

**FIRST QUARTERLY REPORT**

Quarterly report on consolidated results for the first quarter ended 31 March 2020. The figures have not been audited.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 31/03/2020 RM'000	Preceding Year Corresponding Quarter 31/03/2019 RM'000	Current Year To-Date 31/03/2020 RM'000	Preceding Year Corresponding Period 31/03/2019 RM'000
Revenue	569,038	621,696	569,038	621,696
Cost of sales	(435,415)	(499,412)	(435,415)	(499,412)
<b>Gross profit</b>	<b>133,623</b>	122,284	<b>133,623</b>	122,284
Other income	20,517	12,664	20,517	12,664
Other expenses	(60,545)	(53,831)	(60,545)	(53,831)
Other gains/(losses)	10,268	(5,494)	10,268	(5,494)
<b>Profit from operations</b>	<b>103,863</b>	75,623	<b>103,863</b>	75,623
Finance cost	(21,443)	(26,431)	(21,443)	(26,431)
Share of results in joint ventures and associates	8,272	10,716	8,272	10,716
<b>Profit before taxation</b>	<b>90,692</b>	59,908	<b>90,692</b>	59,908
Taxation	(20,002)	(17,848)	(20,002)	(17,848)
<b>Profit for the financial period</b>	<b>70,690</b>	42,060	<b>70,690</b>	42,060
Profit/(loss) attributable to:				
Equity holders of the Company	91,296	41,684	91,296	41,684
Non-controlling interests	(20,606)	376	(20,606)	376
	<b>70,690</b>	42,060	<b>70,690</b>	42,060
Earnings per share (sen) for profit attributable to equity holders of the Company:				
- Basic	10.18	5.16	10.18	5.16
- Diluted	10.18	5.02	10.18	5.02

*(The Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019)*



**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 31/03/2020 RM'000	Preceding Year Corresponding Quarter 31/03/2019 RM'000	Current Year To-Date 31/03/2020 RM'000	Preceding Year Corresponding Period 31/03/2019 RM'000
<b>Profit for the financial period</b>	70,690	42,060	70,690	42,060
<b>Other comprehensive income/(loss), net of tax:</b>				
<b>Items that will be reclassified subsequently to profit or loss:</b>				
Cash flow hedge				
- Fair value gains/(loss)	19,986	(2,679)	19,986	(2,679)
- Reclassifications	10,970	(316)	10,970	(316)
	<b>30,956</b>	<b>(2,995)</b>	<b>30,956</b>	<b>(2,995)</b>
Foreign currency translation differences	<b>(306,950)</b>	16,913	<b>(306,950)</b>	16,913
	<b>(275,994)</b>	13,918	<b>(275,994)</b>	13,918
<b>Total comprehensive (loss)/income for the financial period</b>	<b>(205,304)</b>	55,978	<b>(205,304)</b>	55,978
Total comprehensive (loss)/income attributable to:				
Equity holders of the Company	<b>(133,923)</b>	46,054	<b>(133,923)</b>	46,054
Non-controlling interests	<b>(71,381)</b>	9,924	<b>(71,381)</b>	9,924
	<b>(205,304)</b>	55,978	<b>(205,304)</b>	55,978

*(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019)*



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2020**

	AS AT 31/03/2020 RM'000	Audited AS AT 31/12/2019 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	4,024,880	4,365,549
Land held for property development	244,322	243,580
Investment properties	22,914	23,052
Right-of-use assets	939,421	963,141
Intangible assets	40,555	32,558
Joint ventures	204,106	196,453
Associates	10,755	10,136
Financial assets at fair value through profit or loss	3,457	3,263
Other non-current assets	89,717	50,312
Deferred tax assets	114,408	78,965
	<u>5,694,535</u>	<u>5,967,009</u>
<b>Current assets</b>		
Property development costs	11,940	45,681
Inventories	275,516	253,844
Produce growing on bearer plants	5,422	6,901
Tax recoverable	7,873	11,156
Trade and other receivables	570,817	613,150
Amounts due from joint ventures, associates and other related companies	2,949	4,436
Derivative financial assets	-	1,141
Financial assets at fair value through profit or loss	600,140	600,000
Cash and cash equivalents	899,069	955,093
	<u>2,373,726</u>	<u>2,491,402</u>
Assets classified as held for sale	1,789	1,789
	<u>2,375,515</u>	<u>2,493,191</u>
<b>TOTAL ASSETS</b>	<u><u>8,070,050</u></u>	<u><u>8,460,200</u></u>

