



PRESS RELEASE

For Immediate Release

GENTING PLANTATIONS REPORTS THIRD QUARTER FINANCIAL YEAR 2019 FINANCIAL RESULTS

KUALA LUMPUR, Nov 27 – Genting Plantations Berhad today reported its financial results for the third quarter (“3Q 2019”) and first nine months of the year (“YTD 2019”) ended 30 September 2019. Group revenue contracted marginally year-on-year in 3Q 2019 to RM475.4 million primarily due to the lower contribution from its property developments which are at their early stages of construction.

However, Group revenue for YTD 2019 climbed 14% year-on-year to RM1.62 billion, underpinned by higher volume of sales from the Downstream Manufacturing segment. However, the Plantation segment posted lower year-on-year revenue as the impact of the softer palm products prices outstripped the higher crop output. The Property segment also posted lower year-on-year revenue despite registering higher sales, owing to the early stages of construction of its property developments.

The Group’s achieved crude palm oil price in 3Q 2019 and YTD 2019 were RM1,968 per metric tonne (mt) and RM1,963 per mt respectively, whilst palm kernel price in 3Q 2019 and YTD 2019 were RM1,089 per mt and RM1,161 per mt respectively.

Group FFB production for 3Q 2019 and YTD 2019 improved year-on-year, supported by a recovery in Malaysia following the weather-induced low production in the preceding year, together with a better age profile and increased harvesting area in Indonesia.

EBITDA for the Plantation segment for 3Q 2019 and YTD 2019 declined year-on-year on the back of the weaker palm product prices, which eclipsed the impact of higher FFB production.

EBITDA for the Property segment for 3Q 2019 and YTD 2019 were lower year-on-year consistent with its lower revenue.

The Biotechnology segment’s losses widened for 3Q 2019 and YTD 2019 in line with its research and development activities.

EBITDA for the Downstream Manufacturing segment for 3Q 2019 and YTD 2019 increased notably year-on-year on account of the higher sales volume and capacity utilisation as well as improved margins for both its biodiesel and refinery operations.

The Group's Plantation segment is expected to derive higher palm products prices for the quarter ending 31 December 2019 ("4Q 2019") compared to YTD 2019, on the back of an improved market outlook from an anticipated tightening of palm oil supply and increasing demand, particularly from the biodiesel mandates in Indonesia and Malaysia.

The Group expects its FFB production growth to extend into 4Q 2019, supported mainly by its Indonesia operations with additional mature areas and better age profile. However, the Group's crop output in 4Q 2019 is expected to be moderated by the impact of the dry weather conditions that beset its operations across Malaysia and Indonesia for the most part of 2019.

In view of the prevailing soft property market in general, the Property segment will focus on marketing its offerings to the broader market. The Premium Outlets are expected to continue performing well in 4Q 2019, supported by the introduction of new tenants during the year and contribution from the third phase of Johor Premium Outlets.

The Biotechnology segment will continue its work on developing commercial solutions and applications to enhance the yield and productivity of oil palm.

Based on the orders secured so far for 4Q 2019 and barring any unforeseen circumstances, the Downstream Manufacturing segment is expected to utilise its production capacities at a level comparable with YTD 2019.

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

TABLE 1:

RM' Million	3Q 2019	3Q 2018	%	9M 2019	9M 2018	%
Revenue						
Plantation	297.4	290.4	+2	891.7	910.0	-2
Property	39.0	50.7	-23	92.8	102.6	-10
Biotechnology	0.3	-	-	0.3	-	-
Downstream Manufacturing	266.1	253.8	+5	1,008.5	730.3	+38
	602.8	594.9	+1	1,993.3	1,742.9	+14
Inter segment	(127.4)	(106.0)	-20	(370.5)	(322.3)	-15
Revenue - external	475.4	488.9	-3	1,622.8	1,420.6	+14
Adjusted EBITDA						
Plantation	55.1	66.3	-17	226.3	316.1	-28
Property	12.1	17.9	-32	22.7	26.8	-15
Biotechnology	(3.7)	(3.0)	-23	(11.9)	(9.2)	-29
Downstream Manufacturing	10.0	3.4	>100	44.6	8.4	>100
Others*	4.9	(1.4)	-	8.6	10.2	-16
	78.4	83.2	-6	290.3	352.3	-18
EBITDA	81.3	86.2	-6	295.9	368.9	-20
Profit before tax	18.6	25.1	-26	104.4	192.9	-46
Profit for the financial period	13.1	17.5	-25	73.5	136.7	-46
Basic EPS (sen)	2.00	2.93	-32	9.56	18.73	-49

**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 183,000 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 565 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.

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