

## **RESPONSE TO REPORT RELEASED BY CHAIN REACTION RESEARCH ON “SHADOW COMPANIES PRESENT PALM OIL INVESTOR RISKS AND UNDERMINE NDPE EFFORTS”**

First Resources Limited (“First Resources”) refers to the report released by Chain Reaction Research, titled “Shadow Companies Present Palm Oil investor Risks and Undermine NDPE Efforts” dated 21 June 2018.

The report suggests that First Resources and PT Ciliandry Anky Abadi are related parties, the latter whom they allege to have caused deforestation between 2016 and 2018. As such, minority investors and financiers of First Resources face reputation and market risks from PT Ciliandry Anky Abadi’s controversies.

First Resources wishes to clarify the following to all its stakeholders:

- a) PT Ciliandry Anky Abadi is not a subsidiary, an associated company, or a related party of First Resources.
- b) First Resources does not have any financial or operational relationship with PT Ciliandry Anky Abadi.
- c) The controlling shareholders of First Resources, Mr. Ciliandra Fangiono and his siblings, do not have any ownership, nor hold any management roles in PT Ciliandry Anky Abadi.
- d) First Resources has not purchased any palm oil products from PT Ciliandry Anky Abadi, and will not buy from any company that cannot prove that they are in compliance with First Resources’ sustainability policy.

First Resources has reached out to Chain Reaction Research to make the same clarifications with regards to the report.

First Resources wishes to reiterate that we remain committed to our sustainability policy, which includes our pledge to ‘No Deforestation, No Peat and No Exploitation’.

12 JULY 2018