

**IND@FOOD AGRI RESOURCES Ltd.**

# COMPANY PRESENTATION 1Q 2019 RESULTS

30 APRIL 2019



a subsidiary of:

**Indofood**  
THE SYMBOL OF QUALITY FOODS

# PRESENTATION OUTLINE

**1** Plantation Highlights

**2** Financial Highlights

**3** Appendix

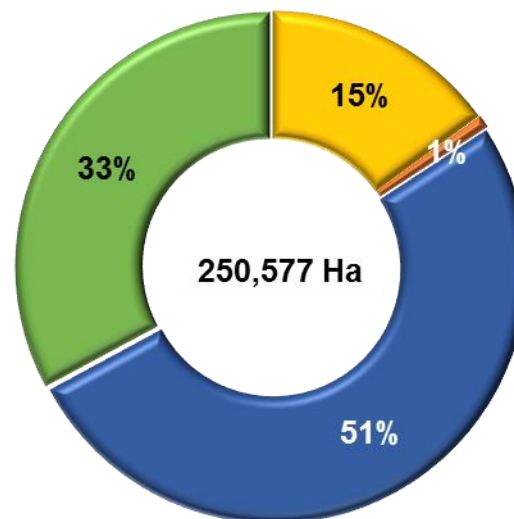
# PLANTATION HIGHLIGHTS



# PLANTED AREA

In Ha	31 Mar 2019	31 Dec 2018
<b>Indonesia - Inti</b>		
<b>Planted Area</b>	<b>301,383</b>	<b>301,721</b>
<b>Planted Oil Palm</b>	<b>250,577</b>	<b>251,112</b>
- SIMP	154,347	155,073
- Lonsum	96,230	96,039
<b>Planted Other crops</b>		
Rubber	16,798	16,678
- SIMP	851	851
- Lonsum	15,947	15,827
Sugar cane - SIMP	13,919	13,595
Others - timber, cocoa, tea	20,089	20,336
<b>Indonesia - Plasma</b>		
Oil Palm	86,430	86,403
<b>Brazil</b>		
<b>Sugar cane - CMAA</b>	<b>82,235</b>	<b>79,268</b>
- Vale do Tijuco (UVT)	53,203	50,686
- Vale do Pontal (UVP)	29,032	28,582

