



Bumitama Agri Ltd.
Excellence Through Discipline

Fourth Quarter & Full Year 2019 Presentation

18 February 2020



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The 1, 2, 3 Growth Strategies





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To be a Leading Palm Oil Producer

**Planting & Cultivating Oil Palms
Harvesting FFB**



Nursery



Fresh Fruit Bunches

**Processing FFB into
CPO and PK**



Storage Tanks



Palm Oil mill

Products: CPO and PK



Crude Palm Oil



Palm Kernel

**Total Planted: 187,567 ha
(including Plasma) for 31 Dec 2019**

**Expansion Plan for 2020:
Target new planting of 1,000 ha**

**Total Investment for 2019:
around IDR 0.7 trillion**

**Targeted Investment for 2020:
around IDR 1.0 trillion**

**For 31 Dec 2019:
Production of CPO: 1,035,201 mt
Production of PK: 213,065 mt**

**FFB internal growth up to
10% for 2020**



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Executive Summary – FY2019

● **Production**

- FFB volumes decreased 2.1% YoY to 3,266,483 mt.
- FFB yield decreased 6.4% YoY from 20.4 mt/ha to 19.1 mt/ha.
- OER at 22.7%.
- Total planted area of 187,567 ha.

● **Financial Performance**

- Revenue decreased by 8.2% YoY to IDR 7,691 billion.
- Gross Profit decreased by 27.4% YoY to IDR 1,733 billion.
- EBITDA decreased by 29.3% YoY to IDR 1,694 billion.

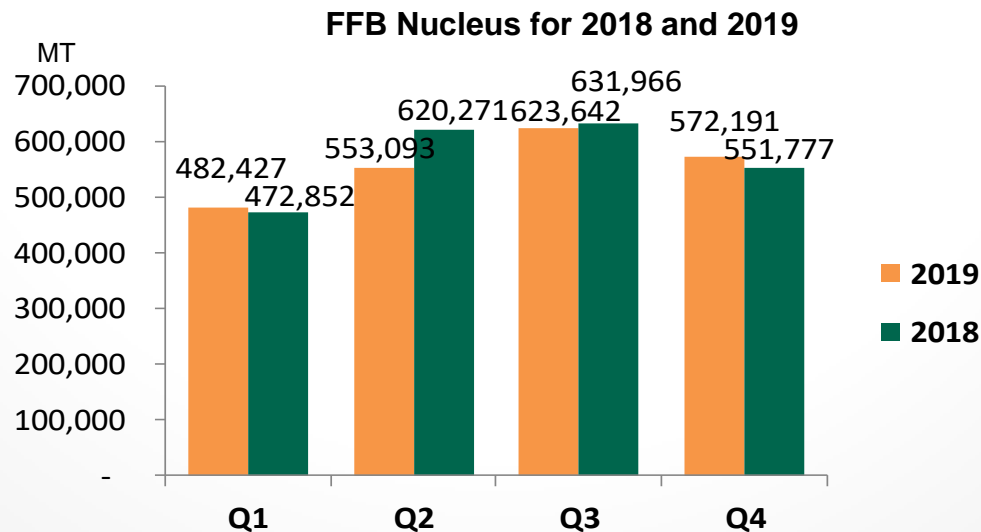


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Operational Highlight

		4Q2019	%	4Q2018	%	Change	FY2019	%	FY2018	%	Change
Production											
FFB Total	(MT)	1,187,789	100.0	1,133,050	100.0	4.8%	4,560,095	100.0	4,713,113	100.0	-3.2%
FFB Internal		838,834	70.6	807,805	71.3	3.8%	3,266,483	71.6	3,338,234	70.8	-2.1%
FFB Nucleus		572,191	48.2	551,777	48.7	3.7%	2,231,353	48.9	2,276,866	48.3	-2.0%
FFB Plasma		266,643	22.4	256,028	22.6	4.1%	1,035,130	22.7	1,061,368	22.5	-2.5%
FFB External		348,955	29.4	325,245	28.7	7.3%	1,293,612	28.4	1,374,879	29.2	-5.9%



