

COMMODITIES EQUITY RESEARCH

INDOFOOD AGRI RESOURCES LTD

SGX: 5JS

Bloomberg: IFAR:SP

ISIN code: SG1U47933908

Country: Indonesia

Industry: Consumer Defensive, Packaged Food

21 March 2026

RECOMMENDATION: BUY

Current price (20 Mar): S\$0.395

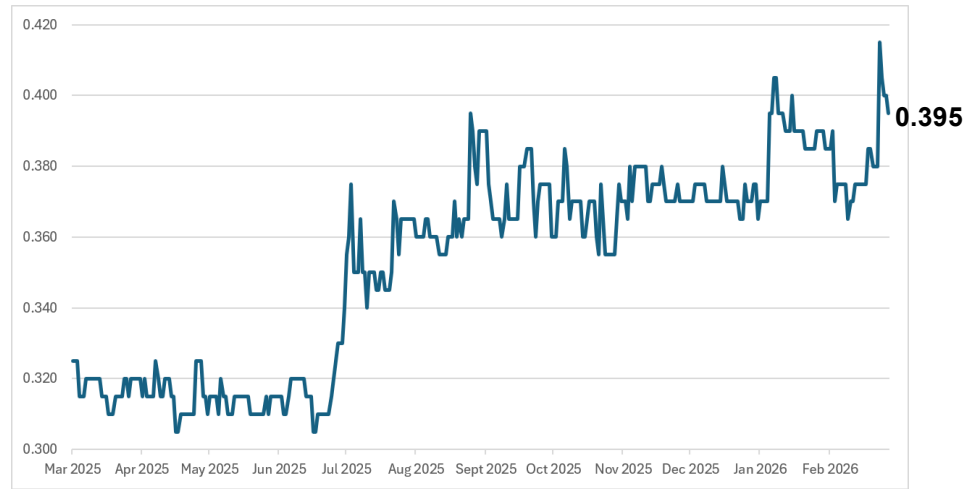
Target price: S\$0.525

Issued units: 1,396 million (31 December 2025)

Market capitalisation: S\$551.4 million

52-week range: S\$0.305 - S\$0.415

PRICE PERFORMANCE



COMPANY DESCRIPTION

Indofood Agri Resources Ltd ("IndoAgri") is a vertically integrated agribusiness with activities spanning from Research & Development ("R&D"), seed breeding, and oil palm cultivation to the extraction & processing of Crude Palm Oil ("CPO") and Palm Kernel ("PK"), as well as the production & marketing of edible oil, margarine, and other related products and derivatives.

SUMMARY

For the six months ended 31 December 2025 (2H FY2025), revenue rose by 30.8% to Rp 11.7 trillion in 2H FY2025 from Rp 8.9 trillion in 2H FY2024, amid higher selling prices and volumes across both Plantations and Edible Oils & Fats ("EOF") divisions as noted by IndoAgri. However, gross profit fell by 1.1% to Rp 3.2 trillion in 2H FY2025 from Rp 3.2 trillion in 2H FY2024 amid higher costs in the EOF division as also noted by IndoAgri. Profit before tax rose by 18.4% to Rp 2.4 trillion in 2H FY2025 from Rp 2.0 trillion in 2H FY2024 despite the year-on-year ("y-o-y") fall in gross profit, amid other operating expenses falling by Rp 774.3 billion y-o-y. Accordingly, net profit (and attributable to owners of the Company) rose by 18.3% (13.6%) to Rp 1.7 trillion (Rp 932.4 billion) in 2H FY2025 from Rp 1.5 trillion (Rp 820.8 billion) in 2H FY2024. Earnings Per Share ("EPS") rose by 13.6% to Rp 668 in 2H FY2025 from Rp 588 in 2H FY2024. IndoAgri declared Dividend Per Share ("DPS" in SG cents) of 1.0 for 2H FY2025 and FY2025, an increase of 25.0% from 0.8 for 2H FY2024 and FY2024.

RECOMMENDATION

We note that: (1) Anthoni Salim holds 86.04% total interest in IndoAgri as at 31 December 2025; (2) PT Indofood Sukses Makmur Tbk ("PT ISM"), an intermediate holding company of IndoAgri which holds 85.90% total interest in IndoAgri as at 31 December 2025, made a takeover offer for IndoAgri in April 2019 at an initial offer price of S\$0.28 (premium of 7.7% from last undisturbed price of S\$0.26 as at 5 April 2019) that was later revised to an ex-dividend offer of S\$0.3275 (premium of 26.0% from last undisturbed price); (3) IndoAgri's current P/B of 0.46x represents a discount of approximately 54% to NAV; (4) IndoAgri's cash & cash equivalents were Rp 8.6 trillion as at 31 December 2025 (or S\$648.7 million based on SGD-to-IDR exchange rate of 13,216.238 as at 20 March 2026 from Yahoo! Finance); and (5) IndoAgri's market capitalisation is S\$551.4 million as at 20 March 2026. Accordingly, we consider the possibility of a privatisation offer from Anthoni Salim through PT ISM.

Based on the average price premium of privatisation offers for SGX-listed companies, we estimate that any privatisation offer may need to have a price premium of 32.8% from the current share price of S\$0.395 to be successful. Thus, PT ISM may need to offer a minimum offer price of S\$0.525, which would translate to a full privatisation cost of S\$102.2 million (or about 15.8% of IndoAgri's cash & cash equivalents as at 31 December 2025).

We adopt as our target price the minimum offer price of S\$0.525, which represents an upside potential of 32.8%. Accordingly, a buy recommendation may be warranted. However, there are also risks to our target price such as crackdowns and land seizures by the Indonesian government, ageing oil palms, and, in general, a potential global economic slowdown.

KEY FINANCIALS

Year ended 31 Dec	Revenue (Rp trillion)	Earnings ⁽¹⁾ (Rp trillion)	EPS ⁽²⁾ (SG cents)	P/E (x)	DPS (SG cents)	Dividend Yield (%)	NAV per share (S\$)	P/B (x)
2024 Actual	16.0	1.1	6.75	5.8	0.80	2.0%	0.86	0.46
2025 Actual	21.1	1.3	7.23	5.5	1.00	2.5%	0.86	0.46
2026 Forecast	22.6	1.4	7.53	5.2	1.00	2.5%	-	-
2027 Forecast	22.3	1.4	7.49	5.3	1.00	2.5%	-	-

Note: P/E, P/B, and dividend yield based on the current share price of S\$0.395. EPS converted to SG cents using average SGD-to-IDR exchange rates of 11,861.335 for FY2024, 12,585.256 for FY2025, and SGD-to-IDR exchange rate of 13,216.238 as at 20 March 2026 for FY2026 & FY2027 based on Yahoo! Finance data.

⁽¹⁾ Profit/loss attributable to owners of the Company.

⁽²⁾ Diluted Earnings Per Share.

Source: IndoAgri, Yahoo! Finance (exchange rates), FPA

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ECONOMIC & INDUSTRY OUTLOOK

(I) CRUDE PALM OIL INDUSTRY

In February 2026, the Malaysian Palm Oil Council (“MPOC”) cited an “expert” as having said, “Crude palm oil (CPO) futures on Bursa Malaysia Derivatives (BMD) are expected to trade between RM3,800 and RM4,000 per tonne during January-July 2026”.

MPOC cited the “expert” as noting that, should futures “sink below RM4,000, there will be strong efforts to support and talk up the price of palm oil, and you will have Indonesian industry captains and ministers talking about the B50 (mandate) again”.

Later in February, MPOC noted that palm oil prices were “projected to consolidate within the range of RM4,000 – RM4,300 per tonne in March.” MPOC noted, “Tightening near-term supply, improving Indian demand and firm US soybean oil prices should keep palm oil prices supported. However, ample global soybean supply and rising Chinese soybean oil exports may limit gains.”

Since the outbreak of the U.S.-Israeli war against Iran on 28 February 2026 though, palm oil futures (c1) have risen by 14.1% to RM4,611 on 18 March 2026 from RM4,042 on 26 February 2026 based on Investing.com data. Meanwhile, based on GAPKI data, KPB Nusantara CPO price (per kg) rose by 11.2% to Rp 15,825 on 17 March 2025 from Rp 14,225 on 26 February 2026.

MPOC noted in March 2026, “Prolonged conflict in the Middle East could sustain a price floor for crude oil through 2026, lending underlying support to palm oil prices and reinforcing firmer trends across the global edible oils market.” MPOC added, “elevated crude oil prices typically spill over into edible oil markets, including palm oil, given palm oil’s role as a biodiesel feedstock.”

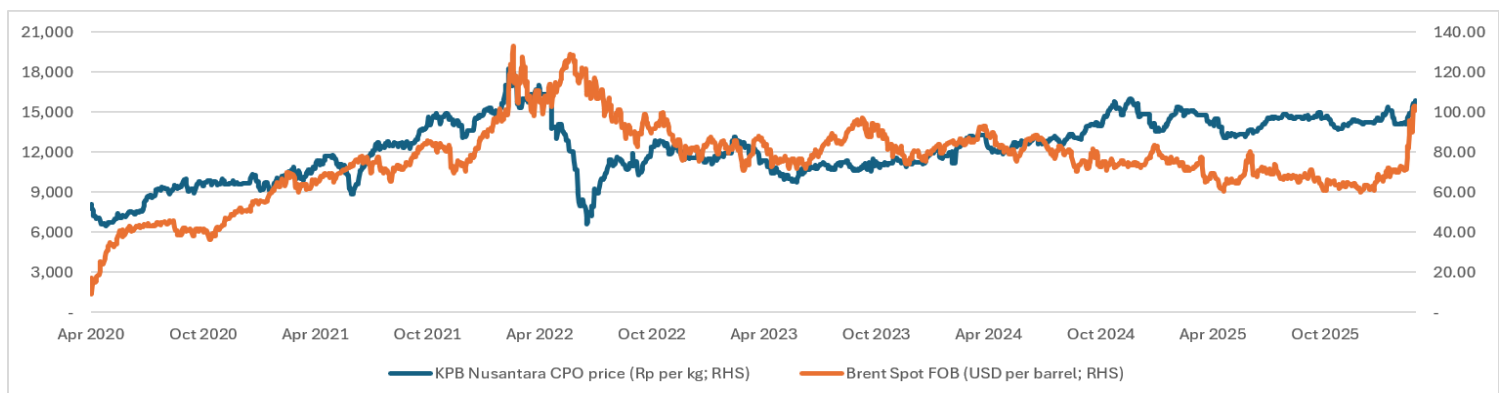
However, The Business Times (“BT”) (or Reuters, from which BT syndicated the article) noted from the Indonesian Palm Oil Association (“GAPKI”) in March 2026 that “Export orders for new shipments of palm oil have moderated after the US-Israel war with Iran drove up logistics and insurance costs”.

GAPKI’s chairman was cited as noting that “shipping and insurance costs rose by 50 per cent after the war broke out, as the ships were forced to take a longer route – while insurance costs increased due to conflict-related risks.” A “New Delhi-based dealer with a global trade house” was also cited as noting that “prices of palm oil have risen more than rival soy oil and sunflower oil since the conflict began, erasing its price advantage”.

KPB Nusantara CPO price trend showed some correlation with that of Brent crude oil price from around February 2021, as may be seen in **Exhibit 1**. One contributing factor may be Indonesia’s biofuel mandate, which began in 2008. Under the mandate, diesel is required to be blended with a percentage of biofuel. The percentage has risen from 30% (under Indonesia’s B30 mandate) in 2020 to 40% (B40) as at report date, and Indonesia may raise the percentage to 50% (B50) in 2026 or 2027.

Accordingly, to derive an outlook for CPO prices, we briefly review the outlook for crude oil prices.

Exhibit 1: KPB Nusantara CPO Price vs Crude Oil Price (April 2020 to March 2026)



Source: U.S. Energy Information Administration (“EIA” for Brent price), GAPKI (KPB Nusantara CPO price), FPA

The International Energy Agency (“IEA”) noted in March 2026 that the “war in the Middle East is creating the largest supply disruption in the history of the global oil market.” IEA added, “With crude and oil product flows through the Strait of Hormuz plunging from around 20 mb/d before the war to a trickle currently, limited capacity available to bypass the crucial waterway, and storage filling up, Gulf countries have cut total oil production by at least 10 mb/d.”

Meanwhile, the U.S. Energy Information Administration (“EIA”) noted in March 2026 that the average Brent spot price is expected to fall to US\$63.00 per barrel in 4Q 2027 after peaking at US\$90.56 per barrel in 2Q 2026, as may be seen in **Exhibit 2**. EIA noted that they assumed “shut-in production will gradually ease as transit through the Strait resumes.” EIA cautioned though that their price forecast “is highly dependent on our modeled assumptions of both the duration of conflict in the Middle East and resulting outages in oil production.”

Exhibit 2: Forecasted Brent Spot Price (1Q 2026 to 4Q 2027)



Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook*, March 2026

Source: EIA

While Al Jazeera reported in March 2026 that Iran has allowed “a small number of ships from certain countries to pass through waterway”, CNN also reported in March 2026 that an Iranian parliamentary speaker said, “The Strait of Hormuz cannot be the same as before and return to its previous conditions,” adding that “there is no longer any security.” CNN reported too, “Israeli Prime Minister Benjamin Netanyahu said that there was not a specific timeline to the end of the war in Iran”.

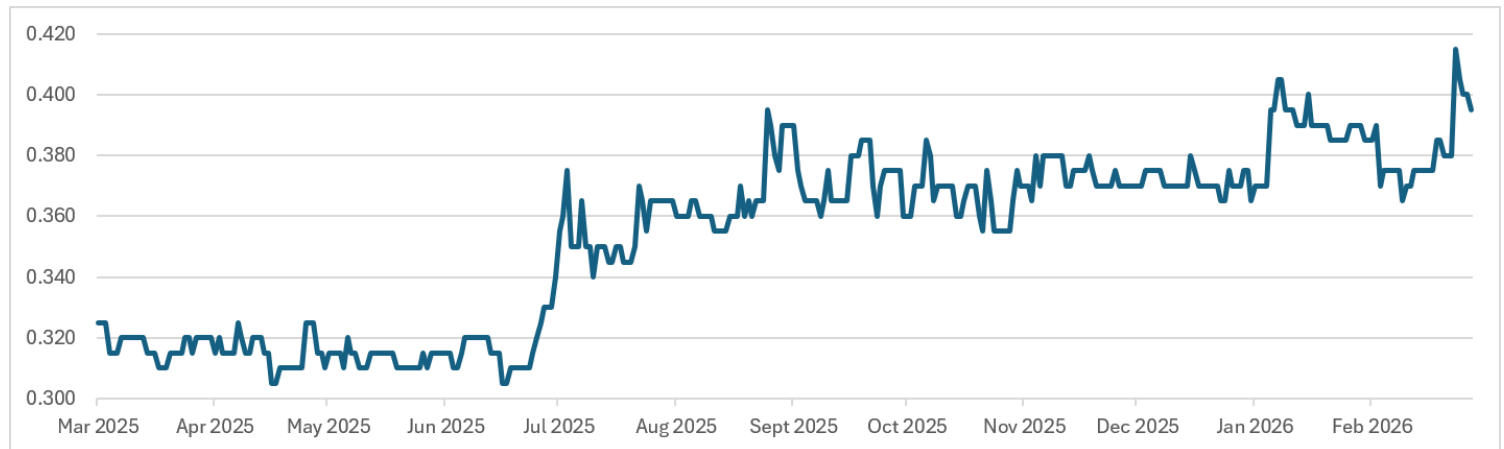
Given that Iran may continue to maintain restrictions on the transit of ships through the Straits of Hormuz even after the U.S.-Israeli war against Iran ends, and that the war may drag on, near-term Brent spot price (thus CPO prices) may remain elevated.

Accordingly, we assume that the KPB Nusantara CPO price (per kg) for the rest of 1H 2026 will remain at Rp 15,825, the same as at 17 March 2026, such that the average KPB Nusantara CPO price will rise to Rp 15,339 in 1H 2026 from Rp 14,386 in 2H 2025. Thereafter, we assume that the average KPB Nusantara CPO price will remain at Rp 15,339 in 2H 2026 amid a gradual decline in crude oil prices from either an end to the U.S.-Israeli war against Iran or the world adapting to an extended war, fall to Rp 15,000 in 1H 2027, and rise to Rp 15,100 in 2H 2027 amid a potential B50 implementation supporting CPO prices.

RECENT SHARE PRICE DEVELOPMENTS

Over the last twelve months, the share price of Indofood Agri Resources Ltd (“IndoAgri”) rose by 23.1% to S\$0.395 on 20 March 2026 from S\$0.325 on 21 March 2025, as shown in **Exhibit 3**.

Exhibit 3: Share Price Performance (Last Twelve Months)



Source: Yahoo! Finance (share prices), FPA

On 2 April 2025, U.S. President Trump announced “Liberation Day” tariffs. Share price fell by 3.1% to S\$0.310 on 9 April 2025 from S\$0.320 on 2 April 2025.

On 8 April 2025, IndoAgri released its Annual Report (“AR”) for FY2024. Share price rose by 3.2% to S\$0.320 on 15 April 2025 from S\$0.310 on 8 April 2025.

On 21 July 2025, the Monetary Authority of Singapore (“MAS”) announced that it appointed the “first batch of asset managers under the S\$5 billion Equity Market Development Programme (EQDP).” In the lead-up to MAS’s announcement, the STI rose by 2.4% to 4,207.130 on 21 July 2025 from 4,109.210 on 14 July 2025. Share price rose by 9.7% to S\$0.340 on 21 July 2025 from S\$0.310 on 14 July 2025.

On 31 July 2025, IndoAgri released its financial statements for 1H FY2025. Revenue rose by 33.2% year-on-year (“y-o-y”) to Rp 9.4 trillion in 1H FY2025, while profit attributable to owners of the Company rose by 13.4% y-o-y to Rp 337.8 billion in 1H FY2025. Share price rose by 2.9% to S\$0.350 on 7 August 2025 from S\$0.340 on 31 July 2025.

On 23 February 2026, IndoAgri noted, “On 1 December 2025, the Ministry of Forestry of the Republic of Indonesia has imposed forestry administrative charges on the Company’s listed subsidiary on the Indonesia Stock Exchange, PT Salim Ivomas Pratama Tbk and its subsidiaries (“SIMP Group”) amounted to Rp2.34 trillion or approximately S\$179 million pursuant to the recent Presidential Regulation No. 5 of 2025 and Government Regulation No. 45 of 2025.” (Footnote removed from quote.) Share price fell by 6.4% to S\$0.365 on 2 March 2026 from S\$0.390 on 23 February 2026.

On 27 February 2026, IndoAgri released its financial statements for 2H FY2025. Thereafter, on 28 February 2026, U.S. & Israel struck Iran and killed Iranian Supreme Leader Ayatollah Ali Khamenei. As at report date, the U.S.-Israeli war against Iran is still ongoing with the Brent spot FOB having risen by 41.7% to US\$101.04 per barrel on 16 March 2026 from US\$71.32 on 27 February 2026. Meanwhile, KPB Nusantara CPO price (per kg) rose by 11.2% to Rp 15,825 on 17 March 2025 from Rp 14,225 on 26 February 2026. Share price was S\$0.375 on 6 March 2026, unchanged from S\$0.375 on 27 February 2026, but it rose to S\$0.415 on 16 March 2026, before subsequently falling to S\$0.395 on 20 March 2026.

FINANCIAL ANALYSIS

(I) FINANCIAL REVIEW

Revenue:

Revenue rose by 30.8% to Rp 11.7 trillion in 2H FY2025 from Rp 8.9 trillion in 2H FY2024, as shown in **Exhibit 4**. IndoAgri noted that “the Group achieved revenue growth of 31% on higher selling prices and increased volume across both Plantation and EOF Divisions.”