*(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019)*



**GENTING**  
PLANTATIONS

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
AS AT 31 MARCH 2020 *(Continued)*

	AS AT 31/03/2020 RM'000	Audited AS AT 31/12/2019 RM'000
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	1,724,016	1,724,016
Reserves	2,997,290	3,149,103
	-----	-----
	4,721,306	4,873,119
<b>Non-controlling interests</b>	<b>60,983</b>	186,474
	-----	-----
<b>Total equity</b>	<b>4,782,289</b>	5,059,593
<b>Non-current liabilities</b>		
Borrowings	2,126,938	2,103,487
Lease liabilities	11,624	5,847
Provisions	34,865	31,151
Derivative financial liabilities	10,797	4,184
Deferred tax liabilities	307,785	334,447
Deferred income	13,693	13,693
	-----	-----
	2,505,702	2,492,809
	-----	-----
<b>Current liabilities</b>		
Trade and other payables	337,585	379,101
Amounts due to ultimate holding and other related companies	776	2,231
Borrowings	424,234	485,479
Lease liabilities	2,210	2,405
Derivative financial liabilities	9,754	33,544
Taxation	7,500	5,038
	-----	-----
	782,059	907,798
	-----	-----
<b>Total liabilities</b>	<b>3,287,761</b>	3,400,607
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<b>TOTAL EQUITY AND LIABILITIES</b>	<b>8,070,050</b>	8,460,200
	=====	=====
<b>NET ASSETS PER SHARE (RM)</b>	<b>5.26</b>	5.43

*(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019)*



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020**

	Share Capital RM'000	Fair Value Reserve RM'000	Reserve on Exchange Differences RM'000	Cash Flow Hedge Reserve RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
<b>At 1 January 2020</b>	<b>1,724,016</b>	<b>(84,586)</b>	<b>(200,980)</b>	<b>(30,859)</b>	<b>(1,372)</b>	<b>3,466,900</b>	<b>4,873,119</b>	<b>186,474</b>	<b>5,059,593</b>
Total comprehensive (loss)/income for the financial period	-	-	(256,360)	31,141	-	91,296	(133,923)	(71,381)	(205,304)
Effects arising from changes in composition of the Group	-	-	-	-	-	(17,890)	(17,890)	(54,110)	(72,000)
<b>Balance at 31 March 2020</b>	<b>1,724,016</b>	<b>(84,586)</b>	<b>(457,340)</b>	<b>282</b>	<b>(1,372)</b>	<b>3,540,306</b>	<b>4,721,306</b>	<b>60,983</b>	<b>4,782,289</b>

*(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019)*



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020 (Continued)**

	Share Capital RM'000	Warrants Reserve RM'000	Fair Value Reserve RM'000	Reserve on Exchange Differences RM'000	Cash Flow Hedge Reserve RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
<b>At 1 January 2019</b>	863,267	151,785	(84,586)	(236,955)	(442)	(1,372)	3,428,689	4,120,386	191,873	4,312,259
Total comprehensive income/(loss) for the financial period	-	-	-	6,527	(2,157)	-	41,684	46,054	9,924	55,978
Issue of shares upon exercise of warrants	30,001	(5,250)	-	-	-	-	-	24,751	-	24,751
<b>Balance at 31 March 2019</b>	<b>893,268</b>	<b>146,535</b>	<b>(84,586)</b>	<b>(230,428)</b>	<b>(2,599)</b>	<b>(1,372)</b>	<b>3,470,373</b>	<b>4,191,191</b>	<b>201,797</b>	<b>4,392,988</b>

