

SIPEF

Analyst presentation
August 14, 2025



Summary



SIPEF group - Company profile



SIPEF group - Palm oil in the world



SIPEF group - Production & prices



SIPEF group – Financial performance



SIPEF group – Strategic projects



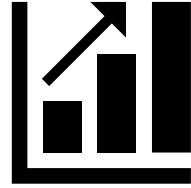
SIPEF group - Prospects

SIPEF AT A GLANCE



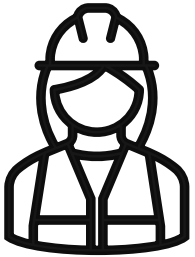
Belgium

Headquarters
1919



USD 250 million

Total sales in FY2025/06



More than

24.000

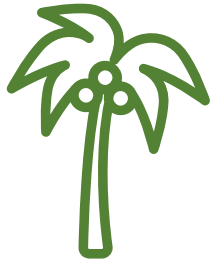
employees



More than

50.000 T

of bananas expected



More than

430 000 T

of CPO expected



Listed on the

EURONEXT

stock exchange



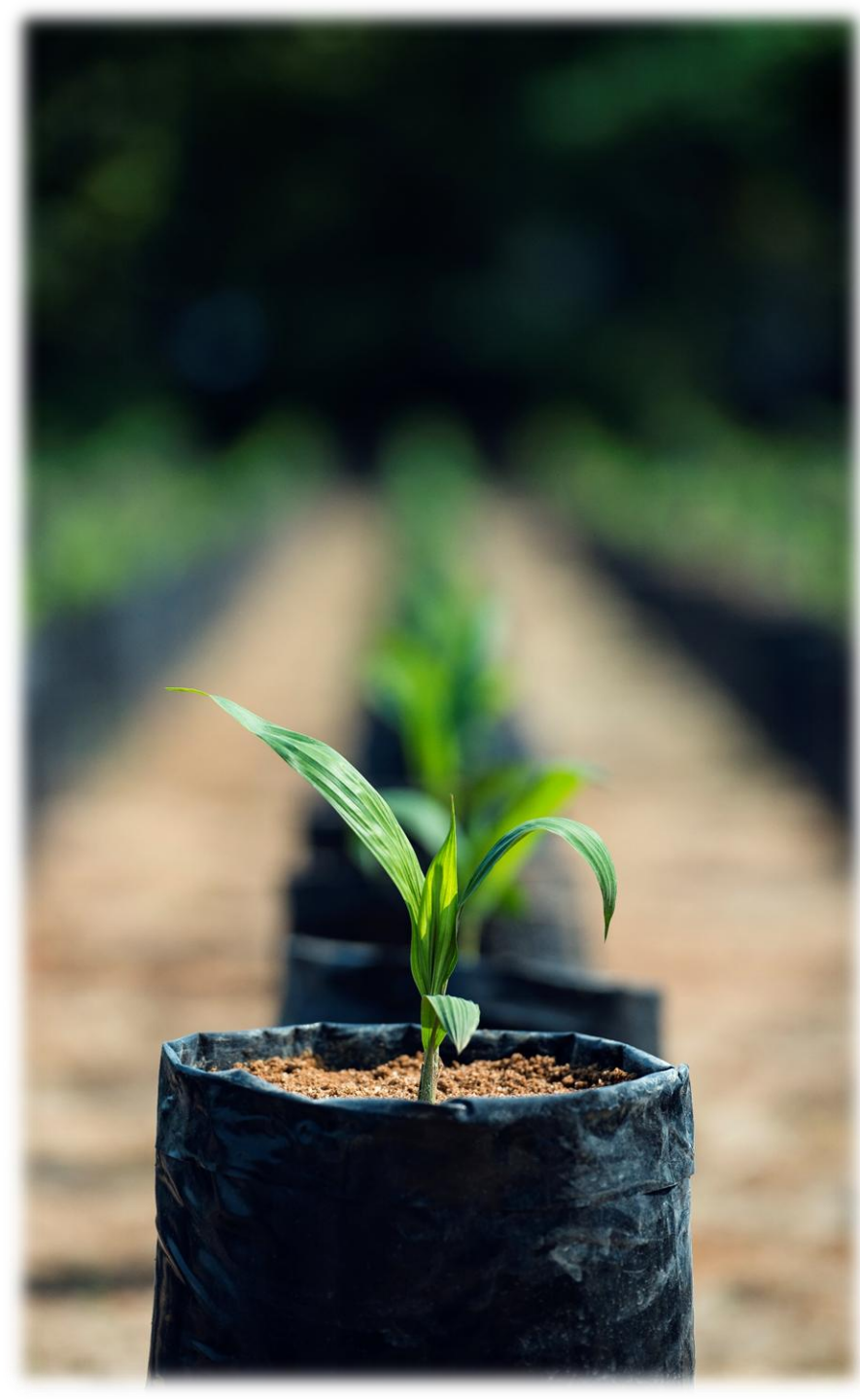
100%

RSPO COMPLIANT



9.5 years

**Young average age
profile**



PLANTED HECTARES PER 31 DECEMBER 2024

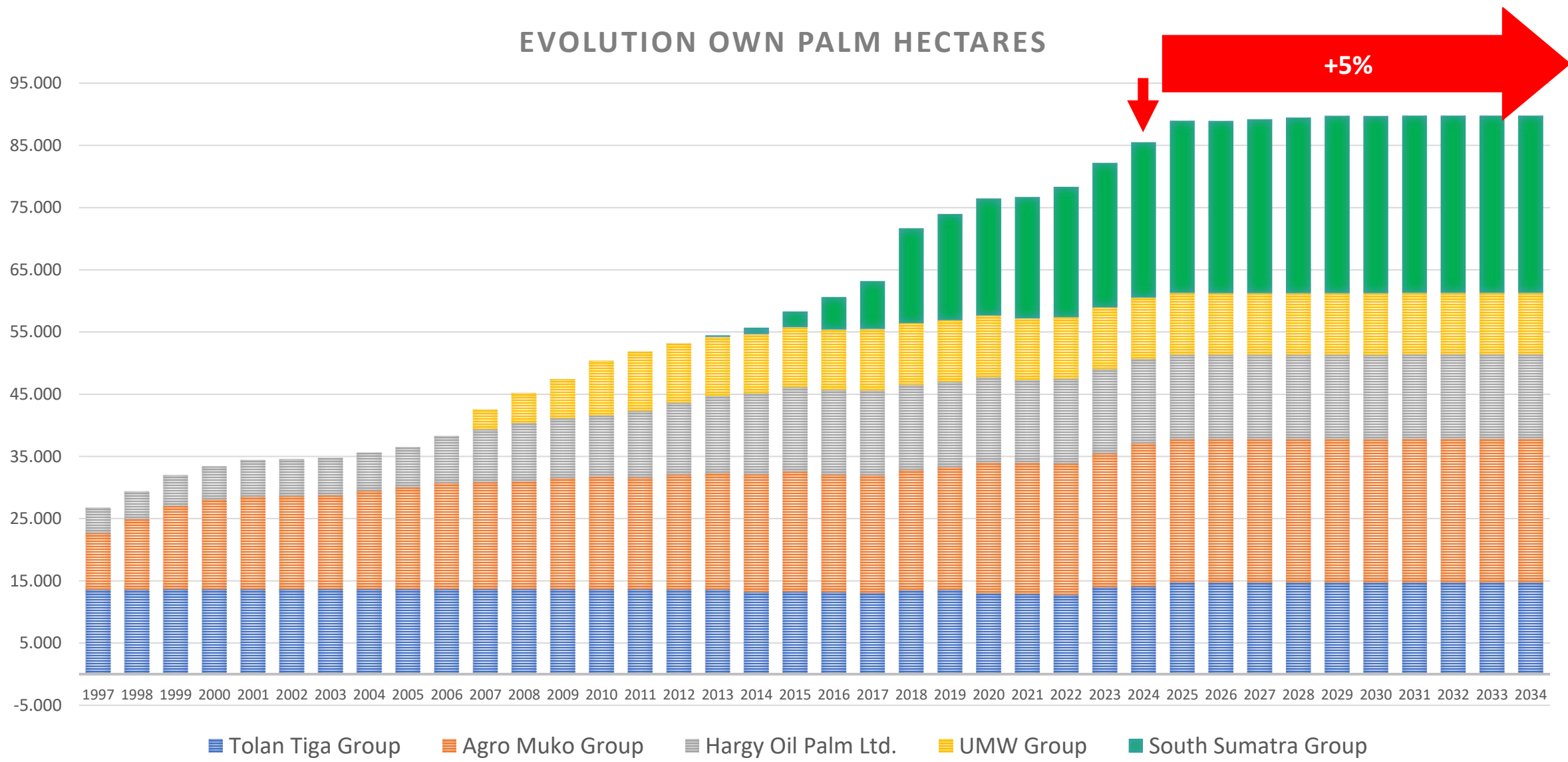


2024	Indonesia	PNG	Côte d'Ivoire	Hectares 100%
Palm	71.951	13.550	0	85.500
Bananas	0	0	1.257	1.257
Total planted	71.951	13.550	1.257	86.757

