



# ANJ

# INVESTOR NEWSLETTER

Bloomberg: ANJT: IJ

29 FEBRUARY 2024



Photo: Corporate Communications

Table 1 : Production and Sales

	2023	2022	Change
<b>FFB Production (tonnes)</b>			
FFB from our estates	881,051	840,581	4.8%
<i>Belitung Island</i>	254,579	219,422	16.0%
<i>North Sumatra I</i>	142,406	155,876	-8.6%
<i>North Sumatra II</i>	161,080	168,520	-4.4%
<i>West Kalimantan</i>	192,550	177,813	8.3%
<i>Southwest Papua*</i>	120,445	112,356	7.2%
<i>South Sumatra*</i>	9,991	6,594	51.5%
<b>FFB bought from third parties</b>	<b>503,811</b>	<b>538,483</b>	<b>-6.4%</b>
<b>Total FFB processed</b>	<b>1,374,871</b>	<b>1,372,470</b>	<b>0.2%</b>
<b>FFB YIELD (tonnes per hectare)</b>			
Average yield	20.3	19.4	4.4%
<i>Belitung Island</i>	21.4	18.3	16.8%
<i>North Sumatra I</i>	21.3	22.8	-6.5%
<i>North Sumatra II</i>	20.8	21.7	-4.2%
<i>West Kalimantan</i>	21.6	19.9	8.4%
<i>Southwest Papua*</i>	16.3	15.3	6.3%
<i>South Sumatra*</i>	13.8	10.5	31.4%
<b>CPO Production (tonnes)</b>			
<b>Total production</b>	<b>283,659</b>	<b>275,769</b>	<b>2.9%</b>
<i>Belitung Island</i>	82,049	73,769	11.2%
<i>North Sumatra I</i>	57,519	62,183	-7.5%
<i>North Sumatra II</i>	50,077	55,119	-9.1%
<i>West Kalimantan</i>	63,929	60,795	5.2%
<i>Southwest Papua*</i>	30,085	23,903	25.9%
<b>Palm Kernel production</b>	<b>52,432</b>	<b>55,011</b>	<b>-4.7%</b>
<b>PKO production*</b>	<b>1,459</b>	<b>1,052</b>	<b>38.7%</b>
<b>Sales (tonnes)</b>			
<b>CPO Sales</b>	<b>288,941</b>	<b>275,320</b>	<b>4.9%</b>
<i>Belitung Island</i>	83,300	74,600	11.7%
<i>North Sumatra I</i>	58,442	61,986	-5.7%
<i>North Sumatra II</i>	52,419	53,882	-2.7%
<i>West Kalimantan</i>	63,291	60,800	4.1%
<i>Southwest Papua</i>	31,490	24,053	30.9%
<b>PK Sales</b>	<b>52,581</b>	<b>54,996</b>	<b>-4.4%</b>
<b>PKO Sales</b>	<b>1,049</b>	<b>928</b>	<b>13.1%</b>
<b>PRODUCTIVITY</b>			
Extraction Rate - CPO (Mixed)	20.6%	20.1%	2.7%
CPO Average Selling Price - USD	731	840	-12.9%
PK Average Selling Price - USD	358	559	-36.0%
PKO Average Selling Price - USD	734	1,096	-33.1%

## 2023 OPERATIONAL UPDATE

PT Austindo Nusantara Jaya Tbk (“ANJT” or “the Company”) announced its operational performance and financial results for the year ending 31 December 2023.

The Company ended 2023 with a 4.8% increase in Fresh Fruit Bunches (“FFB”) production from 840,581 mt in 2022 to 881,051 mt in 2023. This increase in our FFB production is due to a higher FFB yield of 20.3 mt/ha in 2023, an increase of 4.4% from 19.4 mt/ha in 2022. The total mature area at our nucleus plantations at the end of 2023 was 43,400 hectares, an increase of 2.8% from 42,237 hectares in 2022. Our immature area at the end of 2023 was 5,116 hectares and we expect FFB production from this hectareage to gradually start from 2024.

