

The Story Behind the Numbers

NORMALIZING TREND

Singapore, 12 May 2022 – Mainboard-listed Bumitama Agri Ltd. (“Bumitama” or “The Group”) is one of the leading oil palm plantations in Indonesia with crude palm oil (“CPO”) and palm kernel (“PK”) as its key products. The Group has released its financial performance results for the three months ending in March 2022 today.

The First quarter 2022 (“1Q22”) saw another good set of results for Bumitama as key financial metrics surged to fresh new high levels. Revenue for the period reached IDR 3.9 trillion, or 69% higher versus the same period last year (“1Q21”), while EBITDA climbed 189% to reach IDR 1.5 trillion, and net profit spiked 424% to reach IDR 873 billion.

The robust performance was mainly attributable to the elevated commodity price which continued to climb in 1Q22 period, from the already heightened level in the fourth quarter of 2021 (“4Q21”). Palm oil futures traded on the Malaysia Derivative Exchange averaged MYR5,741 per ton in 1Q22, which was 57% higher versus 1Q21 and 19% higher versus 4Q21.

As the world gets closer to normalcy, with increased post-pandemic activities occurring across nations and the economic recoveries that followed, consumption for vegetable oil is also seen rising favourably and is expected to accelerate in the upcoming months. On the other hand, production of palm oil is also expected to rise as weather-related recovery is taking shape for Bumitama and the industry as a whole.

This was previously the general backdrop at the start of the year which dominated market trading for the commodity. It was widely anticipated that palm oil price would stay within the range of MYR 5,000 to MYR 5,500 per ton level and to start easing only in the second half of 2022 as it would take sometime for the global stockpile to slowly replenish after enduring supply shock created by three successive years of extreme weather conditions.

However, palm oil futures spiked further and grossed over MYR 6,000 per ton in late February due to geopolitical conflict that emerged in the Black Sea Region. The market reacted strongly because Russia and Ukraine are both major vegetable oil producing regions. It is estimated that both countries combined, had exported some 10 million tons of vegetable oil during 2021, accounting more than 70% of exports out of Europe, and roughly making up 10% of world exports within the year.

In 1Q22, both CPO and PK had climbed significantly in terms of sales contribution. Revenue generated from CPO spiked 66% to IDR 3.2 trillion while PK surged 84% to IDR 670.8 billion, which was attributable to 76% and 81% year-on-year rise in selling price, respectively.

It is worth noting that production trend in Bumitama plantation estates is seen normalizing pronouncedly in 1Q22, as previously guided in the last result briefing session. Fresh Fruit Bunch (“FFB”) harvest from both nucleus and plasma estates in 1Q22, the “low-cycle period”, has surpassed 4Q21 volumes, the “high-cycle period”, by 19% and 17% respectively. FFB yield in nucleus and plasma estates have also risen from a base of 4.0 ton per hectare in 4Q21 for both estates to 4.7 and 4.6 ton per hectare in 1Q22, respectively.

Hence the normalizing production, combined with high palm prices amidst the commodity super-cycle, should bode well for Bumitama for the rest of the year.

**Net profit stated above is attributable to Owners of the Company*



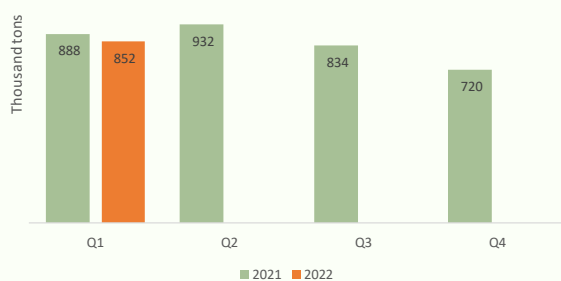
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The Numbers

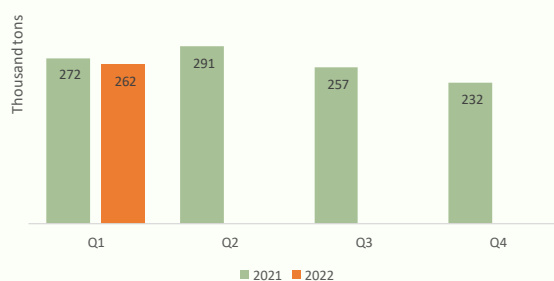
Production Highlight

	Unit	1Q22	1Q21	YoY	1Q22	4Q21	QoQ
FFB Nucleus	ton	596,309	611,382	-2.5%	596,309	501,438	18.9%
FFB Plasma	ton	256,132	276,694	-7.4%	256,132	218,273	17.3%
FFB Yield	ton/ha	4.7	4.9	↓	4.7	4.0	↑
FFB External	ton	317,267	315,217	0.7%	317,267	298,683	6.2%
CPO Production	ton	261,730	271,826	-3.7%	261,730	231,417	13.1%
OER	%	22.5%	22.8%	↓	22.5%	22.6%	↓
PK Production	ton	56,019	55,621	0.7%	56,019	51,311	9.2%

FFB - Internal Production (thousand tons)



CPO Production (thousand tons)

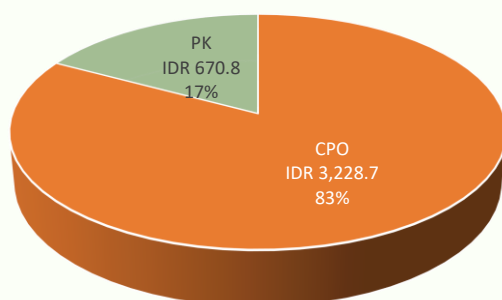


Financial Highlight

	Unit	1Q22	1Q21	YoY	1Q22	4Q21	QoQ
Revenue	IDR million	3,899,550	2,306,939	69.0%	3,899,550	3,751,865	3.9%
Gross profit	IDR million	1,500,622	507,141	195.9%	1,500,622	1,287,567	16.5%
Gross margin	%	38.5%	22.0%	↑	38.5%	34.3%	↑
Net profit*	IDR million	873,023	166,731	423.6%	873,023	648,602	34.6%
Net margin	%	22.4%	7.2%	↑	22.4%	17.3%	↑
EBITDA	IDR million	1,474,817	510,263	189.0%	1,474,817	1,278,441	15.4%
EBITDA margin	%	37.8%	22.1%	↑	37.8%	34.1%	↑

*Net profit attributable to Owners of the Company

Revenue (IDR billion)



Sales Volume (thousand tons)

