



FIRST PACIFIC COMPANY LIMITED

第一太平有限公司

(Incorporated with limited liability under the laws of Bermuda)

Press Release

Monday, 3 August 2020

Indofood financial results for the period ended 30 June 2020

The attached press release was released today in Jakarta by PT Indofood Sukses Makmur Tbk (“Indofood”, IDX: INDF), in which First Pacific Group holds an economic interest of 50.1%.

Indofood is a leading Total Food Solutions company with operations in all stages of food manufacturing from the production of raw materials and their processing through to the manufacture of consumer food and beverage products and their distribution to the market. It is based and listed in Indonesia while its Consumer Branded Products subsidiary PT Indofood CBP Sukses Makmur Tbk and Agribusiness subsidiaries PT Salim Ivomas Pratama Tbk and PT Perusahaan Perkebunan London Sumatra Indonesia Tbk are also listed in Indonesia. Another subsidiary, Indofood Agri Resources Ltd., is listed in Singapore, and an Agribusiness associate, Roxas Holdings, Inc., is listed in the Philippines. Through its four complementary Strategic Business groups, Indofood manufactures and distributes a wide range of food and beverage products: Consumer Branded Products (noodles, dairy, snack foods, food seasonings, nutrition and specialty foods, and beverages), Bogasari (wheat flour and pasta), Agribusiness (seed breeding, oil palm cultivation and milling, branded cooking oils, margarine and shortening, cultivation and processing of rubber, sugar cane and other crops) and Distribution.

Indofood is one of the world’s largest manufacturers by volume of wheat-based instant noodles, one of the largest plantation companies by area and the largest flour miller in Indonesia. Indofood also has an extensive distribution network across Indonesia.

Further information on Indofood can be found at www.indofood.com

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INDOFOOD FINANCIAL RESULTS FOR THE PERIOD ENDED 30 JUNE 2020

- Consolidated net sales increased 2% to Rp39.38 trillion
- Income from operations increased 17% to Rp5.63 trillion
- Core profit increased 18% to Rp2.87 trillion

Jakarta, 3 August 2020 – PT Indofood Sukses Makmur Tbk (“Indofood” or the “Company”) today announced its financial results for the period ended 30 June 2020. The Company posted 2% growth in consolidated net sales to Rp39.38 trillion from Rp38.61 trillion last year.

Income from operations increased 17% to Rp5.63 trillion from Rp4.79 trillion, and operating margin increased to 14.3% from 12.4%. Income for the period attributable to equity holders of the parent entity grew 12% to Rp2.84 trillion from Rp2.55 trillion, and net margin improved to 7.2% from 6.6%. Core profit increased 18% to Rp2.87 trillion from Rp2.42 trillion.

Anthoni Salim, the President Director and Chief Executive Officer of Indofood, said: “Despite the current challenging global situation, Indofood was able to continue delivering positive results in the first semester of 2020. We expect the market situation will remain challenging for the second half of the year, therefore we will keep maintaining the supply and quality of our products delivered to consumers, whilst enhancing our competitiveness and safeguarding our people.”

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About PT Indofood Sukses Makmur Tbk

Over the last two decades, Indofood has progressively transformed into a Total Food Solutions company with operations in all stages of food manufacturing, from the production of raw materials and their processing, to consumer products in the market. Today, it is renowned as a well-established company and a leading player in each business category in which it operates. In its business operations, Indofood capitalizes on economies of scale and a resilient business model with four complementary Strategic Business Groups (“Group”), namely:

- **Consumer Branded Products (“CBP”)**
Supported by the strength of its product brands, the Group produces a diverse range of consumer branded products including noodles, dairy, snack foods, food seasonings, nutritional and specialty foods, and beverages.
- **Bogasari**
The Group is primarily a producer of wheat flour as well as pasta, with business operations supported by its own shipping and packaging units.
- **Agribusiness**
The Group’s principal activities range from research and development, seed breeding, oil palm cultivation and milling, to the production and marketing of branded cooking oils, margarine and shortening. The Group also cultivates and processes rubber, sugar cane and other crops.
- **Distribution**
With the most extensive distribution network in Indonesia, the Group distributes the majority of the consumer products manufactured by Indofood and its subsidiaries, as well as by third parties, to the market.

