



INVESTOR NEWSLETTER

TAPG

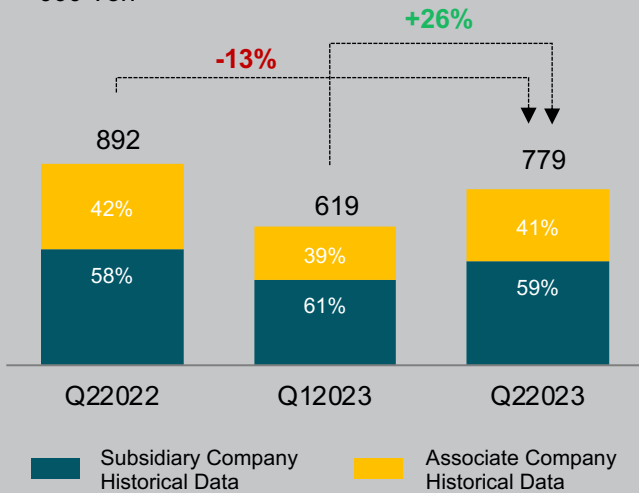
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PT. Triputra Agro Persada Tbk (TAPG) is an oil palm, rubber, and processing industries company, with 23 oil palm plantation estates, 1 rubber plantation, 18 palm oil mills, 1 palm kernel crushing plant and 1 RSS factory located in Jambi, Central Kalimantan and East Kalimantan (including the presence of associate company). In developing its business, TAPG upholds its sustainability commitment by adopting the global recognized standards and deployment of state-of-the-art technology in all of its operational activities.

Q2 2023 FFB Nucleus Production

As of June 2023

'000 Ton



Business Highlight

- In 2023, TAPG production of FFB and CPO grew +26% dan +23% QoQ, respectively
- Production is expected to growth further in the 2nd half of 2023 as seasonal cyclical. Generally, production is higher in 2nd Half of the year given seasonal factor.

Executive Summary

TAPG production for FFB and CPO are starting to increase reaching **26% and 23%** hence resulting in higher FFB and CPO Production QoQ. The uptrend is expected to continue in the next quarter driven by seasonal cycle.

Better climate in early 2023 **improved pollination**, hence **resulting in higher OER in Q2 2023** on both quarterly and annual basis.

PKO plant & biogas starting to operate which **diversify product sold** by TAPG in **palm kernel oil & palm kernel meal**.

Correction on CPO price up to -9% QoQ was attributable to the decrease in revenue **-4% QoQ**. Meanwhile, fertilizer price increase in 1H23 has led to pressure on EBITDA and Net Profit in 2Q23.





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TAPG

Financial Highlight

Revenue under ▼24% QtQ primarily driven by lower selling price (CPO ▼22% and PK ▼46% QtQ). However, in Q2 2023 palm oil trees production are showing sign of growth period post recovery phase in Q1 2023 with result FFB Production in Q2 2023 grew +26% QoQ.

Cost of Goods Sold ▲19% QtQ mainly from increased in production cost, especially in fertilizer ▲114% (QtQ), in other hand FFB Purchased Cost ▼27% due to slightly lower in volume and buying price. TAPG main focus are maintain infrastructure and optimal fertilizing as the preparation for higher production in H2 2023.

Softening in EBITDA and Net Profit due to the lower in commodity prices and higher cost led to EBITDA and Net Profit by ▼72% and ▼81% QtQ.

Net Forex loss in Q2 2023 Rp 8,2 bill due to currency depreciation of IDR to USD, better than Forex Loss in Q2 2022 Rp 92.5 bill.

The company's liabilities in H1 2023 have decreased ▼25%. in line with the company's commitment to reduce debt.

Financial Performance

In IDR Mio

Descriptions	Q2 2023	Q2 2022	Growth (%)	H1 2023	H1 2022	Growth (%)
Revenue	1,846,517	2,424,142	-24%	3,772,350	4,615,053	-18%
Cost of Goods Sold	-1,531,548	-1,287,680	19%	-2,985,194	-2,653,439	13%
Gross Profit	314,969	1,136,462	-72%	787,156	1,961,614	-60%
(GP Margin)	17%	47%		21%	43%	
Profit After Tax	178,093	939,810	-81%	483,922	1,843,757	-74%
(PAT Margin)	10%	39%		13%	40%	
Core Income	184,520	1,011,985	-82%	464,576	1,929,705	-76%
(CI Margin)	10%	42%		12%	42%	
EBITDA	375,871	1,343,439	-72%	836,473	2,573,133	-68%
EBITDA Margin	20%	55%		22%	56%	

Descriptions	H1 2023	H1 2022	Growth (%)
Total Assets	13,704,899	13,913,692	-2%
Total Liabilities	3,562,613	4,770,238	-25%
Total Equity	10,142,286	9,143,454	11%

Prospects

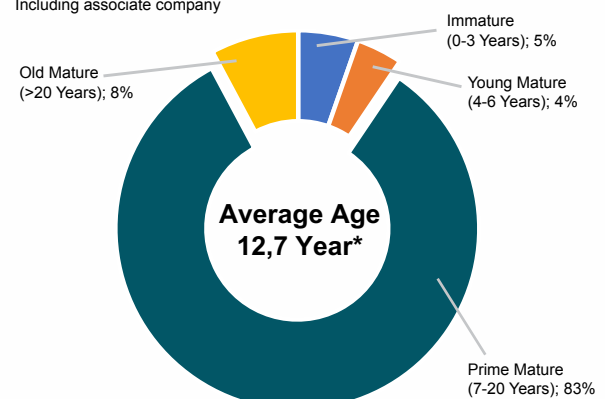
Palm oil are in growth period (post recovery from Q1 23) and infrastructure improvement as part of strategy to facing the pick up of production in 2nd half 2023.

