

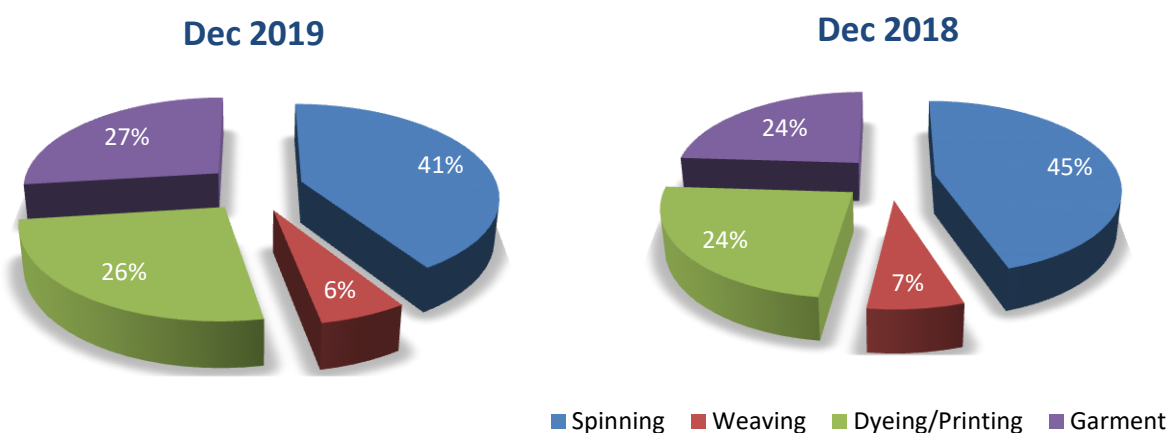
QUARTERLY UPDATE

For the period ended in 31 December 2019 and 2018

Income Statements

In Million USD	December 2019	December 2018	% Change
Sales:			
Spinning	480.8	464.4	3.53%
Weaving	70.7	74.4	-5.00%
Finishing	310.1	250.2	23.95%
Garment	320.3	244.9	30.74%
Total Sales	1,181.8	1,033.9	14.30%
Gross Profit	235.2	183.8	28.01%
Operating Profit	182.5	161.9	12.70%
Net Income	87.7	84.6	3.66%
EBITDA	235.2	194.3	21.07%

Revenue Contributions



Financial Highlights

Ratio	December 2019	December 2018
Gross Profit Margin	19.9%	17.8%
Operating Profit Margin	15.4%	15.7%
Net Profit Margin	7.4%	8.2%
EBITDA Margin	19.9%	18.8%
Operating Cash Flow (mio USD)	1.3	64.5

QUARTERLY UPDATE

For the period ended in 31 December 2019 and 2018

Financial Ratios

Ratio	December 2019	December 2018
A/R turnover	5.1x	5.4x
Inventory turnover (days)	134	128
A/P turnover (days)	18	25
Net Debt to EBITDA	2.92	3.05
Interest Bearing Debt to Total Asset	0.55x	0.53x

Balance Sheets

In Million USD	31/12/19	31/12/18	In Million USD	31/12/19	31/12/18
Cash and cash equivalent	168	128	Short term loan	68	122
A/R	265	196	Medium term notes	65	65
Inventories	361	332	A/P	35	59
Fixed Asset	654	654	Taxes payable	16	13
Advances	55	33	Accrued expenses and other liabilities	60	56
Prepaid Tax	6	3	Long term loan	367	40
Deffered Tax Assets	3	3	Notes payable	356	493
Other Assets	47	15	Total Liabilities	967	848
Total Assets	1,559	1,364	Equity	592	516
			Total Liabilities and Equity	1,559	1,364

QUARTERLY UPDATE

For the period ended in 31 December 2019 and 2018

Notes Summary

- Total sales increase by 14.3%, contributed from the increase in some segment: fabric and garment sales which increase by 24%, and 31% each from previous year and also increase in yarn by 4% but decrease in weaving by 5% from previous year.
- Gross profit margin and EBITDA margin increase as a result of significant increase in fabric and garment sales and Company successfully integrated yarn business from two newly acquired Company last year (PT Bitratex and PT Primayudha) as of December 2019.
- Capex spending as of December 2019 amounting to USD 50.2 million which in line with full year target.
- Cash and cash equivalent amounting to USD 168 million shown a strong cash position compare with 2018 figure.
- The Company has strong support from local and international bank as proven by giving the syndication loan with total amount facilities USD 350 million.
- On 13 March 2020, the Mayor of Solo declared the novel strain of coronavirus (Covid-19) an extraordinary event and recommended containment and mitigation measures in various fields. As of date today, we limit customer visits to the factory, possibility of a decline in export market demand due to temporary closure or reduced working hours. We have anticipated this by producing products that are needed in the face of Covid-19, which are masks and anti-virus personal protective clothing, which are currently in very high demand, so we increase the working hours of the relevant departments.
- The Company applied safety procedure operation for employee to keep them protecting from Covid-19 such as : social distancing, wearing mask, hand sanitizer, disinfectant, thermal scanning, etc
- SRIL included in Kompas 100, Margin Trading, LQ45, and IDX 30.
- Company rated by 2 international rating agency with rating BB-/Stable from Fitch, and Ba3/Stable Outlook from Moody's. Local rating A+/Stable Outlook from Fitch Indonesia.

Awards

- ❖ Top 5 GCG from Warta Ekonomi - 2018
- ❖ The Most Influential Company of The Years from PPM & SWA - 2018
- ❖ Indonesia Excellent Public Company from Warta Ekonomi - 2018
- ❖ The Top 50 Company For 2018 – Best of the Best Awards by Forbes Indonesia
- ❖ Indonesia Corporate Secretary Award 2018 by Warta Ekonomi
- ❖ PT Sri Rejeki Isman Tbk received Excellent Growth for Best CEO Iwan Setiawan Lukminto by Bisnis Indonesia Award 2018
- ❖ PT Sri Rejeki Isman Tbk received Excellent Growth for Multi Industri Sector by Bisnis Indonesia Award 2018

Awards (Continued)

- ❖ The IDX Best Blue 2017
- ❖ Most Powerful Companies 2017 category Textile and Garment from Warta Ekonomi
- ❖ Top Emiten 2017 for Garment and Textile Sector from Top Capital Market 2017
- ❖ Best Listed Companies 2017 from Investor Magazine for Textile and Garment Sector
- ❖ Best Emiten by Analyst Selection in “Yuk Nabung Saham” 2017
- ❖ PT Sri Rejeki Isman Tbk received Best Emiten for Multi Industri Sector from Bisnis Indonesia Award 2016
- ❖ PT Sri Rejeki Isman Tbk received “ Top Performing Best Listed Companies 2016” from Investor Magazine for Textile and Garment sector
- ❖ Obsession Awards 2016 from Obsession Media Group (OMG) for nominator Category Best Regional Achievers sub category Local Giants
- ❖ Mr Iwan Setiawan Lukminto (CEO) as Finalist EY World Entrepreneur of The Year 2015 from Ernst & Young



Disclaimer: This newsletter may contain forward-looking statements that involve risk and uncertainties. Actual future actions may differ materially from those expressed in forward-looking statements as a result of a number of risk, uncertainties and assumptions. You are cautioned not to place undue reliance on those forward-looking statements, which are based on current view of management on future events.

For further inquiry, please contact:

Welly Salam

Corporate Secretary

Email : welly.salam@sritex.co.id

Phone : +62 21 2995 1619 / 1650

Mobile : +628151804488

Fax : +62 21 2995 1621