*(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019)*

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020**

	Current Year To-Date 31/03/2020 RM'000	Preceding Year Corresponding Period 31/03/2019 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	90,692	59,908
Adjustments for:		
Depreciation and amortisation	57,904	57,748
Finance cost	21,443	26,431
Interest income	(6,727)	(6,233)
Investment income	(4,738)	(3,068)
Net unrealised exchange differences	(10,272)	4,529
Share of results in joint ventures and associates	(8,272)	(10,716)
Fair value change arising from produce growing on bearer plants	1,531	(895)
Net surplus arising from Government acquisition	(7,006)	-
Other adjustments	6,631	1,232
	<u>50,494</u>	<u>69,028</u>
<b>Operating profit before changes in working capital</b>	<b>141,186</b>	<b>128,936</b>
Changes in working capital:		
Net change in current assets	41,826	20,320
Net change in current liabilities	(46,079)	(7,805)
	<u>(4,253)</u>	<u>12,515</u>
<b>Cash generated from operations</b>	<b>136,933</b>	<b>141,451</b>
Tax paid ( <i>net of tax refund</i> )	(10,706)	(12,287)
Retirement gratuities/benefits paid	(1,330)	(464)
	<u>(12,036)</u>	<u>(12,751)</u>
<b>Net cash flows generated from operating activities</b>	<b>124,897</b>	<b>128,700</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(69,684)	(59,113)
Purchase of intangible assets	(6,977)	-
Purchase of right-of-use assets	(1,796)	(1,105)
Land held for property development	(915)	(138)
Interest received	6,727	6,233
Investment income	4,738	3,068
Proceeds from disposal of property, plant and equipment	76	27
Proceeds received from Government in respect of acquisition of land	7,006	-
<b>Net cash flows used in investing activities</b>	<b>(60,825)</b>	<b>(51,028)</b>

*(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019)*



**GENTING**  
**PLANTATIONS**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020** *(Continued)*

	<b>Current Year To-Date 31/03/2020 RM'000</b>	<b>Preceding Year Corresponding Period 31/03/2019 RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from bank borrowings	<b>344,039</b>	28,672
Proceeds from issue of shares upon exercise of warrants	-	24,751
Repayment of bank borrowings and transaction costs	<b>(445,896)</b>	(27,567)
Repayment of lease liabilities	<b>(723)</b>	(695)
Finance cost paid	<b>(16,000)</b>	(17,912)
<b>Net cash flows (used in)/generated from financing activities</b>	<b>(118,580)</b>	7,249
<b>Net change in cash and cash equivalents</b>	<b>(54,508)</b>	84,921
<b>Cash and cash equivalents at beginning of financial period</b>	<b>955,093</b>	949,885
<b>Effects of currency translation</b>	<b>(1,516)</b>	(2,637)
<b>Cash and cash equivalents at end of financial period</b>	<b>899,069</b>	1,032,169

*(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019)*



**GENTING PLANTATIONS BERHAD**  
**NOTES TO THE INTERIM FINANCIAL REPORT**  
**- FIRST QUARTER ENDED 31 MARCH 2020**

**i) Compliance with Malaysian Financial Reporting Standard (“MFRS”) 134: Interim Financial Reporting**

**a) Accounting Policies, Presentation and Methods of Computation**

The interim financial report has been prepared in accordance with MFRS 134 “Interim Financial Reporting” and paragraph 9.22 of Bursa Malaysia Securities Berhad (“Bursa Securities”) Listing Requirements. The financial information for the current quarter ended 31 March 2020 have been reviewed by the Company’s auditor in accordance with the International Standards on Review Engagements (“ISRE”) 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2019. The accounting policies, presentation and methods of computation adopted for the interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2019 except for the adoption of new MFRSs, amendments to published standards and IC Interpretations for the Group for the financial year beginning 1 January 2020:

- Amendments to References to the Conceptual Framework in MFRS Standards
- Amendments to MFRS 3 “Definition of a Business”
- Amendments to MFRS 101 “Presentation of Financial Statements” and MFRS 108 “Accounting Policies, Changes in Accounting Estimates and Errors”
- Amendments to MFRS 7 “Financial Instruments: Disclosures”, MFRS 9 “Financial Instruments” and MFRS 139 “Financial Instruments: Recognition and Measurement”

The adoption of these new MFRSs, amendments to published standards and IC interpretations did not have any material impact on the interim financial report of the Group.

