



**IOI GROUP**

# **IOI CORPORATION BERHAD**

## **FY2024 4th Quarter Group Results Summary**



1. Financial results
2. Operating statistics
3. Prospects
4. Update on sustainability initiatives

# 1. FINANCIAL RESULTS



# Profit or Loss - Qtr on Qtr

(in RM million)

	Q4 FY24	Q4 FY23	% change
Revenue	2,539.6	1,950.7	30%
<b>Operating profit</b>	<b>341.7</b>	<b>191.2</b>	<b>79%</b>
Share of results of associates	90.7	101.9	-11%
Share of results of a joint venture	0.7	0.8	-13%
<b>Profit before interest and tax</b>	<b>433.1</b>	<b>293.9</b>	<b>47%</b>
Net finance costs	(28.9)	(29.3)	-1%
Net FX translation loss on foreign currency denominated borrowings and deposits	24.3	(171.5)	nm
<b>Profit before tax</b>	<b>428.5</b>	<b>93.1</b>	<b>360%</b>
Tax expense	(80.8)	(52.7)	53%
<b>Profit for the period</b>	<b>347.7</b>	<b>40.4</b>	<b>761%</b>
<b>Earning per share for profit attributable to owners of the parent (sen)</b>	<b>5.59</b>	<b>0.60</b>	<b>832%</b>

\*Note: nm = not meaningful



# Profit or Loss - Year-to-Date

(in RM million)

	YTD FY24 12 months	YTD FY23 12 months	% change
Revenue	9,603.6	11,583.8	-17%
<b>Operating profit</b>	<b>1,180.1</b>	<b>1,541.2</b>	<b>-23%</b>
Share of results of associates	350.9	272.8	29%
Share of results of a joint venture	4.3	1.5	187%
<b>Profit before interest and tax</b>	<b>1,535.3</b>	<b>1,815.5</b>	<b>-15%</b>
Net finance costs	(117.9)	(115.0)	3%
Net FX translation gain/(loss) on foreign currency denominated borrowings and deposits	(18.9)	(174.5)	-89%
<b>Profit before tax</b>	<b>1,398.5</b>	<b>1,526.0</b>	<b>-8%</b>
Tax expense	(282.2)	(396.0)	-29%
<b>Profit for the period</b>	<b>1,116.3</b>	<b>1,130.0</b>	<b>-1%</b>
<b>Earning per share for profit attributable to owners of the parent (sen)</b>	<b>17.88</b>	<b>17.95</b>	<b>0%</b>

# Segment Results - Qtr on Qtr



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(in RM million)	Q4 FY24	Q4 FY23	% change
<b>Plantation</b>			
- Operating profit	264.6	173.2	53%
- Associates	49.6	76.9	-36%
Note 1	314.2	250.1	26%
<b>Manufacturing</b>			
- Operating profit	100.4	21.6	365%
- Associates	41.1	25.0	64%
- Joint venture	0.7	0.8	-13%
Note 2	142.2	47.4	200%
Other operations	0.1	(2.0)	nm
<b>Segment results</b>	<b>456.5</b>	<b>295.5</b>	<b>54%</b>
Other unallocated corporate expense	(23.4)	(1.6)	1363%
<b>Profit before interest and tax</b>	<b>433.1</b>	<b>293.9</b>	<b>47%</b>
<b>Note 1:</b> FV gain/(loss) on biological assets and derivative financial instruments ("DFI")			
	6.0	(2.3)	nm
Reversal of impairment loss on plasma receivables	13.2	-	nm
Underlying operating profit	295.0	252.4	17%
<b>Note 2:</b> FV gain on derivative financial instruments ("DFI")			
	61.9	12.6	391%
Underlying operating profit	80.3	34.8	131%

\*Note: nm = not meaningful

# Segment Results - Year to Date



IOI GROUP

(in RM million)	YTD FY24 12 months	YTD FY23 12 months	% change
<b>Plantation</b>			
- Operating profit	1,003.7	965.5	4%
- Associates	205.6	185.8	11%
Note 1	1,209.3	1,151.3	5%
<b>Manufacturing</b>			
- Operating profit	179.7	602.5	-70%
- Associates	145.3	87.0	67%
- Joint venture	4.3	1.5	187%
Note 2	329.3	691.0	-52%
Other operations	1.3	(1.1)	nm
<b>Segment results</b>	<b>1,539.9</b>	<b>1,841.2</b>	<b>-16%</b>
Other unallocated corporate net expense	(4.6)	(25.7)	-82%
<b>Profit before interest and tax</b>	<b>1,535.3</b>	<b>1,815.5</b>	<b>-15%</b>
<b>Note 1:</b> FV gain/(loss) on biological assets and DFI	8.0	(14.8)	nm
Impairment loss on plasma receivables	(5.5)	-	nm
Underlying operating profit	1,206.8	1,166.1	3%
<b>Note 2:</b> FV gain/(loss) on DFI	37.4	(58.1)	nm
Underlying operating profit	291.9	749.1	-61%

