

IND@FOOD AGRI RESOURCES Ltd.

Company Presentation 1H 2023 Results

31 July 2023

a subsidiary of:
Indofood
THE SYMBOL OF QUALITY FOODS



PRESENTATION OUTLINE

01 ♦ Plantation Highlights

02 ♦ Financial Highlights

03 ♦ Strategies and Expansion

PLANTATION HIGHLIGHTS

Plantation Area

Planted Area (in Ha) 30 Jun 2023 31 Dec 2022

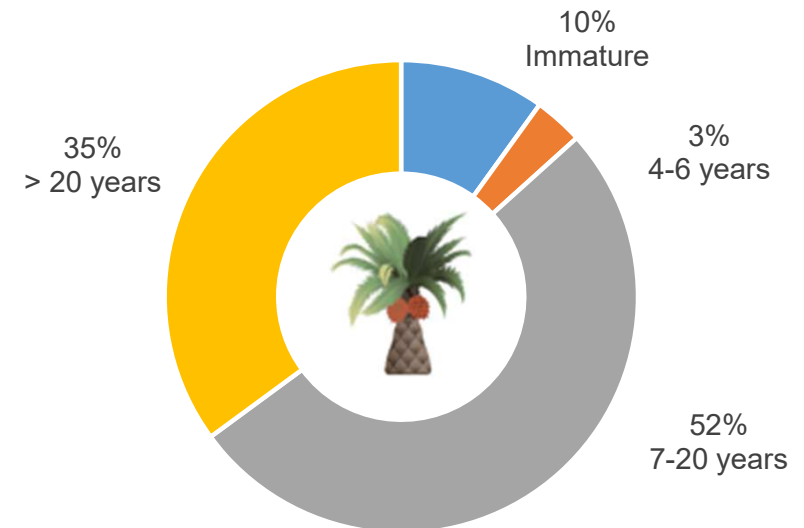
Indonesia - Nucleus

Total Planted Area	293,232	294,488
Planted Oil Palm	244,265	244,768
SIMP	152,663	153,617
Lonsum	91,602	91,151
Planted Other Crops		
Rubber	16,150	16,074
Sugar cane	13,199	14,056
Others - timber, cocoa, tea	19,618	19,590

Brazil

Sugar cane #	132,800	119,693
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Oil palm average age ≈ 19 years