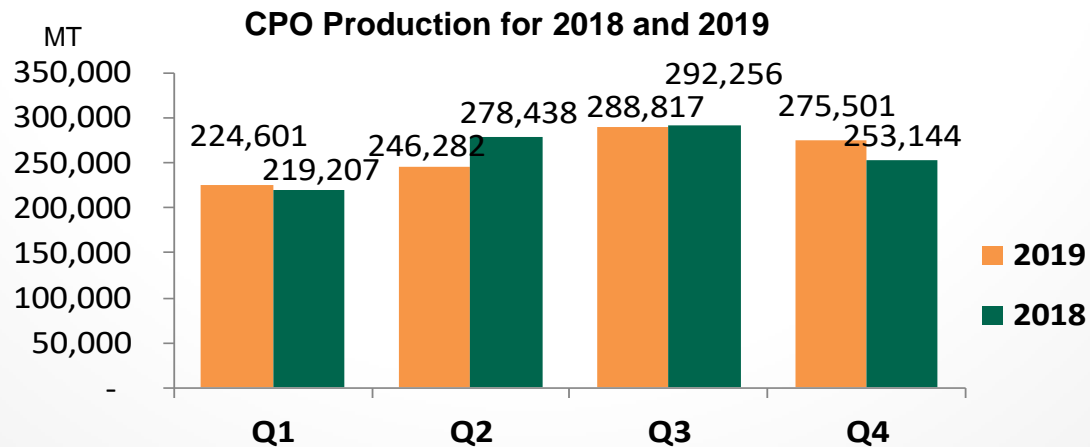


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Operational Highlight (Cont')

		4Q2019	4Q2018	Change	FY2019	FY2018	Change
CPO	(MT)	275,501	253,144	8.8%	1,035,201	1,043,045	-0.8%
PK	(MT)	57,507	48,042	19.7%	213,065	208,311	2.3%
Yield and Extraction Rate							
FFB Yield	(MT/ha)	4.9	4.9	0.0%	19.1	20.4	-6.4%
CPO Yield	(MT/ha)	1.1	1.1	0.0%	4.3	4.5	-4.4%
CPO Extraction Rate	(%)	23.0%	22.2%	3.6%	22.7%	22.1%	2.7%
PK Extraction Rate	(%)	4.8%	4.2%	14.3%	4.7%	4.4%	6.8%





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Planted Area

	As at 31 December 2019		As at 31 December 2018		Change
	Area (ha)	% of Total	Area (ha)	% of Total	Area (ha)
Planted Nucleus	132,643	70.7	132,431	71.5	212
- Old & Mature	117,590	62.7	113,238	61.1	4,352
- Immature	15,053	8.0	19,193	10.4	-4,140

- As at 31 December 2019 the planted Plasma is 54,924 ha.

Weighted average age of 10.6 years as at 1 January 2020



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Sales Revenue and Volume

	4Q2019	4Q2018	Change	FY2019	FY2018	Change
Sales Revenue (IDR million)						
- Crude Palm Oil	2,104,436	1,972,093	6.7%	6,944,502	7,295,653	-4.8%
- Palm Kernel	187,502	231,415	-19.0%	746,839	1,081,717	-31.0%
Sales Volume (MT)						
- Crude Palm Oil	294,077	325,389	-9.6%	1,037,050	1,038,471	-0.1%
- Palm Kernel	57,822	53,162	8.8%	218,657	204,605	6.9%
Average Sales Price (IDR/KG)						
- Crude Palm Oil	7,156	6,061	18.1%	6,696	7,025	-4.7%
- Palm Kernel	3,243	4,353	-25.5%	3,416	5,287	-35.4%



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Income Statement Highlight

IDR million	4Q2019	4Q2018	Change	FY2019	FY2018	Change
Revenue	2,291,938	2,203,508	4.0%	7,691,341	8,377,370	-8.2%
Gross profit	579,769	522,489	11.0%	1,733,092	2,387,237	-27.4%
Net profit	326,058	253,671	28.5%	840,341	1,295,338	-35.1%
Net profit attributable to owners of the company	261,455	207,369	26.1%	686,313	1,097,080	-37.4%
EBITDA	577,985	508,438	13.7%	1,693,903	2,394,650	-29.3%
Gross margin (%)	25.3%	23.7%	6.8%	22.5%	28.5%	-21.1%
Net profit margin (%)	14.2%	11.5%	23.5%	10.9%	15.5%	-29.7%
EBITDA margin (%)	25.2%	23.1%	9.1%	22.0%	28.6%	-23.1%



Appendix to the Announcement FY2019: Translation of Unaudited Financial Statements to USD

