



Bumitama Agri Ltd.

Excellence Through Discipline

Third Quarter & Nine Months 2019 Presentation

12 November 2019



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The 1, 2, 3 Growth Strategies





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Executive Summary – 9M2019

● **Production**

- FFB volumes decreased 4.1% YoY to 2,427,649 mt.
- FFB yield decreased 8.4% YoY from 15.5 mt/ha to 14.2 mt/ha.
- OER at 22.6%.
- Total planted area of 186,248 ha.
- FFB internal growth FY2019 revised to flat.

● **Financial Performance**

- Revenue decreased by 12.5% YoY to IDR 5,399 billion.
- Gross Profit decreased by 38.2% YoY to IDR 1,153 billion.
- EBITDA decreased by 40.8% YoY to IDR 1,116 billion.



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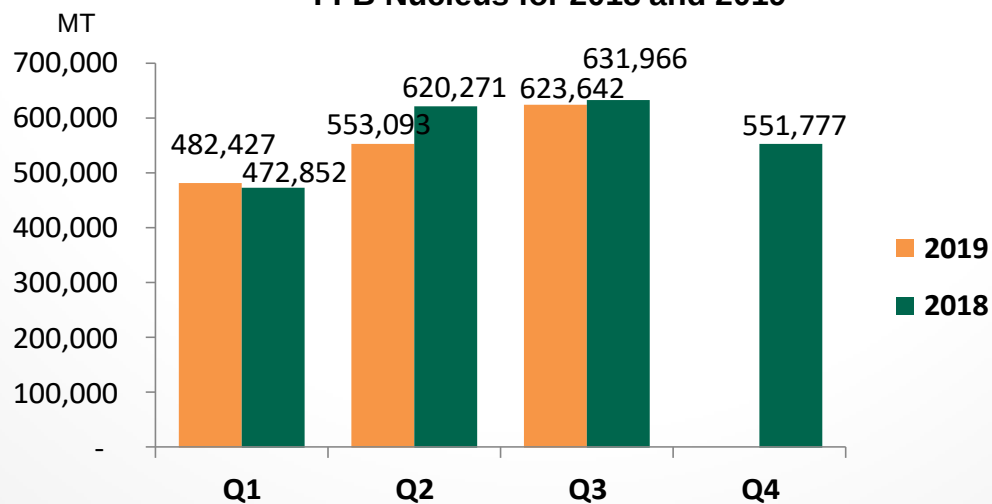
Operational Highlight

	3Q2019	%	3Q2018	%	Change	9M2019	%	9M2018	%	Change
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Production

FFB Total	(MT)	1,262,877	100.0	1,345,013	100.0	-6.1%	3,372,306	100.0	3,580,063	100.0	-5.8%
FFB Internal		908,265	71.9	935,692	69.6	-2.9%	2,427,649	72.0	2,530,429	70.7	-4.1%
FFB Nucleus		623,642	49.4	631,966	47.0	-1.3%	1,659,162	49.2	1,725,089	48.2	-3.8%
FFB Plasma		284,623	22.5	303,726	22.6	-6.3%	768,487	22.8	805,340	22.5	-4.6%
FFB External		354,612	28.1	409,321	30.4	-13.4%	944,657	28.0	1,049,634	29.3	-10.0%

FFB Nucleus for 2018 and 2019





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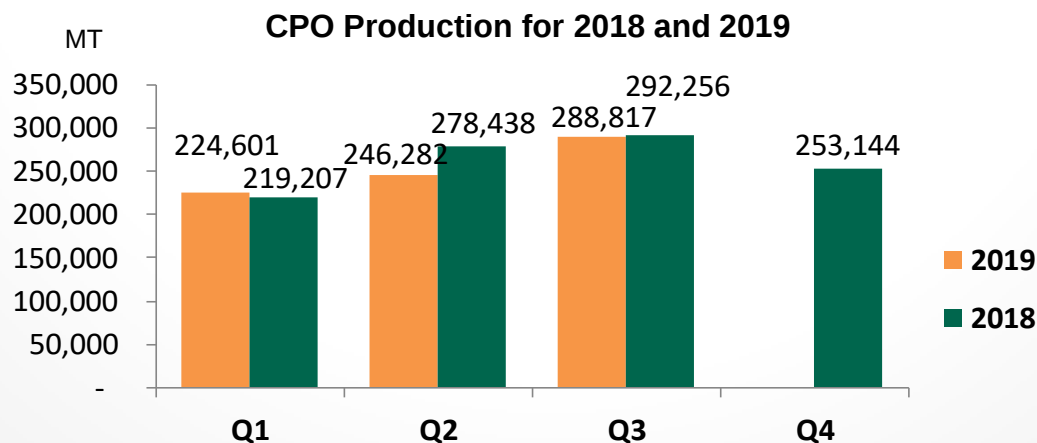
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Operational Highlight (*Cont'*)