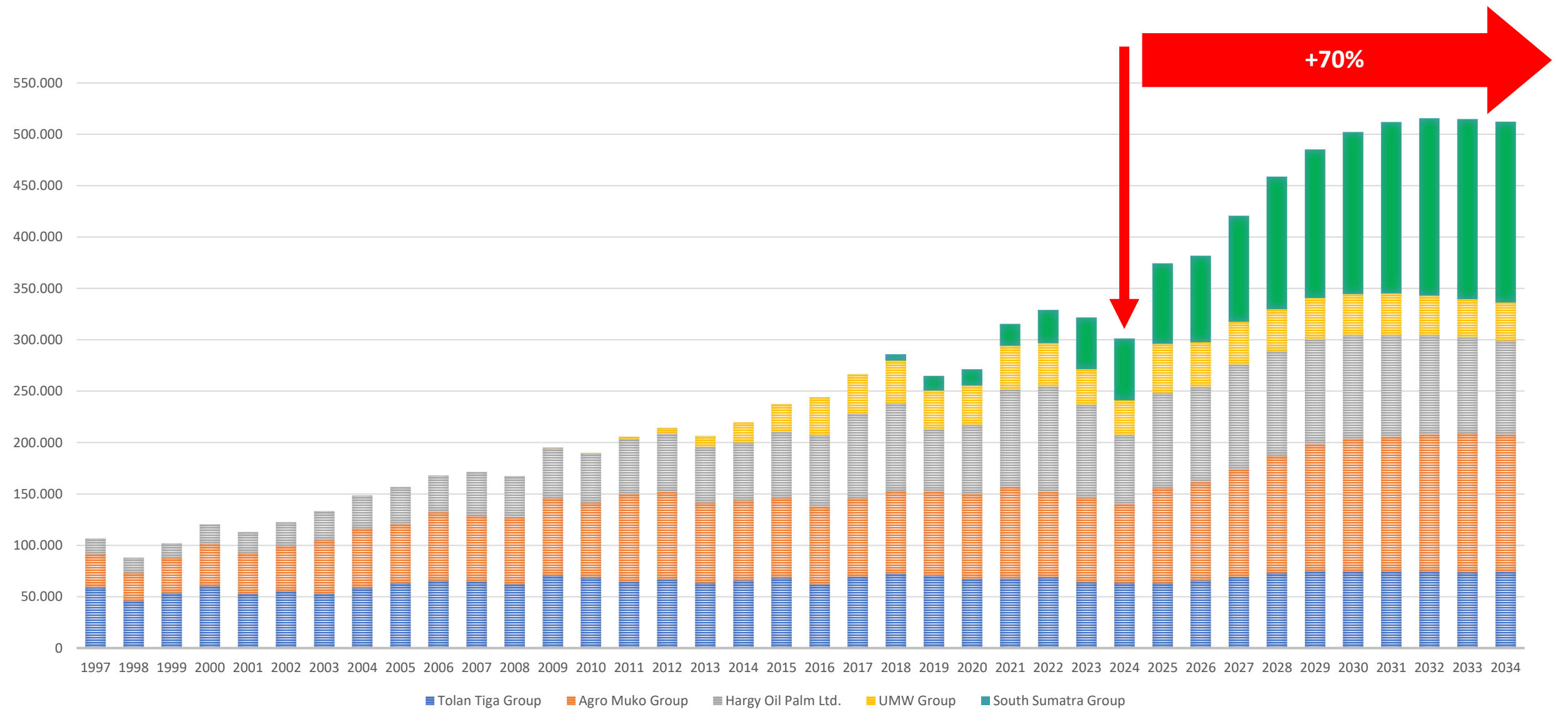
EVOLUTION PLANTED HECTARES PALM



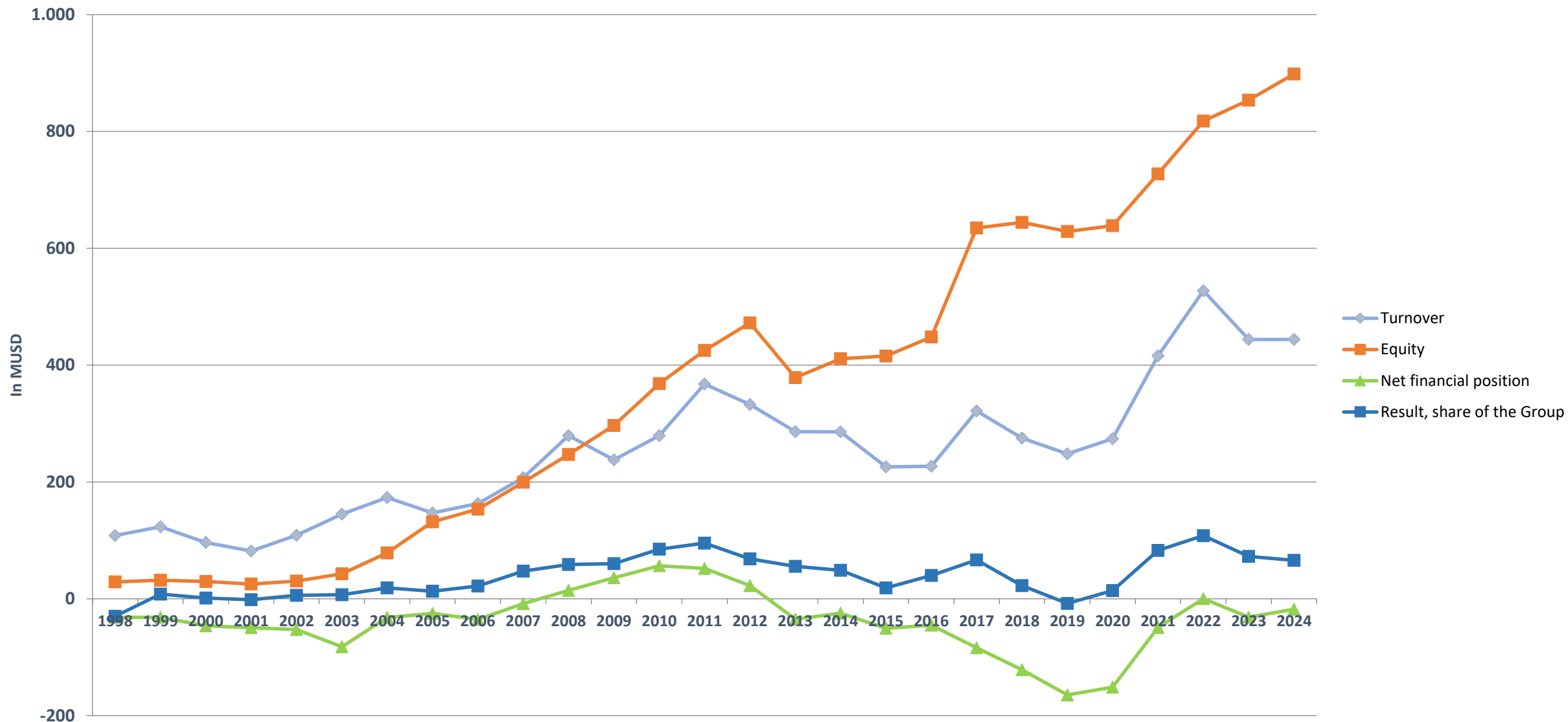
EVOLUTION OWN PALM HECTARES



EVOLUTION OWN CPO PRODUCTIONS



EVOLUTION TURNOVER - EQUITY – NFP - RESULT



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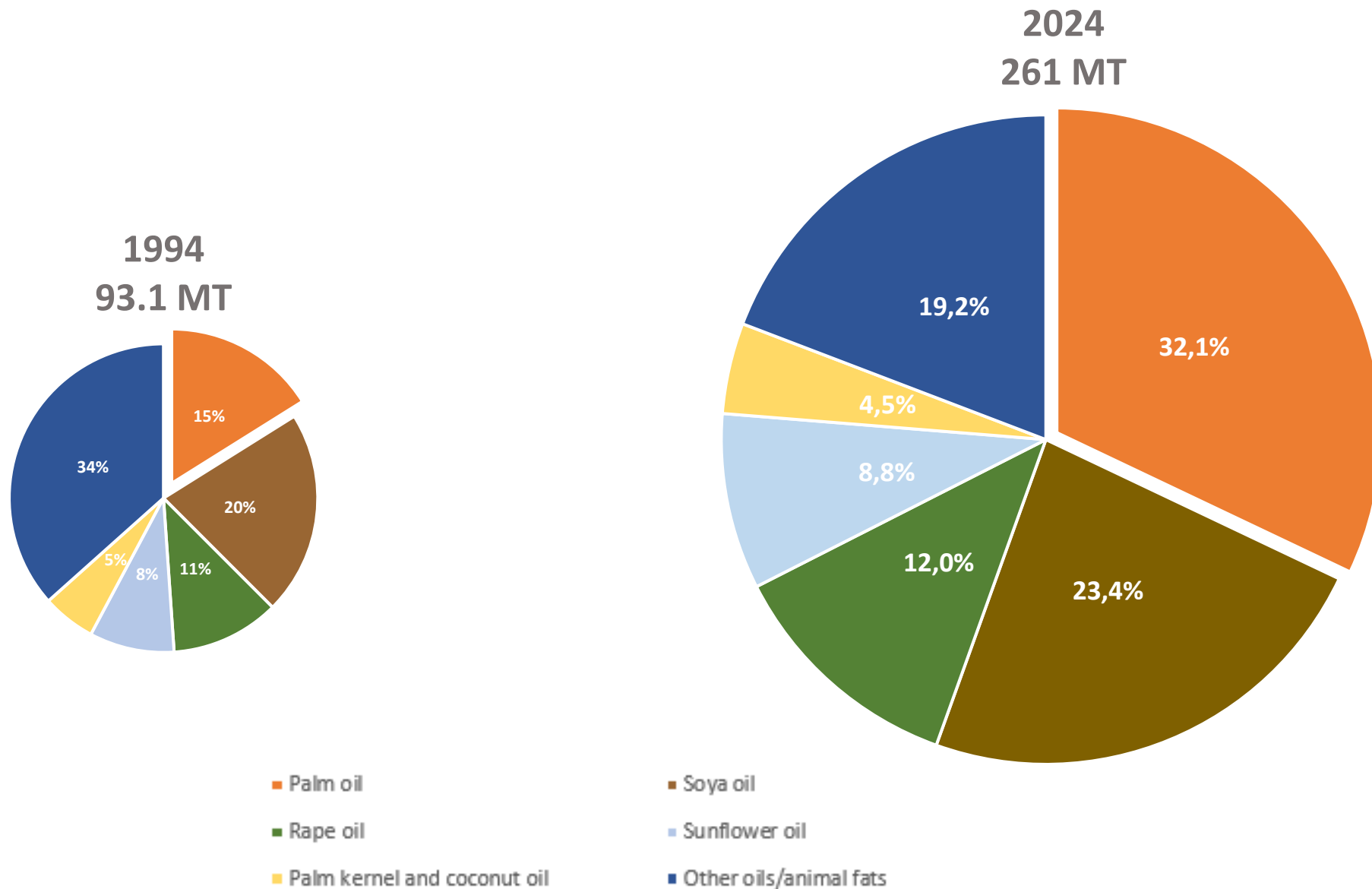


SIPEF group - Prospects

