



BUMITAMA AGRI

Excellence through discipline

AGM 20 April 2023

FY2022 performance

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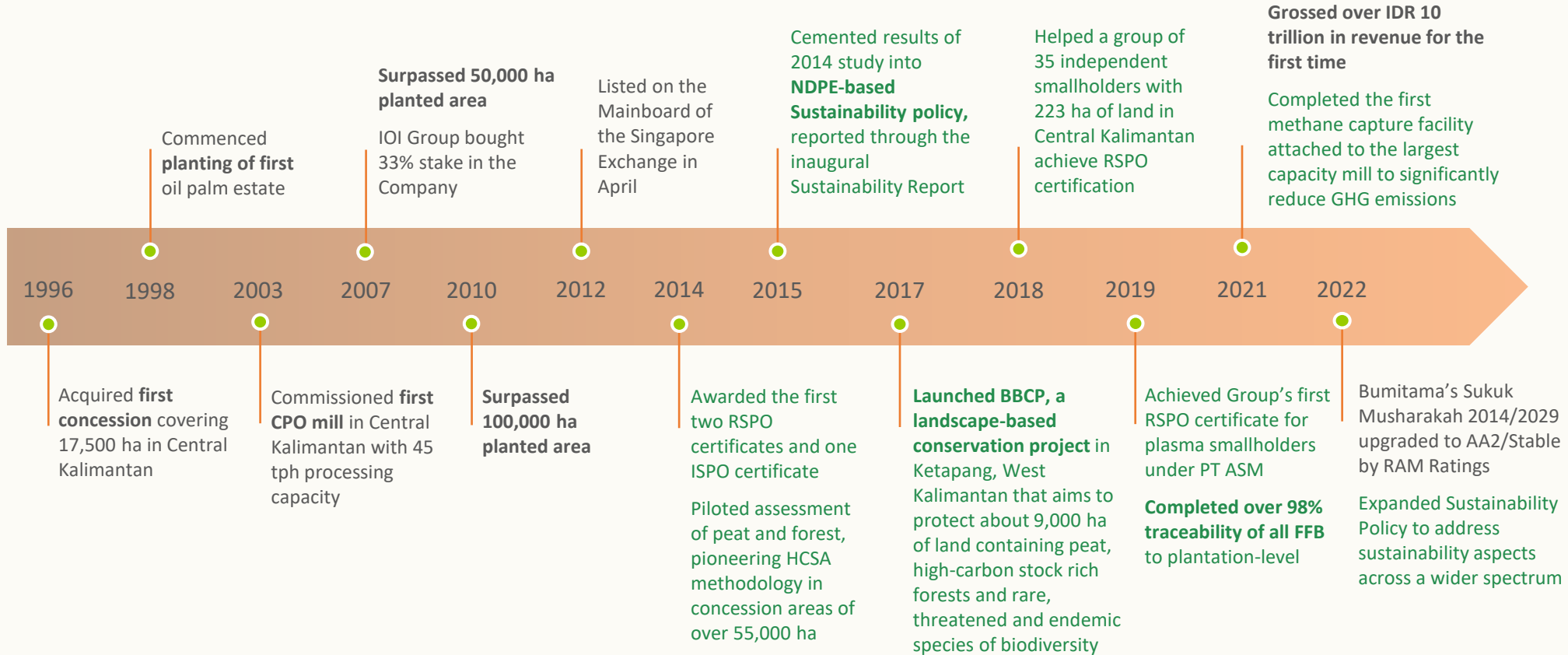
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Milestones



Empowered by our motto: Excellence through Discipline, the Group endeavors to be a leading CPO producer through continuous improvement, focusing on productivity, cost efficiency, sustainability, and growth



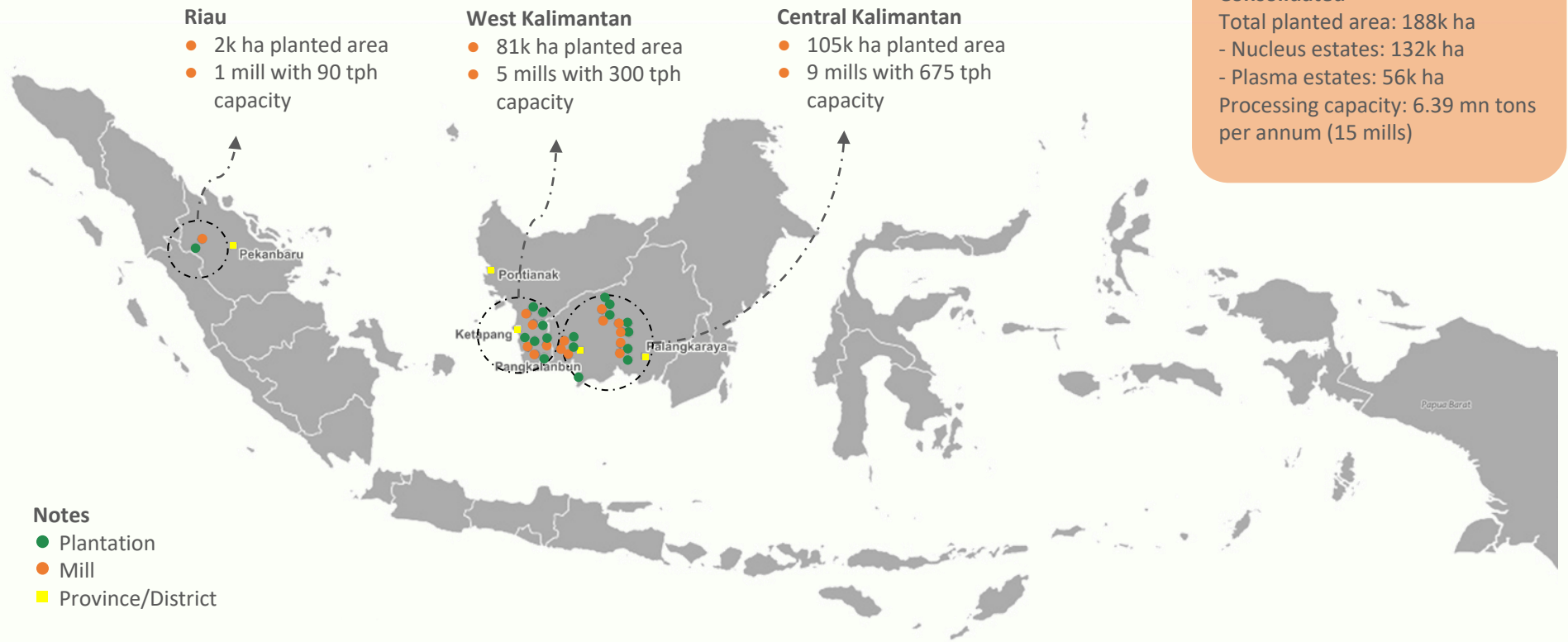
■ Expansion related

■ Sustainability related



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 31 December 2022

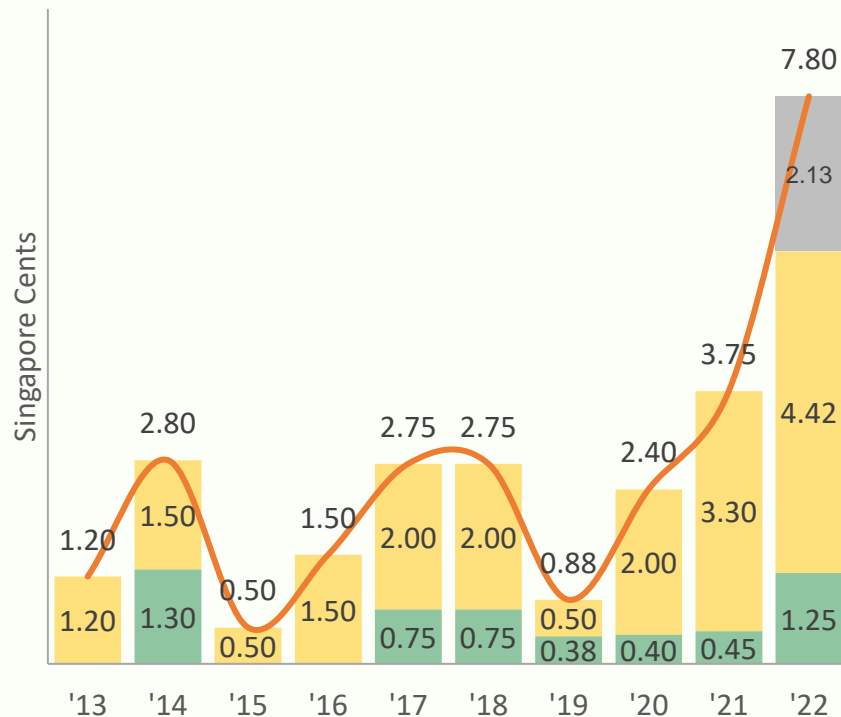
Committed to shareholders value creation