Our Belitung Island estate remained the main production contributor, accounting for 28.9% of total FFB production by producing 254,579 mt of FFB in 2023, an increase of 16.0% compared to 219,422 mt in 2022 due to the higher productivity of the young mature palm trees in the replanted areas. In addition, our newly mature Southwest Papua estate contributed a total FFB production of 120,445 mt, 7.2% higher than the 2022 FFB production of 112,356 mt. This increase aligned with a rising production trend from the young mature palm trees and improved road access and other infrastructure to transport the FFB to the mill.

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 630
Close	Rp 745

### SHAREHOLDERS STRUCTURE

(as of 31 December 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

### CONTACT US

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Meanwhile, our North Sumatra I estate, which has been engaged in a replanting program since 2018, produced a total FFB of 142,406 mt, a decrease of 8.6% compared to the total FFB production in 2022 of 155,876 mt. In 2023, we replanted approximately 700 hectares area in this estate. Together with the replanting progress in the Belitung Island estate of 1,000 hectares during 2023, we have achieved a cumulative replanted area of 10,917 hectares since we initiated this program in 2015 and maintained our average oil palm age at 13.0 years as of 31 December 2023. This demonstrates ANJ's commitment to improving its yields further and enhancing shareholder value in the medium to long term.

Our West Kalimantan estate recorded an increase in FFB production of 8.3% to 192,550 mt in 2023 compared to 177,813 mt in 2022. In addition, the 724 ha newly mature area in our South Sumatra estate contributed 9,991 mt of FFB production in 2023, an increase of 51.5% compared to 6,594 mt in 2022. 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 Sumatra II estate experienced a drop in FFB production of 4.4% to 161,080 mt from 168,520 mt in 2022 due to floods that affected the harvesting process and disrupted FFB supplies to the mill in 2023. Moreover, these floods also affected the upkeep and fertilization activities. Therefore, our palm trees could not absorb the requisite nutrition optimally. The Company will maintain its focus on the embankment piling project to mitigate the flood risk from the nearby river.

Despite the stronger FFB production from our nucleus plantations, we purchased less third party FFB due to road access restrictions in Q1 2023 at our North Sumatra I plantation and fierce price competition from some newly established mill operations that do not have related plantations ("independent mills"). Nevertheless, we recorded a 2.9% YoY increase in total CPO production of 283,659 mt in 2023. In total, we processed 1,374,871 mt of FFB in 2023, with an extraction rate of 20.6%, a slight uptick from 20.1% in 2022. Meanwhile, our Palm Kernel (PK) production dipped to 52,432 mt in 2023 from 55,011 mt last year because the genetic characteristics of the newly planted oil palms produce more CPO but less PK. Our Palm Kernel Oil (PKO) production increased by 38.7% to 1,459 mt in 2023 compared to 1,052 mt in 2022, in line with the increase in FFB production from the Southwest Papua estate.

In 2023, the Company expanded its CPO sales volume by 4.9% to 288,941 mt from 275,320 mt last year, which aligns with higher CPO production in 2023. In addition, PKO sales volume climbed 13.1% to 1,049 mt from 928 mt last year. Meanwhile, our sales volume from PK in 2023 dropped by 4.4%, in line with a lower PK production in 2023.

The CPO price experienced a downward trend in the first half of 2023 and bottomed at nearly USD 700 per mt in May 2023. Global concern on the impact of El Nino in mid 2023 helped the CPO price to recover in the second half of 2023 and thereafter it fluctuated in a range of USD 750 – 825 per mt. As a result, the Company recorded an Average Selling Price (ASP) for its CPO of USD 731 per mt in 2023, 12.9% lower than the 2022 ASP of USD 840 per mt. Meanwhile, the ASP for PK in 2023 was USD 358 per mt, 36.0% lower than the ASP in 2022 of USD 559 per mt. The ASP for PKO was USD 734 per mt, 33.1% lower than its ASP in 2022 of USD 1,096 per mt.

