



FIRST RESOURCES LIMITED

Unaudited Financial Statements for the Second Half (“2H”) and Full Year Ended 31 December 2020

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement and statement of comprehensive income or a statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group					
	FY 2020	FY 2019	Change	2H 2020	2H 2019	Change
	US\$'000	US\$'000	(%)	US\$'000	US\$'000	(%)
Sales	660,425	614,889	7.4%	382,213	321,856	18.8%
Cost of sales	(368,027)	(387,729)	(5.1%)	(203,898)	(179,353)	13.7%
Gross profit	292,398	227,160	28.7%	178,315	142,503	25.1%
Gains arising from changes in fair value of biological assets	3,870	7,913	(51.1%)	3,870	7,913	(51.1%)
Selling and distribution costs	(82,939)	(50,242)	65.1%	(52,011)	(28,247)	84.1%
General and administrative expenses	(26,818)	(29,662)	(9.6%)	(14,622)	(15,823)	(7.6%)
Other operating income/(expenses)	3,495	(592)	n.m.	3,495	436	701.6%
Profit from operations	190,006	154,577	22.9%	119,047	106,782	11.5%
(Losses)/gains on foreign exchange	(4,599)	181	n.m.	(5,254)	(47)	n.m.
Losses on derivative financial instruments	(10,806)	(808)	n.m.	(10,552)	(48)	n.m.
Losses arising from changes in fair value of unquoted investment	(1,371)	(4,900)	(72.0%)	(1,371)	(4,900)	(72.0%)
Net financial expenses	(16,070)	(16,067)	0.0%	(7,494)	(8,378)	(10.6%)
Other non-operating expenses	(321)	(1,782)	(82.0%)	(429)	(3,020)	(85.8%)
Profit before tax	156,839	131,201	19.5%	93,947	90,389	3.9%
Tax expense	(49,450)	(38,026)	30.0%	(32,117)	(27,605)	16.3%
Profit for the year/period	107,389	93,175	15.3%	61,830	62,784	(1.5%)
Profit attributable to:						
Owners of the Company	99,673	89,128	11.8%	56,425	59,873	(5.8%)
Non-controlling interests	7,716	4,047	90.7%	5,405	2,911	85.7%
	107,389	93,175	15.3%	61,830	62,784	(1.5%)

n.m. – not meaningful

1(a) An income statement and statement of comprehensive income (continued)

	Group					
	FY 2020	FY 2019	Change	2H 2020	2H 2019	Change
	US\$'000	US\$'000	(%)	US\$'000	US\$'000	(%)
Profit for the year/period	107,389	93,175	15.3%	61,830	62,784	(1.5%)
Other comprehensive income:						
Items that will not be reclassified subsequently to profit or loss						
Remeasurement (losses)/gains on defined benefits plan	(582)	342	n.m.	(582)	342	n.m.
Income tax effect	128	(86)	n.m.	128	(86)	n.m.
	(454)	256	n.m.	(454)	256	n.m.
Items that may be reclassified subsequently to profit or loss						
Fair value (losses)/gains on cash flow hedges	(55,403)	(123)	n.m.	(36,451)	4,394	n.m.
Fair value losses/(gains) on cash flow hedges transferred to the income statement	26,215	(2,688)	n.m.	15,116	(2,609)	n.m.
Foreign currency translation	(14,854)	58,565	n.m.	24,320	26,984	(9.9%)
	(44,042)	55,754	n.m.	2,985	28,769	(89.6%)
Other comprehensive income for the year/period, net of tax	(44,496)	56,010	n.m.	2,531	29,025	(91.3%)
Total comprehensive income for the year/period	62,893	149,185	(57.8%)	64,361	91,809	(29.9%)
Total comprehensive income attributable to:						
Owners of the Company	56,084	142,546	(60.7%)	58,359	87,518	(33.3%)
Non-controlling interests	6,809	6,639	2.6%	6,002	4,291	39.9%
	62,893	149,185	(57.8%)	64,361	91,809	(29.9%)

n.m. – not meaningful

1(a) An income statement and statement of comprehensive income (continued)

Additional Information

	Group					
	FY 2020	FY 2019	Change	2H 2020	2H 2019	Change
	US\$'000	US\$'000	(%)	US\$'000	US\$'000	(%)
EBITDA						
Profit from operations	190,006	154,577	22.9%	119,047	106,782	11.5%
Depreciation and amortisation	74,292	70,866	4.8%	38,302	37,117	3.2%
(Write-back of)/provision for expected credit losses	(1,237)	1,269	n.m.	(1,237)	1,269	n.m.
Gains arising from changes in fair value of biological assets	(3,870)	(7,913)	(51.1%)	(3,870)	(7,913)	(51.1%)
EBITDA	259,191	218,799	18.5%	152,242	137,255	10.9%
EBITDA margin	39.2%	35.6%		39.8%	42.6%	