Exhibit 4: Revenue (2H FY2025 vs 2H FY2024)

(in Rp million unless otherwise indicated)	Actual		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
Plantations (third party)	3,643,892	2,403,746	1,240,146	51.6%
Edible Oils & Fats (third party)	8,020,072	6,510,952	1,509,120	23.2%
Revenue	11,663,964	8,914,698	2,749,266	30.8%

Breakdown of Plantations revenue:

Plantations (third party)	3,643,892	2,403,746	1,240,146	51.6%
Plantations (inter-segment)	4,673,339	4,900,035	(226,696)	(4.6%)
Plantations (total)	8,317,231	7,303,781	1,013,450	13.9%
Plantations (Crude Palm Oil or "CPO")	5,837,322	5,239,534	597,788	11.4%
Plantations (Palm Kernel or "PK", and related products)	1,175,225	805,697	369,528	45.9%
Plantations (others)	1,304,684	1,258,550	46,134	3.7%
Plantations (total)	8,317,231	7,303,781	1,013,450	13.9%

Breakdown of Edible Oils & Fats revenue:

Edible Oils & Fats (third party)	8,020,072	6,510,952	1,509,120	23.2%
Edible Oils & Fats (inter-segment)	11,014	-	11,014	n.m.
Edible Oils & Fats (total)	8,031,086	6,510,952	1,520,134	23.3%
Edible Oils & Fats (Edible Oils & Fats)	8,020,072	6,510,952	1,509,120	23.2%
Edible Oils & Fats (others)	11,014	-	11,014	n.m.
Edible Oils & Fats (total)	8,031,086	6,510,952	1,520,134	23.3%

n.m. = not meaningful.

Source: IndoAgri, FPA

IndoAgri disclosed that its oil palm area was 237,437 Ha as at end-2H FY2025. However, IndoAgri did not seem to disclose its mature oil palm area as at end-2H FY2025. Nonetheless, we note that mature oil palm area as a percentage of IndoAgri's oil palm plantation generally rose to 93.3% as at end-1H FY2025 from 84.2% as at end-1H FY2021, as shown in **Exhibit 6**.

We note that the Trailing Twelve-Month ("TTM") average production per Ha of mature oil palm generally fell from 1H FY2021 to 1H FY2025, as also shown in **Exhibit 6**, in line with the rise in oil palm average age (estimated 21 years as at end-2H FY2025).

We also note that IndoAgri's externally sourced FFB generally rose from 385,000 MT in 1H FY2021 to 545,000 MT in 2H FY2025.

Exhibit 6: Production of FFB, CPO, and PK (1H FY2021 to 2H FY2025)

(in respective units)	Actual*									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
(A) Mature area (in Ha)	213,623	214,053	217,835	218,064	220,002	220,531	221,958	220,318	224,880	n.a.
(B) Oil Palm (in Ha)	253,596	250,615	247,347	244,768	244,265	244,337	245,283	241,208	241,035	237,437
A as a % of B	84.2%	85.4%	88.1%	89.1%	90.1%	90.3%	90.5%	91.3%	93.3%	n.a.
Mature area (in Ha)	213,623	214,053	217,835	218,064	220,002	220,531	221,958	220,318	224,880	n.a.
Deduct: Mature area (in Ha; prev. period)	(211,626)	(213,623)	(214,053)	(217,835)	(218,064)	(220,002)	(220,531)	(221,958)	(220,318)	(224,880)
Change in mature area	1,997	430	3,782	229	1,938	529	1,427	(1,640)	4,562	n.a.
Oil palm average age (years)	17	17	18	18	19	19	n.a.	n.a.	n.a.	n.a.
FFB production:										
Nucleus FFB production ('000 MT)	1,364	1,398	1,277	1,535	1,211	1,573	1,200	1,558	1,220	1,494
Externally sourced FFB ('000 MT)	385	309	386	543	392	456	391	496	466	545
FFB production ('000 MT)	1,749	1,707	1,663	2,078	1,603	2,029	1,591	2,054	1,686	2,039
Breakdown of FFB production:										
Nucleus FFB production ('000 MT)	1,364	1,398	1,277	1,535	1,211	1,573	1,200	1,558	1,220	1,494
Divide by: Mature area (in Ha)	213,623	214,053	217,835	218,064	220,002	220,531	221,958	220,318	224,880	n.a.
Kg of FFB production per Ha of mature oil palm (estimate)	6,385	6,531	5,862	7,039	5,504	7,133	5,406	7,072	5,425	n.a.
Kg of FFB production per Ha of mature oil palm (TTM average; estimate)	6,942	6,458	6,197	6,451	6,272	6,319	6,270	6,239	6,248	n.a.
Externally sourced FFB ('000 MT)	385	309	386	543	392	456	391	496	466	545
Divide by: Oil palm plasma partnership (in Ha)	87,076	86,970	87,111	87,292	87,469	87,608	87,910	88,264	88,265	n.a.
Kg of externally sourced FFB per Ha of plasma partnership (estimate)	4,421	3,553	4,431	6,221	4,482	5,205	4,448	5,620	5,280	n.a.
Kg of externally sourced FFB per Ha of plasma partnership (TTM average; est.)	4,445	3,987	3,992	5,326	5,351	4,843	4,826	5,034	5,450	n.a.
CPO & PK extraction rates:										
CPO production ('000 MT)	345	342	327	409	309	399	306	400	326	407
Divide by: FFB production ('000 MT)	1,749	1,707	1,663	2,078	1,603	2,029	1,591	2,054	1,686	2,039
CPO extraction rate (estimate)	19.7%	20.0%	19.7%	19.7%	19.3%	19.7%	19.2%	19.5%	19.3%	20.0%
CPO extraction rate (disclosed)	21.0%	21.0%	20.9%	20.8%	20.7%	20.9%	20.6%	20.7%	20.4%	20.9%
PK production ('000 MT)	85	84	78	103	76	100	74	93	74	91
Divide by: FFB production ('000 MT)	1,749	1,707	1,663	2,078	1,603	2,029	1,591	2,054	1,686	2,039
PK extraction rate (estimate)	4.9%	4.9%	4.7%	5.0%	4.7%	4.9%	4.7%	4.5%	4.4%	4.5%
PK extraction rate (disclosed)	5.1%	5.1%	5.0%	5.2%	5.1%	5.2%	5.0%	4.8%	4.6%	4.7%

* unless indicated as estimate. n.a. = not available.

Source: IndoAgri, FPA

Revenue—Sale of CPO and PK, and other plantations revenue:

Sales volumes of both CPO and PK rose on a y-o-y basis in 2H FY2025, as shown in **Exhibit 7**. IndoAgri continued to sell around 100.0% of the CPO and PK it produced during 2H FY2025.

Amid an increase in the Average Selling Prices (“ASPs”) of CPO and PK too, plantations CPO revenue and PK & related products revenue rose by 11.4% y-o-y and 45.9% y-o-y, respectively, as also shown in **Exhibit 7**. IndoAgri noted, “CPO prices in 2025 were supported by tightened supply and strong demand from Indonesia’s biodiesel program. Domestic CPO (KPB) increased 8% to an average of Rp14,236 per kg, while international prices (CIF Rotterdam) rose 15% to USD 1,283 per tonne. Higher coconut oil prices supported palm kernel’s competitiveness, and the rise in palm kernel prices contributed to the Group’s results.”

Others as a percentage of plantations revenue fell to 15.7% in 2H FY2025 from 17.2% in 2H FY2024.

Exhibit 7: Sale of CPO and PK, and Other Plantations Revenue (2H FY2025 vs 2H FY2024)

(in Rp million unless otherwise indicated)	Actual*		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
(A) CPO sales volume ('000 MT)	416	388	28	7.2%
(B) CPO production ('000 MT)	407	400	7	1.8%
A as a % of B	102.2%	97.0%		
(C) PK sales volume ('000 MT)	97	89	8	9.0%
(D) PK production ('000 MT)	91	93	(2)	(2.2%)
C as a % of D	106.6%	95.7%		
Breakdown of CPO revenue:				
CPO sales volume ('000 MT)	416	388	28	7.2%
Multiply by: CPO ASP (Rp/kg)	14,018	13,516	502	3.7%
CPO revenue (in Rp million; estimate)	5,831,488	5,244,208	587,280	11.2%
Plantations (Crude Palm Oil or "CPO") revenue (actual)	5,837,322	5,239,534	597,788	11.4%
KPB Nusantara CPO Price (Rp/kg; average; estimate)	14,386	14,034	352	2.5%
Breakdown of PK revenue:				
PK sales volume ('000 MT)	97	89	8	9.0%
Multiply by: PK ASP (Rp/kg)	11,963	9,130	2,833	31.0%
PK revenue (in Rp million; estimate)	1,160,411	812,570	347,841	42.8%
Plantations (Palm Kernel or "PK", and related products) revenue (actual)	1,175,225	805,697	369,528	45.9%
Other plantations revenue:				
(E) Plantations (others)	1,304,684	1,258,550	46,134	3.7%
(F) Plantations (total)	8,317,231	7,303,781	1,013,450	13.9%
E as a % of F	15.7%	17.2%		

* unless indicated as estimate. Note: Average KPB Nusantara CPO price estimated based on what may be incomplete GAPKI data. Source: IndoAgri, GAPKI (KPB Nusantara CPO price), FPA

IndoAgri generally sold around 100.0% of the CPO and PK it produced in each period from 1H FY2021 to 2H FY2025 (except in 1H FY2022), as shown in **Exhibit 8**.

We also note that others as a percentage of plantations revenue generally ranged between 12.5% and 13.9% in 1H and between 15.0% and 17.2% in 2H of each Financial Year ("FY") from 1H FY2021 to 2H FY2025, as also shown in **Exhibit 8**.

Exhibit 8: Sale of CPO and PK, and Other Plantations Revenue (1H FY2021 to 2H FY2025)

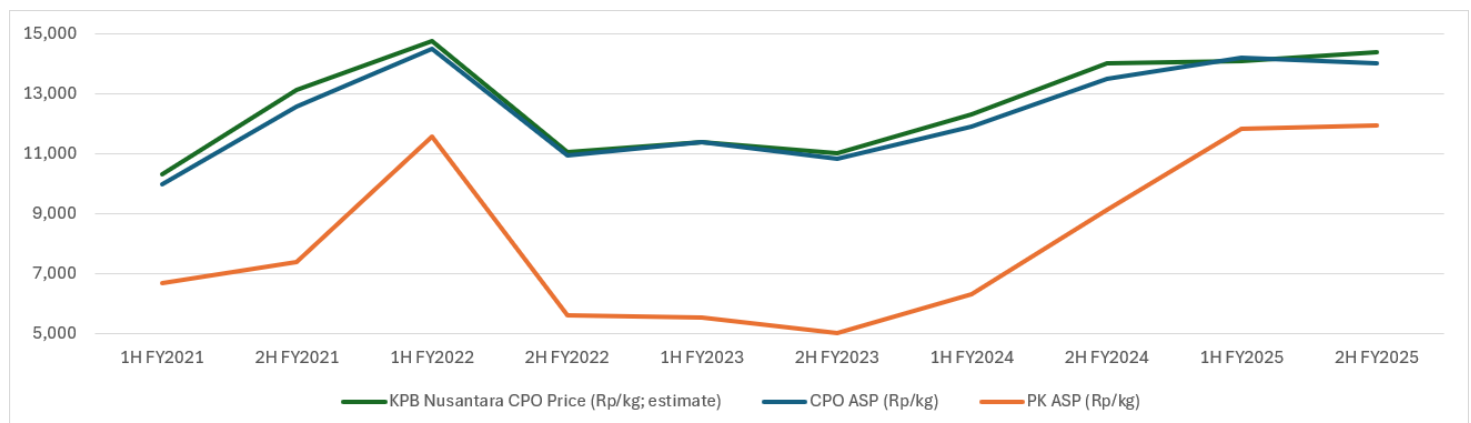
(in Rp million unless otherwise indicated)	Actual*									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
(A) CPO sales volume ('000 MT)	343	355	295	406	313	430	302	388	308	416
(B) CPO production ('000 MT)	345	342	327	409	309	399	306	400	326	407
A as a % of B	99.4%	103.8%	90.2%	99.3%	101.3%	107.8%	98.7%	97.0%	94.5%	102.2%
(C) PK sales volume ('000 MT)	84	79	62	104	83	101	70	89	74	97
(D) PK production ('000 MT)	85	84	78	103	76	100	74	93	74	91
C as a % of D	98.8%	94.0%	79.5%	101.0%	109.2%	101.0%	94.6%	95.7%	100.0%	106.6%
Breakdown of CPO revenue:										
CPO sales volume ('000 MT)	343	355	295	406	313	430	302	388	308	416
Multiply by: CPO ASP (Rp/kg)	10,002	12,580	14,519	10,950	11,408	10,834	11,897	13,516	14,213	14,018
CPO revenue (in Rp million; estimate)	3,430,686	4,465,900	4,283,105	4,445,700	3,570,704	4,658,620	3,592,894	5,244,208	4,377,604	5,831,488
Plantations (Crude Palm Oil or "CPO") revenue (actual)	3,430,553	4,464,617	4,282,091	4,454,025	3,572,538	4,655,226	3,595,944	5,239,534	4,374,229	5,837,322
KPB Nusantara CPO Price (Rp/kg; average; estimate)	10,314	13,137	14,770	11,054	11,402	11,038	12,321	14,034	14,099	14,386
Breakdown of PK revenue:										
PK sales volume ('000 MT)	84	79	62	104	83	101	70	89	74	97
Multiply by: PK ASP (Rp/kg)	6,705	7,377	11,576	5,603	5,539	5,010	6,309	9,130	11,852	11,963
PK revenue (in Rp million; estimate)	563,220	582,783	717,712	582,712	459,737	506,010	441,630	812,570	877,048	1,160,411
Plantations (Palm Kernel or "PK", and related products) revenue (actual)	582,628	581,365	664,086	658,763	464,681	534,029	430,094	805,697	914,573	1,175,225
Other plantations revenue:										
(E) Plantations (others)	609,550	892,639	708,548	959,797	641,281	981,080	627,303	1,258,550	853,786	1,304,684
(F) Plantations (total)	4,622,731	5,938,621	5,654,725	6,072,585	4,678,500	6,170,335	4,653,341	7,303,781	6,142,588	8,317,231
E as a % of F	13.2%	15.0%	12.5%	15.8%	13.7%	15.9%	13.5%	17.2%	13.9%	15.7%

* unless indicated as estimate.

Source: IndoAgri, GAPKI (KPB Nusantara CPO Price), FPA

CPO ASP generally trended with the average KPB Nusantara CPO price from 1H FY2021 to 2H FY2025, as shown in **Exhibit 9**. We also note that the spread between CPO ASP and PK ASP generally shrank from 1H FY2023 to 2H FY2025.

Exhibit 9: KPB Nusantara CPO Price vs CPO ASP vs PK ASP (1H FY2021 to 2H FY2025)



Source: IndoAgri, GAPKI (KPB Nusantara CPO Price), FPA

Revenue—Plantations:

Accordingly, plantations revenue rose by 13.9% to Rp 8.3 trillion in 2H FY2025 from Rp 7.3 trillion in 2H FY2024, as shown in **Exhibit 10**. Excluding inter-segment plantations revenue, plantations revenue (third party) rose by 51.6% y-o-y to Rp 3.6 trillion in 2H FY2025. IndoAgri noted, "Plantation Division's revenue increased by 14% in 2H2025 and 21% in FY2025, mainly due to higher sales volume and selling prices of palm products."

Exhibit 10: Plantations Revenue (2H FY2025 vs 2H FY2024)

(in Rp million)	Actual		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
Plantations (third party)	3,643,892	2,403,746	1,240,146	51.6%
Plantations (inter-segment)	4,673,339	4,900,035	(226,696)	(4.6%)
Plantations (total)	8,317,231	7,303,781	1,013,450	13.9%
Plantations (Crude Palm Oil or "CPO")	5,837,322	5,239,534	597,788	11.4%
Plantations (Palm Kernel or "PK", and related products)	1,175,225	805,697	369,528	45.9%
Plantations (others)	1,304,684	1,258,550	46,134	3.7%
Plantations (total)	8,317,231	7,303,781	1,013,450	13.9%

Source: IndoAgri, FPA

Plantations revenue from 1H FY2021 to 2H FY2025 is shown in **Exhibit 11**.

Exhibit 11: Plantations Revenue (1H FY2021 to 2H FY2025)

(in Rp million)	Actual									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Plantations (third party)	1,494,822	1,890,511	1,965,702	3,168,934	1,693,552	3,008,149	1,224,669	2,403,746	2,431,937	3,643,892
Plantations (inter-segment)	3,127,909	4,048,110	3,689,023	2,903,651	2,984,948	3,162,186	3,428,672	4,900,035	3,710,651	4,673,339
Plantations (total)	4,622,731	5,938,621	5,654,725	6,072,585	4,678,500	6,170,335	4,653,341	7,303,781	6,142,588	8,317,231
Plantations (Crude Palm Oil or "CPO")	3,430,553	4,464,617	4,282,091	4,454,025	3,572,538	4,655,226	3,595,944	5,239,534	4,374,229	5,837,322
Plantations (Palm Kernel or "PK", and related products)	582,628	581,365	664,086	658,763	464,681	534,029	430,094	805,697	914,573	1,175,225
Plantations (others)	609,550	892,639	708,548	959,797	641,281	981,080	627,303	1,258,550	853,786	1,304,684
Plantations (total)	4,622,731	5,938,621	5,654,725	6,072,585	4,678,500	6,170,335	4,653,341	7,303,781	6,142,588	8,317,231

Source: IndoAgri, FPA

Revenue—Edible Oils & Fats (“EOF”):

EOF revenue rose by 23.3% to Rp 8.0 trillion in 2H FY2025 from Rp 6.5 trillion in 2H FY2024, as shown in **Exhibit 12**. Excluding inter-segment EOF revenue, EOF revenue (third party) rose by 23.2% y-o-y to Rp 8.0 trillion in 2H FY2025.

IndoAgri noted, “EOF Division remained profitable with higher sales of edible oils and fats products. This was achieved through competitive pricing strategies while ramping up advertising and promotions. Revenue rose by 23% and 22% in 2H2025 and FY2025, driven mainly by higher sales volume and selling prices”.

Exhibit 12: Edible Oils & Fats Revenue (2H FY2025 vs 2H FY2024)

(in Rp million unless otherwise indicated)	Actual		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
Edible Oils & Fats (third party)	8,020,072	6,510,952	1,509,120	23.2%
Edible Oils & Fats (inter-segment)	11,014	-	11,014	n.m.
Edible Oils & Fats (total)	8,031,086	6,510,952	1,520,134	23.3%
Edible Oils & Fats (Edible Oils & Fats)	8,020,072	6,510,952	1,509,120	23.2%
Edible Oils & Fats (others)	11,014	-	11,014	n.m.
Edible Oils & Fats (total)	8,031,086	6,510,952	1,520,134	23.3%
CPO ASP (Rp/kg)	14,018	13,516	502	3.7%

n.m. = not meaningful.

Source: IndoAgri, FPA

EOF revenue from 1H FY2021 to 2H FY2025 is shown in **Exhibit 13**.