		3Q2019	3Q2018	Change	9M2019	9M2018	Change
CPO	(MT)	288,817	292,256	-1.2%	759,700	789,901	-3.8%
PK	(MT)	59,738	58,016	3.0%	155,558	160,269	-2.9%

Yield and Extraction Rate

FFB Yield	(MT/ha)	5.3	5.8	-8.6%	14.2	15.5	-8.4%
CPO Yield	(MT/ha)	1.2	1.2	0.0%	3.2	3.4	-5.9%
CPO Extraction Rate	(%)	22.9%	21.7%	5.5%	22.6%	22.1%	2.3%
PK Extraction Rate	(%)	4.7%	4.3%	9.3%	4.6%	4.5%	2.2%





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Planted Area

	As at 30 September 2019		As at 31 December 2018		Change
	Area (ha)	% of Total	Area (ha)	% of Total	Area (ha)
Planted Nucleus	131,324	70.5	132,431	71.5	-1,107
- Old & Mature	117,590	63.1	113,238	61.1	4,352
- Immature	13,734	7.4	19,193	10.4	-5,459

- As at 30 September 2019 the planted Plasma is 54,924 ha.

Weighted average age of 9.8 years as at 1 January 2019



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Sales Revenue and Volume

	3Q2019	3Q2018	Change	9M2019	9M2018	Change
Sales Revenue (IDR million)						
- Crude Palm Oil	1,761,310	1,635,679	7.7%	4,840,066	5,323,560	-9.1%
- Palm Kernel	182,355	282,022	-35.3%	559,337	850,302	-34.2%
Sales Volume (MT)						
- Crude Palm Oil	274,317	240,421	14.1%	742,973	713,082	4.2%
- Palm Kernel	59,360	57,050	4.0%	160,835	151,443	6.2%
Average Sales Price (IDR/KG)						
- Crude Palm Oil	6,421	6,803	-5.6%	6,514	7,466	-12.8%
- Palm Kernel	3,072	4,943	-37.9%	3,478	5,615	-38.1%



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Income Statement Highlight

IDR million	3Q2019	3Q2018	Change	9M2019	9M2018	Change
Revenue	1,943,665	1,917,701	1.4%	5,399,403	6,173,862	-12.5%
Gross profit	509,798	586,042	-13.0%	1,153,323	1,864,748	-38.2%
Net profit	228,993	315,409	-27.4%	514,283	1,041,667	-50.6%
Net profit attributable to owners of the company	189,613	269,885	-29.7%	424,858	889,711	-52.2%
EBITDA	510,030	564,043	-9.6%	1,115,918	1,886,212	-40.8%
Gross margin (%)	26.2%	30.6%	-14.4%	21.4%	30.2%	-29.1%
Net profit margin (%)	11.8%	16.4%	-28.0%	9.5%	16.9%	-43.8%
EBITDA margin (%)	26.2%	29.4%	-10.9%	20.7%	30.6%	-32.4%

Appendix to the Announcement 9M2019: Translation of Unaudited Financial Statements to USD

Income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	3rd Quarter			9 Months		
	2019 USD thousand	2018 USD thousand	Change %	2019 USD thousand	2018 USD thousand	Change %
Revenue	137,138	136,518	0.5%	380,962	439,509	-13.3%
Cost of sales	(101,168)	(94,799)	6.7%	(299,588)	(306,760)	-2.3%
Gross profit	35,970	41,719	-13.8%	81,374	132,749	-38.7%
Interest income	3,642	3,818	-4.6%	9,764	8,541	14.3%
Selling expense	(5,941)	(6,888)	-13.7%	(18,231)	(13,557)	34.5%
General and administrative expense	(4,939)	(4,633)	6.6%	(16,359)	(14,717)	11.2%
Finance cost	(4,809)	(3,646)	31.9%	(12,891)	(10,397)	24.0%
Foreign exchange gain/(loss)	(1,235)	(1,959)	-37.0%	5,486	(5,444)	n.m.
Others, net	460	284	n.m.	666	532	n.m.
Profit before income tax	23,148	28,695	-19.3%	49,809	97,707	-49.0%
Income tax expense	(6,992)	(6,241)	12.0%	(13,523)	(23,551)	-42.6%
Profit for the period	16,156	22,454	-28.0%	36,286	74,156	-51.1%
Attributable to:						
Owners of the Company	13,377	19,213	-30.4%	29,977	63,338	-52.7%
Non-controlling interests	2,779	3,241	-14.3%	6,309	10,818	-41.7%
	16,156	22,454	-28.0%	36,286	74,156	-51.1%
EBITDA	35,986	40,153	-10.4%	78,735	134,277	-41.4%
Check						

