



Photo: Corporate Communications

## 9M2023 OPERATIONAL UPDATE

**PT Austindo Nusantara Jaya Tbk (“ANJT” or “the Company”)** announced its operational performance and financial results for the nine-month period ended 30 September 2023 (9M2023).

The Company recorded an increase in Fresh Fruit Bunches (FFB) production of 5.8% in 9M2023 to 654,997 mt from 619,311 mt in the same period last year. On a quarter to quarter basis (Q-on-Q), the Company recorded an increase in FFB production of 6.6% in the third quarter 2023 (Q3 2023) to 240,077 mt from 225,258 mt in the second quarter 2023 (Q2 2023).

In 9M2023, our young mature Southwest Papua estate contributed a total FFB production of 91,228 mt, 13.0% higher than the 9M2022 FFB production of 80,706 mt. This increase aligns with the production increase trend from the young mature palm trees in this estate and improved road access and other infrastructure to transport the FFB to the mill. As of 30 September 2023, the Company has progressed with its commitment to plasma development by allocating additional 716 Ha, resulting in a total of 1,618 Ha from its nucleus in the Southwest Papua estate to the plasma cooperatives. In addition, higher productivity from the young mature palm trees from the replanting area in our Belitung Island estate resulted in an increase in that estate's FFB production of 19.7% to 185,698 during 9M2023 compared to 155,103 mt in the same period last

**Table 1 : Production and Sales**

	9M2023	9M2022	Change
<b>FFB Production (tonnes)</b>			
FFB from our estates	654,997	619,311	5.8%
<i>Belitung Island</i>	185,698	155,103	19.7%
<i>North Sumatra I</i>	97,912	105,593	-7.3%
<i>North Sumatra II</i>	123,716	134,417	-8.0%
<i>West Kalimantan</i>	149,093	138,739	7.5%
<i>Southwest Papua*</i>	91,228	80,706	13.0%
<i>South Sumatra*</i>	7,350	4,753	54.6%
<b>FFB bought from third parties</b>	<b>380,133</b>	<b>398,235</b>	<b>-4.5%</b>
<b>Total FFB processed</b>	<b>1,027,780</b>	<b>1,012,793</b>	<b>1.5%</b>
<b>FFB YIELD (tonnes per hectare)</b>			
Average yield	15.1	14.3	5.8%
<i>Belitung Island</i>	15.5	12.8	21.0%
<i>North Sumatra I</i>	14.7	14.9	-1.7%
<i>North Sumatra II</i>	16.0	17.3	-7.7%
<i>West Kalimantan</i>	16.7	15.5	7.7%
<i>Southwest Papua*</i>	12.3	11.2	10.0%
<i>South Sumatra*</i>	10.2	7.7	31.2%
<b>CPO Production (tonnes)</b>			
<b>Total production</b>	<b>212,221</b>	<b>204,220</b>	<b>3.9%</b>
<i>Belitung Island</i>	61,075	53,436	14.3%
<i>North Sumatra I</i>	39,511	43,138	-8.4%
<i>North Sumatra II</i>	39,201	43,503	-9.9%
<i>West Kalimantan</i>	49,579	46,911	5.7%
<i>Southwest Papua*</i>	22,855	17,232	32.6%
<b>Palm Kernel production</b>	<b>38,929</b>	<b>40,720</b>	<b>-4.4%</b>
<b>PKO production*</b>	<b>1,084</b>	<b>758</b>	<b>43.0%</b>
<b>Sales (tonnes)</b>			
<b>CPO Sales</b>	<b>212,816</b>	<b>197,216</b>	<b>7.9%</b>
<i>Belitung Island</i>	62,500	53,400	17.0%
<i>North Sumatra I</i>	40,814	44,652	-8.6%
<i>North Sumatra II</i>	40,919	41,768	-2.0%
<i>West Kalimantan</i>	47,084	42,800	10.0%
<i>Southwest Papua</i>	21,499	14,596	47.3%
<b>PK sales</b>	<b>39,186</b>	<b>39,976</b>	<b>-2.0%</b>
<b>PKO Sales</b>	<b>1,049</b>	<b>428</b>	<b>145.1%</b>
<b>PRODUCTIVITY</b>			
Extraction Rate - CPO (Mixed)	20.7%	20.2%	2.3%
CPO Average Selling Price - USD	741	878	-15.6%
PK Average Selling Price - USD	364	630	-42.2%
PKO Average Selling Price - USD	741	1,509	-50.9%

Notes:

\*Southwest Papua and South Sumatera estates production for the year 2022 includes the scout harvesting production.

