

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1(a)(i). A statement of comprehensive income (for the group) together with a comparative statement for the corresponding year of the immediately preceding financial year.

	FY 2020 Rp ' million	FY 2019 Rp ' million	Change %
Revenue	14,474,700	13,650,388	6.0
Cost of sales	(11,556,095)	(11,624,774)	(0.6)
Gross Profit	2,918,605	2,025,614	44.1
Gross Profit %	20.2%	14.8%	
Selling and distribution expenses	(497,923)	(516,474)	(3.6)
General and administrative expenses	(734,029)	(958,073)	(23.4)
Foreign exchange (loss)/ gain	(44,712)	11,322	n/m
Other operating income	83,137	90,165	(7.8)
Other operating expenses	(126,042)	(284,128)	(55.6)
Share of results of associate companies	(249,324)	(67,976)	266.8
Share of results of joint ventures	126,670	16,612	n/m
Gain arising from changes in fair value of biological assets	3,108	190,353	(98.4)
Profit from operations	1,479,490	507,415	191.6
Financial income	71,040	86,091	(17.5)
Financial expenses	(744,347)	(856,928)	(13.1)
Profit/ (loss) before tax	806,183	(263,422)	n/m
Income tax expenses	(642,617)	(446,294)	44.0
Net profit/ (loss) for the year	163,566	(709,716)	n/m
Core profit/ (loss) after tax ⁽¹⁾	694,896	(585,188)	n/m
Profit/ (loss) attributable to:			
Owners of the Company	19,913	(411,353)	n/m
Non-controlling interests	143,653	(298,363)	n/m
	163,566	(709,716)	n/m
Other comprehensive income (OCI):			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation	(85,647)	(79,531)	7.7
Items that will not be reclassified to profit or loss			
Change in fair value of available-for-sale financial asset	(49)	134	n/m
Re-measurement gain on employee benefits liability	409,438	92,052	344.8
Share of OCI of an associate company and joint ventures	(160,107)	3,463	n/m
Other comprehensive income, net of tax	163,635	16,118	n/m
Total comprehensive income	327,201	(693,598)	n/m
Total comprehensive income attributable to:-			
Owners of the Company	2,729	(435,287)	n/m
Non-controlling interests	324,472	(258,311)	n/m
	327,201	(693,598)	n/m

Notes

n/m denotes "Not Meaningful"

(1) Net profit/ (loss) before accounting for the effects of foreign exchange, fair value gain on biological assets, expected credit losses for plasma receivables, impairment of fixed assets, adjustment of deferred tax due to changes in tax rate and share of non-recurring loss of an associate company.

Additional Information: -

Adjusted earnings before interests and tax expense, depreciation and amortization ("EBITDA")

	FY 2020 Rp million	FY 2019 Rp million	Change %
Profit from operations	1,479,490	507,415	191.6
Add: Depreciation & amortisation	1,484,962	1,522,327	(2.5)
EBITDA	2,964,452	2,029,742	46.1
Less: Gain arising from changes in fair value of biological assets	3,108	190,353	(98.4)
Less: Foreign exchange (loss)/ gain	(44,712)	11,322	n/m
Add: Share of non-recurring loss of an associate company	172,852	-	n/m
Add: Impairment of goodwill	-	33,890	n/m
Add: Impairment of fixed assets	2,580	46,863	(94.5)
Adjusted EBITDA	3,181,488	1,908,820	66.7
Adjusted EBITDA %	22.0%	14.0%	

1(a)(ii). Profit before income tax is arrived at after charging/(crediting) the following significant items.