	Group					
	FY 2020	FY 2019	Change	2H 2020	2H 2019	Change
	US\$'000	US\$'000	(%)	US\$'000	US\$'000	(%)
Underlying Net Profit						
Profit for the year/period	107,389	93,175	15.3%	61,830	62,784	(1.5%)
(Write-back of)/provision for expected credit losses	(966)	989	n.m.	(966)	989	n.m.
Gains arising from changes in fair value of biological assets	(3,019)	(5,935)	(49.1%)	(3,019)	(5,935)	(49.1%)
Losses arising from changes in fair value of unquoted investment	1,371	4,900	(72.0%)	1,371	4,900	(72.0%)
Underlying net profit for the year/period	104,775	93,129	12.5%	59,216	62,738	(5.6%)
Underlying net profit attributable to:						
Owners of the Company	97,059	89,082	9.0%	53,811	59,827	(10.1%)
Non-controlling interests	7,716	4,047	90.7%	5,405	2,911	85.7%
	104,775	93,129	12.5%	59,216	62,738	(5.6%)

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group		Company	
	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
	US\$'000	US\$'000	US\$'000	US\$'000
ASSETS				
Non-current assets				
Bearer plants	559,232	595,558	-	-
Plasma receivables	59,047	71,842	-	-
Property, plant and equipment	433,473	420,350	2,273	3,246
Land use rights	46,763	50,457	-	-
Investment in subsidiaries	-	-	876,081	751,081
Goodwill	83,172	84,393	-	-
Other intangible assets	29,216	29,950	-	-
Unquoted investment	-	1,371	-	1,371
Derivative financial assets	-	1,167	-	1,167
Tax recoverable	77,787	81,072	-	-
Deferred tax assets	44,998	59,139	-	-
Loan to subsidiary	-	-	-	124,125
Other non-current assets	484	493	-	-
Total non-current assets	1,334,172	1,395,792	878,354	880,990
Current assets				
Biological assets	29,576	25,952	-	-
Plasma receivables	543	1,022	-	-
Inventories	102,825	81,721	-	-
Trade receivables	78,038	42,386	-	1,143
Other receivables	3,089	2,812	229	286
Derivative financial assets	4,209	563	-	306
Advances for purchase of property, plant and equipment	2,465	8,539	-	-
Other advances and prepayments	4,149	3,142	82	1,369
Prepaid taxes	31,746	44,996	-	-
Restricted cash balances	4,065	42,989	9	41,849
Cash and cash equivalents *	191,040	59,022	18,649	4,496
Total current assets	451,745	313,144	18,969	49,449
Total assets	1,785,917	1,708,936	897,323	930,439

* As at 31 December 2020, the Group has bank overdrafts amounting to US\$172.3 million (31 December 2019: US\$81.8 million) which have been netted against cash at banks as the Group has the legal rights to set off the overdrafts against the cash at banks, which are with the same banks.

1(b)(i) A statement of financial position (continued)

	Group		Company	
	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
	US\$'000	US\$'000	US\$'000	US\$'000
LIABILITIES				
Current liabilities				
Trade payables	23,985	19,159	-	-
Other payables and accruals	40,767	35,136	2,255	3,308
Advances from customers	3,074	2,585	-	-
Loans and borrowings from financial institutions	85,221	48,147	83,340	45,010
Islamic medium term notes	99,441	146,554	99,441	146,554
Derivative financial liabilities	69,401	52,029	28,004	51,956
Provision for tax	26,637	10,846	57	787
Total current liabilities	348,526	314,456	213,097	247,615
Non-current liabilities				
Loans and borrowings from financial institutions	256,983	118,986	256,378	116,571
Islamic medium term notes	-	97,631	-	97,631
Derivative financial liabilities	3,974	27,007	3,974	27,007
Provision for post-employment benefits	34,636	27,425	-	-
Deferred tax liabilities	15,656	21,529	211	373
Total non-current liabilities	311,249	292,578	260,563	241,582
Total liabilities	659,775	607,034	473,660	489,197
Net assets	1,126,142	1,101,902	423,663	441,242
EQUITY				
Share capital	394,913	394,913	394,913	394,913
Differences arising from restructuring transactions involving entities under common control	35,016	35,016	-	-
Treasury shares	(5,572)	-	(5,572)	-
Other reserves	(105,121)	(62,040)	2,055	9,696
Retained earnings	744,337	676,423	32,267	36,633
Equity attributable to owners of the Company	1,063,573	1,044,312	423,663	441,242
Non-controlling interests	62,569	57,590	-	-
Total equity	1,126,142	1,101,902	423,663	441,242

1(b)(ii) Aggregate amount of group's borrowings and debt securities

- amount repayable in one year or less, or on demand
- amount repayable after one year

	Group					
	As at 31 Dec 2020			As at 31 Dec 2019		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Amount repayable in one year or less, or on demand	1,881	182,781	184,662	3,137	191,564	194,701
Amount repayable after one year	605	256,378	256,983	2,415	214,202	216,617
Total	2,486	439,159	441,645	5,552	405,766	411,318

Details of any collateral

Certain of the Group's bearer plants, land use rights and property plant and equipment are pledged to secure facilities from financial institutions.

As at 31 December 2020, the Group has undrawn committed unsecured credit facilities available of US\$ 100.0 million, which may be utilised for the Group's general corporate purposes.

