

PT Cisarua Mountain Dairy Tbk

1Q 2022 Results Presentation

May 2022



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Our Presenters Today



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Director
MP Chief Executive Officer

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1 | Financial Results

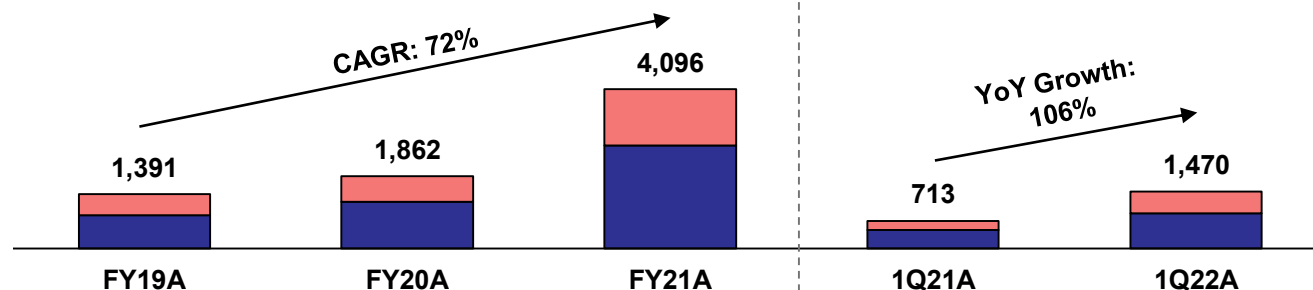


Net sales



Total Net Sales (Rp bn)

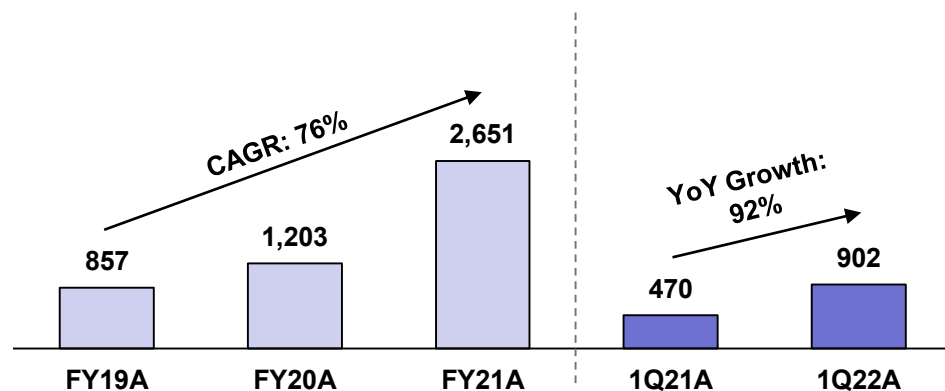
■ Premium Dairy ■ Premium Consumer Foods



Commentary

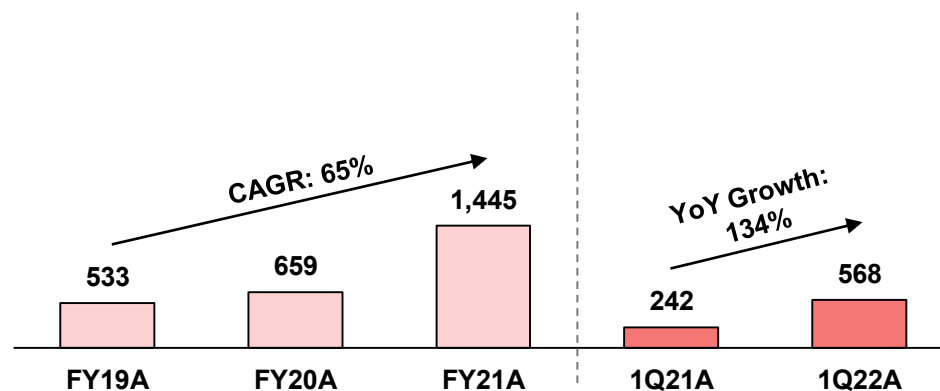
- Strong 1Q Total Net Sales growth rates **across both of our operating segments**, namely Premium Dairy and Premium Consumer Foods

Premium Dairy Net Sales (Rp bn)



- Growth primarily attributable to **continued success of UHT Milk and Cimory Pouch**, with **improved production capacity** in the latter half of FY21 to meet high demand

Premium Consumer Foods Net Sales (Rp bn)

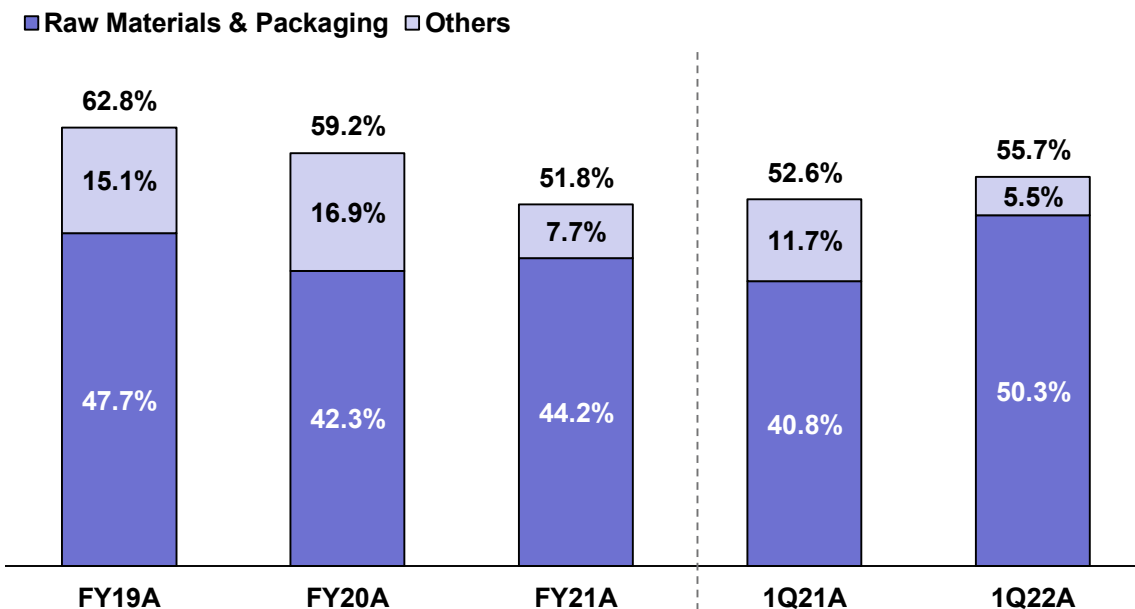


- Growth primarily attributable to **strong performance from Kanzler Singles and Kanzler Nuggets**, as well as the **recent launch of Kanzler Meatballs**

