



BUMITAMA AGRI

Excellence through discipline

Quarterly Performance

First Half of 2023



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Executive Summary – First Half of 2023



Accelerated performance in the most recent quarter

- 2Q23 was an inflection point for Bumitama as key performance metrics showed significant improvement across the board, over the previous quarter figures
 - Revenue, net profit, and EBITDA in 2Q23 have progressed by 9%, 77%, and 99% respectively, versus 1Q23
 - Revenue from CPO and PK climbed 8% and 20% respectively, as both volume and price increased QoQ
 - Higher economies of scale as harvesting activities within plantation estates gathered pace amidst the mini peak cycle
 - Average selling price for both CPO and PK have also managed to rise slightly QoQ, amidst lower market price recorded by MDEX (Malaysia Derivative Exchange) and KPBN (PT Kharisma Pemasaran Bersama Nusantara)
 - EBITDA margin rebounded to 35.1% in 2Q23, from 19.1% in 1Q23, and 7.4 percentage points higher than the quarterly average in the past 5 years

Are we there yet?

- The Fed decided to proceed with 25-basis points hike in the recent meeting held late July. Is it the final one in this economic tightening cycle?
 - June inflation in the US has plunged to 3% in annual terms, from a high of 9% in the same month last year, should we start thinking about rate cuts in the months ahead?
- Price outlook for palm oil, has the downtrend ended?
 - While it had been a solid agreement early this year that average price in 2023 would decline from last year's record of around MYR 5,000 per ton, will the downtrend continue in 2024 or will it start to rebound?
- For Bumitama, we are increasingly confident that the low cycle is behind us and production proportion in the second half of 2023 will be the bigger share of the year
 - Hence, the robust performance in the 2Q23 period could serve as the transition towards a more supportive environment, after having gone through soft performance in the previous two quarters which were dominated by subdued output, falling palm oil price, and elevated cost pressure from fertilizer

Note:

- Net profit stated above is attributable to Owners of the Company
- QoQ is comparison between 2Q23 and 1Q23 periods



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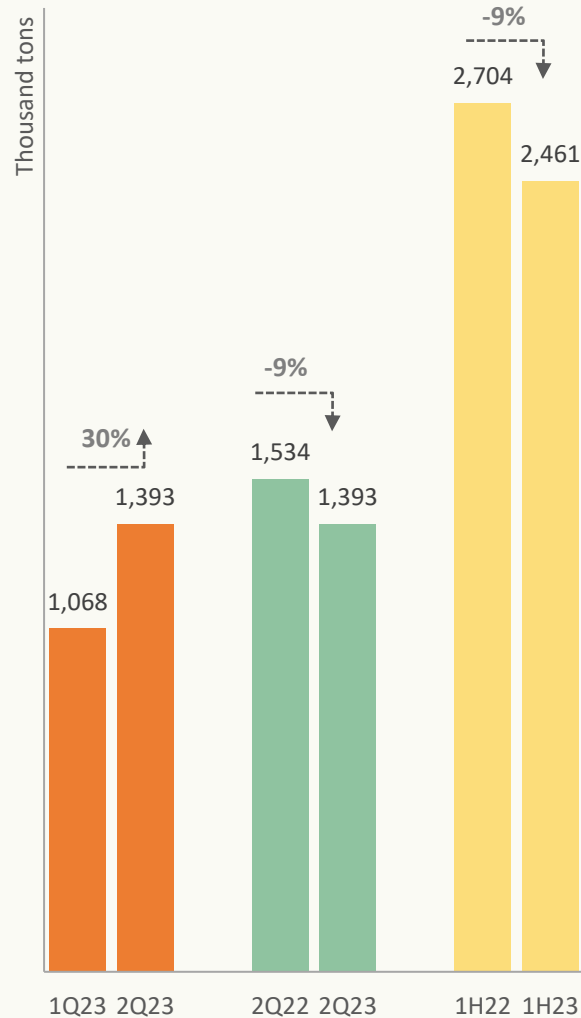
Appendix