**Oil Palm Average Age ≈ 15 years**



- Immature
- 4-6 years
- 7-20 years
- > 20 years

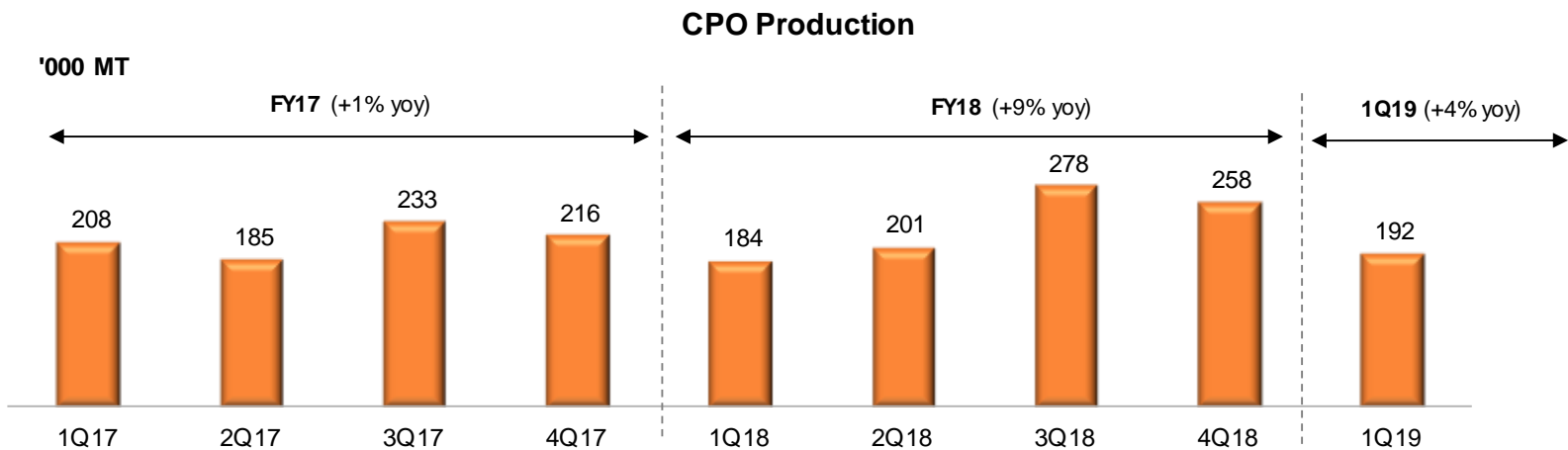
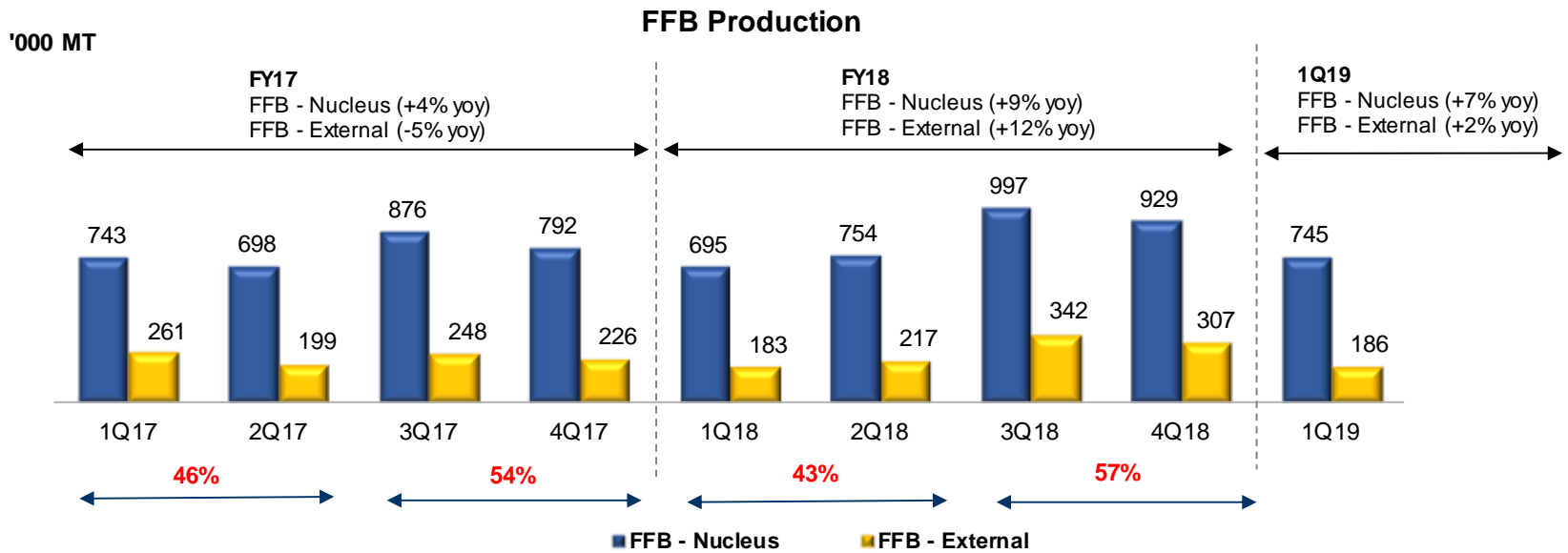
\* CMAA acquired UVP in July 2018. Of the 82,235 Ha planted sugar cane, 46% owned by CMAA and 54% contracted 3rd party farmers