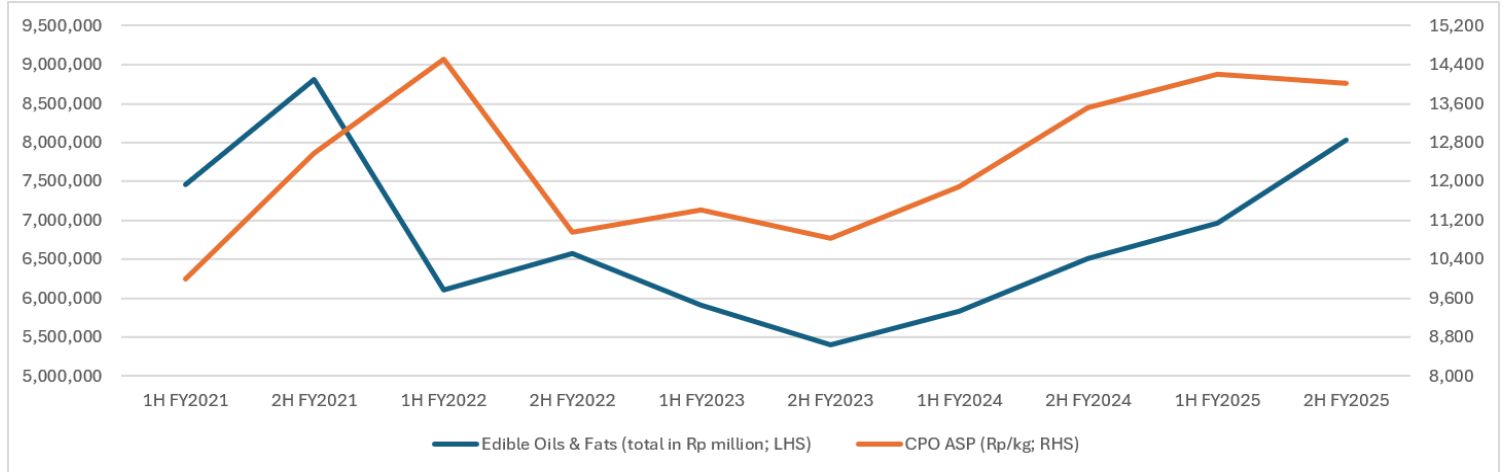
Exhibit 13: Edible Oils & Fats Revenue (1H FY2021 to 2H FY2025)

(in Rp million unless otherwise indicated)	Actual									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Edible Oils & Fats (third party)	7,462,765	8,810,431	6,107,152	6,555,277	5,914,947	5,386,169	5,828,437	6,510,952	6,961,003	8,020,072
Edible Oils & Fats (inter-segment)	2,211	1,033	1,151	15,620	2,191	11,190	-	-	3,850	11,014
Edible Oils & Fats (total)	7,464,976	8,811,464	6,108,303	6,570,897	5,917,138	5,397,359	5,828,437	6,510,952	6,964,853	8,031,086
Edible Oils & Fats (Edible Oils & Fats)	7,464,976	8,811,464	6,107,152	6,570,897	5,914,947	5,383,231	5,828,437	6,510,952	6,961,003	8,020,072
Edible Oils & Fats (others)	-	-	1,151	-	2,191	14,128	-	-	3,850	11,014
Edible Oils & Fats (total)	7,464,976	8,811,464	6,108,303	6,570,897	5,917,138	5,397,359	5,828,437	6,510,952	6,964,853	8,031,086
CPO ASP (Rp/kg)	10,002	12,580	14,519	10,950	11,408	10,834	11,897	13,516	14,213	14,018

Source: IndoAgri, FPA

EOF revenue generally trended with the ASP of CPO from 1H FY2023 to 2H FY2025, as shown in **Exhibit 14**.

Exhibit 14: Edible Oils & Fats Revenue vs ASP of CPO (1H FY2021 to 2H FY2025)



Source: IndoAgri, FPA

Plantations (inter-segment) vs EOF revenue:

We note that plantations (inter-segment) revenue (A) generally trended with EOF revenue (B) from 1H FY2021 to 2H FY2025, as may be see in **Exhibit 15**.

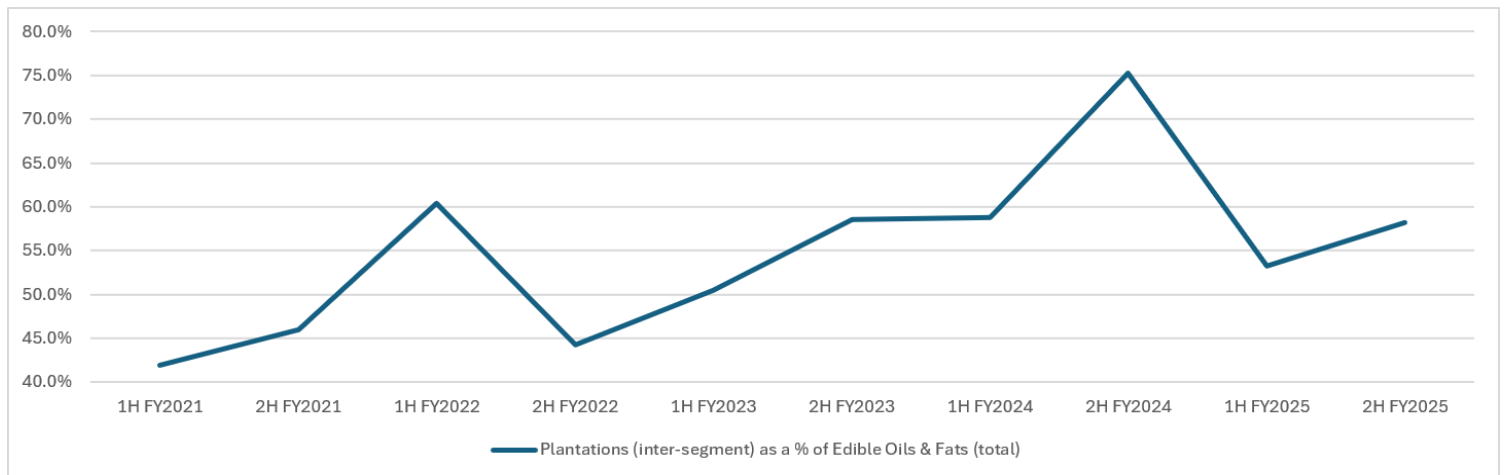
Exhibit 15: Plantations (Inter-segment) vs Edible Oils & Fats Revenue (1H FY2021 to 2H FY2025)

(in Rp million)	Actual									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
(A) Plantations (inter-segment)	3,127,909	4,048,110	3,689,023	2,903,651	2,984,948	3,162,186	3,428,672	4,900,035	3,710,651	4,673,339
(B) Edible Oils & Fats (total)	7,464,976	8,811,464	6,108,303	6,570,897	5,917,138	5,397,359	5,828,437	6,510,952	6,964,853	8,031,086
A as a % of B	41.9%	45.9%	60.4%	44.2%	50.4%	58.6%	58.8%	75.3%	53.3%	58.2%

Source: IndoAgri, FPA

We also note that A as a percentage of B generally rose from 1H FY2021 to 2H FY2025, as shown in **Exhibit 16**.

Exhibit 16: Plantations (Inter-segment) vs Edible Oils & Fats Revenue 2 (1H FY2021 to 2H FY2025)



Source: IndoAgri, FPA

Gross profit:

Gross profit fell by 1.1% to Rp 3.2 trillion in 2H FY2025 from Rp 3.2 trillion in 2H FY2024, despite the y-o-y rise in revenue, as shown in **Exhibit 17**. IndoAgri noted that “gross profit declined 1% mainly due to higher palm production costs and raw material costs in the EOF Division.”

Exhibit 17: Gross Profit (2H FY2025 vs 2H FY2024)

(in Rp million)	Actual		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
Gross profit	3,160,948	3,196,925	(35,977)	(1.1%)
Revenue	11,663,964	8,914,698	2,749,266	30.8%
Gross margin	27.1%	35.9%		

Source: IndoAgri, FPA

Gross margin ranged between 22.2% and 28.5% from 1H FY2021 to 2H FY2025 (except 1H FY2023 and 2H FY2024), as shown in **Exhibit 18**.

Exhibit 18: Gross Profit (1H FY2021 to 2H FY2025)

(in Rp million)	Actual									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Gross profit	2,023,008	3,049,551	2,162,920	2,395,787	1,232,902	2,048,892	1,567,909	3,196,925	2,234,554	3,160,948
Revenue	8,957,587	10,700,942	8,072,854	9,724,211	7,608,499	8,394,318	7,053,106	8,914,698	9,392,940	11,663,964
Gross margin	22.6%	28.5%	26.8%	24.6%	16.2%	24.4%	22.2%	35.9%	23.8%	27.1%

Source: IndoAgri, FPA

Selling & Distribution (“S&D”) and General & Administrative (“G&A”) expenses:

S&D expenses rose by 30.3% to Rp 294.6 billion in 2H FY2025 from Rp 226.2 billion in 2H FY2024, as shown in **Exhibit 19**. Meanwhile, G&A expenses rose by 25.3% to Rp 431.4 billion in 2H FY2025 from Rp 344.3 billion in 2H FY2024, as also shown in **Exhibit 19**.

Exhibit 19: Selling & Distribution and General & Administrative Expenses (2H FY2025 vs 2H FY2024)

(in Rp million)	Actual		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
(A) Selling & Distribution expenses (“S&D”)	294,612	226,156	68,456	30.3%
(B) Revenue	11,663,964	8,914,698	2,749,266	30.8%
A as a % of B	2.5%	2.5%		
(C) General & Administrative (“G&A”) expenses	431,396	344,347	87,049	25.3%
(D) Revenue	11,663,964	8,914,698	2,749,266	30.8%
C as a % of D	3.7%	3.9%		

Source: IndoAgri, FPA

S&D as a percentage of revenue generally fell from 5.4% in 1H FY2021 to 2.5% in 2H FY2025, as shown in **Exhibit 20**. Meanwhile, G&A as a percentage of revenue ranged between 3.6% and 5.7% from 1H FY2021 to 2H FY2025, as also shown in **Exhibit 20**.

Exhibit 20: Selling & Distribution and General & Administrative Expenses (1H FY2021 to 2H FY2025)

(in Rp million)	Actual									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
(A) Selling & Distribution expenses (“S&D”)	480,091	372,845	206,110	286,652	234,980	253,251	230,639	226,156	233,939	294,612
(B) Revenue	8,957,587	10,700,942	8,072,854	9,724,211	7,608,499	8,394,318	7,053,106	8,914,698	9,392,940	11,663,964
A as a % of B	5.4%	3.5%	2.6%	2.9%	3.1%	3.0%	3.3%	2.5%	2.5%	2.5%
(C) General & Administrative (“G&A”) expenses	378,261	387,525	417,154	353,292	394,582	359,861	402,040	344,347	383,437	431,396
(D) Revenue	8,957,587	10,700,942	8,072,854	9,724,211	7,608,499	8,394,318	7,053,106	8,914,698	9,392,940	11,663,964
C as a % of D	4.2%	3.6%	5.2%	3.6%	5.2%	4.3%	5.7%	3.9%	4.1%	3.7%

Source: IndoAgri, FPA

Foreign exchange gain/loss:

Foreign exchange gain rose by Rp 101.3 billion to a gain of Rp 72.0 billion in 2H FY2025 from a loss of Rp 29.3 billion in 2H FY2024. IndoAgri noted that it “recognised foreign currency gains of Rp80 billion and Rp73 billion in FY2025 and FY2024 mainly due to the translation of US dollar-denominated assets (i.e. cash) as of the respective year-end exchange rates.” IndoAgri added, “These foreign currency gains were mainly due to the weakening of the Indonesia Rupiah against the US Dollar.”

IndoAgri generally recognised foreign currency gains (losses) when the Indonesian Rupiah (“IDR”) depreciated (appreciated) against the United States Dollar (“USD”), as may be seen in **Exhibit 21**.

Exhibit 21: Foreign Exchange Gain/Loss (1H FY2021 to 2H FY2025)

(in Rp million unless otherwise indicated)	Actual*									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Foreign exchange gain/(loss)	1,447	(3,759)	7,557	59,058	(42,029)	40,366	102,322	(29,314)	8,524	71,952
Appreciation/(depreciation) of Indonesian Rupiah (“IDR”) against United States Dollar (“USD”):										
USD-to-IDR exchange rate (disclosed; prev. period)	14,105	14,496	14,269	14,848	15,731	15,026	15,416	16,421	16,162	16,233
USD-to-IDR exchange rate (disclosed)	14,496	14,269	14,848	15,731	15,026	15,416	16,421	16,162	16,233	n.a.
Appreciation/(depreciation) of IDR against USD (estimate)	(2.7%)	1.6%	(3.9%)	(5.6%)	4.7%	(2.5%)	(6.1%)	1.6%	(0.4%)	n.a.

* unless indicated as estimate. n.a. = not available.

Source: IndoAgri, FPA

Other operating income and other operating expenses:

Other operating income fell by 56.6% to Rp 70.0 billion in 2H FY2025 from Rp 161.4 billion in 2H FY2024, as shown in **Exhibit 22**. IndoAgri noted, “Lower other operating income in 2H2025 and FY2025 was mainly due to lower proceeds from the sale of export allocation rights.”

Meanwhile, other operating expenses fell by 80.2% to Rp 191.2 billion in 2H FY2025 from Rp 965.5 billion in 2H FY2024, as also shown in **Exhibit 22**. IndoAgri noted, “The significant decrease in other operating expenses in 2H2025 and FY2025 was mainly due to lower provision for plasma receivables, as well as lower impairment loss and write-off of property, plant and equipment”.

IndoAgri provided the annual breakdown of other operating income and other operating expenses in its ARs. IndoAgri released its ARs for FY2021 to FY2024 on 29 March or 8 April of each following calendar year (IndoAgri’s FY also ends on 31 December). Accordingly, as at report date, the breakdown for FY2025 is not yet available.

Exhibit 22: Other Operating Income and Other Operating Expenses (2H FY2025 vs 2H FY2024)

(in Rp million)	Actual		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
Other operating income	70,036	161,376	(91,340)	(56.6%)
Other operating expenses	(191,195)	(965,497)	774,302	(80.2%)

Source: IndoAgri, FPA

Other operating income & other operating expenses from 1H FY2021 to 2H FY2025 are shown in **Exhibit 23**. We discussed the annual breakdown from FY2020 to FY2024 in our initiation report (dated October 2025).

Exhibit 23: Other Operating Income and Other Operating Expenses (1H FY2021 to 2H FY2025)

(in Rp million)	Actual									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Other operating income	33,451	99,870	72,858	124,837	58,318	220,374	89,168	161,376	85,697	70,036
Other operating expenses	(116,929)	(797,517)	(267,640)	(464,432)	(52,968)	(346,102)	(51,340)	(965,497)	(80,515)	(191,195)

Source: IndoAgri, FPA

Share of results of associate companies and of joint ventures:

Share of profit of associate companies fell by 77.4% to Rp 2.8 billion in 2H FY2025 from Rp 12.4 billion in 2H FY2024, as shown in **Exhibit 24**.

Meanwhile, share of profit of joint ventures fell by 64.7% to Rp 45.1 billion in 2H FY2025 from Rp 127.7 billion in 2H FY2024, as also shown in **Exhibit 24**. IndoAgri noted, "In FY2025, the Group recorded a JVs loss of Rp178 billion, compared with a profit of Rp44 billion in FY2024. The decline was mainly attributable to lower crushing volume following severe drought conditions in the previous year, leading to reduced raw sugar volume. The performance was also affected by lower raw sugar prices, higher fair value losses on biological assets, and higher finance expenses."

IndoAgri also noted, "raw sugar prices (NYMEX No. 11) declined from a peak of 24 US cents per pound in 2024 to about 15 US cents per pound by the end of 2025, driven by higher production in Brazil, India and Thailand, as well as softer demand."

Exhibit 24: Share of Results of Associate Companies and of Joint Ventures (2H FY2025 vs 2H FY2024)

(in Rp million)	Actual		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
Share of results of associate companies	2,807	12,422	(9,615)	(77.4%)
Share of results of joint ventures	45,084	127,705	(82,621)	(64.7%)

Source: IndoAgri, FPA

Share of results of associate companies and of joint ventures from 1H FY2021 to 2H FY2025 are shown in **Exhibit 25**.

Exhibit 25: Share of Results of Associate Companies and of Joint Ventures (1H FY2021 to 2H FY2025)

(in Rp million)	Actual									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Share of results of associate companies	(32,930)	(28,067)	(23,608)	(17,673)	(39,703)	(75,221)	(4,365)	12,422	(6,374)	2,807
Share of results of joint ventures	28,915	75,442	(36,273)	88,203	(14,738)	147,554	(83,348)	127,705	(223,559)	45,084

Source: IndoAgri, FPA

Gain/loss arising from changes in fair value of biological assets:

Gain arising from changes in fair value of biological assets fell by 78.9% to Rp 47.8 billion in 2H FY2025 from Rp 226.4 billion in 2H FY2024. IndoAgri noted, "In FY2025, the Group recognised a loss from changes in fair value of biological assets of Rp135 billion compared to a gain of Rp318 billion in FY2024. The loss in FY2025 was mainly due to lower FFB production and prices, as well as higher production cost. While the gain in FY2024 was mainly due to higher FFB prices."

Gain/loss arising from changes in fair value of biological assets from 1H FY2021 to 2H FY2025 is shown in **Exhibit 26**.

Exhibit 26: Gain/Loss Arising from Changes in Fair Value of Biological Assets (1H FY2021 to 2H FY2025)

(in Rp million)	Actual									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Gain/(loss) arising from changes in fair value of biological assets	(33,933)	146,623	(107,754)	(28,358)	(44,602)	57,475	91,392	226,355	(183,332)	47,834

Source: IndoAgri, FPA

Profit from operations:

Accordingly, profit from operations rose by 14.9% to Rp 2.5 trillion in 2H FY2025 from Rp 2.2 trillion in 2H FY2024 despite the y-o-y fall in gross profit, amid other operating expenses falling by Rp 774.3 billion y-o-y, as shown in **Exhibit 27**.

Exhibit 27: Profit from Operations (2H FY2025 vs 2H FY2024)

(in Rp million)	Actual		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
Gross profit	3,160,948	3,196,925	(35,977)	(1.1%)
Selling & Distribution expenses ("S&D")	(294,612)	(226,156)	(68,456)	30.3%
General & Administrative ("G&A") expenses	(431,396)	(344,347)	(87,049)	25.3%
Foreign exchange gain/(loss)	71,952	(29,314)	101,266	(345.5%)
Other operating income	70,036	161,376	(91,340)	(56.6%)
Other operating expenses	(191,195)	(965,497)	774,302	(80.2%)
Share of results of associate companies	2,807	12,422	(9,615)	(77.4%)
Share of results of joint ventures	45,084	127,705	(82,621)	(64.7%)
Gain/(loss) arising from changes in fair value of biological assets	47,834	226,355	(178,521)	(78.9%)
Profit from operations	2,481,458	2,159,469	321,989	14.9%

Source: IndoAgri, FPA

Profit from operations from 1H FY2021 to 2H FY2025 is shown in **Exhibit 28**.

Exhibit 28: Profit from Operations (1H FY2021 to 2H FY2025)

(in Rp million)	Actual									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Gross profit	2,023,008	3,049,551	2,162,920	2,395,787	1,232,902	2,048,892	1,567,909	3,196,925	2,234,554	3,160,948
Selling & Distribution expenses ("S&D")	(480,091)	(372,845)	(206,110)	(286,652)	(234,980)	(253,251)	(230,639)	(226,156)	(233,939)	(294,612)
General & Administrative ("G&A") expenses	(378,261)	(387,525)	(417,154)	(353,292)	(394,582)	(359,861)	(402,040)	(344,347)	(383,437)	(431,396)
Foreign exchange gain/(loss)	1,447	(3,759)	7,557	59,058	(42,029)	40,366	102,322	(29,314)	8,524	71,952
Other operating income	33,451	99,870	72,858	124,837	58,318	220,374	89,168	161,376	85,697	70,036
Other operating expenses	(116,929)	(797,517)	(267,640)	(464,432)	(52,968)	(346,102)	(51,340)	(965,497)	(80,515)	(191,195)
Share of results of associate companies	(32,930)	(28,067)	(23,608)	(17,673)	(39,703)	(75,221)	(4,365)	12,422	(6,374)	2,807
Share of results of joint ventures	28,915	75,442	(36,273)	88,203	(14,738)	147,554	(83,348)	127,705	(223,559)	45,084
Gain/(loss) arising from changes in fair value of biological assets	(33,933)	146,623	(107,754)	(28,358)	(44,602)	57,475	91,392	226,355	(183,332)	47,834
Profit from operations	1,044,677	1,781,773	1,184,796	1,517,478	467,618	1,480,226	1,079,059	2,159,469	1,217,619	2,481,458

Source: IndoAgri, FPA

Finance (or financial) income:

Finance income rose by 29.9% to Rp 161.9 billion in 2H FY2025 from Rp 124.7 billion in 2H FY2024 amid cash & cash equivalents rising by 44.2% y-o-y and a fall in the average Effective Federal Funds Rate ("EFFR"), as shown in **Exhibit 29**. IndoAgri noted, "Higher finance income in FY2025 was mainly due to higher cash position."

We estimate the annualised effective interest on finance income, shown in **Exhibit 29**, by [financial income ÷ cash & cash equivalents × 2].

Exhibit 29: Finance Income (2H FY2025 vs 2H FY2024)

(in Rp million)	Actual*		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
Financial income	161,948	124,677	37,271	29.9%
Cash & cash equivalents (end of period)	8,573,289	5,945,500	2,627,789	44.2%
Effective interest on finance income (annualised; estimate)	3.8%	4.2%		
Effective Federal Funds Rate ("EFFR"; average)	4.1%	5.0%		

* unless indicated as estimate.

