



Growth • Excellence • Integrity

Kencana Agri Limited



**FY 2020
Performance Review**

Overview of Group's Operations



Plantation and Processing



Location :
Sumatra, Kalimantan, Sulawesi



Palm Oil Mills	: 6
Total Capacity	: 305 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

Supporting Business



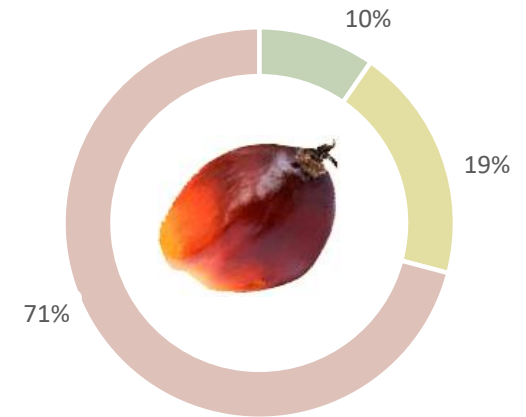
Biomass Power Plant - 3
Total Capacity : 19.5 MW

As announced on 31 October 2019, 12 December 2019, 23 January 2020, 24 March 2020 and 5 May 2020, the Company and its wholly-owned subsidiary, PT Sawindo Kencana, entered into a Conditional Share Sale and Purchase Agreement with a related party, PT Kencana Energi Lestari Tbk. to dispose its 78.5% equity interests in a subsidiary, PT Cahaya Permata Gemilang (CPG). PT CPG indirectly owns 2 biomass power plants with total capacity of 12 MW. The remaining power plant has ceased operations.

Planted Area



	Immature	%	Young Mature	%	Prime Mature	%	Total	%
Nucleus	3,899	7	11,268	22	36,513	71	51,680	100
Plasma	2,680	16	1,998	12	11,792	72	16,470	100
Total	6,579	10	13,266	19	48,305	71	68,150	100



