

# **FGV Maintains Steady Growth in 1Q FY2025 with Profit Before Tax (PBT) of RM83 million; Supported by Plantation Division Turnaround**

**KUALA LUMPUR, 28 May 2025** - FGV Holdings Berhad (FGV) posted a Profit Before Tax (PBT) of RM83 million for the first quarter ended 31 March 2025 (1Q FY2025), a significant increase from RM50 million recorded in the same quarter last year.

The Group's revenue rose 11 percent to RM5.04 billion, compared to RM4.54 billion in 1Q FY2024, while Profit After Tax & Minority Interests (PATAMI) was recorded at RM36 million, up from RM13 million loss, driven by the stronger performance of the Plantation Division.

Operating Profit (before fair value changes in Land Lease Agreement (LLA) and impairment) increased 30 percent to RM214 million from RM164 million in the previous corresponding financial period.

The Plantation Division remained the main contributor, supported by a 6 percent improvement in fresh fruit bunch (FFB) yield and a 24 percent increase in FFB price. Meanwhile, the average CPO price registered was higher, reaching RM4,784 per metric tonnes (MT).

The Logistics and Support Division also performed steadily, with a 2 percent increase in bulking throughput and stronger contributions from the IT segment. Meanwhile, the Consumer Product (CP) Division narrowed its losses, supported by improved margins in packed products and higher sales from the Integrated Farming (IF) segment.

However, overall Group performance was partially offset by the Sugar Division, which faced lower Average Selling Price (ASP). The Oils and Fats Division was also impacted by weaker demand and lower oil margins in the bulk commodities segment.

"We are encouraged by the improved 1Q FY2025 results, particularly the consistent performance of our Plantation Division. A steady growth compared to same quarter last year, reflects the resilience of our operations and the positive impacts of our ongoing agronomic improvements. While challenges persist across several business segments, we are focused on driving operational efficiency, unlocking value from underperforming assets, and further enhancing integration across the Group to ensure long-term, sustainable growth across our Plantation, Oils and Fats, Sugar, Logistics and Support and the Consumer Products Divisions," said Fakhrunniam Othman, Group Chief Executive Officer of FGV.



***Fakhruddin Othman, Group Chief Executive Officer of FGV Holdings Berhad.***

### **Plantation Division 1Q FY2025**

The Plantation Division posted a strong turnaround in 1Q FY2025, recording a profit of RM50.67 million compared to a loss of RM62.14 million in the same quarter last year. The improvement was driven by a 5 percent increase in FFB production to 0.77 million MT, resulting in a higher FFB yield of 3.05 MT per hectare.

Out of the 2.59 million MT of total FFB received, 0.76 million MT (29 percent) were produced internally, 1.07 million MT (42 percent) were sourced from FELDA settlers, and 0.75 million MT (29 percent) were received from third parties.

The Division also benefited from a 24 percent increase in FFB price, which reached to RM974 per MT. However, the oil extraction rate (OER) declined to 19.94 percent, compared to 20.59 percent in the corresponding quarter last year.

The Division's performance was further supported by stronger contributions from the R&D segment, particularly the fertiliser business, which recorded stronger margins and higher sales volume. These gains were partially offset by a higher fair value charge on the LLA, which increased to RM115.91 million from RM86.04 million in the same period last year.



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### **Oils and Fats Division 1Q FY2025**

The Oils & Fats Division reported a loss of RM11.57 million primarily due to a lower margin in the bulk commodities segment and reduced processed palm oil (PPO) delivery volumes.

However, the overall performance was partially cushioned by stronger contributions from the chemicals and edible oils segment, which registered improved margins despite lower sales volume. The Division also recorded a notable increase in share of results from joint ventures, rising to RM15.37 million from RM3.23 million in the corresponding quarter.





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### **Logistics and Support Division 1Q FY2025**

The division recorded a slightly lower profit of RM32.47 million, primarily attributed to a reduced profit by 10 percent in the Logistic segment, driven by a lower tonnage handled. However, this was partially offset by higher profit from the IT segment in the current quarter.

### **Sugar Division 1Q FY2025**

The Sugar Division posted a profit of RM11.46 million, compared to RM67.17 million in the corresponding quarter of the previous year. The decline was mainly due to reduced margin achieved, lower sales volume and decreased capacity utilisation, despite a reduction in production costs.

### **Consumer Products Division 1Q FY2025**

The Consumer Products Division narrowed its losses to RM6.09 million from RM8.75 million in the corresponding quarter of the previous year, supported by better margins in the Consumer Products segment. The Integrated Farming and Dairy segments also reported lower losses, despite higher sales volume and increased advertising and promotional

expenses.

## **Going Forward**

Looking ahead, CPO prices are expected to ease from the current level of approximately RM4,700 per MT to around RM4,000 per MT in the coming months, as supply improves with favourable weather, seasonally higher cropping cycles, and the absence of festive-related demand.

FGV remains firmly focused on strengthening operational efficiency and optimising costs in line with its 2025 performance targets. In the near term, the Group will continue enhancing yields, extracting greater value from existing assets and expanding its footprint in the domestic consumer market. Over the longer term, FGV is advancing portfolio diversification through high-value fast-moving consumer goods (FMCG) and international market penetration.

“Our core priority is to deliver sustainable shareholder value while navigating a complex external environment. Global headwinds including rising trade tensions, the introduction of new tariffs, and slower-than-expected biodiesel demand may weigh on commodity sentiment. However, FGV’s diversified operations, strong plantation fundamentals and commitment to integrated value creation position us well to withstand volatility and unlock long-term growth. Those aspirations can only be achieved with our continuous commitments to good governance, responsible business practices and embracing our sustainability agenda in whatever that we do; not to forget our social obligation to the economic well-being of FELDA settlers and smallholders as 70 percent of our FFB are sourced from them,” said Fakhrunniam.

**ENDS**