Source: IndoAgri, Federal Reserve Bank of New York, FPA

Short term deposits as a percentage of cash & cash equivalents generally rose from end-FY2021 to end-FY2024, as shown in **Exhibit 30**. We also note that IndoAgri held most of its cash & cash equivalents in IDR and in USD from end-FY2021 to end-FY2024, as also shown in **Exhibit 30**.

Exhibit 30: Breakdown of Cash & Cash Equivalents (FY2021 to FY2025)

(in Rp million)	Actual*				
	FY2021	FY2022	FY2023	FY2024	FY2025
Cash at bank & in hand	1,422,261	783,013	1,446,916	697,402	n.a.
Short term deposits	2,341,383	3,639,358	3,778,614	5,248,098	n.a.
Cash & cash equivalents (end of period)	3,763,644	4,422,371	5,225,530	5,945,500	8,573,289
Short term deposits as a % of cash & cash equivalents (end of period)	62.2%	82.3%	72.3%	88.3%	n.a.
US Dollars ("USD")	813,762	1,287,274	1,359,798	1,697,414	n.a.
Singapore Dollars ("SGD")	2,917	4,313	4,431	7,973	n.a.
Indonesiah Rupiah ("IDR"; estimate)	2,946,965	3,130,784	3,861,301	4,240,113	n.a.
Cash & cash equivalents (end of period)	3,763,644	4,422,371	5,225,530	5,945,500	8,573,289
Short-term deposit rates - USD (min)	0.25%	0.25%	1.75%	4.15%	n.a.
Short-term deposit rates - USD (max)	1.75%	4.40%	5.75%	5.75%	n.a.
Short-term deposit rates - IDR (min)	2.30%	2.25%	3.75%	3.50%	n.a.
Short-term deposit rates - IDR (max)	5.00%	5.50%	6.50%	5.75%	n.a.
Effective Federal Funds Rate ("EFFR"; average)	0.1%	1.7%	5.0%	5.1%	4.2%
Cash & cash equivalents (beginning of period)	2,446,494	3,763,644	4,422,371	5,225,530	5,945,500
Cash & cash equivalents (end of period)	3,763,644	4,422,371	5,225,530	5,945,500	8,573,289

* unless indicated as estimate. n.a. = not available.

Source: IndoAgri, Federal Reserve Bank of New York, FPA

Finance income and cash & cash equivalents from 1H FY2021 to 2H FY2025 are shown in **Exhibit 31**.

Exhibit 31: Finance Income (1H FY2021 to 2H FY2025)

(in Rp million)	Actual*									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Financial income	32,375	37,724	42,041	53,505	82,293	96,065	116,709	124,677	147,291	161,948
Cash & cash equivalents (end of period)	3,055,233	3,763,644	4,193,957	4,422,371	4,584,821	5,225,530	5,589,224	5,945,500	7,324,371	8,573,289
Effective interest on finance income (annualised; estimate)	2.1%	2.0%	2.0%	2.4%	3.6%	3.7%	4.2%	4.2%	4.0%	3.8%

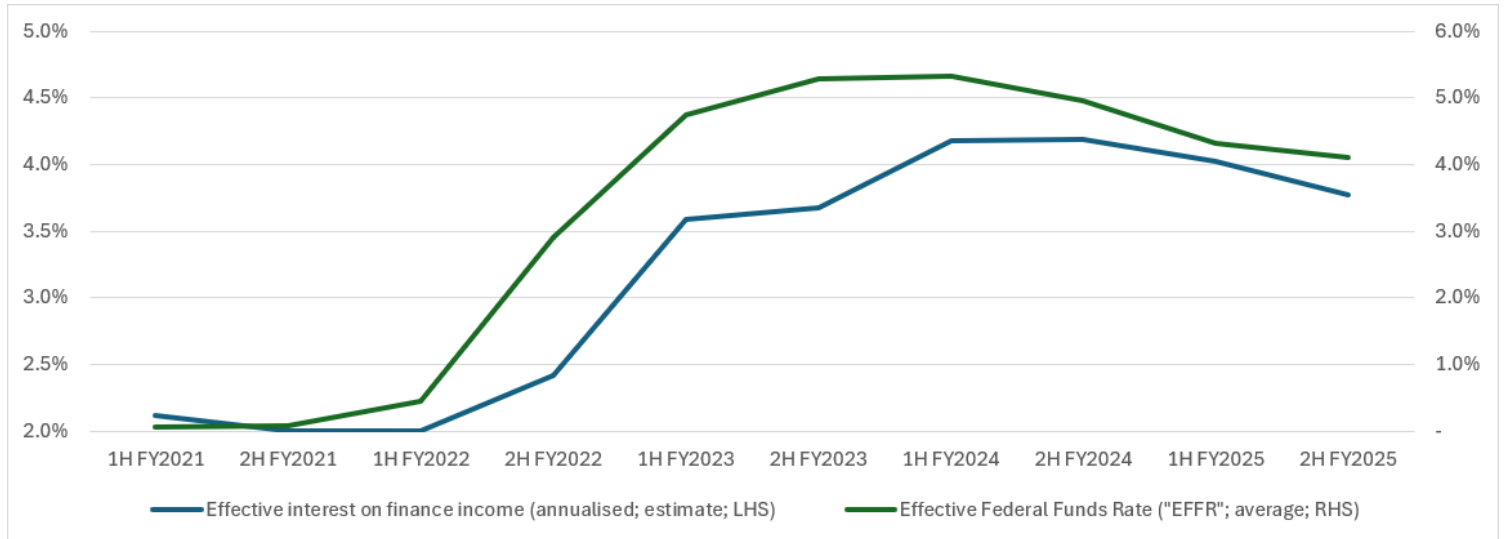
Effective Federal Funds Rate ("EFFR"; average) 0.1% 0.1% 0.4% 2.9% 4.8% 5.3% 5.3% 5.0% 4.3% 4.1%

* unless indicated as estimate.

Source: IndoAgri, Federal Reserve Bank of New York, FPA

The annualised effective interest on finance income generally trended with the average EFFR from 1H FY2021 to 2H FY2025, as shown in **Exhibit 32**.

Exhibit 32: Annualised Eff. Interest on Finance Income vs Avg Effective Federal Funds Rate (1H FY2021 to 2H FY2025)



Note: Unlike most of our graphs, the RHS and LHS axes are not proportional to each other in this Exhibit.

Source: IndoAgri, Federal Reserve Bank of New York, FPA

Finance (or financial) expenses:

Finance expenses fell by 3.9% to Rp 260.3 billion in 2H FY2025 from Rp 271.0 billion in 2H FY2024, despite an increase in borrowings & debt-securities, amid a fall in the average EFFR, as shown in **Exhibit 33**.

We estimate the annualised effective interest on finance expenses, shown in **Exhibit 33**, by [financial expenses ÷ cash & cash equivalents × 2].

Exhibit 33: Finance Expenses (2H FY2025 vs 2H FY2024)

(in Rp million)	Actual*		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
Financial expenses	260,288	270,960	(10,672)	(3.9%)
Total borrowings & debt-securities	9,200,754	7,771,246	1,429,508	18.4%
Effective interest on finance expenses (annualised; estimate)	5.7%	7.0%		
Effective Federal Funds Rate ("EFFR"; average)	4.1%	5.0%		

* unless indicated as estimate.

Source: IndoAgri, Federal Reserve Bank of New York, FPA

The annual breakdown of IndoAgri's borrowings from end-FY2021 to end-FY2024 is shown in **Exhibit 34**. As at report date, the breakdown for end-FY2025 is not yet available.

Exhibit 34: Breakdown of Borrowings (FY2021 to FY2025)

(in Rp million unless otherwise indicated)	Actual				
	FY2021	FY2022	FY2023	FY2024	FY2025
Current borrowings	7,246,412	6,912,271	6,943,245	6,081,348	8,822,862
Non-current borrowings	3,087,699	2,232,058	852,807	1,689,898	377,892
Total borrowings & debt-securities	10,334,111	9,144,329	7,796,052	7,771,246	9,200,754
Current borrowings:					
Unsecured facil. from PT Bank Central Asia Tbk (last indic. as until Jun 2024)	1,242,000	1,193,000	-	-	n.a.
Unsecured facil. from PT Bank Mandiri (Persero) Tbk (last indic. as until Jun 2025)	2,068,800	1,650,000	1,748,000	2,250,000	n.a.
Unsecured facil. from PT Bank Central Asia Tbk (last indic. as until Jun 2025)	-	-	-	220,000	n.a.
Unsecured facil. from PT Bank DBS Indonesia (last indic. as until Sept 2025)	-	220,000	600,000	300,000	n.a.
Unsecured facil. from PT Bank SMBC Indonesia Tbk (last indic. as until Nov 2025)	1,006,000	1,050,000	1,435,000	1,153,000	n.a.
Secured facil. from PT Bank Central Asia Tbk (last indic. as until Jun 2025)	551,000	551,000	466,000	551,000	n.a.
Secured facil. from PT Bank DBS Indonesia (last indic. as until Sept 2025)	451,000	506,000	700,000	689,942	n.a.
Secured facil. from PT Bank SMBC Indonesia Tbk (last indic. as until Nov 2025)	700,000	700,000	700,000	680,000	n.a.
Sub-total	6,018,800	5,870,000	5,649,000	5,843,942	n.a.
Add: current portion of long-term loans	1,227,612	1,042,271	1,294,245	237,406	n.a.
Current loans and borrowings	7,246,412	6,912,271	6,943,245	6,081,348	8,822,862
Short-term loans - IDR loans (min)	4.70%	4.65%	5.45%	5.65%	n.a.
Short-term loans - IDR loans (max)	8.25%	8.00%	8.00%	8.00%	n.a.
Non-current borrowings:					
Unsecured facil. from PT CIMB Niaga Tbk (last indic. as until Mar 2026)	-	-	-	250,000	n.a.
Unsecured facil. from PT Bank Maybank Indonesia Tbk (last indic. as until Mar 2026)	-	450,000	450,000	-	n.a.
Unsecured facil. from PT Bank Permata Tbk (last indic. as until Sept 2026)	750,000	280,000	280,000	-	n.a.
Unsecured facil. from PT Bank Negara ID (Persero) Tbk (last indic. as until Dec 2026)	-	-	500,000	1,000,000	n.a.
Secured facil. from PT Bank Permata Tbk (last indic. as until Sept 2026)	-	-	-	150,000	n.a.
Secured facil. from PT Bank Central Asia Tbk (last indic. as quarterly until Aug 2028)	2,940,738	1,940,648	920,849	530,722	n.a.
Unsecured facil. from SMBC, SG (last indic. as semi-annual until Apr 2025)	642,105	615,868	-	-	n.a.
Sub-total	4,332,843	3,286,516	2,150,849	1,930,722	n.a.
Less: deferred charges on bank loan	(17,532)	(12,187)	(3,797)	(3,418)	n.a.
Less: current portion	(1,227,612)	(1,042,271)	(1,294,245)	(237,406)	n.a.
Non-current loans and borrowings	3,087,699	2,232,058	852,807	1,689,898	377,892
Long-term loans - IDR loans (min)	5.75%	4.95%	5.60%	5.85%	n.a.
Long-term loans - IDR loans (max)	8.25%	8.00%	8.00%	8.00%	n.a.
Long-term loans - SMBC USD loan (min)	1.37%	1.39%	-	-	n.a.
Long-term loans - SMBC USD loan (max)	1.47%	5.61%	-	-	n.a.
Effective Federal Funds Rate ("EFFR"; average)	0.1%	1.7%	5.0%	5.1%	4.2%

n.a. = not available.

Source: IndoAgri, Federal Reserve Bank of New York, FPA

Finance expenses and borrowings & debt-securities from 1H FY2021 to 2H FY2025 are shown in **Exhibit 35**.

Exhibit 35: Finance Expenses (1H FY2021 to 2H FY2025)

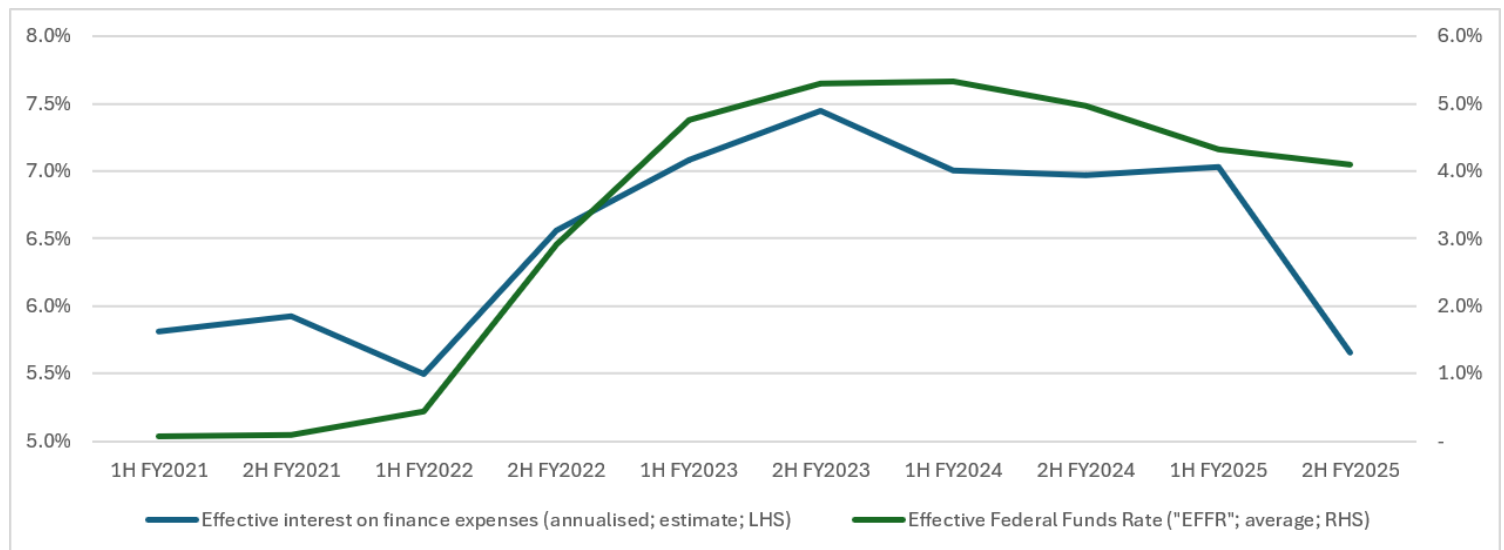
(in Rp million)	Actual*									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Financial expenses	324,120	306,101	279,764	300,148	308,891	290,434	270,730	270,960	288,122	260,288
Total borrowings & debt-securities	11,146,947	10,334,111	10,182,395	9,144,329	8,726,023	7,796,052	7,727,136	7,771,246	8,192,936	9,200,754
Effective interest on finance expenses (annualised; estimate)	5.8%	5.9%	5.5%	6.6%	7.1%	7.5%	7.0%	7.0%	7.0%	5.7%
Effective Federal Funds Rate ("EFFR"; average)	0.1%	0.1%	0.4%	2.9%	4.8%	5.3%	5.3%	5.0%	4.3%	4.1%
Breakdown of borrowings:										
Current borrowings	7,327,203	7,246,412	6,699,464	6,912,271	6,497,412	6,943,245	7,206,224	6,081,348	6,085,300	8,822,862
Non-current borrowings	3,819,744	3,087,699	3,482,931	2,232,058	2,228,611	852,807	520,912	1,689,898	2,107,636	377,892
Total borrowings & debt-securities	11,146,947	10,334,111	10,182,395	9,144,329	8,726,023	7,796,052	7,727,136	7,771,246	8,192,936	9,200,754
Secured borrowings (current)	2,247,919	2,288,220	2,450,715	2,301,239	2,425,867	2,210,245	2,193,224	2,158,348	2,227,300	2,125,820
Unsecured borrowings (current)	5,079,284	4,958,192	4,248,749	4,611,032	4,071,545	4,733,000	5,013,000	3,923,000	3,858,000	6,697,042
Current borrowings	7,327,203	7,246,412	6,699,464	6,912,271	6,497,412	6,943,245	7,206,224	6,081,348	6,085,300	8,822,862
Secured borrowings (non-current)	3,069,744	2,337,699	1,904,306	1,387,525	1,047,923	572,807	520,912	439,898	357,636	127,892
Unsecured borrowings (non-current)	750,000	750,000	1,578,625	844,533	1,180,688	280,000	-	1,250,000	1,750,000	250,000
Non-current borrowings	3,819,744	3,087,699	3,482,931	2,232,058	2,228,611	852,807	520,912	1,689,898	2,107,636	377,892

* unless indicated as estimate.

Source: IndoAgri, Federal Reserve Bank of New York, FPA

The annualised effective interest on finance expenses generally trended with the average EFFR from 1H FY2021 to 2H FY2025, as shown in **Exhibit 36**.

Exhibit 36: Annualised Eff. Interest on Finance Expenses vs Avg Effective Federal Funds Rate (1H FY2021 to 2H FY2025)



Source: IndoAgri, Federal Reserve Bank of New York, FPA

Profit before tax:

Thus, profit before tax rose by 18.4% to Rp 2.4 trillion in 2H FY2025 from Rp 2.0 trillion in 2H FY2024, as shown in **Exhibit 37**.

Exhibit 37: Profit Before Tax (2H FY2025 vs 2H FY2024)

(in Rp million)	Actual		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
Profit from operations	2,481,458	2,159,469	321,989	14.9%
Financial income	161,948	124,677	37,271	29.9%
Financial expenses	(260,288)	(270,960)	10,672	(3.9%)
Profit before tax	2,383,118	2,013,186	369,932	18.4%

Source: IndoAgri, FPA

Profit before tax from 1H FY2021 to 2H FY2025 is shown in **Exhibit 38**.

Exhibit 38: Profit Before Tax (1H FY2021 to 2H FY2025)

(in Rp million)	Actual									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Profit from operations	1,044,677	1,781,773	1,184,796	1,517,478	467,618	1,480,226	1,079,059	2,159,469	1,217,619	2,481,458
Financial income	32,375	37,724	42,041	53,505	82,293	96,065	116,709	124,677	147,291	161,948
Financial expenses	(324,120)	(306,101)	(279,764)	(300,148)	(308,891)	(290,434)	(270,730)	(270,960)	(288,122)	(260,288)
Profit before tax	752,932	1,513,396	947,073	1,270,835	241,020	1,285,857	925,038	2,013,186	1,076,788	2,383,118

Source: IndoAgri, FPA

Income tax expenses:

Income tax expenses rose by 18.5% to Rp 633.5 billion in 2H FY2025 from Rp 534.4 billion in 2H FY2024 amid profit before tax rising 18.4% y-o-y, as shown in **Exhibit 39**.

Exhibit 39: Income Tax Expenses (2H FY2025 vs 2H FY2024)

(in Rp million)	Actual		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
Income tax expenses	633,501	534,376	99,125	18.5%
Profit before tax	2,383,118	2,013,186	369,932	18.4%
Effective tax rate	26.6%	26.5%		

Source: IndoAgri, FPA

Effective tax rate generally fell to 26.6% in 2H FY2025 from 58.1% in 1H FY2021, as shown in **Exhibit 40**.

Exhibit 40: Income Tax Expenses (1H FY2021 to 2H FY2025)

(in Rp million)	Actual									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Income tax expenses	437,797	541,996	405,091	495,060	148,321	442,336	293,831	534,376	312,551	633,501
Profit before tax	752,932	1,505,757	947,073	1,270,835	241,020	1,285,857	925,038	2,013,186	1,076,788	2,383,118
Effective tax rate	58.1%	36.0%	42.8%	39.0%	61.5%	34.4%	31.8%	26.5%	29.0%	26.6%

Source: IndoAgri, FPA

Net profit for the period:

Accordingly, net profit rose by 18.3% to Rp 1.7 trillion in 2H FY2025 from Rp 1.5 trillion in 2H FY2024, as shown in **Exhibit 41**.

Exhibit 41: Net Profit for the Period (2H FY2025 vs 2H FY2024)

(in Rp million)	Actual		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
Profit before tax	2,383,118	2,013,186	369,932	18.4%
Income tax expenses	(633,501)	(534,376)	(99,125)	18.5%
Net profit for the period	1,749,617	1,478,810	270,807	18.3%

Source: IndoAgri, FPA

Net profit from 1H FY2021 to 2H FY2025 is shown in **Exhibit 42**.

