



Bumitama Agri Ltd.

Excellence Through Discipline

Second Quarter & First Half 2019 Presentation

14 August 2019



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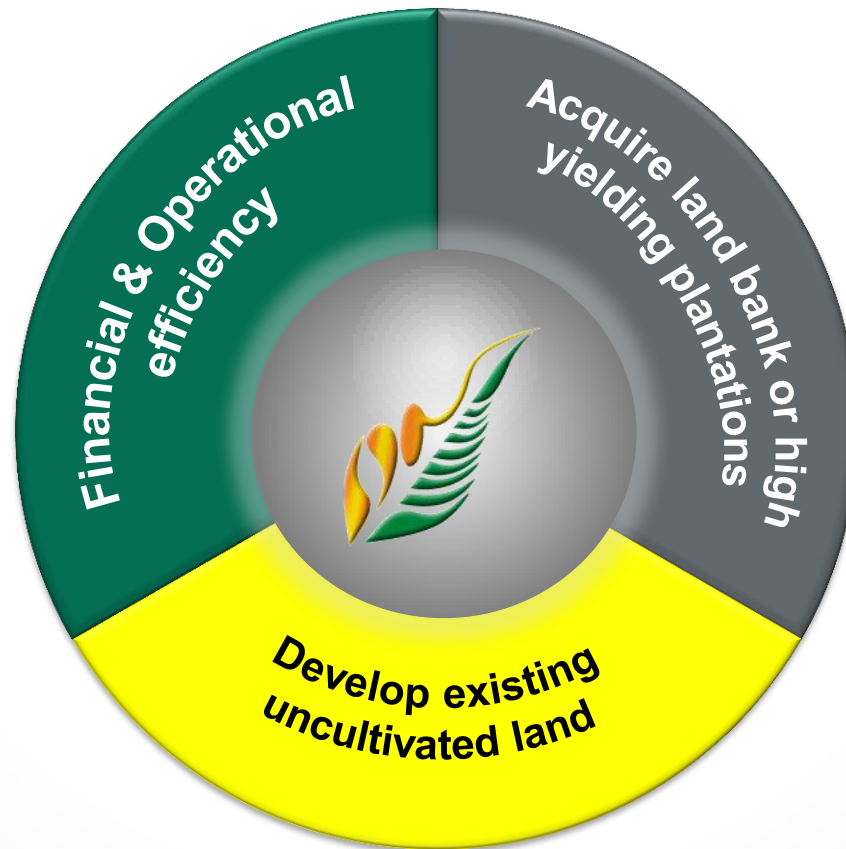
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The 1, 2, 3 Growth Strategies





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Executive Summary – 1H2019

● **Production**

- FFB volumes decreased 4.7% YoY to 1,519,384 mt.
- FFB yield decreased 8.2% YoY from 9.7 mt/ha to 8.9 mt/ha.
- OER at 22.4%.
- Total planted area of 185,202 ha.

● **Financial Performance**

- Revenue decreased by 18.8% YoY to IDR 3,456 billion.
- Gross Profit decreased by 49.7% YoY to IDR 644 billion.
- EBITDA decreased by 54.2% YoY to IDR 606 billion.

● **Revised Guidance for FY2019**

- Target new planting is up to 1,000 ha.
- FFB internal growth by 5% – 8%.
- Targeted Investment is IDR 800 – 900 billion.



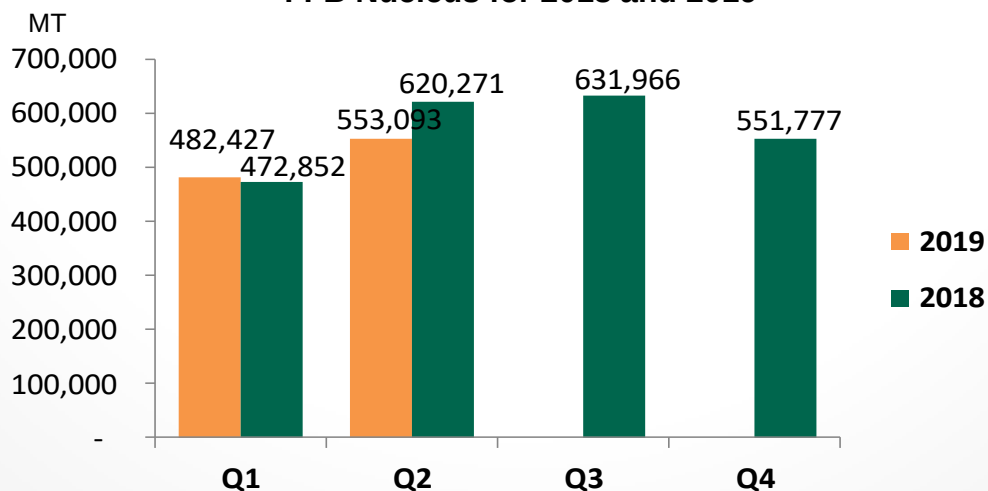
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Operational Highlight