Subsequent to 31 December 2020, the Group has obtained additional committed unsecured credit facilities of US\$150.0 million, which is available to be drawn down from July to October 2021 and may be utilised for the full refinancing of the Islamic medium term notes due in October 2021 as well as the Group's general corporate purposes.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group			
	FY 2020	FY 2019	2H 2020	2H 2019
	US\$'000	US\$'000	US\$'000	US\$'000
Cash flows from operating activities				
Profit before tax	156,839	131,201	93,947	90,389
Adjustments for:				
Depreciation of bearer plants and property, plant and equipment	71,869	68,745	35,882	36,062
Amortisation of land use rights and intangible assets	2,423	2,121	2,420	1,055
(Gains)/losses on disposal of bearer plants and property, plant and equipment	(410)	2,198	(303)	2,326
Financial expenses	17,374	17,627	8,129	9,083
Interest income	(1,304)	(1,560)	(635)	(705)
(Write-back of)/provision for expected credit losses	(1,237)	1,269	(1,237)	1,269
Gains arising from changes in fair value of biological assets	(3,870)	(7,913)	(3,870)	(7,913)
Losses on derivative financial instruments	10,806	808	10,552	48
Losses arising from changes in fair value of unquoted investment	1,371	4,900	1,371	4,900
Gains arising from changes in carrying value of plasma receivables	(4,676)	(2,744)	(4,676)	(2,744)
Operating cash flows before changes in working capital	249,185	216,652	141,580	133,770
Changes in working capital:				
Inventories	(21,453)	20,148	(14,642)	6,893
Receivables and other assets	(22,910)	(21,820)	(39,558)	(17,135)
Payables and other liabilities	20,811	(2,459)	22,342	1,136
Unrealised translation differences	4,898	598	4,997	2,407
Cash flows generated from operations	230,531	213,119	114,719	127,071
Financial expenses paid	(17,238)	(17,278)	(7,684)	(8,964)
Interest income received	1,413	1,660	644	824
Tax paid	(22,320)	(65,303)	(7,673)	(26,898)
Net cash generated from operating activities	192,386	132,198	100,006	92,033

1(c) Statement of cash flows (continued)

	Group			
	FY 2020	FY 2019	2H 2020	2H 2019
	US\$'000	US\$'000	US\$'000	US\$'000
Cash flows from investing activities				
Capital expenditure on bearer plants	(14,159)	(14,085)	(4,442)	(2,739)
Capital expenditure on property, plant and equipment	(62,080)	(98,445)	(26,723)	(75,194)
Decrease in advances for purchase of property, plant and equipment	5,760	10,925	801	19,085
Decrease/(increase) in plasma receivables	33,111	(5,839)	37,418	185
Additions to land use rights	(399)	(4,941)	(166)	(4,482)
Additions to other intangible assets	-	(8,485)	-	(8,485)
Additions to unquoted investment	-	(496)	-	(496)
Proceeds from disposal of bearer plants and property, plant and equipment	626	736	456	593
Net cash (used in)/generated from investing activities	(37,141)	(120,630)	7,344	(71,533)
Cash flows from financing activities				
Proceeds from bank loans	227,900	54,784	-	17,071
Repayment of bank loans	(50,417)	(27,917)	(22,917)	(14,167)
Payment of obligations under finance leases	(3,005)	(3,450)	(1,426)	(1,737)
Decrease/(increase) in restricted cash balances	38,924	1,551	(2,377)	3,506
Dividends paid	(33,081)	(33,317)	(13,443)	(10,075)
Repayment of Islamic medium term notes	(198,020)	-	-	-
Proceeds from equity contribution by non-controlling interests	-	19	-	-
Buy-back of ordinary shares	(5,572)	-	(4,178)	-
Net cash used in financing activities	(23,271)	(8,330)	(44,341)	(5,402)
Net increase in cash and cash equivalents	131,974	3,238	63,009	15,098
Effect of exchange rate changes on cash and cash equivalents	44	425	669	365
Cash and cash equivalents at the beginning of the financial year/period	59,022	55,359	127,362	43,559
Cash and cash equivalents at the end of the financial year/period	191,040	59,022	191,040	59,022
Add: Restricted cash balances	4,065	42,989	4,065	42,989
Total cash and bank balances	195,105	102,011	195,105	102,011