Price level is also expected to remain high because global vegetable oil production is estimated to be below initial expectations.

TAPG will still experience continuous growth along with prime age of palm oil plants, barring unforeseen circumstances and confident to better results in 2H FY2023

Age Profile June 2023

Including associate company





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Operational Highlight

In the Q2 2023, palm oil trees production are starting to increase post recovery phase in Q1 2023 with result FFB Production in Q2 2023 is **▲26%** QoQ. There is possibility of the Mild El Nino phenomenon kicking in 2023, could potentially affect production in 2024-2025.

Better climate in early 2023 improved pollination , which leads to better OER in Q2 2023 **▲0.55** ppts QtQ and **▲0.11** ppts QoQ

Operational Performance

	Q2 2023	Q2 2022	QtQ%	Q1 2023	QoQ%
Plantation Performance FFB Production (Tons)					
FFB Nucleus	779,166	892,084	-13%	618,644	26%
FFB Plasma	86,273	94,804	-9%	71,199	21%
Mill Performance					
FFB Processed (Tons)	1,070,039	1,218,699	-12%	875,432	22%
CPO Production (Tons)	245,441	272,815	-10%	199,805	23%
PK Production (Tons)	51,992	57,493	-10%	41,041	27%
OER (%)*	22.94%	22.39%	0.55 ppts	22.82%	0.11 ppts
KER (%)*	4.86%	4.72%	0.14 ppts	4.69%	0.17 ppts

Including associate company

* In percentage points

	Average Age (Yrs)	Planted Area ('000 Ha)		Additional Information
		Mature	Total	
Nucleus	12.7	130.5	136.7	Including planted area of associate company.
Plasma	12.9	21.1	23.5	
Total	12.7	151.6	160.2	

Rubber Segment

Rubber segment income in Q2 2023 down by **▼24%** QtQ and **▼4%** QoQ. Delivery in Q2 2023 is lower **▼12%** due to seasonal cycle and lower selling price in Q2 2023 due to softening of demand.

	Q2 '23	Q2 '22	QtQ%	Q1 '23	QoQ%
Rubber Sales (Tons)					
Slab	160	233	-31%	291	-45%
RSS	85	46	85%	0	-

TAPG production for FFB and CPO are expected to growth further in the 2nd half of 2023 as seasonal cyclical. Generally production is higher in 2nd half of the year given seasonal factor. CPO delivery continues to increase in Q2 2023 **▲3%** QoQ and **▲10%** 1HYoY. Commodity price ease along with the movement in global commodity prices. The proportion of TAPG Revenue still dominated by Palm Oil segment.

TAPG incorporates the principles of Good Corporate Governance (GCG) in its policies, strategies, work systems, and business activities. The implementation of an integrated and reliable corporate governance will create a healthy and beneficial business environment for stakeholders. Each individual is expected to preserve integrity in the workplace under the Company's values, namely TAPG DNA. After the Company achieved a sustainable growth, it is time for the Company to develop its business to improve added value in its prime period to **Igniting The Company's Business Growth**.

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TRIPUTRA AGRO PERSADA

More Sustainable and Robust Performance

Throughout the first semester of 2023, PT Triputra Agro Persada Tbk has achieved several prestigious awards that have elevated the company's reputation while also serving as a representation of its more sustainable and robust performance.

The company has successfully received the **Business Indonesia Award (BIA) 2023** in the category of Plantation and Food Crops. This recognition is a result of the company's consistent positive growth in financial performance and ratios such as assets, equity, and net income over the past three years.

The evaluation process for the award was not solely based on quantitative factors but also included qualitative assessments by expert panels of judges in the field, such as former Chairman of the Financial Services Authority (OJK), Wimboh Santoso, and former Deputy Minister of Finance, Mardiasmo. The judging panel considered various aspects ranging from risk management, industry sector development, to the innovations implemented by the company.

In addition to performance aspects, the company's sustainability efforts have also gained recognition from various parties. This is evidenced by the achievement of the **Transparency and Corporate Emission Reduction 2023** award given by the Bumi Global Carbon Foundation (BGKF), B Universe, and Investor Daily. These awards serve as crucial support for the company's efforts to promote sustainability actions, particularly in relation to emissions reduction.

Furthermore, last year, the company also launched the *New Journey of TAPG Sustainability* a new sustainability policy formulation, as a commitment to becoming a green company that contributes positively to the environment, society, and economy, thereby enhancing the quality of life for the community. *The New Journey of TAPG Sustainability* also represents the company's commitment to climate change mitigation in Indonesia, with a target of becoming a carbon-neutral company by 2036.



Business Indonesia Award (BIA) 2023



Transparency and Corporate Emission Reduction 2023

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