PUBLIC EXPOSE

PT JAPFA COMFEED INDONESIA Tbk



Memperkuat Warisan Kami

Strengthening Our Legacy

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COMPANY OVERVIEW

PT JAPFA COMFEED INDONESIA Tbk



An Introduction To Japfa Tbk

Vertically integrated agriculture Company

- One of the largest poultry players in Indonesia with net sales of Rp34.0 trillion and EBITDA of Rp4.5 trillion in 2018.
- Strategically involved in aquaculture and beef offering diversification of revenues.
- Listed on IDX for over 25 years with a market cap of Rp25.2 trillion as of 31 December 2018.
- Focus on Indonesia, an attractive animal protein market with high growth potential.

Leading market share and growth

- Japfa has maintained solid market share over the past 45 years of operations.
- Economies of scale providing advantages in terms of raw material purchases and cost efficiencies.
- Deep geographical reach to be closer to customer base and raw material suppliers.
- Strong historical net sales CAGR growth of 14.2% from 2007-2018.
- Japfa has the second largest market share for poultry feed and DOC.

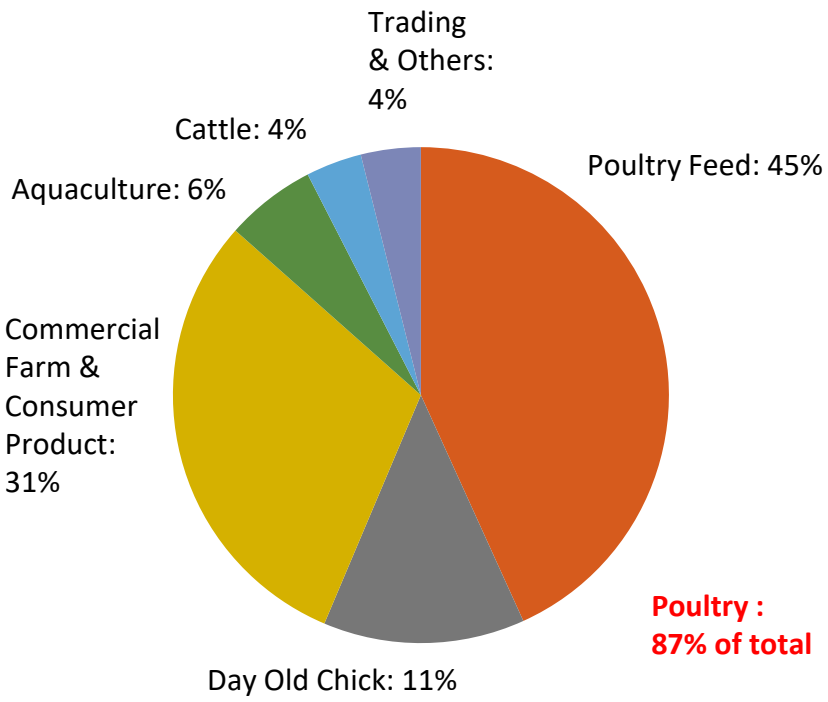
Focused on producing affordable animal protein in Indonesia

Core Competencies Across The Value Chain

	UPSTREAM		MIDSTREAM	DOWNSTREAM
	FEED	BREEDING	COMMERCIAL FARMING	PROCESSING
POULTRY DIVISION				
AQUACULTURE DIVISION				
BEEF CATTLE DIVISION				