FFB Harvest

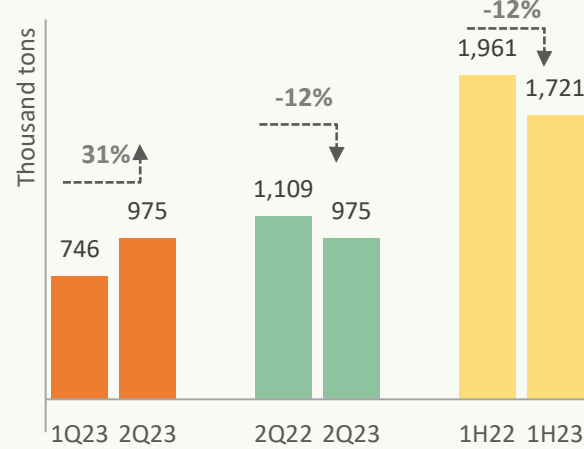


Strong QoQ recovery in production volume and yield productivity in 2Q23

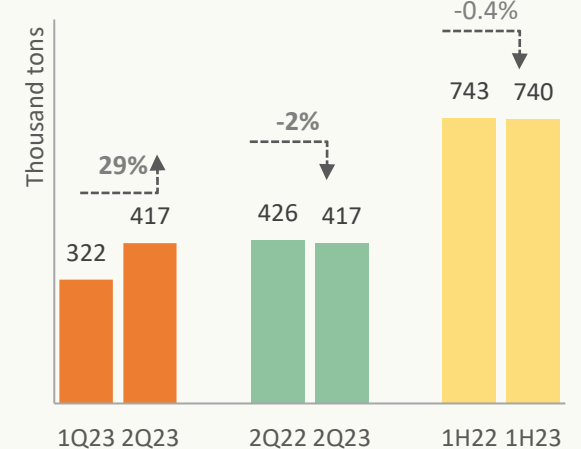
Total



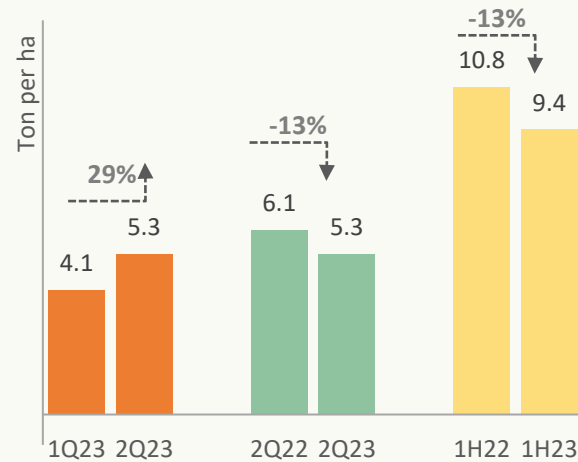
Internal



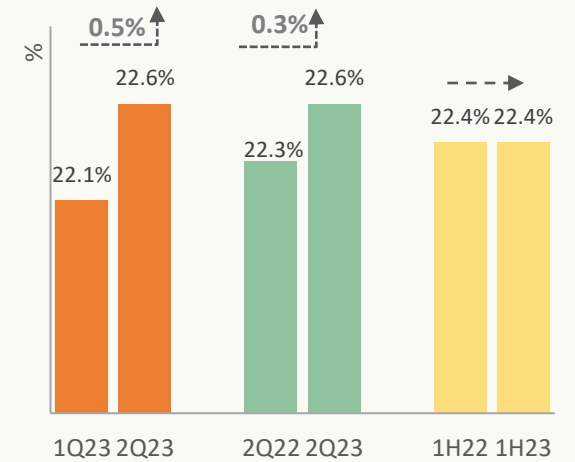
External



FFB Yield



OER

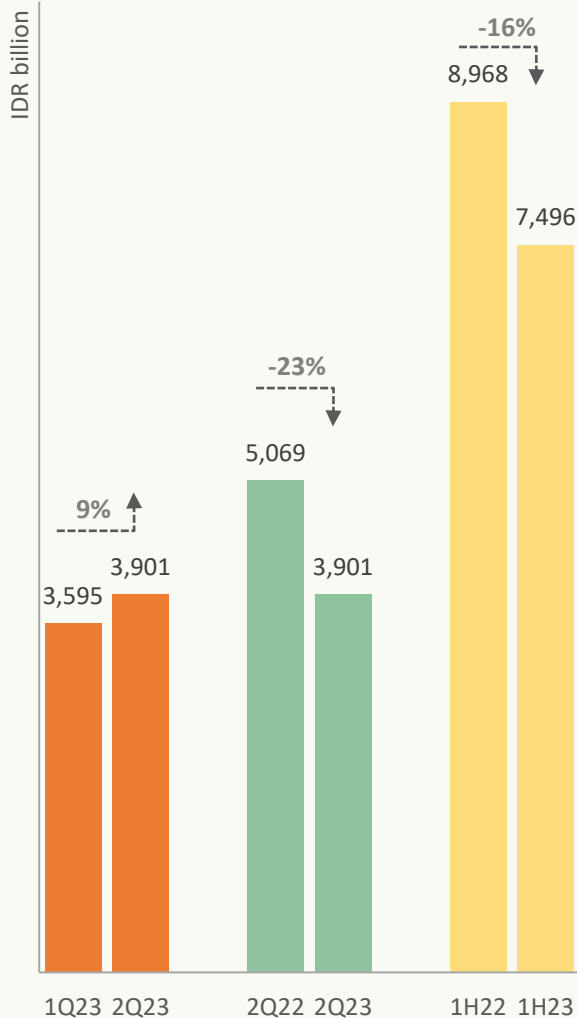




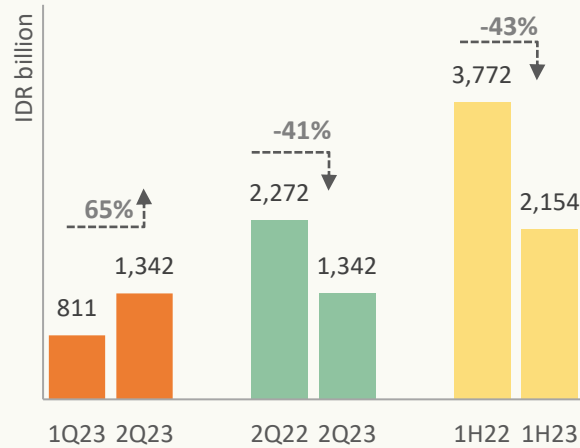
Income Statement Highlights

The QoQ recovery in production and productivity paved the way for higher scale of economy

