

KERATAN AKHBAR

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KUALA LUMPUR: FGV Holdings Bhd has returned to the black, posting a net profit of RM369.23mil in the first quarter ended March 31, 2022 (1Q22) mainly driven by stronger results in the plantation sector and improvement in the logistics sector.

In a filing with Bursa Malaysia, the group said the higher earnings of the plantation sector was bolstered by the higher crude palm oil (CPO) prices.

"Profit in plantation sector jumped to RM517.87mil in the quarter from RM52.8mil loss in corresponding quarter of the previous year.

"This on the back of higher average CPO price realised of RM5,058 per tonne com-

pared to RM3,172 per tonne in previous year's corresponding quarter coupled with higher CPO sales volume in current quarter by 28%.

"The improved performance of the sector for the current quarter was also underpinned by improvement in downstream and fertiliser businesses and higher share of results from joint ventures from RM2.17mil to RM22.89mil reported in current quarter," it added.

Meanwhile, FGV's revenue jumped 72.4% to RM5.85bil in the quarter from RM3.93bil a year ago supported by higher average CPO price, strong volume and higher price for consumer and fertiliser products.

FGV group's chief executive officer Mohd

Nazrul Izam Mansor said the group has announced a profitable quarter amid the uncertainties and challenges.

"We will strive to keep this positive momentum to meet the expectations of our stakeholders and to achieve the targets set for 2022," he said.

The group said the supply disruption of competing edible oils caused by the Ukraine war is expected to maintain the CPO price at RM4,500 to RM5,000 per tonne this year.

Given the reopening of international borders and various recruitment efforts initiated by the government, FGV has forecast a gradual recovery as workers are due to arrive from third quarter of this year.