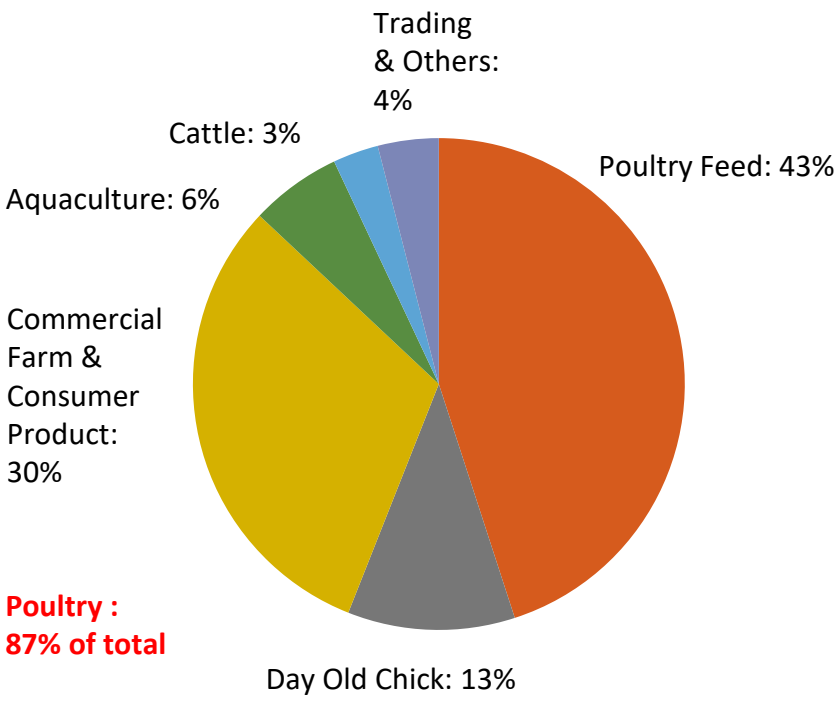
Poultry Contributes Bulk of Revenue and Feed is Core Pillar of Profitability

FY17 Sales Contribution Per Business Segment



Total FY17 Net Revenue: Rp. 29.6 Trillion

FY18 Sales Contribution Per Business Segment



Total FY18 Net Revenue: Rp. 34.0 Trillion

Diversified business with a clear focus on the poultry sector given our expertise and poultry industry dynamics

Note: The % sales contributions from operational segments shown above are based on gross sales, which exclude elimination adjustments between segments.

OPERATIONAL PERFORMANCE

PT JAPFA COMFEED INDONESIA Tbk



Flashback of 2018

The Indonesian economy grew by 5.17%, higher than the previous years' growth of 5.07%. The economic growth was driven by the increase in household consumption expenditure as well as by investments, which contributed to the economic growth by as much as 2.74% and 2.17% respectively. The growth in household consumption expenditure was supported by the Government's success in managing the inflation rate in 2018, which stood at 3.13%, lower compared to the previous year's 3.61%.

From the beginning of 2018 until Eid Al Fitri, the Day Old Chick (DOC) and broiler demand grew. However, after Eid Al Fitri until "Suro" month, DOC and broiler demand decreased and then increased again towards Christmas. In 2018, the poultry industry was better compared to previous years.

In 2018, along with the growth of the poultry industry, the Company has implemented efficiencies, through some innovations, in terms of production process, as well as internal operations. In terms of operational performance, the Company remains one of the most efficient poultry operators in Indonesia.

The low consumption of beef, chicken and fish in Indonesia provides the Company with ample opportunities to grow the business in future. We remain confident of the Company's long term prospects and sustainable growth.

FINANCIAL HIGHLIGHTS

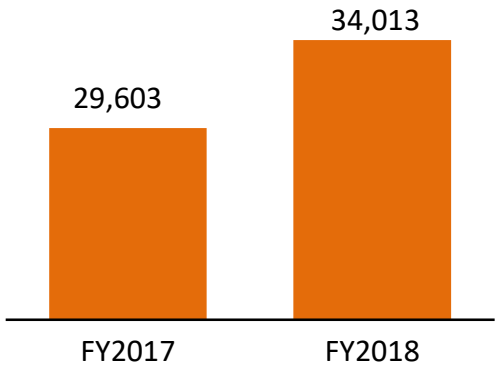
PT JAPFA COMFEED INDONESIA Tbk



Proven Financial Track Record

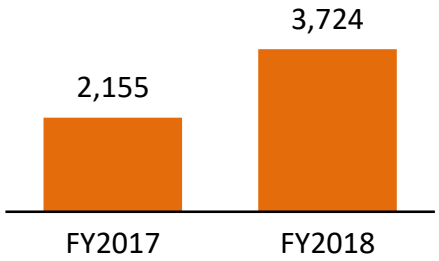
NET REVENUES

(In IDR BIllion)