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Group	----- Attributable to owners of the Company -----						Non-controlling interests	Total equity
	Share capital	Differences arising from restructuring transactions involving entities under common control	Treasury shares	Other reserves	Retained earnings	Equity attributable to owners of the Company		
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000		
At 1 Jan 2020	394,913	35,016	-	(62,040)	676,423	1,044,312	57,590	1,101,902
Profit for the year	-	-	-	-	99,673	99,673	7,716	107,389
<u>Other comprehensive income</u>								
Remeasurement (losses)/gains on defined benefits plan	-	-	-	-	(508)	(508)	54	(454)
Net change in fair value of cash flow hedges	-	-	-	(29,188)	-	(29,188)	-	(29,188)
Foreign currency translation	-	-	-	(13,893)	-	(13,893)	(961)	(14,854)
Other comprehensive income for the year, net of tax	-	-	-	(43,081)	(508)	(43,589)	(907)	(44,496)
Total comprehensive income for the year	-	-	-	(43,081)	99,165	56,084	6,809	62,893
<u>Distributions to owners</u>								
Dividends paid	-	-	-	-	(31,251)	(31,251)	(1,830)	(33,081)
Buy-back of ordinary shares	-	-	(5,572)	-	-	(5,572)	-	(5,572)
Total transactions with owners in their capacity as owners	-	-	(5,572)	-	(31,251)	(36,823)	(1,830)	(38,653)
At 31 Dec 2020	394,913	35,016	(5,572)	(105,121)	744,337	1,063,573	62,569	1,126,142
At 1 Jan 2019	394,913	35,016	-	(115,119)	617,355	932,165	53,850	986,015
Profit for the year	-	-	-	-	89,128	89,128	4,047	93,175
<u>Other comprehensive income</u>								
Remeasurement gains/(losses) on defined benefits plan	-	-	-	-	339	339	(83)	256
Net change in fair value of cash flow hedges	-	-	-	(2,811)	-	(2,811)	-	(2,811)
Foreign currency translation	-	-	-	55,890	-	55,890	2,675	58,565
Other comprehensive income for the year, net of tax	-	-	-	53,079	339	53,418	2,592	56,010
Total comprehensive income for the year	-	-	-	53,079	89,467	142,546	6,639	149,185
<u>Distributions to owners</u>								
Dividends paid	-	-	-	-	(30,399)	(30,399)	(2,918)	(33,317)
<u>Changes in ownership interests in subsidiaries</u>								
Equity contribution by non-controlling interests	-	-	-	-	-	-	19	19
Total transactions with owners in their capacity as owners	-	-	-	-	(30,399)	(30,399)	(2,899)	(33,298)
At 31 Dec 2019	394,913	35,016	-	(62,040)	676,423	1,044,312	57,590	1,101,902

1(d)(i) Statement of changes in equity (continued)

Group	----- Attributable to owners of the Company -----						Non-controlling interests	Total equity
	Share capital	Differences arising from restructuring transactions involving entities under common control	Treasury shares	Other reserves	Retained earnings	Equity attributable to owners of the Company		
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000		
At 1 Jul 2020	394,913	35,016	(1,394)	(107,563)	700,033	1,021,005	58,397	1,079,402
Profit for the period	-	-	-	-	56,425	56,425	5,405	61,830
<u>Other comprehensive income</u>								
Remeasurement (losses)/gains on defined benefits plan	-	-	-	-	(508)	(508)	54	(454)
Net change in fair value of cash flow hedges	-	-	-	(21,335)	-	(21,335)	-	(21,335)
Foreign currency translation	-	-	-	23,777	-	23,777	543	24,320
Other comprehensive income for the period, net of tax	-	-	-	2,442	(508)	1,934	597	2,531
Total comprehensive income for the period	-	-	-	2,442	55,917	58,359	6,002	64,361
<u>Distributions to owners</u>								
Dividends paid	-	-	-	-	(11,613)	(11,613)	(1,830)	(13,443)
Buy-back of ordinary shares	-	-	(4,178)	-	-	(4,178)	-	(4,178)
Total transactions with owners in their capacity as owners	-	-	(4,178)	-	(11,613)	(15,791)	(1,830)	(17,621)
At 31 Dec 2020	394,913	35,016	(5,572)	(105,121)	744,337	1,063,573	62,569	1,126,142
At 1 Jul 2019	394,913	35,016	-	(89,346)	623,368	963,951	56,217	1,020,168
Profit for the period	-	-	-	-	59,873	59,873	2,911	62,784
<u>Other comprehensive income</u>								
Remeasurement gains/(losses) on defined benefits plan	-	-	-	-	339	339	(83)	256
Net change in fair value of cash flow hedges	-	-	-	1,785	-	1,785	-	1,785
Foreign currency translation	-	-	-	25,521	-	25,521	1,463	26,984
Other comprehensive income for the period, net of tax	-	-	-	27,306	339	27,645	1,380	29,025
Total comprehensive income for the period	-	-	-	27,306	60,212	87,518	4,291	91,809
<u>Distributions to owners</u>								
Dividends paid	-	-	-	-	(7,157)	(7,157)	(2,918)	(10,075)
Total transactions with owners in their capacity as owners	-	-	-	-	(7,157)	(7,157)	(2,918)	(10,075)
At 31 Dec 2019	394,913	35,016	-	(62,040)	676,423	1,044,312	57,590	1,101,902

1(d)(i) Statement of changes in equity (continued)