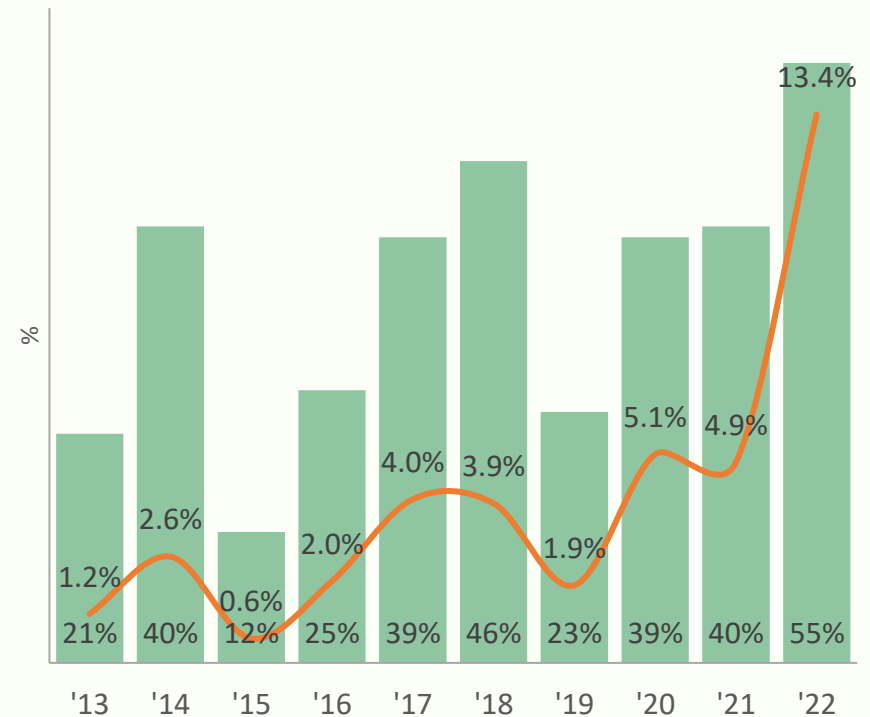
Dividend payout by Bumitama has trended up strongly in the past 3 years

- Annual dividend payment based on financial year 2022 amounted to 7.80 Singapore cents, more than double the previous record of 2021 payout
- Combined with the interim dividend of last September, total dividend yield reached 13.4%

Dividend per share



Payout ratio and dividend yield



Note: ■ interim ■ final ■ special — annual

■ payout ratio — dividend yield

- Payout ratio is calculated based on net profit attributable to owners of the company
- Dividend yield is a weighted average of interim, final, and special dividends at recording date
- Final and special dividends based on 2022 financial year, are subjected to AGM approval scheduled for 20 April 2023

Awards, Certificates, and Accolades



Asiamoney
Awarded 'Most Outstanding Company in Singapore (for the decade) for Small/Mid Caps Sector'



Financial Times
Featured as 'High Growth Companies Asia-Pacific'



The Straits Times Certificate
Recognized as a 'Distinguished Member of Singapore's Fastest Growing Companies 2020'



The Edge Billion Dollar Club
Awarded the 'Most Profitable Company' in the Agriculture Sector for 3 years in a row, from 2017 until 2019



Frost and Sullivan
Awarded the 'Emerging Palm Oil Plantation Company of the Year' in 2014



Forbes Asia
Awarded the 'Best under a Billion' Award in 2013



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Executive Summary – Full year 2022



The year 2022 was a year of two halves

- First half was dominated by palm oil price rally and production recovery, while the second half was a period of normalizing prices and low-cycle production anomaly due to intensifying extreme weather condition
 - The first triple-dip La Nina recorded in the 21st century, also likely to be the longest on record

Another year of stellar performance

- Highest average selling price on record, complimented by fresh new high operational performance amid negative effects caused by extreme weather condition through a series of well-prepared mitigation efforts
 - FFB production (internal sources) reached 3.9 mn tons, translating to 21.4 tons of FFB per ha, or 4.8 tons CPO yield
 - Financial metrics across the board surged to record-high level; revenue, net income*, and EBITDA climbed 29%, 67%, and 63% versus the previous year, respectively. Hence, net and EBITDA margins reached 8-year high during the year

Fundamental remains intact in the upcoming year, both externally and internally

- It is proven that palm oil business is a defensive industry as it has largely gone unscathed in the past few years, despite swings in world economy, logistics-related supply shocks created by the pandemic, and the accompanying weather-related supply constraints
- Elevated level of palm oil futures prevails in the past 3 years, attributable to structurally changed supply demand dynamics compared to the long downtrend in the decade leading to 2020
- Going forward, Bumitama strong fundamentals will continue to pave the way for optimal outperformance, driven by favorable maturing age profile and precision agronomy practices that are executed in tandem with rigorous corporate values, as well as keeping tight control on financial costs while ensuring sustainability initiatives are updated with the everchanging nature of the business

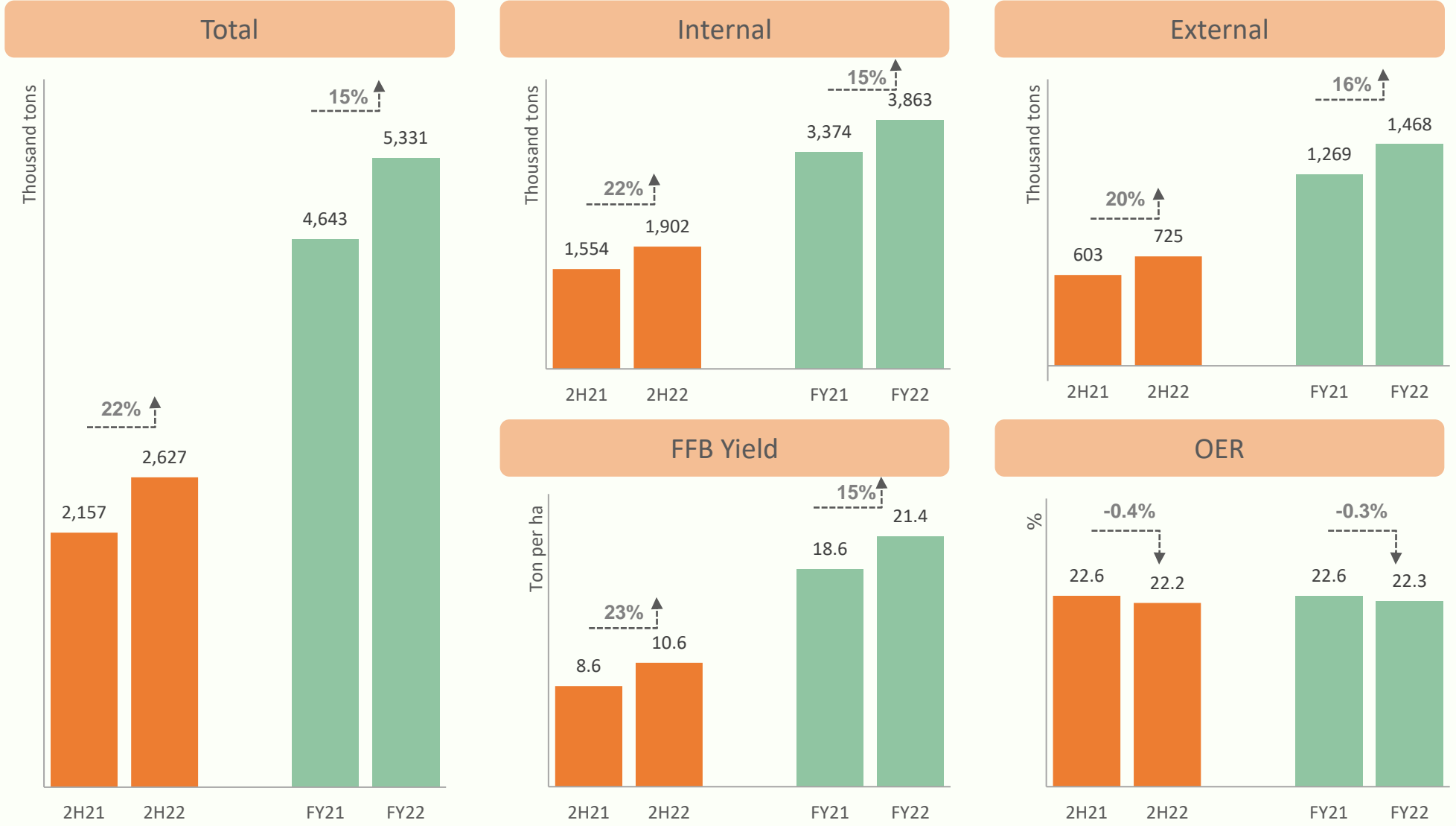
Note:

- Net profit stated above is attributable to Owners of the Company, excluding grossed up dividend-related withholding tax



FFB Harvest

A new record high yield of 21.4 tons per hectare in 2022, supported by 15% rise in FFB output

