



ANJ

INVESTOR NEWSLETTER

Bloomberg: ANJT: IJ

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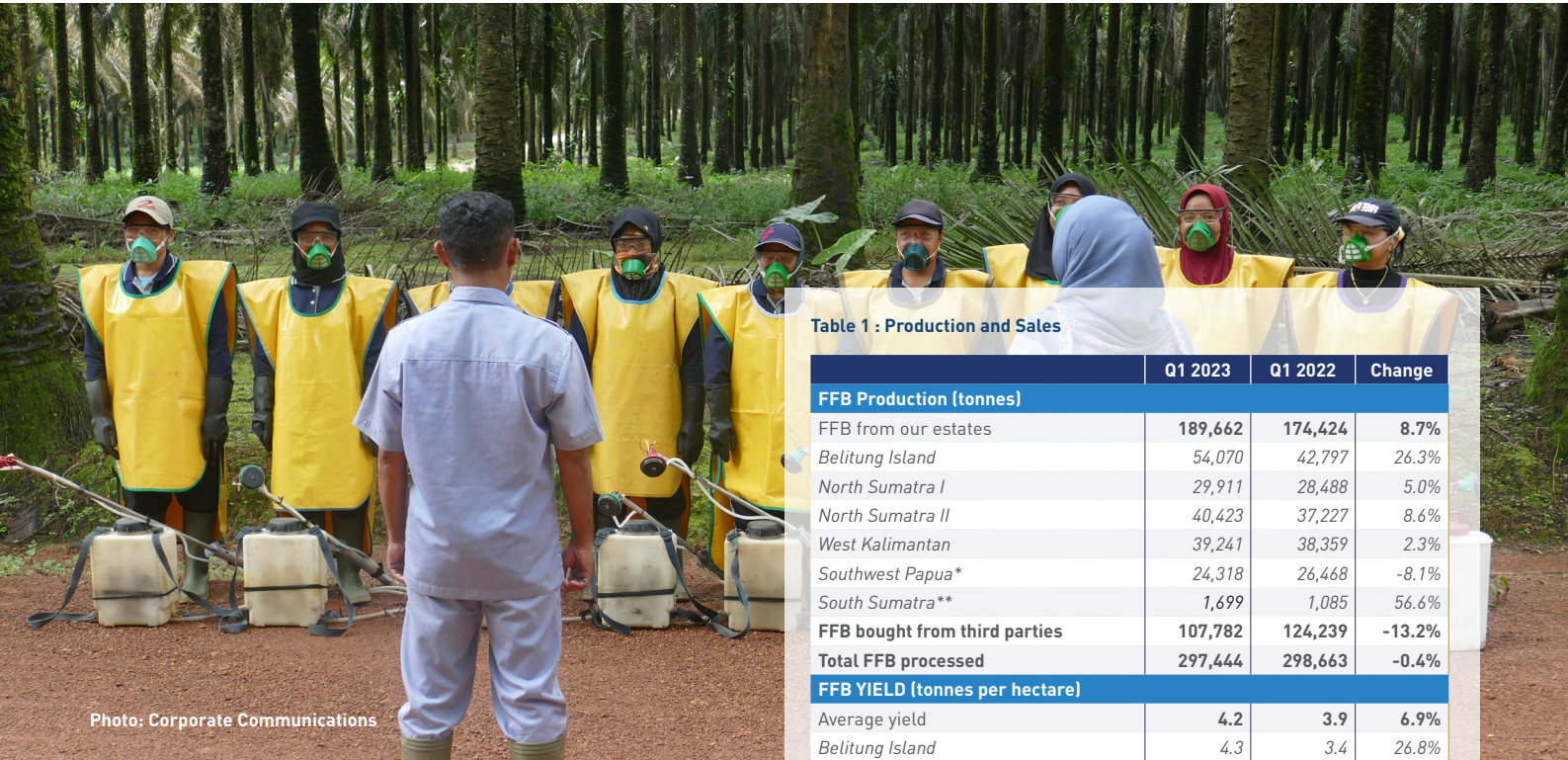


