



## GENTING PLANTATIONS REPORTS 2019 FINANCIAL YEAR RESULTS

KUALA LUMPUR, Feb 26 – Genting Plantations Berhad today reported its financial results for the year ended 31 December 2019 (“FY 2019”), with revenue of RM2.27 billion, representing a 19% improvement over the previous year.

Revenue improved on account of the higher sales volume attained by the Downstream Manufacturing.

Group fresh fruit bunch (“FFB”) production for FY 2019 improved by 5% year-on-year, contributed by its Indonesia operations on the back of increased harvesting area and better age profile.

The Group’s achieved lower crude palm oil and palm kernel prices of RM2,048 per metric tonne (mt) and RM1,179 per mt in FY 2019 respectively.

Reflective of the weaker palm products prices, EBITDA for the Plantation segment were lower year-on-year in FY 2019.

EBITDA for the Property segment for FY 2019 was higher year-on-year due to better overall margin for its projects.

The Biotechnology segment’s results were relatively stable year-on-year, in line with its research and development activities.

EBITDA for Downstream Manufacturing segment for FY 2019 were considerably higher year-on-year, reflective of its higher sales volume and capacity utilisation, coupled with improved margins.

The Group’s prospects for 2020 will track the performance of its mainstay Plantation segment, which is in turn dependent principally on the movements in palm products prices and the Group’s FFB production.

The January 2020 outbreak of the Coronavirus Disease 2019 (“COVID-19”) in China has raised concerns on the outlook of global growth and demand for palm oil, fuelling a pullback in CPO prices from a rally which started in the fourth quarter of 2019.

Despite the headwinds from the COVID-19 outbreak, palm product prices are currently trading well above their corresponding levels in 2019. In the near term, the Group expects prices to also be influenced by other factors including the extent of palm oil supply tightness, demand for palm oil from major importing countries and the implementation of higher biodiesel mandates by Indonesia and Malaysia.

The Group anticipates an overall growth in FFB production for 2020 driven mainly by the additional mature areas and better age profile in Indonesia. However, crop production is expected to be moderated by the lagged effects of dry weather conditions across Malaysia and Indonesia in 2019.

For the Property segment, the Group will continue to offer products that cater to the broader market. Meanwhile, the Premium Outlets will experience lower patronage until concerns on the spread of COVID-19 subside.

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

The outlook for the Downstream Manufacturing segment in 2020 will be challenging due to the unfavourable palm oil-gas oil (“POGO”) spread, the COVID-19 outbreak and import restrictions on refined palm oil from India which will likely lead to softer demand for its products.

The Board of Directors has recommended a final single-tier dividend of 9.5 sen per ordinary share for FY 2019. Should the final dividend be approved by shareholders, total dividend (including the interim dividend of 3.5 sen) for FY 2019 will amount to 13.0 sen per ordinary share. In comparison, the total dividend amounted to 13.0 sen for FY 2018.

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

**TABLE 1:**

RM' Million	4Q 2019	4Q 2018	%	FY 2019	FY 2018	%
<b>Revenue</b>						
Plantation	376.8	313.1	+20	1,268.5	1,223.1	+4
Property	36.6	27.5	+33	129.4	130.1	-1
Biotechnology	-	-	-	0.3	-	-
Downstream Manufacturing	371.2	247.5	+50	1,379.7	977.8	+41
	784.6	588.1	+33	2,777.9	2,331.0	+19
Inter segment	(141.0)	(105.8)	-33	(511.5)	(428.1)	-19
Revenue - external	643.6	482.3	+33	2,266.4	1,902.9	+19
<b>Adjusted EBITDA</b>						
Plantation	110.6	73.8	+50	336.9	389.9	-14
Property	15.2	9.4	+62	37.9	36.2	+5
Biotechnology	(2.3)	(3.8)	+39	(14.2)	(13.0)	-9
Downstream Manufacturing	13.8	2.8	>100	58.4	11.2	>100
Others*	5.4	2.3	>100	14.0	12.5	+12
	142.7	84.5	+69	433.0	436.8	-1
<b>EBITDA</b>	142.2	82.2	+73	438.1	451.1	-3
<b>Profit before tax</b>	81.1	14.8	>100	185.5	207.7	-11
<b>Profit for the financial period</b>	57.0	10.3	>100	130.4	147.0	-11
<b>Basic EPS (sen)</b>	6.88	1.78	>100	16.62	20.50	-19

*\*Changes in the "Others" category mainly reflect the impact from foreign currency translation position arising from foreign exchange movements, along with returns from investment in income funds.*

## 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 178,200 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 580 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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