## FINANCIAL HIGHLIGHTS

### Our Financial Performance Results

Table 2: Consolidated Statements of Comprehensive Income

	2023		2022		
	USD Thousands	Rp. Millions <sup>(1)</sup>	USD Thousands	Rp. Millions <sup>(1)</sup>	
Revenue	236,512	3,607,986	269,167	4,002,509	-12.1%
Cost of revenue	(204,953)	(3,126,556)	(215,295)	(3,201,434)	-4.8%
<b>Gross profit</b>	<b>31,559</b>	<b>481,430</b>	<b>53,872</b>	<b>801,075</b>	<b>-41.4%</b>
Total operating expenses, net	(12,440)	(189,769)	(14,595)	(217,023)	-14.8%
<b>Operating profit</b>	<b>19,119</b>	<b>291,661</b>	<b>39,277</b>	<b>584,053</b>	<b>-51.3%</b>
Finance income	309	4,707	471	7,011	-34.6%
Finance charges	(9,860)	(150,412)	(5,241)	(77,932)	88.1%
<b>Profit before tax</b>	<b>9,568</b>	<b>145,956</b>	<b>34,508</b>	<b>513,131</b>	<b>-72.3%</b>
Income tax expense	(7,666)	(116,946)	(13,353)	(198,552)	-42.6%
<b>Profit for the year</b>	<b>1,902</b>	<b>29,010</b>	<b>21,155</b>	<b>314,579</b>	<b>-91.0%</b>
Other comprehensive (loss) income	4,567	69,670	(15,046)	(223,737)	-130.4%
<b>Total comprehensive income</b>	<b>6,469</b>	<b>98,680</b>	<b>6,109</b>	<b>90,842</b>	<b>5.9%</b>
<b>EBITDA</b>	<b>49,128</b>	<b>749,440</b>	<b>69,332</b>	<b>1,030,961</b>	<b>-29.1%</b>
<b>EBITDA margin (%)</b>	<b>20.8%</b>	<b>20.8%</b>	<b>25.8%</b>	<b>25.8%</b>	<b>-19.4%</b>

<sup>1)</sup> 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 15,255 to USD 1 for 2023 and Rp 14,870 to USD 1 for 2022.

### Revenue from Sales and Service Concessions

The Company posted a total revenue of USD 236.5 million in 2023, a decrease of 12.1% compared to 2022 mainly due to the lower ASPs for CPO, PK and PKO as well as the decrease in PK sales volume. The palm oil segment contributed 98.6% of our total revenue or USD 233.1 million, a decrease of 12.1% compared to the USD 265.3 million achieved in 2022. Meanwhile, our edamame business posted a positive performance in its sales revenue of USD 1.9 million in 2023, an increase of 12.2% from the USD 1.7 million in 2022 due to the increase in sales volume and higher ASPs for fresh edamame and mukimame.

Our sago segment contributed USD 883.7 thousand to our total revenue in 2023, a drop of 44.2% from the USD 1.6 million in 2022 due to the unfavorable sales volume variance along with a lower sago starch production volume compared to 2022. In addition, our renewable energy segment contributed USD 576.2 thousand in 2023, slightly lower than the USD 579.8 thousand achieved in 2022 due to the effect of currency translation from Rupiah to USD as our revenue from renewable energy is in Rupiah currency. Our biogas plant in Belitung sold a total of 10.2 million kWh electricity in 2023, 3.2% higher than electricity sales of 9.1 million kWh in 2022.