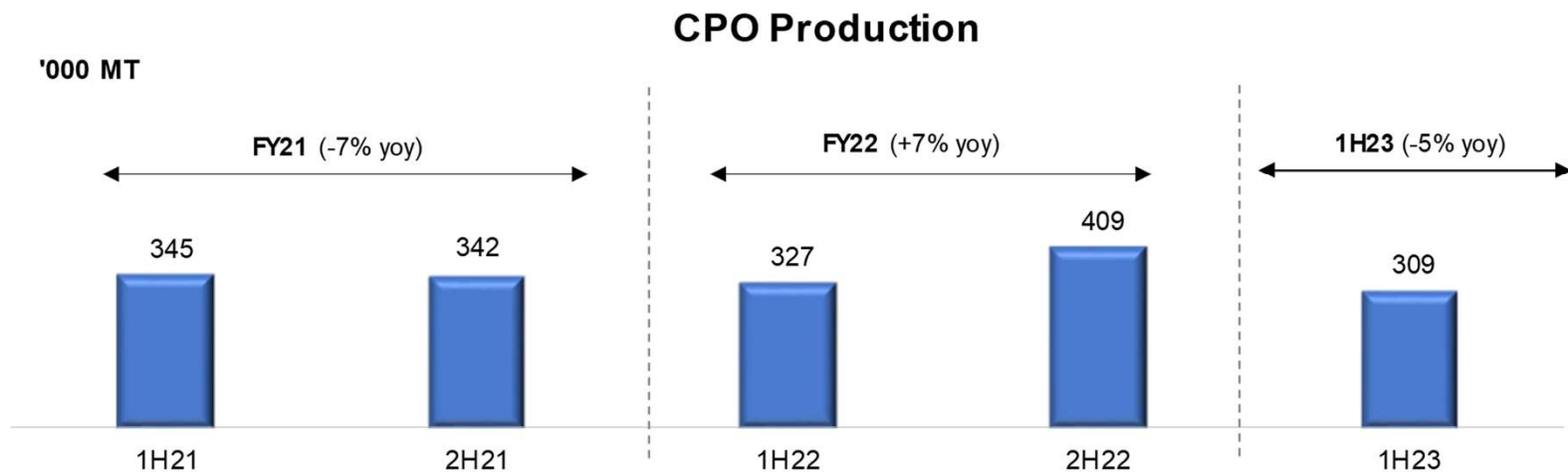
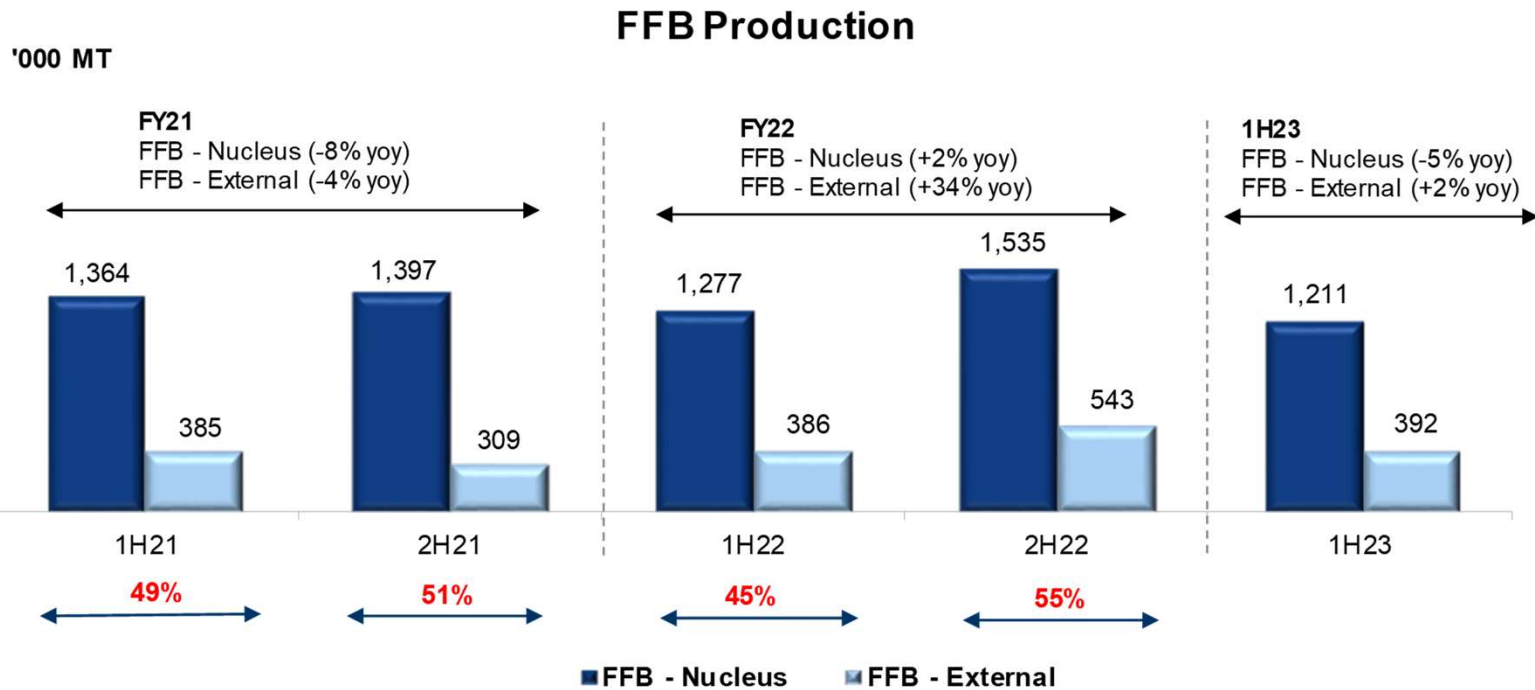
* As at 30 Jun 2023, oil palm plasma partnership was 87,469 ha

For the planted sugar cane areas, 53% of owned by CMAA and 47% contracted 3rd party farmers

Oil Palm Plantation Highlights

		1H23	1H22	△	FY22
<u>Production</u>					
Mature area	(Ha)	220,002	217,835		218,064
FFB	('000 MT)	1,603	1,663	(4%)	3,741
Nucleus	('000 MT)	1,211	1,277	(5%)	2,812
External	('000 MT)	392	386	2%	929
CPO	('000 MT)	309	327	(5%)	736
PK	('000 MT)	76	78	(3%)	180
<u>Productivity</u>					
CPO extraction rate	(%)	20.7	20.9	↓	20.9
PK extraction rate	(%)	5.1	5.0	↑	5.1

Oil Palm Production Trends



Sugar Plantation Highlights

Indonesia	1H23	1H22	△	FY22
Planted area (Ha)	13,199	13,592		14,056
Sugar cane harvested ('000 MT) ⁽¹⁾	412	401	3%	890
Sugar production ('000 MT) ⁽²⁾	29	24	22%	57
Brazil	1H23	1H22	△	FY22
Planted area (Ha)	132,800	127,959		119,693
Sugar cane harvested ('000 MT)	3,602	3,150	14%	8,228
Raw sugar production ('000 MT)	243	221	10%	650
Ethanol ('000 M ³)	123	116	6%	303