# OIL PALM PLANTATION HIGHLIGHTS

		1Q19	1Q18	YoY Growth	FY18
<b>PRODUCTION</b>					
Mature Area	(Ha)	213,383	211,050		211,707
FFB	('000 MT)	931	878	6%	4,424
- Nucleus	('000 MT)	745	695	7%	3,375
- External	('000 MT)	186	183	2%	1,049
CPO	('000 MT)	192	184	4%	921
PK	('000 MT)	47	44	6%	221
<b>PRODUCTIVITY</b>					
FFB Yield – Nucleus	(MT/Ha)	3.5	3.3	↑	15.9
CPO Yield – Nucleus	(MT/Ha)	0.8	0.7	↑	3.5
CPO Extraction Rate	(%)	22.1	22.3	↓	22.0
PK Extraction Rate	(%)	5.4	5.4	↔	5.3

\* The listed figures in the tables are rounded to the nearest thousands, but the growth % are calculated based on the exact figures

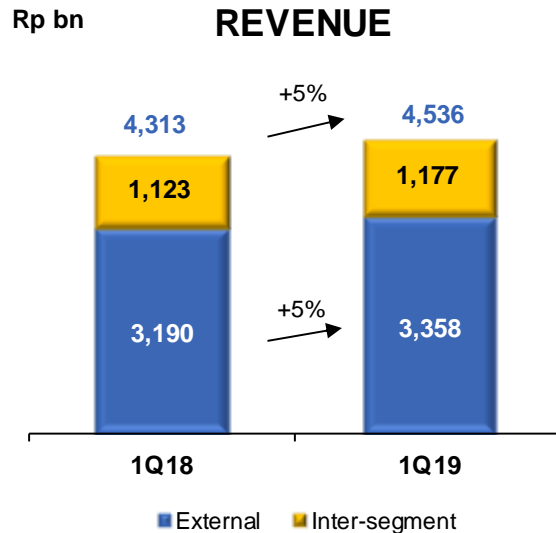
# OIL PALM PRODUCTION TRENDS





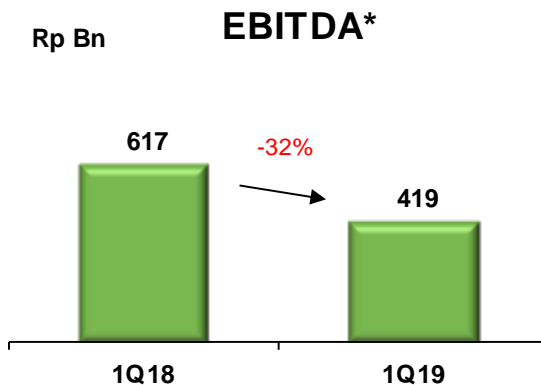
# FINANCIAL HIGHLIGHTS

# RESULTS SUMMARY



## Financial Highlights

- 1Q19 sales increased 5% mainly due to strong sales contribution from EOF division.
- Despite higher sales volume of palm products (CPO & PK products), Plantation division sales was flat on weak selling prices of palm products (CPO -17%, PK -46%).
- Despite a strong EOF performance, the Group reported lower profitability mainly attributed to a weak plantation result.



## Operational Highlights

- 1Q19 FFB nucleus and CPO production grew 7% and 4% respectively to 745,000 tonnes and 192,000 tonnes.

\* Earnings before interests and tax expense, depreciation and amortisation, the effects of forex and fair value gain/(loss) on biological assets.