A tropical landscape featuring a dense forest of palm trees in the foreground. In the background, a large, conical mountain, likely a volcano, rises above the treeline under a clear sky. The text is overlaid in the center of the image.

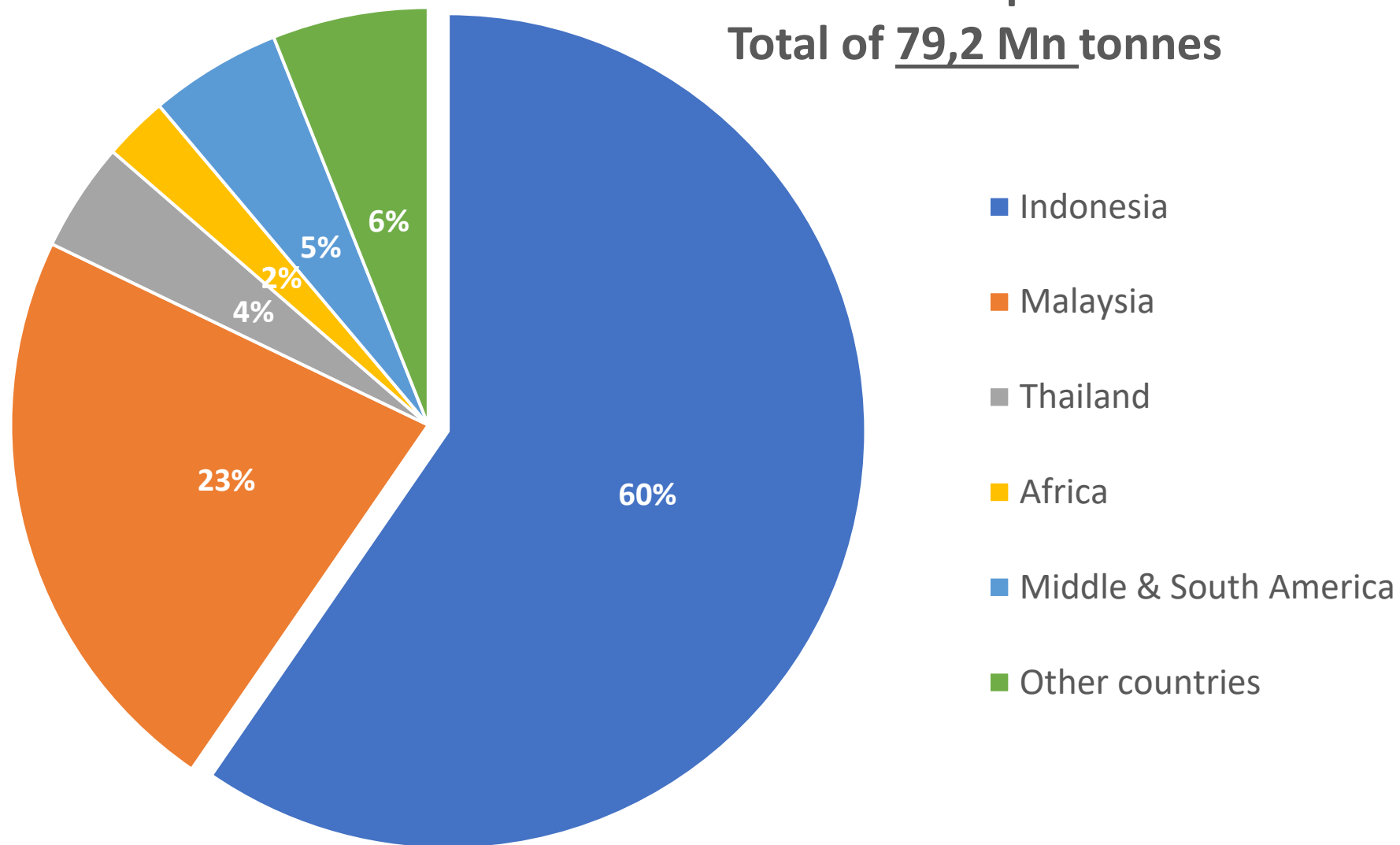
PALM OIL: A LEADER IN THE VEGETABLE OIL MARKET

