



First Resources Limited

Annual General Meeting
27 April 2016

Delivering Growth and Returns





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Group Overview



A Fast-Growing Plantation Group...

Profile

- Established in 1992; listed on Singapore Exchange in Dec 2007
- Market Capitalisation of ~S\$3.1 billion as at 13 April 2015

Assets

- 207,575 ha of plantations
 - Nucleus: 178,338 ha
 - Plasma: 29,237 ha
- 13 palm oil mills
- Processing facilities
 - Refinery, fractionation & biodiesel plants (combined capacity of 850,000 tonnes p.a.)
 - Kernel crushing plant (capacity of 135,000 tonnes p.a.)

Locations

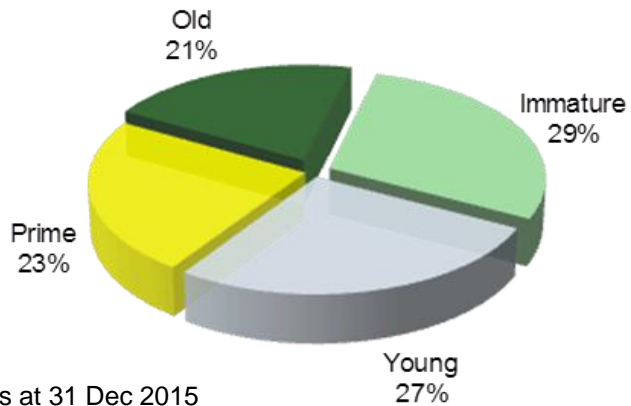
Plantations are located in the Riau, East Kalimantan and West Kalimantan provinces of Indonesia



With a Strong Growth Profile

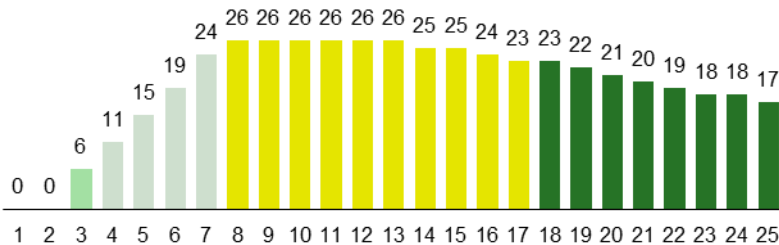
Strong growth expected from existing plantation assets due to young age profile