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Indofood
THE SYMBOL OF QUALITY FOODS
www.indofood.com

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION As of June 30, 2020 (Expressed in Millions of Rupiah, Unless Otherwise Stated) (UNAUDITED)

INTERIM CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHERS COMPREHENSIVE INCOME For the Six Months Period Ended June 30, 2020 (Expressed in Millions of Rupiah, Unless Otherwise Stated) (UNAUDITED)

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS For the Six Months Period Ended June 30, 2020 (Expressed in Millions of Rupiah, Unless Otherwise Stated) (UNAUDITED)

ASSETS	June 30, 2020		December 31, 2019		LIABILITIES AND EQUITY	June 30, 2020		December 31, 2019		NET SALES	2020		2019		CASH FLOWS FROM OPERATING ACTIVITIES	2020		2019	
	June 30, 2020	December 31, 2019	June 30, 2020	December 31, 2019		June 30, 2020	December 31, 2019	2020	2019		2020	2019	2020	2019		2020	2019		
CURRENT ASSETS					LIABILITIES														
Cash and cash equivalents	15,827,545	13,745,118			CURRENT LIABILITIES	16,408,585	13,005,567			39,384,531	38,609,234	26,905,258	27,248,263			39,074,005	37,766,947	(19,202,288)	(19,058,613)
Short-term investments	5,200,602	55,492			Short-term bank loans and overdraft	13,956	-			COST OF GOODS SOLD					Payments for production and operating expenses	(8,437,496)	(8,950,467)	(3,738,107)	(3,531,132)
Accounts receivable					Trade payables					GROSS PROFIT	12,479,273	11,360,971			Payments to employees	(3,738,107)	(3,531,132)	7,696,114	6,226,735
Trade					Third parties	3,631,353	4,373,415			Selling and distribution expenses	(4,453,436)	(4,288,256)			Cash generated from operations	7,696,114	6,226,735	291,189	233,918
Third parties - net	4,436,725	4,128,356			Related parties	111,911	148,468			General and administrative expenses	(2,714,900)	(2,510,940)			Receipts of interest income	(1,516,737)	(1,056,871)	(1,516,737)	(1,056,871)
Related parties	1,379,998	1,277,677			Other payables - Third parties	1,733,458	1,465,898			Gain (loss) from fair value of biological assets	(146,972)	33,159			Payments of interest expense	(737,626)	(866,799)	176,399	595,244
Non-trade					Accrued expenses	3,169,238	2,888,302			Other operating income	668,071	429,774			Other receipts - net	5,909,339	5,132,227		
Third parties	224,993	331,283			Short-term employee benefits liability	1,724,001	981,133			Other operating expenses	(202,651)	(233,231)			Net Cash Provided by Operating Activities	5,909,339	5,132,227		
Related parties	299,677	227,094			Taxes payable	905,251	807,465			INCOME FROM OPERATIONS	5,629,385	4,791,477							
Inventories - net	10,370,911	9,658,705			Lease liabilities	84,210	-			Finance income	331,874	461,689			CASH FLOWS FROM INVESTING ACTIVITIES	15,056	10,892		
Biological Assets	615,818	717,620			Current maturities of long-term debts					Finance expenses	(744,958)	(882,160)			Proceeds from sale of fixed assets	15,056	10,892	(18,500)	(90,010)
Advances and deposits	602,878	633,227			Bank loans	1,007,298	1,016,614			Final tax on interest income	(56,933)	(40,198)			Advances for investment in associates and joint venture	(18,500)	(90,010)	(60,007)	(8,645)
Prepaid taxes	284,248	404,068			Total Current Liabilities	28,789,261	24,686,862			Share in net losses of associates and joint ventures	(199,377)	(95,067)			Acquisitions of a subsidiary	(60,007)	(8,645)	(65,697)	(76,985)
Prepaid expenses and other current assets	361,681	224,805			NON-CURRENT LIABILITIES					INCOME BEFORE INCOME TAX EXPENSE	4,959,991	4,235,741			from non-controlling interests	(60,007)	(8,645)	(65,697)	(76,985)
Total Current Assets	39,605,076	31,403,445			Long-term debts - net of current maturities					Income Tax Expense	(1,495,693)	(1,299,714)			Addition to biological assets	(65,697)	(76,985)	(1,940,545)	(2,115,094)
NON-CURRENT ASSETS					Bank loans	6,873,378	6,953,533			INCOME FOR THE PERIOD	3,464,298	2,936,027			Deduction/(additions) from short term investments	(5,145,110)	(1,472,378)	(5,145,110)	(1,472,378)
Claims for tax refund	109,596	260,131			Bonds payable	1,995,363	1,994,153			Other comprehensive income (losses)					Addition to intangible assets	-	(7,649)	-	(7,649)
Plasma receivables - net	1,515,701	1,457,728			Others	7,650	7,290			Items that will not be reclassified to profit or loss, net of tax:	(15,961)	(8,758)			Additions to investments and contributions in associates	(74,266)	(74,266)	(74,266)	(74,266)
Deferred tax assets - net	1,485,001	1,659,709			Total Long-term Debts	8,876,391	8,954,976			Re-measurement losses of employees' benefit liabilities	(4,650)	(4,653)			Net Cash Used in Investing Activities	(7,214,803)	(889,379)	(7,214,803)	(889,379)
Long-term investments	4,643,608	5,065,061			Lease liabilities	96,869	-			Share of other comprehensive losses of associates and joint ventures	(137,574)	(372,443)			CASH FLOWS FROM FINANCING ACTIVITIES	13,632,407	21,043,369	426,170	308,755