### Operating (Expenses) Income and Financial Charges

The Company recorded an operating expense (net of operating income) of USD 12.4 million, a decrease of 14.8% from USD 14.6 million in 2022 mainly due to a foreign exchange gain of USD 0.2 million compared to a net loss of USD 2.6 million in 2022 as a result of the appreciation of the Rupiah against the US Dollar from Rp 15,731/USD 1 at the end of 2022 to Rp 15,416/USD 1 at the end of 2023.

Our financial charges, which represent interest expenses on our loans, increased by 88.1% to USD 9.9 million in 2023 from interest expenses of USD 5.2 million in 2022 due to the increase in interest expenses for both USD and IDR loans following rate hikes in 2023 and additional interest expense recognition from our Southwest Papua estate. All of 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 profit of USD 1.9 million in 2023 compared to USD 21.2 million in 2022. This resulted in a net profit margin (NPM) ratio of 0.8% in 2023, a decrease from 7.9% in 2022. This decrease was 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. Meanwhile, our production from these newly mature areas will only reach optimum levels over the next two to three years.

The Company booked EBITDA for 2023 of USD 49.1 million, a decrease of 29.1% compared to EBITDA of USD 69.3 million in 2022. Thus, our EBITDA margin decreased from 25.8% in 2022 to 20.8% in 2023.

### Total Comprehensive Income

The foreign exchange rate of Rupiah by the end of December 2023 had appreciated to Rp 15,416 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) have appreciated by USD 4.2 million when their financial statements are translated from Rupiah to US Dollar, compared to a net loss of USD 19.6 million in 2022. The Company reported a total comprehensive income of USD 6.5 million in 2023 compared to a comprehensive income of USD 6.1 million in 2022.



## Our Assets and Liabilities Position

Table 3: Consolidated Statements of Financial Position

	31 December 2023		31 December 2022		Change
	USD Thousands	Rp. Millions <sup>(1)</sup>	USD Thousands	Rp. Millions <sup>(1)</sup>	
Current assets	54,978	847,545	59,148	930,457	-7.0%
Non-current assets	559,094	8,618,993	543,443	8,548,894	2.9%
<b>Total Assets</b>	<b>614,072</b>	<b>9,466,538</b>	<b>602,590</b>	<b>9,479,351</b>	<b>1.9%</b>
Current liabilities	52,762	813,374	40,470	636,635	30.4%
Non-current liabilities	135,985	2,096,343	138,009	2,171,023	-1.5%
<b>Total Liabilities</b>	<b>188,747</b>	<b>2,909,717</b>	<b>178,479</b>	<b>2,807,658</b>	<b>5.8%</b>
Equity attributable to the owners of the Company	423,896	6,534,785	422,006	6,638,574	0.4%
<b>Total Equity</b>	<b>425,326</b>	<b>6,556,821</b>	<b>424,111</b>	<b>6,671,693</b>	<b>0.3%</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 31 December 2023 of Rp 15,416 to USD 1 and December 2022 of Rp 15,731 to USD 1.*

As of 31 December 2023, total assets increased by 1.9% to USD 614.1 million, mainly attributable to the increase in property, plant and equipment due to the capital expenditure and the impact of the Rupiah appreciation in 2023.

Total liabilities increased by 5.8% from USD 178.5 million to USD 188.7 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 December 2023.

### Financing Facilities

As of 31 December 2023, ANJT and its subsidiaries collectively maintained bank loan facilities amounting to the equivalent of USD 198.0 million, comprising short-term loan facilities of USD 67.0 million and long-term loan facilities of USD 131.0 million.

The outstanding balance of the Company's bank loans by the end of December 2023 was USD 151.2 million, an increase of USD 16.6 million from the USD 134.6 million as at the end of December 2022. This increase was mainly due to additional short-term bank loans of USD 18.7 million in 2023, a long-term loan drawdown of USD 1.4 million, offset by loan repayments of USD 4.6 million, and foreign exchange loss on our loans of USD 1.1 million.