VEGETABLE OIL PRODUCTION



PALM OIL PRODUCTION IN THE WORLD

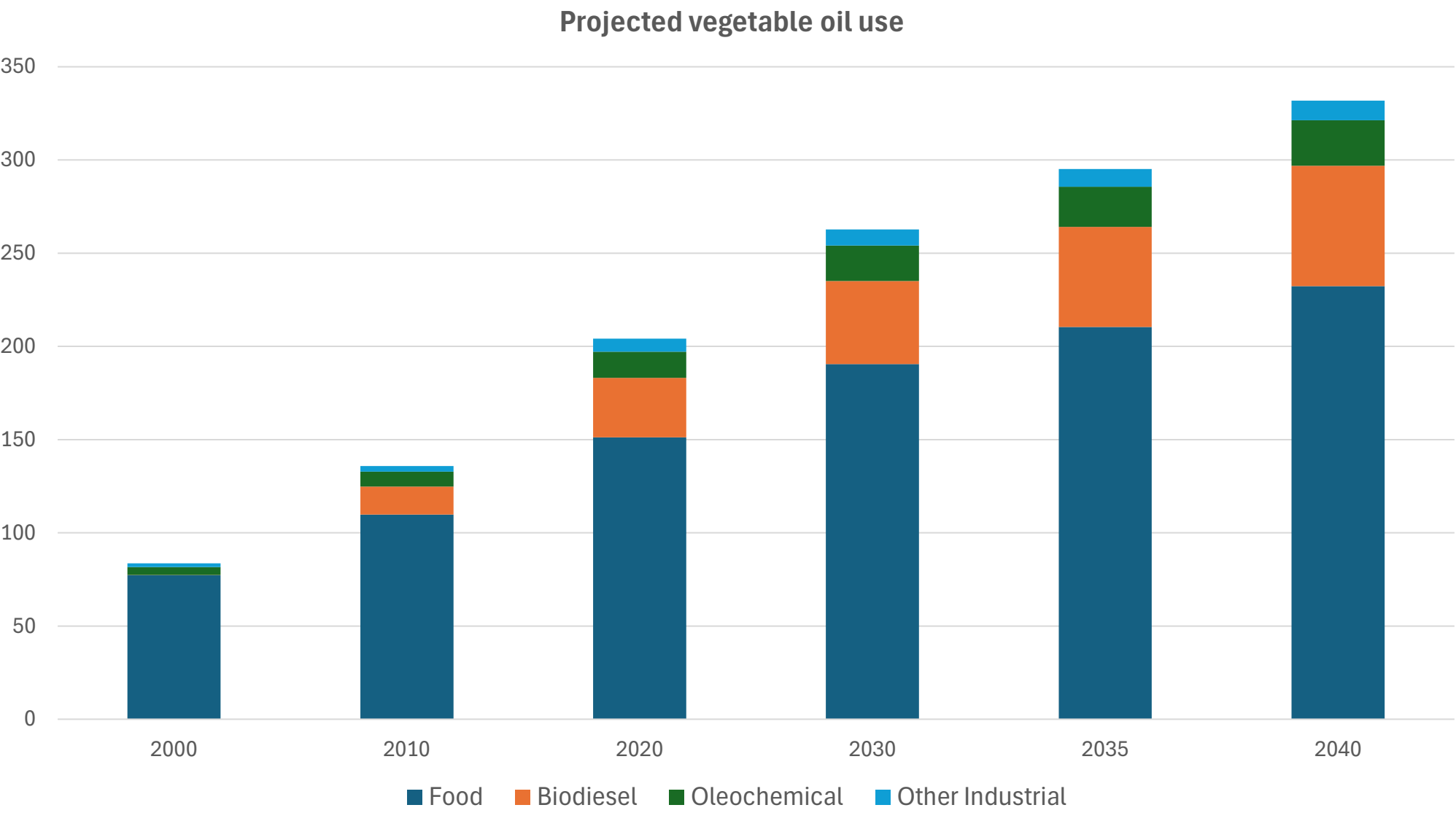
2024 Palm oil production
Total of 79,2 Mn tonnes



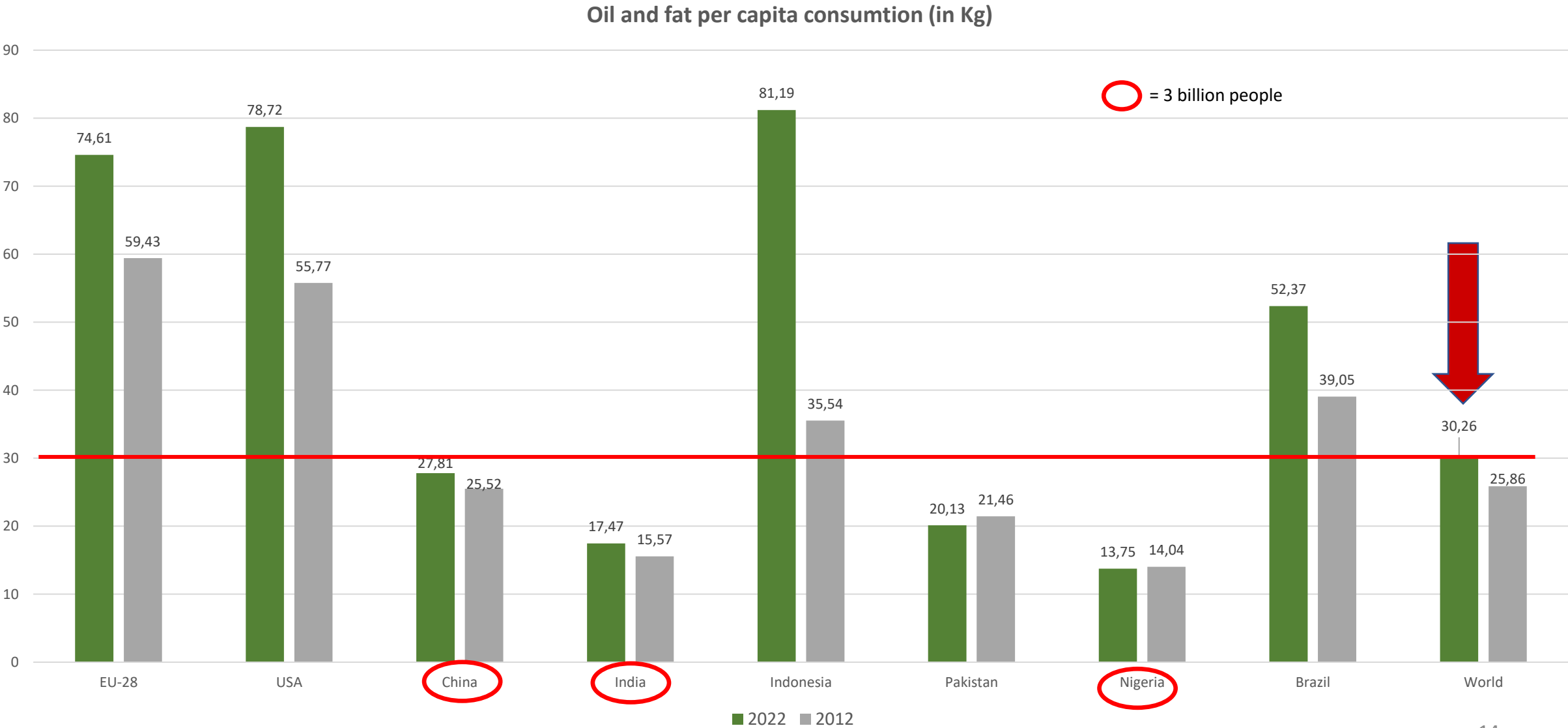
A photograph of two farmers wearing traditional conical hats working in a lush green rice field. The text 'Future potential' is overlaid in the center. In the background, another farmer is visible, and the field is surrounded by trees and a fence.