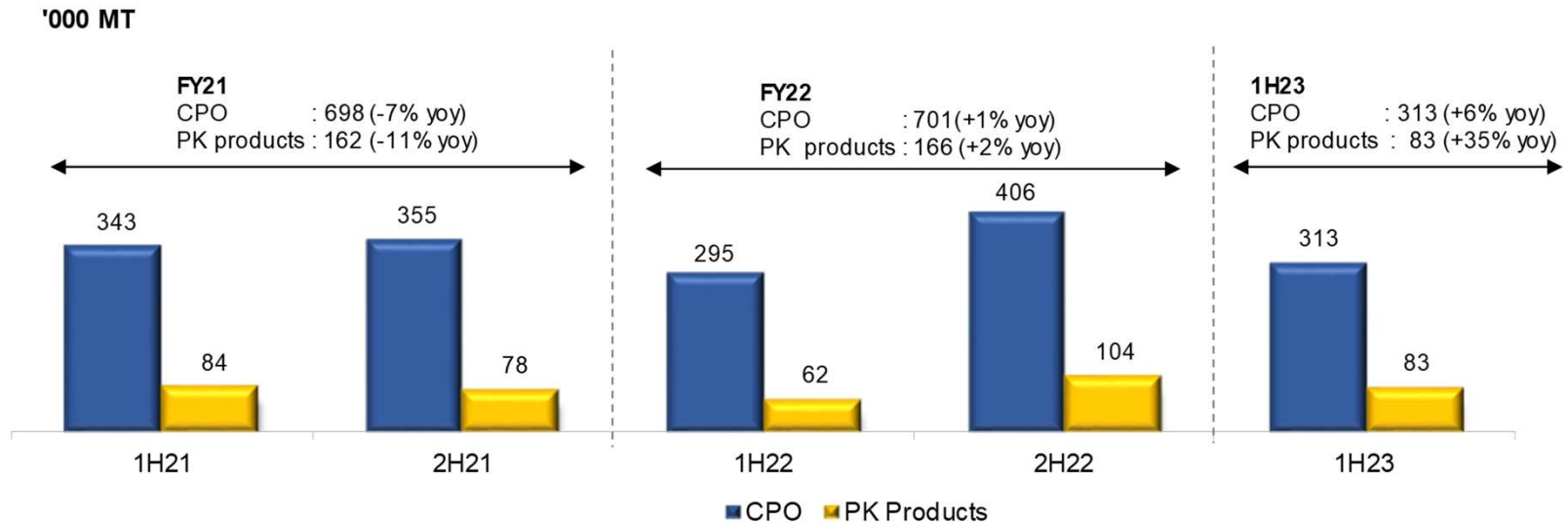
(1) Harvested cane related to South Sumatra sugar cane plantation.

(2) Sugar production related to South Sumatra plantation & LPI's share in Java.

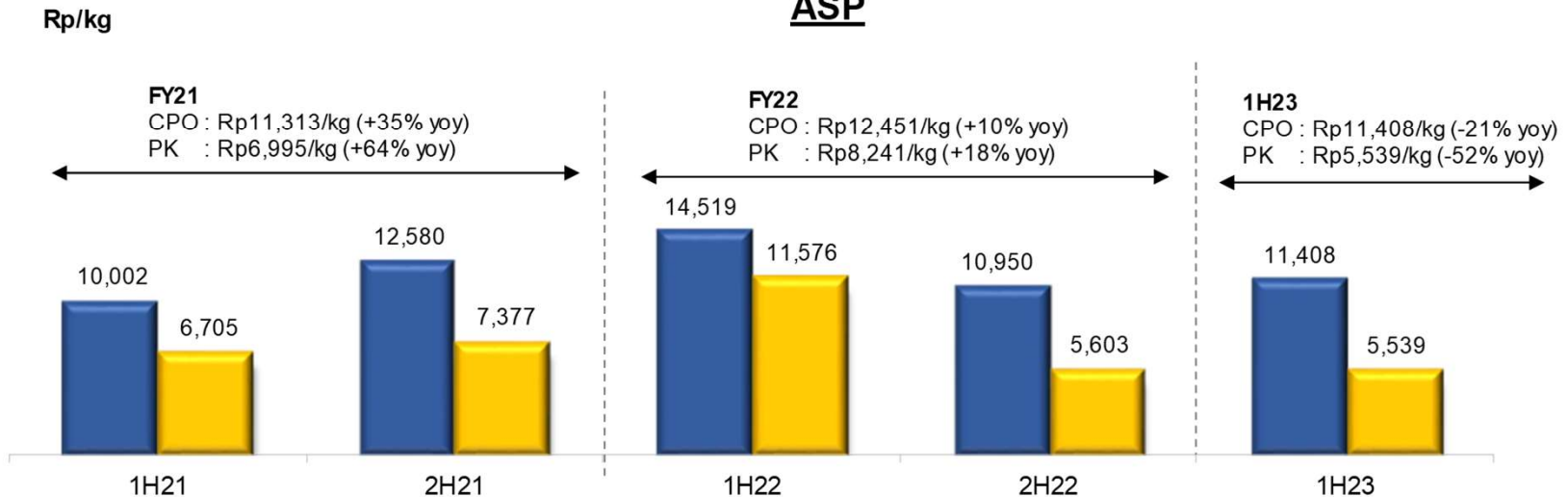
FINANCIAL HIGHLIGHTS

Oil Palm Sales Volume & Avg Selling Price (ASP)