Photo: Corporate Communications

Table 1 : Production and Sales

	Q1 2023	Q1 2022	Change
FFB Production (tonnes)			
FFB from our estates	189,662	174,424	8.7%
<i>Belitung Island</i>	54,070	42,797	26.3%
<i>North Sumatra I</i>	29,911	28,488	5.0%
<i>North Sumatra II</i>	40,423	37,227	8.6%
<i>West Kalimantan</i>	39,241	38,359	2.3%
<i>Southwest Papua*</i>	24,318	26,468	-8.1%
<i>South Sumatra**</i>	1,699	1,085	56.6%
FFB bought from third parties	107,782	124,239	-13.2%
Total FFB processed	297,444	298,663	-0.4%
FFB YIELD (tonnes per hectare)			
Average yield	4.2	3.9	6.9%
<i>Belitung Island</i>	4.3	3.4	26.8%
<i>North Sumatra I</i>	4.1	3.7	10.7%
<i>North Sumatra II</i>	5.2	4.8	8.6%
<i>West Kalimantan</i>	4.4	4.3	2.2%
<i>Southwest Papua*</i>	3.0	3.8	-21.2%
<i>South Sumatra**</i>	2.7	1.8	47.0%
CPO Production (tonnes)			
Total production	60,051	60,433	-0.6%
<i>Belitung Island</i>	18,223	14,802	23.1%
<i>North Sumatra I</i>	10,878	13,229	-17.8%
<i>North Sumatra II</i>	12,991	13,032	-0.3%
<i>West Kalimantan</i>	12,975	13,450	-3.5%
<i>Southwest Papua*</i>	4,984	5,920	-15.8%
Palm Kernel production	11,517	11,816	-2.5%
PKO production*	239	271	-11.8%
Sales (tonnes)			
CPO Sales	58,103	60,057	-3.3%
<i>Belitung Island</i>	20,127	14,900	35.1%
<i>North Sumatra I</i>	10,314	15,068	-31.5%
<i>North Sumatra II</i>	14,169	13,500	5.0%
<i>West Kalimantan</i>	11,000	11,600	-5.2%
<i>Southwest Papua</i>	2,493	4,989	-50.0%
PK sales	12,349	11,925	3.6%
PKO Sales	-	-	0.0%
PRODUCTIVITY			
Extraction Rate - CPO (Mixed)	20.4%	20.4%	0.0%
CPO Average Selling Price - USD	776	1,069	-27.5%
PK Average Selling Price - USD	382	882	-56.7%
PKO Average Selling Price - USD	-	-	0.0%

Notes:

*Southwest Papua estate production for the year 2022 includes the scout harvesting production.

** South Sumatra estate production includes the scout harvesting production.

Q1 2023 OPERATIONAL UPDATE

PT Austindo Nusantara Jaya Tbk (“ANJT” or “the Company”) announced its operational performance and financial results for the first quarter (Q1) of 2023 (Q1 2023).

The Company produced 189,662 mt of Fresh Fruit Bunch (FFB) during the first quarter of 2023, an increase of 8.7% compared to 174,424 mt in the same period last year. In Q1 2023, our 589 ha newly mature South Sumatra estate contributed 1,699 mt of FFB production, which is an increase of 56.6% compared to 1,085 mt in Q1 2022, resulting in an FFB yield of 2.7 mt/ha. Meanwhile, our Belitung Island estate recorded a total production of 54,070 mt, an increase of 26.3% compared to 42,797 mt in Q1 2022 notwithstanding the major ongoing replanting program at this estate. Furthermore, our North Sumatra I estate, which has been engaged in its own replanting program since 2018, produced a total FFB of 29,911 mt, 5.0% above the total FFB production in Q1 2022 of 28,488 mt. Our West Kalimantan estate recorded an increase in FFB production of 2.3% compared to 38,359 mt in Q1 2022. In addition, our North Sumatra II estate recorded a total 40,423 mt in FFB production, an increase of 8.6% compared to 37,227 mt in Q1 2022. Meanwhile, our Southwest Papua estate experienced a drop in FFB production of 8.1% due to

COMPANY PROFILE

PT Austindo Nusantara Jaya Tbk (“ANJT”) is an Indonesian agribusiness based food company committed to responsible development. The company is primarily engaged in the production of crude palm oil at its established and developing estates. ANJT also engages in the production of sago starch and edamame.

SHARE INFORMATION

# shares	3,354.2 mn
# free float	3,354.2mn
Listing date	8-5-2013
IPO Price	Rp 1,200
Highest	Rp 785
Lowest	Rp 645
Close	Rp 680

SHAREHOLDERS STRUCTURE

(as of 31 March 2023)	%
PT Austindo Kencana Jaya	40.85
PT Memimpin Dengan Nurani	40.85
George Santosa Tahija	4.74
Sjakon George Tahija	4.74
Yayasan Tahija	0.00
Public	8.83

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parthenocarpic bunches caused by the high rainfall intensity experienced during 2022 which affected the fruit set formation and thus the quality of FFB sent to the mill.

During Q1 2023, our Crude Palm Oil (CPO) and Palm Kernel (PK) production decreased by 0.6% and 2.5% to 60,051 mt and 11,517 mt, respectively, mainly due to significantly lower external FFB purchased at the North Sumatera I estate. This was caused by a road access limit on delivery truck sizes implemented by the district government. The road access limit was lifted in April 2023 and the Company has since resumed external FFB purchases at the North Sumatera I estate. The Company also reported a knock on decrease in CPO sales volume by 3.3% to 58,103 mt in Q1 2023 compared to 60,057 mt in Q1 2022 as a result of the lower CPO and PK production.