Other information:-	FY 2020 Rp million	FY 2019 Rp million	Change %
Depreciation of property, plant and equipment	1,355,847	1,393,674	(2.7)
Amortisation of deferred charges, right of use assets and others	129,115	128,653	0.4
Interest on borrowings	725,406	842,031	(13.9)
Allowance for uncollectible and loss arising from changes in amortised cost	54,861	138,550	(60.4)
Write-off of property, plant and equipment	57	3,677	(98.4)
Gain on disposal of property, plant and equipment	(1,368)	(1,135)	20.5
Changes in provision for asset dismantling costs	4,027	3,184	26.5
Impairment of goodwill	-	33,890	n/m
Impairment of fixed assets	2,580	46,863	(94.5)

n/m denotes "Not Meaningful"

1(b)(i). A 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	
	31/12/2020 Rp ' million	31/12/2019 Rp ' million	31/12/2020 Rp ' million	31/12/2019 Rp ' million
Non-current assets				
Biological assets	313,452	314,739	-	-
Property, plant and equipment	19,374,353	19,557,327	29,044	32,712
Right of use of assets	1,967,628	1,990,617	-	-
Goodwill	3,211,427	3,211,427	-	-
Claims for tax refund	105,716	205,949	-	-
Deferred tax assets	570,877	936,354	-	-
Investment in subsidiary companies	-	-	10,706,846	10,706,846
Investment in associate companies	1,538,001	1,766,098	439,254	551,139
Investment in joint ventures	664,037	830,258	-	-
Amount due from a subsidiary	-	-	970,000	1,070,000
Advances and prepayments	333,716	478,775	-	-
Other non-current receivables	1,602,580	1,509,152	10	10
Total non-current assets	29,681,787	30,800,696	12,145,154	12,360,707
Current assets				
Inventories	2,671,909	2,253,714	-	-
Trade and other receivables	1,300,032	1,320,175	90,144	90,032
Advances and prepayments	340,544	320,137	150	145
Prepaid taxes	230,281	370,931	-	-
Biological assets	777,388	717,620	-	-
Assets held for sale	41,795	41,795	-	-
Cash and cash equivalents	2,446,494	1,787,462	18,539	69,129
Total current assets	7,808,443	6,811,834	108,833	159,306
Total assets	37,490,230	37,612,530	12,253,987	12,520,013
Current liabilities				
Trade and other payables and accruals	2,013,849	1,894,905	109,075	109,859
Advances and other payables	341,192	313,488	-	-
Lease liabilities	43,918	30,066	-	-
Interest-bearing loans and borrowings	6,583,123	6,910,876	190,418	166,812
Income tax payable	222,187	22,711	3	2
Total current liabilities	9,204,269	9,172,046	299,496	276,673
Net current liabilities	(1,395,826)	(2,360,212)	(190,663)	(117,367)

	Group		Company	
	31/12/2020 Rp ' million	31/12/2019 Rp ' million	31/12/2020 Rp ' million	31/12/2019 Rp ' million
Non-current liabilities				
Interest-bearing loans and borrowings	4,772,696	4,640,873	631,904	808,344
Amounts due to related parties and other payables	516,143	509,859	-	-
Provisions	39,219	35,191	-	-
Lease Liabilities	20,125	52,943	-	-
Employee benefits liabilities	1,913,683	2,424,489	-	-
Deferred tax liabilities	577,167	613,725	20,325	13,982
Total non-current liabilities	7,839,033	8,277,080	652,229	822,326
Total liabilities	17,043,302	17,449,126	951,725	1,098,999
Net assets	20,446,928	20,163,404	11,302,262	11,421,014
Equity attributable to owners of the Company				
Share capital	3,584,279	3,584,279	10,912,411	10,912,411
Treasury shares	(390,166)	(390,166)	(390,166)	(390,166)
Revenue reserves	7,924,032	7,675,350	635,865	754,617
Other reserves	194,209	442,529	144,152	144,152
	11,312,354	11,311,992	11,302,262	11,421,014
Non-controlling interests	9,134,574	8,851,412	-	-
Total equity	20,446,928	20,163,404	11,302,262	11,421,014

1(b)(ii). Aggregate amount of the Group's borrowings and debt securities.

