resources in their production process in a sustainable manner, in order to balance industrial development with the preservation of environmental functions and bring benefits to society
- Completed installation of solar panels at Sidoarjo plant, added 300 kWp of renewable energy

PROPER

Ministry of Environment and Forestry

Ministry of Industry

Thank you