**b) Seasonal or Cyclical Factors**

Fresh fruit bunches (“FFB”) production is seasonal in nature. Production of FFB normally peaks in the second half of the year but this cropping pattern can be affected by changes in weather conditions.

**c) Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the current quarter ended 31 March 2020.

**d) Material Changes in Estimates**

There were no significant changes made in estimates of amounts reported in previous financial year.

**e) Changes in Debt and Equity Securities**

There were no issuance, cancellation, repurchase, resale or repayment of debts or equity securities for the current quarter ended 31 March 2020.

**f) Dividend Paid**

No dividend was paid during the current quarter ended 31 March 2020.

**g) Segment Information**

The segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker whereby the Group’s business is considered based on the nature of the products and services, specific expertise and technology requirements of individual reportable segments. The performance of the operating segments is based on a measure of adjusted EBITDA. Items not forming part of the adjusted EBITDA include net fair value gain or loss on financial assets, gain or loss on disposal of assets, net surplus arising from Government acquisition, assets written off, gain or loss on changes in shareholding in joint ventures and associates, impairment losses and reversal of previously recognised impairment losses.

**g) Segment Information (Continued)**

Segment analysis for the financial period ended 31 March 2020 is set out below:

	Plantation RM'000	Property RM'000	Biotechnology RM'000	Downstream Manufacturing RM'000	Others RM'000	Elimination RM'000	Total RM'000
<b>Revenue</b>							
- External	198,632	25,334	147	344,925	-	-	569,038
- Inter segment	141,474	-	9	-	-	(141,483)	-
<b>Total Revenue</b>	<b>340,106</b>	<b>25,334</b>	<b>156</b>	<b>344,925</b>	<b>-</b>	<b>(141,483)</b>	<b>569,038</b>
<b>Adjusted EBITDA</b>	<b>118,481</b>	<b>5,485</b>	<b>(3,226)</b>	<b>14,139</b>	<b>13,141</b>	<b>-</b>	<b>148,020</b>
Loss on disposal of assets	(31)	-	-	-	-	-	(31)
Net surplus arising from government acquisition	7,006	-	-	-	-	-	7,006
Assets written off & others	(95)	-	-	-	140	-	45
Depreciation and amortisation	125,361	5,485	(3,226)	14,139	13,281	-	155,040
Share of results in joint ventures and associates	(54,313)	(207)	(608)	(2,776)	-	-	(57,904)
Interest income	615	7,649	-	-	8	-	8,272
Finance cost	71,663	12,927	(3,834)	11,363	13,289	-	105,408
<b>Profit before taxation</b>							<b>90,692</b>
Main foreign currency exchange ratio of 100 units of foreign currency to RM	RM/IDR 0.0293	RM -	RM -	RM -	RM -		
<b>Assets</b>							
Segment assets	5,427,346	474,710	28,383	517,248	600,366	-	7,048,053
Joint ventures	-	204,106	-	-	-	-	204,106
Associates	10,780	142	-	-	(167)	-	10,755
<b>Total assets</b>	<b>5,438,126</b>	<b>678,958</b>	<b>28,383</b>	<b>517,248</b>	<b>600,199</b>	<b>-</b>	<b>7,262,914</b>
Interest bearing instruments							683,066
Deferred tax assets							114,408
Tax recoverable							7,873
Assets classified as held for sale							1,789
<b>Total assets</b>							<b>8,070,050</b>
<b>Liabilities</b>							
Segment liabilities	236,775	133,362	4,175	46,185	807	-	421,304
Interest bearing instruments							2,551,172
Deferred tax liabilities							307,785
Taxation							7,500
<b>Total liabilities</b>							<b>3,287,761</b>
Main foreign currency exchange ratio of 100 units of foreign currency to RM	RM/IDR 0.0282	RM -	RM -	RM -	RM -		

**h) Property, Plant and Equipment**

During the current quarter ended 31 March 2020, acquisitions and disposals of property, plant and equipment by the Group were RM65.0 million and RM64.1 million respectively.