Gross profit



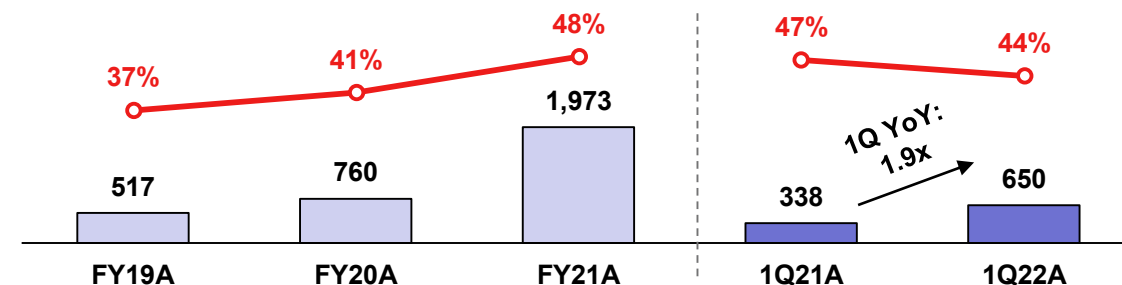
Cost of Sales % Net Sales (Rp bn)



Commentary

- Increases in Cost of Sales a % of Net Sales as **inflationary pressures drive up the price of Raw Materials & Packaging and Labour**
- Moving forward, heightened Cost of Sales due to **inflation is expected to be sustained for sequential quarters**
- Increased overheads as we prepare for and implement **production capacity expansions**
- Reduction in other costs due to timing differences in finished goods and inventory

Gross Profit & Margin (Rp bn)



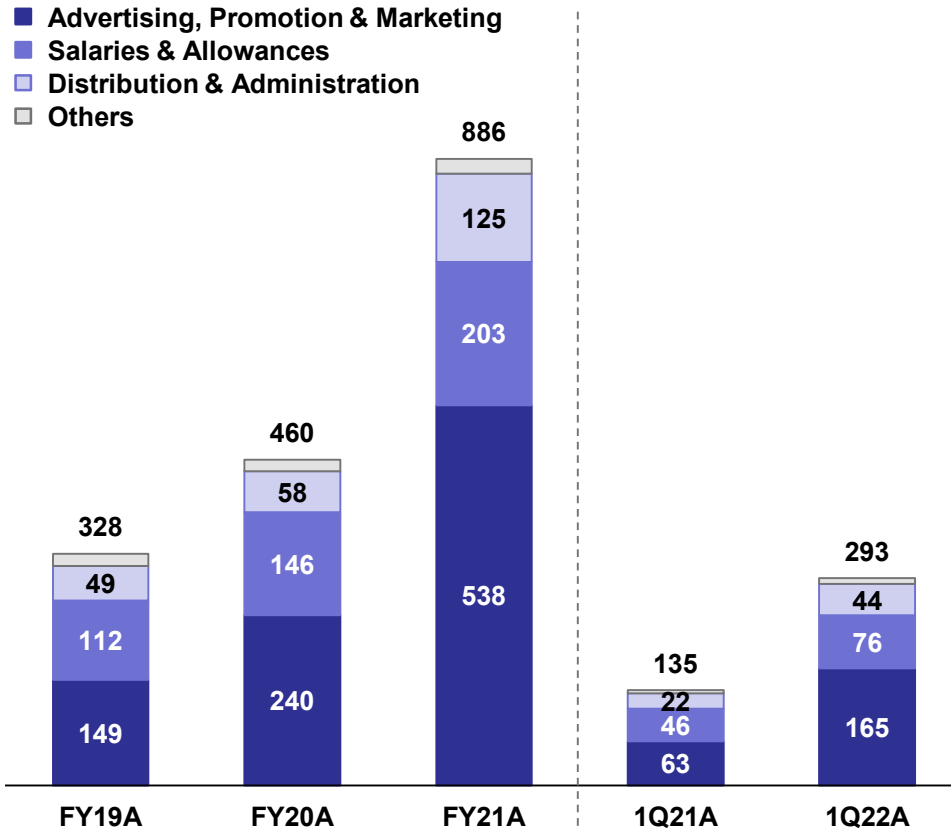
Commentary

- Strong YoY Gross Profit growth in 1Q performance driven by **significant top-line Net Sales expansion**
- Slight decline in Gross Margins **primarily attributable to inflationary pressures**, as well as changes in product mix