	Group	
	31/12/2020 Rp ' million	31/12/2019 Rp ' million
Interest bearing debt payable in one year or less, or on demand		
Secured *	2,150,705	2,202,064
Unsecured	4,432,418	4,708,812
Sub-total	6,583,123	6,910,876
Interest bearing debt repayable after one year		
Secured *	3,390,792	3,832,529
Unsecured	1,381,904	808,344
Sub-total	4,772,696	4,640,873
Total borrowings and debt securities	11,355,819	11,551,749

Details of the collaterals

* The above bank borrowings are secured by corporate guarantees of a subsidiary in proportion to its equity ownerships.

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

	FY 2020 Rp ' million	FY 2019 Rp ' million
Cash flows from operating activities		
Profit/ (loss) before taxation	806,183	(263,422)
Adjustments for:		
Depreciation and amortisation	1,484,962	1,522,327
Realisation of deferred costs	156,128	204,660
Unrealised foreign exchange loss/ (gain)	30,753	(18,806)
Provision of allowance for doubtful account	97	-
Gain arising from changes in fair value of biological assets	(3,108)	(190,353)
Allowance for uncollectible and loss arising from changes in amortised cost	54,861	138,550
Write-off of property, plant and equipment	57	3,677
Gain on disposal of property, plant and equipment	(1,368)	(1,135)
Changes in allowance for decline in market value and obsolescence of inventories	(8,486)	(12,108)
Changes in provision for asset dismantling costs	4,027	3,184
Change in estimated liability for employee benefits	152,890	372,228
Share of results of associate companies	249,324	67,976
Share of results of joint ventures	(126,670)	(16,612)
Impairment of goodwill	-	33,890
Impairment of fixed assets	2,580	46,863
Financial income	(71,040)	(86,091)
Financial expenses	744,347	856,928
Operating cash flows before changes in working capital	3,475,537	2,661,756
Changes in working capital:		
Other non-current receivables	232,098	(3,913)
Inventories	(409,709)	186,758
Trade and other receivables	13,900	64,801
Advances to suppliers	(17,679)	(133,684)
Prepaid taxes and advances	172,180	32,997
Trade and other payables and accruals	(29,112)	(72,307)
Cash flows from operations	3,437,215	2,736,408
Interest received	70,985	86,847
Interest paid	(727,927)	(838,016)
Income tax paid	(241,405)	(322,097)
Net cash flows from operating activities	2,538,868	1,663,142

	FY 2020 Rp ' million	FY 2019 Rp ' million
Cash flows from investing activities		
Additions to property, plant and equipment	(1,157,984)	(1,575,016)
Additions to land-use right	(45,252)	(83,696)
Additions to biological assets	(194,004)	(186,314)
Increase in plasma receivables	(152,250)	(213,811)
Proceeds from disposal of property, plant and equipment	2,592	11,197
Advances for projects and purchases of fixed assets	(28,557)	(92,556)
Investment in a joint venture	-	(74,634)
Investment in associate companies	-	(373,766)
Net cash flows used in investing activities	(1,575,455)	(2,588,596)
Cash flows from financing activities		
Proceeds from interest-bearing loans and borrowings	2,103,428	4,130,756
Repayment of interest-bearing loans and borrowings	(2,335,272)	(3,670,189)
Proceeds from amount due to related parties	6,284	82,000
Dividend payment by subsidiaries to non-controlling interests	(41,310)	(52,325)
Dividend payment to Company's shareholders	-	(36,662)
Advance for shares subscription	-	98,000
Payment of principal portion of lease liability	(47,253)	(46,452)
Net cash flows (used in)/ from financing activities	(314,123)	505,128
Net increase/ (decrease) in cash and cash equivalents	649,290	(420,326)
Effect of changes in exchange rates on cash and cash	9,742	(21,081)
Cash and cash equivalents at the beginning of the year	1,787,462	2,228,869
Cash and cash equivalents at the end of the year	2,446,494	1,787,462