**i) Material Events Subsequent to the End of Financial Year**

There were no material events subsequent to the end of the current quarter ended 31 March 2020 that have not been reflected in this interim financial report.

**j) Changes in the Composition of the Group**

On 12 February 2020, the Company had announced the proposed unwinding of the share sale and purchase agreement between the Company and Ele Vance Renewables Sciences Singapore Pte Ltd ("ERS Singapore") dated 11 July 2014 ("Share SPA") for the disposal by the Company of 72 million fully paid-up ordinary shares representing 25% of the entire share capital of Genting Biorefinery Sdn Bhd ("GIB") to ERS Singapore for a cash consideration of RM72.00 million. The unwinding of the Share SPA has been completed on 18 February 2020 and GIB became a wholly-owned subsidiary of the Company on the same date.

Other than the above, there were no material changes in the composition of the Group for the current period ended 31 March 2020.

**k) Changes in Contingent Liabilities or Contingent Assets**

There were no significant changes in contingent liabilities or contingent assets since the last financial year ended 31 December 2019.

**l) Capital Commitments**

Authorised capital commitments not provided for in the interim financial statements as at 31 March 2020 are as follows:

	Contracted RM'000	Not Contracted RM'000	Total RM'000
Property, plant and equipment	82,401	1,275,618	1,358,019
Right-of-use assets	169	61,607	61,776
Intellectual property development	-	145	145
	82,570	1,337,370	1,419,940

**m) Significant Related Party Transactions**

Significant related party transactions which were entered into on agreed terms and prices for the current quarter ended 31 March 2020 are set out below. The relationship of the related parties are as disclosed in the annual audited financial statements for the financial year ended 31 December 2019 and the approved shareholders' mandates for recurrent related party transactions.

	Current Quarter 1Q 2020 RM'000
i) Provision of shared services in relation to secretarial, tax, treasury and other services by Genting Berhad ("GENT").	439
ii) Letting of office space and provision of related services by Oakwood Sdn Bhd.	639
iii) Purchase of air-tickets, hotel accommodation and other related services from Genting Malaysia Berhad ("GENM").	7
iv) Provision of information technology consultancy, development, implementation, support and maintenance service by GENM.	545

**m) Significant Related Party Transactions (Continued)**

	<b>Current Quarter 1Q 2020 RM'000</b>
v) Provision of management services to Genting Simon Sdn Bhd and Genting Highlands Premium Outlets Sdn Bhd by Genting Awanpura Sdn Bhd.	231
vi) Sale of refined palm oil products by Genting MusimMas Refinery Sdn Bhd to Inter-Continental Oils & Fats Pte Ltd.	21,655
vii) Sale of fresh fruit bunches by PT Agro Abadi Cemerlang to Sepanjang Group.	4,704
viii) Sale of fresh fruit bunches by PT Surya Agro Palma to Sepanjang Group.	1,048
ix) Royalty fee charged by Genting Intellectual Property Sdn Bhd and Genting Intellectual Property Pte Ltd, both are subsidiaries of GENT, to Genting Simon Sdn Bhd and Genting Highlands Premium Outlets Sdn Bhd,	244
x) Provision of electricity services by Genting Utilities & Services Sdn Bhd, a subsidiary of GENM, to Genting Highlands Premium Outlets Sdn Bhd.	268

**n) Fair Value of Financial Instruments**

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

As at 31 March 2020, the Group's financial instruments measured and recognised at fair value on a recurring basis are as follows:

<b>RM'000</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
Financial assets at fair value through profit or loss	-	600,140	3,457	603,597
<b>Financial liabilities</b>				
Derivative financial instruments	-	20,551	-	20,551

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared with the previous financial year ended 31 December 2019.

The following table presents the changes in financial instruments classified within Level 3:

	<b>RM'000</b>
As at 1 January 2020	3,263
Interest income	58
Foreign exchange differences	136
As at 31 March 2020	3,457

There have been no transfers between the levels of the fair value hierarchy during the current quarter ended 31 March 2020.



**ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES - FIRST QUARTER ENDED 31 MARCH 2020**

**II) Compliance with Appendix 9(B) of Bursa Securities Listing Requirements**

**1) Performance Analysis**

The results of the Group are tabulated below:

	CURRENT QUARTER		+/- RM'Mil	+/- %
	2020 RM'Mil	2019 RM'Mil		
<b>Revenue</b>				
Plantation	340.1	340.9	-0.8	-
Property	25.3	22.6	+2.7	+12
Biotechnology	0.1	-	+0.1	-
Downstream Manufacturing	344.9	398.5	-53.6	-13
	710.4	762.0	-51.6	-7
Inter segment	(141.4)	(140.3)	-1.1	-1
Revenue - external	569.0	621.7	-52.7	-8
	=====	=====		
<b>Profit before tax</b>				
Plantation	118.5	107.0	+11.5	+11
Property	5.5	3.8	+1.7	+45
Biotechnology	(3.2)	(3.7)	+0.5	+14
Downstream Manufacturing	14.1	22.0	-7.9	-36
Others	13.1	(1.8)	+14.9	-
<b>Adjusted EBITDA</b>	148.0	127.3	+20.7	+16
Net surplus arising from government acquisition	7.0	-	+7.0	-
Assets written off and others	-	(0.2)	+0.2	-
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<b>EBITDA</b>	155.0	127.1	+27.9	+22
Depreciation and amortisation	(57.9)	(57.7)	-0.2	-
Interest income	6.7	6.2	+0.5	+8
Finance cost	(21.4)	(26.4)	+5.0	+19
Share of results in joint ventures and associates	8.3	10.7	-2.4	-22
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<b>Profit before tax</b>	90.7	59.9	+30.8	+51
	=====	=====		

1) **Performance Analysis (Continued)**

The Group registered a year-on-year decline in revenue of 8% in the first quarter of 2020 (“1Q 2020”), mainly due to softer demand for refined palm products of the Downstream Manufacturing segment. The Plantation segment’s revenue was flat as the effect of higher palm product prices was offset by lower FFB production. On the other hand, the Property segment recorded an improved performance due to the progress of construction works for its developments.

The Group’s FFB production in 1Q 2020 was 19% lower year-on-year, largely attributed to the lagged effect of adverse weather conditions in 2019 which crimped the Malaysian crop output. In addition, the temporary suspension of operations in some estates during the nationwide Movement Control Order also affected production. The Group’s Indonesia operations also experienced the lagged effect of adverse weather conditions but the impact was mostly cushioned by the increase in harvesting area and better age profile.

The rally in CPO prices which started in late 2019 extended into the early part of 2020 buoyed by the outlook of lower crop production as well as higher biodiesel mandates in both Indonesia and Malaysia. However, the rally was curtailed by the COVID-19 outbreak which evolved into a global pandemic. CPO price fell further in early March 2020, reacting to the crude oil price war which plunged oil prices to an 18-year low. Overall, the Group recorded higher year-on-year CPO and PK prices of RM2,619/mt and RM1,593/mt respectively in 1Q 2020.

	Current Quarter		
	2020	2019	Change %
<b>Average Selling Price/tonne (RM)</b>			
o Crude Palm Oil	2,619	1,974	+33
o Palm Kernel	1,593	1,283	+24
<b>Production (MT'000)</b>			
o Fresh Fruit Bunches	449	554	-19

The Plantation segment’s EBITDA for 1Q 2020 increased year-on-year on account of better margins from higher palm products selling prices.

EBITDA from the Property segment for 1Q 2020 was higher year-on-year on account of the progress of construction works although sales declined.

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

The Downstream Manufacturing segment registered lower year-on-year EBITDA for 1Q 2020, attributed to lower sales volume from its refinery.

Changes in the “Others” category mainly reflect the impact of changes in foreign currency translation position of the Group’s US Dollar denominated cash reserves and borrowings arising from foreign exchange fluctuations along with returns from investment in income funds.