Selling & marketing expenses

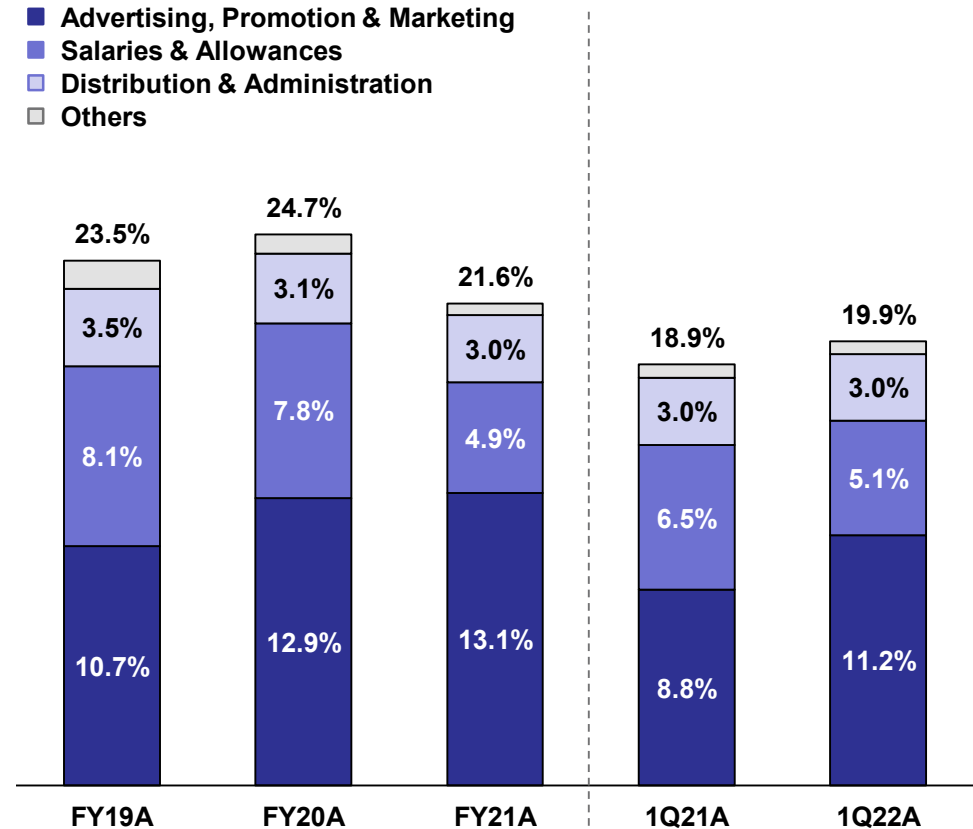


Selling & Marketing Expenses (Rp bn)



- Continually growing expenditure on Advertising, Promotion & Marketing, as our **digital marketing strategy is accelerated to promote brand adoption**

Selling & Marketing Expenses % Net Sales (Rp bn)



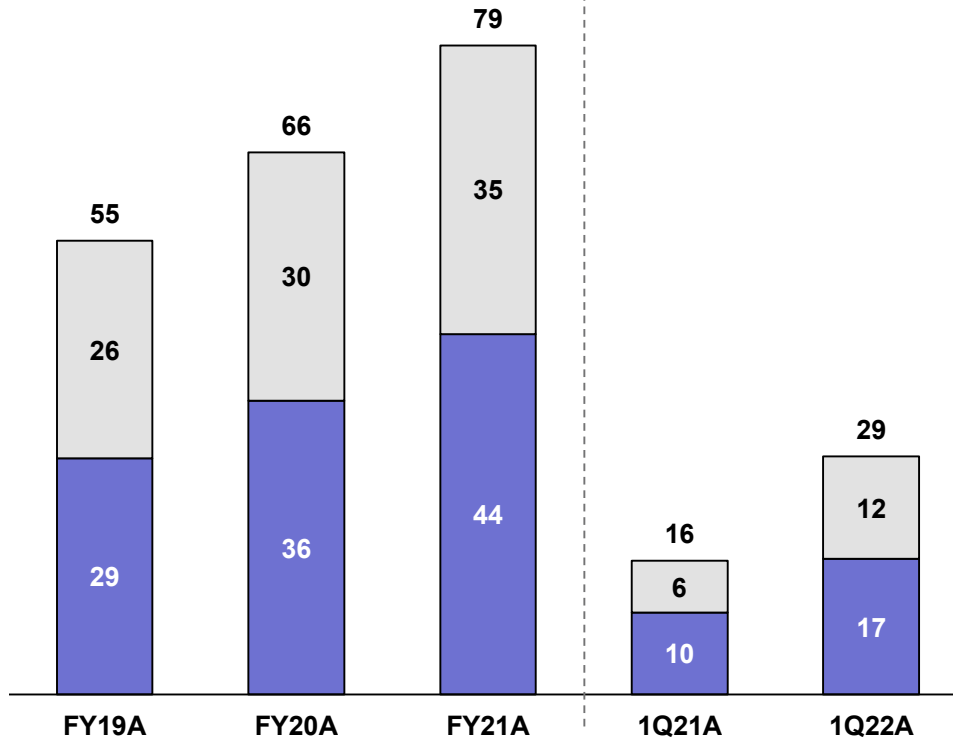
- Compared to 4Q21, lowered Selling & Marketing Expense as a % of Net Sales QoQ** as marketing efforts returned to a more normalized level
- Ongoing investments in Advertising, Promotion & Marketing in order to **promote brand adoption and new product launches**

General & administrative expenses



General & Administrative Expenses (Rp bn)