\*Note: nm = not meaningful



# Underlying PBT- Qtr on Qtr & Year-to-Date

(in RM million)

	Q4 FY24	Q4 FY23	% change	YTD FY24 12 months	YTD FY23 12 months	% change
<b>Profit before tax (“PBT”)</b>	<b>428.5</b>	<b>93.1</b>	<b>360%</b>	<b>1,398.5</b>	<b>1,526.0</b>	<b>-8%</b>
Net FX translation (gain)/loss on foreign currency denominated borrowings and deposits	(24.3)	171.5	nm	18.9	174.5	-89%
Net fair value (gain)/loss on biological assets	(5.6)	2.8	nm	(8.2)	17.6	nm
Net fair value gain on derivative financial instruments	(61.7)	(15.0)	311%	(34.3)	81.1	nm
(Reversal of impairment loss)/Impairment loss on plasma receivables	(13.2)	-	nm	5.5	-	nm
Gain on disposal of 10% equity interest of an associate	-	-	nm	-	(17.2)	nm
	<b>(104.8)</b>	<b>159.3</b>	<b>nm</b>	<b>(18.1)</b>	<b>256.0</b>	<b>nm</b>
<b>Underlying PBT</b>	<b>323.7</b>	<b>252.4</b>	<b>28%</b>	<b>1,380.4</b>	<b>1,782.0</b>	<b>-23%</b>

\*Note: nm = not meaningful



## 2. OPERATING STATISTICS

# Operating Statistics: Plantation (Qtr on Qtr)

		Q4 FY24	Q4 FY23	% change
<b>CPO Price</b>	<b>(RM/mt)</b>	<b>4,118</b>	<b>3,906</b>	<b>5%</b>
PK Price	(RM/mt)	2,493	2,099	19%
<b>FFB Production</b>	<b>(‘000 mt)</b>	<b>645</b>	<b>619</b>	<b>4%</b>
Average mature area	(‘000 Ha)	144	143	1%
FFB Yield	(mt/Ha)	4.47	4.34	3%
<b>CPO Production</b>	<b>(‘000 mt)</b>	<b>143</b>	<b>137</b>	<b>4%</b>
CPO extraction rate	(%)	21.67%	21.53%	1%

# Operating Statistics: Plantation (Year-to-Date)



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		YTD FY24 12 months	YTD FY23 12 months	% change
<b>CPO Price</b>	<b>(RM/mt)</b>	<b>3,856</b>	<b>4,118</b>	<b>-6%</b>
PK Price	(RM/mt)	2,210	2,233	-1%
<b>FFB Production</b>	<b>(‘000 mt)</b>	<b>2,804</b>	<b>2,686</b>	<b>4%</b>
Average mature area	(‘000 Ha)	145	143	1%
FFB Yield	(mt/Ha)	19.34	18.66	4%
<b>CPO Production</b>	<b>(‘000 mt)</b>	<b>625</b>	<b>581</b>	<b>8%</b>
CPO extraction rate	(%)	21.77%	20.92%	4%

## Sales Volume (Qtr on Qtr)

('000 mt)	Q4 FY24	Q4 FY23	% change
Oleochemical	153	137	12%
Refinery	342	335	2%

## Sales Volume (Year-to-Date)

('000 mt)	YTD FY24 12 months	YTD FY23 12 months	% change
Oleochemical	596	532	12%
Refinery	1,366	1,585	-14%

# **3. PROSPECTS**

Over the past two months, crude palm oil (“CPO”) price remains volatile. Moving forward, the anticipated better soybean harvest in the United States of America (“US”) and higher palm oil output would likely pose challenges to CPO price. Nevertheless, we expect higher demand from importing countries as Europe is stocking up before the implementation of European Union Deforestation Regulation (“EUDR”), combined with concerns over extreme weather and intensified geopolitical tensions disrupting supply chain, which will provide support to CPO price.

For our plantation segment, the fresh fruit bunches (“FFB”) production is projected to be higher in FY2025 compared to FY2024, despite the accelerated replanting programme in Sabah. The growth is expected to be driven by the continuing labour productivity improvement in Peninsular Malaysia and increased FFB production from our young trees. Consequently, CPO production cost is also anticipated to be lower than in FY2024. Overall, we hold a positive outlook on the plantation segment’s financial and operating performance in FY2025.

