



ANJ

INVESTOR NEWSLETTER

Bloomberg: ANJT: IJ

30 JULY 2021



Photo: Corporate Communications

Table 1 : Production and Sales

	6M2021	6M2020	Change
FFB Production (tonnes)			
FFB from our estates	400,235	337,046	18.7%
<i>Belitung Island</i>	112,666	83,541	34.9%
<i>North Sumatra I</i>	62,399	70,418	-11.4%
<i>North Sumatra II</i>	91,742	92,197	-0.5%
<i>West Kalimantan</i>	86,875	61,184	42.0%
<i>West Papua*</i>	46,553	29,706	56.7%
FFB bought from third parties	242,912	201,388	20.6%
Total FFB processed	643,147	538,434	19.4%
FFB YIELD (tonnes per hectare)			
Average yield	9.5	8.6	11.3%
<i>Belitung Island</i>	9.8	8.2	19.7%
<i>North Sumatra I</i>	8.0	8.4	-4.7%
<i>North Sumatra II</i>	11.8	11.9	-0.5%
<i>West Kalimantan</i>	9.5	6.7	42.0%
<i>West Papua</i>	7.8	7.3	7.1%
CPO Production (tonnes)			
Total production	132,910	112,034	18.6%
<i>Belitung Island</i>	37,497	28,957	29.5%
<i>North Sumatra I</i>	27,068	25,846	4.7%
<i>North Sumatra II</i>	27,369	28,966	-5.5%
<i>West Kalimantan</i>	30,580	21,614	41.5%
<i>West Papua*</i>	10,396	6,651	56.3%
Palm Kernel production	25,881	22,474	15.2%
PKO production*	345	287	20.2%
Sales (tonnes)			
CPO Sales	132,160	115,139	14.8%
<i>Belitung Island</i>	41,500	27,700	49.8%
<i>North Sumatra I</i>	26,150	25,600	2.1%
<i>North Sumatra II</i>	28,600	28,350	0.9%
<i>West Kalimantan</i>	27,369	23,600	16.0%
<i>West Papua</i>	8,540	9,889	-13.6%
PK sales	25,777	22,360	15.3%
PKO Sales	298	-	100.0%
PRODUCTIVITY			
Extraction Rate - CPO (Mixed)	20.7%	20.8%	-0.7%
CPO Average Selling Price - USD	719	548	31.2%
PK Average Selling Price - USD	495	294	68.4%
PKO Average Selling Price - USD	1,062	-	100.0%

Notes: *West Papua estate production includes the scout harvesting production.

6M2021 OPERATIONAL UPDATE

PT Austindo Nusantara Jaya Tbk (“ANJT” or “the Company”) announced its operational performance and financial results for the sixth-month period ended 30 June 2021 (6M2021).

The Company ended 30 June 2021 by producing a total of 400,235 mt of Fresh Fruit Bunches (FFB), an increase of 18.7% compared to the 337,046 mt FFB production in 6M2020. In 6M2021, our newly mature West Papua estate contributed a total FFB production of 46,553 mt, 56.7% higher than the 6M2020 production of 29,706 mt. Our North Sumatera I and II estates experienced a decrease in FFB production of 11.4% and 0.5% respectively, due to the impact of the replanting program and the resting period after higher fruit production last year. Meanwhile our Belitung Island and West Kalimantan estates both recorded significant increases in FFB production of 34.9% and 42.0% respectively, mainly as a result of newly mature areas from our replanting program in the Belitung Island estate and a yield improvement program which we have been implementing since 2019 at our West Kalimantan estate.

In 6M2021, our Crude Palm Oil (CPO) and Palm Kernel (PK) production increased by 18.6% and 15.2% to 132,910 mt and 25,881 mt respectively. Meanwhile, the Company also reported

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	3,311.9 mn
# treasury stocks	42.3 mn
Listing date	8-5-2013
IPO Price	Rp 1,200
Highest	Rp 830
Lowest	Rp 620
Close	Rp 655

SHAREHOLDERS STRUCTURE

(as of 30 June 2021)	%
PT Austindo Kencana Jaya	41.372
PT Memimpin Dengan Nurani	41.372
George Santosa Tahija	4.801
Sjakon George Tahija	4.798
Yayasan Tahija	0.000
Public	7.657
*exclude treasury stocks	

CONTACT US

PT Austindo Nusantara Jaya Tbk.
Menara BTPN Lantai 40
Jalan Dr. Ide Anak Agung Gde Agung
Kav 5.5 – 5.6, Kawasan Mega Kuningan
Jakarta 12950
T: +62 21 29651777 | F: +62 21 29651788
E: investor.relations@anj-group.com
www.anj-group.com

an increase in CPO and PK sales volumes of 14.8% and 15.3% to 132,160 mt and 25,777 mt in 6M2021, compared to 115,139 mt and 22,360 mt in 6M2020.