2) **Material Changes in Profit before Taxation for the Current Quarter as Compared with the Immediate Preceding Quarter**

	1Q 2020 RM'Mil	4Q 2019 RM'Mil	+/- RM'Mil	+/- %
<b>Revenue</b>				
Plantation	340.1	376.8	-36.7	-10
Property	25.3	36.6	-11.3	-31
Biotechnology	0.1	-	+0.1	-
Downstream manufacturing	344.9	371.2	-26.3	-7
	710.4	784.6	-74.2	-9
Inter segment	(141.4)	(141.0)	-0.4	-
Revenue – external	569.0	643.6	-74.6	-12
<b>Profit before tax</b>				
Plantation	118.5	110.6	+7.9	+7
Property	5.5	15.2	-9.7	-64
Biotechnology	(3.2)	(2.3)	-0.9	-39
Downstream manufacturing	14.1	13.8	+0.3	+2
Others	13.1	5.4	+7.7	>100
<b>Adjusted EBITDA</b>	148.0	142.7	+5.3	+4
Net surplus arising from government acquisition	7.0	(0.3)	+7.3	-
Assets written off and others	-	(0.2)	+0.2	-
<b>EBITDA</b>	155.0	142.2	+12.8	+9
Depreciation and amortisation	(57.9)	(58.6)	+0.7	+1
Interest income	6.7	8.1	-1.4	-17
Finance cost	(21.4)	(25.8)	+4.4	+17
Share of results in joint ventures and associates	8.3	15.2	-6.9	-45
<b>Profit before tax</b>	90.7	81.1	+9.6	+12

Pre-tax profit for 1Q 2020 was higher than the immediate preceding quarter, boosted by higher contribution from the Plantation segment on the back of higher palm product selling prices.

	1Q 2020	4Q 2019	Change %
<b>Average Selling Price/tonne (RM)</b>			
○ Crude Palm Oil	2,619	2,278	+15
○ Palm Kernel	1,593	1,231	+29
<b>Production (MT'000)</b>			
○ Fresh Fruit Bunches	449	580	-22

The "Others" category derived higher contribution from the impact of changes in foreign currency translation positions of the Group's US Dollar denominated cash reserves and borrowings arising from foreign exchange fluctuations.

In contrast, the Property segment registered a decline in pre-tax profit from lower sales.

### 3) **Prospects**

The Group's prospects for the rest of the year 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 COVID-19 pandemic continues to severely affect economies worldwide and thus, the Group expects palm oil prices to be primarily influenced by the impact of the pandemic on factors such as the demand and supply dynamics of palm oil and other substitute oils and fats, global economic conditions and the implementation of higher biodiesel mandates by Indonesia and Malaysia.

Given the notable year-on-year decline in FFB production in 1Q 2020, the Group expects to make up for the deficit in the remaining months of the year underpinned by additional mature areas and favourable age profile of its Indonesia operations. However, the overall demand in the near term will likely be subdued, with the decline in uptake thus far unlikely to be recouped.

The Property segment derived minimal sales during the Movement Control Order and with the bearish sentiment on the economic outlook, its performance for rest of the year will be negatively impacted. Meanwhile, the Premium Outlets® will focus its efforts on building up patronage following the resumption of operations in early May 2020.

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 for the rest of this year will be challenging due to weak demand for its products stemming from the COVID-19 pandemic. Further, demand for discretionary blending for biodiesel has subsided due to the prevailing unfavourable palm oil gas oil ("POGO") spread.

### 4) **Variance of Actual Profit from Forecast Profit**

The Group did not issue any profit forecast or profit guarantee for the year.

### 5) **Taxation**

Tax charge for the current quarter ended 31 March 2020 is set out below:

	<b>Current Quarter 1Q 2020 RM'000</b>
Current taxation:	
- Malaysian income tax charge	<b>16,561</b>
- Deferred tax charge	<b>3,441</b>
	-----
	<b>20,002</b>
	=====

The effective tax rate for the current quarter was lower than the Malaysian statutory tax rate mainly due to lower tax rates in certain jurisdictions and income not subject to tax, partially offset by expenses not deductible for tax purposes and tax losses of certain subsidiaries where deferred tax assets have not been recognised.