1(d)(i). A statement (for the issuer and group) showing either (i) all the changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENT OF CHANGES IN EQUITY

	Group		Company	
	31/12/2020 Rp ' million	31/12/2019 Rp ' million	31/12/2020 Rp ' million	31/12/2019 Rp ' million
<u>Issued Share</u>				
Balance as at 1 January / 31 December	3,584,279	3,584,279	10,912,411	10,912,411
<u>Treasury shares of the Company</u>				
Balance as at 1 January / 31 December	(390,166)	(390,166)	(390,166)	(390,166)
<u>Reserves</u>				
Balance as at 1 January (FRS	7,675,350	8,075,562	754,617	743,615
Cumulative effects of adopting SFRS(l) 16	-	(3,762)	-	-
Adjusted balance as at 1 January	7,675,350	8,071,800	754,617	743,615
Dividend payment	-	(36,662)	-	(36,662)
Actuarial loss on employee benefits liability	228,769	51,565	-	-
Net profit/ (loss) for the year	19,913	(411,353)	(118,752)	47,664
Balance as at 31 December	7,924,032	7,675,350	635,865	754,617
<u>Other Reserves*</u>				
Balance as at 1 January	442,529	517,935	144,152	144,152
Share of other comprehensive loss of joint ventures	(173,971)	(6,532)	-	-
Share of other comprehensive gain/ (loss) of an associate company	13,864	9,995	-	-
Foreign currency translation	(85,815)	(79,042)	-	-
Unrealised (loss)/ gain for available-for-sales investment	(31)	80	-	-
Employee share based compensation reserve	(2,367)	93	-	-
Balance as at 31 December	194,209	442,529	144,152	144,152
<u>Non-controlling Interests</u>				
Balance as at 1 January	8,851,412	9,065,583	-	-
Cumulative effects of adopting SFRS(l) 16	-	(1,535)	-	-
Adjusted balance as at 1 January	8,851,412	9,064,048	-	-
Dividend payment	(41,310)	(52,325)	-	-
Advance for shares subscription	-	98,000	-	-
Actuarial gain on employee benefits liability	180,669	40,487	-	-
Foreign currency translation	168	(489)	-	-
Unrealised (loss)/ gain for available-for-sales investment	(18)	54	-	-
Net profit/ (loss) for the year	143,653	(298,363)	-	-
Balance as at 31 December	9,134,574	8,851,412	-	-
Total Equity	20,446,928	20,163,404	11,302,262	11,421,014

Notes:

(1) The issued capital of the Group differs from that of the Company as a result of applying the reverse acquisition accounting in accordance with the former Singapore Financial Reporting Standard framework, SFRS 103. It represents the total of the deemed cost of acquisition immediately before the Acquisition and issue/placement of new shares by the Company subsequent to the Acquisition.

* Other reserves comprise capital reserves of subsidiary companies, gain on sale of treasury shares and foreign currency translation differences.

1(d)(ii). Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issue of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at end of the current financial period reported on and as at end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

The Company did not issue any shares during the period. As of 31 December 2020 and 31 December 2019, the number of issued shares was 1,447,782,830, of which 51,878,300 shares were held as treasury shares.

There were no outstanding convertibles as at 31 December 2020 and 31 December 2019.

1(d)(iii). To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	Company	
	31/12/2020 (' 000)	31/12/2019 (' 000)
Total number of issued shares	1,447,783	1,447,783
Less: Treasury shares	(51,878)	(51,878)
Total number of issued shares excluding treasury shares	1,395,905	1,395,905

1(d)(iv). A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Treasury Shares	Company	
	No of shares ('000)	Amount Rp ' million
Balance as at 1 January and 31 December 2020	51,878	390,166

1(d)(v). A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

This consolidated financial information has not been audited nor reviewed by the external auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial years beginning on or after 1 January 2020. The adoption of these new standards did not have any material effect on the financial performance or position of the Group.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends; (a) Based on weighted average number of ordinary shares on issue and (b) On a fully diluted basis (detailing any adjustments made to the earnings).

