

**Company Name** : Far East Holdings Berhad  
**Date** : 21 November 2024  
**Source** : The Edge Markets

## **Far East Declares Special Dividend Of Seven Sen After Logging Best Quarterly Profit In Over Two Years**



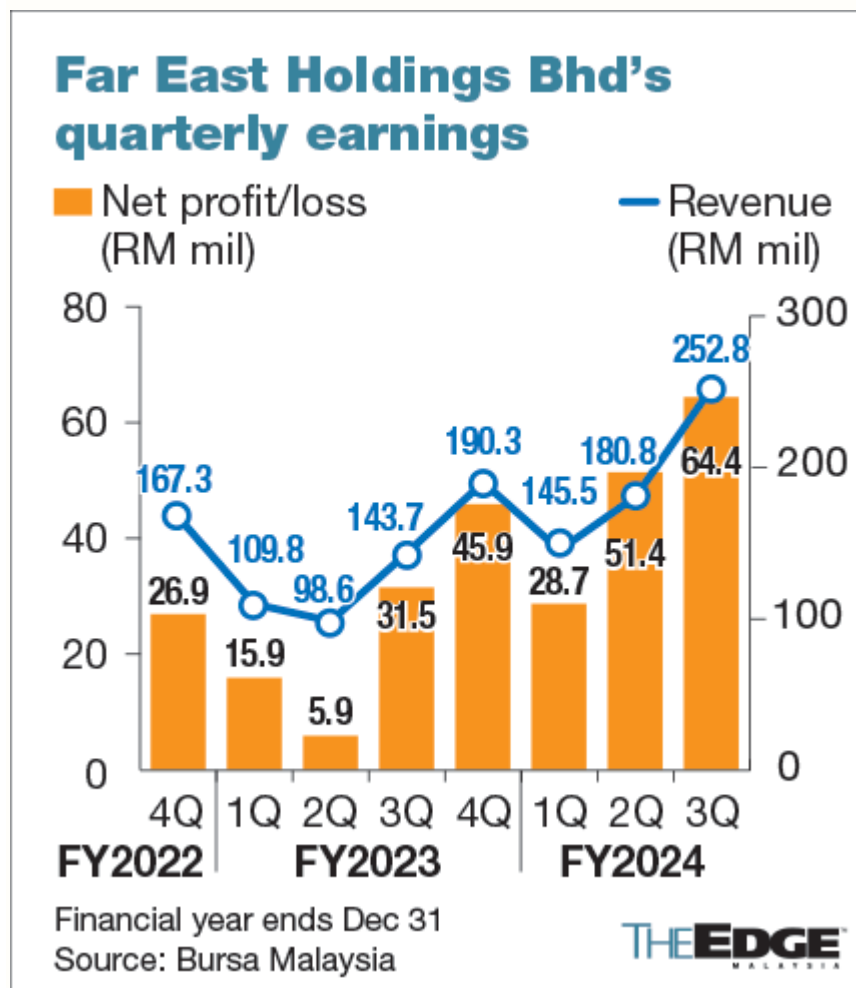
KUALA LUMPUR (Nov 21): Palm oil producer Far East Holdings Bhd (KL:FAREAST) has declared a special dividend of seven sen per share, payable on Dec 23, as it logged its best quarterly net profit in more than two years, boosted by higher production coupled with higher crude palm oil (CPO) and palm kernel (PK) prices.

Net profit for the three months ended Sept 30, 2024 (3QFY2024) more than doubled to RM64.45 million from RM31.55 million in the same period last year, the Pahang-based planter's bourse filing showed. Earnings per share also doubled to 10.85 sen from 5.31 sen in 3QFY2023.

Quarterly revenue jumped nearly 76% to RM252.82 million, compared to RM143.74 million a year ago, the company's filing showed.

Far East also declared an interim dividend of five sen per share earlier this year, bringing the total amount declared to 12 sen per share so far. It paid a dividend per share of 11 sen in the financial year ended Dec 31, 2023 (FY2023) and 18 sen in FY2022.

A back-of-envelope calculation shows that the special dividend of seven sen per share will cost the company roughly RM37.7 million based on its issued share capital of 593 million shares. Far East was in a net cash position as at end-September. Its cash balance stood at RM159.76 million while borrowings were at RM90 million.



On its prospect, Far East anticipates the financial performance for 2024 to be "higher than the previous year", in line with higher fresh fruit bunch (FFB) production, CPO and PK prices.

During the quarter, Far East said the strong performance was attributed to FFB production, which increased by 33,817 tonnes or 41%.

This was coupled with a 5% rise in the average CPO price to RM3,992 per tonne (2023: RM3,797) and a 28% increase in the average PK price to RM2,625 per tonne (2023: RM2,043).

Other contributing factors included a 73% increase in FFB processed, amounting to 92,470 tonnes as well as a 63% rise in the share of profit after tax from associates to RM9.47 million.

For the nine-month period ended Sept 30, 2024 (9MFY2024), Far East's net profit almost tripled to RM144.5 million from RM53.33 million a year ago as revenue grew 64.5% to reach RM579.15 million from RM352.07 million recorded over the same period last year.

Shares in Far East dipped three sen or 0.85% to close at RM3.52 on Thursday, valuing the company at RM2.09 billion. Year to date, the stock has slipped 3.3%.