During Q1 2023, CPO prices have fallen due to higher output and a decline in the prices of rival oils amid concerns over the possibility of a global economic recession. As a result, the Company recorded an Average Selling Price (ASP) for its CPO of USD 776 per ton in Q1 2023, which was 27.5% lower than the Q1 2022 ASP of USD 1,069 per ton. Meanwhile, the ASP for PK in Q1 2023 was USD 382/mt, 56.7% lower than the ASP in Q1 2022 of USD 882/mt.

FINANCIAL HIGHLIGHTS

Our Financial Performance Results

Table 2: Consolidated Statements of Comprehensive Income

	Q1 2023		Q1 2022		Change
	"USD Thousands"	"Rp. Millions ⁽¹⁾ "	"USD Thousands"	"Rp. Millions ⁽¹⁾ "	
Revenue	50,877	775,463	75,546	1,083,637	-32.7%
Cost of revenue	(48,875)	(744,946)	(56,010)	(803,412)	-12.7%
Gross profit	2,002	30,518	19,536	280,224	-89.8%
Total operating expenses, net	(2,209)	(33,674)	(2,861)	(41,034)	-22.8%
Operating (loss) profit	(207)	(3,157)	16,675	239,190	-101.2%
Finance income	84	1,283	167	2,397	-49.6%
Finance charges	(2,361)	(35,986)	(1,300)	(18,653)	81.6%
(Loss) Profit before tax	(2,484)	(37,859)	15,542	222,934	-116.0%
Income tax expense	(1,430)	(21,797)	(4,380)	(62,830)	-67.4%
(Loss) Profit for the period	(3,914)	(59,656)	11,162	160,105	-135.1%
Other comprehensive (loss) income	8,787	133,934	(1,091)	(15,643)	905.7%
Total comprehensive income	4,873	74,278	10,071	144,461	-51.6%
EBITDA	6,597	100,544	23,704	340,014	-72.2%
EBITDA margin [%]	13.0%	13.0%	31.4%	31.4%	-58.7%

¹⁾ The translation of US Dollar amounts into the Indonesian Rupiah amounts are included solely for the convenience of the readers and has been made using the average of the exchange rates of Rp 15,242 to USD 1 for Q1 2023 and Rp 14,344 to USD 1 for Q1 2022.

Revenue from Sales and Service Concessions

In Q1 2023 ANJT posted total revenue of USD 50.9 million, a decrease of 32.7% compared to Q1 2022 due to the lower ASPs of CPO and PK and lower sales volumes of CPO.

The palm oil segment contributed 98.4% of our total revenue or USD 50.1 million, a decrease of 33.1% compared to the USD 74.8 million achieved in Q1 2022. Our edamame sales revenue was USD 364.4 thousand, a significant increase of 79.3% from the USD 203.2 thousand in Q1 2022 mainly due to higher sales volume and a higher ASP. Our sago segment contributed USD 284.9 thousand to our total revenue in Q1 2023, a drop of 24.8% from the USD 378.8 thousand in Q1 2022 due to the unfavorable sales volume variance in line with a lower sago starch production volume compared to Q1 2022. Meanwhile, our renewable energy segment contributed USD 140.4 thousand in Q1 2023, slightly lower than the USD 150.6 thousand achieved in Q1 2022.

Operating (Expenses) Income and Financial Charges

The Company recorded an operating expense (net of operating income) of USD 2.2 million, a decrease of 22.8% from USD 2.9 million in Q1 2022 mainly due to a foreign exchange gain of USD 779.0 thousand compared to net loss of USD 137.6 thousand in Q1 2022 as a result of the appreciation of the Rupiah against the US Dollar in Q1 2023.

Our financial charges, which represent interest expenses on our loans, increased by 81.6% to USD 2.4 million in Q1 2023 from interest expenses of USD 1.3 million in Q1 2022 mainly due to additional interest expense recognition from our Southwest Papua estate. All our planted area in the Southwest Papua estate was classified as mature plantation at the beginning of 2023 and therefore, we can no longer capitalize the interest expense from this estate.

Net Profit

The Company recorded a net loss of USD 3.9 million, a decrease of 135.1% from a net profit of USD 11.2 million in Q1 2022, in line with the lower revenue compared to Q1 2022 and an additional interest expense recognition from our Southwest Papua estate as explained above, offset by the lower cost of revenue due to the lower FFB purchase costs and lower total operating expenses partly resulting from a higher foreign exchange gain in Q1 2023. In addition, we also have to recognize higher depreciation expenses and estate operating costs from our newly mature area in the Southwest Papua estate totaling USD 1.6 million. Meanwhile, our production from this newly mature area will only reach optimum levels within the next three years. This resulted in a negative ratio in our Net Profit Margin (NPM) in Q1 2023 of -7.7% from 14.8% in Q1 2022.