Company	Share capital	Treasury shares	Other reserves	Retained earnings	Total equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
At 1 Jan 2020	394,913	-	9,696	36,633	441,242
Profit for the year	-	-	-	26,885	26,885
<u>Other comprehensive income</u>					
Net change in fair value of cash flow hedges	-	-	(7,641)	-	(7,641)
Total comprehensive income for the year	-	-	(7,641)	26,885	19,244
<u>Distributions to owners</u>					
Dividends paid	-	-	-	(31,251)	(31,251)
Buy-back of ordinary shares	-	(5,572)	-	-	(5,572)
Total transactions with owners in their capacity as owners	-	(5,572)	-	(31,251)	(36,823)
At 31 Dec 2020	394,913	(5,572)	2,055	32,267	423,663
At 1 Jan 2019	394,913	-	12,507	40,877	448,297
Profit for the year	-	-	-	26,155	26,155
<u>Other comprehensive income</u>					
Net change in fair value of cash flow hedges	-	-	(2,811)	-	(2,811)
Total comprehensive income for the year	-	-	(2,811)	26,155	23,344
<u>Distributions to owners</u>					
Dividends paid	-	-	-	(30,399)	(30,399)
Total transactions with owners in their capacity as owners	-	-	-	(30,399)	(30,399)
At 31 Dec 2019	394,913	-	9,696	36,633	441,242
At 1 Jul 2020	394,913	(1,394)	202	17,710	412,825
Profit for the period	-	-	-	26,170	26,170
<u>Other comprehensive income</u>					
Net change in fair value of cash flow hedges	-	-	459	-	459
Total comprehensive income for the period	-	-	459	26,170	26,629
<u>Distributions to owners</u>					
Dividends paid	-	-	-	(11,613)	(11,613)
Buy-back of ordinary shares	-	(4,178)	-	-	(4,178)
Total transactions with owners in their capacity as owners	-	(4,178)	-	(11,613)	(15,791)
At 31 Dec 2020	394,913	(5,572)	2,055	32,267	423,663
At 1 Jul 2019	394,913	-	7,824	39,596	442,333
Profit for the period	-	-	-	4,194	4,194
<u>Other comprehensive income</u>					
Net change in fair value of cash flow hedges	-	-	1,872	-	1,872
Total comprehensive income for the period	-	-	1,872	4,194	6,066
<u>Distributions to owners</u>					
Dividends paid	-	-	-	(7,157)	(7,157)
Total transactions with owners in their capacity as owners	-	-	-	(7,157)	(7,157)
At 31 Dec 2019	394,913	-	9,696	36,633	441,242

1(d)(i) Statement of changes in equity (continued)

Other Reserves

Group	As at	
	31 Dec 2020	31 Dec 2019
	US\$'000	US\$'000
Capital reserve	(29,096)	(29,096)
Revaluation reserve	279	279
Gain on sale of treasury shares	10,322	10,322
Hedging reserve	(30,207)	(1,019)
Foreign translation reserve	(56,419)	(42,526)
Total other reserves	(105,121)	(62,040)

Company	As at	
	31 Dec 2020	31 Dec 2019
	US\$'000	US\$'000
Gain on sale of treasury shares	10,322	10,322
Hedging reserve	(8,660)	(1,019)
Foreign translation reserve	393	393
Total other reserves	2,055	9,696

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Company	
	31 Dec 2020	31 Dec 2019
Number of issued shares excluding treasury shares and subsidiary holdings of the Company		
At 1 July	1,582,684,469	1,584,072,969
Buy-back of ordinary shares	(4,534,000)	-
At 31 December	1,578,150,469	1,584,072,969
Number of treasury shares	5,922,500	-
Percentage of treasury shares	0.38%	-

There were no shares that may be issued upon conversion of any outstanding convertibles as at 31 December 2020 and 31 December 2019.

There were no subsidiary holdings as at 31 December 2020 and 31 December 2019.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year

The Company's total number of issued shares excluding treasury shares as at 31 December 2020 and 31 December 2019 were 1,578,150,469 and 1,584,072,969 respectively.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on

No treasury shares were sold, transferred, disposed, cancelled and/or used during the second half ended 31 December 2020.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on

Not applicable.

2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice

The financial statements presented above have not been audited or reviewed by the Company's auditor.

3. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of matter)

Not applicable.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

The accounting policies and methods of computation applied by the Group and Company are consistent with those used in the previous financial year except for the new and revised standards that are effective for annual periods beginning on or after 1 January 2020. The adoption of these standards has no significant impact to the Group and the Company.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Please refer to item 4 above.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	Group			
	FY 2020	FY 2019	2H 2020	2H 2019
Weighted average number of shares applicable to basic EPS computation	1,581,726,262	1,584,072,969	1,563,575,378	1,584,072,969
Weighted average number of shares based on fully diluted basis	1,581,726,262	1,584,072,969	1,563,575,378	1,584,072,969
EPS - basic (US cents)	6.30	5.63	3.61	3.78
EPS - diluted (US cents)	6.30	5.63	3.61	3.78

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

(a) current financial period reported on; and

(b) immediately preceding financial year

	Group		Company	
	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
	US\$	US\$	US\$	US\$
Net asset value per ordinary share	0.67	0.66	0.27	0.28

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

REVIEW OF GROUP FINANCIAL PERFORMANCE BY BUSINESS SEGMENT

SALES VOLUME

	FY 2020	FY 2019	Change	2H 2020	2H 2019	Change
	Tonne	Tonne	%	Tonne	Tonne	%
Plantations and Palm Oil Mills						
- Crude palm oil	870,433	844,626	3.1%	468,606	476,251	(1.6%)
- Palm kernel	195,634	191,096	2.4%	105,035	112,267	(6.4%)
Refinery and Processing	1,078,105	1,167,641	(7.7%)	602,455	604,353	(0.3%)

Note: Sales volume include inter-segment sales

SALES

	FY 2020	FY 2019	Change	2H 2020	2H 2019	Change
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Plantations and Palm Oil Mills						
- Crude palm oil	471,174	395,162	19.2%	249,817	219,863	13.6%
- Palm kernel	63,278	53,721	17.8%	35,372	29,257	20.9%
- Fresh fruit bunches	10,150	14,294	(29.0%)	4,977	7,162	(30.5%)
	544,602	463,177	17.6%	290,166	256,282	13.2%
Refinery and Processing	640,010	592,666	8.0%	367,648	307,837	19.4%
Inter-segment elimination	(524,187)	(440,954)	18.9%	(275,601)	(242,263)	13.8%
Total Sales	660,425	614,889	7.4%	382,213	321,856	18.8%