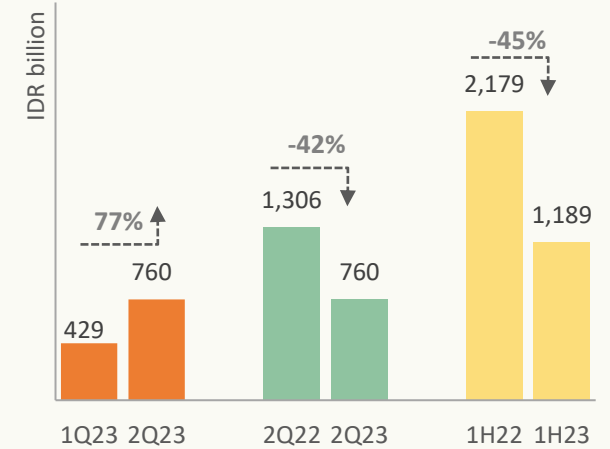
Revenue



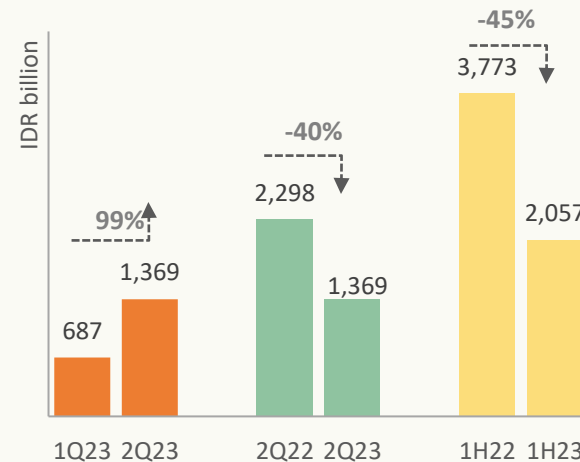
Gross Profit



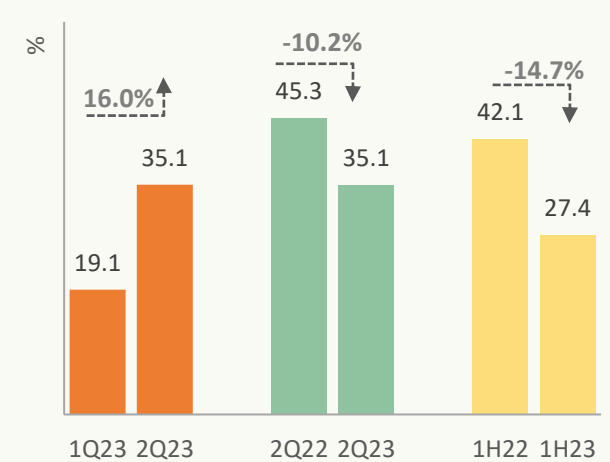
Net Profit*



EBITDA



EBITDA Margin



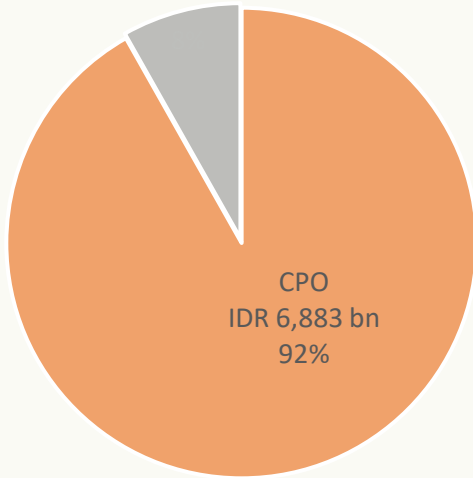
Note:

* Net profit stated above is attributable to Owners of the Company

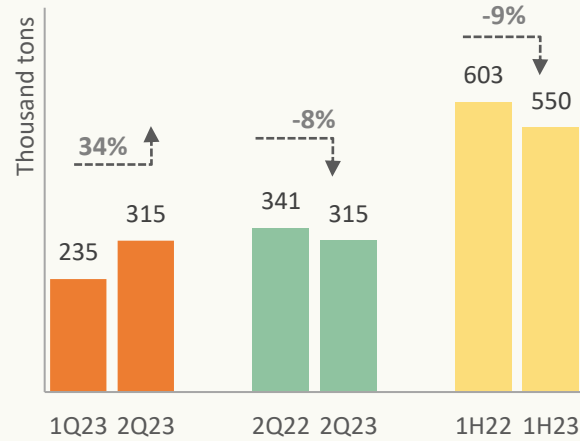
Crude Palm Oil (CPO)



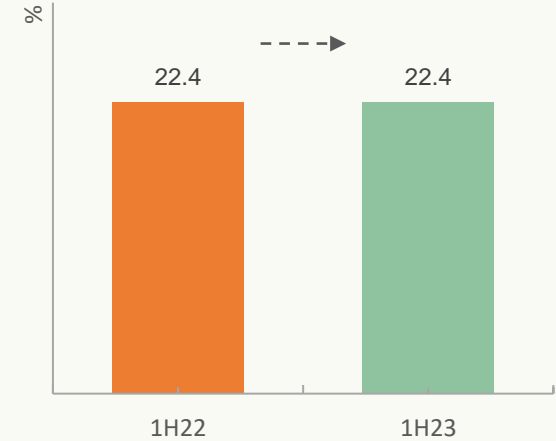
Higher QoQ performance in ASP amidst double-digit drop in market average within the period