**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 965
Lowest	Rp 755
Close	Rp 780

**SHAREHOLDERS STRUCTURE**

(as of 30 September 2023)	%
PT Austindo Kencana Jaya	40.85
PT Memimpin Dengan Nurani	40.85
George Santosa Tahija	4.74
Sjaton George Tahija	4.74
Yayasan Tahija	0.00
Public	8.83

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year. Meanwhile, our North Sumatera I estate, which has been engaged in a replanting program since 2018, produced a total FFB of 97,912 mt, a decrease of 7.3% compared to the total FFB production in 9M2022 of 105,593 mt.

Our West Kalimantan estate recorded an increase in FFB production of 7.5% to 149,093 mt in 9M2023 compared to 138,739 mt in 9M2022. In addition, the 724 ha newly mature area in our South Sumatera estate contributed 7,350 mt of FFB production in 9M2023, which is an increase of 54.6% compared to 4,753 mt in 9M2022. The FFB production increases in both estates are due to the age profile of their palm trees, which are now in prime maturity. Meanwhile, our North Sumatera II estate experienced a drop in FFB production of 8.0% to 123,716 mt from 134,417 mt in 9M2022 due to the impact of floods that disrupted FFB supplies to the mill and affected harvesting in the plantation at the beginning of 2023.

We expect that we can maintain a similar level of productivity to our Q3 2023 FFB production in the last quarter of 2023. Looking ahead, we anticipate this positive trend to continue and expect a new milestone in FFB production to be reached in 2025, supported by the completion of the road lateralization project in the Southwest Papua estate and higher productivity from the replanting at the North Sumatera I and Belitung Island estates.

In 9M2023, we processed a total of 1,027,780 mt of FFB in our mills to produce 212,221 mt of CPO, reflecting an extraction rate of 20.7%. In line with the FFB production, our CPO production increased by 3.9% in 9M2023 compared to 204,220 mt in 9M2022. Meanwhile, our Palm Kernel (PK) production decreased by 4.4% to 38,929 mt in 9M2023 compared to 40,720 mt in 9M2022. However, our Palm Kernel Oil (PKO) production increased by 43.0% to 1,084 mt in 9M2023 compared to 758 mt in the same period last year.

The Company reported an increase in CPO sales volume of 7.9% to 212,816 mt in 9M2023 compared to 197,216 mt in 9M2022 as a result of the higher CPO production. In addition, we also succeeded in selling 1,049 mt of Palm Kernel Oil (PKO) in 9M2023, an increase of 145.1% compared to the 428 mt in the same period last year. Meanwhile, our sales volume from PK in 9M2023 dropped by 2.0%, in line with a lower PK production in 9M2023.

The CPO price experienced a light recovery in Q3 2023 after slumped to its lowest point in Q2 2023, driven by global concern on ongoing El Nino effects. However, the CPO price has been on a downward trend in 2023, due to higher output and weak demand especially from major importing countries. Moreover, there has been a similar decline in the prices of rival vegetable oils amid concerns over the possibility of a global economic recession and an expected production increase in rival vegetable oils, such as soybean oil. As a result, the Company recorded an Average Selling Price (ASP) for its CPO of USD 741 per ton in 9M2023, which was 15.6% lower than the 9M2022 ASP of USD 878 per ton. Meanwhile, the ASP for PK in 9M2023 was USD 364/mt, 42.2% lower than the ASP in 9M2022 of USD 630/mt; the ASP for PKO was USD 741/mt, 50.9% lower than its ASP in 9M2022 of USD 1,509/mt.

## FINANCIAL HIGHLIGHTS

### Our Financial Performance Results

Table 2: Consolidated Statements of Comprehensive Income

	9M2023		9M2022		Change
	"USD Thousands"	"Rp. Millions <sup>(1)</sup> "	"USD Thousands"	"Rp. Millions <sup>(1)</sup> "	
Revenue	176,659	2,671,258	201,869	2,951,520	-12.5%
Cost of revenue	(154,068)	(2,329,662)	(155,504)	(2,273,617)	-0.9%
<b>Gross profit</b>	<b>22,591</b>	<b>341,596</b>	<b>46,365</b>	<b>677,903</b>	<b>-51.3%</b>
Total operating expenses, net	(8,377)	(126,672)	(10,806)	(157,989)	-22.5%
<b>Operating (loss) profit</b>	<b>14,214</b>	<b>214,924</b>	<b>35,559</b>	<b>519,914</b>	<b>-60.0%</b>
Finance income	211	3,187	395	5,771	-46.6%
Finance charges	(7,431)	(112,366)	(3,784)	(55,331)	96.4%
<b>(Loss) Profit before tax</b>	<b>6,993</b>	<b>105,745</b>	<b>32,170</b>	<b>470,354</b>	<b>-78.3%</b>
Income tax expense	(6,913)	(104,531)	(11,210)	(163,897)	-38.3%
<b>(Loss) Profit for the period</b>	<b>80</b>	<b>1,213</b>	<b>20,960</b>	<b>306,457</b>	<b>-99.6%</b>
Other comprehensive (loss) income	2,923	44,204	(13,363)	(195,381)	-121.9%
<b>Total comprehensive income</b>	<b>3,004</b>	<b>45,417</b>	<b>7,597</b>	<b>111,076</b>	<b>-60.5%</b>
<b>EBITDA</b>	<b>36,781</b>	<b>556,026</b>	<b>57,866</b>	<b>846,059</b>	<b>-36.5%</b>
<b>EBITDA margin (%)</b>	<b>20.8%</b>	<b>20.8%</b>	<b>28.7%</b>	<b>28.7%</b>	<b>-27.4%</b>