Basic earnings per share amounts are calculated by dividing earnings for the period attributable to the equity holders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is calculated on the same basis as the basic earnings per share except that the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential ordinary shares. The Company has no dilutive potential ordinary shares as at 31 December 2020.

	FY 2020 Rp ' million	Group FY 2019 Rp ' million	Change %
Earnings per share (Rp)			
Based on weighted average number of share	14	(295)	n/m
Based on a fully diluted basis	14	(295)	n/m

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the: (a) Current financial period reported on; and (b) immediately preceding financial year.

The net asset value per share for the Group is calculated using the Group's net asset value attributable to equity holders as at end of each period divided by the issued share capital of 1,395,904,530 (excluding 51,878,300 held as treasury shares) as of 31 December 2020 and 31 December 2019.

	Group		Company	
	31/12/20	31/12/19	31/12/20	31/12/19
Net asset value per share (Rp)	8,104	8,104	8,097	8,182
Net asset value per share (SGD 'cents) (converted at Rp10,644 /S\$1)	76.1	76.1	76.1	76.9

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Review of Group Performance

	FY 2020 Rp ' million	FY 2019 Rp ' million	%
Revenue			
Plantations			
External sales	3,024,394	3,385,528	(10.7)
Inter-segment sales *	5,432,924	4,906,178	10.7
Sub-total	8,457,318	8,291,706	2.0
Edible Oils & Fats **			
External sales	11,450,306	10,264,860	11.5
Inter-segment sales	814	2,847	(71.4)
Sub-total	11,451,120	10,267,707	11.5
Elimination of inter-segment sales	(5,433,738)	(4,909,025)	10.7
Total revenue to external parties	14,474,700	13,650,388	6.0
Gross Profit	2,918,605	2,025,614	44.1
Gross Profit %	20.2%	14.8%	

* Comprises mainly internal CPO sales to the Group's own refineries

** Comprises mainly cooking oil, margarine and copra-based products

Financial Performance

Overview: CPO prices collapsed at the start of 2020 due to lower fuel and biodiesel demand as a combined result of global lockdowns and movement control measures, and oil price war between OPEC and Russia. However CPO prices recovered in the second half of the year due to tight supplies, stronger demand and increased prices of competing vegetable oils. CPO prices (CIF Rotterdam) was at an average of USD719 per tonne in FY2020, as compared with USD572 per tonne in FY2019.

Amid challenging market conditions and the pandemic in FY2020, the Group reported an improved set of result with higher revenue and profit, supported by higher selling prices of palm and edible oil products.

The Group reported net profit after tax of Rp164 billion in FY2020, reversing from net loss of Rp710 billion in FY2019. The significant improvement was largely due to higher gross profit arising from higher selling prices and lower G&A expenses. This was partly offset by share of non-recurring losses of an associate, lower biological gain and higher income tax expense.

Revenue: In FY2020, the Group's consolidated revenue (after elimination of inter-segment sales) increased 6% to Rp14,475 billion despite challenging market conditions and COVID-19, mainly due to higher selling prices of palm products (CPO +24%, PK +21%) and EOF products. This was partly offset by lower sales volume of palm products and EOF products.

Plantation Division's revenue increased 2% in FY2020 mainly attributable to higher selling prices of palm products. This was partly offset by lower sales volume of CPO in line with lower production.

Our fresh fruit bunches (FFB) nucleus production declined 9% due to adverse weather conditions and replanting activities. The same weather conditions also affected our plasma smallholders, leading to a 12% decline in our CPO production.

EOF Division's revenue grew by 12% in FY2020 mainly attributable to higher selling prices. The EOF Division was affected by lower demand from HORECA (hotels, restaurants and catering). The Division's consumer cooking oils and margarine products recorded positive growth, this was driven by more families cooking and dining at home during the pandemic.