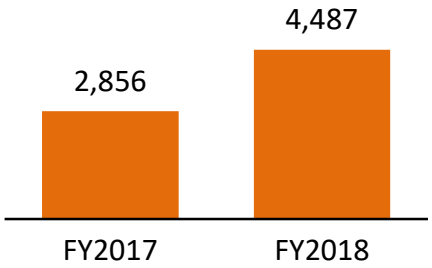
OPERATING PROFIT

(In IDR BIllion)



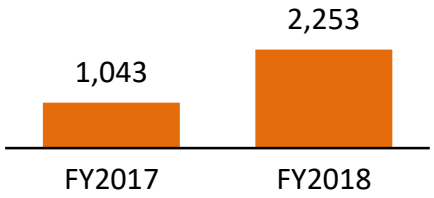
EBITDA

(In IDR BIllion)



NET PROFIT – INCLUDING *NON-CONTROLLING INTERESTS*

(In IDR Billion)

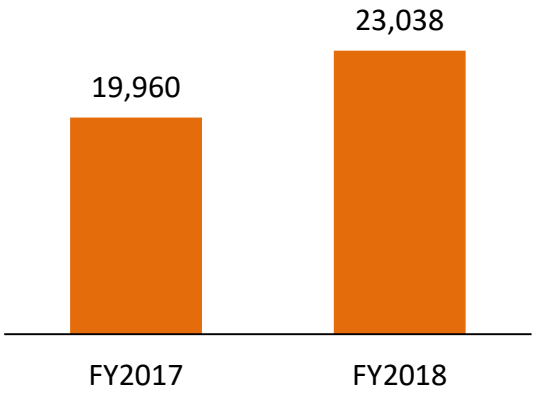


Note: Based on Company's FY 2018 Financial Results

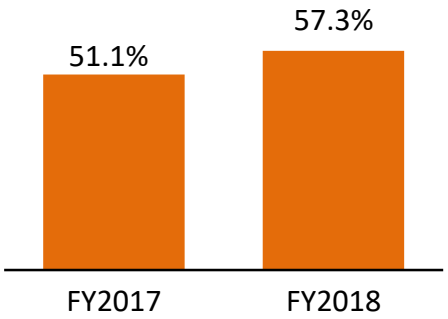
Proven Financial Track Record

TOTAL ASSETS

(In IDR Billion)

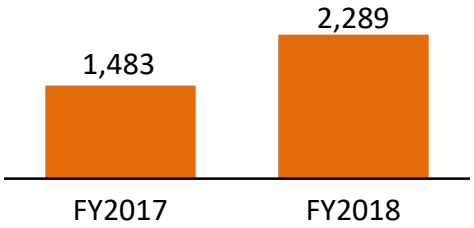


NET DEBT/EQUITY



CAPEX

(In IDR Billion)





Note: Based on Company's FY 2018 Financial Results

CHALLENGES & STRATEGIES

PT JAPFA COMFEED INDONESIA Tbk



Challenges & Strategies

Challenges

Public consumption of animal protein products remains low due to the low purchasing power of the people. Furthermore, there is lack of education on the importance of balanced nutrition for people's health.

Strategies

1. The Company makes use of its capital expenditure (capex) by taking into account consumption level, purchasing power and the Company's sustainability growth.
2. The Company performs *hedging* on its USD bond, namely for the principal and interest of the bonds. The Company also performs operational hedging for payment to suppliers of its feed's raw materials for the next 2-3 months.
3. The Company continues to focus on enhancing its operational efficiency and profitability, including improving working capital efficiencies.
4. In addition, the Company will also continue to educate the poultry and aqua farmers in Indonesia so that their products will have better quality and competitiveness.

