

IND@FOOD AGRI RESOURCES Ltd.

Company Presentation FY 2023 Results

29 February 2024



a subsidiary of:

Indofood
THE SYMBOL OF QUALITY FOODS

PRESENTATION OUTLINE

01 ♦ Plantation Highlights

02 ♦ Financial Highlights

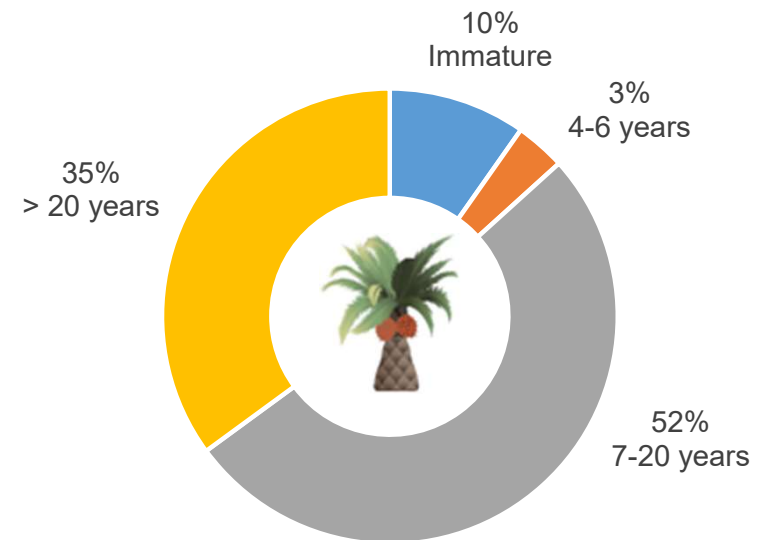
03 ♦ Strategies and Expansion

PLANTATION HIGHLIGHTS

Plantation Area

Planted Area (in Ha)	31 Dec 2023	31 Dec 2022
<u>Indonesia - Nucleus</u>		
Total Planted Area	293,429	294,488
Planted Oil Palm	244,337	244,768
SIMP	152,578	153,617
Lonsum	91,759	91,151
Planted Other Crops		
Rubber	16,238	16,074
Sugar cane	13,384	14,056
Others - timber, cocoa, tea	19,470	19,590
<u>Brazil</u>		
Sugar cane #	124,031	119,693

Oil palm average age ≈ 19 years



* As at 31 Dec 2023, oil palm plasma partnership was 87,608 ha





For the planted sugar cane areas, 51% of owned by CMAA and 49% contracted 3rd party farmers

Oil Palm Plantation Highlights

- FFB nucleus production recovered in 2H23 with a 2% yoy increase, but it remained lower by 1% for FY23.
- This, coupled with lower purchases of FFB, led to a 4% decline in CPO production for FY23.