During 6M2021 the CPO price trend continued to increase, resulting in an Average Selling Price (ASP) for CPO of USD 719/mt, 31.2% higher than the 6M2020 ASP of USD 548/mt. Meanwhile the ASP for PK in 6M2021 was USD 495/mt, higher than the ASP in 6M2020 of USD 294/mt.

FINANCIAL HIGHLIGHTS

Our Financial Performance Results

Table 2: Consolidated Statements of Comprehensive Income

	6M2021		6M2020		Change
	"USD Thousands"	"Rp. Millions ⁽¹⁾ "	"USD Thousands"	"Rp. Millions ⁽¹⁾ "	
Revenue	120,375	1,721,117	72,653	1,060,739	65.7%
Cost of revenue	(83,138)	(1,188,703)	(59,689)	(871,464)	39.3%
Gross profit	37,237	532,414	12,964	189,276	187.2%
Total operating expenses, net	(17,744)	(253,703)	(11,883)	(173,499)	49.3%
Operating profit	19,493	278,711	1,081	15,777	1,703.9%
Interest income	360	5,153	553	8,077	-34.9%
Finance charges	(2,623)	(37,507)	(1,953)	(28,515)	34.3%
Profit (loss) before tax	17,230	246,356	(319)	(4,662)	5,496.4%
Income tax expense	(4,599)	(65,761)	(5,133)	(74,940)	-10.4%
Profit (Loss) for the period	12,631	180,595	(5,452)	(79,602)	331.7%
Other comprehensive (loss) income	(6,969)	(99,638)	969	14,141	-819.5%
Total comprehensive income (loss)	5,662	80,958	(4,484)	(65,461)	226.3%
EBITDA	31,622	452,133	8,046	117,472	293.0%
EBITDA margin [%]	26.3%	26.3%	11.1%	11.1%	137.2%

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 14,298 to USD 1 for 6M2021 and Rp 14,600 to USD 1 for 6M2020.

Revenue from Sales and Service Concessions

In 6M2021 ANJT posted total revenue of USD 120.4 million, an increase of 65.7% compared to 6M2020 mainly due to the higher ASPs and sales volumes of CPO and PK.

Palm oil sales contributed 99.2% of our total revenue or USD 119.4 million, compared to USD 71.5 million or 98.5% of our total revenue in 6M2020.

Our sago segment contributed USD 438.1 thousand to our total revenue in 6M2021, a decrease from USD 642.8 thousand in 6M2020 due to a decrease in production volume and hence decrease in sales volume. In line with the completion of some fine-tuning in our front-end processing, we expect to see an increase in sago production volume starting from July 2021. Our renewable energy segment contributed USD 277.3 thousand in 6M2021, lower than the USD 285.6 thousand in 6M2020 due to lower electricity production at our biogas power plant compared to 6M2020. Meanwhile, the Company started exports of its frozen

edamame to Japan in March 2021 and repeat orders from the same buyer for the next batch have been received. Our edamame sales revenue was USD 235.9 thousand, an increase of 25.2% from USD 188.4 thousand in 6M2020 mainly due to both higher frozen edamame sales volume and price.

Operating (Expenses) Income and Financial Charges

The Company recorded an operating expense (net of operating income) of USD 17.7 million, an increase of 49.3% from USD 11.9 million in 6M2020 due to higher selling expenses resulting from the increase in the export levy and export taxes in line with the increase in the CPO price. Included in operating expenses in 6M2021 is a foreign exchange loss of USD 0.3 million, a decrease from the foreign exchange gain of USD 2.8 million in 6M2020, due to the depreciation of the Rupiah against the US Dollar from Rp 14,105/USD 1 at the end of 2020 to Rp 14,496/USD 1 at the end of 6M2021.

Our financial charges, which represent interest expenses on our loans, increased to USD 2.6 million in 6M2021 from USD 2.0 million in 6M2020, mainly due to additional interest expense recognition from our West Papua estate. As more of this estate becomes classified as mature, the lower the interest expense that can be capitalized.

Net Profit (Loss)

The Company recorded a net profit of USD 12.6 million, compared to the net loss of USD 5.5 million in 6M2020, due to the higher ASPs and sales volumes for CPO and PK in 6M2021. These factors also contributed to an increase in EBITDA from USD 8.0 million in 6M2020 to USD 31.6 million in 6M2021 and an EBITDA margin of 11.1% in 6M2020 compared to 26.3% in 6M2021.