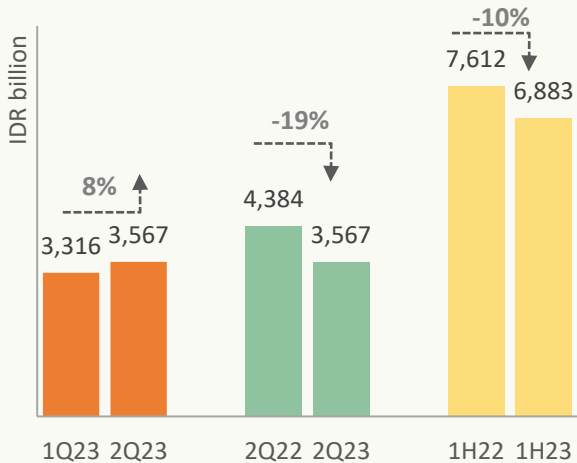
Production Volume



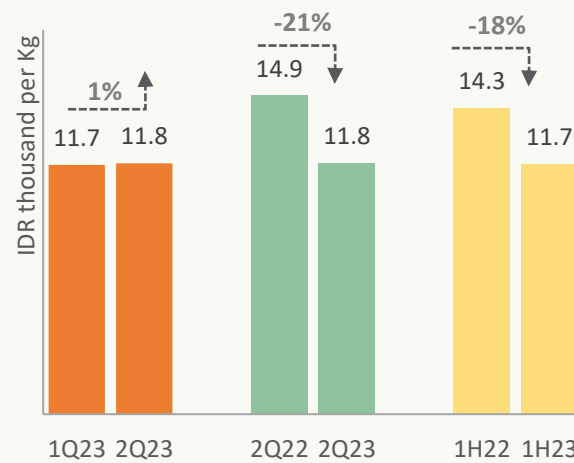
Oil Extraction Rates



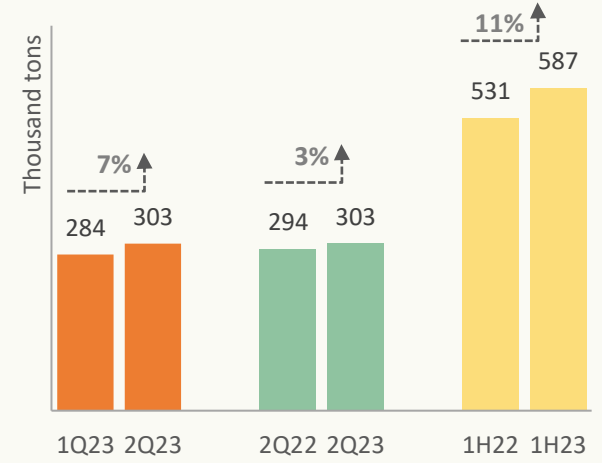
Revenue Contribution



Average Selling Price



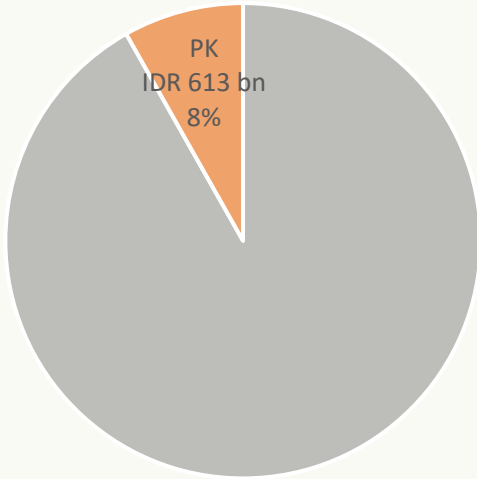
Sales Volume



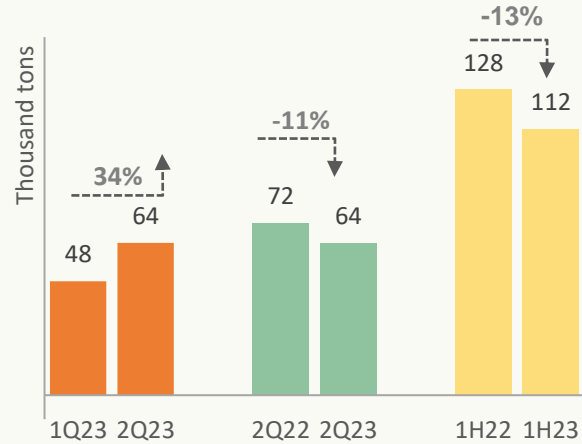


Palm Kernel (PK)

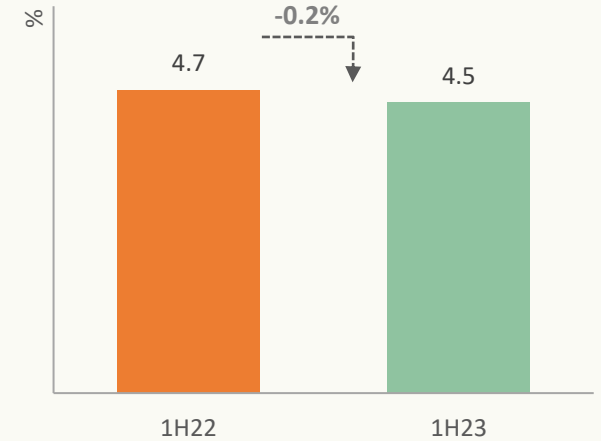
Market price of laurics oil remains uneventful in 2Q23 period due to excess supply of coconut oil