Future potential

PROJECTED VEGETABLE OIL USE SPREAD

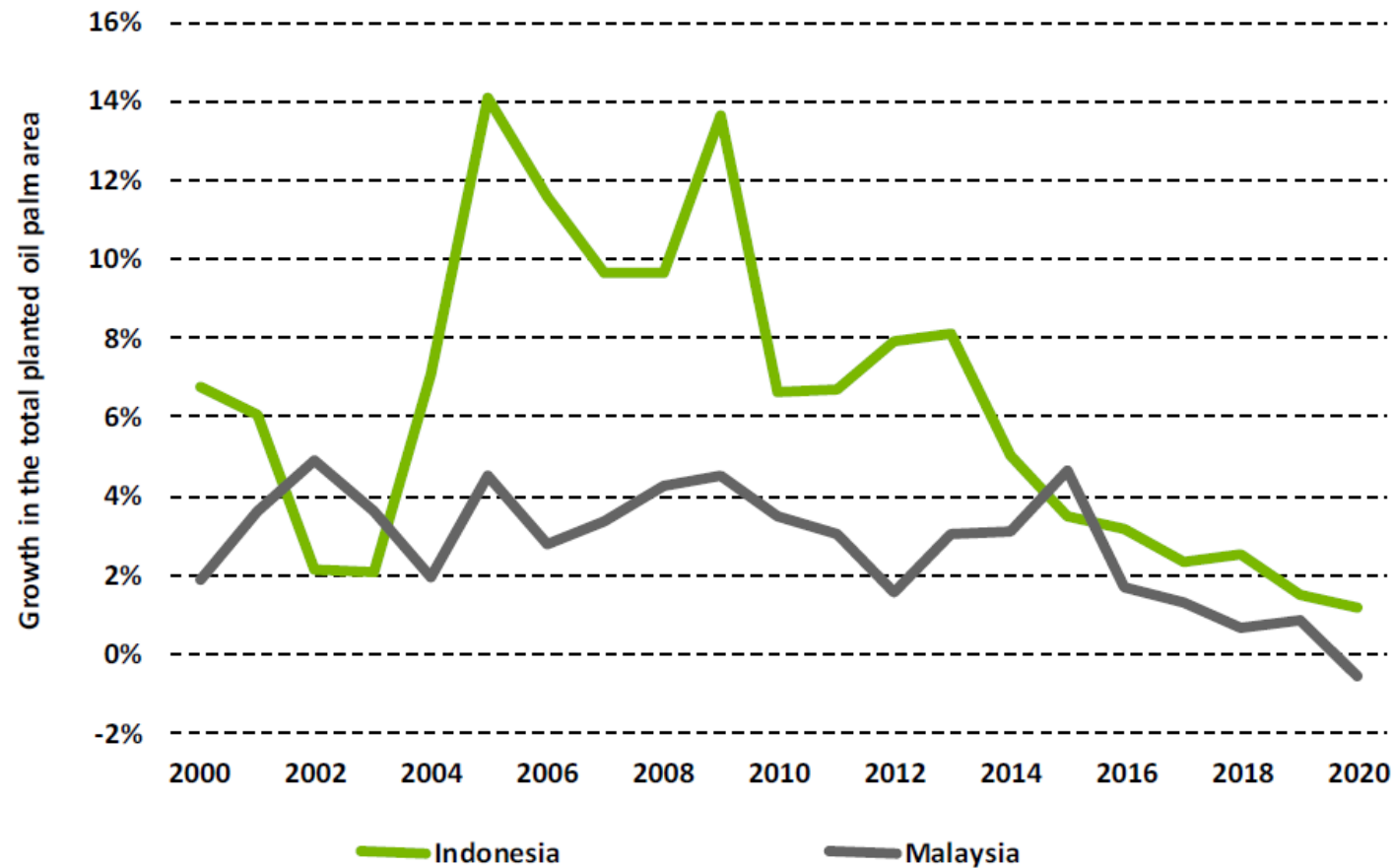


OIL AND FAT CONSUMPTION PER CAPITA



Hardly any growth anymore in Indonesia and Malaysia

Growth in the total planted oil palm area in Indonesia and Malaysia



Increasing age profile within the sector

Malaysia and Indonesia's oil palms are getting old – and that's becoming a multibillion dollar problem

In Malaysia, replanting palms that have outlived their commercial usefulness could cost US\$3 billion, while Indonesia may need at least US\$5 billion

Ageing palms in both countries are producing less of the lucrative edible oil as they approach the end of their quarter-century commercial lifespans

As ageing trees sap yields, Asian palm oil firms race to replant

By Mei Mei Chu and Bernadette Christina

April 14, 2023 3:03 AM GMT+2 · Updated April 14, 2023



Aging Palm Oil Trees in Asia Could Cause Supply Deficit

January 24, 2024 · 4 min read · Food and Ingredients



Adrian Torreblarte [Read bio](#) →



Aging trees threaten production of palm oil



By Sean Pratt

Published: October 9, 2024
Crop Management, Markets, News



Reading Time: 3 minutes

Oil palm industry's future hinges on urgent replanting thrust in Budget 2025

By Joseph Tek Choon Yee

07 Oct 2024, 10:15 pm

Increasing age profile within the sector

Country	Sector	Average age (yrs)	% ≥ 20 yrs old
Indonesia*	Industrial	14.0	26%
	Smallholder	14.2	
Malaysia**	Industrial	14.0	27%
	Smallholder	14.0 – 15.0	
SIPEF***	Own plantations	9.5	8%

*ESSD 2024

** MPOB

*** Annual report

Key takeaway:

- Plantations in both countries have older palms on average, driving the bulk of replanting needs.
- Timely replanting is critical to maintain yields and production growth BUT it is expensive.

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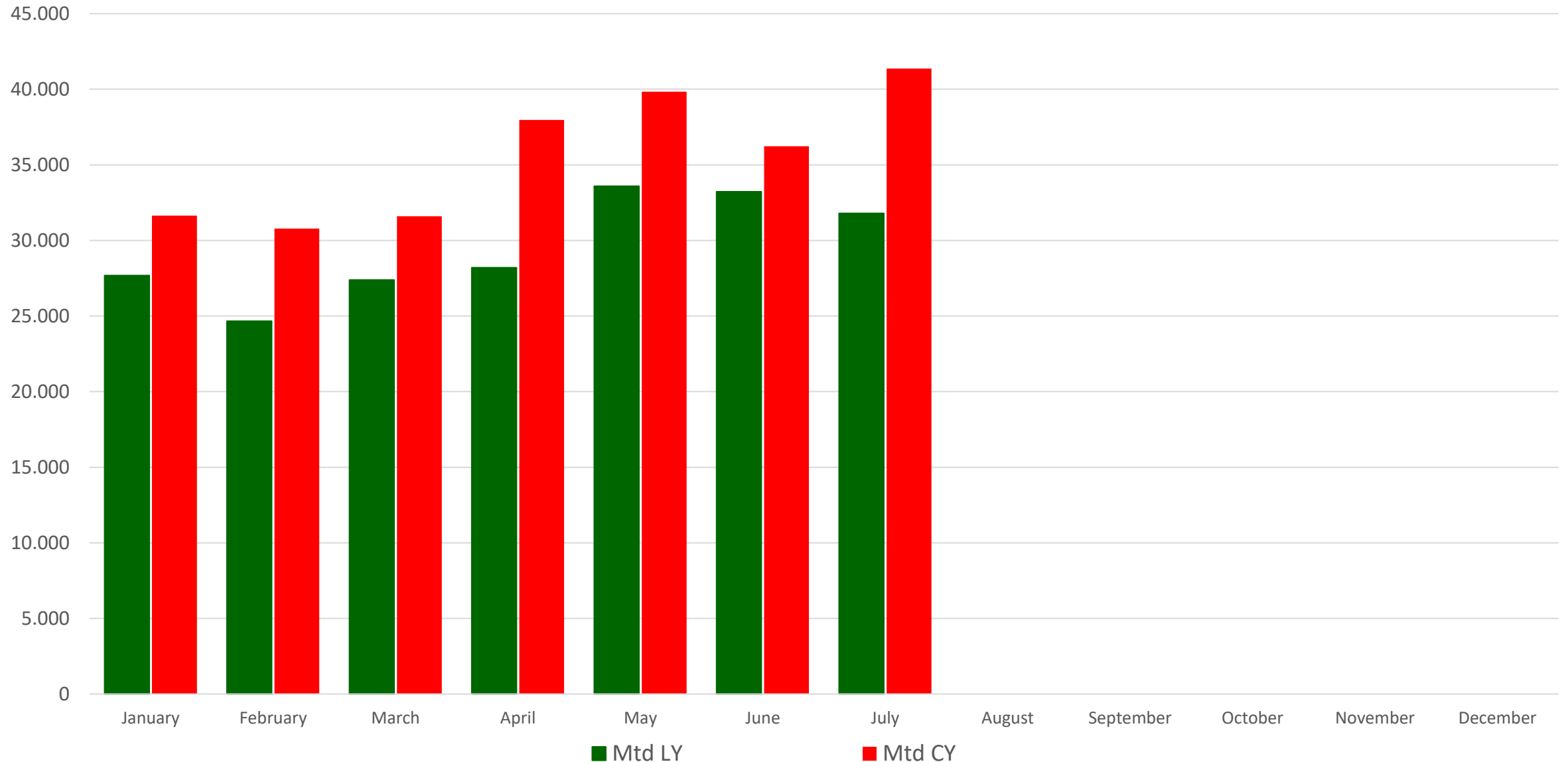
SIPEF group - Prospects