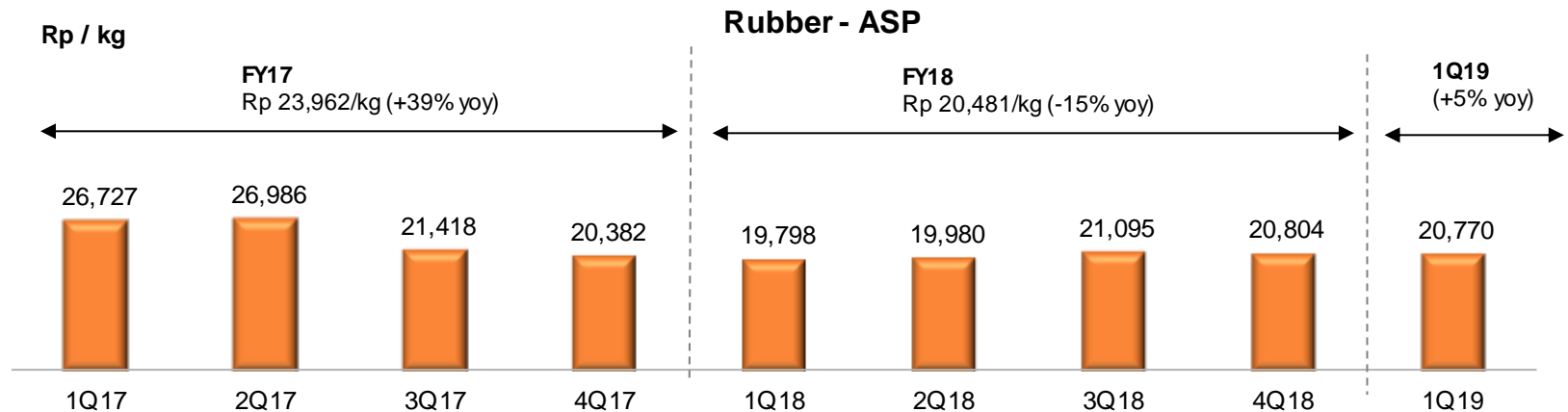
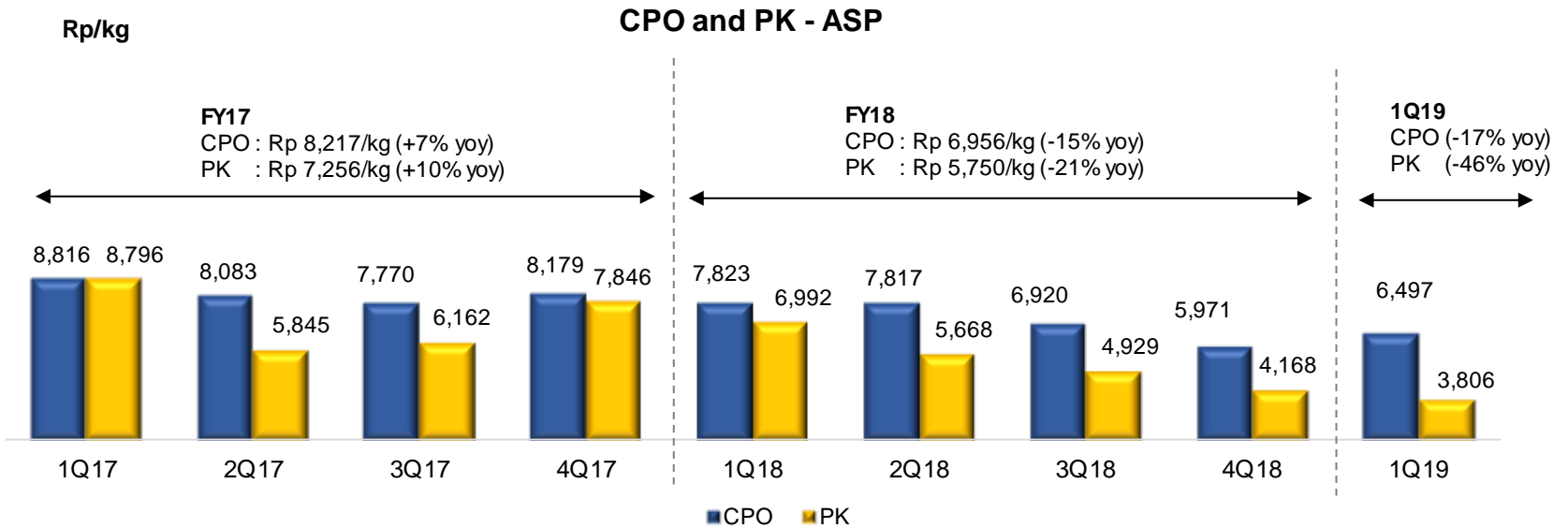
# SALES VOLUME PLANTATION

