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RHB and OSK advise leading Singapore-listed palm oil company, First Resources Limited, in maiden ringgit-denominated sukuk issuance

First Resources Limited, a Singapore company with operations based in Indonesia and listed on the Singapore Exchange, completes its inaugural ringgit-denominated sukuk issuance of RM600.0 million pursuant to its RM2.0 billion Sukuk Musharakah Programme.

Kuala Lumpur, 31 July 2012 – First Resources Limited ("First Resources"), a leading palm oil company listed on the Mainboard of the Singapore Exchange, had on 9 July 2012, inked agreements to establish a RM2.0 billion Sukuk Musharakah Programme with OSK Investment Bank Berhad and RHB Investment Bank Berhad as Joint Principal Advisers/Joint Lead Arrangers and Joint Lead Managers/Joint Bookrunners.

First Resources is one of the fastest-growing palm oil producers in Asia-Pacific. It is principally involved in the upstream cultivation of oil palms, milling and downstream processing operations in Indonesia. To date, First Resources manages more than 130,000 hectares of oil palm plantations, operates 9 palm oil mills, a refinery, a fractionation plant and a biodiesel plant.

This inaugural issuance makes First Resources, the first Singapore listed company with operations based in Indonesia to issue ringgit-denominated Islamic bonds or sukuk in Malaysia. Proceeds from this issuance will be largely utilised to expand its plantation operations in Indonesia.

The issuance was done on a "book-building" basis on 12 July 2012. The book-building process was closed one day earlier than expected with the issue being oversubscribed by an average of 4.6 times based on the initial issue size of RM500.0 million. As a result of the high demand, the issue was upsized by RM100.0 million to RM600.0 million. Based on the upsized amount, the sukuk was still oversubscribed by 3.8 times.

"The successful sukuk issuance by First Resources is a testament of the breadth and depth of our Malaysian debt capital market which is supported by ample liquidity. It is also a reflection of the growing sophistication of our local investors and we expect the demand for regional quality corporate debt papers to continue to rise," said Mr U Chen Hock, Chief Executive Officer of OSK Investment Bank, after the book was closed.

This is First Resources' inaugural sukuk issuance in Malaysia and it has been accorded a rating of AA2 by RAM Ratings. It is also presently the highest rating accorded in Malaysia to a foreign company whose operations are based in Indonesia.

"This is an excellent sukuk debut for First Resources and further strengthens Malaysia's leading position in the global sukuk market. The strong demand for this paper underscores the depth of the Islamic market," said Haji Abdul Rani Lebai Jaafar, Managing Director of RHB Islamic Bank Berhad.

"We are honoured to advise First Resources in this maiden fundraising exercise and be able to build on our continued expertise in assisting foreign issuers in tapping the liquid Malaysian debt capital markets," said Mike Chan, RHB Investment Bank Berhad's Officer-In-Charge.

The sukuk was jointly managed in Malaysia by the joint lead managers and joint book-runners, OSK Investment Bank and RHB Investment Bank Berhad, as well as in Singapore by DMG & Partners Securities Pte Ltd and RHB Bank Berhad, Singapore Branch as Dealers (International Distribution). DMG & Partners Securities Pte Ltd is a subsidiary of OSK Investment Bank Berhad.



(From left) Mike Chan, Officer-In-Charge RHB Investment Bank Berhad; Ciliandra Fangiono, CEO First Resources Limited; Kellee Kam, Group Managing Director RHB Banking Group; Tan Sri Ong Leong Huat, Director OSK Investment Bank Berhad; U Chen Hock, CEO OSK Investment Bank Berhad; and Woo Lai Mei, COO OSK Trustees Berhad at the signing ceremony for the Sukuk Musharakah Programme on 9 July 2012.

About OSK Investment Bank

OSK Investment Bank "OSKIB" is a fully owned subsidiary of OSK Holdings Berhad, a regional financial services Group listed on the Main Board of Bursa Malaysia Securities Berhad since 1991. The OSK Group commenced operations in 1963 and obtained its investment banking licence in 2007. The OSK Group is now a regional investment banking group with more than 3,700 professionals across an extensive network of 93 offices across the ASEAN plus the Hong Kong region. It has offices in Malaysia, Singapore, Indonesia, Cambodia, Thailand, and Hong Kong as well as a representative office in the People's Republic of China.

OSKIB offers its customers a full range of investment banking services which includes stockbroking, equity financing, futures trading, corporate finance, mergers and acquisitions, debt capital markets, equity capital markets, treasury, derivatives and structured products, private equity, offshore investment banking, unit trust management, asset management, trustee services, estate planning, financial planning, private banking, Islamic banking as well as commercial banking services in Cambodia.

On 28 May 2012, OSK Holdings Berhad announced the merger of OSK Investment Bank with RHB Investment Bank. The merger will create the largest investment bank in Malaysia and also one of the largest investment banks in the ASEAN region.

The combination of OSK's expertise in small and mid-caps and strength in institutional and retail and equities, coupled with RHB's balance sheet and large cap expertise, will create a formidable institution that can serve the needs of all our customers from retail to institutional, and from large to small cap companies.



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About RHB Investment Bank Berhad

RHB Investment Bank is one of the leading investment banks in Malaysia, having advised on some of the largest landmark transactions and won numerous awards for advisory and capital markets transactions. It also has the expertise and skill in managing a full range of investment instruments, and is supported by an award-winning Research house.

RHB Investment Bank is the investment banking arm of RHB Banking Group, one of Malaysia's fully integrated financial services provider. The Group's core businesses are streamlined into seven Strategic Business Groups (SBGs): Retail Banking, Business Banking, Group Transaction Banking, Corporate & Investment Banking, Islamic Banking, Global Financial Banking and Group Treasury. These businesses are offered through its main subsidiaries - RHB Bank Berhad, RHB Investment Bank Berhad, RHB Insurance Berhad and RHB Islamic Bank Berhad, while its asset management and unit trust businesses are held under RHB Investment Management Berhad. The Group has its presence in Singapore, Thailand, Vietnam and Brunei.

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