Cost of sales: Lower cost of sales was mainly due to lower sales volume of palm products and edible oil products.

Gross profit: The Group's gross profit improved significantly by 44% compared to FY2019 mainly driven by higher prices of palm products and EOF products.

General and Administrative Expenses (G&A): G&A expenses decreased 23% in FY2020 mainly due to lower salaries and related costs, and lower travelling expenses arising from movement control measures.

Other Operating Expenses: Lower other operating expenses against prior year was mainly due to lower allowance for uncollectible and loss arising from changes in amortised cost of Rp84 billion. In FY2019, the Group recognised an impairment of asset and goodwill of Rp81 billion.

Foreign Exchange (Loss)/ Gain: The foreign exchange impacts were principally attributable to the translation of US dollar denominated loans, assets and liabilities. In FY2020, the Group recognised a foreign currency loss of Rp45 billion compared to Rp11 billion gain in FY2019. The foreign currency loss was mainly due to weakening of Indonesia Rupiah against US Dollar to Rp14,105/US\$ as of 31 December 2020 versus Rp13,901/US\$ as of 31 December 2019.

Share of Results of Associate Companies: The Group reported higher share of losses from its associate companies in FY2020, largely relating to the loss-making sugar assets in Philippines. The Group recognised Rp173 billion one-off impairment loss on assets and goodwill, and catch-up of depreciation relating to a sugar asset previously classified as held for sale.

Share of Results of Joint Ventures: In FY2020, the Group reported higher share of profit of Rp127 billion compared Rp17 billion in FY2019. This was mainly due to higher prices of sugar and ethanol, and higher sales volume of sugar. In the 2020 crushing season, our Brazilian mills achieved a record crushing of 7.65 million tonnes of sugar cane compared to 6.1 million tonnes in 2019 season. The increase was contributed by our fully rehabilitated C napolis mill which started operations in 2020, as well as higher crushing recorded by the existing two mills.

Gain arising from Changes in Fair Values of Biological Assets: The Group reported Rp3 billion gain arising from changes in fair value of biological assets in FY2020 as a result of higher FFB prices. In FY2019, the biological assets gain of Rp190 billion was mainly due to higher prices and production volume of FFB compared to a year ago.

Profit from Operations: The Group reported higher profit from operations of Rp1,479 billion compared to profit of Rp507 billion mainly due to higher gross profit and lower G&A expenses. This was partly offset by higher share of non-recurring losses of an associate and lower biological gain.

Financial Income: The Group's financial income decreased 18% in FY2020 mainly due to lower fixed deposit income.

Financial Expenses: The Group's financial expenses decreased by 13% in FY2020 mainly due to lower blended interest rate in line with lower benchmark interest rates.

Income Tax Expense: The Group recognised higher income tax expenses of Rp643 billion in FY2020 compared to Rp446 billion in FY2019, largely due to deferred tax adjustments as a result of tax rate revision in Indonesia and higher corporate income tax arising from higher taxable income.

Net Profit/ (Loss) After Tax: In FY2020, the Group reported a profit of Rp164 billion compared to a loss of Rp710 billion in FY2019. This was mainly due to higher profit from operations as explained above and lower financial expenses, but partly offset by higher income tax expense.

The Group reported attributable profit to equity holders of Rp20 billion, as compared with attributable loss of Rp411 billion in FY2019. Core profit was Rp695 billion in FY2020 compared to a core loss of Rp585 billion in last year.

Review of Financial Position

The Group reported total non-current assets of Rp29.7 trillion as at December 2020 compared to Rp30.8 trillion in December 2019. The decrease was mainly due to lower property, plant and equipment, lower deferred tax assets arising from lower tax losses carried forward, lower carrying value of investment in associate companies and joint ventures, and lower advances.

