

# REA's recovery from recent challenges

## Marked improvement in agricultural operations

- 35% increase in FFB production in H1 2018 as CPO price recovers
- Record crops harvested in July and August
- Full year FFB crop expected to surpass previous highest level
- Enhanced senior management team on estates - fertiliser regime optimised and programmes to improve upkeep and access producing results
- Expansion of mill capacity and improvements to roads

## Financial performance

- H1 2018 revenue of \$48.2m (H1 2017: 46.3m) - increased crop collection but lower CPO pricing in H1
- Sale of 95% interest in PBJ to KLK group completed in August

## Coal operations

- Completion of the sale of the coal stockpile in October 2018
- Proceeding with refurbishment of facilities and reopening of the Kota Bangun mine

## Outlook

- Improvement in operating performance positive for financial performance as and when CPO price recovers
- Strengthened financial footing
- Inbuilt growth from immature areas and land bank
- CPO price recovery expected, pending which \$50 export duty now suspended