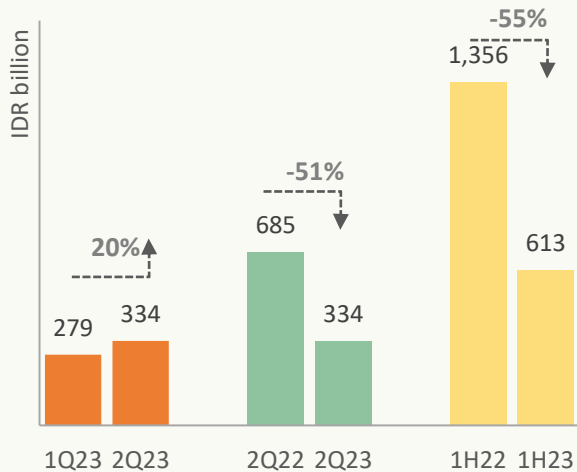
Production Volume



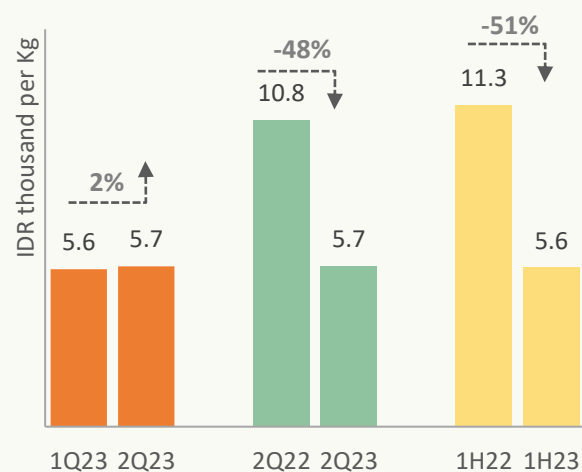
Kernel Extraction Rates



Revenue Contribution



Average Selling Price



Sales Volume

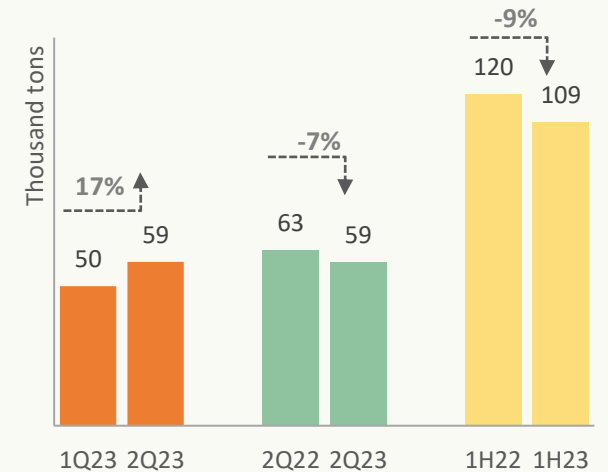




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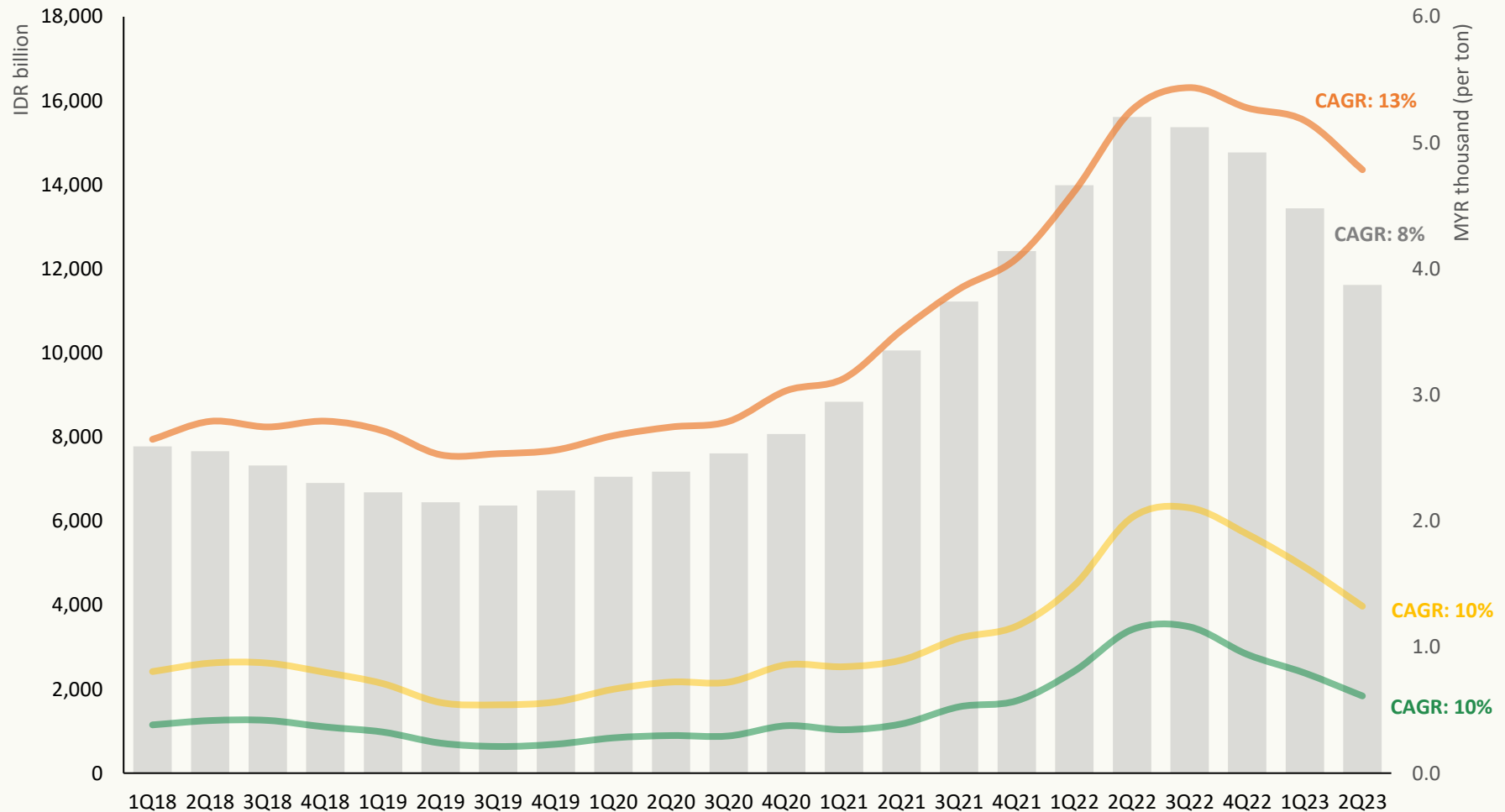
Performance Trend