EBITDA

	FY 2020	FY 2019	Change	2H 2020	2H 2019	Change
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Plantations and Palm Oil Mills	235,829	177,050	33.2%	131,351	109,966	19.4%
Refinery and Processing	31,456	28,937	8.7%	21,519	25,895	(16.9%)
Inter-segment elimination	(8,094)	12,812	n.m.	(628)	1,394	n.m.
Total EBITDA	259,191	218,799	18.5%	152,242	137,255	10.9%

n.m. – not meaningful

8. Review of Group Performance (continued)

REVIEW OF INCOME STATEMENT

Overview

The Group recorded a net profit of US\$99.7 million in FY2020, a 11.8% increase against FY2019 and a 22.9% increase in profit from operations to US\$190.0 million. The Group's better financial results in FY2020 were boosted by the stronger palm oil prices, partially offset by lower sales volumes of palm based products.

For 2H2020, net profit declined by 5.8% to US\$56.4 million while profit from operations was up by 11.5% to US\$119.0 million from the effects of higher average selling prices.

Excluding the expected credit losses and gains/(losses) arising from changes in fair value of biological assets and unquoted investment, the underlying net profit for the Group would have increased by 9.0% and decreased by 10.1% for FY2020 and 2H2020 respectively.

Sales

Driven by the higher average selling prices, sales grew by 7.4% to US\$660.4 million and 18.8% to US\$382.2 million in FY2020 and 2H2020 respectively.

Cost of Sales

Cost of sales comprises mainly harvesting costs, plantation maintenance costs, plantation general expenses and processing costs, as well as fresh fruit bunches ("FFB") and other palm oil products purchased from plasma farmers or third parties. The Group's cost of sales decreased by 5.1% to US\$368.0 million in FY2020, mainly resulting from the lower sales volumes of palm based products. For 2H2020, cost of sales increased by 13.7% to US\$203.9 million, mainly due to the increased purchase of FFB and other palm oil products from third parties.

Gross Profit

Gross profit grew by 28.7% to US\$292.4 million in FY2020 with gross profit margin coming in at 44.3% (FY2019: 36.9%). For 2H2020, gross profit improved by 25.1% to US\$178.3 million with gross profit margin of 46.7% (2H2019: 44.3%). The better gross profit and gross profit margins were mainly driven by the higher average selling prices achieved.

Gains Arising From Changes in Fair Value of Biological Assets

The Group recognised gains arising from changes in fair value of biological assets amounting to US\$3.9 million in FY2020 and 2H2020, as compared to US\$7.9 million in the prior year. The fair value of biological assets as at balance sheet date is determined based on the expected net cash inflows of the agricultural produce (i.e. FFB) growing on bearer plants. The fair value gains recorded in 2020 was mainly due to the higher FFB price used in the valuation as compared to the previous year.

Selling and Distribution costs

Selling and distribution expenses increased to US\$82.9 million in FY2020 (FY2019: US\$50.2 million) and US\$52.0 million in 2H2020 (2H2019: US\$28.2 million), mainly due to the higher export taxes imposed on palm oil products in Indonesia during 2020.

EBITDA

The Group's EBITDA grew by 18.5% to US\$259.2 million and 10.9% to US\$152.2 million in FY2020 and 2H2020 respectively, primarily boosted by the higher average selling prices.

8. Review of Group Performance (continued)

REVIEW OF INCOME STATEMENT (continued)

(Losses)/Gains on Foreign Exchange

The Group recorded losses on foreign exchange of US\$4.6 million in FY2020 (FY2019: gains of US\$0.2 million) and US\$5.3 million in 2H2020 (2H2019: losses of US\$47,000). These arose mainly from the impact of foreign currency movements on monetary assets and liabilities of the subsidiaries.

Losses on Derivative Financial Instruments

The Group recorded losses on derivative financial instruments of US\$10.8 million in FY2020 (FY2019: US\$0.8 million) and US\$10.6 million in 2H2020 (2H2019: US\$48,000). These arose primarily from financial instruments entered into by the Group to hedge its exposure to commodity price and foreign currency movements during the course of its business.

Losses Arising From Changes in Fair Value of Unquoted Investment

The Group recognised losses arising from changes in fair value of unquoted investment amounting to US\$1.4 million in FY2020 and 2H2020 (FY2019 and 2H2019: US\$4.9 million), resulting from further deterioration in the financial position of the investee during the year.

Net Financial Expenses

	FY 2020	FY 2019	Change	2H 2020	2H 2019	Change
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Interest expenses and amortisation on loans and borrowings from financial institutions	9,228	5,474	68.6%	5,560	2,957	88.0%
Profit distribution and amortisation on Islamic medium term notes	8,146	12,153	(33.0%)	2,569	6,126	(58.1%)
	17,374	17,627	(1.4%)	8,129	9,083	(10.5%)
Interest income	(1,304)	(1,560)	(16.4%)	(635)	(705)	(9.9%)
Net financial expenses	16,070	16,067	0.0%	7,494	8,378	(10.6%)

Net financial expenses remained stable at US\$16.1 million in FY2020 (FY2019: US\$16.1 million). For 2H2020, net financial expenses decreased by 10.6% to US\$7.5 million, mainly due to the reduction in interest expenses from repayment of Islamic medium term notes, partially offset by the increase in interest expenses from drawdown of bank loans.