## KEY OPERATIONAL TARGET FOR 2024

The Company projects that FFB production will increase to 933,602 tons in 2024, an increase of 6.0% compared to 2023's FFB production. Increased internal FFB production and a larger volume of external FFB purchases are expected to boost our CPO production by 14.2% to 324,043 tons this year.

We have budgeted capital expenditures totaling USD 36.8 million in 2024 to ensure that our actual production can be achieved as targeted. We have allocated most of this capital expenditure to fund several programs that support our productivity improvement. Our capital expenditure work plans for 2024 include the replanting program in Belitung Island and North Sumatra I estates, land compensation in our South Sumatra estate, road laterization, employee housing and mill power plant in our Southwest Papua estate, river embankments piling project in our North Sumatra II estate, and a composting facility in North Sumatra I. We believe such programs will improve our productivity in the coming years.

## OTHER CORPORATE UPDATES

### Awards and Recognitions

The Company has maintained its full commitment to its sustainability programs across all its operations and was pleased to receive the following prestigious recognitions:

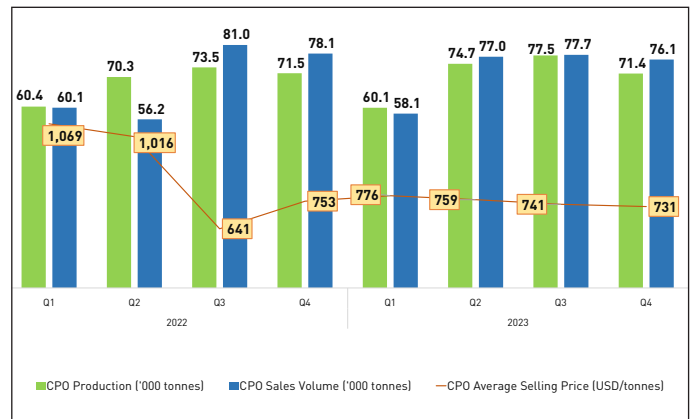
1. **"Platinum Rank"** in Asia Sustainability Reporting Rating (ASRRAT) Awards 2023 held by National Centre for Corporate Reporting (NCCR),
2. **"3<sup>rd</sup> Winner"** in the Annual Report Award (ARA) 2023 for Publicly Listed Entities in Non-Financial Sector Category held by the National Committee on Corporate Governance (Komite Nasional Kebijakan Governance, or "KNKG"),
3. **"Leadership A"** in ESG Disclosure Transparency Awards 2023 held by Investor Trust & Bumi Global Karbon (BGK) Foundation,
4. **"Gold PROPER"** from Ministry of Environment and Forestry awarded to our subsidiaries, PT Sahabat Mewah dan Makmur (SMM) for the fourth consecutive year and PT Austindo Nusantara Jaya Agri (ANJA) for the third consecutive year. In addition, PT Austindo Nusantara Jaya Agri Siais (ANJAS) and PT Kayung Agro Lestari (KAL) secured the **"Green PROPER"** for the second time. At this event, our CEO, Lucas Kurniawan, was also awarded a "Green Leadership Utama" for his outstanding role in leading, formulating and securing the sustainability commitments in our business.

The Company was also recognized by the following global organizations for our Environmental, Social and Governance (ESG) performance in 2023:

1. **SPOTT**, a transparency assessment platform assessed us with a score of 93.3%, an improvement of 2.3 points compared to our previous rating. We ranked in the first place among Indonesian assessed companies and in the 5th rank of companies assessed globally.
2. **ASEAN Corporate Governance Scorecard (ACGS)**, based on the International Good Corporate Governance (GCG) standards. Our total score of GCG practices according to ACGS was 100.27, an improvement of 0.53 points compared to the previous assessment. Overall the results of our GCG implementation assessment place the Company in a "Leadership" category in Corporate Governance or Level 5 (>100), meaning that the Company is in the highest category in corporate governance practices.

### Key Performance (Quarterly)

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



Graph 2: Net Profit and EBITDA Growth