		2Q2019	%	2Q2018	%	Change	YoY	1H2019	%	1H2018	%	Change	YoY
Production													
FFB Total	(MT)	1,103,204	100.0	1,267,989	100.0	-13.0%	↓	2,109,429	100.0	2,235,050	100.0	-5.6%	↓
FFB Internal		812,877	73.7	911,229	71.9	-10.8%	↓	1,519,384	72.0	1,594,737	71.4	-4.7%	↓
FFB Nucleus		553,093	50.1	620,271	49.0	-10.8%	↓	1,035,520	49.1	1,093,123	49.0	-5.3%	↓
FFB Plasma		259,784	23.6	290,958	22.9	-10.7%	↓	483,864	22.9	501,614	22.4	-3.5%	↓
FFB External		290,327	26.3	356,760	28.1	-18.6%	↓	590,045	28.0	640,313	28.6	-7.9%	↓

FFB Nucleus for 2018 and 2019



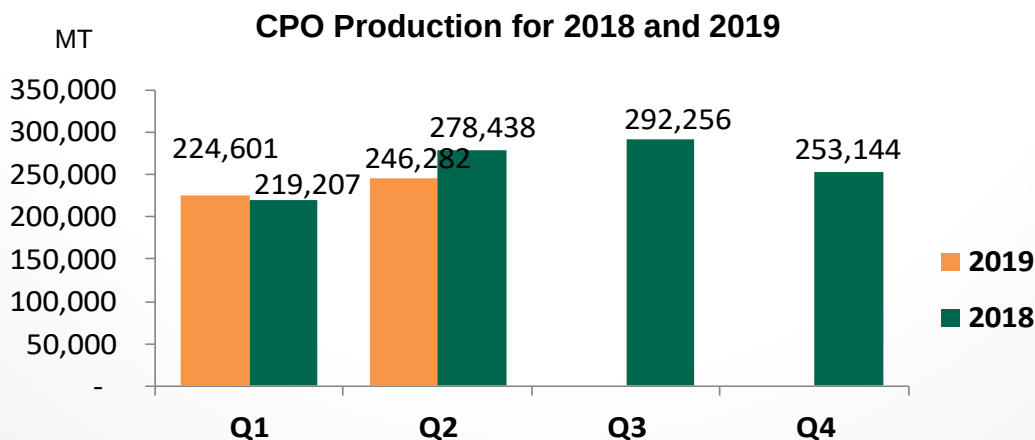


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Operational Highlight (Cont')

		2Q2019	2Q2018	Change	YoY	1H2019	1H2018	Change	YoY
CPO	(MT)	246,282	278,438	-11.5%	↓	470,883	497,645	-5.4%	↓
PK	(MT)	50,899	57,401	-11.3%	↓	95,820	102,253	-6.3%	↓
Yield and Extraction Rate									
FFB Yield	(MT/ha)	4.7	5.5	-14.5%	↓	8.9	9.7	-8.2%	↓
CPO Yield	(MT/ha)	1.1	1.2	-8.3%	↓	2.0	2.2	-9.1%	↓
CPO Extraction Rate	(%)	22.3%	22.0%	1.4%	↑	22.4%	22.3%	0.4%	↑
PK Extraction Rate	(%)	4.6%	4.5%	2.2%	↑	4.6%	4.6%	0.0%	=





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Planted Area

	As at 30 June 2019		As at 31 December 2018		Change	
	Area (ha)	% of Total	Area (ha)	% of Total	Area (ha)	
Planted Nucleus	130,278	70.3	132,431	71.5	-2,153	
- Old & Mature	117,590	63.5	113,238	61.1	4,352	
- Immature	12,688	6.8	19,193	10.4	-6,505	

- As at 30 June 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

	2Q2019	2Q2018	Change YoY	1H2019	1H2018	Change YoY
Sales Revenue (IDR million)						
- Crude Palm Oil	1,606,783	2,075,923	-22.6%	3,078,756	3,687,881	-16.5%
- Palm Kernel	171,899	272,458	-36.9%	376,982	568,280	-33.7%
Sales Volume (MT)						
- Crude Palm Oil	244,109	266,802	-8.5%	468,656	472,661	-0.8%
- Palm Kernel	51,241	49,706	3.1%	101,475	94,393	7.5%
Average Sales Price (IDR/KG)						
- Crude Palm Oil	6,582	7,781	-15.4%	6,569	7,802	-15.8%
- Palm Kernel	3,355	5,481	-38.8%	3,715	6,020	-38.3%