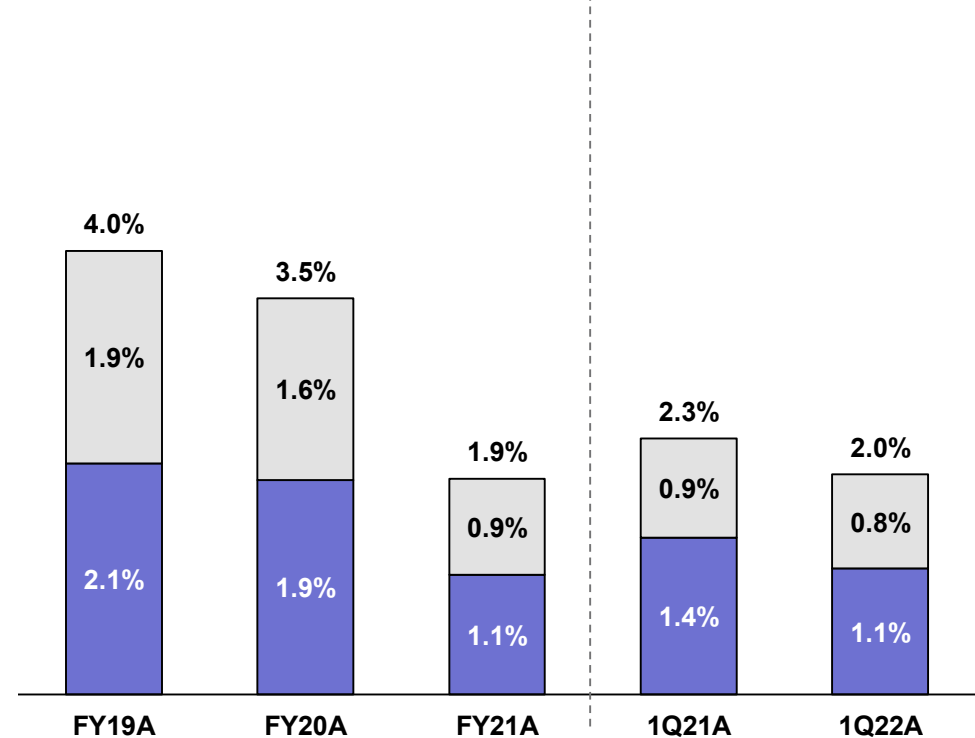
■ Salaries & Allowances
□ Others



- Year on year growth in Salaries & Allowances expenses as operations continue to expand to support top-line growth

General & Administrative Expenses % Net Sales (Rp bn)

■ Salaries & Allowances
□ Others

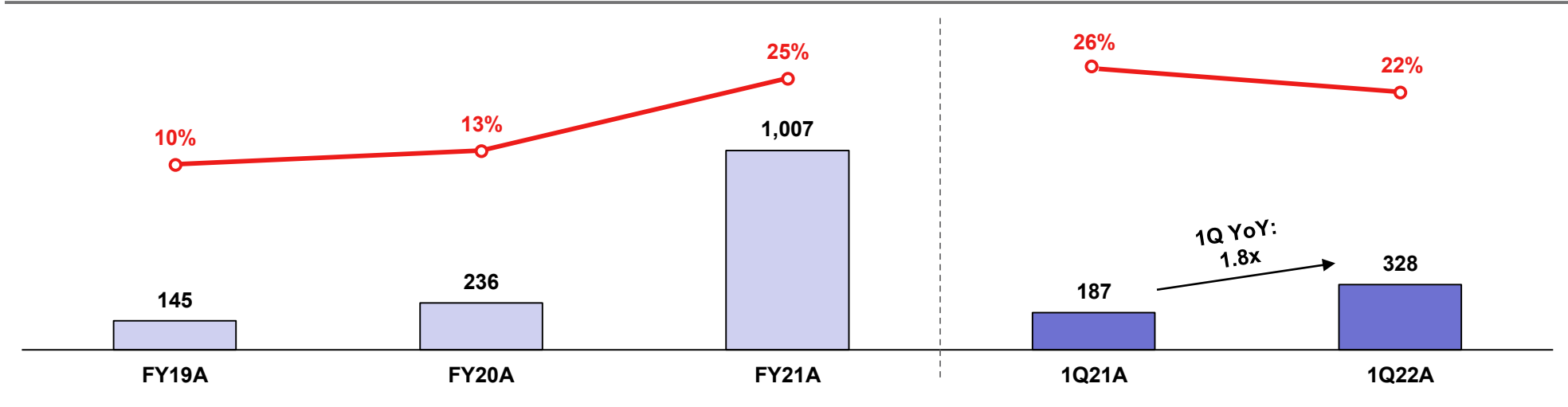


- Consistent **downward trend** in General & Administrative Expenses as a % of Net Sales owing to **significant operating leverage**

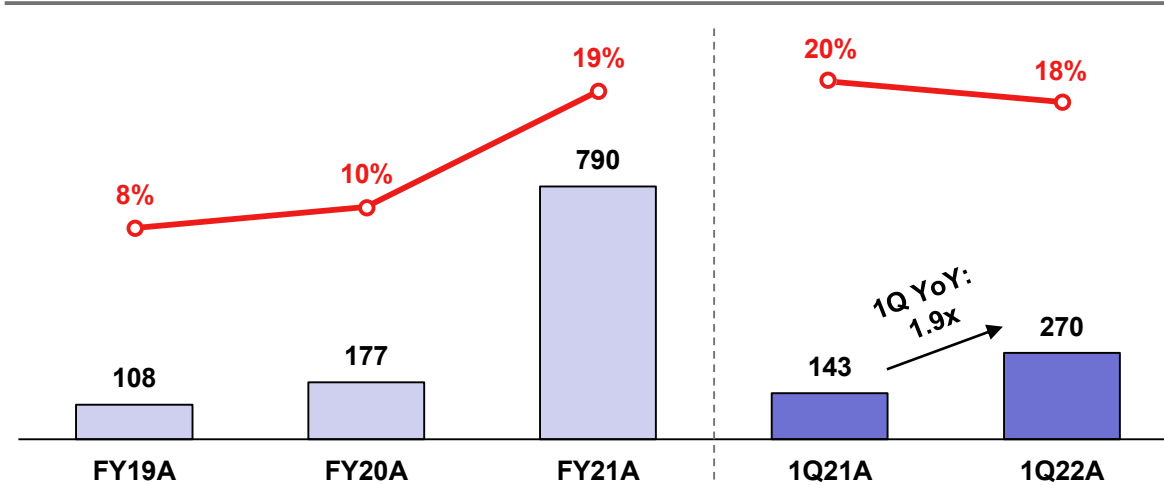
Operating & net profit



Operating Profit & Margin (Rp bn)



Net Profit & Margin⁽¹⁾ (Rp bn)