n.m. – not meaningful

Notes: The reporting currency for Bumitama is in IDR but for illustrative purpose USD is used here. The income and expense for each unaudited income statement presented are translated at average exchange rates at each respective period (Source: Bank Indonesia middle rate).

Appendix to the Announcement 9M2019: Translation of Unaudited Financial Statements to USD

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	
	30-Sept-2019	31-Dec-2018	30-Sept-2019	31-Dec-2018
	USD thousand	USD thousand	USD thousand	USD thousand
ASSETS				
Non-current assets				
Plasma receivables	164,857	118,519	-	-
Property, plant and equipment	244,217	238,850	239	239
Bearer plants	530,846	518,164	-	-
Land use rights	68,129	66,213	-	-
Investment in subsidiaries	-	-	147,166	147,166
Investment in associate companies	-	-	10,639	10,639
Intangible assets	12,402	12,252	-	-
Deferred tax assets	17,995	15,967	-	-
Due from subsidiaries	-	-	519,407	495,480
Loan to an associate company	5,995	5,710	5,995	5,710
Total Non-current assets	1,044,441	975,675	683,446	659,234
Current assets				
Biological assets	15,830	17,154	-	-
Inventories	50,836	40,909	-	-
Deferred charges	572	590	-	4
Trade and other receivables	13,284	33,136	50	13
Due from related companies	4	3	-	-
Plasma receivables	9,396	15,164	-	-
Prepayments and advances	1,130	1,289	13	74
Prepaid taxes	55,201	37,531	6	6
Cash and short-term deposits	25,534	20,651	2,351	2,806
Total Current assets	171,787	166,427	2,420	2,903
Total Assets	1,216,228	1,142,102	685,866	662,137

Notes: The reporting currency for Bumitama is in IDR but for illustrative purpose USD is used here. The assets and liabilities for each unaudited statement of financial position presented are translated at closing exchange rates at each respective period (Source: Bank Indonesia middle rate).

Appendix to the Announcement 9M2019: Translation of Unaudited Financial Statements to USD

	Group		Company	
	30-Sept-2019	31-Dec-2018	30-Sept-2019	31-Dec-2018
	USD thousand	USD thousand	USD thousand	USD thousand
LIABILITIES AND EQUITY				
Current liabilities				
Loans and borrowings	60,000	55,000	60,000	55,000
Islamic medium term notes	-	241,185	-	241,185
Trade and other payables	51,388	53,509	6	154
Accrued operating expenses	11,522	14,490	1,800	4,460
Sales advances	3,746	893	-	-
Income taxes payable	15,663	7,735	9	-
Derivative financial liabilities	-	71,025	-	71,025
Total Current liabilities	142,319	443,837	61,815	371,824
Non-current liabilities				
Deferred tax liabilities	7,260	8,858	-	-
Loans and borrowings	252,524	64,560	252,524	64,560
Islamic medium term notes	167,094	-	167,094	-
Post employment benefits	3,436	3,363	-	-
Derivative financial liabilities	4,716	-	4,716	-
Total Non-current liabilities	435,030	76,781	424,334	64,560
Total Liabilities	577,349	520,618	486,149	436,384
Net Assets	638,879	621,484	199,717	225,753
Equity attributable to owners of the Company				
Share capital	130,993	130,993	130,993	130,993
Treasury shares	(10,907)	(9,938)	(10,907)	(9,938)
Other reserves	(18,061)	(15,602)	(2,789)	(330)
Retained earnings	486,743	487,009	14,309	36,935
Foreign currency translation reserve	(54,720)	(69,976)	68,111	68,093
	534,048	522,486	199,717	225,753
Non-controlling interests	104,831	98,998	-	-
Total Equity	638,879	621,484	199,717	225,753