Sales Volume



ASP



Note: CPO & PK products (PK, PKO & PKE) sales volume before elimination of inter-segment sales

* The listed figures are rounded to the nearest thousands, but the growth % are calculated based on the exact figures

Financial Summary

- Despite higher sales volume of palm products and EOF products, sales in 1H23 declined mainly due to lower selling prices of palm products and EOF products.
- Lower net profit in 1H23 was mainly due to lower gross profit and forex loss, but offset by lower operating expenses, lower loss arising from changes in fair value of biological assets and income tax expenses.

In Rp Bn	1H23	1H22	△	FY22
Sales	7,608	8,073	(6%)	17,797
Gross profit	1,233	2,163	(43%)	4,559
Adjusted EBITDA ⁽¹⁾	1,291	2,020	(36%)	4,530
Net profit after tax	93	542	(83%)	1,318
Core profit ⁽²⁾	172	816	(79%)	1,965
Attributable profit	89	252	(65%)	770
EPS (fully diluted) - Rp	64	181	(65%)	552
Gross profit margin	16%	27%	↓	26%
EBITDA margin	17%	25%	↓	25%
Net profit margin	1%	7%	↓	7%
Attributable profit margin	1%	3%	↓	4%

(1) EBITDA excluding forex, FV loss on biological assets and impairment of property, plant and equipment (PPE).

(2) NPAT before accounting for the effects of forex, FV loss on biological assets, ECL for plasma receivables, impairment of PPE and rationalisation costs.

Segmental Results

In Rp Bn	1H23	1H22	△	FY22
<u>Sales</u>				
Plantations	4,678	5,655	(17%)	11,727
Edible oils & fats	5,917	6,108	(3%)	12,679
Elimination & adjustments	(2,987)	(3,690)	(19%)	(6,609)
Total	7,608	8,073	(6%)	17,797
<u>Adjusted EBITDA</u>				
Plantations	922	2,030	(55%)	3,546
<i>EBITDA %</i>	<i>20%</i>	<i>36%</i>		<i>30%</i>
Edible oils & fats	410	272	50%	996
<i>EBITDA %</i>	<i>7%</i>	<i>4%</i>		<i>8%</i>
Elimination & adjustments ⁽¹⁾	(40)	(282)	(86%)	(12)
Total	1,291	2,020	(36%)	4,530

(1) Net effects arising from elimination of unrealised profit of inter-division inventories, SFRS adjustment and regional office income/(expenses).

Financial Position

Balance sheet (In Rp Bn)	30-Jun-23	31-Dec-22
Total Assets	37,640	38,266
Cash	4,585	4,422
Total Liabilities	14,687	15,114
Interest bearing debt	8,726	9,144
Total Equity*	22,954	23,152
Net debt / EBITDA ratio	1.60x	1.04x
Net debt / Total equity ratio	0.18x	0.20x
Net assets value per share (in Rupiah)	9,246	9,241
Net assets value per share (in SGD) **	0.83	0.83
Cash flow (In Rp Bn)	1H23	1H22
Net cash flows generated from operating activities	1,408	1,311
Net cash flows used in investing activities	(638)	(588)
Net cash flows used in financing activities	(548)	(329)
Net increase in cash & cash equivalents	222	394
Net effect of changes in forex	(59)	36
Cash & cash equivalent - Beginning	4,422	3,764
Cash & cash equivalent - Ending	4,585	4,194

STRATEGIES & EXPANSION

Key Strategies in 2023

Plantation

- Continue to prioritise our capital expenditure on replanting older palms and critical infrastructure;
- Improving FFB yields through active crop management and explore relevant innovations and mechanisation programmes to raise plantation productivity; and
- Continue to focus on cost control improvements and drive greater efficiency through digitalisation and streamlining of work processes.



Edible oils & fats

- Focus on the growth of EOF sales volumes through competitive pricing strategies;
- Continue to rejuvenate the formats and packaging designs of our cooking oils to cater to evolving consumer needs;
- To drive volume through higher promotion frequency and depth;
- Efforts will be supported by targeted advertising campaigns; and
- Packaging designs will be enhanced with auto-sealing mechanisms.



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