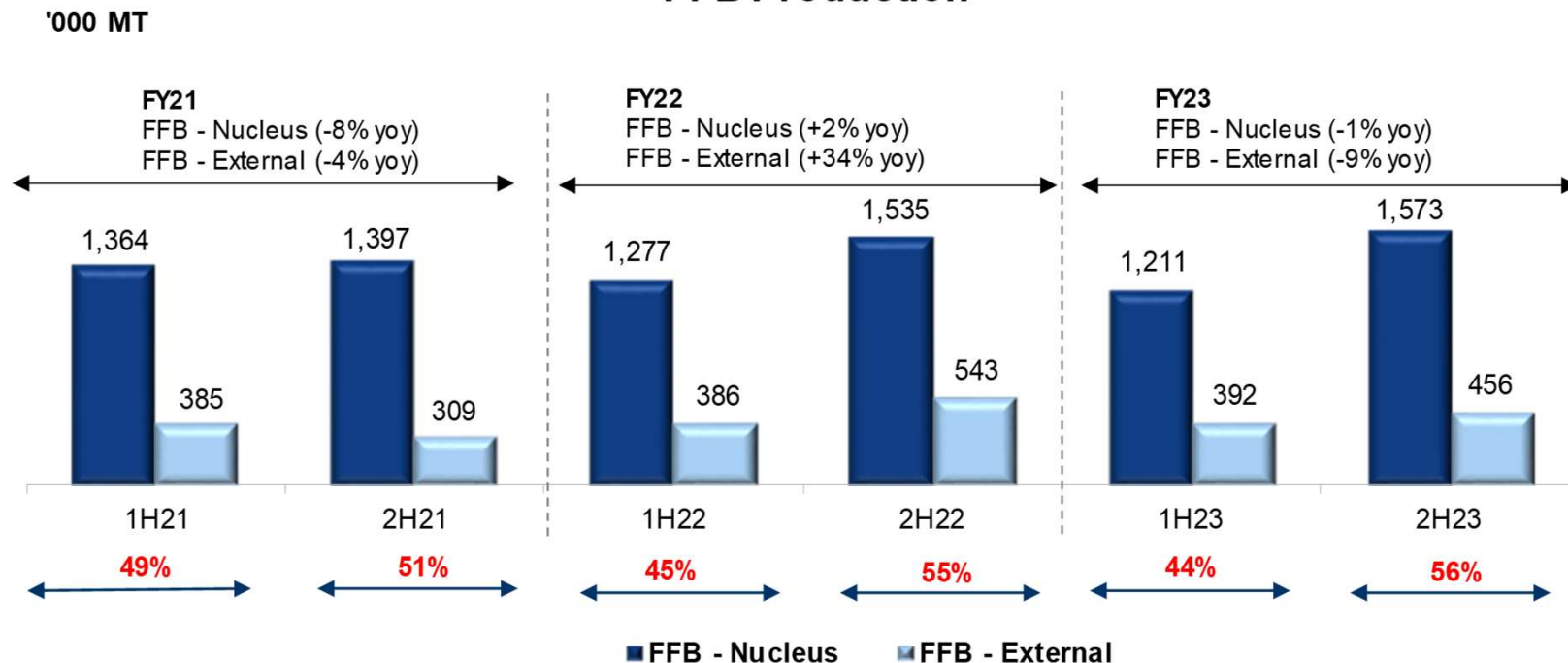
		FY23	FY22	△	2H23	2H22	△
<u>Production</u>							
Mature area	(Ha)	220,531	218,064		220,531	218,064	
FFB	('000 MT)	3,632	3,741	(3%)	2,029	2,078	(2%)
Nucleus	('000 MT)	2,784	2,812	(1%)	1,573	1,535	2%
External	('000 MT)	848	929	(9%)	456	543	(16%)
CPO	('000 MT)	708	736	(4%)	399	409	(2%)
PK	('000 MT)	175	180	(3%)	100	103	(3%)