GROUP PRODUCTIONS – CRUDE PALM OIL

Palm Oil	Jun-25	Jun-24	Variance
Own			
Tolan Tiga Group	30 509	28 536	6,9%
Umbul Mas Wisesa Group	19 843	15 536	27,7%
Agro Muko Group	42 655	36 333	17,4%
South Sumatra Group	33 687	24 222	39,1%
Hargy Oil Palms	43 415	39 088	11,1%
Total own	170 110	143 716	18,4%
Outgrowers			
Tolan Tiga Group	844	759	11,1%
Umbul Mas Wisesa Group	89	73	21,5%
Agro Muko Group	1 776	1 519	16,9%
South Sumatra Group	5 460	3 486	56,6%
Hargy Oil Palms	29 782	25 195	18,2%
Total outgrowers	37 950	31 031	22,3%
Total Palm Oil	208 060	174 747	19,1%
<i>Indonesia</i>	<i>134 862</i>	<i>110 463</i>	<i>22,1%</i>
<i>PNG</i>	<i>73 198</i>	<i>64 284</i>	<i>13,9%</i>

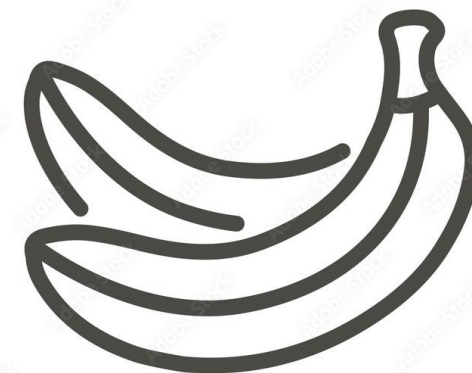


MONTHLY GROUP PRODUCTIONS – CPO 2025



GROUP PRODUCTIONS – BANANAS

Bananas	Jun-25	Jun-24	Variance
Azaguie	5 935	5 151	15,2%
Agboville	3 538	4 027	-12,1%
Motobé	3 040	3 502	-13,2%
Lumen	8 639	9 565	-9,7%
Akoudje	4 825	2 878	67,7%
Total Bananas	25 977	25 122	3,4%



BULL AND BEAR

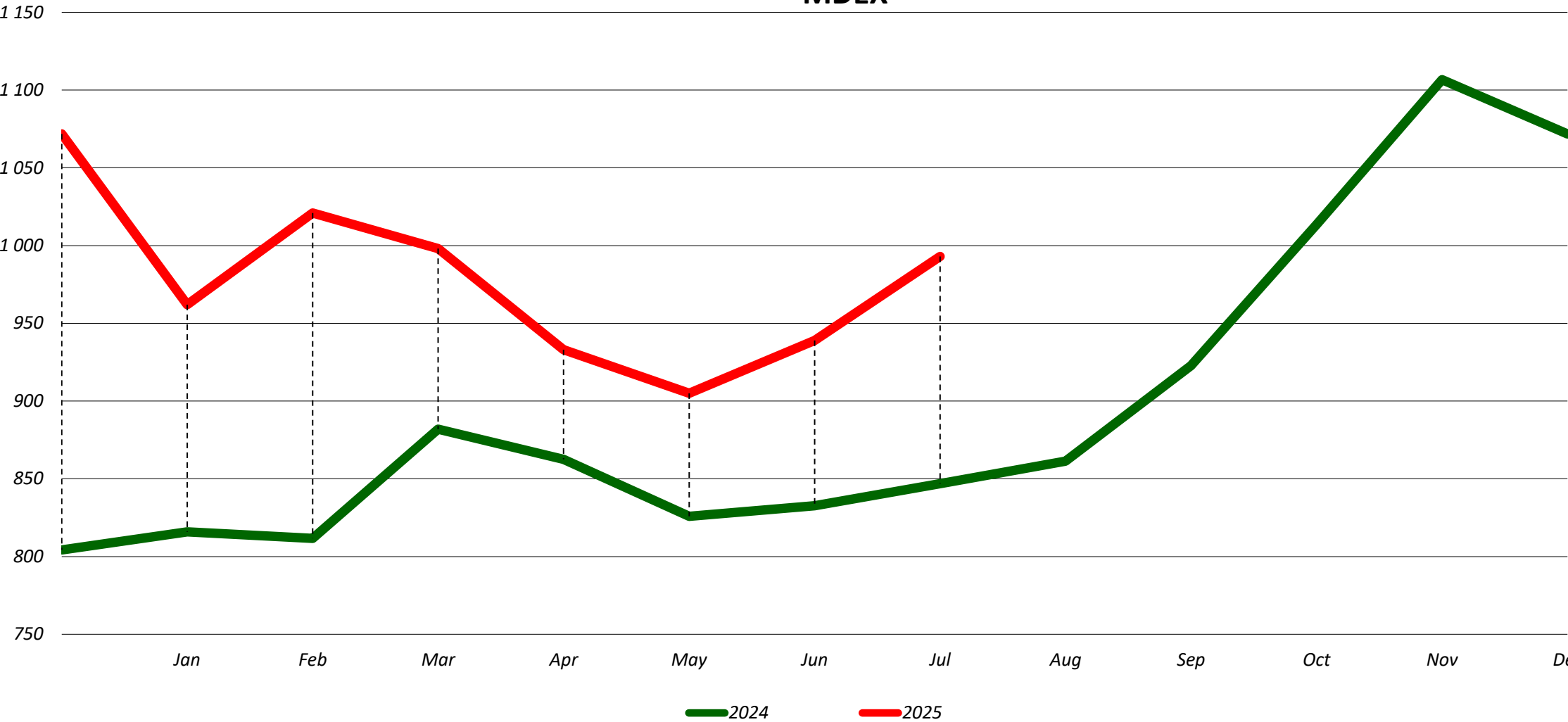
MDEX	Rating	Bullish inputs	Bearish inputs
EU market			
Palm Oil	Steady	<ul style="list-style-type: none"> - US biodiesel announcement, increasing vegoil demand with 3 mln mt for 2026. Local production is massively favored. Still questions on exact implementation - Indo remains firm on B40 and increase to B50 in 2026 - Brazil will increase their Biodiesel rate from 14% to 15%. - Funds have loaded up long position in vegoil. Bearish flag. - India is poorly covered ahead of festival season. - Fire and haze impact on production - Rape and sun oil remain supportive - Gasoil prices rallied to \$65/70 	<ul style="list-style-type: none"> - Perfect weather in US, bearish for soybeans and corn/grains. Funds are short all major crops (but against a long in vegoil as a hedge as it is only commodity with a story: biodiesel!) - Soybeans and meal in US will constantly press on prices, as China favors Latam origin. - Palm production growth cycle / stocks growth in Q3 - China took already coverage for Q3 in recent rally. - OPEC announced higher production
Aug 1080			
Sept 1080			
OND 1090			
JFM 1100			

