FIRST RESOURCES LIMITED
(Incorporated in Singapore)
(Company Registration No. 200415931M)

RESPONSES TO QUESTIONS RECEIVED FOR THE ANNUAL GENERAL MEETING 2025

The following questions were received from shareholders of First Resources Limited (the "**Company**", and together with its subsidiaries, the "**Group**") for the Company's Annual General Meeting ("**AGM**") on 28 April 2025. Accordingly, please find below the responses from the Company.

Question 1
Is the United States a significant export market for First Resources? Does the Company expect to be materially impacted by tariffs that were announced recently?

The Company's Response:

The recent escalation in trade tensions following the imposition of import tariffs by the United States (US) presents a major development to monitor in the global market landscape. The import tariffs cover a wide range of products including palm oil, though the US only accounts for approximately 2% of global palm oil consumption and is not a significant export market for First Resources. As such, the direct impact on the Company is not expected to be material.

In response to these measures, China has imposed reciprocal tariffs on US goods, including soybeans. As soybean and palm oil are part of the broader edible oils complex, developments in the soybean trade — particularly in a key market like China — could have spillover effects on palm and other vegetable oils, which may be used as substitutes for soybean oil. However, the extent and direction of such effects will likely depend on how supply chains, purchasing behaviour, and broader economic conditions evolve in the coming periods.

Amidst these developments, the macroeconomic effects of tariffs — including impacts on inflationary expectations, economic sentiment and crude oil prices — could also influence underlying global palm oil consumption and biodiesel demand. Given such uncertainties in the broader macro environment, First Resources will continue to focus on driving improvements in agricultural yields and operational efficiency.

Question 2
Would the recent weakening of the Indonesian Rupiah against the United States Dollar impact the company's earnings adversely?

The Company's Response:

Weakening of the Indonesian Rupiah (IDR) against the US Dollar (USD) may have the following potential effects on the Group's financial performance:

- **Revenue:** Export sales are denominated in USD, whilst domestic sales are billed in IDR. While domestic sales are billed in IDR, they are typically referenced off international market prices which are denominated in USD. This provides a natural partial hedge against IDR depreciation, which reduces the USD value of domestic sales upon translation.

- **Operating Costs:** The Group's operating cost base in Indonesia, such as wages and other locally incurred expenses, are denominated in IDR. When IDR weakens, these costs become cheaper in USD terms upon translation, improving operating margins.

- **Foreign Exchange Gains/Losses:** A weaker IDR can also result in foreign exchange gains from the revaluation of USD cash and bank balances and other monetary assets held by the Indonesian subsidiaries. Conversely, a weaker IDR can result in foreign exchange losses from the revaluation of USD loans and other monetary liabilities held by the Indonesian subsidiaries.

Question 3
Has Indonesia implemented its "B40" biodiesel programme?

The Company's Response:

Indonesia expanded its biodiesel programme from B35 to B40 in 2025, mandating a 40% palm oil blend in diesel fuel. As part of the implementation, the government has allocated 15.6 million kilolitres of biodiesel for distribution in 2025, up from approximately 13 million kilolitres in 2024.

The B40 initiative officially came into effect in January 2025. However, due to regulatory and logistical challenges, a transition period was provided until end of February 2025 to allow fuel distributors to adapt to the new requirements.

Question 4
Is the acquisition of PT Austindo Nusantara Jaya Tbk expected to be immediately accretive to earnings?

The Company's Response:

Based on the *pro forma* financial effects of the acquisition of PT Austindo Nusantara Jaya Tbk (ANJ), prepared using its FY2024 financial results, the acquisition is expected to be accretive to the Group's EBITDA but initially dilutive to its consolidated earnings per share (EPS). This is primarily due to the increase in interest costs associated with the debt financing used to fund the acquisition.

This impact is expected to improve over time as the Group integrates ANJ into its existing operations, realising cost efficiencies and benefiting from synergies arising from ANJ's crude palm oil and palm kernel production, which will enhance the certainty and reliability of feedstock supply to the Group's refining and processing capacity.

The acquisition aligns with the Group's long-term strategy to be an integrated plantation player with processing capabilities that add value to its upstream produce, ensuring sustainable growth and improved profitability as ANJ contributes positively to the Group's earnings in the years ahead.

BY ORDER OF THE BOARD
FIRST RESOURCES LIMITED

Victor Lai
Company Secretary
21 April 2025