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Income Statement Highlight

IDR million	2Q2019	2Q2018	Change YoY		1H2019	1H2018	Change YoY	
Revenue	1,778,682	2,348,381	-24.3%	↓	3,455,738	4,256,161	-18.8%	↓
Gross profit	351,600	760,877	-53.8%	↓	643,525	1,278,706	-49.7%	↓
Net profit	149,688	452,630	-66.9%	↓	285,290	726,258	-60.7%	↓
Net profit attributable to owners of the company	124,638	388,056	-67.9%	↓	235,245	619,826	-62.0%	↓
EBITDA	352,320	802,555	-56.1%	↓	605,888	1,322,169	-54.2%	↓
Gross margin (%)	19.8%	32.4%	-38.9%	↓	18.6%	30.0%	-38.0%	↓
Net profit margin (%)	8.4%	19.3%	-56.5%	↓	8.3%	17.1%	-51.5%	↓
EBITDA margin (%)	19.8%	34.2%	-42.1%	↓	17.5%	31.1%	-43.7%	↓

Appendix to the Announcement 1H2019: 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

	2nd Quarter			1st Half		
	USD thousand	USD thousand	%	USD thousand	USD thousand	%
Revenue	125,287	170,758	-26.6%	243,416	309,478	-21.3%
Cost of sales	(100,521)	(115,432)	-12.9%	(198,087)	(216,500)	-8.5%
Gross profit	24,766	55,326	-55.2%	45,329	92,978	-51.2%
Interest income	3,174	2,132	48.9%	6,111	4,823	26.7%
Selling expense	(5,889)	(3,237)	81.9%	(12,270)	(6,812)	80.1%
General and administrative expense	(4,564)	(3,943)	15.7%	(11,402)	(10,300)	10.7%
Finance cost	(4,092)	(3,550)	15.3%	(8,068)	(6,896)	17.0%
Foreign exchange gain/(loss)	779	(2,401)	n.m.	6,709	(3,560)	n.m.
Other expenses	(36)	(39)	-7.7%	(79)	(40)	97.5%
Other income	119	230	-48.3%	285	295	-3.4%
Profit before income tax	14,257	44,518	-68.0%	26,615	70,488	-62.2%
Income tax expense	(3,714)	(11,606)	-68.0%	(6,519)	(17,681)	-63.1%
Profit for the period	10,543	32,912	-68.0%	20,096	52,807	-61.9%
Attributable to:						
Owners of the Company	8,779	28,217	-68.9%	16,571	45,069	-63.2%
Non-controlling interests	1,764	4,695	-62.4%	3,525	7,738	-54.4%
	10,543	32,912	-68.0%	20,096	52,807	-61.9%
EBITDA	24,817	58,356	-57.5%	42,678	96,139	-55.6%

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 1H2019: 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-June-2019	31-Dec-2018	30-June-2019	31-Dec-2018
	USD thousand	USD thousand	USD thousand	USD thousand
ASSETS				
Non-current assets				
Plasma receivables	157,225	118,519	-	-
Property, plant and equipment	244,094	238,850	255	239
Bearer plants	528,164	518,164	-	-
Land use rights	68,207	66,213	-	-
Investment in subsidiaries	-	-	147,166	147,166
Investment in associate companies	-	-	10,639	10,639
Intangible assets	12,438	12,252	-	-
Deferred tax assets	17,669	15,967	-	-
Due from subsidiaries	-	-	516,541	495,480
Loan to an associate company	5,901	5,710	5,901	5,710
Total Non-current assets	1,033,698	975,675	680,502	659,234
Current assets				
Biological assets	15,596	17,154	-	-
Inventories	51,566	40,909	-	-
Deferred charges	588	590	-	4
Trade and other receivables	18,049	33,136	51	13
Due from related companies	4	3	-	-
Plasma receivables	9,418	15,164	-	-
Prepayments and advances	1,959	1,289	17	74
Prepaid taxes	53,177	37,531	14	6
Cash and short-term deposits	25,702	20,651	2,579	2,806
Total Current assets	176,059	166,427	2,661	2,903
Total Assets	1,209,757	1,142,102	683,163	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 1H2019: Translation of Unaudited Financial Statements to USD