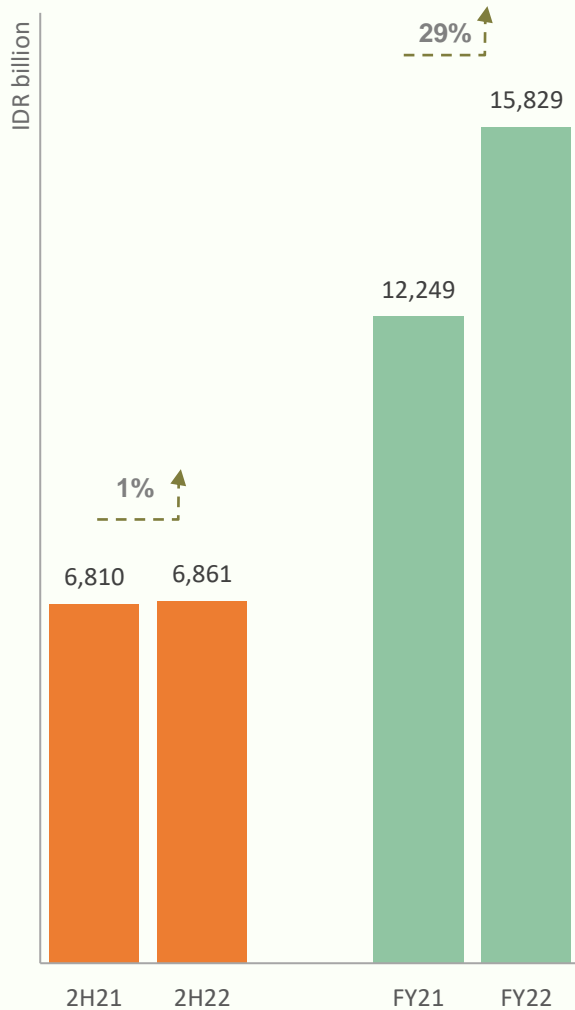




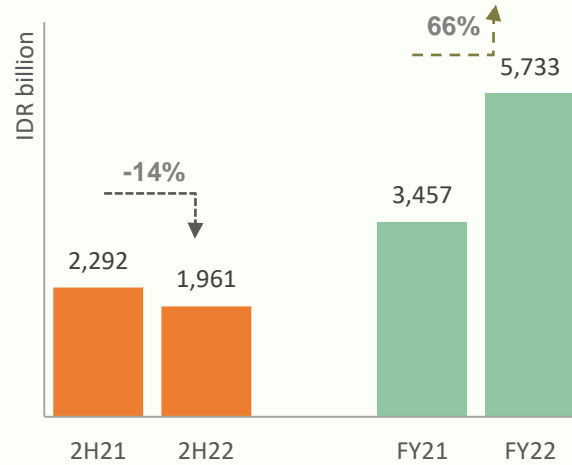
Income Statement Highlights

Despite the soft 2H22 performance, EBITDA margin in FY22 reached 8-year high

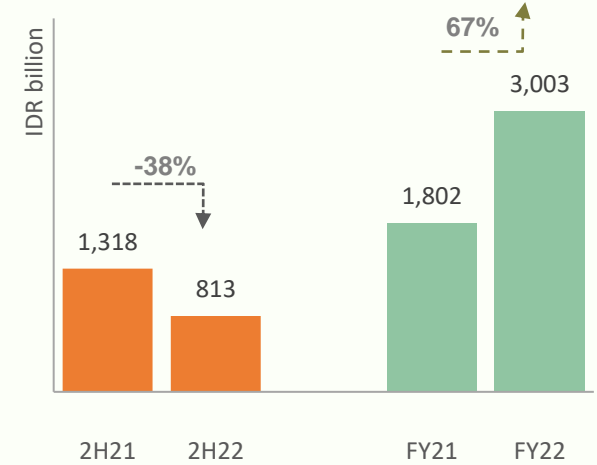
Revenue



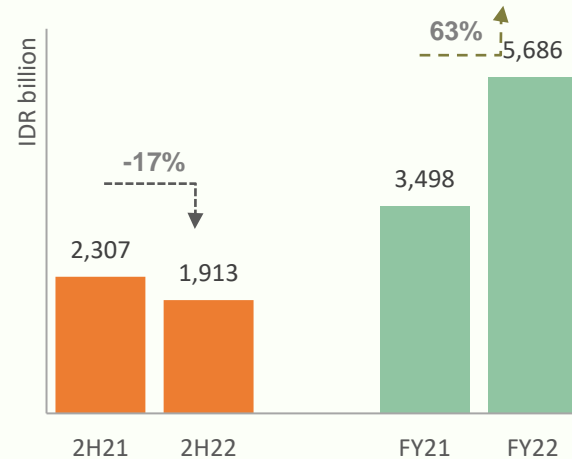
Gross Profit



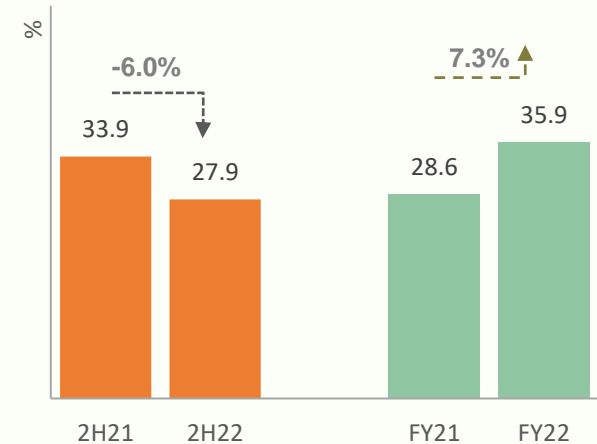
Net Profit*



EBITDA



EBITDA Margin



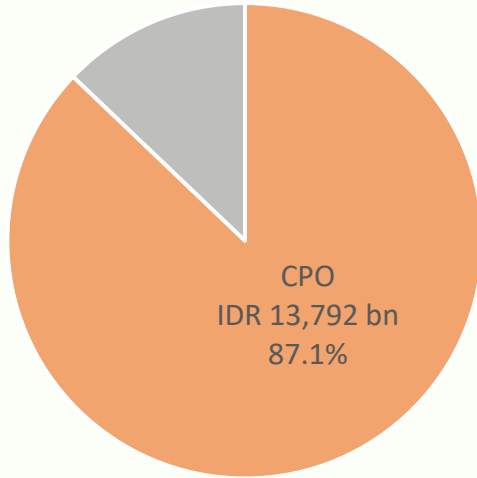
Note:

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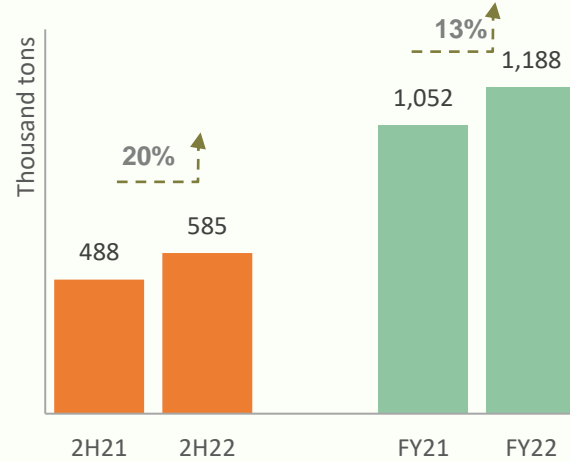
Crude Palm Oil (CPO)



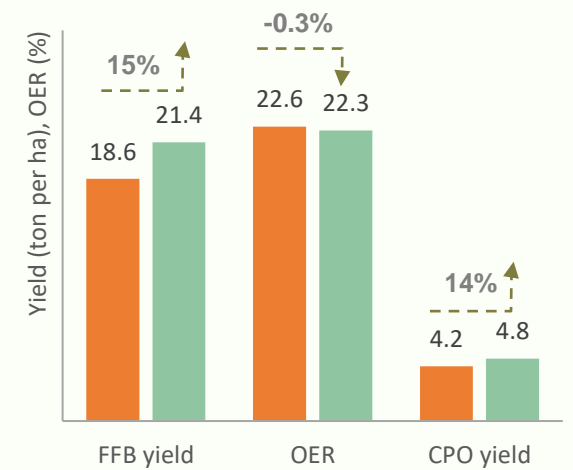
Surge in CPO sales in FY22 was largely attributable to higher ASP, and minimal operational disruptions



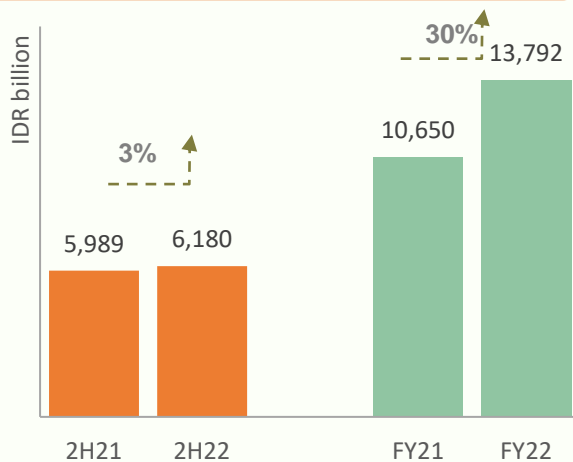
Production Volume



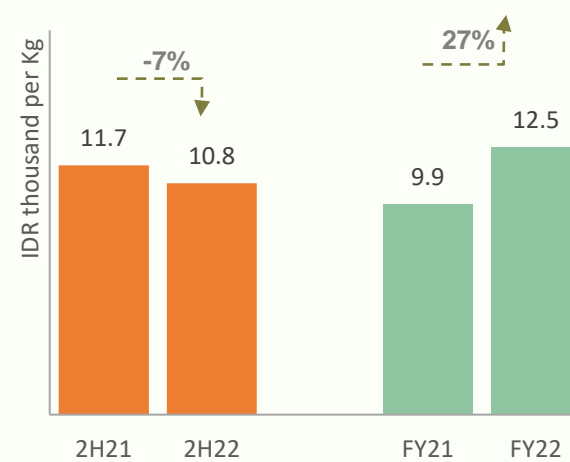
Productivity (FY21 vs FY22)