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Appendix to the Announcement 9M2019: Translation of Unaudited Financial Statements to USD

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

CASH FLOW	Group			
	3rd Quarter		9 Months	
	2019	2018	2019	2018
	USD thousand	USD thousand	USD thousand	USD thousand
Cash flows from operating activities				
Cash receipts from customers	142,533	154,392	405,059	453,095
Cash payments to suppliers, employees and for other operating expenses	(109,161)	(122,869)	(327,924)	(342,205)
Income tax paid	(6,181)	(6,458)	(20,837)	(27,826)
Net cash flows generated from operating activities	27,191	25,065	56,298	83,064
Cash flows from investing activities				
Increase in plasma receivables	(7,610)	(6,966)	(25,381)	(20,888)
Investment in intangible assets	(43)	(228)	(43)	(248)
Investment in bearer plants	(4,934)	(3,655)	(15,716)	(12,355)
Investment in property, plant and equipment	(5,656)	(5,245)	(14,980)	(11,082)
Investment in land use rights	(1,569)	(1,059)	(2,906)	(4,586)
Interest received	3,537	3,714	9,447	8,251
Net cash flows used in investing activities	(16,275)	(13,439)	(49,579)	(40,908)
Cash flows from financing activities				
Proceeds from loans and borrowings	58,346	12,888	294,991	30,797
Repayment of loan and borrowings	(64,767)	(13,335)	(99,836)	(20,745)
Proceeds from issuance of Islamic Medium Term Notes	166,697	-	166,697	-
Repayment of Islamic Medium Term Notes	(159,535)	-	(314,279)	-
Payment of dividend	(5,201)	(10,029)	(31,193)	(36,024)
Buy-back of ordinary shares	-	-	(969)	-
Interest paid	(6,557)	(7,651)	(17,577)	(14,687)
Net cash flows used in financing activities	(11,017)	(18,127)	(2,166)	(40,659)
Net increase/(decrease) in cash and cash equivalents	(101)	(6,501)	4,553	1,497
Effect of exchange rate changes on cash and cash equivalents	(9)	654	330	(1,124)
Cash and cash equivalents at beginning of period	25,644	22,282	20,651	16,062
Cash and cash equivalents at end of period	25,534	16,435	25,534	16,435

Notes: The reporting currency for Bumitama is in IDR but for illustrative purpose USD is used here. The unaudited cash flow statement presented is translated at average exchange rates at each respective period (Source: Bank Indonesia middle rate).

Appendix to the Announcement 9M2019: Translation of Unaudited Financial Statements to USD

Cash Flows from Operating Activities:	Group			
	3rd Quarter		9 Months	
	2019	2018	2019	2018
	USD thousand	USD thousand	USD thousand	USD thousand
Profit before income tax	23,148	28,695	49,809	97,707
Depreciation and amortisation	10,435	9,672	31,285	29,271
Finance cost	4,809	3,646	12,891	10,397
Interest income	(3,642)	(3,818)	(9,764)	(8,541)
Unrealized foreign exchange (gain)/loss	3,356	(167)	(5,517)	(3,445)
Operating cash flows before working capital changes	38,106	38,028	78,704	125,389
Decrease/(increase) in:				
- Trade and other receivables	4,728	9,293	20,521	7,631
- Inventories	610	(22,083)	(9,041)	(42,065)
- Prepaid taxes	(2,147)	(10,126)	(16,858)	(24,723)
- Prepayments and advances	824	(148)	185	(680)
- Deferred charges	14	-	30	(65)
(Decrease)/increase in:				
- Trade and other payables	(11,044)	960	(3,181)	26,992
- Accrued operating expenses	(2,225)	86	(7,662)	(588)
- Other taxes payable	4,152	7,954	11,603	13,528
- Sales advances	354	7,559	2,834	5,471
Cash flows generated from operations	33,372	31,523	77,135	110,890
Income tax paid	(6,181)	(6,458)	(20,837)	(27,826)
Net cash flows generated from operating activities	27,191	25,065	56,298	83,064

Notes: The reporting currency for Bumitama is in IDR but for illustrative purpose USD is used here. The unaudited cash flow statement presented is translated at average exchange rates at each respective period (Source: Bank Indonesia middle rate).



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Contact Information

If you need further information, please contact:

Investor Relations

Christina Lim	--- clim@bumitama-agri.com
Lim Sian Choo	--- lim.sian.choo@bumitama-agri.com
Glenn Ho	--- glenn.ho@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