



Growth • Excellence • Integrity

Kencana Agri Limited



**1H 2023
Performance Review**

Overview of Group's Operations



Plantation and Processing



Location :
Sumatra, Kalimantan, Sulawesi



Palm Oil Mills : 7*)
Total Capacity : 335 MT/hour

Kernel Crushing Plants : 2
Total Capacity : 435 MT/day

Products



Main products:
CPO (Crude Palm Oil)
CPKO (Crude Palm Kernel Oil)
PKC (Palm Kernel Cake)
PK (Palm Kernel)

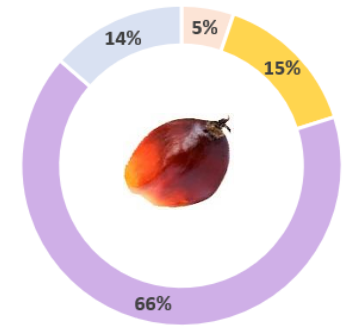
Renewable by-products:
Empty Fruit Bunches, Liquid
Waste, Kernel Shells, Fibre

*) A new mill located in Gorontalo, Sulawesi start commissioning in April 2023 with capacity of 30 MT/hour

Planted Area



	Immature	%	Young Mature	%	Prime Mature	%	Old Mature	%	Total	%
Nucleus	1,276	3%	8,717	17%	33,446	66%	7,134	14%	50,573	100%
Plasma	2,258	14%	1,207	7%	10,956	67%	1,989	12%	16,410	100%
Total (*)	3,534	5%	9,924	15%	44,402	66%	9,123	14%	66,983	100%



*) Net reduction of 1,169 Ha as compared to 31 December 2022 planted area of 68,152 Ha due to :

- (i) Disposal of PT. Karunia Alam Makmur - 1,005 Ha,
- (ii) Old mature plantation cleared for replanting – 222 Ha, offset with
- (iii) New planting 58 Ha