Tax Expense and Net profit

Tax expense came in at US\$49.5 million in FY2020 (FY2019: US\$38.0 million) and US\$32.1 million in 2H2020 (2H2019: US\$27.6 million), along with the higher taxable income of the Group. In addition, the effective tax rate for the year remained higher than the corporate tax rates in the countries where the Group operates as it included the effects of withholding tax expense on income received from foreign subsidiaries as well as deferred tax adjustments to take into consideration changes in tax rates enacted during the year.

As a result of the foregoing, profit attributable to owners of the Company increased by 11.8% to US\$99.7 million in FY2020 and decreased by 5.8% to US\$56.4 million in 2H2020.

8. Review of Group Performance (continued)

REVIEW OF BALANCE SHEET

Total assets of the Group increased from US\$1,708.9 million as at 31 December 2019 to US\$1,785.9 million as at 31 December 2020. Non-current assets decreased by 4.4% to US\$1,334.2 million, mainly due to the depreciation of bearer plants and property, plant and equipment as well as the weakening of Indonesian Rupiah (“IDR”) against United States Dollar (“USD”) during the year. These were partially offset by the Group’s capital expenditure on oil palm plantations, palm oil mills and other property, plant and equipment. The Group’s current assets increased by 44.3% to US\$451.7 million, mainly contributed by the higher cash and bank balances, trade receivables and inventories.

Total liabilities of the Group increased by 8.7% from US\$607.0 million as at 31 December 2019 to US\$659.8 million as at 31 December 2020, mainly from the increase in gross borrowings.

Gross borrowings increased by US\$30.3 million to US\$441.6 million as at 31 December 2020 (31 December 2019: US\$411.3 million), primarily due to a net drawdown of bank loans, partially offset by the repayment of Islamic medium term notes during the year.

Taking into consideration the increase in cash and bank balances during the year, net borrowings decreased from US\$309.3 million as at 31 December 2019 to US\$246.5 million as at 31 December 2020, with net gearing ratio at 0.22x (31 December 2019: 0.28x).

REVIEW OF CASH FLOW STATEMENT

The Group generated net cash of US\$192.4 million from its operating activities in FY2020 as compared to US\$132.2 million in FY2019. In 2H2020, net cash generated from operating activities amounted to US\$100.0 million as compared to US\$92.0 million in 2H2019. The higher cash generated from operating activities in 2020 were mainly contributed by the higher average selling prices and lower taxes paid, partially offset by the effects of net inventory build-ups in FY2020 and 2H2020, as compared to drawdowns in the comparative periods.

Net cash used in investing activities amounted to US\$37.1 million in FY2020 (FY2019: US\$120.6 million), primarily relating to the Group’s capital expenditure on oil palm plantations, palm oil mills and other property, plant and equipment. For 2H2020, net cash generated from investing activities amounted to US\$7.3 million as compared to net cash used of US\$71.5 million in 2H2019. The lower net cash used in investing activities in FY2020 and 2H2020 were mainly due to a reduction in capital expenditure on property, plant and equipment as well as an increase in proceeds from plasma receivables as compared to the preceding year.

Net cash used in financing activities amounted to US\$23.3 million in FY2020 (FY2019: US\$8.3 million) and US\$44.3 million in 2H2020 (2H2019: US\$5.4 million). The higher cash used in financing activities during FY2020 and 2H2020 included higher repayments for amortising bank loans and buy-back of shares by the Company.

Overall, the Group registered an increase in cash and cash equivalents of US\$132.0 million in FY2020, bringing the Group’s cash and bank balances to US\$195.1 million as at 31 December 2020.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

Lower-than-expected supply of palm and other edible oils, restocking of palm oil inventories by importing countries and Indonesia's continued commitment to its biodiesel mandate have contributed to the strong rally in palm oil prices during the second half of 2020.

Looking ahead, overall healthy rainfall in 2020 is expected to be conducive for production recovery in 2021. Progress in the COVID-19 situation, as well as other macro developments such as changes to the import and export tax structures in consuming and producing countries and the supply-demand dynamics of competing edible oils, will continue to exert an influence over palm oil prices.

11. Dividends

(a) Current financial period reported on

Any dividend declared for the current financial period reported on?

Yes.

Name of Dividend	Interim dividend	Proposed final dividend
Dividend Type	Cash	Cash
Dividend Amount per Share	1.00 Singapore cents	2.00 Singapore cents
Tax Rate	Tax-exempt, one-tier	Tax-exempt, one-tier

(b) Corresponding period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes.

Name of Dividend	Interim dividend	Final dividend
Dividend Type	Cash	Cash
Dividend Amount per Share	0.625 Singapore cents	1.725 Singapore cents
Tax Rate	Tax-exempt, one-tier	Tax-exempt, one-tier

(c) Date payable

Payment of the proposed final dividend, if approved by the members at the Annual General Meeting to be held on 29 April 2021, will be made on 18 May 2021.