Young Plantation Profile



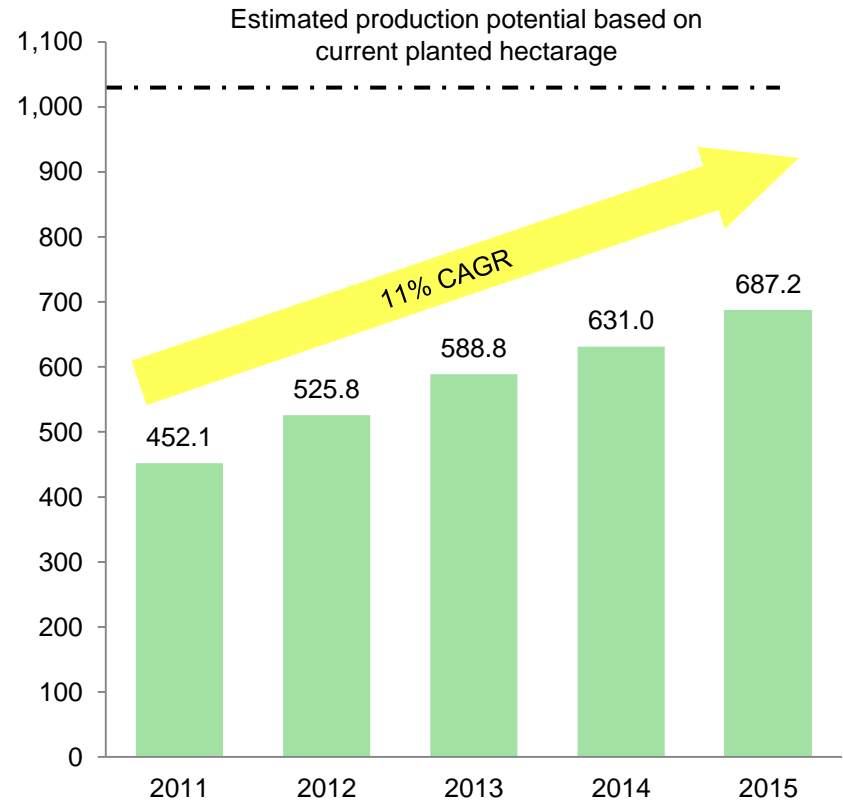
Prime Production from 8th – 17th year

FFB Yield vs. Tree Age (tonnes/ha)



Expected Growth from Existing Asset Base

CPO Production ('000 tonnes)



Growth Strategy: Building on our Core Expertise

Upstream Agri-Business Focus

- Develop and maintain high-quality plantation assets, and ensure optimal milling capacity in line with FFB production growth
- To achieve sustainable production growth

Active Cost Containment

- Maintain our low-cost structure through best-in-class operational efficiency and stringent cost management
- To achieve superior margins and greater resilience to price cycles by being at the low end of the industry cost curve

Responsible Cultivation

- Continuously strengthen our multi-faceted sustainability framework across the Group's entire operations
- To maximise market access through sustainable palm oil production



2015 Financial and Operational Highlights



Summary Performance – FY2015

Moderated Performance in a Challenging Operating Environment

■ Weaker Financial Performance

- EBITDA came in at US\$219.1m, a decrease of 26.9%
- Underlying net profit came in at US\$109.3m, a decrease of 36.3%
- Decline mainly due to lower average selling prices and lower sales volumes

■ Stronger Operational Performance

- Fresh fruit bunches (FFB) harvested increased by 13.6%
- CPO production increased by 8.9%
- Overall increase in production due to increase in mature hectarage and yield improvements
- Cash cost of production for nucleus CPO lowered to US\$204 per tonne (FY2014: US\$228)

Income Statement Highlights

US\$' million	FY2015	FY2014	Change
Sales	453.7	615.5	(26.3%)
Cost of sales	(202.4)	(292.1)	(30.7%)
Gross profit	251.2	323.4	(22.3%)
(Losses)/gains arising from changes in fair value of biological assets	(2.5)	1.9	<i>n.m.</i>
EBITDA ⁽¹⁾	219.1	299.7	(26.9%)
Net profit ⁽²⁾	107.9	173.4	(37.8%)
Underlying net profit ⁽³⁾	109.3	171.6	(36.3%)
Gross profit margin	55.4%	52.5%	↑
EBITDA margin	48.3%	48.7%	↓

(1) Profit from operations before depreciation, amortisation and gains/losses arising from changes in fair value of biological assets

(2) Profit attributable to owners of the Company

(3) Profit attributable to owners of the Company excluding net gains/losses arising from changes in fair value of biological assets

Balance Sheet Highlights





US\$' million	31 Dec 2015	31 Dec 2014
Total Assets	1,926.9	1,997.9
Cash and bank balances	205.4	350.9
Total Liabilities	881.5	882.1
Borrowings and debt securities ⁽¹⁾	495.0	583.1
Total Equity	1,045.4	1,115.8
Net Debt ⁽²⁾	289.6	232.2
Gross Debt ⁽¹⁾ /Total Equity	0.47x	0.52x
Net Debt ⁽²⁾ /Total Equity	0.28x	0.21x
Gross Debt ⁽¹⁾ /EBITDA	2.26x	1.95x
Net Debt ⁽²⁾ /EBITDA	1.32x	0.77x
EBITDA/Interest Expense ⁽³⁾	9.0x	15.5x

(1) Sum of Islamic MTNs and borrowings from financial institutions

(2) Borrowings and debt securities less cash and bank balances

(3) Total interest/profit distribution paid/payable on borrowings and debt securities