For our refinery and commodity marketing sub-segment, the outlook remains subdued due to low refining margins. This is largely due to overcapacity of refineries in Indonesia as well as the raw material price advantage from the country’s CPO export duty policy. However, we expect our refining margins to improve due to our capabilities in producing low contaminants oils and our focus on cost optimisation.

In the oleochemical sub-segment, the uncertainties surrounding global economic growth and geopolitical conflicts are expected to affect the market. However, we expect better performance for 1H FY2025 due to stock building by our European customers ahead of EUDR implementation on 30 December 2024. Although uncertainties still remain regarding EUDR, our strong ESG commitment coupled with our RSPO certified palm oil should be able to ensure compliance with EUDR and thus give us the competitive edge in the European market. Our strength in producing innovative products for the high value markets as well as our operational efficiencies will also give us a competitive edge.

For our specialty fats sub-segment comprising our associate company, Bunge Loders Croklaan (“BLC”), the market environment, being less dependent on the global economic growth, is expected to be more favourable in FY2025 as inflation continues to subside in most parts of the world. However, the expiry of a lease over a refinery in Rotterdam, from where BLC produces raw material oils for its specialty fats plant in Amsterdam, at the end of 2024 could pose challenges for its European business in securing raw material oils from other sources at reasonable prices. This is a short term challenge which will be resolved when its new bulk refinery plant complex in Amsterdam is completed around the fourth quarter of 2025.

The Malaysian Ringgit (“MYR”) has strengthened considerably against US Dollar in August 2024 which is expected to result in a significant foreign exchange translation gain on our USD-denominated borrowings in Q1 FY2025. Although it is difficult to forecast the MYR-USD exchange rate, we expect the Ringgit to be on a much stronger footing in FY2025 compared to FY2024 due to Malaysian economy’s strong growth during first half of 2024 and the widely-anticipated decline in US interest rates towards the end of 2024.

Overall, we expect the Group’s operating and financial performance for FY2025 to be resilient and satisfactory.

## **4. UPDATE'S ON SUSTAINABILITY INITIATIVES**



# Update on Policies, Regulations and Initiatives



IOI GROUP



**IOI Sustainability Policy (SP)** previously known as Sustainable Palm Oil Policy to reflect:

- Diversification in our agricultural products
- Strong Governance, Commitments to net-zero, robust labor monitoring system, Biodiversity ecosystem, water, etc. etc. enhancement

## EU Deforestation Regulation

- Moratorium on deforestation since 2016
- All our Malaysian mills are RSPO/MSPO certified (SG/IP)
- Traceable to our plantations

## Sustainability Initiatives

- IOI ESG Platform to manage our ESG data
- Biodiversity, Ecosystems & Enhancement Projects (BEEP) such as ReLeaf & Laran Projects, reforestation program in our Sabah & Kalimantan operations, etc.
- Completed the Online Assessment for Pre-alert Grievance System

**IOI's holistic Climate Transition Action Plan for 2024 to achieve our decarbonization targets.**



## Nature based Solution

- Undertake carbon sequestration accounting and monitoring of IOI's conservation set asides like riparian & buffer areas, peatland, etc
- Further intensifying rehabilitation efforts on degraded lands to increase sequestration value as well as enhance biodiversity



## Engineered Solution based on IOI's 7Rs of Circularity

- Intensifying generating renewable energy from methane captured from POME
- Increasing use of electrical agricultural machines & optimizing usage of green electricity through solar panels
- Improving process changes in both refineries & manufacturing to reduce GHG emissions



## Supply Chain Management

- Further engagement with suppliers on IOI's Pathway to Net Zero
- Include policies relating to climate change in IOI's Responsible Sourcing Guidelines

# Global Assessments, Ratings & Indices



IOI GROUP



FTSE4Good Score: Remains 3.6  
Governance Score: 5.0



Gold



Gold



ESG Score: C- to C

(1) Rank in sector – Food Emerging Market



Forest : B  
Water Security & Climate: C



ESG Rating : BBB  
(AAA to CCC)

**S&P Global  
Corporate  
Sustainability  
Assessment**

S&P Global ESG Score

**50**/100

Data Availability: ■ Very High

Score : 50  
Ranking : 85<sup>th</sup> percentile  
(0 to 100)<sup>(2)</sup>

(2) Higher percentile represents higher ESG score



ESG Score : 24.7 to 21.9 medium risk (0 to 100)<sup>(3)</sup>  
Worldwide Agriculture Ranking:  
3 over 100

(3) Lower score represents lower ESG risk



Score : 79.7% to 85.3%  
Worldwide Ranking : 14 over 100  
Malaysia Ranking : 3 over 20



**IOI GROUP**

**Thank you**