Right of use assets	1,133,445	-			Deferred tax liabilities - net	601,384	874,536			Other comprehensive income for the period	3,326,724	3,308,470			Proceeds from short-term bank loans	426,170	308,755	360	-
Fixed assets - net	43,728,924	43,072,504			Due to related parties	509,859	509,859			TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	3,326,724	3,308,470			Proceeds of other long-term debts	-	-	(149,449)	-
Investment property	42,188	42,188			Liabilities for employee benefits	7,086,232	6,852,215			Income for the period attributable to:					Payments of long term bank loans	(573,105)	(1,186,397)	(10,123,578)	(21,407,037)
Deferred charges - net	826,910	854,175			Estimated liabilities for assets dismantling costs	95,743	117,623			Equity holders of the parent entity	2,842,595	2,545,288			Capital contribution and advance for stock subscription from non-controlling interests	-	7,000	-	(2,481)
Goodwill	4,305,329	4,305,329			Total Non-Current Liabilities	17,266,478	17,309,209			Non-controlling interests	621,703	390,739			Payments of liability for purchases of fixed assets	-	(2,481)	-	(148,025)
Intangible assets - net	1,944,471	2,011,090			TOTAL LIABILITIES	46,055,739	41,996,071			Other comprehensive income for the period	(137,574)	(372,443)			Payment of cash dividends by subsidiaries to non-controlling interests	-	(148,025)	-	(2,000,000)
Long-term prepayments	27,065	836,867			EQUITY					TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	3,326,724	3,308,470			Payment of Rupiah bonds VII	-	(74,266)	-	(2,000,000)
Other non-current assets	4,028,158	5,230,332			Capital stock - Rp 100 (full amount) par value per share					INCOME FOR THE PERIOD ATTRIBUTABLE TO:					Net Cash (Used in) Provided Financing Activities	3,212,805	(3,384,816)	3,212,805	(3,384,816)
Total Non-current Assets	63,790,396	64,795,114			Authorized - 30,000,000,000 shares					Equity holders of the parent entity	2,842,595	2,545,288			NET EFFECTS OF CHANGES IN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	193,694	(122,432)	193,694	(122,432)
TOTAL ASSETS	103,395,472	96,198,559			Issued and fully paid - 8,780,426,500 shares	878,043	878,043			Non-controlling interests	621,703	390,739			NET INCREASE IN CASH AND CASH EQUIVALENTS	2,101,035	735,600	2,101,035	735,600
					Additional paid-in capital	283,732	283,732			Total Comprehensive Income	3,464,298	2,936,027			CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	13,726,510	8,786,237	13,726,510	8,786,237
					Unrealized gains on available-for-sale financial assets	1,919,598	1,856,757			Equity holders of the parent entity	2,831,326	2,869,997			CASH AND CASH EQUIVALENTS AT END OF PERIOD	15,827,545	9,521,837	15,827,545	9,521,837
					Differences from changes in equity of Subsidiaries and effects of transactions with non-controlling interests	7,093,579	7,102,867			Non-controlling interests	495,398	438,473							
					Exchange differences on translation financial statements	860,341	876,550			Total	3,326,724	3,308,470							
					Retained earnings	115,000	115,000			BASIC EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT ENTITY (full amount)									
					Appropriated for general reserve	29,496,625	26,664,999				324	290							
					Unappropriated	40,646,918	37,777,948												
					Equity Attributable to Equity Holders of the Parent Entity	16,692,815	16,424,540												
					Non-controlling interests	57,339,733	54,202,488												
					TOTAL EQUITY	103,395,472	96,198,559												
					TOTAL LIABILITIES AND EQUITY	103,395,472	96,198,559												

Notes : 1. The financial information above as of June 30, 2020 and for the six-month period ended on June 30, 2020 and 2019 is unaudited and unreviewed.

2. The financial information as of December 31, 2019 is derived from the consolidated financial statements as of December 31, 2019 and for the year then ended, that have been audited by Public Accounting Firm Purwanto, Sungkoro & Surja, which in their report dated March 20, 2020 opined that the consolidated financial statements of PT Indofood Sukses Makmur Tbk and its subsidiaries (collectively referred to as the "Group") present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2019, and their consolidated financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

3. The Group adopted the new or revised Statements of Financial Accounting Standards ("PSAKs") effective January 1, 2020, primarily PSAK 71: Financial Instruments, PSAK 72: Revenue from Contracts with Customers, and PSAK 73: Leases.

4. The foreign exchange rates used at June 30, 2020 and December 31, 2019 were Rp14,302 and Rp13,901 respectively, to US\$1.

Jakarta, August 3, 2020

The Board of Directors
PT IND@FOOD SUKSES MAKMUR Tbk