Operational Highlights

		FY2015	FY2014	Change
Production				
FFB harvested	(tonnes)	2,804,606	2,469,884	13.6%
• Nucleus		2,530,357	2,212,006	14.4%
• Plasma		274,249	257,878	6.3%
FFB purchased	(tonnes)	291,093	345,479	(15.7%)
CPO	(tonnes)	687,248	630,988	8.9%
PK	(tonnes)	160,021	145,811	9.7%
Efficiency				
FFB Yield	(tonnes/ha)	19.0	18.7	
CPO Yield	(tonnes/ha)	4.3	4.3	
CPO Extraction Rate	(%)	22.7	22.8	
PK Extraction Rate	(%)	5.3	5.3	

- FFB production grew due to increase in mature hectareage as well as yield improvements
- FFB yield increased due to recovery of nucleus plantations in Riau as well as better maturity profile
- Moderate CPO production growth due to lower purchases of FFB from third parties

Note: Data includes production contribution and mature hectareage from plantations that were acquired in 2015



Group Updates



Capital Investments in 2016

■ Plantation Development

- New planting of oil palms and rubber
- Maintenance of immature oil palm and rubber plantations

■ Property, Equipment and Others

- Infrastructure for plantation management

■ CPO mills

- Completion of the 14th mill in West Kalimantan by 3Q2016
- Commenced construction of the 15th mill in East Kalimantan
- Upgrading and maintenance of CPO mills

■ Others (Downstream, IT, Seed Garden)

Expected Capital Expenditure ~ US\$80 million



Appendix – Supplemental Information



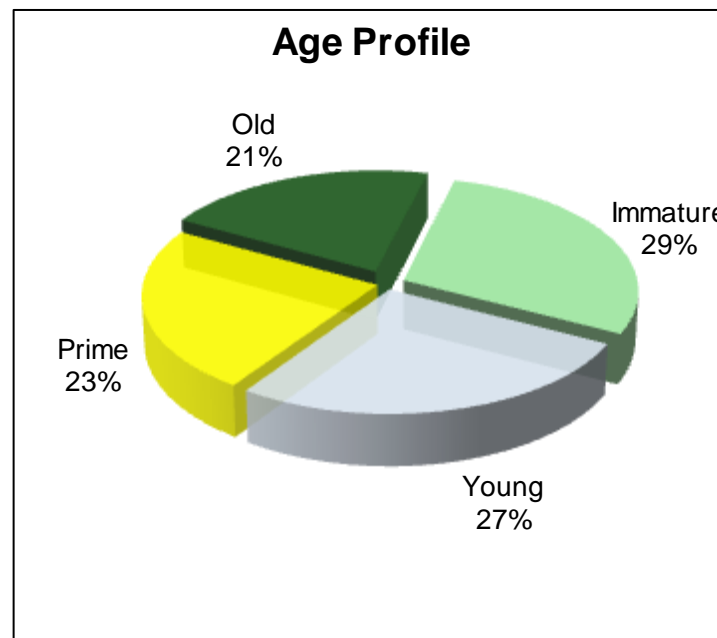
Oil Palm Plantation Area

	As at 31 Dec 2015		As at 31 Dec 2014	
	Area (ha)	% of Total	Area (ha)	% of Total
Planted Nucleus	178,338	86%	165,936	85%
- Mature	128,042	62%	114,377	59%
- Immature	50,296	24%	51,559	26%
Planted Plasma	29,237	14%	28,631	15%
- Mature	19,863	10%	17,843	9%
- Immature	9,374	4%	10,788	6%
Total Planted	207,575	100%	194,567	100%
- Mature	147,905	71%	132,220	68%
- Immature	59,670	29%	62,347	32%

Note: Data includes production contribution and mature hectareage from plantations that were acquired in 2015

Oil Palm Plantation Age Profile

Age	As at 31 Dec 2015	
	Area (ha)	% of Total
0-3 years (Immature)	59,670	29%
4-7 years (Young)	55,844	27%
8-17 years (Prime)	48,977	23%
≥ 18 years (Old)	43,084	21%
Total	207,575	100%



Weighted average age of ~ 9 years

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