IOI GROUP

# IOI CORPORATION BERHAD

## FY2022 3rd 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)**

| | Q3 FY22 | Q3 FY21 | % change | YTD FY22 | YTD FY21 | % change |
|---|---|---|---|---|---|---|
| | | | | 9 months | 9 months | |
| Revenue | 4,097.9 | 2,860.1 | 43% | 11,842.6 | 7,792.0 | 52% |
| **EBIT** | **568.6** | **546.2** | **4%** | **1,739.2** | **1,204.0** | **44%** |
| Profit before tax | 580.9 | 475.9 | 22% | 1,694.2 | 1,266.1 | 34% |
| **Profit after tax** | **421.4** | **402.7** | **5%** | **1,218.9** | **1,048.3** | **16%** |

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

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(in RM' million)

One-off gain of **RM267.9 million** from sale of Loders refinery

| | Q3 FY22 | Q3 FY21 | % change | YTD FY22 | YTD FY21 | % change |
|---|---|---|---|---|---|---|
| | | | | 9 months | 9 months | |
| Total Plantation | 518.5 | 185.9 | 179% | 1,581.5 | 799.8 | 98% |
| Total Manufacturing | 45.8 | 442.2 | -90% | 244.7 | 503.0 | -51% |
| Total Others | 2.7 | 0.3 | 800% | 8.1 | 4.0 | 103% |
| **Segment results** | 567.0 | 628.4 | -10% | 1,834.3 | 1,306.8 | 40% |

**Q3 FY22 performance**

-Plantation

Higher profit was due mainly to higher CPO and PK prices realised as well as higher FFB production and higher share of associate results from Bumitama Agri Ltd ("BAL").

-Resource-based Manufacturing

Lower profit was due mainly to lower share of associate results from Bunge Loders Croklaan Group B.V. ("Loders") and lower sales volume and margins from refining sub-segment which was mitigated by higher contribution from oleochemical sub-segment.

**YTD FY22 (9-months) performance**

-Plantation

Higher profit reported was due mainly to higher CPO and PK prices realised, partly offset by lower FFB production and higher share of associate results from BAL.

-Resource-based Manufacturing

Higher profit was due mainly to higher contribution from oleochemical sub-segment with improvement in margins offset by lower sales volume from refining sub-segment and lower share of associate results from Loders.

# 2. OPERATING STATISTICS

# Operating Statistics: Plantation (Qtr on Qtr)

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| | | Q3 FY22 | Q3 FY21 | % change | Q2 FY22 | % change |
|---|---|---|---|---|---|---|
| **CPO Price** | **(RM/mt)** | **5,064** | **3,211** | **58%** | **4,565** | **11%** |
| PK Price | (RM/mt) | 4,588 | 2,616 | 75% | 3,678 | 25% |
| | | | | | | |
| **FFB Production** | **('000 mt)** | **600** | **551** | **9%** | **769** | **-22%** |
| Average mature area | ('000 Ha) | 141 | 140 | 1% | 142 | -1% |
| FFB Yield | (mt/Ha) | 4.25 | 3.95 | 8% | 5.43 | -22% |
| | | | | | | |
| **CPO Production** | **('000 mt)** | **130** | **121** | **7%** | **173** | **-25%** |
| CPO extraction rate | (%) | 20.72% | 20.89% | -1% | 21.69% | -4% |

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

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| | | YTD FY22 9 months | YTD FY21 9 months | % change |
|---|---|---|---|---|
| **CPO Price** | **(RM/mt)** | **4,518** | **2,888** | **56%** |
| PK Price | (RM/mt) | 3,521 | 1,939 | 82% |
| | | | | |
| **FFB Production** | **('000 mt)** | **2,115** | **2,190** | **-3%** |
| Average mature area | ('000 Ha) | 141 | 140 | 1% |
| FFB Yield | (mt/Ha) | 14.97 | 15.60 | -4% |
| | | | | |
| **CPO Production** | **('000 mt)** | **472** | **483** | **-2%** |
| CPO extraction rate | (%) | 21.45% | 21.33% | 1% |

# Operating Statistics: Resource-based Manufacturing

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## Sales Volume (Qtr on Qtr)

| (in metric tonne) | Q3 FY22 | Q3 FY21 | % change | Q2 FY22 | % change |
|---|---|---|---|---|---|
| Oleochemical | 135,496 | 159,349 | -15% | 153,272 | -12% |
| Refinery | 412,789 | 497,075 | -17% | 529,301 | -22% |

## Sales Volume (Year-to-Date)

| (in metric tonne) | YTD FY22 9 months | YTD FY21 9 months | % change |
|---|---|---|---|
| Oleochemical | 442,507 | 503,580 | -12% |
| Refinery | 1,514,573 | 1,617,629 | -6% |

# 3. PROSPECTS

# Prospects

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- Crude palm oil ("CPO") price spiked up since early March following the disruption in supply of sunflower oil arising from the war in Ukraine and several palm oil export restriction policies announced by the Indonesian government. We foresee CPO price to remain strong in the near term due to these factors as well as the severe labour shortage in Malaysia continuing to curb the supply of CPO.

- For our plantation segment, CPO production is expected to increase in Q4 FY2022 in line with the seasonal trend. With the anticipated strong CPO price, we expect the plantation segment to perform well in Q4 FY2022.

- Palm refining and fractionation margins have turned positive due to the high CPO export duty as well as the good demand for palm oil as a substitute for sunflower oil. We expect the performance of our refinery and commodity marketing sub-segment to be satisfactory due to the positive margins as well as the efficient business model of our refinery in Sabah.

- As for our oleochemical sub-segment, elevated raw material price and high energy cost continue to pose challenges to the sub-segment. Nevertheless, due to the tightness of product availability in the market, we anticipate that the oleochemical sub-segment's margins will still remain healthy and enable the sub-segment to sustain its good performance.

# Prospects (cont'd)

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- For Q4 FY2022, we expect the performance of the specialty fats sub-segment comprising our associate company Bunge Loders Croklaan ("BLC") to be satisfactory as it benefits from favourable demand and BLC's supply chain capability, although the operating environment presents challenges such as high energy cost and the pandemic-related lockdown in parts of China.

- US Dollar has strengthened considerably against Ringgit which has resulted in forex translation loss from our USD-denominated borrowings. US Dollar is anticipated to remain strong in the near term due to the aggressive US federal funds rate hikes this year.

- Overall, the Group expect our financial performance for Q4 FY2022 to be good on the back of strong performance from the plantation segment and the oleochemical sub-segment.

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# Thank you