APPENDIX

PT JAPFA COMFEED INDONESIA Tbk



Company's Operational Map



	Pabrik Pakan Ternak *Poultry Feedmills*	Medan, Padang, Lampung, Cikande, Tangerang, Purwakarta, Cirebon, Sragen, Grobogan, Sidoarjo, Gedangan, Surabaya, Banjarmasin, Makasar.
	Rumah Potong Ayam *Slaughter House*	Medan, Lampung, Parung, Sadang, Pabelan (Salatiga), Krian, Bali, Bati-Bati, Makassar, Yogyakarta
	Pengeringan Jagung *Corn Dryer*	Lampung, Brebes, Grobogan, Gowa, Parepare.
	Penggemukan Sapi *Beef Cattle Feedlot*	Lampung, Probolinggo.
	Pabrik Pakan Ikan dan Pakan Udang *Aqua Feedmills*	Medan, Lampung, Purwakarta, Gresik, Banyuwangi.

	Tambak Udang dan Pembibitan *Shrimp Ponds and Hatcheries*	Aceh, Lampung, Carita-Banten, Indramayu, Situbondo, Banyuwangi, Singaraja-Bali, Negara-Bali, Sumbawa, dan Makassar.
	Tambak Ikan dan Pembibitan *Fish Farming and Hatcheries*	Tigaras dan Tambun Raya (Danau Toba-Simalungun), Tanah Jawa-Simalungun, Medan, Cianjur, Purwakarta, Yogyakarta, Banjar-Kalsel.
	Pengolahan Hasil Ikan dan Udang *Fish and Shrimp Processing Unit*	Janggir Leto-Simalungun, Cirebon
	Pusat Riset Pakan *Aquaculture Research Center*	Cianjur, Banyuwangi
	Tambak Sidat *Eel Farming*	Banyuwangi, Situbondo
	Pengolahan Sidat *Eel Processing*	Banyuwangi
	Pabrik Karung Plastik *Woven Plastic Bag Factory*	Wonoayu-Sidoarjo
	Pabrik Vaksin Hewan *Animal Vaccine Factory*	Gunung Putri Bogor

Company's Operational Map



FARM PBD-JAPFA	Bandar Masilam (1,2,3), Kabanjahe, Talun Kenas, Pekanbaru (1,2,3), Jambi, Padang (1,2), Palembang (1,2,3), GP Palembang, Gisting, Campang, GP Lampung, Serang, Bogor, Nagrak (1,2), Parungkuda, Pamuruyan, Klapanunggal (1,2), Citapen, Darangdan, Dawuhan Sengon, Kertasari, Pawenang, Neglasari, GP Wanayasa (1,2,3,4), GP Bojong, Cipeundeuy, Subang (1,2,3), Pengandaran, Pemalang, Wonosegoro, Pati, Ngaringan, Tuntang, Jombang, GP G.Kawi, GP Tutur Pasuruan, Sukodermo, Pucangsari, Toyomarto, Lebakrejo, Sekargadung, Grati (1,2,3,4), Wongsorejo/Banyuwangi, Bali (Pupuan 1,2), Ambawang, Toho, Banjarbaru, Samarinda Tambangulang (Bati-bati), Makassar (1,2,3), Manado.

PBD: *Poultry Breeding Division*

HATCHERY PBD-JAPFA	Htc. Medan, Htc. Bandar Masilam, Htc. Padang, Htc. Pekanbaru, Htc.Jambi, Htc. Palembang, Htc. Sukajawa/Lampung, Htc. Kronjo, Htc. Cicurug, Htc. Wanayasa, Htc. Subang, Htc. Garut, Htc. Tengaran, Htc. Kediri, Htc. Wonorejo, Htc. Bali (1,2), Htc. Pontianak, Htc. Bati-bati/ Banjarbaru, Htc. Samarinda, Htc. Makassar, Htc. Palu, Htc. Manado

PBD: *Poultry Breeding Division*

THANK YOU

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