Commentary

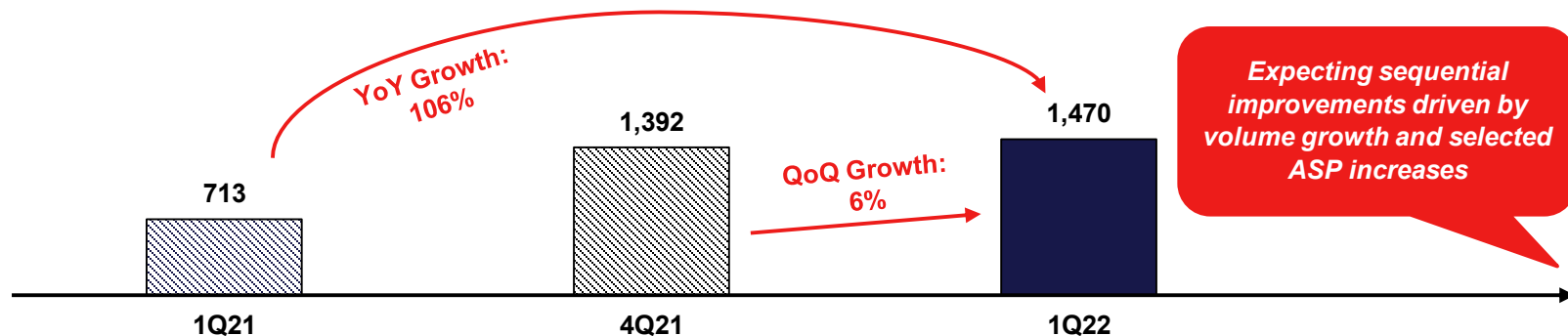
- **Strong top-line Net Sales growth** flowing into improved Net Profit
- **Significant Net Profit growth YoY** with 1Q22 almost double that of 1Q21

Note: (1) Net Profit excluding profit from discontinued operations.

