

The Story Behind the Numbers

PRONOUNCED RECOVERY

Singapore, 12 August 2022 – Mainboard-listed Bumitama Agri Ltd. (“Bumitama” or “The Group”), one of the leading oil palm plantations in Indonesia with crude palm oil (“CPO”) and palm kernel (“PK”) as its key products, has released its financial performance results for the six months ending in June 2022 (“1H22”).

Production recovery strengthened in the second quarter of 2022 (“2Q22”) as CPO output reached 341,304 tons, or 30% higher than the previous quarter (“1Q22”), and 17% higher than the same period in 2021 (“2Q21”).

The pronounced volume recovery in 2Q22 had resulted in superior quarterly yield achievement for the Group. Combined FFB yield from both nucleus and plasma estates under management reached fresh-new high level, at 6.1 tons per hectare within the period. The robust yield performance, while supported by favorable weather during the year, was also triggered by a number of field continuous improvement initiatives, such as water management, mechanization, bio-fertilizer application and *Tim Akselerasi Produksi* (Accelerated Production Taskforce). The initiatives are exemplary of the yield optimisation programmes that Bumitama has been constantly exploring in attaining industry best practices.

In 1H22, total CPO output reached 603,034 tons, surpassing the high-based figure recorded in the same period of 2021 (“1H21”) by 7%. West Kalimantan estates led the year-on-year (“YoY”) growth in production within the period, at 14% higher. Despite the strong 1H22 operational achievement, management of the Group is still targeting that production trend will be bigger in the second half of the year.

Bumitama has recorded IDR8,968.35 billion in revenue during 1H22, which translates to a 65% growth versus 1H21 figure. Sales contribution from CPO spiked during the period, attributable to 75% YoY growth in selling price, which averaged IDR 14,327 per kg of CPO.

Following the operational outperformance amidst good commodity pricing environment, Bumitama Agri has accumulated considerable amount of cash liquidity in recent quarters. Both current and net gearing ratios have improved, from 1.49 and 0.50 in 1H21 to 3.02 and 0.20 in 1H22, respectively.

The strong financial performance has paved the way for greater operating leverage and enabled Bumitama to degear through an early redemption of Sukuk Musharakah Tranche III, amounting to MYR300 million that was previously scheduled to mature on 22 July 2024. Once exercised, gearing ratio would potentially improved further by approximately 10% from current reported figure.

Other key financial metrics have also climbed markedly higher in 1H22, such as EBITDA spiking 217% YoY to reach IDR3,772.87 billion, and net profit surging 350% YoY to reach IDR2,178.74 billion.

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



INVESTOR CIRCULAR

The Numbers

Production Highlight

	Unit	2Q22	2Q21	YoY	1H22	1H21	YoY
FFB Nucleus	ton	769,319	644,804	19.3%	1,365,628	1,256,186	8.7%
FFB Plasma	ton	339,286	286,534	18.4%	595,418	563,228	5.7%
FFB Yield	ton/ha	6.1	5.1	↑	10.8	10.0	↑
FFB External	ton	425,782	351,484	21.1%	743,049	666,701	11.5%
CPO Production	ton	341,304	291,766	17.0%	603,034	563,592	7.0%
OER	%	22.3%	22.6%	↓	22.4%	22.7%	↓
PK Production	ton	71,936	60,957	18.0%	127,955	116,578	9.8%

FFB - Internal Production



CPO Production

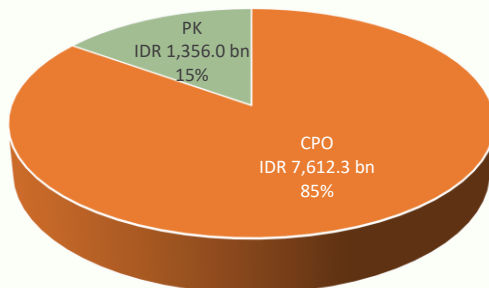


Financial Highlight

	Unit	2Q22	2Q21	YoY	1H22	1H21	YoY
Revenue	IDR million	5,068,797	3,131,256	61.9%	8,968,347	5,438,195	64.9%
Gross profit	IDR million	2,271,619	657,693	245.4%	3,772,241	1,164,834	223.8%
Gross margin	%	44.8%	21.0%	↑	42.1%	21.4%	↑
Net profit*	IDR million	1,305,716	317,299	311.5%	2,178,739	484,030	350.1%
Net margin	%	25.8%	10.1%	↑	24.3%	8.9%	↑
EBITDA	IDR million	2,298,051	680,603	237.6%	3,772,868	1,190,866	216.8%
EBITDA margin	%	45.3%	21.7%	↑	42.1%	21.9%	↑

*Net profit attributable to Owners of the Company

Revenue



Sales Volume