Productivity

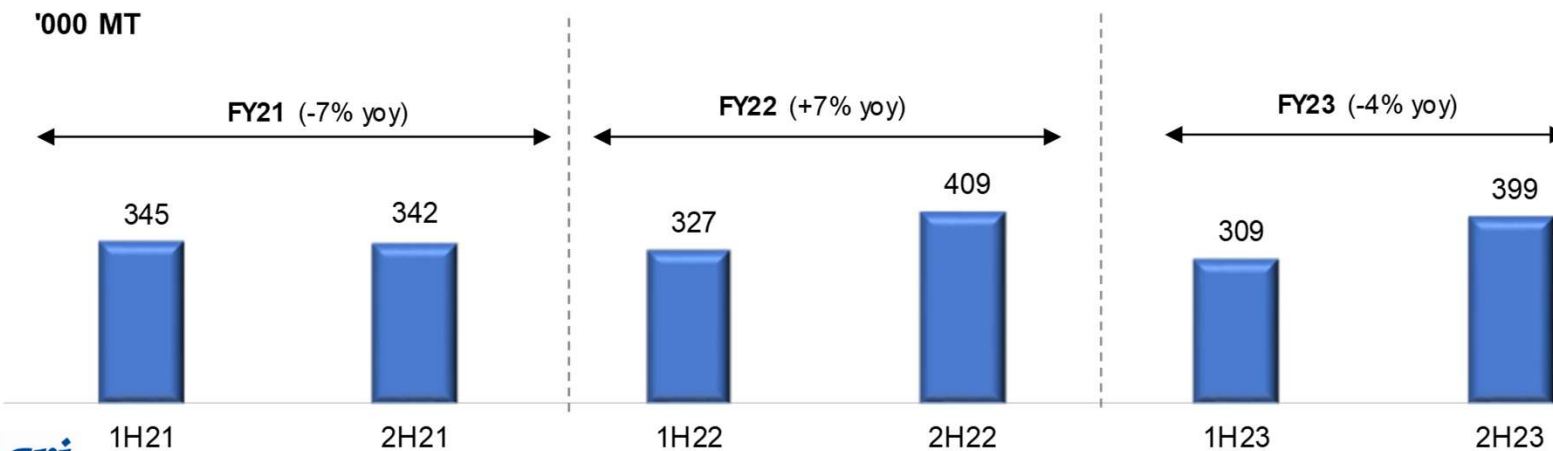
CPO extraction rate (%)	20.8	20.9		20.9	20.8	
PK extraction rate (%)	5.1	5.1		5.2	5.2	

Oil Palm Production Trends

FFB Production



CPO Production



Sugar Plantation Highlights

Indonesia	FY23	FY22	△	2H23	2H22	△
Planted area (Ha)	13,384	14,056		13,384	14,056	
Sugar cane harvested ('000 MT) ⁽¹⁾	745	890	(16%)	333	488	(32%)
Sugar production ('000 MT) ⁽²⁾	58	57	3%	29	33	(12%)
Brazil	FY23	FY22	△	2H23	2H22	△
Planted area (Ha)	124,031	119,693		124,031	119,693	
Sugar cane harvested ('000 MT)	9,447	8,228	15%	5,845	5,078	15%
Raw sugar production ('000 MT)	703	650	8%	460	429	7%
Ethanol ('000 M ³)	352	303	16%	229	187	22%

(1) Harvested cane related to South Sumatra sugar cane plantation.

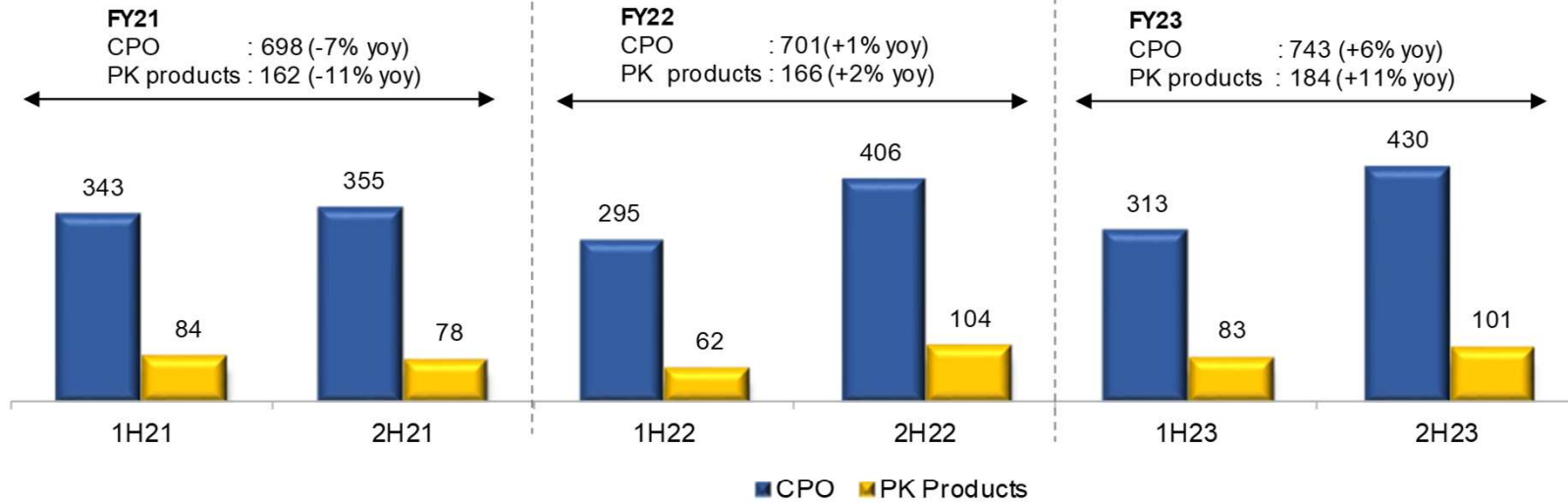
(2) Sugar production related to South Sumatra plantation & LPI's share in Java.