CPO PRICES 2024 – 2025



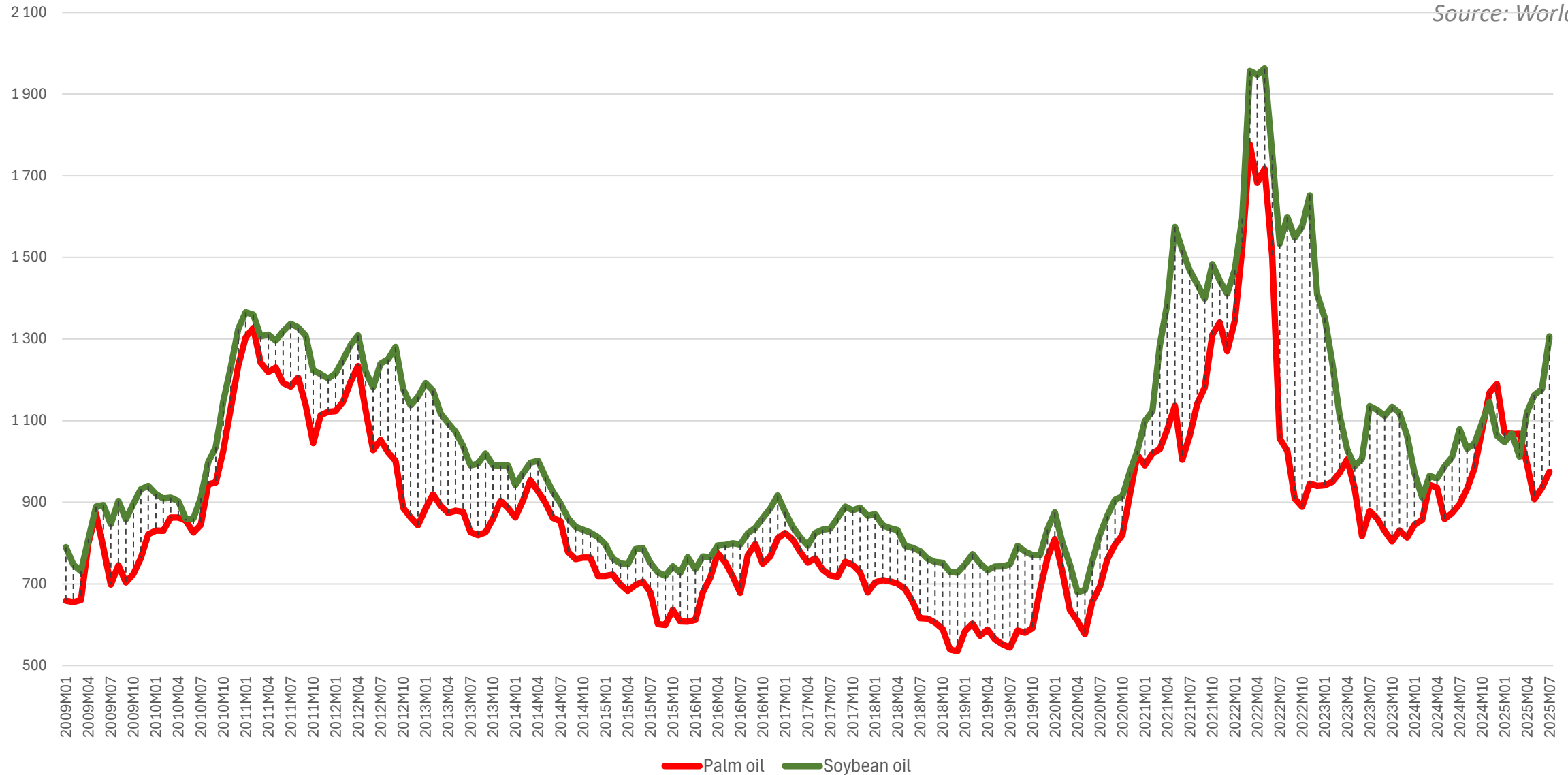
Crude Palm Oil in \$/mt
MDEX

Source: Bursa Malaysia



SPREAD CPO – SOYBEAN OIL

Source: Worldbank



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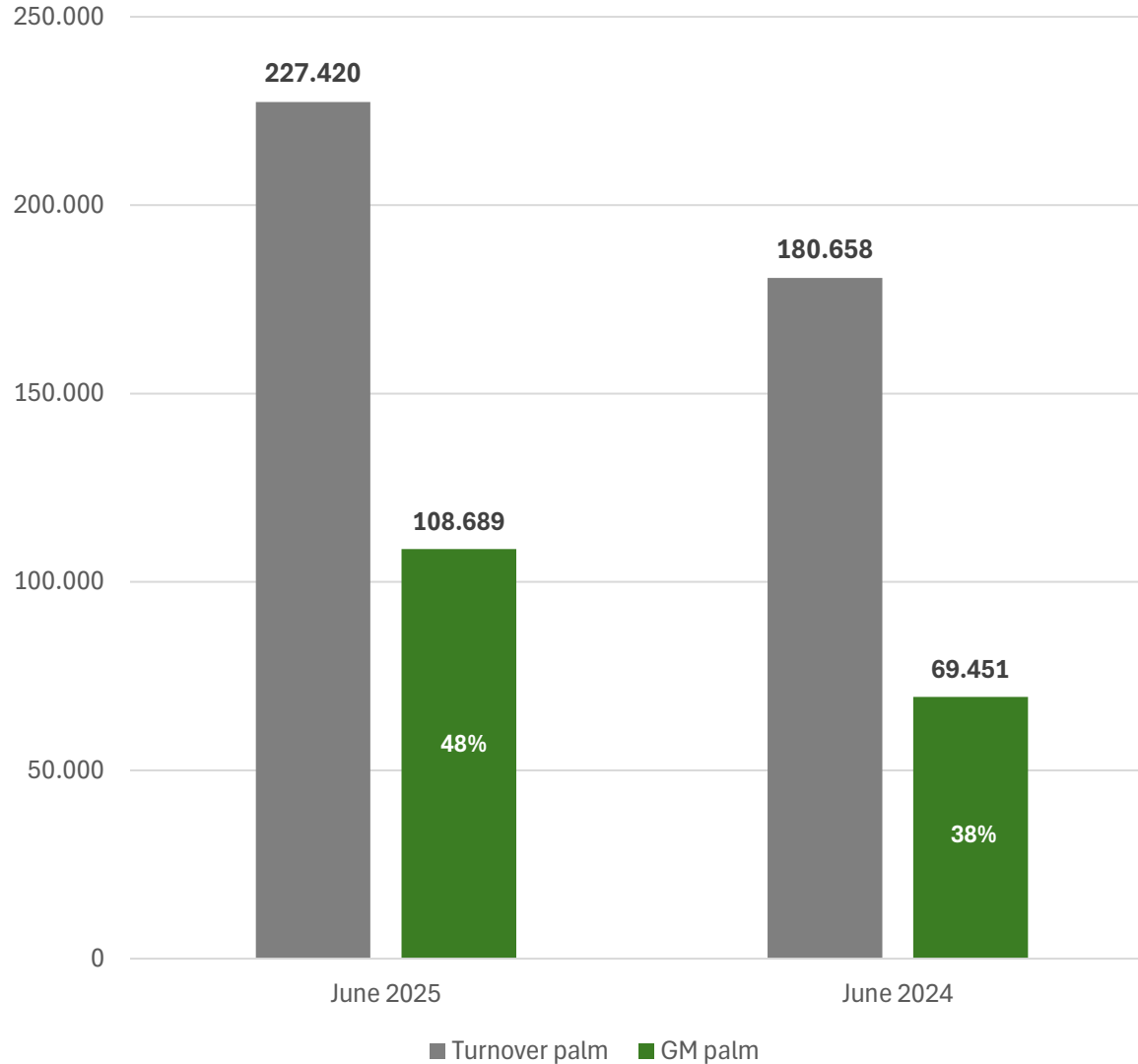
SIPEF group – Strategic projects