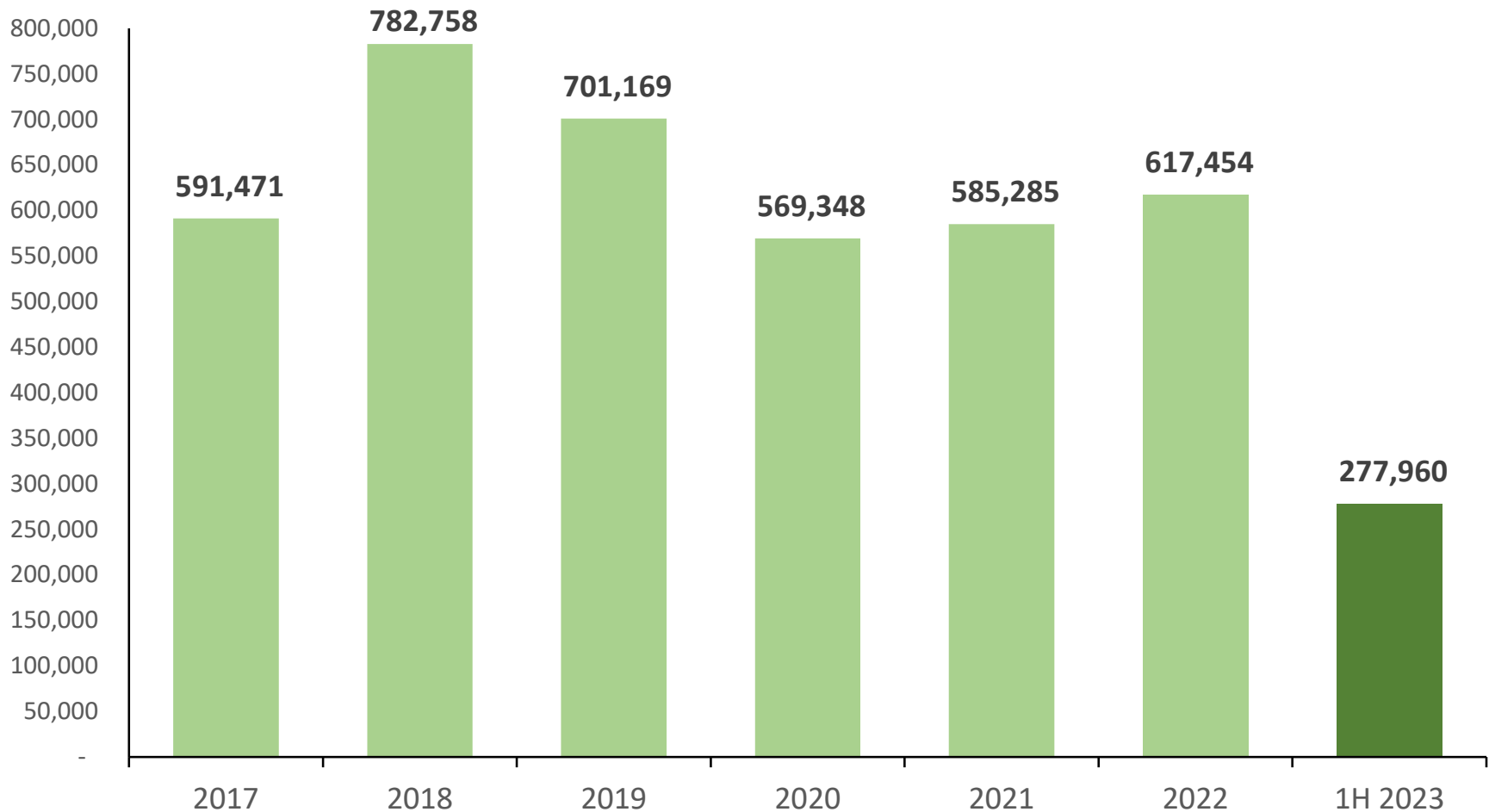
Operational Performance



Production Highlights	1H 2023	1H 2022	Change
FFB Production (MT)	346,954	310,965	11.6%
- Nucleus	277,960	250,288	11.1%
- Plasma	68,994	60,677	13.7%
FFB Processed (MT)	362,954	336,304	7.9%
- Nucleus	269,054	232,143	15.9%
- Plasma	66,026	55,813	18.3%
- External Parties	27,874	48,348	-42.3%
Oil Extraction rates (%)			
- CPO	20.5%	20.6%	-0.1pp
Oil Production (MT)			
- CPO (MT)	74,570	69,233	7.7%
FFB Yield (MT/ha) – Nucleus	5.6	5.0	12.0%

FFB Production Trend (Nucleus)

MT



Financial Performance



Financial Highlights	1H 2023	1H 2022	Change
Sales Volume (MT)			
- CPO	68,565	57,974	18.3%
Sales Revenue (US\$'000)			
- CPO	54,715	54,233	0.9%
- Kernel	5,304	10,982	-51.7%
- FFB	1,756	3,736	-53.0%
- Bulking	-	18	n/m
Average Selling Price (US\$)			
- CPO	798	935	-14.7%

Financial Performance



Income Statement Highlights (US\$'000)

1H 2023

1H 2022

Change

Revenue	61,775	68,969	-10.4%
Gross profit	9,908	23,131	-57.2%
Operating profit	3,187	15,874	-79.9%
Profit before tax	392	6,003	-93.5%
Profit after tax	1,870	3,551	-47.3%
EBITDA	16,231	22,150	-26.7%
Gross margin (%)	16.0	33.5	-17.5pp
Net profit margin (%)	3.0	5.1	-2.1pp
EBITDA margin (%)	26.3	32.1	-5.8pp

Financial Performance



Balance Sheet Highlights (US\$'000)

	As at 30-Jun-23	As at 31-Dec-22	Change
Current Assets	107,489	98,205	9.5%
Non-current Assets	210,711	201,350	4.6%
Total Assets	318,200	299,555	6.2%
Current Liabilities	104,944	92,201	13.8%
Non-current Liabilities	179,699	176,822	1.6%
Total Liabilities	284,643	269,023	5.8%
Shareholders' Equity	33,557	30,532	9.9%
Net Debt/Equity Ratio (x)	5.5	5.9	-6.8%
Net Debt/Total Assets (x)	0.6	0.6	-
Net Debt/EBITDA (x)	5.6	4.4	27.3%
EBITDA/Interest Expense (x)	2.1	2.5	-16.0%

Financial Performance



Cash Flow (US\$'000)	1H 2023	1H 2022	Change
Cash at beginning of period	2,871	2,942	-2.4%
Net cash from operating activities	9,400	23,737	-60.4%
Net cash used in investing activities	363	(6,046)	n/m
Net cash used in financing activities	(4,274)	(18,181)	-76.5%
Net increase (decrease) in cash	5,489	(490)	n/m
Net effect of exchange rate changes on cash and cash equivalents	128	594	-78.5%
Cash at end of period	8,488	3,046	178.7%

n/m : not meaningful



Thank You

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