FINANCIAL HIGHLIGHTS

Oil Palm Sales Volume & Avg Selling Price (ASP)

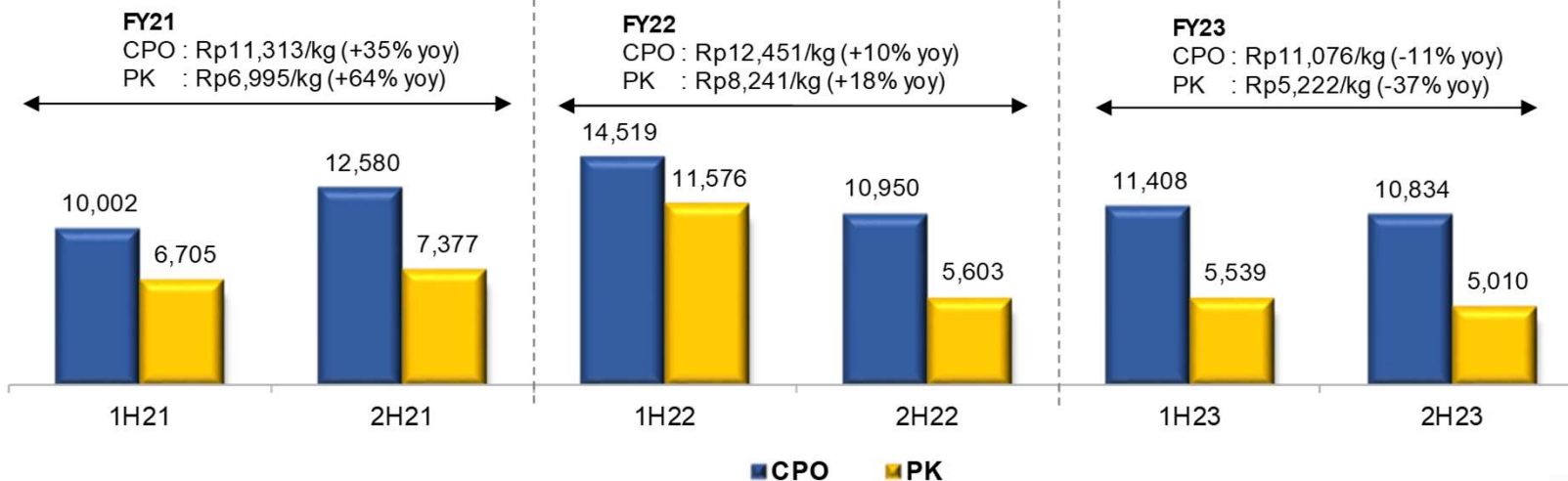
Sales Volume

'000 MT



ASP

Rp/kg



Financial Summary

- Sales in 2H23 and FY23 decline 14% and 10% on lower ASP of palm and EOF products.
- 2H23 results improved with NPAT up 9% yoy on stable CPO prices and higher sales volume of CPO, lower other operating expenses and net changes in FV of biological assets.
- FY23 NPAT down 29% mainly due to lower gross profit on lower ASP, partly offset by lower other operating expenses, net changes in FV of biological assets and lower income tax expenses.