Income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	4th Quarter			FY		
	2019 USD thousand	2018 USD thousand	Change %	2019 USD thousand	2018 USD thousand	Change %
Revenue	162,016	154,671	4.7%	543,699	588,033	-7.5%
Cost of sales	(121,033)	(117,996)	2.6%	(421,187)	(420,465)	0.2%
Gross profit	40,983	36,675	11.7%	122,512	167,568	-26.9%
Interest income	3,414	3,149	8.4%	13,196	11,571	14.0%
Fair value changes in biological assets	1,407	(3,345)	n.m.	1,407	(3,345)	n.m.
Selling expenses	(6,678)	(6,297)	6.1%	(24,944)	(19,664)	26.9%
General and administrative expenses	(4,432)	(3,928)	12.8%	(20,822)	(18,440)	12.9%
Finance cost	(4,060)	(3,773)	7.6%	(16,975)	(14,025)	21.0%
Foreign exchange gain/(loss)	5,794	1,357	n.m.	11,290	(4,011)	n.m.
Other (expenses)/income, net	(1,987)	(478)	n.m.	(1,319)	46	n.m.
Profit before income tax	34,441	23,360	47.4%	84,345	119,700	-29.5%
Income tax expense	(11,393)	(5,554)	105.1%	(24,941)	(28,776)	-13.3%
Profit for the period/year	23,048	17,806	29.4%	59,404	90,924	-34.7%
Attributable to:						
Owners of the Company	18,481	14,556	27.0%	48,516	77,008	-37.0%
Non-controlling interests	4,567	3,250	40.5%	10,888	13,916	-21.8%
	23,048	17,806	29.4%	59,404	90,924	-34.7%
<i>Check</i>						

n.m. – not meaningful

Notes: The reporting currency for Bumitama is in IDR but for illustrative purpose USD is used here. The income and expense for each unaudited income statement presented are translated at average exchange rates at each respective period (Source: Bank Indonesia middle rate).



Appendix to the Announcement FY2019: Translation of Unaudited Financial Statements to USD

Statement of Financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31-Dec-2019	31-Dec-2018	31-Dec-2019	31-Dec-2018
	USD thousand	USD thousand	USD thousand	USD thousand
ASSETS				
Non-current assets				
Plasma receivables	175,663	118,519	-	-
Property, plant and equipment	253,637	238,850	227	239
Bearer plants	542,212	518,164	-	-
Land use rights	68,635	66,213	-	-
Investment in subsidiaries	-	-	147,166	147,166
Investment in associate companies	-	-	-	10,639
Intangible assets	12,801	12,252	-	-
Derivative financial assets	2,190	-	2,190	-
Deferred tax assets	19,476	15,967	-	-
Due from subsidiaries	-	-	526,553	495,480
Loan to an associate company	-	5,710	-	5,710
Total Non-current assets	1,074,614	975,675	676,136	659,234
Current assets				
Biological assets	19,302	17,154	-	-
Inventories	47,395	40,909	-	-
Deferred charges	526	590	-	4
Trade and other receivables	25,172	33,136	24	13
Due from related companies	4	3	-	-
Plasma receivables	8,559	15,164	-	-
Prepayments and advances	2,731	1,289	9	74
Dividend receivables	-	-	15,092	-
Prepaid taxes	40,345	37,531	4	6
Cash and short-term deposits	36,239	20,651	2,539	2,806
Total Current assets	180,273	166,427	17,668	2,903
Total Assets	1,254,887	1,142,102	693,804	662,137

Notes: The reporting currency for Bumitama is in IDR but for illustrative purpose USD is used here. The assets and liabilities for each unaudited statement of financial position presented are translated at closing exchange rates at each respective period (Source: Bank Indonesia middle rate).

Appendix to the Announcement FY2019: Translation of Unaudited Financial Statements to USD

	Group		Company	
	31-Dec-2019	31-Dec-2018	31-Dec-2019	31-Dec-2018
	USD thousand	USD thousand	USD thousand	USD thousand
LIABILITIES AND EQUITY				
Current liabilities				
Loans and borrowings	45,000	55,000	45,000	55,000
Islamic medium term notes	-	241,185	-	241,185
Trade and other payables	54,467	53,509	2	154
Accrued operating expenses	13,854	14,490	3,712	4,460
Dividend payable to non-controlling interests	1,584	-	-	-
Sales advances	4,121	893	-	-
Income taxes payable	4,743	7,735	12	-
Derivative financial liabilities	-	71,025	-	71,025
Total Current liabilities	123,769	443,837	48,726	371,824
Non-current liabilities				
Deferred tax liabilities	8,993	8,858	-	-
Loans and borrowings	267,625	64,560	267,625	64,560
Islamic medium term notes	170,960	-	170,960	-
Post employment benefits	5,085	3,363	-	-
Total Non-current liabilities	452,663	76,781	438,585	64,560
Total Liabilities	576,432	520,618	487,311	436,384
Net Assets	678,455	621,484	206,493	225,753
Equity attributable to owners of the Company				
Share capital	130,993	130,993	130,993	130,993
Treasury shares	(10,909)	(9,938)	(10,909)	(9,938)
Other reserves	(15,024)	(15,602)	248	(330)
Retained earnings	504,816	487,009	19,188	36,935
Foreign currency translation reserve	(38,912)	(69,976)	66,973	68,093
	570,964	522,486	206,493	225,753
Non-controlling interests	107,491	98,998	-	-
Total Equity	678,455	621,484	206,493	225,753

