



## **GENTING PLANTATIONS REPORTS FIRST QUARTER FINANCIAL YEAR 2019 RESULTS**

KUALA LUMPUR, May 23 – Genting Plantations Berhad registered revenue of RM622 million for the first quarter ended 31 March 2019 (“1Q 2019”), representing an 18% increase from the previous corresponding period.

The higher revenue was attributable to the higher offtake of biodiesel and refined palm products from the Downstream Manufacturing segment along with higher sales volume from the Plantation segment. Despite garnering higher year-on-year sales in 1Q 2019, the Property segment registered lower year-on-year revenue from projects at their early stages of completion.

FFB production in 1Q 2019 grew 14% year-on-year, supported by the growth from its Indonesia operations on the back of an increase in mature areas and better age profile coupled with a stronger yield from the Malaysia operations due to a change in cropping pattern.

The Group achieved crude palm oil and palm kernel prices of RM1,974 per metric tonne (mt) and RM1,283 per mt respectively and reflective of the weaker palm products selling prices, 1Q 2019 EBITDA for the Plantation segment declined year-on-year.

EBITDA for the Property segment was lower year-on-year mainly due to lower profit recognition from projects that are in their earlier stages of development.

The Biotechnology segment’s results remained stable year-on-year, reflective of its research and development activities.

The Downstream Manufacturing segment posted a notable upswing in EBITDA, with both its biodiesel and refinery operations registering higher offtake and capacity utilisation.

Genting Plantation’s prospects for the rest of the year will track the performance of its mainstay Plantation segment, which in turn is dependant primarily on the movements in palm products selling prices and the Group’s FFB production.

Barring any weather anomalies, the Group expects the overall upward trajectory of its FFB production to continue for this year, driven by higher output from its Indonesia operations from additional mature areas and a better age profile.

For its Property segment, the Group will continue with offerings that are aligned to the broader market. The Premium Outlets are expected to perform well in 2019 with the full year contribution from the third phase of Johor Premium Outlets, which commenced operations in November 2018.

The Biotechnology segment will remain focused on developing commercial solutions and applications to enhance the yield and productivity of oil palm.

With the implementation of the mandatory B10 biodiesel for the transportation sector and B7 biodiesel for the industrial sector in 2019, local demand for the Group's biodiesel operations is expected to improve while offtake for discretionary biodiesel blending has so far been supported by the favourable palm oil gas oil ("POGO") spread.

The Group's refinery operations will continue to focus on expanding its market reach and offtake including supplying feedstock to cater for the expected increase in demand for the Group's biodiesel production.

A summary of the quarterly and annual results is shown in Table 1.

**TABLE 1:**

RM' Million	1Q 2019	1Q 2018	%
<b>Revenue</b>			
Plantation	340.9	331.3	+3
Property	22.6	26.6	-15
Downstream Manufacturing	398.5	281.9	+41
	762.0	639.8	+19
Inter segment	(140.3)	(110.7)	-27
Revenue - external	621.7	529.1	+18
<b>Adjusted EBITDA</b>			
Plantation	107.0	152.6	-30
Property	3.8	4.8	-21
Biotechnology	(3.7)	(2.9)	-28
Downstream Manufacturing	22.0	0.4	>100
Others*	(1.8)	18.2	-
	127.3	173.1	-26
<b>EBITDA</b>	127.1	187.0	-32
<b>Profit before tax</b>	59.9	130.6	-54
<b>Profit for the financial period</b>	42.1	94.3	-55
<b>Basic EPS (sen)</b>	5.16	12.57	-59

*\*Changes in the "Others" category mainly reflect the impact from foreign currency translation position arising from foreign exchange movements.*

### **About Genting Plantations Berhad**

Genting Plantations, a subsidiary of Genting Berhad, commenced operations in 1980. It has a landbank of about 64,600 hectares in Malaysia and some 182,800 hectares (including the *Plasma* scheme) in Indonesia held through joint ventures. It owns seven oil mills in Malaysia and four in Indonesia, with a total milling capacity of 550 metric tonnes per hour. In addition, the Group has ventured into the manufacturing of downstream palm-based products.

Genting Plantations has also diversified into property development to unlock the value of its strategically-located landbank and has invested significantly in biotechnology in a major effort to apply genomics-based solutions to increase crop productivity and sustainability.

For more information, visit [www.gentingplantations.com](http://www.gentingplantations.com).

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