In Rp Bn	FY23	FY22	△	2H23	2H22	△
Sales	16,003	17,797	(10%)	8,394	9,724	(14%)
Gross profit	3,282	4,559	(28%)	2,049	2,396	(14%)
Adjusted EBITDA ⁽¹⁾	3,644	4,530	(20%)	2,353	2,510	(6%)
Net profit after tax	936	1,318	(29%)	844	776	9%
Core profit ⁽²⁾	1,161	1,965	(41%)	988	1,149	(14%)
Attributable profit	614	770	(20%)	526	518	1%
EPS (fully diluted) - Rp	440	552	(20%)	377	371	1%
Gross profit margin	21%	26%	↓	24%	25%	↓
EBITDA margin	23%	25%	↓	28%	26%	↑
Net profit margin	6%	7%	↓	10%	8%	↑
Attributable profit margin	4%	4%	↓	6%	5%	↑

(1) EBITDA excluding forex, FV gain/(loss) on biological assets and impairment of property, plant and equipment (PPE).

(2) NPAT before accounting for the effects of forex, FV gain/(loss) on biological assets, ECL for plasma receivables, impairment of PPE and rationalisation costs.

Segmental Results

In Rp Bn	FY23	FY22	△	2H23	2H22	△
<u>Sales</u>						
Plantations	10,849	11,727	(7%)	6,170	6,072	2%
Edible oils & fats	11,314	12,679	(11%)	5,397	6,571	(18%)
Elimination & adjustments	(6,160)	(6,609)	(7%)	(3,173)	(2,919)	9%
Total	16,003	17,797	(10%)	8,394	9,724	(14%)
<u>Adjusted EBITDA</u>						
Plantations	2,724	3,546	(23%)	1,802	1,516	19%
<i>EBITDA %</i>	<i>25%</i>	<i>30%</i>		<i>29%</i>	<i>25%</i>	
Edible oils & fats	800	996	(20%)	390	724	(46%)
<i>EBITDA %</i>	<i>7%</i>	<i>8%</i>		<i>7%</i>	<i>11%</i>	
Elimination & adjustments ⁽¹⁾	120	(12)	n/m	161	270	(41%)
Total	3,644	4,530	(20%)	2,353	2,510	(6%)

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

Financial Position

Balance sheet (In Rp Bn)	31-Dec-23	31-Dec-22
Total Assets	37,118	38,266
Cash	5,226	4,422
Total Liabilities	13,202	15,114
Interest bearing debt	7,796	9,144
Total Equity*	23,916	23,152
Net debt / EBITDA ratio	0.71x	1.04x
Net debt / Total equity ratio	0.11x	0.20x
Net assets value per share (in Rupiah)	9,703	9,241
Net assets value per share (in SGD) **	0.83	0.79

Cash flow (In Rp Bn)	FY23	FY22
Net cash flows generated from operating activities	3,802	3,632
Net cash flows used in investing activities	(1,252)	(1,466)
Net cash flows used in financing activities	(1,716)	(1,628)
Net increase in cash & cash equivalents	834	539
Net effect of changes in forex	(30)	120
Cash & cash equivalent - Beginning	4,422	3,764
Cash & cash equivalent - Ending	5,226	4,422

STRATEGIES & EXPANSION

Key Strategies in 2023

Plantation

- Continue to prioritise our capital expenditure on critical areas;
- Emphasis on crop management activities to raise FFB yields;
- Focus on cost control improvements, pursuing innovations that elevate plantation productivity; and
- Efforts will be supported by optimising our manpower resources, reviewing the financing structure to strengthen our financial position, as well as the ongoing mechanisation and IT initiatives.



Edible oils & fats

- Focus on the growth and recovery of EOF sales volumes through competitive pricing strategies; and
- Efforts will be bolstered by thematic advertising campaigns, aimed at enhancing in-store product visibility and reinforcing our cooking oil and margarine brands.



CONTACT US

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