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Appendix to the Announcement FY2019: Translation of Unaudited Financial Statements to USD

A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

CASH FLOW	4th Quarter		FY	
	2019	2018	2019	2018
	USD thousand	USD thousand	USD thousand	USD thousand
Cash flows from operating activities				
Cash receipts from customers	150,665	124,331	556,490	571,090
Cash payments to suppliers, employees and for other operating expenses	(114,257)	(95,086)	(443,818)	(432,505)
Income tax paid	(6,550)	(4,633)	(27,427)	(32,070)
Net cash flows generated from operating activities	29,858	24,612	85,245	106,515
Cash flows from investing activities				
Increase in plasma receivables	(7,316)	(6,015)	(32,745)	(26,611)
Investment in intangible assets	(206)	-	(249)	(244)
Investment in bearer plants	(6,858)	(11,600)	(22,603)	(23,783)
Purchase of property, plant and equipment	(9,490)	(9,453)	(24,498)	(20,380)
Investment in land use rights	(522)	(845)	(2,417)	(5,366)
Proceeds from sale of shares and loan repayment from associate company	3,929	-	3,929	-
Interest received	3,367	3,040	12,832	11,175
Net cash flows used in investing activities	(17,096)	(24,873)	(65,751)	(65,209)
Cash flows from financing activities				
Proceeds from loans and borrowings	-	5,346	295,549	35,712
Repayment of loan and borrowings	-	-	(100,025)	(20,455)
Proceeds from issuance of Islamic Medium Term Notes	-	-	167,012	-
Repayment of Islamic Medium Term Notes	-	-	(314,873)	-
Payment of dividend	-	(4,499)	(31,252)	(40,018)
Buy-back of ordinary shares	-	(188)	(971)	(188)
Contribution from non-controlling interests	-	4,318	-	4,318
Interest paid	(2,672)	(781)	(20,282)	(15,263)
Net cash flows (used in)/generated from financing activities	(2,672)	4,196	(4,842)	(35,894)
Net increase in cash and cash equivalents	10,090	3,935	14,652	5,412
Effect of exchange rate changes on cash and cash equivalents	565	281	936	(757)
Cash and cash equivalents at beginning of period/year	25,584	16,435	20,651	15,996
Cash and cash equivalents at end of period/year	36,239	20,651	36,239	20,651

Notes: The reporting currency for Bumitama is in IDR but for illustrative purpose USD is used here. The unaudited cash flow statement presented is translated at average exchange rates at each respective period (Source: Bank Indonesia middle rate).



Appendix to the Announcement FY2019: Translation of Unaudited Financial Statements to USD

Cash Flows from Operating Activities:	4th Quarter		FY	
	2019	2018	2019	2018
	USD thousand	USD thousand	USD thousand	USD thousand
Profit before income tax	34,441	23,360	84,345	119,700
Depreciation and amortisation	10,879	9,717	42,223	38,578
Finance cost	4,060	3,773	16,975	14,025
Interest income	(3,414)	(3,149)	(13,196)	(11,571)
Post employment benefits	1,384	1,283	1,384	1,283
Unrealized foreign exchange (gain)/loss	(3,348)	6,799	(8,875)	3,402
Other expenses	2,092	-	2,092	-
Fair value changes in biological assets	(1,407)	3,345	(1,407)	3,345
Operating cash flows before working capital changes	44,687	45,128	123,541	168,762
Decrease/(increase) in:				
- Trade and other receivables	(11,470)	(20,959)	9,090	(13,433)
- Inventories	4,362	31,029	(4,696)	(10,448)
- Prepaid taxes	15,663	13,282	(1,227)	(11,095)
- Prepayments and advances	(1,552)	108	(1,367)	(562)
- Deferred charges	56	11	86	(53)
(Decrease)/increase in:				
- Trade and other payables	2,123	(9,439)	(1,064)	17,176
- Accrued operating expenses	(1,767)	(579)	(10,461)	(1,158)
- Other taxes payable	(15,540)	(20,761)	(3,915)	(7,423)
- Sales advances	297	(8,031)	3,136	(2,637)
Employee benefits contribution paid	(451)	(544)	(451)	(544)
Cash flows generated from operations	36,408	29,245	112,672	138,585
Income tax paid	(6,550)	(4,633)	(27,427)	(32,070)
Net cash flows generated from operating activities	29,858	24,612	85,245	106,515

Notes: The reporting currency for Bumitama is in IDR but for illustrative purpose USD is used here. The unaudited cash flow statement presented is translated at average exchange rates at each respective period (Source: Bank Indonesia middle rate).



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