



## THE TEMPO GROUP

### **PT. Tempo Scan Pacific Tbk**

Head Office : Tempo Scan Tower, 16<sup>th</sup> Floor, Jl. H.R. Rasuna Said Kav. 3-4, Jakarta 12950, Indonesia  
Phone : 2921 8888 Fax : 2920 9999 PO Box : 3269 Jkt. 10002 No. P.B.F. : 31081/PBF/II/91  
Factory : EJIP Industrial Park, Plot 1G-H, Lemahabang, Bekasi 17550 Phone : 897 1553, 897 0801 Fax: 897 1563, 897 0764

### **PT. Tempo Scan Pacific, Tbk. ("Tempo Scan")**

#### **1<sup>st</sup> Half 2021**

After one year has passed, the Covid pandemic has not subsided during Q2 2021. Government of all countries try to increase vaccination to create herd immunity and expect to be able to contain the spread of pandemic and gradually restore the economy in 2021. Unfortunately the pandemic situation had become worse, as in April 2021, India was struck by the new Covid's Delta variant which is more infectious, and soon started to spread out all over the world including to Indonesia. Consequently the Indonesia government has to enforce further implementation of strict Covid lockdown and protocol which had created further disruption and uncertainty in the business activities.

Notwithstanding the above, the Indonesian economy managed to recover and has grown by 7.07% year on year in 2<sup>nd</sup> Quarter 2021, which was its first positive growth subsequent after previous four quarters of consecutively negative growth. Furthermore, such an economic growth rate represented an increase of 3.31% quarter on quarter when compared to the Indonesian economy growth rate in 1<sup>st</sup> Quarter 2021.

Given the above mentioned circumstances, Tempo Scan net sales for 2nd Quarter 2021 was able to increased by 5.9% compared to the corresponding quarter last year and amounted to Rp.2,741.5 billion. Correspondingly Tempo Scan's 1<sup>st</sup> Half 2021 net sales increased by 2.4% and amounted to Rp.5,485.1 billion. Such a lower net sales growth was impacted by the discontinuation of one of its Distribution division's external pharma principal products which took effect since January 2021. However, if we exclude the impact of such discontinuation, then on proforma basis Tempo Scan's net sales would have increased by 8.6% compared to the same period last year.

The abovementioned Tempo Scan's consolidated net sales result in 1<sup>st</sup> Half 2021 main benefactors were:

- 1) Tempo Scan's Pharmaceutical division was able to sustain its commendable net sales growth and increased by 14.5%, it amounted to Rp.1,681.5 billion, such a result was a considerable improvement if compared to the Pharmaceutical division's 1<sup>st</sup> Half 2020 net sales performance that only grew by 1.1% compared to the corresponding period last year. This division's net sales main benefactor was its Consumer Health products group which net sales managed to grow by 16.2% and amounted to Rp.1,641.8 billion, hence such growth rate was also considerably higher compared to this group's net sales performance in 1<sup>st</sup> Half 2020 which grew only by 6.9%. On the other hand, unfortunately the Pharmaceutical division's Prescription Medicines group net sales had declined considerably by 29% and amounted only to Rp.39.7 billion, however such net sales decline had significantly be reduced compared to this group's net sales performance which had declined by 57.3% in 1<sup>st</sup> Half 2020.

Correspondingly, the Consumer Health products and the Prescription Medicines groups' net sales contributions toward the Pharmaceutical division's total net sales were 97.6% and 2.4% respectively or a significant change when compared to their net sales contributions in the same period last year which stood at 96.2% and 3.8% respectively.