Exhibit 42: Net Profit for the Period (1H FY2021 to 2H FY2025)

(in Rp million)	Actual									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Profit before tax	752,932	1,513,396	947,073	1,270,835	241,020	1,285,857	925,038	2,013,186	1,076,788	2,383,118
Income tax expenses	(437,797)	(541,996)	(405,091)	(495,060)	(148,321)	(442,336)	(293,831)	(534,376)	(312,551)	(633,501)
Net profit for the period	315,135	971,400	541,982	775,775	92,699	843,521	631,207	1,478,810	764,237	1,749,617

Source: IndoAgri, FPA

Profit attributable to owners of the Company:

Profit attributable to owners of the Company rose by 13.6% to Rp 932.4 billion in 2H FY2025 from Rp 820.8 billion in 2H FY2024 amid net profit rising by 18.3% y-o-y, as shown in **Exhibit 43**.

Exhibit 43: Profit Attributable to Owners of the Company (2H FY2025 vs 2H FY2024)

(in Rp million)	Actual		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
(A) Owners of the Company	932,387	820,799	111,588	13.6%
(B) Net profit for the period	1,749,617	1,478,810	270,807	18.3%
A as a % of B	53.3%	55.5%		

Source: IndoAgri, FPA

Profit attributable to owners of the Company as a percentage of net profit generally ranged between 44.2% and 48.5% in 1H and between 53.3% and 66.8% in 2H, from 1H FY2021 to 2H FY2025 (except 1H FY2023), as shown in **Exhibit 44**.

Exhibit 44: Profit Attributable to Owners of the Company (1H FY2021 to 2H FY2025)

(in Rp million)	Actual									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
(A) Owners of the Company	152,696	602,033	251,972	518,005	88,647	525,597	297,866	820,799	337,849	932,387
(B) Net profit for the period	315,135	964,752	541,982	775,775	92,699	843,521	631,207	1,478,810	764,237	1,749,617
A as a % of B	48.5%	62.4%	46.5%	66.8%	95.6%	62.3%	47.2%	55.5%	44.2%	53.3%

Source: IndoAgri, FPA

Earnings Per Share (“EPS”):

EPS rose by 13.6% to Rp 668 in 2H FY2025 from Rp 588 in 2H FY2024 amid profit attributable to owners of the Company rising by 13.6% y-o-y, as shown in **Exhibit 45**.

Exhibit 45: Earnings Per Share (2H FY2025 vs 2H FY2024)

(in Rp million unless otherwise indicated)	Actual*		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
Owners of the Company	932,387	820,799	111,588	13.6%
Non-controlling interests	817,230	658,011	159,219	24.2%
Net profit for the period	1,749,617	1,478,810	270,807	18.3%
Issued shares (excl. treasury shares; '000)	1,395,905	1,395,905	-	-
Earnings per share (in Rupiah) - basic & diluted	668	588	80	13.6%
Divide by: SGD-to-IDR exchange rate (average)	12,788	11,910	877	7.4%
Earnings per share (in SG cents) - basic & diluted (estimate)	5.22	4.94	0.29	5.8%

* unless indicated as estimate.

Source: IndoAgri, Yahoo! Finance (exchange rates), FPA

EPS from 1H FY2021 to 2H FY2025 is shown in **Exhibit 46**.

Exhibit 46: Earnings Per Share (1H FY2021 to 2H FY2025)

(in Rp million unless otherwise indicated)	Actual*									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Owners of the Company	152,696	606,431	251,972	518,005	88,647	525,597	297,886	820,799	337,849	932,387
Non-controlling interests	162,439	364,969	290,010	257,770	4,052	317,924	333,321	658,011	426,388	817,230
Net profit for the period	315,135	971,400	541,982	775,775	92,699	843,521	631,207	1,478,810	764,237	1,749,617
Issued shares (excl. treasury shares; '000)	1,395,905	1,395,905	1,395,905	1,395,905	1,395,905	1,395,905	1,395,905	1,395,905	1,395,905	1,395,905
Earnings per share (in Rupiah) - basic & diluted	109	434	181	371	64	377	213	588	242	668
Divide by: SGD-to-IDR exchange rate (average)	10,720	10,591	10,590	10,950	11,270	11,410	11,812	11,910	12,375	12,788
Earnings per share (in SG cents) - basic & diluted (estimate)	1.02	4.10	1.71	3.39	0.57	3.30	1.80	4.94	1.96	5.22

* unless indicated as estimate.

Source: IndoAgri, Yahoo! Finance (exchange rates), FPA

Dividend Per Share (“DPS”):

IndoAgri declared DPS (SG cents) of 1.0 for 2H FY2025 and FY2025, an increase of 25.0% from 0.8 for 2H FY2024 and FY2024. Payout ratio ranged between 11.9% and 21.3% from FY2021 to FY2025, as shown in **Exhibit 47**.

Exhibit 47: Dividend Per Share (FY2021 to FY2025)

(in respective units)	Actual*				
	FY2021	FY2022	FY2023	FY2024	FY2025
Dividend per share (SG cents)	0.8	0.8	0.8	0.8	1.0
Multiply by: Disclosed SGD-to-IDR exchange rate	10,534	11,659	11,712	11,919	13,069
Dividend per share (Rupiah; estimate)	84	93	94	95	131
Earnings per share (in Rupiah) - diluted	544	552	440	801	910
Effective interest on finance income (annualised; estimate)	15.5%	16.9%	21.3%	11.9%	14.4%

* unless indicated as estimate.

Source: IndoAgri, Yahoo! Finance (exchange rates), FPA

IndoAgri's financial performance for 2H FY2025 and 2H FY2024 is summarised in **Exhibit 48**.

Exhibit 48: Financial Performance (2H FY2025 vs 2H FY2024)

(in Rp million unless otherwise indicated)	Actual*		2H FY2025 v 2H FY2024	
	2H FY2025	2H FY2024	Absolute Change	Change (%)
Plantations (third party)	3,643,892	2,403,746	1,240,146	51.6%
Edible Oils & Fats (third party)	8,020,072	6,510,952	1,509,120	23.2%
Revenue	11,663,964	8,914,698	2,749,266	30.8%
Cost of sales	(8,503,016)	(5,717,773)	(2,785,243)	48.7%
Gross profit	3,160,948	3,196,925	(35,977)	(1.1%)
Selling & Distribution expenses ("S&D")	(294,612)	(226,156)	(68,456)	30.3%
General & Administrative ("G&A") expenses	(431,396)	(344,347)	(87,049)	25.3%
Foreign exchange gain/(loss)	71,952	(29,314)	101,266	(345.5%)
Other operating income	70,036	161,376	(91,340)	(56.6%)
Other operating expenses	(191,195)	(965,497)	774,302	(80.2%)
Share of results of associate companies	2,807	12,422	(9,615)	(77.4%)
Share of results of joint ventures	45,084	127,705	(82,621)	(64.7%)
Gain/(loss) arising from changes in fair value of biological assets	47,834	226,355	(178,521)	(78.9%)
Profit from operations	2,481,458	2,159,469	321,989	14.9%
Financial income	161,948	124,677	37,271	29.9%
Financial expenses	(260,288)	(270,960)	10,672	(3.9%)
Profit before tax	2,383,118	2,013,186	369,932	18.4%
Income tax expenses	(633,501)	(534,376)	(99,125)	18.5%
Net profit for the period	1,749,617	1,478,810	270,807	18.3%
Owners of the Company	932,387	820,799	111,588	13.6%
Non-controlling interests	817,230	658,011	159,219	24.2%
Net profit for the period	1,749,617	1,478,810	270,807	18.3%
Issued shares (excl. treasury shares; '000)	1,395,905	1,395,905	-	-
Earnings per share (in Rupiah) - basic & diluted	668	588	80	13.6%
Divide by: SGD-to-IDR exchange rate (average)	12,788	11,910	877	7.4%
Earnings per share (in SG cents) - basic & diluted (estimate)	5.22	4.94	0.29	5.8%
Dividend per share (SG cents)	1.0	0.8	0.2	25.0%

* unless indicated as estimate.

Source: IndoAgri, Yahoo! Finance (exchange rates), FPA

(II) CASH FLOWS REVIEW

We also briefly review IndoAgri's cash flows statement.

Cash & cash equivalents rose to Rp 8.6 trillion as at end-2H FY2025 from Rp 3.1 trillion as at end-1H FY2021, as shown in **Exhibit 49**, amid: (1) net cash inflow from operating activities generally remaining at or above Rp 1.3 trillion from 1H FY2021 to 2H FY2025 (except 1H FY2024); (2) net cash outflow from investing generally remaining below Rp 800.0 billion (except in 2H FY2022 and 2H FY2024); and (3) net cash inflow from financing from 2H FY2024 amid borrowings exceeding repayments.

Exhibit 49: Cash Flows Statement (1H FY2021 to 2H FY2025)

(in Rp million)	Actual									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
Summarised cash flows statement:										
Net cash flows from operating activities	1,445,745	2,277,796	1,310,627	2,321,240	1,337,975	2,464,349	894,599	1,330,720	1,893,925	1,484,092
Net cash flows used in investing activities	(599,243)	(728,170)	(588,108)	(877,512)	(568,120)	(684,225)	(405,266)	(1,031,955)	(767,248)	(777,766)
Net cash flows generated from/(used in) financing activities	(257,093)	(831,207)	(328,596)	(1,298,973)	(547,962)	(1,168,384)	(226,269)	78,610	244,051	471,558
Net increase in cash & cash equivalents	589,409	718,419	393,923	144,755	221,893	611,740	263,064	377,375	1,370,728	1,177,884
Effect of changes in exchange rates on cash & cash equivalents	19,330	(10,008)	36,390	83,659	(59,443)	28,969	100,630	(21,099)	8,143	71,034
Cash & cash equivalents (beginning of period)	2,446,494	3,055,233	3,763,644	4,193,957	4,422,371	4,584,821	5,225,530	5,589,224	5,945,500	7,324,371
Cash & cash equivalents (end of period)	3,055,233	3,763,644	4,193,957	4,422,371	4,584,821	5,225,530	5,589,224	5,945,500	7,324,371	8,573,289
Cash flows statement:										
Net profit for the period	315,135	971,400	541,982	775,775	92,899	843,521	631,207	1,478,810	764,237	1,749,617
Depreciation & Amortisation ("D&A")	720,315	715,601	708,303	765,443	737,234	780,639	696,530	822,321	738,019	806,433
Realisation of deferred costs	79,380	130,229	89,029	142,289	58,257	182,888	65,515	154,903	97,436	123,046
Unrealised foreign exchange gain	873	(738)	(14,807)	(44,525)	29,178	(28,628)	(99,300)	19,547	(6,787)	(70,543)
Allowance for doubtful debt	(2)	-	19	8	(122)	-	-	391	-	-
Bad debts written off	-	-	-	-	-	-	-	-	-	16
Loss/(gain) arising from changes in fair value of biological assets	33,933	(146,623)	107,754	28,358	44,602	(57,475)	(91,392)	(226,355)	183,332	(47,834)
Gain/Net loss arising from write-off of right-of-use assets & lease liabilities	-	(8,297)	-	(27)	(25)	(128)	-	3,737	-	6,731
Gain on disposal of property, plant & equipment	(1,512)	(3,628)	(3,037)	1,405	(1,566)	(23,476)	(1,362)	(3,230)	(1,329)	(2,865)
Gain on disposal of assets held for sale	-	-	-	(31,776)	-	-	-	-	-	-
Write-off of property, plant & equipment	2,498	177,156	13,738	2,427	2,651	520	12	401,372	24	160,932
Changes in allowance for decline in market value & obsolescence of inventories	5,907	7,287	293,093	(214,770)	(10,000)	(63,072)	14,601	(26,969)	34,531	(4,961)
Provision for penalty	-	-	-	-	-	40,887	-	-	-	-
Changes in provision for asset dismantling costs	101	(283)	(1,429)	(550)	545	724	1,934	2,291	1,261	2,775
Changes in estimated liability for employee benefits	5,544	219,833	128,888	(73,792)	109,888	(279,629)	90,525	90,052	93,819	77,245
Reversal of provision for penalty	-	-	-	-	-	-	-	-	-	(40,887)
Allowance for uncollectib. & loss frm chnges in amort. cost of plasma receiv.	87,291	265,236	190,912	178,472	24,551	91,705	32,331	232,799	57,482	(6,607)
(Gain)/loss arising from changes in amortised cost of long-term receivables	(43)	4	101	9	115	90	(67)	104	(127)	(12)
Share of results of associate companies	32,930	28,067	23,608	17,673	39,703	75,221	4,365	(12,422)	6,374	(2,807)
Share of results of joint ventures	(28,915)	(75,442)	36,273	(88,203)	14,738	(147,554)	83,348	(127,705)	223,559	(45,084)
Impairment loss of property, plant & equipment	-	313,452	26,215	131,210	-	183,387	-	296,164	-	-
Impairment loss of goodwill	-	-	-	126,803	-	6,104	-	-	-	-
Financial income	(32,375)	(37,724)	(42,041)	(53,505)	(82,293)	(96,065)	(116,709)	(124,677)	(147,291)	(161,948)
Financial expenses	324,120	306,101	279,764	300,148	308,891	290,434	270,790	288,122	260,288	260,288
Income tax expenses	437,797	541,996	405,091	495,060	148,321	442,336	293,831	534,376	312,551	633,501
Operating cash flows before changes in working capital	1,982,977	3,403,627	2,783,456	2,437,932	1,517,367	2,242,429	1,876,099	3,786,469	2,645,213	3,437,036
Increase in other non-current receivables	20,092	(41,790)	74,878	23,422	(69,009)	73,832	(34,061)	21,803	60,097	(2,237,872)
Decrease/(increase) in inventories	(240,195)	243,568	(1,084,773)	393,756	175,178	694,752	(326,957)	(1,182,292)	(170,985)	638,513
Increase in trade & other receivables	(143,147)	(122,637)	315,374	(76,737)	471,289	(3,955)	(68,943)	(293,092)	(67,774)	(219,289)
Decrease/(increase) in advances to suppliers	1,802	(121,532)	(333,688)	303,641	(107,689)	214,373	(243,763)	(101,476)	(277,379)	392,741
Decrease/(increase) in prepaid taxes, advances & prepayments	34,323	62,958	(107,360)	(46,777)	29,794	19,517	97,247	(235,751)	233,837	13,666
Increase/(decrease) in trade & other payables and accruals	433,970	(593,595)	426,133	(124,813)	(107,598)	(357,737)	93,395	(195,495)	219,414	3,029
Cash flows from operations	2,089,822	2,830,599	2,074,020	2,930,424	1,909,332	2,883,211	1,393,017	1,800,166	2,642,423	2,027,824
Interest received	31,447	37,794	41,951	51,088	80,745	95,547	114,460	124,251	149,451	148,280
Interest paid	(323,087)	(290,151)	(264,918)	(270,537)	(309,052)	(269,734)	(256,945)	(293,342)	(299,081)	(301,315)
Income tax paid	(352,437)	(300,446)	(540,426)	(389,735)	(343,050)	(244,675)	(355,933)	(300,355)	(598,868)	(390,697)
Net cash flows from operating activities	1,445,745	2,277,796	1,310,627	2,321,240	1,337,975	2,464,349	894,599	1,330,720	1,893,925	1,484,092
Additions to property, plant & equipment	(417,950)	(598,578)	(448,013)	(790,989)	(421,424)	(556,464)	(400,886)	(586,335)	(383,100)	(747,691)
Additions to leases	(1,769)	(30,569)	-	(1,170)	-	-	-	(37,574)	-	(38,978)
Additions to right-of-use assets (likely reversed in 2H; see Additions to leases)	-	-	-	-	-	-	-	-	(247,782)	247,782
Additions to biological assets	(72,939)	(117,136)	(124,719)	(112,643)	(128,403)	(151,659)	(88,895)	(183,431)	(111,189)	(195,157)
Decrease in plasma receivables	(62,273)	(45,655)	(11,216)	24,510	(82,678)	(1,451)	31,345	(15,583)	56,585	(17,327)
Proceeds from disposal of property, plant & equipment	3,532	13,329	4,792	25,541	6,397	28,201	3,945	9,027	4,964	6,137
Proceeds from disposal of right-of-use assets	-	9,000	-	-	-	-	-	-	-	-
Advances for projects and purchases of property, plant & equipment	(47,844)	(7,543)	(10,013)	(3,162)	(5,724)	(2,852)	(43,009)	(218,059)	(86,726)	(32,532)
Dividend received from a joint venture	-	58,778	127,704	(1)	63,712	-	-	92,234	-	-
Additional investment in a joint venture	-	(9,796)	(83,447)	-	-	-	-	-	-	-
Additional investment in associate companies	-	-	(43,196)	(19,598)	-	-	-	-	-	-
Net cash flows used in investing activities	(599,243)	(728,170)	(588,108)	(877,512)	(568,120)	(684,225)	(405,266)	(1,031,955)	(767,248)	(777,766)
Proceeds from interest-bearing loans and borrowings	826,800	75,000	2,027,714	4,122,000	1,794,000	4,025,000	1,457,014	2,236,942	6,924,000	5,694,042
Repayment of interest-bearing loans and borrowings	(1,061,641)	(880,728)	(2,205,769)	(5,202,382)	(2,185,688)	(4,961,175)	(1,526,660)	(2,192,480)	(6,502,992)	(4,686,876)
Dividend payments by subsidiaries to non-controlling interests	-	(67,435)	-	(194,315)	-	(207,664)	-	(148,540)	-	(267,350)
Dividend payment to Company's shareholders	-	-	(117,815)	-	(123,561)	-	(132,838)	-	(177,270)	-
Payments of lease liabilities	(22,252)	(22,514)	(32,726)	(24,276)	(32,713)	(24,545)	(23,785)	(23,882)	(23,343)	(268,258)
Payment of loan to related parties	-	-	-	-	-	-	-	(146,470)	(298,344)	-
Proceeds from capital contribution in subsidiaries by a non-contr. shareholder	-	-	-	-	-	-	-	353,040	322,000	-
Proceeds from amount due to related parties	-	64,470	-	-	-	-	-	-	-	-
Net cash flows generated from/(used in) financing activities	(257,093)	(831,207)	(328,596)	(1,298,973)	(547,962)	(1,168,384)	(226,269)	78,610	244,051	471,558

Source: IndoAgri, FPA

Selected cash flow items and their income statement counterparts (both converted to mainly positive figures) from 1H FY2021 to 2H FY2025 are shown in **Exhibit 50**.

Exhibit 50: Selected Cash Flow Items (1H FY2021 to 2H FY2025)

(in Rp million unless otherwise indicated)	Actual									
	1H FY2021	2H FY2021	1H FY2022	2H FY2022	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025
(A) Unrealised foreign exchange gain (from cash flows statement)	(873)	738	14,807	44,525	(29,178)	28,628	99,300	(19,547)	6,787	70,543
(B) Foreign exchange gain/(loss)	1,447	(3,759)	7,557	59,058	(42,029)	40,366	102,322	(29,314)	8,524	71,952
A as a % of B	n.m.	n.m.	195.9%	75.4%	69.4%	70.9%	97.0%	66.7%	79.6%	98.0%
(A) Interest received (from cash flows statement)	31,447	37,794	41,951	51,088	80,745	95,547	114,460	124,251	149,451	148,280
(D) Financial income	32,375	37,724	42,041	53,505	82,293	96,065	116,709	124,677	147,291	161,948
A as a % of D	n.m.	n.m.	99.8%	95.5%	98.1%	99.5%	98.1%	99.7%	101.5%	91.6%
(A) Interest paid (from cash flows statement)	323,087	290,151	264,918	270,537	309,052	269,734	256,945	293,342	299,081	301,315
(F) Financial expenses	324,120	306,101	279,764	300,148	308,891	290,434	270,730	270,960	288,122	260,288
A as a % of F	n.m.	n.m.	94.7%	90.1%	100.1%	92.9%	94.9%	108.3%	103.8%	115.8%
(A) Income tax paid (from cash flows statement)	352,437	300,446	540,426	389,735	343,050	244,675	355,933	300,355	598,868	390,697
(H) Income tax expenses (prev. period)	517,371	437,797	541,996	405,091	495,060	148,321	442,336	293,831	534,376	312,551
A as a % of H	68.1%	68.6%	99.7%	96.2%	69.3%	165.0%	80.5%	102.2%	112.1%	125.0%

n.m. = not meaningful.