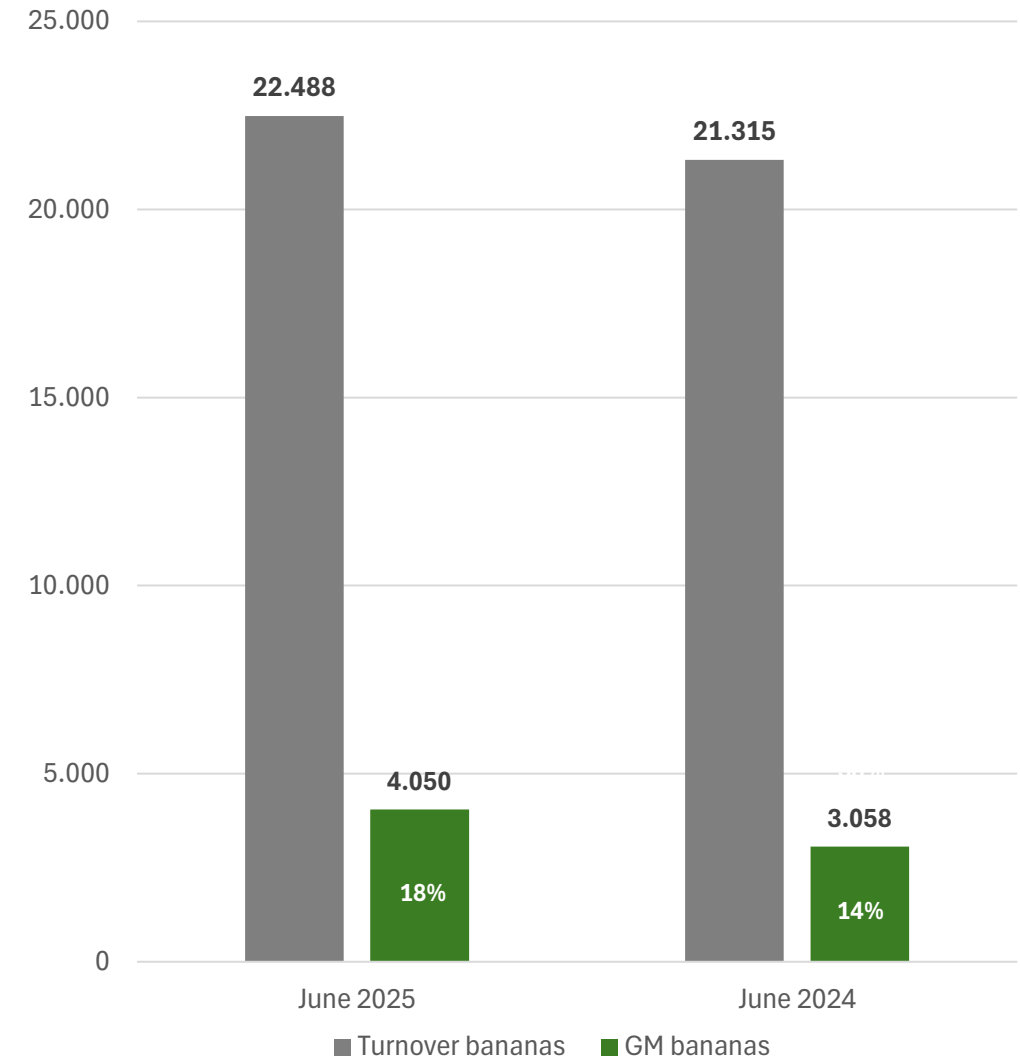
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JUNE 2025 GROSS MARGIN IN KUSD

Gross margin palm



Gross margin Bananas



PROFIT AND LOSS STATEMENT – JUNE 2025 (1/2)



KUSD		June '25	June '24	Diff
Gross margin	Palm	108.689	69.451	39.238
	Rubber	0	-5.015	5.015
	Tea	0	85	-85
	Bananas	4.050	3.058	992
G&A including corporate		-26.411	-22.851	-3.560
Other operating		-1.687	852	-2.539
Operating result		84.641	45.581	39.060

PROFIT AND LOSS STATEMENT – JUNE 2025 (2/2)



KUSD	June '25	June '24	Diff
Operating result	84.641	45.581	39.060
Finance income/charges	-407	-433	26
Exchange	4.587	-3.757	8.344
Financial result	4.180	-4.190	8.370
Profit before tax	88.821	41.391	47.430
Tax	-27.063	-12.503	-14.560
Profit after tax	61.757	28.888	32.870
Associated companies	-983	-639	-344
Profit for the period	60.775	28.249	32.526
Loss on sale PT Melania	0	-1.580	1.580
Net profit for the period	60.775	26.669	34.106
Group share	57.718	25.029	32.689
Minority interests	3.056	1.640	1.416

BALANCE SHEET – JUNE 2025



In KUSD (management presentation)	30/06/2025	31/12/2024
Biological assets (depreciated costs) - bearer plants	323 012	320 851
Goodwill	104 782	104 782
Other fixed assets	464 505	458 282
Receivables > 1 year	46 041	45 581
Assets held for sale	7 126	7 126
Net current assets, net of cash	72 929	77 688
Net cash position	19 933	- 18 087
Total net assets	1 038 329	996 224
Shareholders' equity, group share	933 264	898 427
Non controlling interest	40 415	37 355
Provisions and deferred tax liabilities	64 649	60 442
Total net liabilities	1 038 329	996 224

CASH FLOW– JUNE 2025



In KUSD (management presentation)	30/06/2025	30/06/2024
Cash flow from operating activities before change in net working capital	108 928	73 290
Change in net working capital	- 21 252	- 4 692
Income taxes paid	- 12 867	- 10 124
Cash flow from operating activities after tax	74 810	58 474
Acquisitions intangible and tangible assets	- 35 011	- 36 140
Financing plasma advances	24	- 1 808
Selling price of PP&E and financial assets (PT Melania)	- 1 332	- 3 371
Free cash flow	38 491	17 155
Other financing activities	- 10 435	- 12 589
Net movement in investments, cash and cash equivalents	28 056	4 565

VALUE PER HECTARE

Sensitivity 30/06/2025	
Stock price @	USD per hectare
€40,00	5.153
€50,00	6.685
€60,00	8.218
€70,00	9.904
€80,00	11.284
€90,00	12.816

BOOKVALUE PER HECTARE = 10 713 USD/Ha

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**FINALIZING
ONGOING
EXPANSIONS**



**INNOVATION
THROUGH
DEVELOPMENT OF
HIGH-YIELDING F1
HYBRID SEEDS**



**TARGETING
PREMIUM MARKETS
WITH HIGH-QUALITY
LOW-CONTAMINANT
PALM OIL**



**ONGOING
SUSTAINABILITY
COMMITMENTS**



**COMMUNITY
ENGAGEMENT**

Strategic projects

Early Adaptors

- ❖ Introducing or trialing new technologies; improving production quality
 - Chloride reduction: Installation of washing plants in Perlabian, Bukit Maradja and Bunga Tanjung mill in 2025.
 - Carbon reductions: Installation of biogas CNG and methane capturing installations in 4 mills in Indonesia

Innovation

- ❖ Developing new seeds, products or methodologies: R&D boosting the resilience of future crops
 - Development of the F1 hybrids
 - Set to commercialize by 2029
 - First testing result are promising



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❖ Production

- Steady palm production growth expected for the remainder of the year.
- In PNG, productions follow traditional seasonal curve with slight slowdown in second half.
- Drier conditions in different parts in Indonesia monitored closely.
- Full-year production still expected to reach 430.000 tons of CPO.
- The newly developed banana plantations are progressing as planned while historical sites are expected to be below initial forecasts.

❖ Markets

- Biodiesel demand expected to increase significantly in 2026 due to US biodiesel proposal, B50 in Indonesia and rising volumes in Brazil:
 - This strong demand has drawn the attention from fund investors.
- Favorable growing conditions for soybeans, corn and wheat in US → possible downward pressure.
- Palm oil remains relatively discounted compared to other oils → attractive option for buyers
- Bullish outlook for veg oils in general, while palm oil prices stay stable.
- Favourable pricing dynamics into the second half of the year for bananas

❖ Results

- 73% of the projected palm oil volume sold at USD 963 per tonne EMG
 - ❑ PNG 95% at 1 107USD/tonne EMG
 - ❑ Indonesia 61% at 859 USD/tonne EMG
- Sales prices continue to be impacted by local export levy/taxes in Indonesia.
- Key input costs (fertilizer, fuel and transport) have remained stable .
- Local wage inflation offset by devaluation local currencies against USD.
- SIPEF on track for **a new record year.**

❖ Cash flow and expansion

- Further development in South Sumatra is ongoing.
- Replanting in Dendymarker of 10 000 hectares completed with focus on infrastructure now.
- 24 557ha of the 30 418ha in South Sumatra classified ‘young mature’.
- South Sumatra accounting for 29.2% of SIPEF Indonesian palm oil output.
- Replanting schedules taking place in all regions to secure future yields and production capacity.
- CAPEX of more than USD 100 mio expected in 2025.
- Expected to end into a **positive net financial position** at year-end.