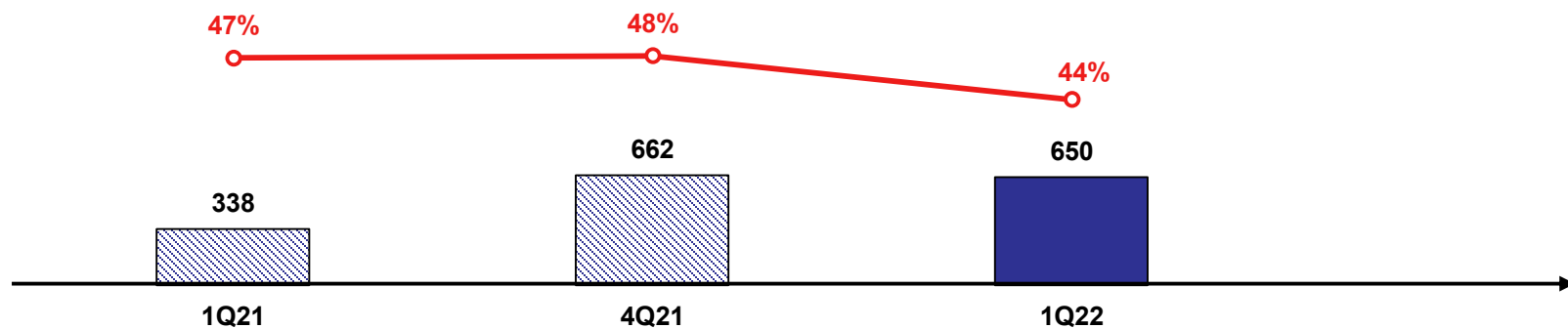
Quarterly performance



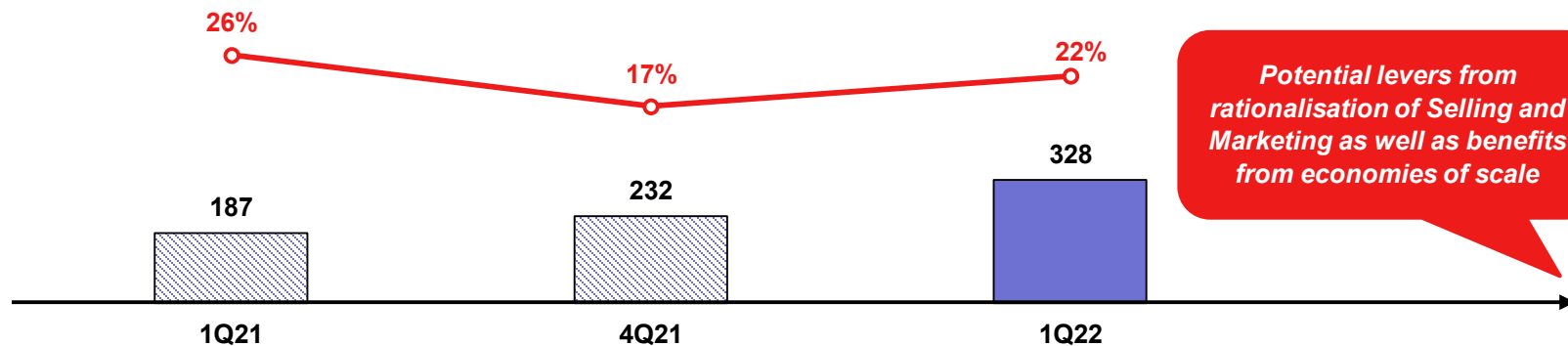
Net Sales



Gross Profit & Margin



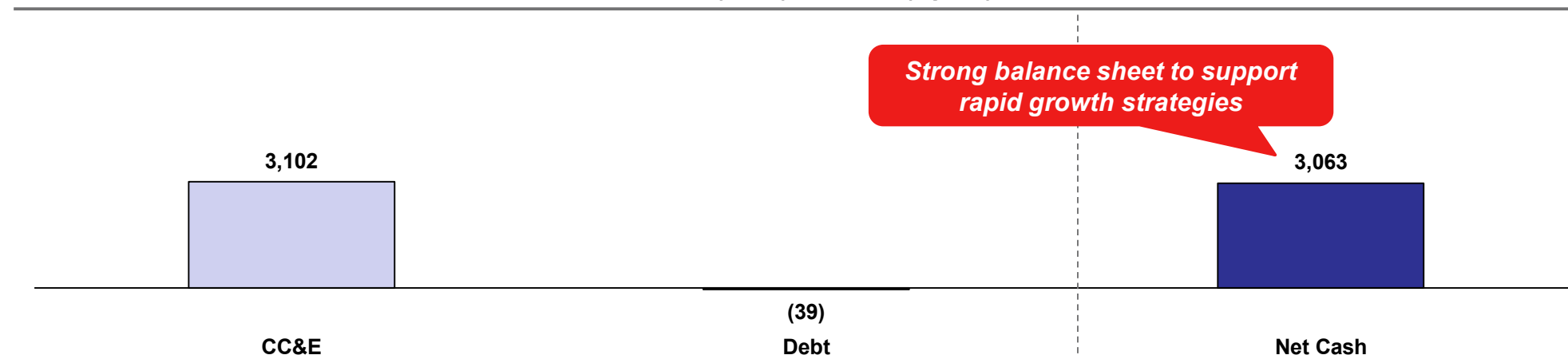
Operating Profit & Margin



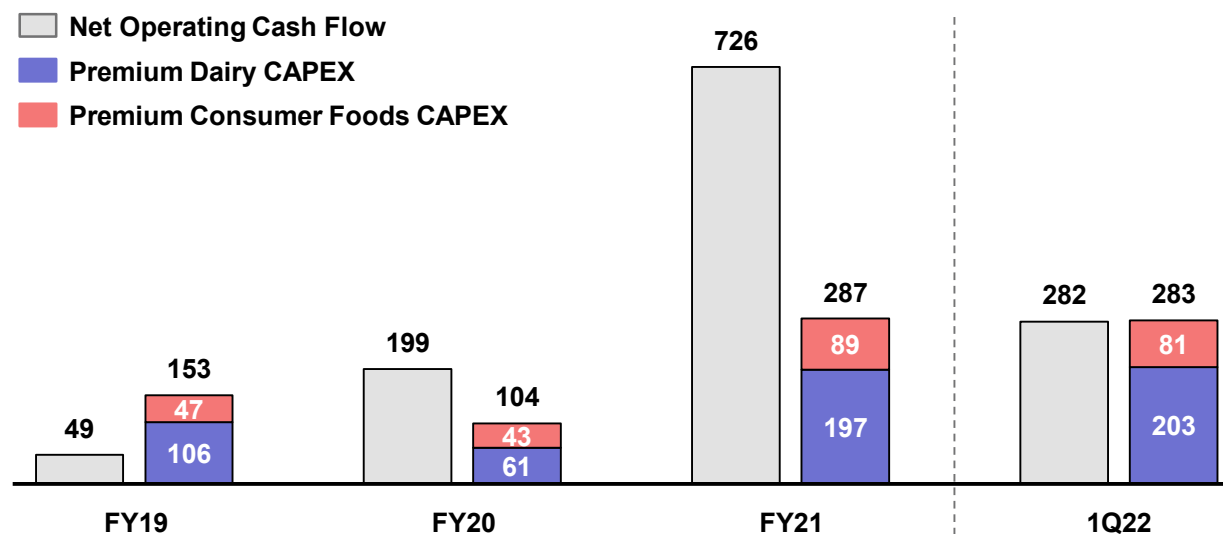
Balance sheet & cash flows



Net Cash (Debt) Position (Rp bn)



Net Operating Cash Flows vs Capital Expenditure (Rp bn)



Commentary

- Significant CAPEX investments made in 1Q22 towards **expansion of manufacturing capacity** to meet growing demand, in line with IPO Use of Proceeds
- **Additional manufacturing lines** planned to come online in Q2 and Q4 of 2022
- Investments made in advance to **increase our Premium Consumer Foods segment manufacturing capacity**

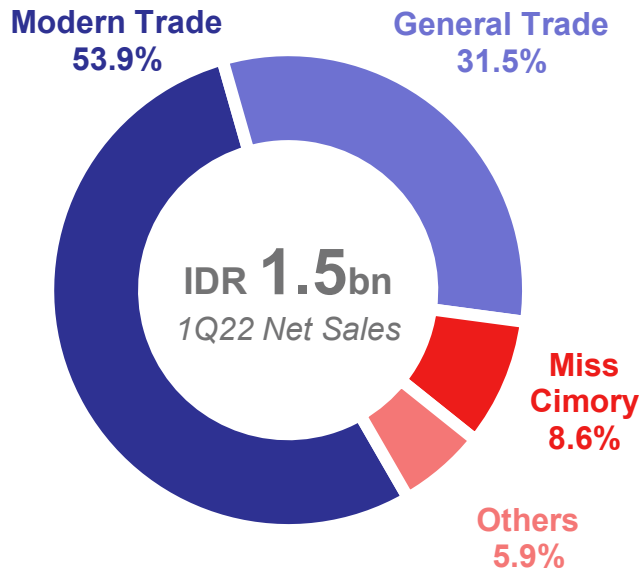
2 | Operational Performance



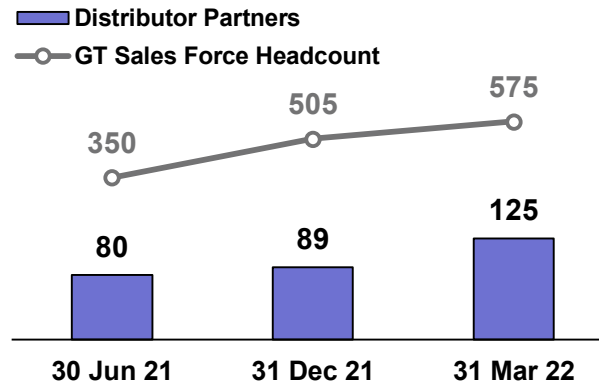
We have successfully executed our expansion plans across sales channels, particularly in GT and our exclusive MCM channel