Source: IndoAgri, FPA

FINANCIAL PROJECTIONS

(I) REVENUE & GROSS PROFIT PROJECTIONS

Revenue:

We assume that mature oil palm area from 1H FY2026 to 2H FY2027 remains the same as in 1H FY2025.

Then, we assume that, as may be seen in **Exhibit 51**:

- the FFB yield from mature plantation in 1H FY2026 & 1H FY2027 will remain the same as in 1H FY2025, while the yield in 2H FY2026 & 2H FY2027 will remain the same as in 2H FY2024
- externally sourced FFB in 1H FY2026 & 1H FY2027 will be the same as in 1H FY2025, while externally sourced FFB in 2H FY2026 & 2H FY2027 will be the same as in 2H FY2025
- CPO extraction rates will continue to exhibit seasonality, accordingly the rates in 1H FY2026 & 1H FY2027 will be the average of the estimates for 1H of FY2023 to FY2025, while the rates in 2H FY2026 & 2H FY2027 will be the average of the estimates for 2H of FY2023 to FY2025
- however, PK extraction rates generally fell from 2H FY2023 to 2H FY2025, accordingly the rates from 1H FY2026 to 2H FY2027 will be the same as estimated for 2H FY2025.

Exhibit 51: Projected Production of FFB, CPO, and PK (1H FY2026 to 2H FY2027)

(in respective units)	Actual*						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Nucleus FFB production ('000 MT)	1,211	1,573	1,200	1,558	1,220	1,494	1,220	1,590	1,220	1,590
Externally sourced FFB ('000 MT)	392	456	391	496	466	545	466	545	466	545
FFB production ('000 MT)	1,603	2,029	1,591	2,054	1,686	2,039	1,686	2,135	1,686	2,135
Breakdown of FFB production:										
Nucleus FFB production ('000 MT)	1,211	1,573	1,200	1,558	1,220	1,494	1,220	1,590	1,220	1,590
Divide by: Mature area (in Ha)	220,002	220,531	221,958	220,318	224,880	n.a.	224,880	224,880	224,880	224,880
Kg of FFB production per Ha of mature oil palm (estimate)	5,504	7,133	5,406	7,072	5,425	n.a.	5,425	7,072	5,425	7,072
CPO & PK extraction rates:										
CPO production ('000 MT)	309	399	306	400	326	407	325	421	325	421
Divide by: FFB production ('000 MT)	1,603	2,029	1,591	2,054	1,686	2,039	1,686	2,135	1,686	2,135
CPO extraction rate (estimate)	19.3%	19.7%	19.2%	19.5%	19.3%	20.0%	19.3%	19.7%	19.3%	19.7%
PK production ('000 MT)	76	100	74	93	74	91	75	95	75	95
Divide by: FFB production ('000 MT)	1,603	2,029	1,591	2,054	1,686	2,039	1,686	2,135	1,686	2,135
PK extraction rate (estimate)	4.7%	4.9%	4.7%	4.5%	4.4%	4.5%	4.5%	4.5%	4.5%	4.5%

* unless indicated as estimate. n.a. = not available.

Source: IndoAgri, FPA

We also assume that, as may be seen in **Exhibit 52**:

- CPO and PK sales volumes from 1H FY2026 to 2H FY2027 will be 100.0% of the respective production volumes
- CPO ASP from 1H FY2026 to 2H FY2027 will continue to trend with the average KPB Nusantara CPO price
- PK ASP from 1H FY2026 to 2H FY2027 will trend with CPO ASP, with the spread between CPO ASP and PK ASP remaining the same as in 2H FY2025
- others as a percentage of total plantations revenue in 1H FY2026 & 1H FY2027 will be the average of 1H of FY2023 to FY2025, while the percentage in 2H FY2026 & 2H FY2027 will be the average of 2H of FY2023 to FY2025.

Exhibit 52: Projected Sale of CPO and PK, and Other Plantations Revenue (1H FY2026 to 2H FY2027)

(in Rp million unless otherwise indicated)	Actual*						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
(A) CPO sales volume ('000 MT)	313	430	302	388	308	416	325	421	325	421
(B) CPO production ('000 MT)	309	399	306	400	326	407	325	421	325	421
A as a % of B	101.3%	107.8%	98.7%	97.0%	94.5%	102.2%	100.0%	100.0%	100.0%	100.0%
(C) PK sales volume ('000 MT)	83	101	70	89	74	97	75	95	75	95
(D) PK production ('000 MT)	76	100	74	93	74	91	75	95	75	95
C as a % of D	109.2%	101.0%	94.6%	95.7%	100.0%	106.6%	100.0%	100.0%	100.0%	100.0%
Breakdown of CPO revenue:										
CPO sales volume ('000 MT)	313	430	302	388	308	416	325	421	325	421
Multiply by: CPO ASP (Rp/kg)	11,408	10,834	11,897	13,516	14,213	14,018	15,107	15,107	14,768	14,868
CPO revenue (in Rp million; estimate)	3,570,704	4,658,620	3,592,894	5,244,208	4,377,604	5,831,488	4,911,140	6,354,687	4,800,846	6,254,037
Plantations (Crude Palm Oil or "CPO") revenue (actual)	3,572,538	4,655,226	3,595,944	5,239,534	4,374,229	5,837,322	4,911,140	6,354,687	4,800,846	6,254,037
KPB Nusantara CPO Price (Rp/kg; average; estimate)	11,402	11,038	12,321	14,034	14,099	14,386	15,339	15,339	15,000	15,100
Breakdown of PK revenue:										
PK sales volume ('000 MT)	83	101	70	89	74	97	75	95	75	95
Multiply by: PK ASP (Rp/kg)	5,539	5,010	6,309	9,130	11,852	11,963	13,052	13,052	12,713	12,813
PK revenue (in Rp million; estimate)	459,737	506,010	441,630	812,570	877,048	1,160,411	982,107	1,243,805	956,578	1,221,003
Plantations (Palm Kernel or "PK", and related products) revenue (actual)	464,681	534,029	430,094	805,697	914,573	1,175,225	982,107	1,243,805	956,578	1,221,003
Other plantations revenue:										
(E) Plantations (others)	641,281	981,080	627,303	1,258,550	853,786	1,304,684	935,205	1,476,789	913,651	1,452,796
(F) Plantations (total)	4,678,500	6,170,335	4,653,341	7,303,781	6,142,588	8,317,231	6,828,453	9,075,280	6,671,075	8,927,836
E as a % of F	13.7%	15.9%	13.5%	17.2%	13.9%	15.7%	13.7%	16.3%	13.7%	16.3%

* unless indicated as estimate.

Source: IndoAgri, GAPKI (KPB Nusantara CPO price), FPA

Thus, we project plantations revenue (including third party and inter-segment revenue) from 1H FY2026 to 2H FY2027 to generally rise from levels seen in 1H FY2023 to 2H FY2025, mainly amid rising CPO (and PK) prices, as shown in **Exhibit 53**.

Exhibit 53: Projected Plantations Revenue (1H FY2026 to 2H FY2027)

(in Rp million)	Actual						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Plantations (Crude Palm Oil or "CPO")	3,572,538	4,655,226	3,595,944	5,239,534	4,374,229	5,837,322	4,911,140	6,354,687	4,800,846	6,254,037
Plantations (Palm Kernel or "PK", and related products)	464,681	534,029	430,094	805,697	914,573	1,175,225	982,107	1,243,805	956,578	1,221,003
Plantations (others)	641,281	981,080	627,303	1,258,550	853,786	1,304,684	935,205	1,476,789	913,651	1,452,796
Plantations (total)	4,678,500	6,170,335	4,653,341	7,303,781	6,142,588	8,317,231	6,828,453	9,075,280	6,671,075	8,927,836

Source: IndoAgri, FPA

While rising (falling) CPO prices may raise (lower) the selling price of EOF products, consumers may buy fewer (more) EOF products. Accordingly, we assume that the increase in EOF revenue from 2H FY2025 to 1H FY2026 to be less-than-proportional to the increase in CPO ASP in the same period, and that EOF revenue from 2H FY2026 to 2H FY2027 will remain the same as in 1H FY2026 despite changes in CPO ASP, as may be seen in **Exhibit 54**.

Exhibit 54: Projected Edible Oils & Fats Revenue (1H FY2026 to 2H FY2027)

(in Rp million unless otherwise indicated)	Actual						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Edible Oils & Fats (third party)	5,914,947	5,386,169	5,828,437	6,510,952	6,961,003	8,020,072	8,331,596	8,331,596	8,331,596	8,331,596
Edible Oils & Fats (inter-segment)	2,191	11,190	-	-	3,850	11,014	-	-	-	-
Edible Oils & Fats (total)	5,917,138	5,397,359	5,828,437	6,510,952	6,964,853	8,031,086	8,331,596	8,331,596	8,331,596	8,331,596
Edible Oils & Fats (Edible Oils & Fats)	5,914,947	5,383,231	5,828,437	6,510,952	6,961,003	8,020,072	8,331,596	8,331,596	8,331,596	8,331,596
Edible Oils & Fats (others)	2,191	14,128	-	-	3,850	11,014	-	-	-	-
Edible Oils & Fats (total)	5,917,138	5,397,359	5,828,437	6,510,952	6,964,853	8,031,086	8,331,596	8,331,596	8,331,596	8,331,596
CPO ASP (Rp/kg)	11,408	10,834	11,897	13,516	14,213	14,018	15,107	15,107	14,768	14,868

Source: IndoAgri, FPA

Inter-segment plantations revenue as a percentage of EOF revenue seemed to generally rise from 1H FY2021 to 2H FY2025. Thus, we assume that the percentage from 1H FY2026 to 2H FY2027 will be 60.0%, an increase from 58.2% in 2H FY2025, as shown in **Exhibit 55**.

Exhibit 55: Projected Inter-segment Plantations Revenue (1H FY2026 to 2H FY2027)

(in Rp million)	Actual						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
(A) Plantations (inter-segment)	2,984,948	3,162,186	3,428,672	4,900,035	3,710,651	4,673,339	4,998,958	4,998,958	4,998,958	4,998,958
(B) Edible Oils & Fats (total)	5,917,138	5,397,359	5,828,437	6,510,952	6,964,853	8,031,086	8,331,596	8,331,596	8,331,596	8,331,596
A as a % of B	50.4%	58.6%	58.8%	75.3%	53.3%	58.2%	60.0%	60.0%	60.0%	60.0%

Source: IndoAgri, FPA

Accordingly, we project revenue to be Rp 10.2 trillion in 1H FY2026, Rp 12.4 trillion in 2H FY2026 (totalling Rp 22.6 trillion in FY2026), Rp 10.0 trillion in 1H FY2027, and Rp 12.3 trillion in 2H FY2027 (Rp 22.3 trillion in FY2027), as shown in **Exhibit 56**.

Exhibit 56: Projected Revenue (1H FY2026 to 2H FY2027)

(in Rp million)	Actual						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Plantations (third party)	1,693,552	3,008,149	1,224,669	2,403,746	2,431,937	3,643,892	1,829,495	4,076,323	1,672,118	3,928,878
Edible Oils & Fats (third party)	5,914,947	5,386,169	5,828,437	6,510,952	6,961,003	8,020,072	8,331,596	8,331,596	8,331,596	8,331,596
Revenue	7,608,499	8,394,318	7,053,106	8,914,698	9,392,940	11,663,964	10,161,091	12,407,919	10,003,714	12,260,474

Breakdown of Plantations revenue:

Plantations (third party)	1,693,552	3,008,149	1,224,669	2,403,746	2,431,937	3,643,892	1,829,495	4,076,323	1,672,118	3,928,878
Plantations (inter-segment)	2,984,948	3,162,186	3,428,672	4,900,035	3,710,651	4,673,339	4,998,958	4,998,958	4,998,958	4,998,958
Plantations (total)	4,678,500	6,170,335	4,653,341	7,303,781	6,142,588	8,317,231	6,828,453	9,075,280	6,671,075	8,927,836
Plantations (Crude Palm Oil or "CPO")	3,572,538	4,655,226	3,595,944	5,239,534	4,374,229	5,837,322	4,911,140	6,354,687	4,800,846	6,254,037
Plantations (Palm Kernel or "PK", and related products)	464,681	534,029	430,094	805,697	914,573	1,175,225	982,107	1,243,805	956,578	1,221,003
Plantations (others)	641,281	981,080	627,303	1,258,550	853,786	1,304,684	935,205	1,476,789	913,651	1,452,796
Plantations (total)	4,678,500	6,170,335	4,653,341	7,303,781	6,142,588	8,317,231	6,828,453	9,075,280	6,671,075	8,927,836

Breakdown of Edible Oils & Fats revenue:

Edible Oils & Fats (third party)	5,914,947	5,386,169	5,828,437	6,510,952	6,961,003	8,020,072	8,331,596	8,331,596	8,331,596	8,331,596
Edible Oils & Fats (inter-segment)	2,191	11,190	-	-	3,850	11,014	-	-	-	-
Edible Oils & Fats (total)	5,917,138	5,397,359	5,828,437	6,510,952	6,964,853	8,031,086	8,331,596	8,331,596	8,331,596	8,331,596
Edible Oils & Fats (Edible Oils & Fats)	5,914,947	5,383,231	5,828,437	6,510,952	6,961,003	8,020,072	8,331,596	8,331,596	8,331,596	8,331,596
Edible Oils & Fats (others)	2,191	14,128	-	-	3,850	11,014	-	-	-	-
Edible Oils & Fats (total)	5,917,138	5,397,359	5,828,437	6,510,952	6,964,853	8,031,086	8,331,596	8,331,596	8,331,596	8,331,596

Source: IndoAgri, FPA

Gross profit:

We assume gross margin from 1H FY2026 to 2H FY2027 to be the same as in 2H FY2025. Thus, we project gross profit to be Rp 2.8 trillion in 1H FY2026, Rp 3.4 trillion in 2H FY2026 (totalling Rp 6.1 trillion in FY2026), Rp 2.7 trillion in 1H FY2027, and Rp 3.3 trillion in 2H FY2027 (Rp 6.0 trillion in FY2027), as shown in **Exhibit 57**.

Exhibit 57: Projected Gross Profit (1H FY2026 to 2H FY2027)

(in Rp million)	Actual						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Gross profit	1,232,902	2,048,892	1,567,909	3,196,925	2,234,554	3,160,948	2,753,668	3,362,561	2,711,018	3,322,603
Revenue	7,608,499	8,394,318	7,053,106	8,914,698	9,392,940	11,663,964	10,161,091	12,407,919	10,003,714	12,260,474
Gross margin	16.2%	24.4%	22.2%	35.9%	23.8%	27.1%	27.1%	27.1%	27.1%	27.1%

Source: IndoAgri, FPA

(II) EARNINGS PROJECTION**Selling & Distribution (“S&D”) and General & Administrative (“G&A”) expenses:**

S&D expenses as a percentage of revenue generally fell from 1H FY2021 to 2H FY2025. Thus, we assume that the percentage from 1H FY2026 to 2H FY2027 will remain the same as in 2H FY2025, as shown in **Exhibit 58**.

However, G&A expenses as a percentage of revenue exhibited some seasonality from 1H FY2021 to 2H FY2025. So, we assume that the percentage in 1H FY2026 & 1H FY2027 will be the same as in 1H FY2025, while the percentage in 2H FY2026 & 2H FY2027 will be the same as in 2H FY2025, as also shown in **Exhibit 58**.

Exhibit 58: Projected Selling & Distribution and General & Administrative Expenses (1H FY2026 to 2H FY2027)

(in Rp million)	Actual						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
(A) Selling & Distribution expenses (“S&D”)	234,980	253,251	230,639	226,156	233,939	294,612	256,652	313,403	252,677	309,679
(B) Revenue	7,608,499	8,394,318	7,053,106	8,914,698	9,392,940	11,663,964	10,161,091	12,407,919	10,003,714	12,260,474
A as a % of B	3.1%	3.0%	3.3%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
(C) General & Administrative (“G&A”) expenses	394,582	359,861	402,040	344,347	383,437	431,396	414,794	458,911	408,370	453,458
(D) Revenue	7,608,499	8,394,318	7,053,106	8,914,698	9,392,940	11,663,964	10,161,091	12,407,919	10,003,714	12,260,474
C as a % of D	5.2%	4.3%	5.7%	3.9%	4.1%	3.7%	4.1%	3.7%	4.1%	3.7%

Source: IndoAgri, FPA

Foreign exchange gain/loss:

We assume no foreign exchange gain/loss from 1H FY2026 to 2H FY2027.

Other operating income and other operating expenses:

We assume that other operating income and other operating expenses in 1H FY2026 & 1H FY2027 will be their respective averages of 1H of FY2023 to FY2025, while other operating income and other operating expenses in 2H FY2026 & 2H FY2027 will be their respective averages of 2H of FY2023 to FY2025, as may be seen in **Exhibit 59**.

Exhibit 59: Projected Other Operating Income and Other Operating Expenses (1H FY2026 to 2H FY2027)

(in Rp million)	Actual						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Other operating income	58,318	220,374	89,168	161,376	85,697	70,036	77,728	150,595	77,728	150,595
Other operating expenses	(52,968)	(346,102)	(51,340)	(965,497)	(80,515)	(191,195)	(61,608)	(500,931)	(61,608)	(500,931)

Source: IndoAgri, FPA

Share of results of associate companies and of joint ventures:

We note a fall in the magnitude of share of results of associate companies in FY2024 & FY2025, as well as a rise in the share of loss and a fall in the share of profit of joint ventures in FY2024 & FY2025.

Thus, we assume that share of results of associate companies and of joint ventures in 1H FY2026 & 1H FY2027 will be their respective averages of 1H of FY2024 to FY2025, while the share of results in 2H FY2026 & 2H FY2027 will be their respective averages of 2H of FY2024 to FY2025, as may be seen in **Exhibit 60**.

Exhibit 60: Projected Share of Results of Associate Companies and of Joint Ventures (1H FY2026 to 2H FY2027)

(in Rp million)	Actual						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Share of results of associate companies	(39,703)	(75,221)	(4,365)	12,422	(6,374)	2,807	(5,370)	7,615	(5,370)	7,615
Share of results of joint ventures	(14,738)	147,554	(83,348)	127,705	(223,559)	45,084	(153,454)	86,395	(153,454)	86,395

Source: IndoAgri, FPA

Gain/loss arising from changes in fair value of biological assets:

We assume no gain/loss arising from changes in fair value of biological assets from 1H FY2026 to 2H FY2027.

Profit from operations:

Accordingly, we project profit from ops to be Rp 1.9 trillion in 1H FY2026, Rp 2.3 trillion in 2H FY2026 (totalling Rp 4.3 trillion in FY2026), Rp 1.9 trillion in 1H FY2027, and Rp 2.3 trillion in 2H FY2027 (Rp 4.2 trillion in FY2027), as shown in **Exhibit 61**.

Exhibit 61: Projected Profit from Operations (1H FY2026 to 2H FY2027)

(in Rp million)	Actual						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Gross profit	1,232,902	2,048,892	1,567,909	3,196,925	2,234,554	3,160,948	2,753,668	3,362,561	2,711,018	3,322,603
Selling & Distribution expenses ("S&D")	(234,980)	(253,251)	(230,639)	(226,156)	(233,939)	(294,612)	(256,652)	(313,403)	(252,677)	(309,679)
General & Administrative ("G&A") expenses	(394,582)	(359,861)	(402,040)	(344,347)	(383,437)	(431,396)	(414,794)	(458,911)	(408,370)	(453,458)
Foreign exchange gain/(loss)	(42,029)	40,366	102,322	(29,314)	8,524	71,952	-	-	-	-
Other operating income	58,318	220,374	89,168	161,376	85,697	70,036	77,728	150,595	77,728	150,595
Other operating expenses	(52,968)	(346,102)	(51,340)	(965,497)	(80,515)	(191,195)	(61,608)	(500,931)	(61,608)	(500,931)
Share of results of associate companies	(39,703)	(75,221)	(4,365)	12,422	(6,374)	2,807	(5,370)	7,615	(5,370)	7,615
Share of results of joint ventures	(14,738)	147,554	(83,348)	127,705	(223,559)	45,084	(153,454)	86,395	(153,454)	86,395
Gain/(loss) arising from changes in fair value of biological assets	(44,602)	57,475	91,392	226,355	(183,332)	47,834	-	-	-	-
Profit from operations	467,618	1,480,226	1,079,059	2,159,469	1,217,619	2,481,458	1,939,518	2,333,919	1,907,268	2,303,139

Source: IndoAgri, FPA

Finance income:

In the Summary of Economic Projections released by the U.S. Federal Open Market Committee ("FOMC") in March 2026, the median federal funds rate projection was noted to be 3.4% at end-2026 and 3.1% at end-2027. The U.S. FOMC also maintained the target federal funds range at 3.50–3.75% in March 2026.