The Company also booked a lower EBITDA of USD 6.6 million in Q1 2023 compared to USD 23.7 million in Q1 2022 and a decrease in EBITDA margin from 31.4% in Q1 2022 to 13.0% in Q1 2023.

Total Comprehensive Income

The appreciation of the Rupiah against the US Dollar from Rp 15,731 at the end of 2022 to Rp 15,062 by the end of March 2023 has appreciated the net assets of some of the Company's subsidiaries (those which maintain their bookkeeping records in Rupiah) by USD 8.8 million when their financial statements are translated from Rupiah to US Dollar, compared to a net loss of USD 1.2 million in Q1 2022. As a result, the Company reported a total comprehensive income of USD 4.9 million in Q1 2023 compared to a comprehensive income of USD 10.1 million in Q1 2022.

Our Assets and Liabilities Position

Table 3: Consolidated Statements of Financial Position

	31 March 2023		31 December 2022		Change
	"USD Thousands"	"Rp. Millions" ¹⁾	"USD Thousands"	"Rp. Millions" ¹⁾	
Current assets	63,462	955,864	59,148	930,457	7.3%
Non-current assets	556,009	8,374,615	543,443	8,548,894	2.3%
Total Assets	619,471	9,330,479	602,590	9,479,351	2.8%
Current liabilities	49,722	748,908	40,470	636,635	22.9%
Non-current liabilities	139,780	2,105,369	138,009	2,171,023	1.3%
Total Liabilities	189,502	2,854,277	178,479	2,807,658	6.2%
Equity attributable to the owners of the Company	427,921	6,445,351	422,006	6,638,574	1.4%
Total Equity	429,970	6,476,201	424,111	6,671,693	1.4%

1) The translation of US Dollar amounts into the Indonesian Rupiah amounts are included solely for the convenience of the readers and has been made using the Bank Indonesia middle rate as of 31 March 2023 of Rp 15,062 to USD 1 and as of 31 December 2022 of Rp 15,731 to USD 1.

As of 31 March 2023, total assets increased by 2.8% to USD 619.5 million, mainly attributable to the increase in inventories, bearer plants and property, plant and equipment due to the impact of the appreciation of the Rupiah and higher palm oil inventories in Q1 2023.

Total liabilities increased by 6.2% from USD 178.5 million to USD 189.5 million, primarily driven by the increase in short-term bank loans.

The Company was still able to maintain its prudent debt to equity and debt to asset ratios of 0.44 and 0.31, respectively as at 31 March 2023.

Financing Facilities

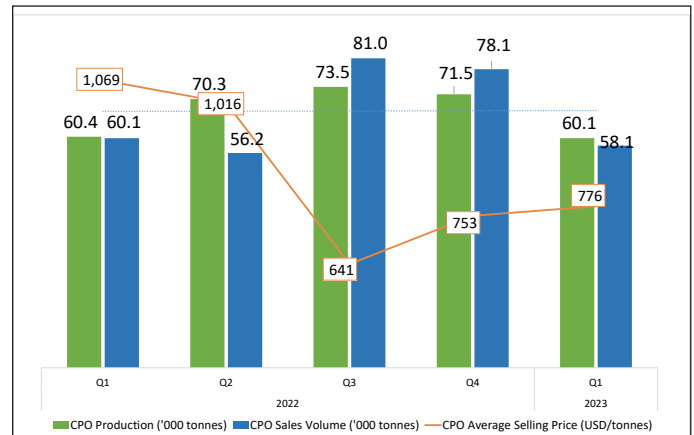
As of 31 March 2023, ANJT and its subsidiaries collectively maintained bank loan facilities amounting to the equivalent of USD 204.8 million, comprising short-term loan facilities of USD 66.6 million and long-term loan facilities of USD 138.2 million.

The outstanding balance of the Company's bank loans by the end of March 2023 was USD 141.2 million, an increase of USD 6.6 million from the USD 134.6 million as at the end of December 2022, mainly due additional short-term bank loans of USD 5.3 million in Q1 2023.

Other Corporate Updates

In Q1 2023, three of our Partnership Cooperatives at the Belitung Island plantation received their RSPO certification. With this achievement, all our Plasma and Partnership Cooperatives have obtained RSPO certification, well ahead of our ESG expectations and target which was 2025.

Key Performance (Quarterly)

Graph 1: CPO Sales Volume and Average Selling Price Each Quarter

Graph 2: Net Profit and EBITDA Growth