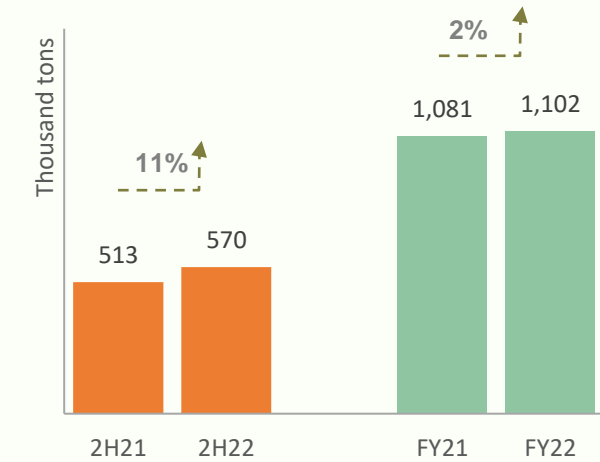
Revenue Contribution



Average Selling Price



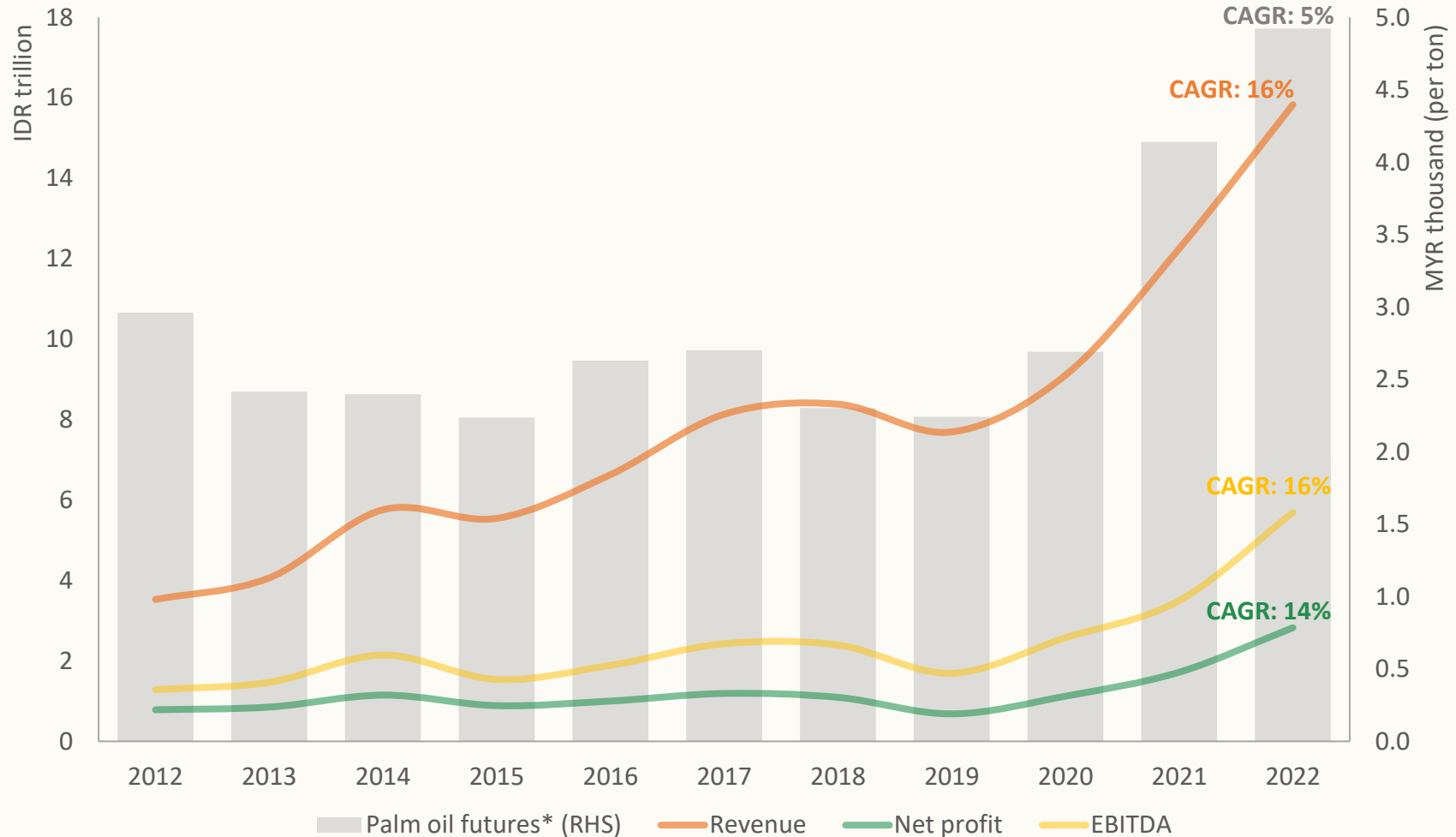
Sales Volume



Strong Fundamentals – Financial Performance



Significant uptrend in palm oil price over the last three years propelled Bumitama's performance



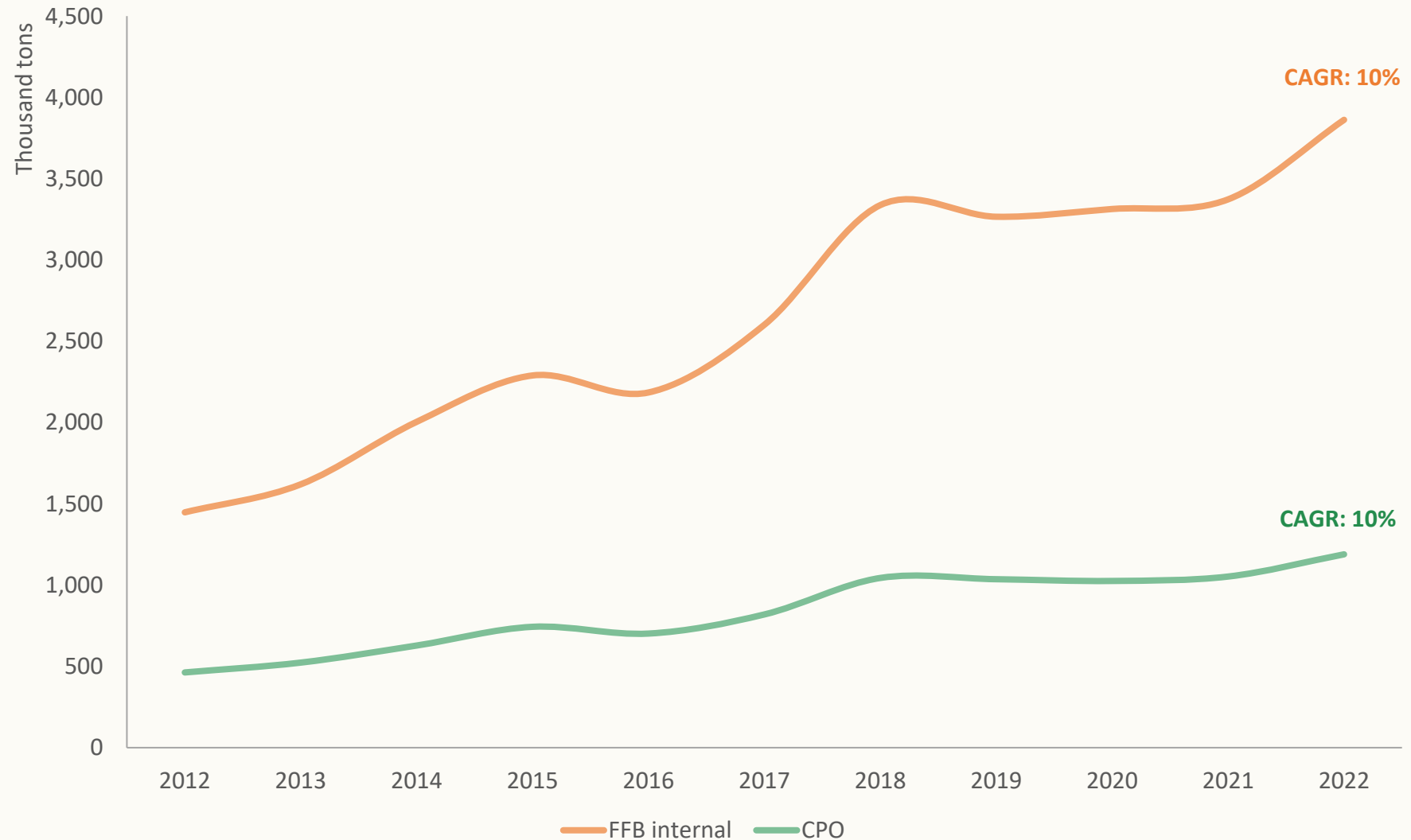
Note:

- MDEX 3rd month delivery
- Net profit is attributable to Owners of the Company

Strong Fundamentals – Production Performance



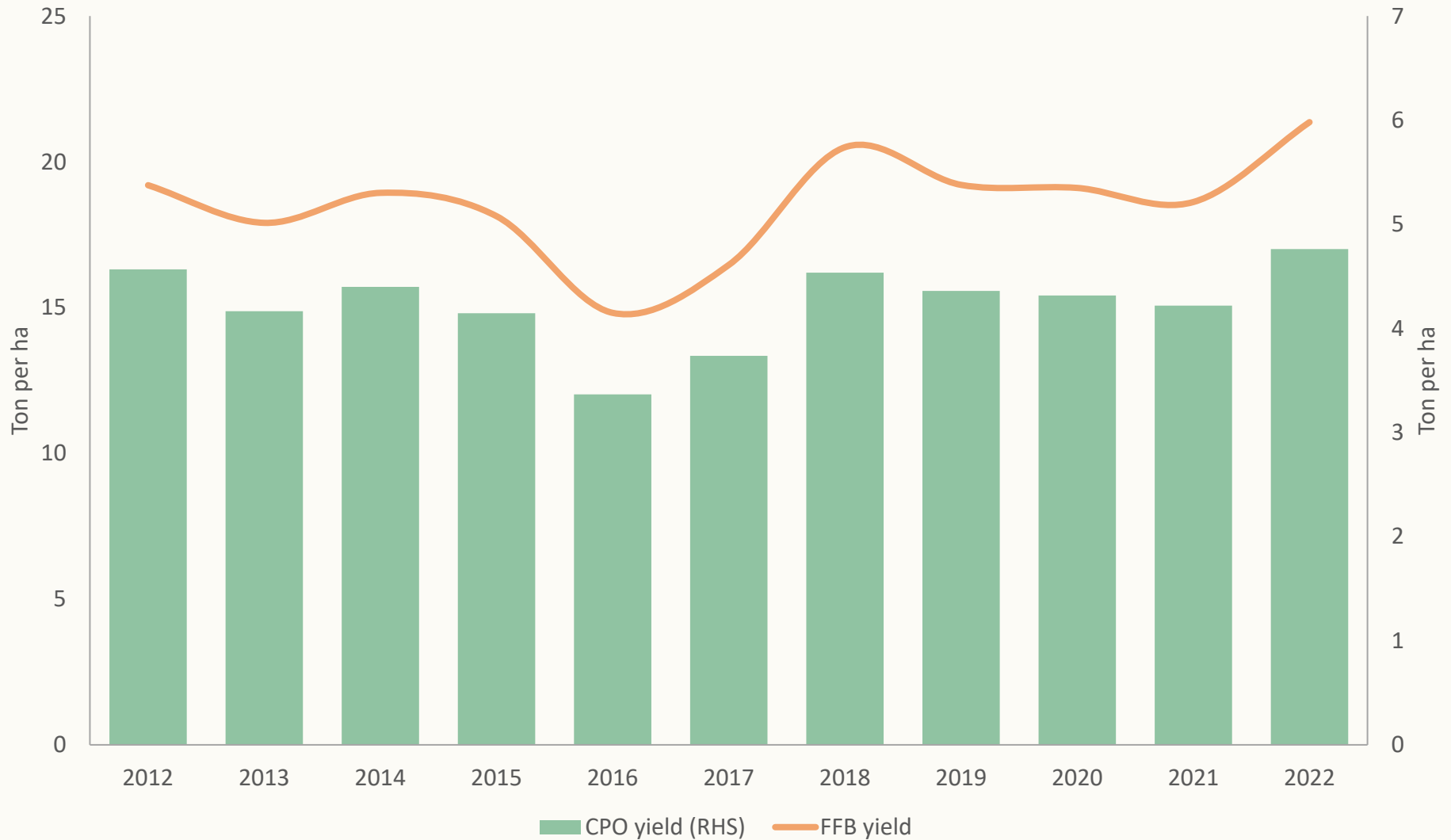
Resilient production in the past three years amidst the triple-dip La Nina weather condition



Strong Fundamentals – Productivity



Amidst triple-dip La Nina, yield managed to improve to reach record high level in FY22