As at December 2020, the Group reported total current assets of Rp7.8 trillion compared to Rp6.8 trillion as at December 2019. This was mainly due to increase in cash balances arising from higher cash flows generated from operating activities, and higher CPO and stearin stock in the refineries.

The current liabilities of the Group maintained at Rp9.2 trillion. There were higher trade and other payables and accruals, and income tax payable which offset by lower short-term interest-bearing loans and borrowings as a result of the refinancing of certain short-term facilities to long-term facilities.

The Group reported lower net current liabilities of Rp1.4 trillion in December 2020 compared to Rp2.4 trillion in December 2019 mainly due to higher cash and lower proportion of short-term interest-bearing loans and borrowings as at December 2020.

The Group total non-current liabilities decreased 5% from Rp8.3 trillion as at December 2019 to Rp7.8 trillion as at December 2020. The decrease was mainly due to lower employee benefits liabilities which were determined based on the actuarial calculations in accordance with the provisions of the Indonesian Labor Law.

As at December 2020, the Group's net debt to total equity ratio decreased from 0.48 times as at December 2019 to 0.44 times. This was mainly due to the combined effects of higher cash and lower gross debts compared to prior year end.

Review of Cash Flows

The Group reported higher cash flows from operation of Rp2,539 billion in FY2020 compared to Rp1,663 billion in FY2019 arising from improved operational results.

Net cash flows used in investing activities were lower at Rp1,575 billion in FY2020 compared to Rp2,589 billion in FY2019. The decline was largely due to lower additions of property, plant and equipment in 2020, as well as no investments made in 2020 compared to Rp448 billion in 2019.

The Group recorded net cash outflows of Rp314 billion in financing activities in FY2020 compared to cash flows generated from financing activities of Rp505 billion in FY2019. This was mainly due to net repayment of loan instalments during FY2020.

The Group's cash level increased from Rp1,787 billion as at December 2019 to Rp2,446 billion as at December 2020 largely due to higher cash flows generated from operating activities and lower investing activities.

9. *Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.*

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The economic uncertainties arising from the ongoing US-China trade tensions and COVID-19 outbreak, as well as erratic weather patterns will affect crop production and commodity prices. CPO prices are sensitive to the demand of key import markets, like China and India, together with Indonesia's domestic demand growth and biodiesel mandate, the demand of substitutes such as soy oil, and the movement of crude oil prices which affect discretionary biodiesel demand.

The roll-out of COVID-19 vaccination programmes world-wide could potentially improve consumer confidence and demands. Amidst the volatile commodity price environment, our focus in 2021 is to prioritise our capital investment in growth areas, improve cost control, and pursue innovations that can raise plantation productivity. Other planned activities include replanting on older oil palm plots in Riau and North Sumatra, increase FFB yields through active crop management, and maximise asset utilisation by increasing mechanisation. In anticipation of more FFB production from newly developed areas, we are expanding production capacity in East Kalimantan with the construction of a 45-tonnes-per-hour FFB mill which will be ready in 2021.

At the end of September 2020, we completed a legal restructuring exercise to consolidate the sugar assets and operations in Brazil under CMAA, and all the freehold land assets under a real estate company, Bússola. Both CMAA and Bússola are 50:36.21:13.79 joint ventures held by JF Family, the Group and Rio Grande, respectively. The restructuring will help to strengthen CMAA's balance sheet.

11. If a decision regarding dividend has been made.

(a) Current Financial Period Reported On

Any dividend recommended for the current financial year reported on?

No dividend has been declared/ recommended for the financial year 2020.

(b) Any dividend declared for the previous corresponding period?

No dividend has been declared for the financial year ended 31 December 2019.

12. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No dividend has been declared/ recommended for the financial year 2020 in view of the financial position of the Company i.e. Indofood Agri Resources Ltd.