However, Financial Times ("FT") later reported that "Investors are betting the inflationary fallout from the war in Iran could force the US Federal Reserve to raise interest rates this year," with traders estimating the "odds of a quarter-point interest rate increase by October at almost 50 per cent, a dramatic shift from prewar expectations of two or three cuts by the end of this year."

Accordingly, we assume that the U.S. FOMC will not raise or lower the target federal funds range from 1H FY2026 to 2H FY2027. We also assume that the average EFR and, in turn, the annualised effective interest on finance income, will thus remain the same from 1H FY2026 to 2H FY2027, as may be seen in **Exhibit 62**.

As cash & cash equivalents generally rose from 1H FY2021 to 2H FY2025, we assume too that the increase in cash & cash equivalents from 1H FY2026 to 2H FY2027 will be the average of 1H FY2023 to 2H FY2025.

Thus, we project finance income to rise from 1H FY2026 to 2H FY2027, as shown in **Exhibit 62**.

Exhibit 62: Projected Finance Income (1H FY2026 to 2H FY2027)

(in Rp million)	Actual*						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Financial income	82,293	96,065	116,709	124,677	147,291	161,948	153,703	165,180	176,657	188,134
Cash & cash equivalents (end of period)	4,584,821	5,225,530	5,589,224	5,945,500	7,324,371	8,573,289	9,265,109	9,956,928	10,648,748	11,340,568
Effective interest on finance income (annualised; estimate)	3.6%	3.7%	4.2%	4.2%	4.0%	3.8%	3.3%	3.3%	3.3%	3.3%
Effective Federal Funds Rate ("EFFR"; average)	4.8%	5.3%	5.3%	5.0%	4.3%	4.1%	3.6%	3.6%	3.6%	3.6%
Cash & cash equivalents:										
Cash & cash equivalents (end of period)	4,584,821	5,225,530	5,589,224	5,945,500	7,324,371	8,573,289	9,265,109	9,956,928	10,648,748	11,340,568
Cash & cash equivalents (end of period; prev. period)	(4,422,371)	(4,584,821)	(5,225,530)	(5,589,224)	(5,945,500)	(7,324,371)	(8,573,289)	(9,265,109)	(9,956,928)	(10,648,748)
Increase/(decrease) in cash & cash equivalents	162,450	640,709	363,694	356,276	1,378,871	1,248,918	691,820	691,820	691,820	691,820

* unless indicated as estimate.

Source: IndoAgri, Federal Reserve Bank of New York, FPA

Finance expenses:

Despite the rise in total borrowings & debt-securities from 2H FY2023 to 2H FY2025, we assume that total borrowings & debt-securities from 1H FY2026 to 2H FY2027 will remain the same as in 2H FY2025 (e.g., due to repayments matching new borrowings). We also assume that the annualised effective interest on finance expenses from 1H FY2026 to 2H FY2027 will remain the same, in line with the assumed trend for average EFFR.

Thus, we project finance expenses in each of 1H FY2026 to 2H FY2027 to remain the same, as shown in **Exhibit 63**.

Exhibit 63: Projected Finance Expenses (1H FY2026 to 2H FY2027)

(in Rp million)	Actual*						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Financial expenses	308,891	290,434	270,730	270,960	288,122	260,288	290,281	290,281	290,281	290,281
Total borrowings & debt-securities	8,726,023	7,796,052	7,727,136	7,771,246	8,192,936	9,200,754	9,200,754	9,200,754	9,200,754	9,200,754
Effective interest on finance expenses (annualised; estimate)	7.1%	7.5%	7.0%	7.0%	7.0%	5.7%	6.3%	6.3%	6.3%	6.3%
Effective Federal Funds Rate ("EFFR"; average)	4.8%	5.3%	5.3%	5.0%	4.3%	4.1%	3.6%	3.6%	3.6%	3.6%

* unless indicated as estimate.

Source: IndoAgri, Federal Reserve Bank of New York, FPA

Profit before tax:

Accordingly, we project profit before tax to be Rp 1.8 trillion in 1H FY2026, Rp 2.2 trillion in 2H FY2026 (totalling Rp 4.0 trillion in FY2026), Rp 1.8 trillion in 1H FY2027, and Rp 2.2 trillion in 2H FY2027 (Rp 4.0 trillion in FY2027), as shown in **Exhibit 64**.

Exhibit 64: Projected Profit Before Tax (1H FY2026 to 2H FY2027)

(in Rp million)	Actual						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Profit from operations	467,618	1,480,226	1,079,059	2,159,469	1,217,619	2,481,458	1,939,518	2,333,919	1,907,268	2,303,139
Financial income	82,293	96,065	116,709	124,677	147,291	161,948	153,703	165,180	176,657	188,134
Financial expenses	(308,891)	(290,434)	(270,730)	(270,960)	(288,122)	(260,288)	(290,281)	(290,281)	(290,281)	(290,281)
Profit before tax	241,020	1,285,857	925,038	2,013,186	1,076,788	2,383,118	1,802,940	2,208,818	1,793,644	2,200,991

Source: IndoAgri, FPA

Income tax expenses:

We assume that effective tax rate from 1H FY2026 to 2H FY2027 will be the average of 2H FY2023 to 2H FY2025 (i.e., excluding 61.5% in 1H FY2023), as may be seen in **Exhibit 65**.

Exhibit 65: Projected Income Tax Expenses (1H FY2026 to 2H FY2027)

(in Rp million)	Actual						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Income tax expenses	148,321	442,336	293,831	534,376	312,551	633,501	534,814	655,211	532,056	652,890
Profit before tax	241,020	1,285,857	925,038	2,013,186	1,076,788	2,383,118	1,802,940	2,208,818	1,793,644	2,200,991
Effective tax rate	61.5%	34.4%	31.8%	26.5%	29.0%	26.6%	29.7%	29.7%	29.7%	29.7%

Source: IndoAgri, FPA

Net profit for the period:

Thus, we project net profit to be Rp 1.3 trillion in 1H FY2026, Rp 1.6 trillion in 2H FY2026 (totalling Rp 2.8 trillion in FY2026), Rp 1.3 trillion in 1H FY2027, and Rp 1.5 trillion in 2H FY2027 (Rp 2.8 trillion in FY2027), as shown in **Exhibit 66**.

Exhibit 66: Projected Net Profit for the Period (1H FY2026 to 2H FY2027)

(in Rp million)	Actual						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Profit before tax	241,020	1,285,857	925,038	2,013,186	1,076,788	2,383,118	1,802,940	2,208,818	1,793,644	2,200,991
Income tax expenses	(148,321)	(442,336)	(293,831)	(534,376)	(312,551)	(633,501)	(534,814)	(655,211)	(532,056)	(652,890)
Net profit for the period	92,699	843,521	631,207	1,478,810	764,237	1,749,617	1,268,126	1,553,606	1,261,587	1,548,102

Source: IndoAgri, FPA

Profit attributable to owners of the Company:

Profit attributable to owners of the Company as a percentage of net profit in 1H FY2026 & 1H FY2027 generally fell from 2H FY2023 to 2H FY2025. Accordingly, we assume that the percentage in 1H FY2026 & 1H FY2027 will be the same as in 1H FY2025, while the percentage in 2H FY2026 & 2H FY2027 will be the same as in 2H FY2025, such that profit attributable to owners of the Company will be Rp 560.6 billion in 1H FY2026, Rp 827.9 billion in 2H FY2026 (totalling Rp 1.4 trillion in FY2026), Rp 557.7 billion in 1H FY2027, and Rp 825.0 billion in 2H FY2027 (Rp 1.4 trillion in FY2027), as shown in **Exhibit 67**.

Exhibit 67: Projected Profit Attributable to Owners of the Company (1H FY2026 to 2H FY2027)

(in Rp million)	Actual						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
(A) Owners of the Company	88,647	525,597	297,886	820,799	337,849	932,387	560,605	827,931	557,714	824,998
(B) Net profit for the period	92,699	843,521	631,207	1,478,810	764,237	1,749,617	1,268,126	1,553,606	1,261,587	1,548,102
A as a % of B	95.6%	62.3%	47.2%	55.5%	44.2%	53.3%	44.2%	53.3%	44.2%	53.3%

Source: IndoAgri, FPA

Earnings Per Share (“EPS”):

We assume that the issued number of shares (excluding treasury shares) from 1H FY2026 to 2H FY2027 will remain the same as in 2H FY2025. Thus, we project EPS to be Rp 402 in 1H FY2026, Rp 593 in 2H FY2026 (totalling Rp 995 in FY2026), Rp 400 in 1H FY2027, and Rp 591 in 2H FY2027 (Rp 991 in FY2027), as shown in **Exhibit 68**.

To illustrate our projected EPS in SG cents, we also assume that the average SGD-to-IDR exchange rate from 1H FY2026 to 2H FY2027 will be 13,216.238, the same as at 20 March 2026 (based on Yahoo! Finance data), as also shown in **Exhibit 68**.

Exhibit 68: Projected Earnings Per Share (1H FY2026 to 2H FY2027)

(in Rp million unless otherwise indicated)	Actual*						Projection			
	1H FY2023	2H FY2023	1H FY2024	2H FY2024	1H FY2025	2H FY2025	1H FY2026	2H FY2026	1H FY2027	2H FY2027
Owners of the Company	88,647	525,597	297,886	820,799	337,849	932,387	560,605	827,931	557,714	824,998
Non-controlling interests	4,052	317,924	333,321	658,011	426,388	817,230	707,521	725,675	703,873	723,104
Net profit for the period	92,699	843,521	631,207	1,478,810	764,237	1,749,617	1,268,126	1,553,606	1,261,587	1,548,102
Issued shares (excl. treasury shares; '000)	1,395,905	1,395,905	1,395,905	1,395,905	1,395,905	1,395,905	1,395,905	1,395,905	1,395,905	1,395,905
Earnings per share (in Rupiah) - basic & diluted	64	377	213	588	242	668	402	593	400	591
Divide by: SGD-to-IDR exchange rate (average)	11,270	11,410	11,812	11,910	12,375	12,788	13,216	13,216	13,216	13,216
Earnings per share (in SG cents) - basic & diluted (estimate)	0.57	3.30	1.80	4.94	1.96	5.22	3.04	4.49	3.02	4.47

* unless indicated as estimate.

Source: IndoAgri, Yahoo! Finance (exchange rates), FPA

Dividend Per Share (“DPS”):

We assume that DPS (in SG cents) will remain at 1.0 in FY2026 & FY2027, the same as in FY2025.

Our projections of IndoAgri's financial performance in FY2026 & FY2027 are shown in **Exhibit 69**.

Exhibit 69: Projected Financial Performance (FY2026 & FY2027)

(in Rp million unless otherwise indicated)	Actual*			Projection	
	FY2023	FY2024	FY2025	FY2026	FY2027
Plantations (third party)	4,701,701	3,628,415	6,075,829	5,905,818	5,600,996
Edible Oils & Fats (third party)	11,301,116	12,339,389	14,981,075	16,663,192	16,663,192
Revenue	16,002,817	15,967,804	21,056,904	22,569,010	22,264,188
Cost of sales	(12,721,023)	(11,202,970)	(15,661,402)	(16,452,782)	(16,230,567)
Gross profit	3,281,794	4,764,834	5,395,502	6,116,228	6,033,621
Selling & Distribution expenses ("S&D")	(488,231)	(456,795)	(528,551)	(570,055)	(562,356)
General & Administrative ("G&A") expenses	(754,443)	(746,387)	(814,833)	(873,706)	(861,828)
Foreign exchange gain/(loss)	(1,663)	73,008	80,476	-	-
Other operating income	278,692	250,544	155,733	228,323	228,323
Other operating expenses	(399,070)	(1,016,837)	(271,710)	(562,539)	(562,539)
Share of results of associate companies	(114,924)	8,057	(3,567)	2,245	2,245
Share of results of joint ventures	132,816	44,357	(178,475)	(67,059)	(67,059)
Gain/(loss) arising from changes in fair value of biological assets	12,873	317,747	(135,498)	-	-
Profit from operations	1,947,844	3,238,528	3,699,077	4,273,438	4,210,407
Financial income	178,358	241,386	309,239	318,883	364,790
Financial expenses	(599,325)	(541,690)	(548,410)	(580,563)	(580,563)
Profit before tax	1,526,877	2,938,224	3,459,906	4,011,758	3,994,635
Income tax expenses	(590,657)	(828,207)	(946,052)	(1,190,025)	(1,184,946)
Net profit for the period	936,220	2,110,017	2,513,854	2,821,732	2,809,689
Owners of the Company	614,244	1,118,685	1,270,236	1,388,536	1,382,712
Non-controlling interests	321,976	991,332	1,243,618	1,433,196	1,426,977
Net profit for the period	936,220	2,110,017	2,513,854	2,821,732	2,809,689
Issued shares (excl. treasury shares; '000)	1,395,905	1,395,905	1,395,905	1,395,905	1,395,905
Earnings per share (in Rupiah) - basic & diluted	440	801	910	995	991
Divide by: SGD-to-IDR exchange rate (average)	11,340	11,861	12,585	13,216	13,216
Earnings per share (in SG cents) - basic & diluted (estimate)	3.88	6.75	7.23	7.53	7.49
Dividend per share (SG cents)	0.8	0.8	1.0	1.0	1.0

* unless indicated as estimate.

Source: IndoAgri, Yahoo! Finance (exchange rates), FPA

VALUATION ANALYSIS

(I) PEER COMPARISON ANALYSIS

We performed a peer comparison analysis to review how IndoAgri is faring against industry peers in terms of current valuation metrics. Below, we list the selected peers to compare with IndoAgri (along with a brief description of each peer) as follows:

i. Wilmar International (“Wilmar”; SGX:F34)

Wilmar’s market capitalisation is S\$23.7 billion as at 20 March 2026. According to Wilmar, it runs “an integrated agribusiness model that encompasses the entire value chain of the agricultural commodity business, from origination, to processing, branding, merchandising and distribution of a wide range of edible food and industrial products.” Wilmar added that its “business activities include oil palm cultivation, oilseed crushing, edible oils refining, flour and rice milling, sugar milling and refining, manufacturing of consumer products, ready-to-eat meals, central kitchen products, specialty fats, oleochemicals, biodiesel and fertilisers as well as food park operations.”

ii. First Resources (SGX:EB5)

First Resources’ market capitalisation is S\$4.4 billion as at 20 March 2026. According to First Resources, its “core business activities include cultivating oil palms, harvesting the fresh fruit bunches (“FFB”) and milling them into crude palm oil (“CPO”) and palm kernel (“PK”).” First Resources added that, “In addition to plantations and palm oil mills, the Group through its refinery, fractionation, biodiesel and kernel crushing plants, processes its CPO and PK into higher value palm-based products such as biodiesel, refined, bleached and deodorised (“RBD”) olein, RBD stearin, palm kernel oil and palm kernel expeller.”

iii. Golden Agri-Resources (“GAR”; SGX:E5H)

GAR’s market capitalisation is S\$3.8 billion as at 20 March 2026. According to GAR, in Indonesia, it “manages an oil palm plantation area of approximately 531,000 hectares (including plasma smallholders) as of 31 December 2025.” GAR added that, in Indonesia, its “primary activities include cultivating and harvesting oil palm trees; the processing of fresh fruit bunch into crude palm oil (CPO) and palm kernel; refining CPO into value-added products such as cooking oil, margarine, shortening, biodiesel and oleo-chemicals; as well as merchandising palm products globally.”

iv. Bumitama Agri (“Bumitama”; SGX:P8Z)

Bumitama’s market capitalisation is S\$2.9 billion as at 20 March 2026. Bumitama noted that the “principal activities of the subsidiaries are that of investment holding, operating oil palm plantations and palm oil mills located across the Indonesian provinces of Central Kalimantan, West Kalimantan and Riau, as well as the production and trading of crude palm oil and related products, operating a fertiliser blending plant.”

v. Mewah International (“Mewah”; SGX:MV4)

Mewah’s market capitalisation is S\$465.2 million as at 20 March 2026. Mewah noted that its “primary principal activities” are the “manufacturing and selling of vegetable oil products and bioenergy products; and” “trading of edible oils, fats, dairy, soap, food products and agricultural raw materials.”

The results of our peer comparison analysis are shown in **Exhibit 70**.

Exhibit 70: Peer Comparison Analysis

Company	Stock Symbol	Price as at 20 Mar '26	Market Cap (S\$ million)	Diluted EPS (cents)	P/E	DPS (cents)	Dividend Yield (%)	NAV per share (S\$)	P/B
Indofood Agri Resources ("IndoAgri")	5JS	0.395	551.4	7.23	5.5 x	1.00	2.53%	0.86	0.46 x
Peer companies:									
Wilmar International ("Wilmar")	F34	3.800	23,722.4	29.54	12.9 x	14.00	3.68%	4.50	0.85 x
First Resources	EB5	2.870	4,446.4	29.85	9.6 x	14.70	5.12%	1.27	2.25 x
Golden Agri-Resources ("GAR")	E5H	0.300	3,804.5	4.12	7.3 x	0.95	3.17%	0.58	0.52 x
Bumitama Agri	P8Z	1.660	2,891.5	12.84	12.9 x	9.35	5.63%	0.66	2.50 x
Mewah	MV4	0.310	465.2	4.67	6.6 x	0.80	2.58%	0.77	0.40 x
Peer average					9.9 x		4.04%		1.30 x

Note: Market capitalisation based on [share price × total issued shares excluding treasury shares (most recent source)]. Diluted EPS and DPS based on TTM of most recent financials, and converted to SGD using average SGD-to-IDR exchange rate of 12,585.256 in 2025 based on Yahoo! Finance data, or an average USD-to-SGD exchange rate of 1.307 in 2025. NAV per share based on last disclosed figures, and converted to SGD using SGD-to-IDR exchange rate as at 31 December 2025 of 13,069 based on IndoAgri's financial statement for 2H FY2025, or USD-to-SGD exchange rate of 1.284 as at 31 December 2025 based on Yahoo! Finance data. Source: SGX Stock Screener, Yahoo! Finance (exchange rates), respective companies, FPA

(a) P/E multiple

Based on **Exhibit 70**, IndoAgri's P/E multiple of 5.5x is lower than the peer average P/E of 9.9x. This suggests that IndoAgri is undervalued at its current share price. Adopting a relative valuation approach, we estimate a target price of S\$0.713 if IndoAgri is to trade at the peer average P/E of 9.9x, as follows:

$$\begin{aligned}
 \text{Estimated target price (P/E multiple)} &= \text{Peer average P/E} \times \text{TTM diluted EPS} \\
 &= 9.9 \times \text{S\$}0.0723 \\
 &= \text{S\$}0.713
 \end{aligned}$$

The estimated target price of S\$0.713 implies an upside potential of 80.6% from the current share price of S\$0.395.

(b) P/B multiple

Based on **Exhibit 70**, IndoAgri's P/B multiple of 0.46x is lower than the peer average P/B of 1.30x. This suggests that IndoAgri is undervalued at its current share price. Adopting a relative valuation approach, we estimate a target price of S\$1.115 if IndoAgri is to trade at the peer average P/B of 1.30x, as follows:

$$\begin{aligned}
 \text{Estimated target price (P/B multiple)} &= \text{Peer average P/B} \times \text{NAV per share} \\
 &= 1.30 \times \text{S\$}0.86 \\
 &= \text{S\$}1.115
 \end{aligned}$$

The estimated target price of S\$1.115 implies an upside potential of 182.4% from the current share price of S\$0.395.

(c) Dividend yield

Based on **Exhibit 70**, IndoAgri's dividend yield of 2.53% is less attractive than the peer average yield of 4.04%. This suggests that IndoAgri is overvalued at its current share price. Adopting a relative valuation approach, we estimate a target price of S\$0.248 if IndoAgri is to trade at the peer average yield of 4.04%, as follows:

$$\begin{aligned} \text{Estimated target price (Dividend yield)} &= \frac{\text{TTM DPS}}{\text{Peer average yield}} \\ &= \frac{\text{S\$0.010}}{4.04\%} \\ &= \text{S\$0.248} \end{aligned}$$

The estimated target price of S\$0.248 implies a downside potential of 37.3% from the current share price of S\$0.395.

