



**FOR IMMEDIATE RELEASE**

## **First Resources posts earnings of US\$146.6 million and sales of US\$980.6 million in FY2023**

- *Achieves new production record of 3,584,486 tonnes of FFB harvested, topping previous year's production high*
- *Proposes a final ordinary dividend of 3.70 Singapore cents per share*

### **FINANCIAL HIGHLIGHTS (12 months ended 31 December)**

<b>US\$' million</b>	<b>FY2023</b>	<b>FY2022</b>	<b>Change</b>
<b>Sales</b>	980.6	1,225.4	(20.0%)
<b>Gross Profit</b>	363.0	629.3	(42.3%)
<b>EBITDA <sup>(1)</sup></b>	282.0	508.8	(44.6%)
<b>Net Profit <sup>(2)</sup></b>	145.4	325.2	(55.3%)
<b>Underlying Net Profit <sup>(3)</sup></b>	146.6	334.2	(56.1%)

<sup>(1)</sup> Profit from operations before depreciation, amortisation, expected credit losses and gains/(losses) arising from changes in fair value of biological assets.

<sup>(2)</sup> Profit attributable to owners of the Company.

<sup>(3)</sup> Profit attributable to owners of the Company excluding expected credit losses and gains/(losses) arising from changes in fair value of biological assets.

**Singapore, 29 February 2024 – First Resources Limited (“First Resources” or the “Group”)** posted EBITDA of US\$282.0 million and underlying net profit of US\$146.6 million on the back of US\$980.6 million in sales for the 12 months ended 31 December 2023 (“FY2023”).

The Group’s financial performance was impacted by a moderation in market prices, with average crude palm oil (“CPO”) prices on a free-on-board (“FOB”) Belawan basis declining from its historical high of US\$1,239 per tonne in the previous fiscal year to US\$900 per tonne in FY2023. The effects of softer CPO prices were partially mitigated by an improvement in the overall sales volume achieved by the Group during the year.

On the production front, the Group had a record production year in FY2023, with fresh fruit bunches (“FFB”) harvested reaching a new high of 3,584,486 tonnes, topping the previous year’s record of 3,566,191 tonnes, and FFB yield strengthening to 18.4 tonnes per hectare in FY2023 as compared to 18.2 tonnes per hectare in FY2022. CPO yield

increased from 4.1 tonnes per hectare in FY2022 to 4.2 tonnes per hectare in FY2023, while CPO production grew 8.0% year-on-year to 951,425 tonnes from a recovery in purchases of third-party crops during the year.

Having funded an acquisition of plantation assets towards the end of FY2023, the Group's financial position still remains strong, with gross gearing ratio at 0.17 times and cash and bank balance of US\$162.9 million as at 31 December 2023.

In line with the healthy set of results, the Board of Directors has proposed a final dividend of 3.70 Singapore cents per share for the financial year ended 31 December 2023, which will bring the full year ordinary dividend to 6.20 Singapore cents per share, representing 50% of the Group's underlying net profit.

**Mr Ciliandra Fangiono, CEO of First Resources**, said: *“With the easing of tightness in global vegetable oil supplies, palm oil prices averaged lower year-on-year in 2023 and have continued to be restrained by the relative pricing of competing oils. Looking ahead, global palm oil supply growth in 2024 is expected to be limited due to weather influences and the continued lack of new plantings across the industry. On the demand front, growing biodiesel mandates across the world, as well as Indonesia's own B35 biodiesel mandate, are key drivers for global vegetable oil demand and consumption.*

*“Amid global market uncertainties, the Group will continue to monitor developments in the regulatory and macro environment, including the geopolitical tensions in the Middle East and Eastern Europe, and their resulting impact on market prices.*

*“First Resources recently announced an acquisition of plantation assets comprising mills, plantations and unplanted land bank located in the Riau Province, Indonesia. The Group intends to replant the plantation assets in the ensuing years and anticipates that the integration of these assets will yield operational synergies and contribute positively to its overall performance in subsequent years.”*

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### **About First Resources Limited**

Established in 1992 and listed on the Singapore Exchange since 2007, First Resources is one of the leading palm oil producers in the region, managing over 200,000 hectares of oil palm plantations across the Riau, East Kalimantan and West Kalimantan provinces of Indonesia.

Our 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”). 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. This enables the Group to extract maximum value out of our upstream plantation assets. Our products are sold to both local and international markets.

First Resources is committed to the production of sustainable palm oil. Our sustainability strategy is centered upon maximising output while minimising adverse environmental and social impact from our operations. We will constantly strengthen our sustainability framework through regular benchmarking against industry standards and best practices.

For more information, please visit [www.first-resources.com](http://www.first-resources.com).

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