13. **Disclosure of the aggregate value of the transactions conducted under the shareholders' mandate for interested person transaction Rule 920(1)(a)(ii) of the Listing Manual.**

The Group has the following the interest person transactions ("IPT") for full year 2020:

Name of Interested Person	Aggregate value of all IPT during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPT conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	Rp 'billion	Rp 'billion
PT ISM Group		
<ul style="list-style-type: none"> • Sales of cooking oil, margarine and others • Purchase of goods, services and assets 	- -	4,231 137
Salim Group		
<ul style="list-style-type: none"> • Sales of cooking oil, seeds and material • Purchases of goods and services • Shareholder loans • Corporate guarantees • Reorganisation – transfer of Livakovic Participações S.A. to CMAA and merger of Canápolis with CMAA 	- - - - 638	2,065 653 1,476 32,615 -

14. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

In Rp' million	Plantations	Edible Oil &Fats	Others/ eliminations**	Total
<u>Full Year 2020</u>				
<u>Revenue</u>				
External sales	3,024,394	11,450,306	-	14,474,700
Inter-segments sales	5,432,924	814	(5,433,738)	-
Total Revenue	8,457,318	11,451,120	(5,433,738)	14,474,700
<u>Results</u>				
Segment profit	1,205,070	486,312	(164,600)	1,526,782
Segment profit %	14.2	4.2	3.0	10.5
Foreign exchange loss				(44,712)
Impairment of fixed assets				(2,580)
Net financial costs				(673,307)
Profit before tax				806,183
Income tax expense				(642,617)
Net Profit for the year				163,566

In Rp' million	Plantations	Edible Oil &Fats	Others/ eliminations**	Total
<u>Full Year 2019</u>				
<u>Revenue</u>				
External sales	3,385,528	10,264,860	-	13,650,388
Inter-segments sales	4,906,178	2,847	(4,909,025)	-
Total Revenue	8,291,706	10,267,707	(4,909,025)	13,650,388
<u>Results</u>				
Segment profit	135,168	512,223	(70,545)	576,846
Segment profit %	1.6	5.0	1.4	4.2
Foreign exchange gain				11,322
Impairment of goodwill				(33,890)
Impairment of fixed assets				(46,863)
Net financial costs				(770,837)
Loss before tax				(263,422)
Income tax expense				(446,294)
Net loss for the year				(709,716)

** Others/eliminations include elimination adjustments for inter-division sales and purchases, net unrealised margins arising from inter-division sales and purchases and regional office's overhead costs.

Revenue by Geographical Market

	31/12/2020		31/12/2019		Change
	Rp' million	%	Rp' million	%	%
Indonesia	12,782,615	88.3%	11,743,065	86.0%	8.9
Asia	1,450,258	10.0%	1,669,900	13.0%	(13.2)
Europe	37,920	0.3%	40,642	0.0%	(6.7)
Africa, Middle East & Oceania	165,494	1.1%	165,330	1.0%	0.1
America	38,413	0.3%	31,451	0.0%	22.1
Total revenue	14,474,700	100.0%	13,650,388	100.0%	6.0

- 15 . ***In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.***

Please refer to Para 8 and 10 above.

16. **A breakdown of sales as follows:-**

	2020	2019	
	Rp' million	Rp' million	% Increase
(a) Sales reported for first half year	6,872,594	6,501,631	5.7
(b) Operating loss after tax before deducting non -controlling interests reported for first half year	(575,288)	(522,982)	10.0
(c) Sales reported for second half year	7,602,106	7,148,757	6.3
(d) Operating loss after tax before deducting non - controlling interests reported for second half year	738,854	(186,734)	n/m

17. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-**

Please refer to Para 11 above.

18. **Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).**

The Company confirms that it has procured undertakings from all its directors and executive officers in the form set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

19. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, we confirm that no persons occupying managerial positions in the Company or any of its principal subsidiaries who are a relative of a director or Chief Executive Officer or substantial shareholder of the Company.

BY THE ORDER OF THE BOARD

Mark Julian Wakeford
Chief Executive Officer and Executive Director
1 March 2021