- 2) Tempo Scan's Consumer Products & Cosmetics ("CPC") division net sales had increased by 8.2% and amounted to Rp.1,644.3 billion, this division's net sales main benefactor was its Consumer Products group which net sales managed to increase by 7.9% and amounted to Rp.1,349.1 billion. While its Cosmetics group's net sales had also managed to perform positively and increased by 9.6%, it amounted to Rp.295.2 billion which was a sharp reversal compared to this group net sales performance in 1<sup>st</sup> Half 2020 which had significantly declined by 45.1%. Consequently, the CPC division's Consumer Products and Cosmetics groups' net sales contributions toward this division's total net sales were 82% and 18% respectively in 1<sup>st</sup> Half 2021, or almost equal when compared with their net sales contributions last year which were 82.3% and 17.7% respectively.
- 3) Tempo Scan's Distribution division's net sales registered a sharp decline of 8.8% and amounted to Rp.2,159.3 billion, such a decline as explained hereinabove was attributed to the discontinuation by one of its external pharma principal's products distribution agreement commencing as of January 2021. Nonetheless if we exclude the one-off impact of such discontinuation, the Distribution division's net sales would have risen by 4.6% compared to the same period last year. Moreover, commensurately the Distribution division Non pharma principals' products and pharma principals' products net sales contributions were 85.7% and 14.3% respectively or when compared to their net sales contributions in the same period last year which respectively stood at 76.8% and 23.2%.

Furthermore, Tempo Scan's 1<sup>st</sup> Half 2021 gross profit result was amounted to Rp.1,930 billion and an increase of 3.6%, consequently since such gross profit increase was higher compared to Tempo Scan's net sales growth which was 2.4%, hence commensurately its gross profit margin has also increased to become 35.2% versus its gross profit margin in the corresponding period last year which was 34.8%.

As pertained to Tempo Scan's total operating expenses in 1<sup>st</sup> Half 2021, it had marginally risen by 0.9% and amounted to Rp.1,369.2 billion, such an increase was contributed predominantly by its total selling expenses that had increased by 1.8% and amounted to Rp.1,125.9 billion. Nevertheless, this total selling expenses as a ratio to Tempo Scan's consolidated net sales stood at 20.5% or lower compared to the same period last year whereas such ratio was 20.7%, such a decline was mainly caused by cost rationalization that has been implemented in the company's selling expenses.

Moreover, in 1<sup>st</sup> Half 2021 Tempo Scan's total general administration expenses had also increased by 1.2% and amounted to Rp.286.2 billion, therefore its total general administration expenses ratio towards Tempo Scan's consolidated net sales was 5.2% or almost on par compared to the ratio in the same period last year which was 5.3%.

Furthermore, Tempo Scan's net other operating income had increased by 37.6% and amounted to Rp.11.7 billion, such an increase was amongst others attributed to higher foreign exchange gain and other operating income. As a result, Tempo Scan's operating profit managed to rise by 10.9% and amounted to Rp.560.8 billion, commensurately its operating

*tw*

profit margin was also increased to become 10.2% or higher versus the same margin in the corresponding period last year which was 9.4%.

Furthermore, its net non-operating expenses in 1<sup>st</sup> Half 2021 was amounted to Rp.6.3 billion among others caused by lower interest income as a result of the declining interest rate in line with central banks interest rate cuts and Tempo Scan's onetime internal restructuring charges.

As the resultant of all the above, Tempo Scan's net profit after tax in 1<sup>st</sup> Half 2021 managed to increase by 10.4% and amounted to Rp.409.4 billion, henceforth its net profit after tax margin has reached 7.5% which was a considerable increase versus the same margin in the corresponding period last year which was at 6.9%. Commensurately, Tempo Scan's EBITDA had also risen by 10.4% and amounted to Rp.705 billion, hence its EBITDA margin in 1<sup>st</sup> Half 2021 had reached 12.9% versus its EBITDA margin in the same period last year which was recorded at 11.9%.

As pertained to Tempo Scan's balance sheet position as of 30 June 2021, it remained formidable given its cash and cash equivalent position which amounted to Rp.2,722.1 billion. In addition, its net operating cycle was at 72 days despite the unfavorable market condition; moreover, Tempo Scan's total assets and shareholders' equity were amounted to Rp.9,613.2 billion and Rp.6,550 billion respectively or representing 9.8% and 10% increase respectively.

Tempo Scan's Board of Directors would like to convey our high appreciation towards all Tempo Scan's management and employees for their dedication, commitment and hard works, in addition to our gratitude towards Tempo Scan's Board of Commissioners, Shareholders, business partners, vendors, customers and professional parties.

Jakarta, 31 August 2021

On behalf of PT. Tempo Scan Pacific, Tbk.



**I Made Dharma Wijaya**

President Director

Copies :

- Tempo Scan's President Commissioner
- Tempo Scan's Board of Directors