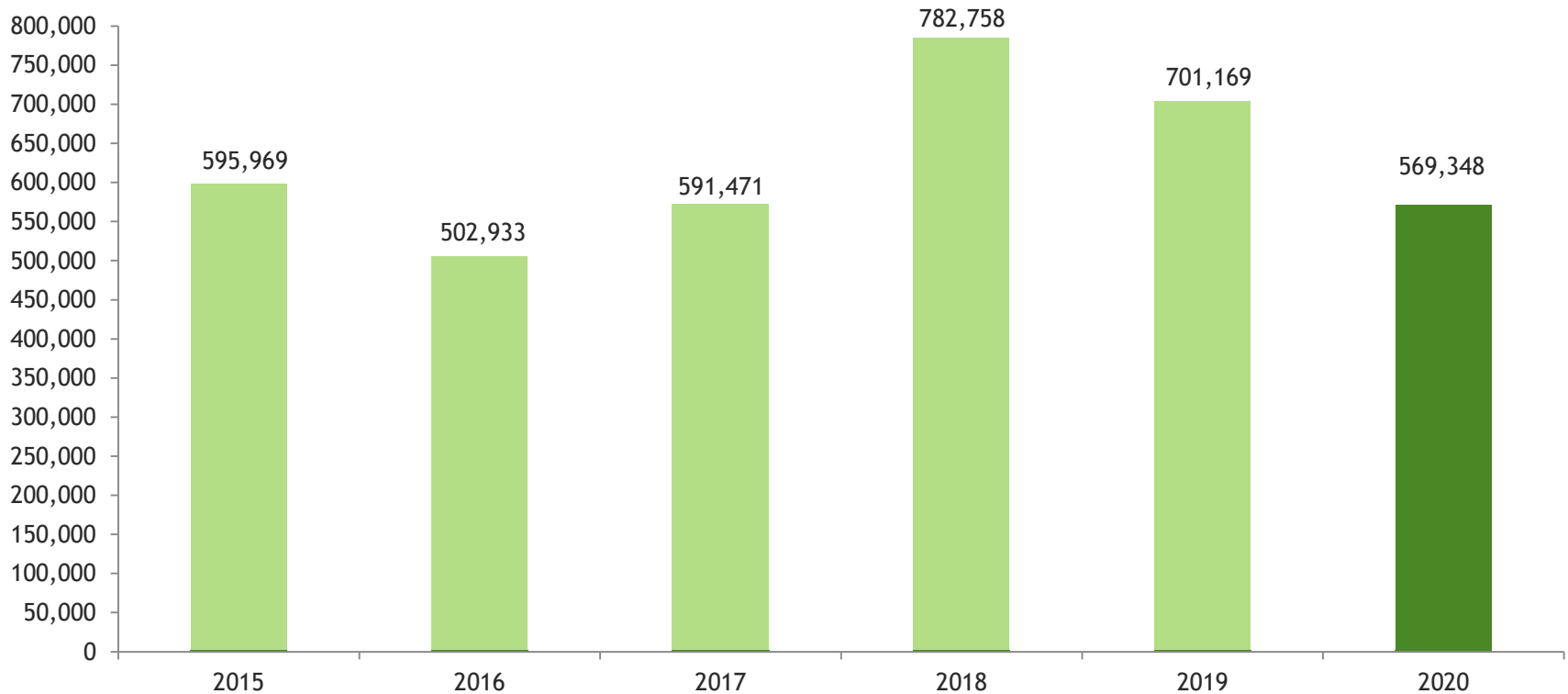
Operational Performance



Production Highlights	FY 2020	FY 2019	Change
FFB Production (MT)	702,633	885,624	-20.7%
- Nucleus	569,348	701,169	-18.8%
- Plasma	133,285	184,455	-27.7%
FFB Processed (MT)	689,917	896,729	-23.1%
- Nucleus	536,133	667,917	-19.7%
- Plasma	127,378	182,254	-30.1%
- External Parties	26,406	46,558	-43.3%
Oil Extraction rates (%)			
- CPO	21.6%	21.0%	+2.9%
- CPKO	-	-	n/m
Oil Production (MT)			
- CPO (MT)	148,837	187,899	-20.8%
- CPKO (MT)	-	-	n/m
FFB Yield (MT/ha) – Nucleus	11.9	14.9	-20.1%

FFB Production Trend (Nucleus)

MT



Financial Performance



Financial Highlights	FY 2020	FY 2019	Change
Sales Volume (MT)			
- CPO	169,060	201,526	-16.1%
- CPKO	-	-	n/m
Sales Revenue (US\$'000)			
- CPO	90,767	90,749	n/m
- CPKO	-	-	n/m
- OTHERS*	13,517	13,316	+1.5%
Average Selling Price (US\$)			
- CPO	537	450	+19.3%
- CPKO	-	-	n/m

*) Others include sales of Kernel, FFB and income from bulking

Financial Performance



Income Statement Highlights (US\$'000)

	FY 2020	FY 2019	Change
Revenue	104,284	104,065	+0.2%
Gross profit	28,181	22,345	+26.1%
Operating profit	26,452	15,948	+65.9%
Gain/(Loss) before tax from continuing operations	4,021	1,404	+186.4%
Discontinued operations	-	(2,435)	n/m
Profit/(Loss) for the period	4,021	(12,821)	n/m
EBITDA	31,275	23,888	+30.9%
Gross margin (%)	27.0	21.5	+5.5pp
Net profit margin (%)	3.9	-12.3	+16.2pp
EBITDA margin (%)	30.0	23.0	+7.0pp

n/m: not meaningful

Financial Performance



Balance Sheet Highlights (US\$'000)

	As at 31 Dec 2020	As at 31 Dec 2019	Change
Current Assets	90,739	93,351	-2.8%
Non-current Assets	243,696	265,145	-8.1%
Total Assets	334,435	358,496	-6.7%
Current Liabilities	110,453	147,761	-25.2%
Non-current Liabilities	210,291	200,879	+4.7%
Total Liabilities	320,744	348,640	-8.0%
Shareholders' Equity	13,691	9,856	+38.9%
Net Debt/Equity Ratio (x)	17.1	24.0	-28.8%
Net Debt/Total Assets (x)	0.7	0.7	n/m
Net Debt/EBITDA (x)	7.5	9.9	-24.2%
EBITDA/Interest Expense (x)	1.9	1.2	+58.3%

n/m: not meaningful

Financial Performance



Cash Flow (US\$'000)

	FY 2020	FY 2019	Change
Cash at beginning of period	12,028	7,466	+61.1%
Net cash from operating activities	20,013	44,588	-55.1%
Net cash used in investing activities	(1,442)	(2,390)	-39.7%
Net cash used in financing activities	(26,745)	(38,336)	-30.2%
Net increase (decrease) in cash	(8,174)	3,862	n/m
Net effect of exchange rate changes on cash and cash equivalents	(228)	700	n/m
Cash at end of period	3,626	12,028	-69.9%

n/m: not meaningful



Thank You

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