In '000 MT	1Q19	1Q18	YoY Growth	FY18
CPO	214	171	25%	881
PK products - PK, PKO, PKE	47	43	8%	194
Sugar	5	2	225%	57
Rubber	2.3	2.6	(12%)	9.7
Oil Palm Seeds ('million)	1.7	2.6	(34%)	11.3

*Note: Sales volume before elimination of inter-segment sales*

\* The listed figures in the tables are rounded to the nearest thousands, but the growth % are calculated based on the exact figures

# AVERAGE SELLING PRICE (ASP) TREND



# FINANCIAL SUMMARY

	1Q19	1Q18	YoY Growth	FY18
Sales	3,358	3,190	5%	14,059
Gross Profit	461	646	(29%)	2,198
EBITDA <sup>(1)</sup>	419	617	(32%)	2,295
Net (loss)/profit after tax	(130)	53	n/m	(427)
Core (loss)/profit <sup>(2)</sup>	(151)	95	n/m	(186)
Attributable (loss)/profit	(58)	50	n/m	(222)
EPS (fully diluted) - Rp	(41)	36	n/m	(159)
Gross profit margin	14%	20%	↓	16%
EBITDA margin	12%	19%	↓	16%
Net profit margin	(4%)	2%	↓	(3%)
Attributable profit margin	(2%)	2%	↓	(2%)

<sup>(1)</sup> Earnings before interests and tax expense, depreciation and amortisation, the effects of forex and fair value gain/(loss) on biological assets

<sup>(2)</sup> Earnings before the effects of forex, fair value gain/(loss) on biological assets and changes in amortised cost of plasma receivables

# SEGMENTAL RESULTS

In Rp Bn	1Q19	1Q18	YoY Growth	FY18
<b><u>Sales</u></b>				
Plantations	1,817	1,825	(0%)	8,585
Edible Oil & Fats	2,719	2,488	9%	10,609
Elimination & Adjustments	(1,177)	(1,123)	5%	(5,134)
<b>Total</b>	<b>3,358</b>	<b>3,190</b>	<b>5%</b>	<b>14,059</b>
<b><u>EBITDA</u></b>				
Plantations	206	492	(58%)	1,562
<i>EBITDA %</i>	<i>11%</i>	<i>27%</i>		<i>18%</i>
Edible Oil & Fats	283	52	440%	528
<i>EBITDA %</i>	<i>10%</i>	<i>2%</i>		<i>5%</i>
Share of results of associate companies & JV	(48)	(9)	456%	21
Elimination & Adjustments <sup>(1)</sup>	(22)	82	n/m	184
<b>Total</b>	<b>419</b>	<b>617</b>	<b>(32%)</b>	<b>2,295</b>

(1) Net effects arising from elimination of unrealised profit of inter-division inventories, SFRS adjustment and regional office costs.

# FINANCIAL POSITION

Balance Sheet (In Rp Bn)	31-Mar-19	31-Dec-18
<b>TOTAL ASSETS</b>	<b>38,357</b>	<b>37,514</b>
Cash	2,275	2,229
<b>TOTAL LIABILITIES</b>	<b>17,661</b>	<b>16,661</b>
Interest Bearing Debt	11,643	11,190
<b>TOTAL EQUITY*</b>	<b>20,696</b>	<b>20,853</b>
<b>Net Debt / EBITDA Ratio</b>	<b>5.59x</b>	<b>3.91x</b>
<b>Net Debt / Total Equity Ratio</b>	<b>0.45x</b>	<b>0.43x</b>
<b>Net Assets Value per Share (in Rupiah)</b>	<b>8,385</b>	<b>8,442</b>
<b>Net Assets Value per Share (in SGD) **</b>	<b>0.80</b>	<b>0.80</b>