(d) Overall

From our analysis, IndoAgri seems to be undervalued in terms of its P/E multiple and P/B multiple, but overvalued in terms of its dividend yield. By averaging our estimated target prices based on P/E multiple, P/B multiple, and dividend yield, we derive an overall target price of S\$0.692, as follows:

$$\begin{aligned} \text{Target Price} &= \frac{1}{3} \times [\text{Estimated Target Price (P/E multiple)} + \text{Estimated Target Price (P/B multiple)} \\ &\quad + \text{Estimated Target Price (Dividend yield)}] \\ &= \frac{1}{3} \times [\text{S\$0.713} + \text{S\$1.115} + \text{S\$0.248}] \\ &= \text{S\$0.692} \end{aligned}$$

The overall target price of S\$0.692 implies an upside potential of 75.2% from the current share price of S\$0.395.

However, the upside potential of 75.2% may not be realised, as IndoAgri's P/E and P/B multiples may not rise to those of the respective peer averages, as may be implied by the peer comparison analysis. Barring exceptional circumstances, IndoAgri may continue to trade at P/E and P/B multiples close to or within historical ranges, which may be below those of the respective peer averages as at 20 March 2026.

Accordingly, to assess IndoAgri's valuation, we conduct a further analysis based on historical valuation metrics.

(II) HISTORICAL VALUATION

We also conduct a valuation analysis based on historical valuation metrics over the past five FYs, as shown in **Exhibit 71**.

Exhibit 71: Historical Valuation Metrics (1H FY2021 to 2H FY2025)

Period	Results Release Date ("RRD")	Share price (RRD + 7 days)	Diluted EPS (IDR)	SGD-to-IDR rate (average; estimate)	Diluted EPS (SG cents)	TTM EPS (SG cents)	P/E multiple	DPS (SG cents)	TTM DPS (cents)	Dividend yield	NAV per share (IDR)	SGD-to-IDR rate (end-period; discl.)	NAV per share (S\$)	P/B multiple
2H FY2025	27 Feb 2026	0.375	668	12,792	5.22	7.18	5.2x	1.0	1.0	2.7%	11,176	13,069	0.86	0.44x
1H FY2025	31 Jul 2025	0.350	242	12,378	1.96	6.89	5.1x	-	0.8	2.3%	10,481	12,748	0.82	0.43x
2H FY2024	28 Feb 2025	0.310	588	11,908	4.94	6.74	4.6x	0.8	0.8	2.6%	10,242	11,919	0.86	0.36x
1H FY2024	31 Jul 2024	0.285	213	11,814	1.81	5.11	5.6x	-	0.8	2.8%	9,747	12,096	0.81	0.35x
2H FY2023	29 Feb 2024	0.280	377	11,413	3.30	3.86	7.2x	0.8	0.8	2.9%	9,703	11,712	0.83	0.34x
1H FY2023	31 Jul 2023	0.300	64	11,269	0.56	3.95	7.6x	-	0.8	2.7%	9,246	11,102	0.83	0.36x
2H FY2022	28 Feb 2023	0.320	371	10,948	3.39	5.09	6.3x	0.8	0.8	2.5%	9,241	11,659	0.79	0.40x
1H FY2022	12 Aug 2022	0.315	181	10,592	1.70	5.80	5.4x	-	0.8	2.5%	8,588	10,685	0.80	0.39x
2H FY2021	01 Mar 2022	0.330	434	10,594	4.10	5.12	6.4x	0.8	0.8	2.4%	8,283	10,534	0.79	0.42x
1H FY2021	13 Aug 2021	0.300	109	10,719	1.02	4.04	7.4x	-	-	-	7,981	10,781	0.74	0.41x
Maximum							7.6 x			2.9%				0.44 x
Minimum							4.6 x			2.3%				0.34 x
Average							5.9 x			2.6%				0.38 x

Note: TTM diluted EPS for 2H FY2025 differ from that in **Exhibit 70** as we apply different exchange rate treatment.

Source: IndoAgri, Yahoo! Finance (share prices and exchange rates), FPA

(a) P/E multiple

Based on **Exhibit 71**, IndoAgri's historical average P/E of 5.9x is higher than its current P/E of 5.5x. This suggests that IndoAgri is undervalued at its current share price. Based on the historical average P/E of 5.9x and TTM diluted EPS of S\$0.0718, we estimate a target price of S\$0.422, as follows:

$$\begin{aligned}
 \text{Estimated Target Price (Historical P/E)} &= \text{Historical average P/E} \times \text{TTM diluted EPS} \\
 &= 5.9 \times \text{S\$0.0718} \\
 &= \text{S\$0.422}
 \end{aligned}$$

The estimated target price of S\$0.422 implies an upside potential of 6.8% from the current share price of S\$0.395.

(b) P/B multiple

Based on **Exhibit 71**, IndoAgri's historical average P/B of 0.38x is lower than its current P/B of 0.46x. This suggests that IndoAgri is overvalued at its current share price. Based on the historical average P/B of 0.38x and NAV per unit of S\$0.86, we estimate a target price of S\$0.328, as follows:

$$\begin{aligned}
 \text{Estimated Target Price (Historical P/B)} &= \text{Historical average P/B} \times \text{NAV per share} \\
 &= 0.38 \times \text{S\$0.86} \\
 &= \text{S\$0.328}
 \end{aligned}$$

The estimated target price of S\$0.328 implies a downside potential of 16.8% from the current share price of S\$0.395.

(c) Dividend yield

Based on **Exhibit 71**, IndoAgri's historical average yield of 2.61% is higher than its current yield of 2.53%. This suggests that IndoAgri is overvalued at its current share price. Based on the historical average yield of 2.61% and TTM DPU of S\$0.010, we estimate a target price of S\$0.383, as follows:

$$\begin{aligned} \text{Estimated Target Price (Historical yield)} &= \frac{\text{TTM DPU}}{\text{Historical average yield}} \\ &= \frac{\text{S\$0.010}}{2.61\%} \\ &= \text{S\$0.383} \end{aligned}$$

The estimated target price of S\$0.383 implies a downside potential of 3.1% from the current share price of S\$0.395.

(d) Overall

From our analysis, IndoAgri seems to be undervalued in terms of its historical average P/E, but overvalued in terms of its historical average P/B and historical average yield. By averaging our estimated target prices based on historical average P/E, historical average P/B, and historical average yield, we derive an overall target price of S\$0.378, as follows:

$$\begin{aligned} \text{Overall target price} &= \frac{1}{3} \times [\text{Estimated target price (Historical P/E)} + \text{Estimated target price (Historical P/B)} \\ &\quad + \text{Estimated target price (Historical yield)}] \\ &= \frac{1}{3} \times [\text{S\$0.422} + \text{S\$0.328} + \text{S\$0.383}] \\ &= \text{S\$0.378} \end{aligned}$$

The overall target price of S\$0.378 implies a downside potential of 4.4% from the current share price of S\$0.395.

However, given that we project IndoAgri's EPS in FY2026 & FY2027 to rise from that in FY2025, such that its cash & cash equivalents may continue to rise (as assumed by us), the downside potential of 4.4% may not be justified.

Therefore, we consider another possible source of upside potential for IndoAgri's share price: a potential privatisation.

(III) POTENTIAL PRIVATISATION

We note that:

- Anthoni Salim holds 86.04% total interest in IndoAgri as at 31 December 2025
- PT Indofood Sukses Makmur Tbk (“PT ISM”), an intermediate holding company of IndoAgri which holds 85.90% total interest in IndoAgri as at 31 December 2025, made a takeover offer for IndoAgri in April 2019 at an initial offer price of S\$0.28 (premium of 7.7% from last undisturbed price of S\$0.26 as at 5 April 2019) that was later revised to an ex-dividend offer of S\$0.3275 (premium of 26.0% from last undisturbed price)
- IndoAgri’s current P/B of 0.46x represents a discount of approximately 54% to NAV
- IndoAgri’s cash & cash equivalents were Rp 8.6 trillion as at 31 December 2025 (or S\$648.7 million based on SGD-to-IDR exchange rate of 13,216.238 as at 20 March 2026 from Yahoo! Finance)
- IndoAgri’s market capitalisation is S\$551.4 million as at 20 March 2026.

Accordingly, we consider the possibility of a privatisation offer from Anthoni Salim through PT ISM.

Anthoni Salim is last known to hold 86.04% interest in IndoAgri. Thus, Anthoni Salim (through PT ISM) would need to acquire the remaining 13.96% total interest to privatise IndoAgri. At the current market capitalisation of S\$551.4 million as at 20 March 2026, this equates to S\$76.9 million (S\$551.4 million × 13.96%).

To estimate the potential privatisation premium for IndoAgri, we review the privatisation offers for SGX-listed companies over the last twelve months, as shown in **Exhibit 72**. We note that the average price premium of the offers was 32.8%.

Exhibit 72: Privatisation Offers for SGX-listed Companies (Last Twelve Months)

Target	Code	Acquirer	Currency	Last undisturbed price		Offer price per share	Price premium
				Date	Price		
Low Keng Huat	F1E	Consistent Record Pte. Ltd.	SGD	28 Nov '25	0.615	0.78	26.8%
Mandarin Oriental International Ltd	M04	Jardine Strategic Limited	USD	29 Sept '25	2.20	3.35	52.3%
Olive Tree Estates	1H2	Advansory Investment Pte Ltd	SGD	29 Sept '25	0.112	0.12	7.1%
Spindex Industries Ltd	564	Skyline II Pte Ltd	SGD	31 Jul '25	1.12	1.43	27.7%
Alpina Holdings Ltd	ZXY	K&T Investment Pte Ltd	SGD	03 Jun '25	0.25	0.37	48.0%
Grand Venture Technology	JLB	Aalberts Advanced Mechatronics B.V.	SGD	30 May '25	0.840	0.940	11.9%
Ossia International	O08	Goh Ching Wah, Goh Ching Huat, and Goh Ching Lai	SGD	13 May '25	0.113	0.160	41.6%
Fraser Hospitality Trust	ACV	Fraser's Property Hospitality Trust Holdings Pte. Ltd.	SGD	13 May '25	0.665	0.710	6.8%
Ban Leong Technologies Ltd	B26	Epicsoft Asia Pte Ltd	SGD	29 Apr '25	0.375	0.6029	60.8%
Procurri Corporation Ltd	BVQ	Exeo Global Asset Holdings Pte Ltd	SGD	25 Apr '25	0.18	0.32	77.8%
Amara Holdings	A34	DRC Investments Pte. Ltd.	SGD	23 Apr '25	0.705	0.895	27.0%
ICP Ltd	514	ICP Ltd & Mr Aw Cheok Huat	SGD	01 Apr '25	0.007	0.009	28.6%
Sinarmas Land	A26	Lyon Investments Limited	SGD	24 Mar '25	0.275	0.375	36.4%
Average							32.8%

Source: respective companies, FPA

Based on the average price premium of privatisation offers for SGX-listed companies, we estimate that any privatisation offer may need to have a price premium of 32.8% from the current share price of S\$0.395 to be successful. Thus, PT ISM may need to offer a minimum offer price of S\$0.525, which would translate to a full privatisation cost of S\$102.2 million (or about 15.8% of IndoAgri’s cash & cash equivalents as at 31 December 2025).

POTENTIAL CATALYSTS

(I) HIGHER-THAN-EXPECTED INCREASE IN CPO PRICES FROM B50 IMPLEMENTATION

In March 2026, Reuters reported, “Indonesia may revive a plan to launch a mandatory B50 grade of palm oil-based biodiesel in the middle of this year because of surging crude oil prices due to the conflict in the Middle East, deputy energy minister Yuliot Tanjung said.”

In January 2026, S&P Global noted, “Under the current B40 mandate, 23% of Indonesia's annual crude palm oil output -- approximately 50-51 million mt --is used for biodiesel production. A full B50 rollout would increase this share to 41%, consuming about 21 million mt of crude palm oil, according to Dr. Julian McGill of Glenauk Economics, who spoke at an industry conference in November.”

In our projections, we assume that the average KPB Nusantara CPO price (per kg) would be from Rp 15,339 in 1H & 2H 2026, fall to Rp 15,000 in 1H 2027, and rise to Rp 15,100 in 2H 2027, amid a potential B50 implementation supporting CPO prices. Should Indonesia implement B50 in 2026 instead, CPO prices may rise higher than our assumptions. Alternatively, CPO prices may also rise higher than our assumptions even if Indonesia implements B50 only in 2027. Accordingly, total plantations revenue in FY2026 & FY2027 may rise higher than our projections.

(II) IMPROVEMENT OF PLANTATION YIELDS THROUGH RESEARCH & DEVELOPMENT (“R&D”)

IndoAgri noted in its AR for FY2024 that its two oil palm R&D centres “focused on developing new and high-yielding seed varieties with unique traits” in 2024. IndoAgri added, “Key achievements included identifying a potential Ganoderma marker and gene associated with Ganoderma resistance — a project conducted jointly with other companies.” IndoAgri also noted that the R&D centres “continued to observe and introduce tenera clones of palm seeds, which combine virescens traits with long stalks to enable more efficient manual and mechanised harvesting.”

Should IndoAgri's R&D centres develop higher-yielding oil palm seeds, IndoAgri's oil palm yields would rise over time. Accordingly, the production of FFB, CPO, and PK may rise, which could contribute to a rise in Plantations revenue.

(III) CONTINUED DEPRECIATION OF IDR AGAINST USD

Over the past five years, IDR depreciated against USD by 15.0% to a USD-to-IDR exchange rate of 16,978 as at 20 March 2026 from 14,431 as at 21 March 2021, as shown in **Exhibit 73** (top). Over the last twelve months, IDR also depreciated against USD by 3.2% from a USD-to-IDR exchange rate of 16,429 as at 21 March 2025, as shown in **Exhibit 73** (bottom).

As noted on page 15, IndoAgri generally recognised foreign currency gains (losses) when IDR depreciated (appreciated) against USD. Accordingly, should IDR continue to depreciate against USD, IndoAgri’s profit before tax in FY2026 & FY2027 may rise above our projections.

Exhibit 73: USD-to-IDR Exchange Rate (Past Five Years and Last Twelve Months)



Source: Yahoo! Finance, FPA

INVESTMENT RECOMMENDATION

We note that: (1) Anthoni Salim holds 86.04% total interest in IndoAgri as at 31 December 2025; (2) PT ISM, an intermediate holding company of IndoAgri which holds 85.90% total interest in IndoAgri as at 31 December 2025, made a takeover offer for IndoAgri in April 2019 at an initial offer price of S\$0.28 (premium of 7.7% from last undisturbed price of S\$0.26 as at 5 April 2019) that was later revised to an ex-dividend offer of S\$0.3275 (premium of 26.0% from last undisturbed price); (3) IndoAgri's current P/B of 0.46x represents a discount of approximately 54% to NAV; (4) IndoAgri's cash & cash equivalents were Rp 8.6 trillion as at 31 December 2025 (or S\$648.7 million based on SGD-to-IDR exchange rate of 13,216.238 as at 20 March 2026 from Yahoo! Finance); and (5) IndoAgri's market capitalisation is S\$551.4 million as at 20 March 2026. Accordingly, we consider the possibility of a privatisation offer from Anthoni Salim through PT ISM.

Based on the average price premium of privatisation offers for SGX-listed companies, we estimate that any privatisation offer may need to have a price premium of 32.8% from the current share price of S\$0.395 to be successful. Thus, PT ISM may need to offer a minimum offer price of S\$0.525, which would translate to a full privatisation cost of S\$102.2 million (or about 15.8% of IndoAgri's cash & cash equivalents as at 31 December 2025).

We adopt as our target price the minimum offer price of S\$0.525, which represents an upside potential of 32.8%. Accordingly, a buy recommendation may be warranted.

However, there are risks to our target price, which we discuss in the next section.

RISKS TO TARGET PRICE

(I) CRACKDOWNS AND LAND SEIZURES BY THE INDONESIAN GOVERNMENT

In January 2026, Reuters (article as syndicated by BT) reported that “Indonesia may seize another 5 million hectares of palm oil plantations in 2026”. Reuters noted that, in 2025, the Indonesian government “took over 4.1 million ha said to be operating illegally in forest areas, targeting major palm oil companies and smallholder farmers alike”, and that Indonesian President Prabowo indicated in January 2026 that the government may take over an additional four to five million hectares in 2026.

For reference, Reuters also noted that Indonesia “has a total of 16.8 million ha of palm oil plantations.”

Bloomberg (as syndicated by BT) noted in January 2026 that “Singapore-based crop trader Wilmar International has said that it expects a few thousand hectares of its plantation area to be impacted and is in discussion with authorities”. Bloomberg also noted that “Malaysian-listed IOI Corporation, which operates palm plantations and mills in Kalimantan, will now undertake more risk assessments before investments in Indonesia”, according to IOI Corporation’s Chief Executive Officer.

Reuters (as syndicated by BT) also reported in January 2026 that “Indonesia’s military-backed forestry task force has threatened legal action against dozens of plantation and mining companies refusing to pay hefty fines for operations in forest areas that authorities deem illegal.” Reuters noted, “Companies that complied include the palm oil units of conglomerate Salim Group which paid fines equivalent to US\$136 million”.

IndoAgri noted in February 2026 that, “On 1 December 2025, the Ministry of Forestry of the Republic of Indonesia has imposed forestry administrative charges on the Company’s listed subsidiary on the Indonesia Stock Exchange, PT Salim Ivomas Pratama Tbk and its subsidiaries (“SIMP Group”) amounted to Rp2.34 trillion or approximately S\$179 million pursuant to the recent Presidential Regulation No. 5 of 2025 and Government Regulation No. 45 of 2025.”¹ IndoAgri added that the “SIMP Group is currently engaged in ongoing discussions and clarification with the relevant authority.”

Should the Indonesian government seize land from IndoAgri, IndoAgri’s FFB production would likely fall, such that total plantations revenue may fall. The Indonesian government may also impose further fines on IndoAgri as part of ongoing crackdowns.

(II) AGEING OIL PALMS

IndoAgri disclosed in its presentations slides for 2H FY2023 that the average age of its oil palms was “≈ 19 years”: 10% immature, 3% at 4–6 years, 52% at 7–20 years, and 35% at over 20 years. Thus, we estimate that the average age of IndoAgri’s oil palms was around 21 years at end-2H FY2025.

The U.S. Foreign Agricultural Service noted in November 2023 that palm oil yields would fall after oil palms reach 19 years old.

As IndoAgri’s oil palms’ age rises, the oil palms’ yield would fall. Accordingly, nucleus FFB production would fall, such that IndoAgri may produce and be able to sell less CPO and PK & related products. Total plantations revenue would thus likely fall.

¹ Footnote removed.

(III) GLOBAL ECONOMIC SLOWDOWN

In March 2026, Al Jazeera reported, “The United States-Israeli war on Iran and Tehran’s retaliatory strikes across the Gulf region have upended global financial and energy markets, raising concerns of a global economic crisis – and even of a recession.”

Al Jazeera cited Capital Economics as noting that, in case the war drags, “Oil prices would rise further during the conflict to around \$130pb in Q2 [second quarter]. ... Shipments through the Strait of Hormuz would resume in Q2 although prices remain higher than in the first scenario by year end.” Al Jazeera also cited Capital Economics as noting that “Brent crude oil prices could rise to an average of \$150pb over the next six months or so”.

In turn, Al Jazeera noted from economists that rising energy prices can impact the “productivity of economies” by, for instance, causing economies to “manufacture less and deliver fewer services”.

Al Jazeera added that, “In case the war continues for several months”, Capital Economics forecasted Eurozone GDP growth may “slow to just 0.5 percent y/y (year on year)” in 2H 2026 while Chinese growth may “fall below 3 percent y/y (year on year).”

Capital Economics summarised in March 2026, “In the most severe case, a prolonged conflict with major damage to regional energy infrastructure pushes the global economy into stagflation, putting renewed interest rate hikes on the table.”

Rising energy prices and dampened business sentiment from a potential prolonged U.S.-Israeli war against Iran may weaken global economic growth. Thus, demand for consumer goods may fall, weakening demand for CPO and IndoAgri’s EOF products (even if IndoAgri derives most of its revenue from Indonesia), such that IndoAgri’s revenue may fall below our projections.

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