Appendix

Strong Fundamentals – Financial Performance



Significant uptrend in palm oil price over the last five years is a welcomed booster to performance



Note:

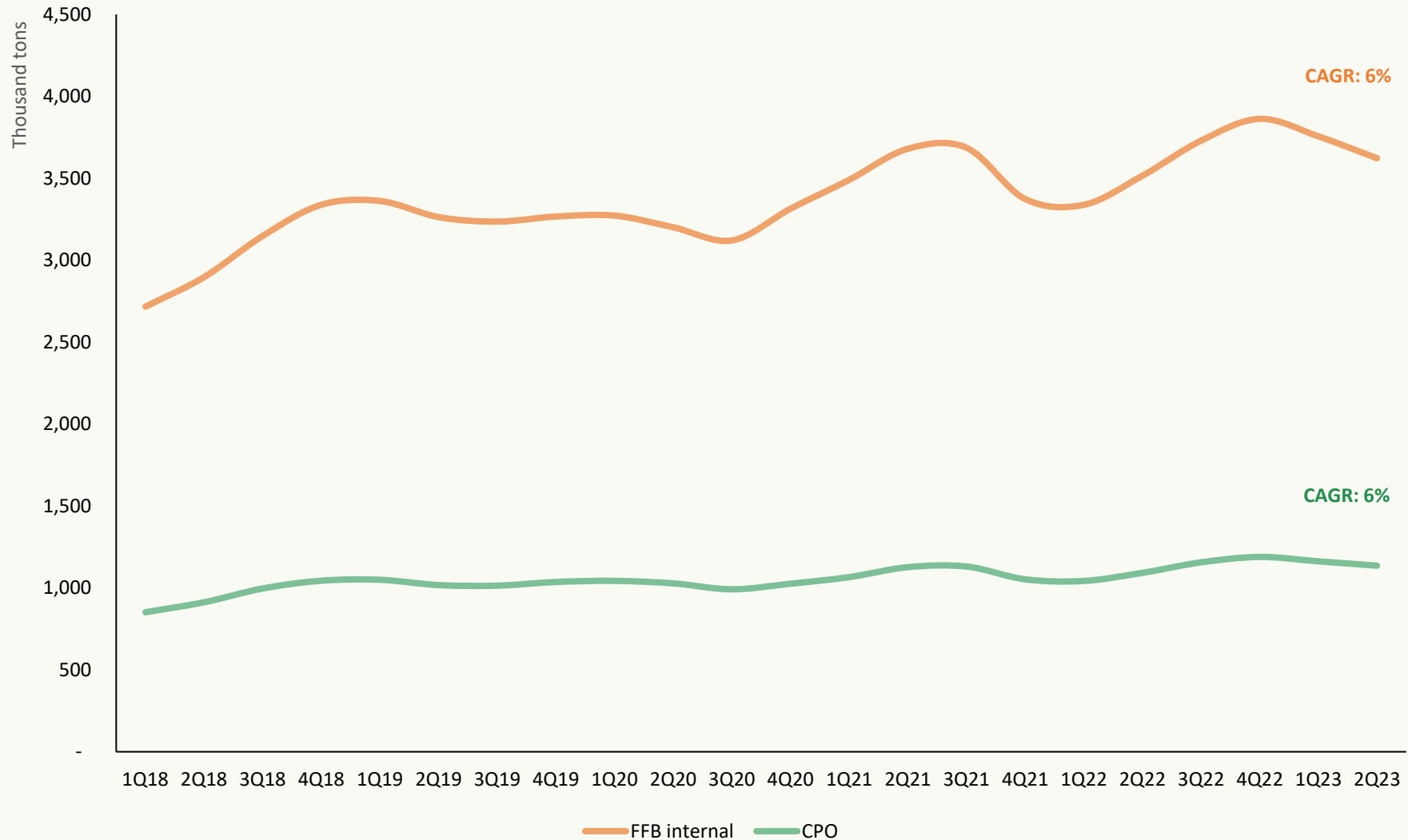
- MDEX 3rd month delivery
- CAGR calculation is based on 12-month rolling formula
- Net profit is attributable to Owners of the Company

Palm oil futures* (RHS)
 Revenue
 Net profit
 EBITDA

Strong Fundamentals – Production Performance



Rising production, with minimized fluctuations, has paved the way for higher shareholder value



Note:
CAGR calculation is based on 12-month rolling formula



Strong Fundamentals – Productivity

Excellence through discipline is the driving force behind our productivity resilience over the years despite adverse weather conditions



Note:

- Productivity calculation is based on 12-month rolling formula
- CPO yield is calculated using consolidated OER