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 15,121 to USD 1 for 9M2023 and Rp 14,621 to USD 1 for 9M2022.

### Revenue from Sales and Service Concessions

The Company posted a total revenue of USD 176.7 million in 9M2023, a decrease of 12.5% compared to 9M2022 mainly due to lower revenue contributed by palm oil products. Our consolidated revenue in 9M2023 consisted of 98.6% revenue from sales of palm oil products, whereas 1.4% was contributed by service concession revenue and sales of edamame and sago starch. On a Q-on-Q basis, the Company recorded a decrease in total revenue of 3.2% to USD 61.9 million in Q3 2023 from USD 63.9 million in Q2 2023, mainly due to the lower ASP for palm oil products in Q3 2023.

Revenue from sales of palm oil products decreased by 12.4% from USD 198.9 million in 9M2022 to USD 174.2 million in 9M2023, due to the lower ASP for CPO, PK and PKO as well as the decrease in PK sales volume. Meanwhile, our edamame business posted a positive performance in its sales revenue of USD 1.4 million in 9M2023, an increase of 16.0% from the USD 1.2 million in 9M2022 due to the increase of both fresh and frozen edamame sales volume and higher ASP. Our sago segment contributed USD 623.9 thousand to our total revenue in 9M2023, drop of 51.9% from the USD 1.3 million in 9M2022 due to the unfavorable sales volume variance along with a lower sago starch production volume compared to 9M2022. In addition, our renewable energy segment contributed USD 436.0 thousand in 9M2023, slightly lower than the USD 440.0 thousand achieved in 9M2022.



### Operating (Expenses) Income and Financial Charges

The Company recorded an operating expense (net of operating income) of USD 8.4 million, a decrease of 22.5% from USD 10.8 million in 9M2022 mainly due to a foreign exchange gain of USD 151.4 thousand compared to a net loss of USD 1.7 million in 9M2022 as a result of the appreciation of the Rupiah against the US Dollar in 9M2023.

Our financial charges, which represent interest expenses on our loans, increased by 96.4% to USD 7.4 million in 9M2023 from interest expenses of USD 3.8 million in 9M2022 mainly due to additional interest expense recognition from our Southwest Papua estate and increases in interest rates for both USD and IDR loans. 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 (Loss)

The Company recorded a net profit of USD 80.2 thousand in 9M2023 compared to USD 21.0 million in the same period last year. This resulted in a net profit margin (NPM) ratio of 0.05% in 9M2023, a decrease from 10.4% in 9M2022. This decrease was in the main due to the lower ASPs, combined with the higher depreciation and interest expenses. In addition, estate operating costs rose at our newly mature area in the Southwest Papua estate and from the replanting areas in the North Sumatra I and Belitung Island estates. Our production from this newly mature area will only reach optimum levels over the next two to three years. With the anticipated increase in our production from the newly mature areas, our cash cost per ton is expected to decrease because most of our production costs and overhead costs are fixed costs.

On a Q-on-Q basis, we recorded a net profit of USD 5.1 million in Q3 2023, a remarkable improvement from a net loss of USD 1.1 million in Q2 2023, primarily due to better production and sales performance in Q3 2023. This resulted in a net profit margin (NPM) ratio of 8.2% in Q3 2023, an increase from -1.7% in Q2 2023.

The Company also booked an improved EBITDA of USD 18.8 million in Q3 2023, an increase of 64.7% from USD 11.4 million in the previous quarter. This brought the EBITDA for 9M2023 to USD 36.8 million, a decrease of 36.5% compared to EBITDA of USD 57.9 million in the same period last year. Thus, our EBITDA margin decreased from 28.7% in 9M2022 to 20.8% in 9M2023.

### Total Comprehensive Income

The foreign exchange rate of Rupiah by the end of September 2023 had appreciated by 1.3% to Rp 15,526 against the US Dollar from Rp 15,731 at the end of 2022. As a result, the net assets of some of the Company's subsidiaries (those which maintain their bookkeeping records in Rupiah) has appreciated by USD 2.9 million when their financial statements are translated from Rupiah to US Dollar, compared to a net loss of USD 13.4 million in 9M2022. Therefore, the Company reported a total comprehensive income of USD 3.0 million in 9M2023 compared to a comprehensive income of USD 7.6 million in 9M2022.