11. Dividends (continued)

(d) Record date

Notice is hereby given that the Register of Members and Register of Transfers of the Company will be closed on 11 May 2021 for the preparation of dividend warrants.

Duly completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623, up to 5.00 p.m. on 10 May 2021 will be registered to determine shareholders' entitlements to the proposed final dividend. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 10 May 2021 will be entitled to the proposed final dividend.

12. If no dividend has been declared or recommended, a statement to that effect and the reason(s) for the decision

Not applicable.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect

Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
		US\$'000	US\$'000
Eight Capital Advisors Pte. Ltd.	Associate of Eight Capital Inc.	-	303
PT Surya Dumai Industri	Associate of Ciliandra Fangiono & Fang Zhixiang	-	293
PT Riau Agung Karya Abadi	Associate of Ciliandra Fangiono & Fang Zhixiang	874	7,443
PT Marsam Citra Adi Perkasa	Associate of Ciliandra Fangiono & Fang Zhixiang	2,795	10,737
PT Ketapang Hijau Lestari	Associate of Ciliandra Fangiono & Fang Zhixiang	1,787	6,103
PT Borneo Bhakti Sejahtera	Associate of Ciliandra Fangiono & Fang Zhixiang	3,101	15,281
PT Setia Agro Utama	Associate of Ciliandra Fangiono & Fang Zhixiang	41	-
Prinsep Management Limited	Associate of Ciliandra Fangiono & Fang Zhixiang	7,160	-
Total		15,758	40,160

14. **Confirmation of Directors and Executive Officers' Undertakings pursuant to Rule 720(1) of the Listing Manual**

The Company hereby confirms that it has procured undertakings from its directors and executive officers under Rule 720(1) of the Listing Manual.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

15. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

	Plantations and Palm Oil Mills	Refinery and Processing	Elimination	Total
FY 2020	US\$'000	US\$'000	US\$'000	US\$'000
Sales:				
External customers	20,415	640,010	-	660,425
Inter-segment	524,187	-	(524,187)	-
Total sales	544,602	640,010	(524,187)	660,425
Results:				
EBITDA	235,829	31,456	(8,094)	259,191
Depreciation and amortisation	(67,212)	(7,080)	-	(74,292)
Gains arising from changes in fair value of biological assets	3,870	-	-	3,870
Write-back of expected credit losses	1,237	-	-	1,237
Profit from operations	173,724	24,376	(8,094)	190,006
Losses on foreign exchange				(4,599)
Losses on derivative financial instruments				(10,806)
Net financial expenses				(16,070)
Losses arising from changes in fair value of unquoted investment				(1,371)
Other non-operating expenses				(321)
Profit before tax				156,839

15. **Segmented revenue and results for business or geographical segments (continued)**

	Plantations and Palm Oil Mills	Refinery and Processing	Elimination	Total
FY 2019	US\$'000	US\$'000	US\$'000	US\$'000
Sales:				
External customers	22,223	592,666	-	614,889
Inter-segment	440,954	-	(440,954)	-
Total sales	463,177	592,666	(440,954)	614,889
Results:				
EBITDA	177,050	28,937	12,812	218,799
Depreciation and amortisation	(63,544)	(7,322)	-	(70,866)
Gains arising from changes in fair value of biological assets	7,913	-	-	7,913
Provision for expected credit losses	(1,269)	-	-	(1,269)
Profit from operations	120,150	21,615	12,812	154,577
Gains on foreign exchange				181
Losses on derivative financial instruments				(808)
Net financial expenses				(16,067)
Losses arising from changes in fair value of unquoted investment				(4,900)
Other non-operating expenses				(1,782)
Profit before tax				131,201

16. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Not applicable.

17. **A breakdown of sales**

	Group		
	FY 2020	FY 2019	Change
	US\$'000	US\$'000	%
Sales reported for first half year	278,212	293,033	(5.1%)
Profit after tax before deducting non-controlling interests reported for first half year	45,559	30,391	49.9%
Sales reported for second half year	382,213	321,856	18.8%
Profit after tax before deducting non-controlling interests reported for second half year	61,830	62,784	(1.5%)

18. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

	FY 2020		FY 2019	
	S\$'000	US\$'000 equivalent	S\$'000	US\$'000 equivalent
Ordinary – Interim (paid)	15,823	11,613	9,900	7,157
Ordinary – Final (paid)	-	-	27,301	19,638
Ordinary – Final (proposed)	31,563	23,877*	-	-
Total	47,386	35,490	37,201	26,795

* Based on SGD/USD exchange rate of 1.3219.

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Ciliandra Fangiono	44	Brother of Fang Zhixiang (Director and Deputy Chief Executive Officer)	Director and Chief Executive Officer since 2007 - Responsible for overall management and strategic initiatives of the Group	No change
Fang Zhixiang	43	Brother of Ciliandra Fangiono (Director and Chief Executive Officer)	Deputy Chief Executive Officer since 2007 - Responsible for the Group's daily operations, including new plantations development Director since 2014	No change

BY ORDER OF THE BOARD

Ciliandra Fangiono
Director and Chief Executive Officer
26 February 2021