Total Comprehensive Income

The depreciation of the Rupiah against the US Dollar from Rp 14,105 at the end of 2020 to Rp 14,496 by the end of June 2021 has reduced the net assets of some of the Company's subsidiaries (those which maintain their bookkeeping records in Rupiah), by USD 7.0 million when their financial statements are translated from Rupiah to US Dollar. As a result, the Company reported a total comprehensive income of USD 5.7 million in 6M2021 compared to a comprehensive loss of USD 4.5 million in 6M2020.



Our Assets and Liabilities Position

Table 3: Consolidated Statements of Financial Position

	30 June 2021		31 December 2020		Change
	"USD Thousands"	"Rp. Millions" ⁽¹⁾	"USD Thousands"	"Rp. Millions" ⁽¹⁾	
Current assets	67,544	979,114	66,509	938,104	1.6%
Non-current assets	566,826	8,216,706	569,635	8,034,705	-0.5%
Total Assets	634,370	9,195,821	636,144	8,972,808	-0.3%
Current liabilities	31,133	451,306	28,406	400,668	9.6%
Non-current liabilities	202,727	2,938,725	211,980	2,989,983	-4.4%
Total Liabilities	233,860	3,390,031	240,386	3,390,651	-2.7%
Equity attributable to the owners of the Company	398,535	5,777,159	393,764	5,554,044	1.2%
Total Equity	400,510	5,805,790	395,757	5,582,157	1.2%

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 June 2021 of Rp 14,496 to USD 1 and as of 31 December 2020 of Rp 14,105 to USD 1.

As of 30 June 2021, total assets decreased by 0.3% to USD 634.4 million. This was mainly due to the decrease of assets of the Company's subsidiaries that maintain their bookkeeping records in Rupiah, when their financial statements are translated from Rupiah to US Dollar as a result of the depreciation of the Rupiah against the US Dollar, as discussed above.

Total liabilities decreased by 2.7% from USD 240.4 million to USD 233.9 million, primarily driven by the decrease in short-term and long-term bank loans due to loan repayments earlier than scheduled during 6M2021. This was to optimize the Company's cash management in line with the higher cash flows generated from operating activities due to the higher ASP for its CPO.

The Company was still able to maintain prudent debt to equity and debt to asset ratios amounting to 0.58 and 0.37, respectively as at 30 June 2021.

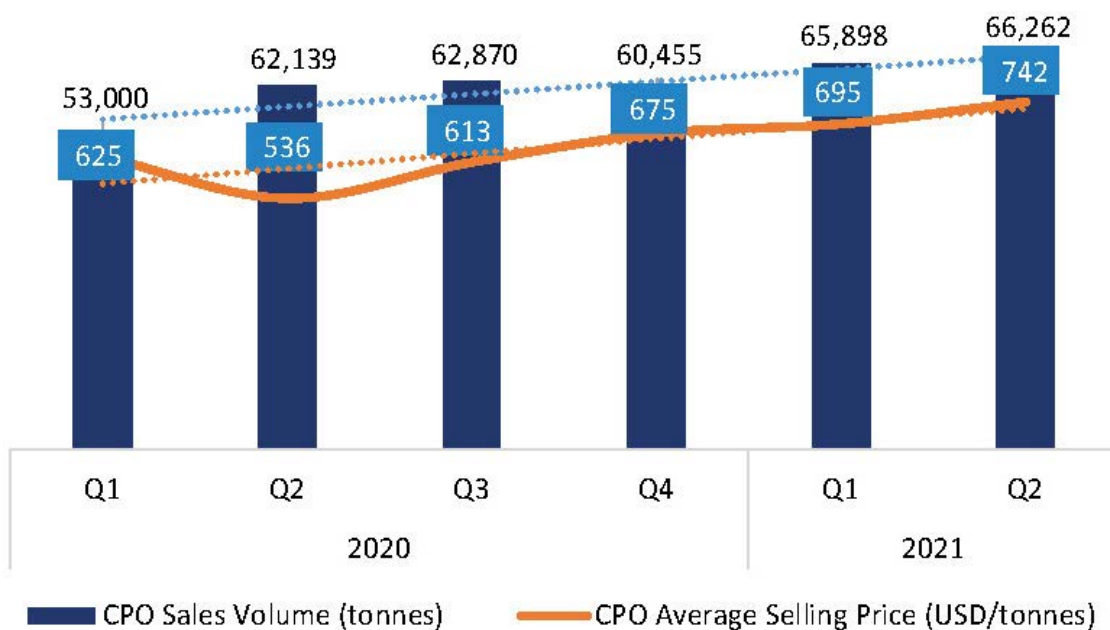
Financing Facilities

As of 30 June 2021, ANJT and its subsidiaries collectively maintained bank loan facilities amounting to the equivalent of USD 298.5 million, comprising short-term loan facilities of USD 66.1 million and long-term loan facilities of USD 232.4 million.

