IOI GROUP

IOI CORPORATION BERHAD

FY2025 1st Quarter
Group Results Summary

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1. FINANCIAL RESULTS

Profit or Loss - Qtr on Qtr & Year-to-Date

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(in RM' million)

	Q1 FY25	Q1 FY24	% change	YTD FY25 3 months	YTD FY25 3 months	% change
Revenue	2,673.2	2,204.2	21%	2,673.2	2,204.2	21%
EBIT	**472.2**	**393.2**	**20%**	**472.2**	**393.2**	**20%**
Profit before tax	808.6	367.8	120%	808.6	367.8	120%
Profit after tax	**719.3**	**305.8**	**135%**	**719.3**	**305.8**	**135%**

Segment Results - Qtr on Qtr & Year-to-Date

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(in RM' million)

	Q1 FY25	Q1 FY24	% change	YTD FY25 3 months	YTD FY24 3 months	% change
Total Plantation	370.0	330.8	12%	370.0	330.8	12%
Total Manufacturing	107.9	57.7	87%	107.9	57.7	87%
Total Others	0.3	1.4	-79%	0.3	1.4	-79%
Segment results	**478.2**	**389.9**	**23%**	**478.2**	**389.9**	**23%**

Q1 FY25 performance

Plantation

Higher profit was due mainly to higher CPO and PK prices realised as well as higher FFB production, partially offset by lower share of associates results.

Resource-based Manufacturing

Excluding the fair value gain on derivative financial instruments of RM70.3 million (Q1 FY2024 – RM1.3 million), the resource-based manufacturing segment reported an underlying profit of **RM37.6 million** for Q1 FY2025 which was 33% lower than the underlying profit of RM56.4 million for Q1 FY2024. The lower profit was due mainly to lower sales volume and margins from refining sub-segment, mitigated by higher sales volume and margins from oleochemical sub-segment and higher share of associate results.

2. OPERATING STATISTICS

Operating Statistics: Plantation (Qtr on Qtr)

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		Q1 FY25	Q1 FY24	% change	Q4 FY24	% change
CPO Price	**(RM/mt)**	**4,059**	**3,789**	**7%**	**4,118**	**-1%**
PK Price	(RM/mt)	2,699	2,100	29%	2,493	8%
FFB Production	**('000 mt)**	**760**	**734**	**4%**	**645**	**18%**
Average mature area	('000 Ha)	142	146	-3%	144	-1%
FFB Yield	(mt/Ha)	5.37	5.04	7%	4.47	20%
CPO Production	**('000 mt)**	**166**	**165**	**1%**	**143**	**16%**
CPO extraction rate	(%)	21.35%	21.82%	-2%	21.67%	-1%

Operating Statistics: Resource-based Manufacturing

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Sales Volume (Qtr on Qtr)

(in ‘000 mt)

	Q1 FY25	Q1 FY24	% change	Q4 FY24	% change
Oleochemical	158	138	14%	153	3%
Refinery	369	329	12%	342	8%

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3. PROSPECTS

Prospects

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Crude palm oil (“CPO”) price surged above RM5,000 per tonne at the beginning of November 2024. The price increase was driven by several factors, predominantly the higher demand in October from importing countries as Europe stocks up before the implementation of the European Union Deforestation Regulation and China's economic stimulus measures which were expected to boost its imports of edible oils. With that backdrop, we forecast CPO price to remain high at above RM4,500 per tonne during the next three months, supported by tighter palm oil supplies as we head towards the low crop season. However, concerns over lower demand due to high price coupled with the current CPO price premium over soybean oil price will exert some downward pressure on this high CPO price.

For our plantation segment, fresh fruit bunches (‘FFB”) production is projected to grow moderately compared to last financial year, despite the accelerated replanting programme in Sabah. The growth is expected to be driven by continued yield improvements in Peninsular Malaysia and increased FFB production from our maturing young palms in Sabah and Indonesia. Combined with the higher CPO price, we maintain a positive outlook on the plantation segment’s financial performance for the remaining periods of FY2025.

For our refinery and commodity marketing sub-segment, refining margins has improved due to higher CPO export tax announced by the Malaysian government effective 1 November 2024. However, the relatively high refined products price may affect demand in the coming months.

Prospects (cont'd)

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In the oleochemical sub-segment, the ongoing uncertainties surrounding global economic growth and escalating geopolitical tensions are expected to continue impacting market demand. Nonetheless, we have observed a recovery in the North Asia market, which should remain sustainable through Q2 FY2025. The normalizing freight and logistics costs are expected to positively support market demand. Our continuous effort to strive for operational excellence on cost control and plant efficiency will help mitigate challenges posed by lower demand and higher raw material price. Overall, we expect the performance of our oleochemical sub-segment for the remaining period of FY2025 to be satisfactory.

For our specialty fats sub-segment comprising our associate company, Bunge Loders Croklaan ("BLC"), the product margins have been very favourable and the company is expected to post record-high profit for the current financial year. In the last quarter, we mentioned the impending expiry of a lease over a refinery at Rotterdam which might affect BLC's operations in Europe. Fortunately, BLC has successfully renewed the lease for another year which aligns with the expected completion of its new bulk refinery plant complex in Amsterdam by early 2026.

The Malaysian Ringgit has strengthened against US Dollar ("USD") which has resulted in forex translation gain from our USD-denominated borrowings in Q1 FY2025. However, since then, the Ringgit has weakened significantly. Looking ahead, we anticipate volatility in the USD, influenced by the new US President's policies, the development of the US-China geopolitical tensions and the US interest rates.

Overall, the Group expects its operating and financial performance for the remaining quarters of FY2025 to be satisfactory.

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Thank you