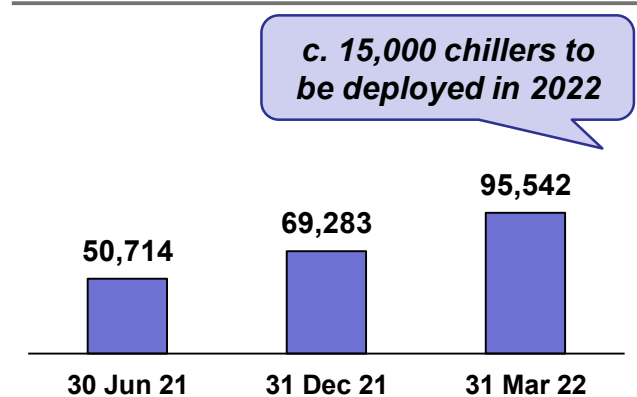
General Trade (“GT”)



Sales Force & Distributor Network

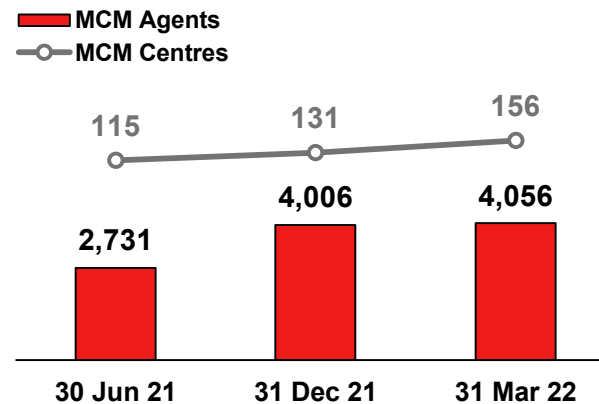


Outlet Footprint

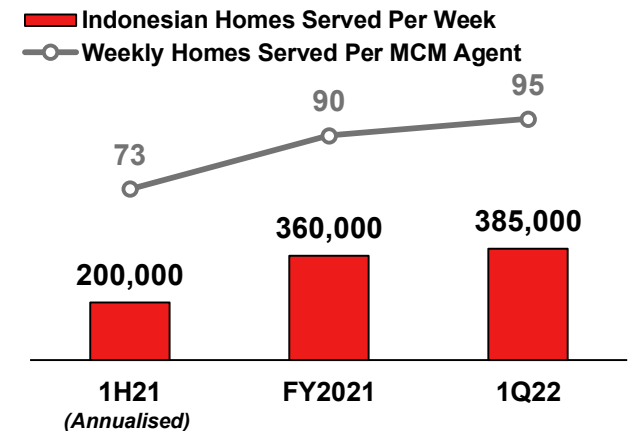


Miss Cimory (“MCM”)