Strong Fundamentals – Gearing Ratio



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

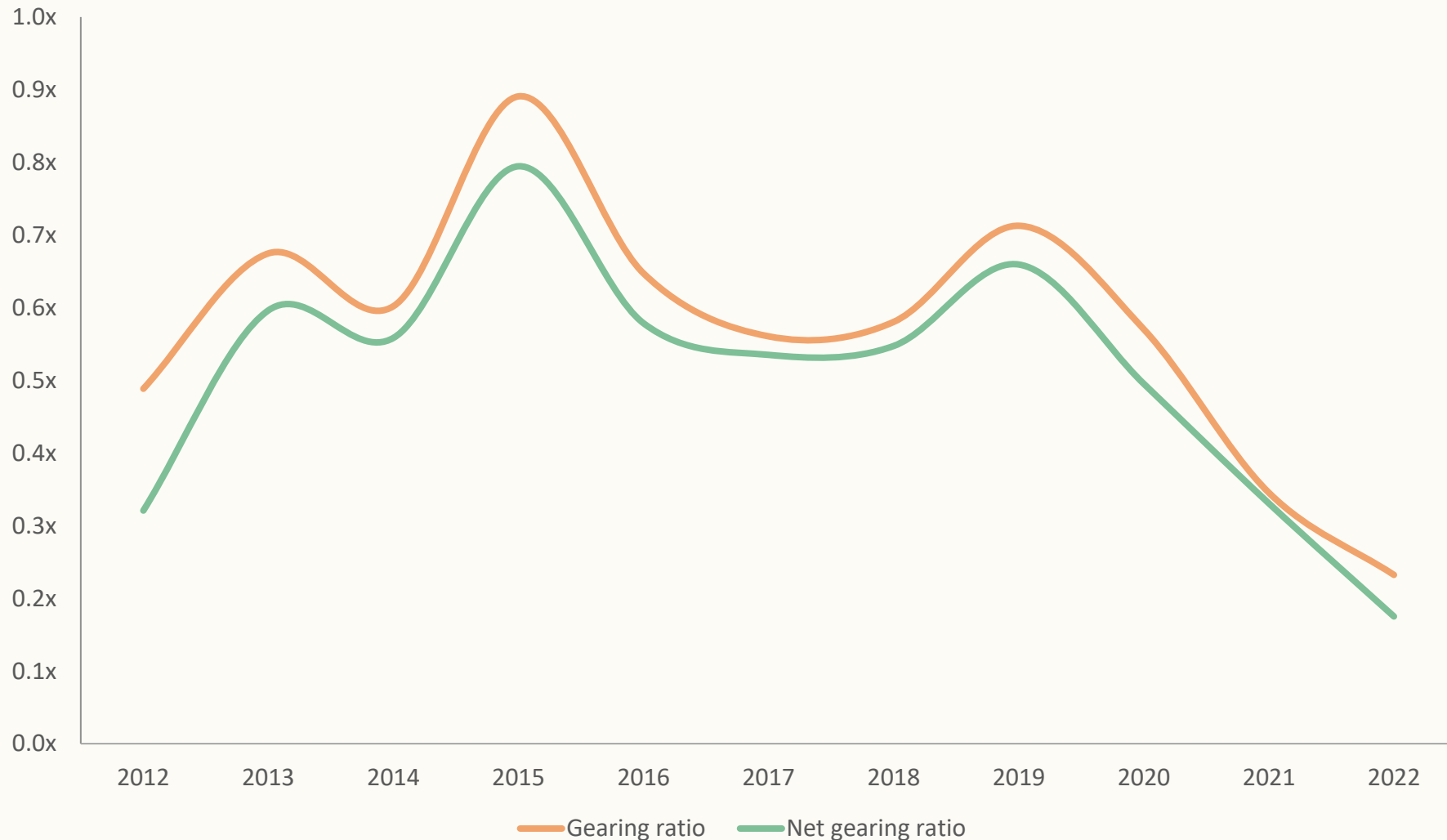




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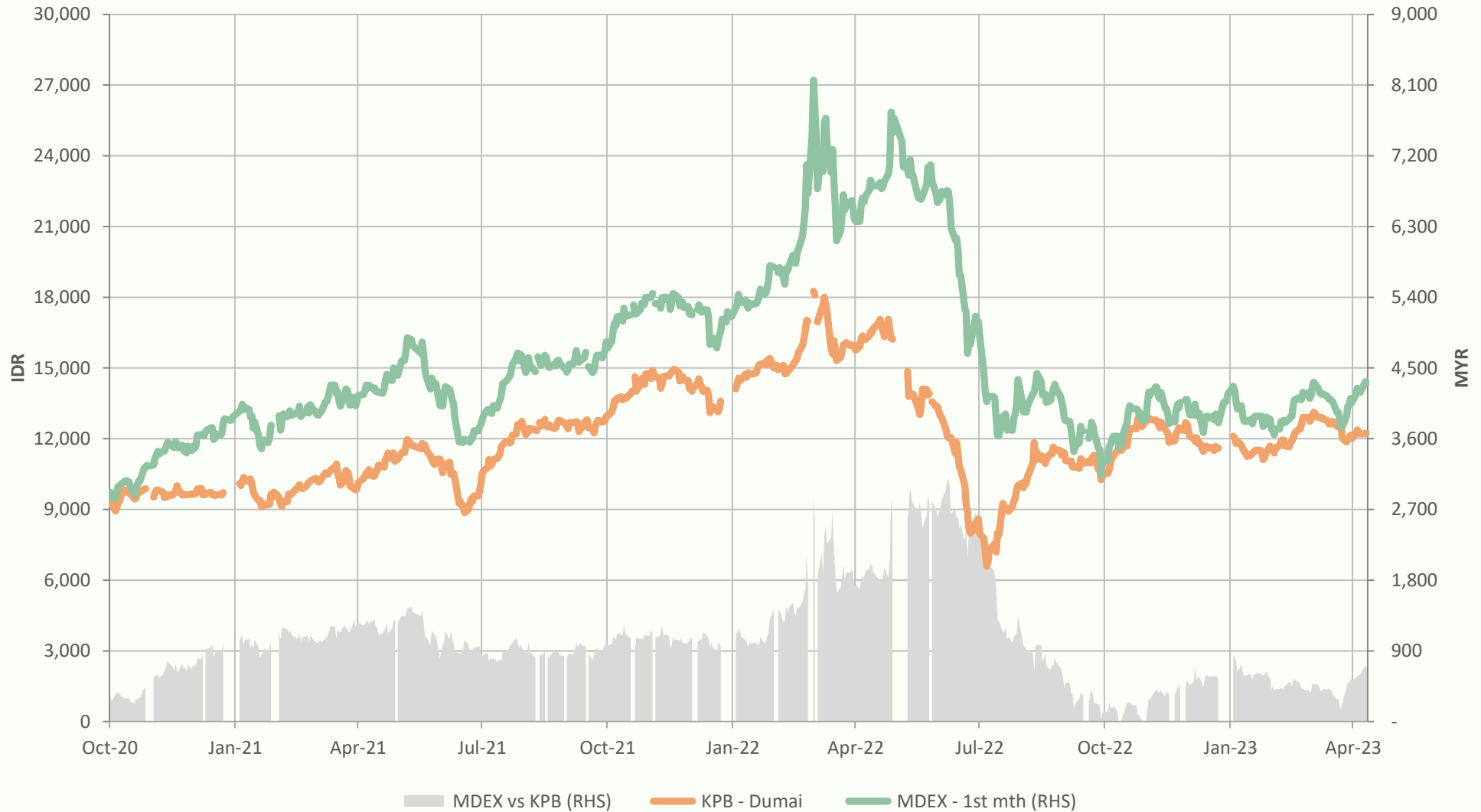
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Normalized spread – MDEX vs KPBN



KPBN trading prices has maintained upwards of IDR11k since October '22

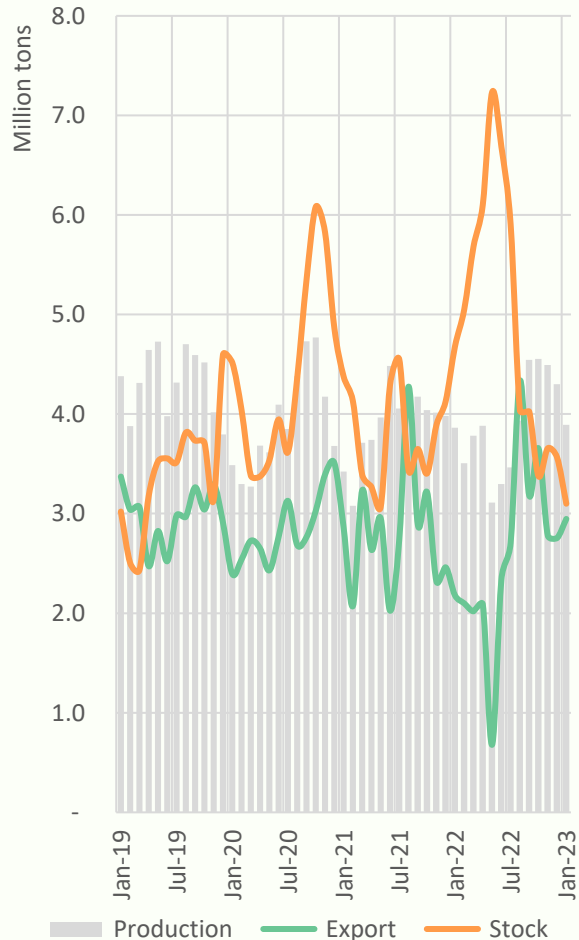


Burdensome stockpile is already out of the way

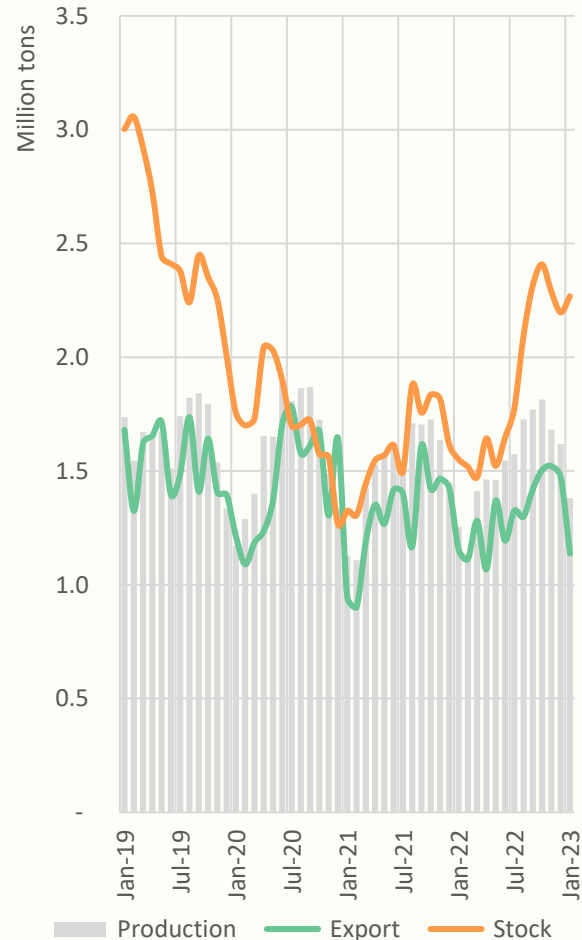


Global palm oil price is inversely correlated with Malaysia inventory level

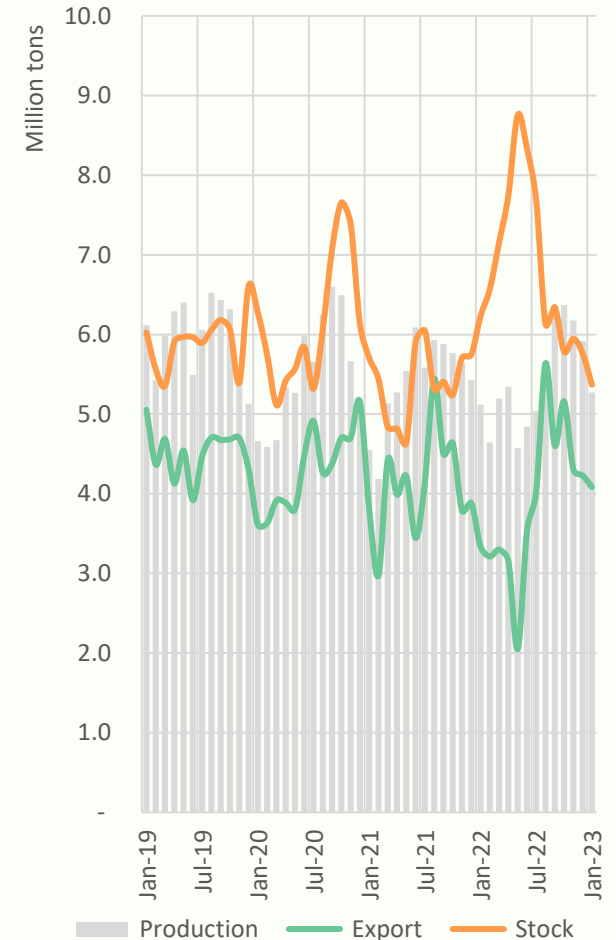
Indonesia



Malaysia



Combined



Note:

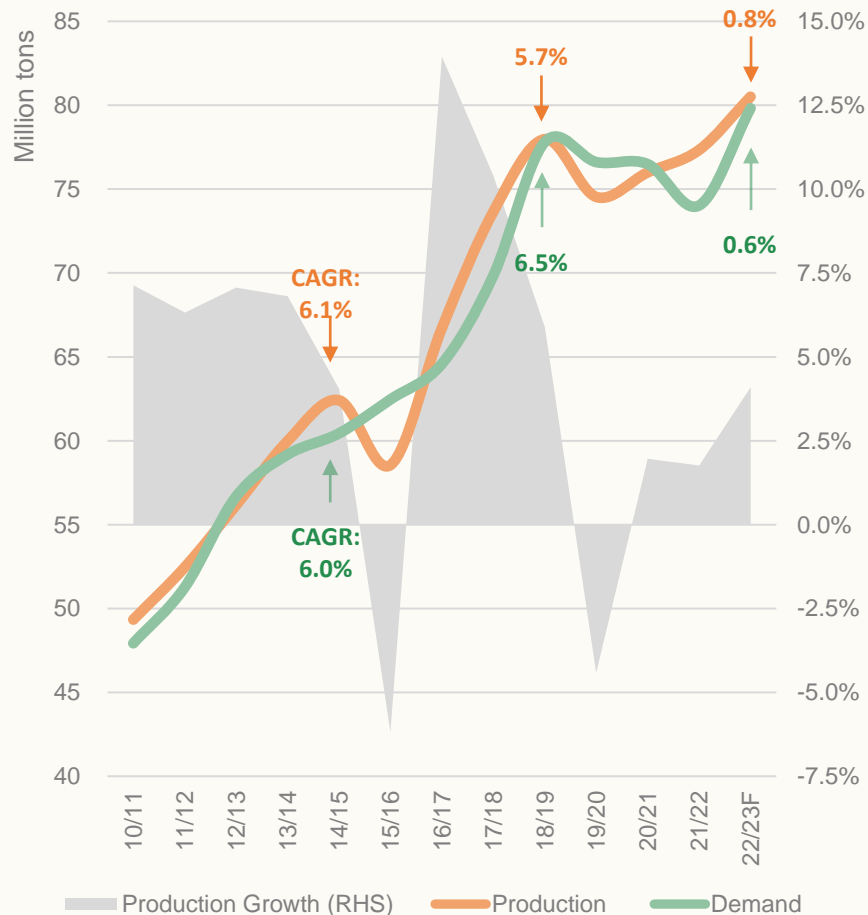
- Extracted from Gapki for Indonesia and MPOB for Malaysia

Structurally changing supply demand dynamics

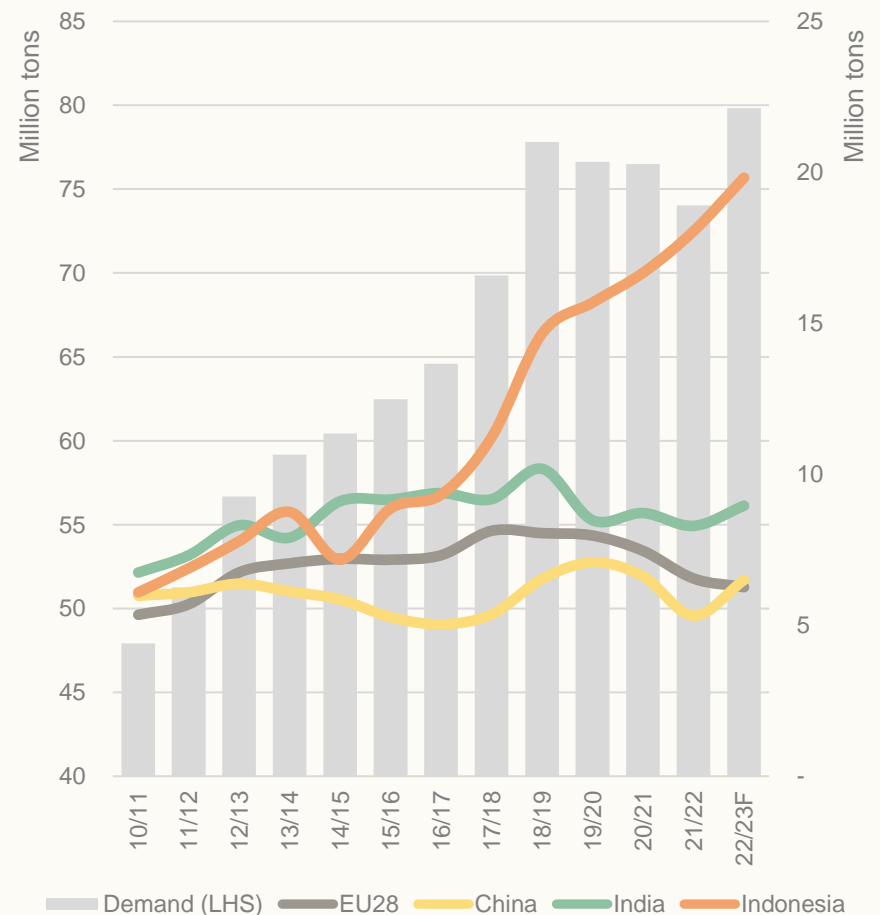


The 3 successive declines in global palm oil demand (2019-22). Is it due to weakening demand or supply constraint issue?

World production growth is slowing down notably



Rapid demand growth in Indonesia since 2015



Notes:

- Oilworld estimates
- Periods are stated in 12-month cycle, between Oct/Sep



Rapidly rising consumption in Indonesia

Indonesia palm oil output in 2022 declined further, so did export volumes by ~3 million tons YoY, for a total of >6 million tons since 2019 peak

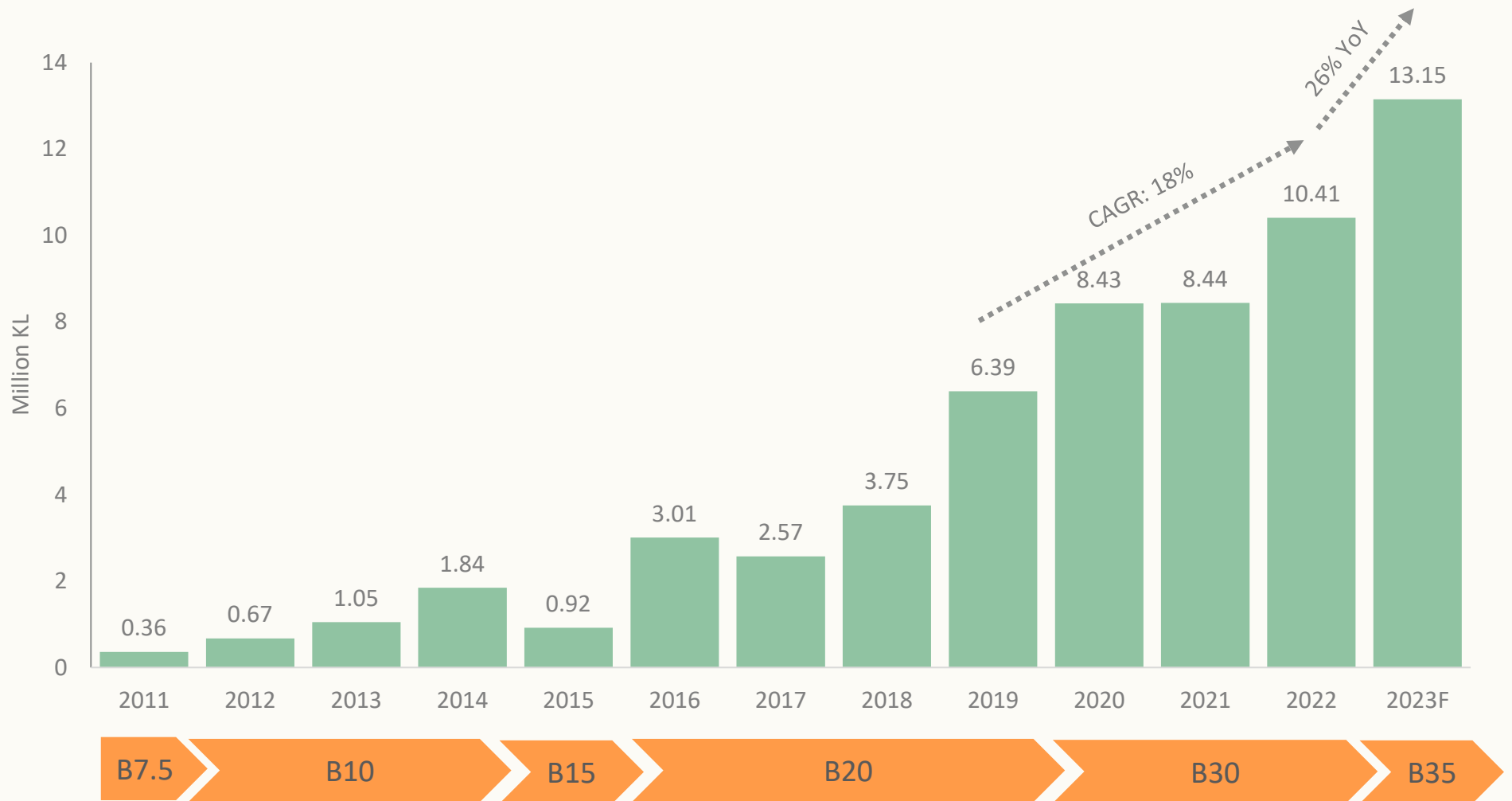
| | 2018 | 2019 | 2020 | 2021 | 2022 |
|----------------------|--------|--------|--------|--------|--------|
| STOK AWAL (1) | 4,022 | 3,261 | 4,596 | 4,867 | 4,129 |
| PRODUKSI CPO (2) | 43,108 | 47,180 | 47,034 | 46,888 | 46,729 |
| PRODUKSI CPKO (2) | 4,280 | 4,648 | 4,549 | 4,412 | 4,519 |
| TOTAL PRODUKSI | 47,388 | 51,828 | 51,583 | 51,300 | 51,248 |
| IMPOR (3) | 49 | 104 | 44 | 59 | 52 |
| KONSUMSI LOKAL (2) | | | | - | - |
| PANGAN (2) | 8,704 | 9,860 | 8,428 | 8,954 | 9,941 |
| OLEOKIMIA (2) | 963 | 1,056 | 1,695 | 2,126 | 2,185 |
| BIODIESEL | 3,824 | 5,831 | 7,226 | 7,342 | 8,842 |
| TOTAL KONSUMSI LOKAL | 13,491 | 16,747 | 17,349 | 18,422 | 20,968 |
| EKSPOR (3) | | | | - | - |
| CPO | 6,554 | 7,399 | 7,171 | 2,482 | 3,583 |
| Olahan CPO | 23,822 | 23,677 | 21,103 | 25,481 | 21,519 |
| CPKO | 369 | 651 | 301 | 52 | 109 |
| OLAHAN CPKO | 1,484 | 1,396 | 1,529 | 1,458 | 1,060 |
| BIODIESEL | 1,356 | 1,090 | 31 | 167 | 367 |
| OLEOKIMIA | 2,746 | 3,218 | 3,871 | 4,036 | 4,166 |
| TOTAL EKSPOR | 36,333 | 37,430 | 34,007 | 33,674 | 30,803 |
| KONS. LOKAL+EKSPOR | 49,824 | 54,177 | 51,356 | 52,096 | 51,771 |
| STOK AKHIR (1) | 3,261 | 4,596 | 4,867 | 4,129 | 3,658 |