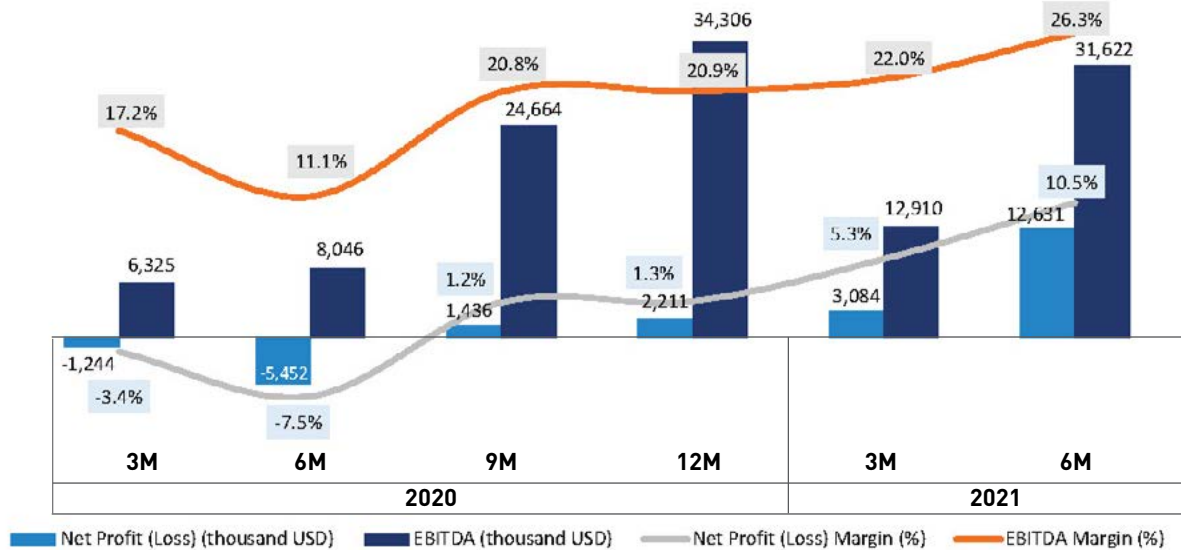
The outstanding balance of the Company's bank loans by the end of June 2021 was USD 184.6 million.

Key Performance (Quarterly)

Graph 1: CPO Sales Volume and Average Sales Price by Quarter



Graph 2: Net Profit (Loss) and EBITDA Growth



Other Corporate Updates

Issuance of Annual Report 2020

In May 2021, the Company issued its Annual Report for 2020 which discusses the Company's performance for 2020 and its targets and strategy for 2021. The electronic copy of the Company's Annual Report is available at: <https://anj-group.com/en/annual-report>.

Issuance of Sustainability Report 2020

In May 2021, the Company issued its Sustainability Report for 2020 which discusses the social and environmental performance for 2020. The Company's 2020 Sustainability Report includes an independent assurance opinion assessment issued by PT TUV Rheinland Indonesia, an independent assessor, who rendered an opinion that the Company's 2020 Sustainability Report fairly presents the Company's sustainability performances during 2020. This marked a significant recognition of the Company's commitment to sustainability, transparency and accountability. The electronic copy of the Company's Sustainability Report is available at: <https://anj-group.com/en/sustainability-report>.

Global Economic Uncertainty due to Covid 19 pandemic

Many countries, including Indonesia, continue to experience social and economic disruption due to the Covid 19 pandemic, which started in the first quarter 2020. This global pandemic has created significant uncertainty in the macroeconomic conditions, including volatility in exchange rates and interest rates, volatility in commodity prices, disruption to supply chains and a significant slowdown in demand for commodity products, including palm oil, sago starch and frozen edamame. In addition to various fiscal and monetary policy measures, the Government of the Republic of Indonesia has been deploying mass vaccination programmes in 2021 to counter the adverse impact of the Covid-19 outbreak. As of the date of issuance of this newsletter, there has been no significant adverse impact from the Covid-19 outbreak on the Company's operations. The Company has implemented policies and procedures at all its operational sites to monitor and manage the risks associated with Covid-19. However, much depends on the success of the vaccinations to stem the outbreak, the success of the Government's efforts to contain it and the successful implementation of the Government's fiscal and monetary policies. All these factors may affect the Company's operations in the near and mid-term.