Rising Fundamentals – Gearing Ratio



Robust financial performance in the past five years has paved the way for significant deleveraging

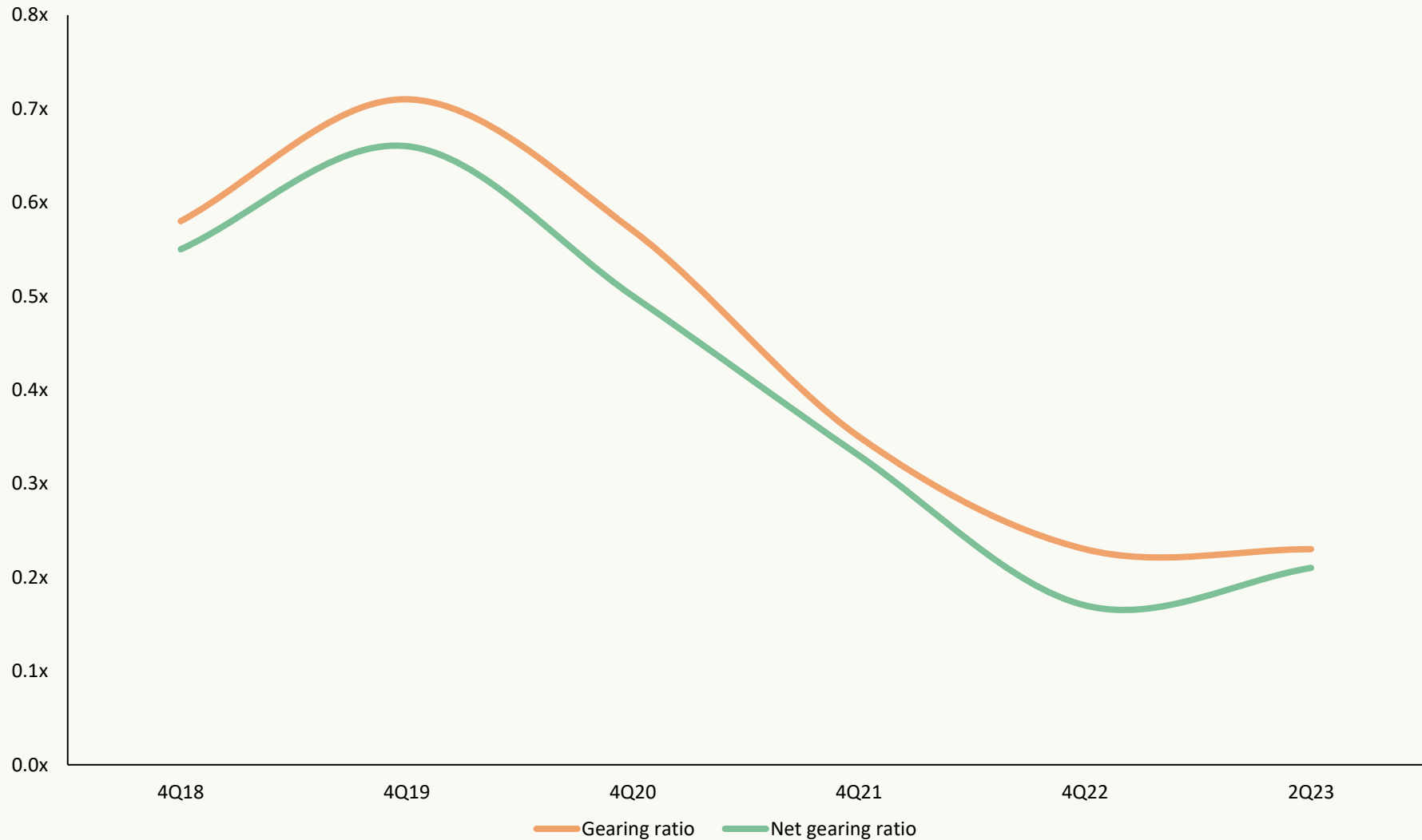




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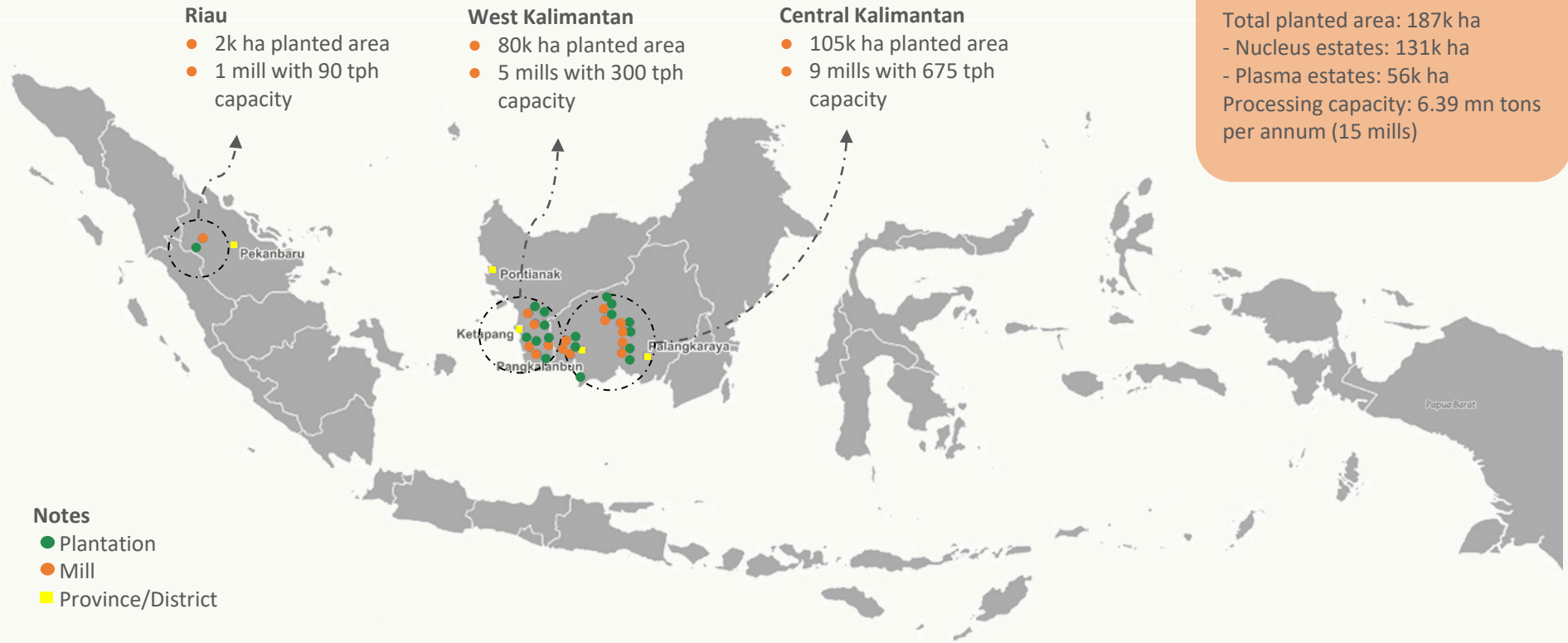
Performance Trend

Appendix



Area of Operations

Considerable amount of our planted surface is strategically located in areas of good precipitation and temperature, well suited for oil palm cultivation

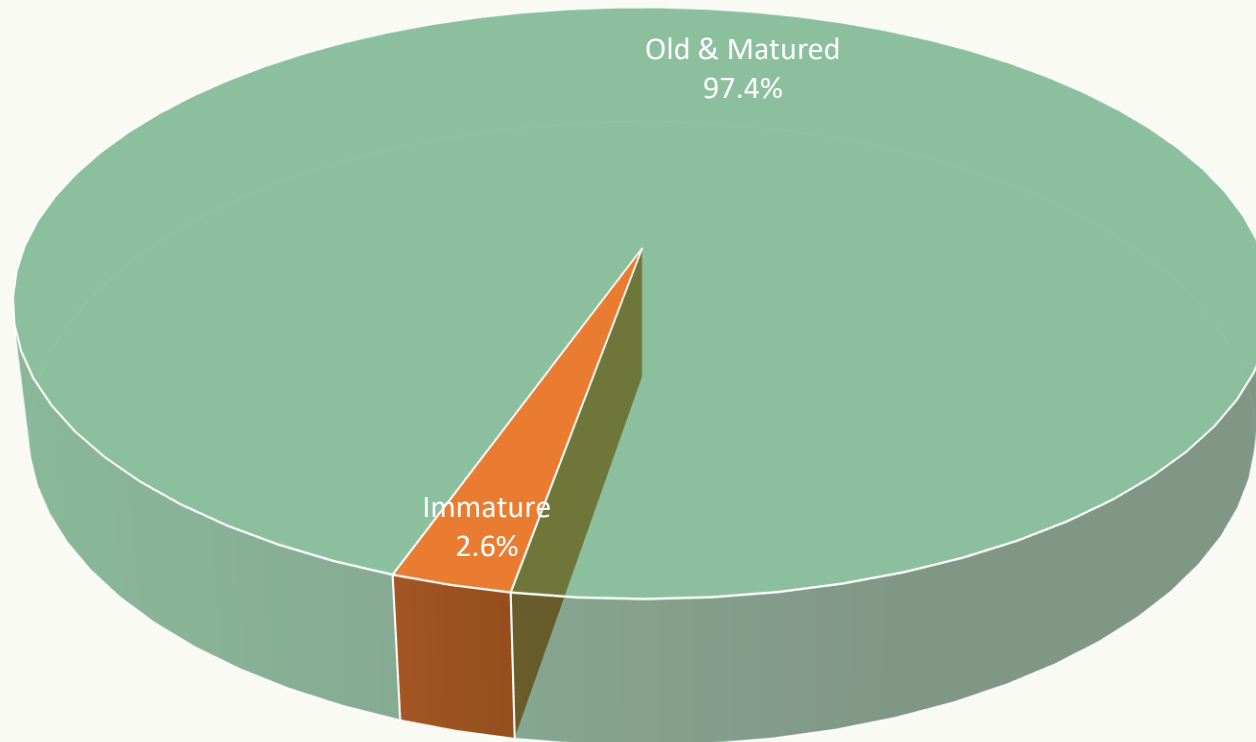


As of 30 June 2023

Total Planted Area



Planted area of about 187k hectares, consisting of nucleus estates covering 131k hectares, and plasma estates covering 56k hectares; average age is 13.3 years old as of 1 January 2023



As of 30 June 2023

Contact Us



If you need further information, please email us at investor.relations@bumitama-agri.com



Bumitama Agri Ltd.

10 Anson Road

#11-19 International Plaza

Singapore 079903

Tel: +65 6222 1332

Fax: +65 6222 1336

Website: www.bumitama-agri.com

QR code for our website





THANK YOU

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