Sumber : BPS, BDPKPS, GAPKI, APROBI, GIMNI, APOLIN, AIMMI (1) perhitungan (2) estimasi (3) diolah

Indonesia biodiesel program to continue providing support



B35 mandate is anticipated to soak in 13.15 mn KL in 2023, or 26% rise vs 2022 level



Source: Ministry of Energy and Mineral Resources



Palm oil's success story in the past 40 years

Four decades of rising palm oil output

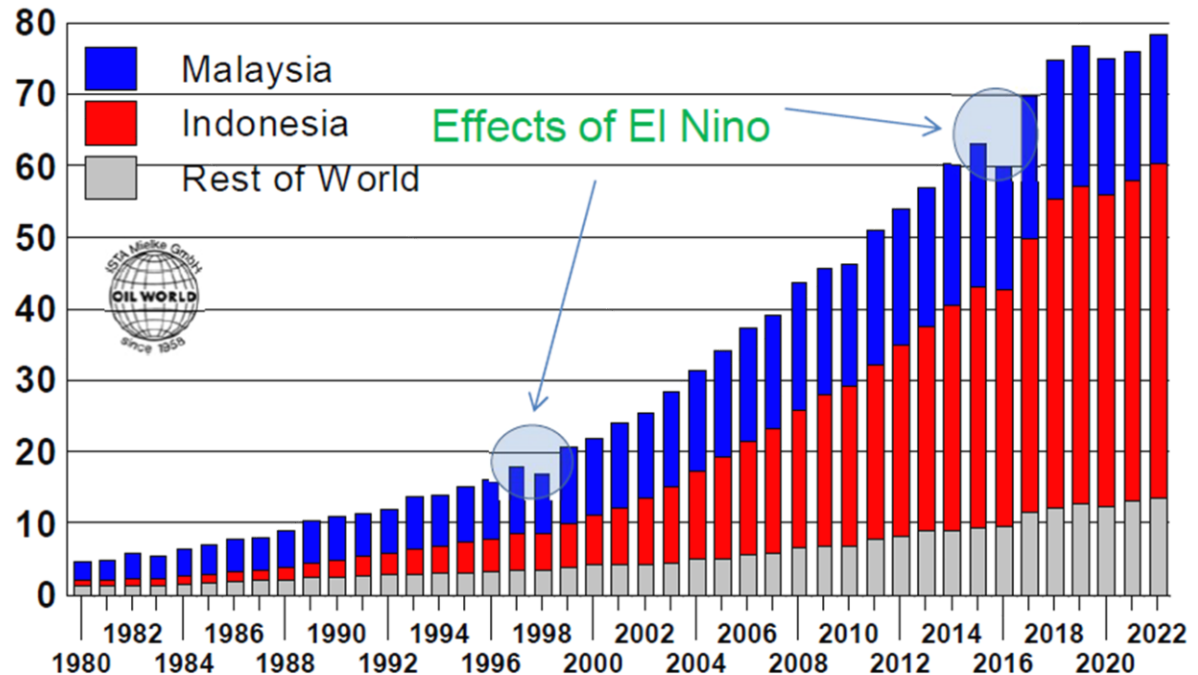
- Doubling years – 1980, 1989(9), 1999(10), 2007(8), next stop in 2023(16)?
- 10mn increments – 1989, 1999(10), 2004(5), 2007(3), 2011(4), 2014(3), 2016(2), next stop in 2023(7)?

Palm oil the most productive oil crop.
It has many advantages.

Much higher yields per ha compared to other crops.

At 78.3 Mn T in calendar year 2022, palm oil accounts for for about 32% of world production of all oils & fats, which is achieved from only 6% of the area.

Palm Oil Production 1980 - 2022 in Major Countries (Mn T)

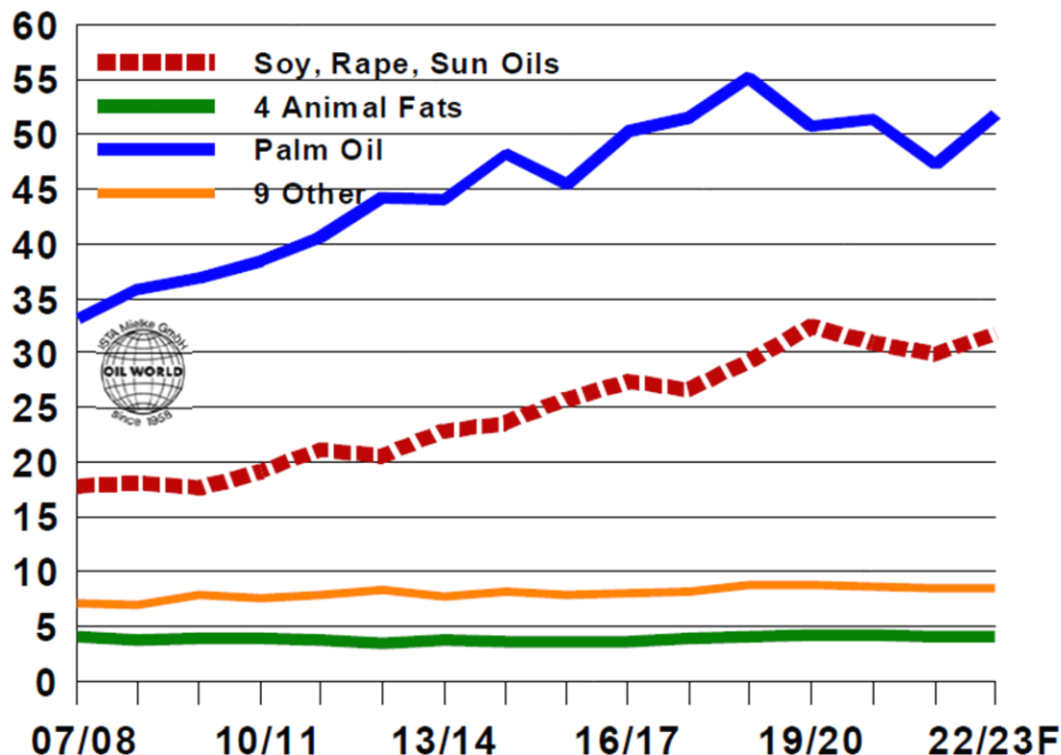


Significance of palm oil to world's demand of oils & fats



Palm oil accounts for 54% of world exports of oils & fats

17 OILS & FATS : World Exports (Mn T)



Palm oil is the most important oil worldwide.

At close to 50 Mn T in Jan/Dec 2022, PO accounts for 54% of world exports of all oils & fats.

In 2022/23 and the years ahead global demand for Indonesian palm oil will rise, due to insufficient growth of palm oil export supplies in Malaysia and the rest of the world



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Nov 4, 2022



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THANK YOU