	Group		Company	
	30-June-2019	31-Dec-2018	30-June-2019	31-Dec-2018
	USD thousand	USD thousand	USD thousand	USD thousand
LIABILITIES AND EQUITY				
Current liabilities				
Loans and borrowings	70,000	55,000	70,000	55,000
Islamic medium term notes	120,668	241,185	120,668	241,185
Trade and other payables	62,567	53,509	18	154
Accrued operating expenses	12,148	14,490	2,462	4,460
Sales advances	3,399	893	-	-
Income taxes payable	9,828	7,735	-	-
Derivative financial liabilities	38,202	71,025	38,202	71,025
Total Current liabilities	316,812	443,837	231,350	371,824
Non-current liabilities				
Deferred tax liabilities	7,807	8,858	-	-
Loans and borrowings	249,402	64,560	249,402	64,560
Post employment benefits	3,444	3,363	-	-
Total Non-current liabilities	260,653	76,781	249,402	64,560
Total Liabilities	577,465	520,618	480,752	436,384
Net Assets	632,292	621,484	202,411	225,753
Equity attributable to owners of the Company				
Share capital	130,993	130,993	130,993	130,993
Treasury shares	(10,906)	(9,938)	(10,906)	(9,938)
Other reserves	(15,733)	(15,602)	(461)	(330)
Retained earnings	478,119	487,009	14,730	36,935
Foreign currency translation reserve	(52,704)	(69,976)	68,055	68,093
	529,769	522,486	202,411	225,753
Non-controlling interests	102,523	98,998	-	-
Total Equity	632,292	621,484	202,411	225,753

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 1H2019: 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			
	2nd Quarter		1st Half	
	2019	2018	2019	2018
	USD thousand	USD thousand	USD thousand	USD thousand
Cash flows from operating activities				
Cash receipts from customers	124,430	158,298	262,086	305,100
Cash payments to suppliers, employees and for other operating expenses	(111,859)	(117,603)	(218,396)	(224,034)
Income tax paid	(7,212)	(12,542)	(14,631)	(21,826)
Net cash flows generated from operating activities	5,359	28,153	29,059	59,240
Cash flows from investing activities				
Increase in plasma receivables	(3,781)	(1,300)	(17,741)	(14,220)
Investment in intangible assets	-	(21)	-	(21)
Investment in bearer plants	(4,730)	(1,679)	(10,764)	(8,886)
Investment in property, plant and equipment	(3,998)	(3,297)	(9,308)	(5,961)
Investment in land use rights	(975)	(1,116)	(1,335)	(3,603)
Interest received	3,065	2,032	5,900	4,634
Net cash flows used in investing activities	(10,419)	(5,381)	(33,248)	(28,057)
Cash flows from financing activities				
Proceeds from loans and borrowings	50,333	18,292	236,249	18,292
Repayment of loan and borrowings	(9,908)	(7,569)	(35,010)	(7,569)
Repayment of islamic medium term notes	-	-	(154,485)	-
Payment of dividend	(25,949)	(26,552)	(25,949)	(26,552)
Buy-back of ordinary shares	-	-	(968)	-
Interest paid	(3,854)	(963)	(11,001)	(7,187)
Net cash flows generated from/(used in) from financing activities	10,622	(16,792)	8,836	(23,016)
Net increase in cash and cash equivalents	5,562	5,980	4,647	8,167
Effect of exchange rate changes on cash and cash equivalents	17	(25)	404	(1,069)
Cash and cash equivalents at beginning of period	20,123	17,139	20,651	15,996
Cash and cash equivalents at end of period	25,702	23,094	25,702	23,094

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 1H2019: Translation of Unaudited Financial Statements to USD

Cash Flows from Operating Activities:	Group			
	2nd Quarter		1st Half	
	2019	2018	2019	2018
	USD thousand	USD thousand	USD thousand	USD thousand
Profit before income tax	14,257	44,518	26,615	70,488
Depreciation and amortisation	10,420	10,020	20,815	20,018
Finance cost	4,092	3,550	8,068	6,896
Interest income	(3,174)	(2,132)	(6,111)	(4,824)
Unrealized foreign exchange gain	(1,339)	(3,780)	(8,858)	(3,348)
Operating cash flows before working capital changes	24,256	52,176	40,529	89,230
Decrease/(increase) in:				
- Trade and other receivables	(1,495)	(9,768)	15,767	(1,698)
- Inventories	(10,493)	(16,073)	(9,636)	(20,410)
- Prepaid taxes	(6,963)	(6,620)	(14,686)	(14,909)
- Prepayments and advances	(161)	221	(638)	(543)
- Deferred charges	(1)	(51)	16	(66)
(Decrease)/increase in:				
- Trade and other payables	6,924	19,673	7,850	26,590
- Accrued operating expenses	(3,681)	(234)	(5,428)	(689)
- Other taxes payable	3,586	3,852	7,440	5,693
- Sales advances	599	(2,481)	2,476	(2,132)
Cash flows generated from operations	12,571	40,695	43,690	81,066
Income tax paid	(7,212)	(12,542)	(14,631)	(21,826)
Net cash flows generated from operating activities	5,359	28,153	29,059	59,240

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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Thank You