6) **Profit before taxation**

Profit before taxation has been determined after inclusion of the following charges and credits:

	<b>Current Quarter 1Q 2020 RM'000</b>
<b>Charges:</b>	
Finance cost	<b>21,443</b>
Depreciation and amortisation	<b>57,904</b>
Loss on disposal of property, plant and equipment	<b>31</b>
	=====
<b>Credits:</b>	
Interest income	<b>6,727</b>
Investment income	<b>4,738</b>
Net foreign exchange differences	<b>10,128</b>
Net surplus arising from government acquisition	<b>7,006</b>
	=====

Other than the above, there were no provision for and write-off of inventories, gain or loss on disposal of quoted investments, impairment of assets and gain or loss on derivatives for the current quarter ended 31 March 2020.

7) **Status of Corporate Proposals Announced**

There was no corporate proposals announced but not completed as at 13 May 2020.

8) **Group Borrowings and Debt Securities**

The details of the Group's borrowings and debts securities as at 31 March 2020 are set out below:

	As at 31/03/2020			As at 31/12/2019	
	Secured/ Unsecured	Foreign Currency 'million		RM Equivalent '000	RM Equivalent '000
Short term borrowings	Secured	USD	64.8	279,504	294,260
	Secured	RM		1,975	975
	Unsecured	USD	-	-	89,696
	Unsecured	RM		142,755	100,548
				424,234	485,479
Long term borrowings	Secured	USD	241.4	1,041,171	1,017,870
	Secured	RM		87,372	87,299
	Unsecured	RM		998,395	998,318
				2,126,938	2,103,487
Total borrowings	Secured	USD	306.2	1,320,675	1,312,130
	Secured	RM		89,347	88,274
	Unsecured	USD	-	-	89,696
	Unsecured	RM		1,141,150	1,098,866
				2,551,172	2,588,966

## 9) **Outstanding Derivatives**

As at 31 March 2020, the maturity analysis of the outstanding derivatives of the Group are summarised as follows:

<b>Types of Derivative</b>	<b>Contract/Notional Value RM'000</b>	<b>Fair Value Assets/(Liabilities) RM'000</b>
<u>Interest Rate Swaps</u>		
USD	431,300	
- Less than 1 year		(6,407)
- 1 year to 2 years		(7,464)
- 2 years to 5 years		(3,333)
<u>Forward Foreign Currency Exchange</u>		
USD	247,435	
- Less than 1 year		(2,885)
<u>Commodity Futures Contracts</u>		
RM	55,386	
- Less than 1 year		(462)

There is no significant change for the financial derivatives in respect of the following since the previous financial year ended 31 December 2019:

- the credit risk, market risk and liquidity risk associated with those financial derivatives;
- the cash requirements of the financial derivatives; and
- the policy in place for mitigating or controlling the risks associated with those financial derivatives.

## 10) **Fair Value Changes of Financial Liabilities**

As at 31 March 2020, the Group does not have any financial liabilities measured at fair value through profit or loss.

## 11) **Changes in Material Litigation**

There are no pending material litigations as at 13 May 2020.

## 12) **Dividend Proposed or Declared**

No dividend has been proposed or declared for the current quarter ended 31 March 2020.

## 13) **Earnings per Share**

	<b>Current Quarter 1Q 2020</b>
<b>Basic and diluted earnings per share</b>	
Profit for the financial period attributable to equity holders of the Company (RM'000)	<b>91,296</b>
	=====
Weighted average number of ordinary shares in issue ('000)	<b>897,198</b>
	=====
Basic earnings per share ( <i>sen</i> )	<b>10.18</b>
	=====

The Group has no dilutive potential ordinary shares following the expiration of warrants on 17 June 2019 and therefore the diluted earning per share is the same as the basic earning per share.

**14) Disclosure of Audit Report Qualification and Status of Matters Raised**

The audit report of the Group's annual financial statements for the financial year ended 31 December 2019 did not contain any qualification.

**15) Authorisation of Financial Statements**

The condensed consolidated financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 20 May 2020.