### Our Assets and Liabilities Position

**Table 3: Consolidated Statements of Financial Position**

	30 September 2023		31 December 2022		Change
	"USD Thousands"	"Rp. Millions <sup>(1)</sup> "	"USD Thousands"	"Rp. Millions <sup>(1)</sup> "	
Current assets	60,929	945,989	59,148	930,457	3.0%
Non-current assets	548,017	8,508,515	543,443	8,548,894	0.8%
<b>Total Assets</b>	<b>608,947</b>	<b>9,454,504</b>	<b>602,590</b>	<b>9,479,351</b>	<b>1.1%</b>
Current liabilities	51,562	800,549	40,470	636,635	27.4%
Non-current liabilities	135,524	2,104,147	138,009	2,171,023	-1.8%
<b>Total Liabilities</b>	<b>187,086</b>	<b>2,904,697</b>	<b>178,479</b>	<b>2,807,658</b>	<b>4.8%</b>
Equity attributable to the owners of the Company	420,252	6,524,830	422,006	6,638,574	-0.4%
<b>Total Equity</b>	<b>421,861</b>	<b>6,549,808</b>	<b>424,111</b>	<b>6,671,693</b>	<b>-0.5%</b>

*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 30 September 2023 of Rp 15,526 to USD 1 and as of 31 December 2022 of Rp 15,731 to USD 1.*

As of 30 September 2023, total assets increased by 1.1% to USD 608.9 million, mainly attributable to the increase in property, plant and equipment due to the impact of the Rupiah appreciation in 9M2023.

Total liabilities increased by 4.8% from USD 178.5 million to USD 187.1 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 30 September 2023.

### Financing Facilities

As of 30 September 2023, ANJT and its subsidiaries collectively maintained bank loan facilities amounting to the equivalent of USD 198.7 million, comprising short-term loan facilities of USD 67.0 million and long-term loan facilities of USD 131.7 million.

The outstanding balance of the Company's bank loans by the end of September 2023 was USD 143.8 million, an increase of USD 9.2 million from the USD 134.6 million as at the end of December 2022, mainly due to additional short-term bank loans of USD 11.9 million in 9M2023, a foreign exchange loss on our loans of USD 0.7 million and offset by loan repayments of USD 3.4 million.

## Other Corporate Updates

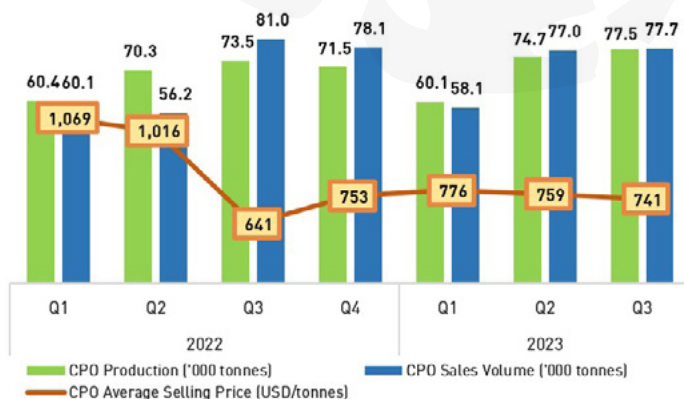
### Awards

The Company has maintained its full commitment to its sustainability programs across all its operations and was pleased to receive the following recognitions in "IDX Channel: Anugerah Inovasi Indonesia 2023":

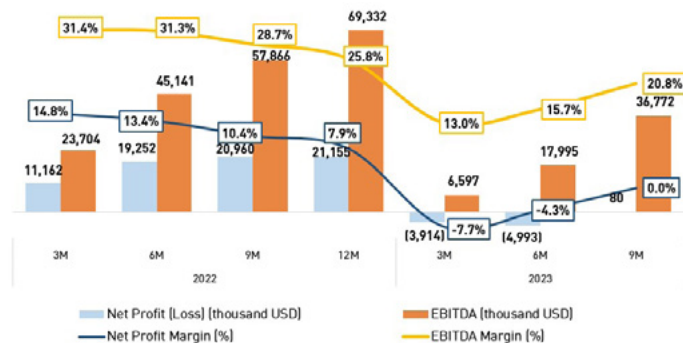
1. ANJA received a special award in the Sustainability Category for its innovation "Electronic Traceability Information System (e-TIS)."
2. GMIT received an appreciation in the Sustainability Category for its innovation "Application of Straw Mulch as a Substitute for Plastic Mulch."
3. KAL received an appreciation in the Sustainability Category for its innovation "KAL's Action in Sustainability (KLASI)."

## Key Performance (Quarterly)

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



Graph 2: Net Profit and EBITDA Growth



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