Cash Flow (In Rp Bn)	1Q19	1Q18	Change
Net Cash Flow generated from Operating Activities	441	234	207
Net Cash Flow used in Investing Activities	(854)	(506)	(349)
Net Cash Flow generated from Financing Activities	467	215	252
<b>Net Increase/ (Decrease) in Cash &amp; Cash</b>	<b>54</b>	<b>(56)</b>	<b>110</b>
Net Effect of Changes in Forex	(8)	10	(18)
<b>Sub-total</b>	<b>46</b>	<b>(46)</b>	<b>92</b>
Cash & Cash Equivalent - Beginning	2,229	2,930	(701)
<b>Cash &amp; Cash Equivalent - Ending</b>	<b>2,275</b>	<b>2,883</b>	<b>(609)</b>













\* Total equity includes shareholders funds and minority interests

\*\* Converted at Rp10,507/S\$1

# APPENDIX



# PRODUCTION BREAKDOWN

		1Q19	1Q18	YoY Growth	FY18
<b>PRODUCTION</b>					
<b>Mature Area</b>	<b>(Ha)</b>	<b>213,383</b>	<b>211,050</b>		<b>211,707</b>
- SIMP	(Ha)	125,721	124,004		124,430
- Lonsum	(Ha)	87,662	87,046		87,277
<b>FFB</b>	<b>('000)</b>	<b>931</b>	<b>878</b>	<b>6%</b>	<b>4,424</b>
- <b>Nucleus</b>	<b>('000)</b>	<b>745</b>	<b>695</b>	<b>7%</b>	<b>3,375</b>
- SIMP	('000 MT)	404	387	4%	1,859
- Lonsum	('000 MT)	341	308	11%	1,516
- <b>External</b>	<b>('000)</b>	<b>186</b>	<b>183</b>	<b>2%</b>	<b>1,049</b>
- SIMP	('000 MT)	116	106	10%	584
- Lonsum	('000 MT)	70	77	(9%)	465
<b>CPO</b>	<b>('000)</b>	<b>192</b>	<b>184</b>	<b>4%</b>	<b>921</b>
- SIMP	('000 MT)	96	95	0%	468
- Lonsum	('000 MT)	96	89	8%	453
<b>PK</b>	<b>('000)</b>	<b>47</b>	<b>44</b>	<b>6%</b>	<b>221</b>
- SIMP	('000 MT)	20	21	(2%)	100
- Lonsum	('000 MT)	27	24	13%	121
<b>PRODUCTIVITY</b>					
<b>FFB Yield – Nucleus</b>	<b>(MT/Ha)</b>	<b>3.5</b>	<b>3.3</b>		<b>15.9</b>
- SIMP	(MT/Ha)	3.2	3.1		14.9
- Lonsum	(MT/Ha)	3.9	3.5		17.4
<b>CPO Yield – Nucleus</b>	<b>(MT/Ha)</b>	<b>0.8</b>	<b>0.7</b>		<b>3.5</b>
- SIMP	(MT/Ha)	0.7	0.7		3.1
- Lonsum	(MT/Ha)	0.9	0.8		4.0
<b>CPO Extraction Rate</b>	<b>(%)</b>	<b>22.1</b>	<b>22.3</b>		<b>22.0</b>
- SIMP	(%)	21.0	21.4		21.0
- Lonsum	(%)	23.4	23.3		23.0
<b>PK Extraction Rate</b>	<b>(%)</b>	<b>5.4</b>	<b>5.4</b>		<b>5.3</b>
- SIMP	(%)	4.4	4.6		4.5
- Lonsum	(%)	6.6	6.2		6.2

\* The listed figures in the tables are rounded to the nearest thousands, but the growth % are calculated based on the exact figures

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