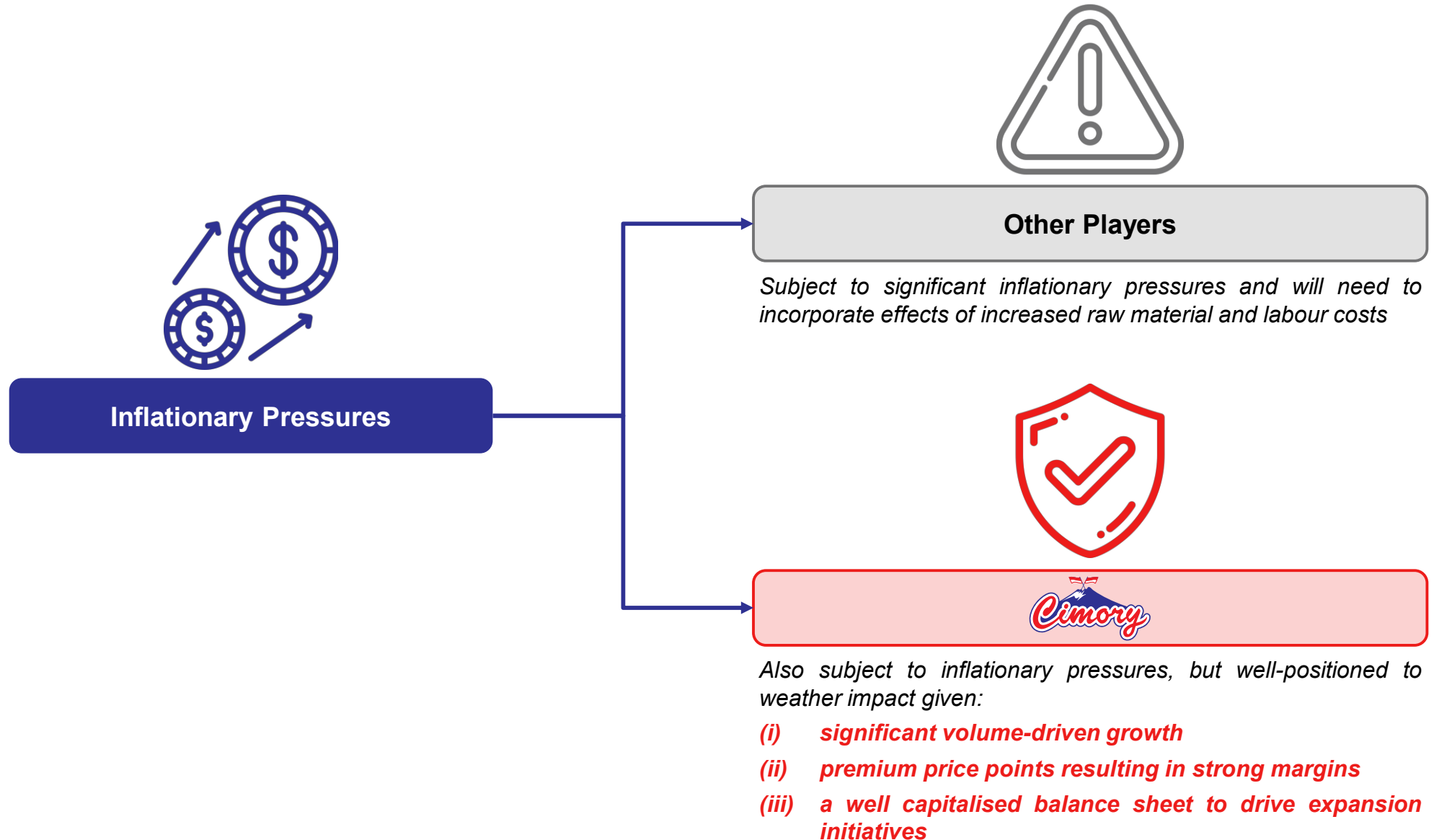
MCM Agents & Centres



MCM Reach



Cimory is well positioned to weather inflationary pressures which are impacting the dairy and meat sectors...



...while still continuing to invest in channel growth and production capacity expansion in order to drive top-line growth



Channel Growth

Well positioned to take up shelf space vacated by competitors, and continue investing heavily across our fast-growing MCM and GT channels



Capacity Expansion

We will continue to expand our production capacity and improve service levels in order to meet the significant demand across our product lines

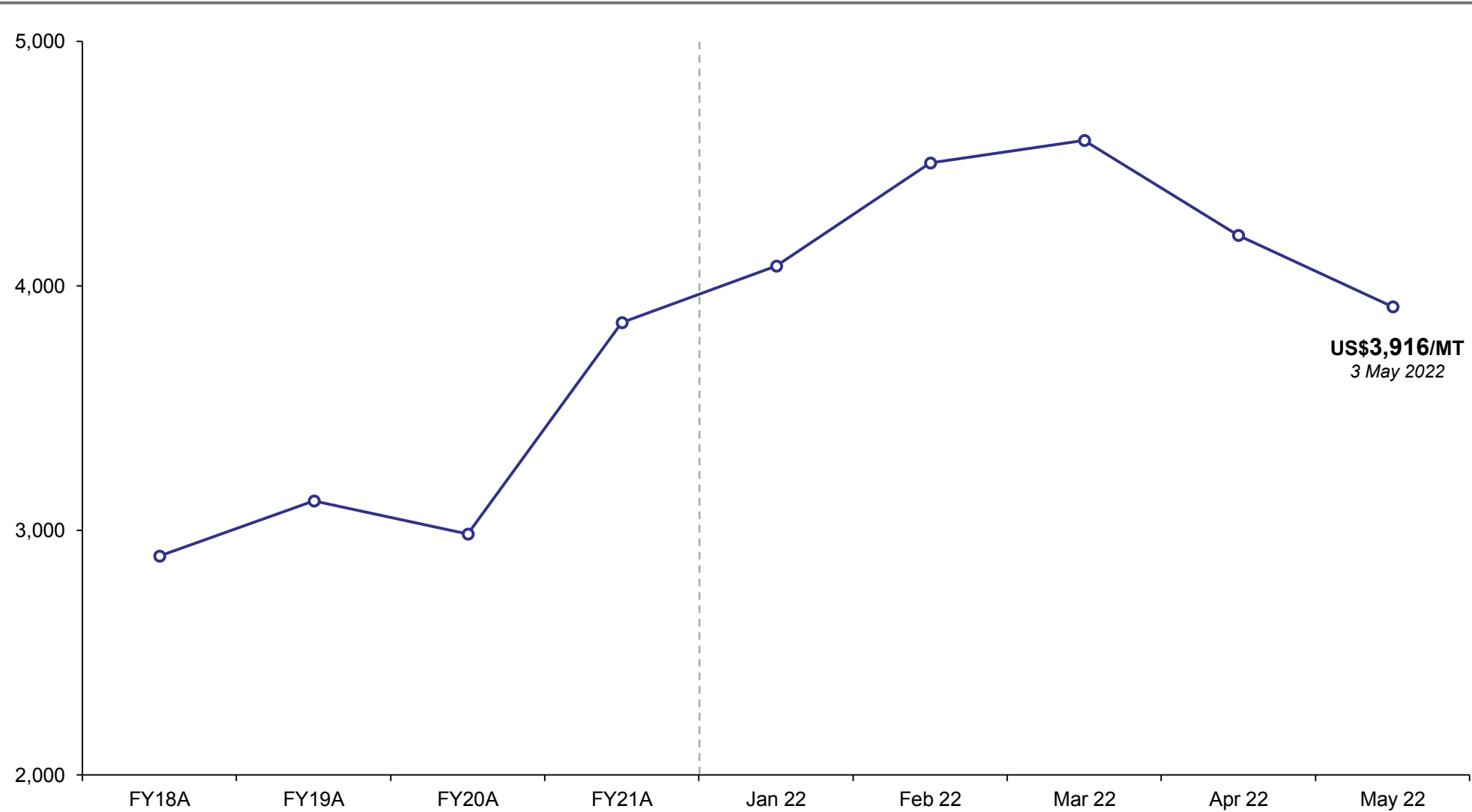


Continued Top-Line Growth

Price of raw materials have begun to normalise, which if sustained will result in a positive impact on our Gross Margins



Whole Milk Powder Prices (US\$/MT)¹



Note: 1) Per Global Dairy Trade as at 3 May 2022.

3 | Key Takeaways



Key takeaways



1

Rapid top-line Net Sales expansion in 1Q22 of 106% YoY compared to 1Q21, driven primarily by volume-based growth

2

Robust Net Sales growth coupled with comparative advantage in mitigating inflationary pressures resulted in strong nominal net profit performance

3

Selective ASP increases expected to be adopted in 3Q22 in order to sustain our gross margins

4

Further investments made to grow our manufacturing capabilities, with additional capacity for UHT and Premium Consumer Foods in FY22

5

Initiatives to deepen our channel penetration have positioned us for sustained long-term growth



