



PRESS RELEASE

For Immediate Release

GENTING PLANTATIONS REPORTS 2020 FINANCIAL YEAR RESULTS

KUALA LUMPUR, Feb 24 – Genting Plantations Berhad today reported its financial results for the year ended 31 December 2020 (“FY 2020”), with net profit of RM251.23 million, representing a 93% improvement over the previous year.

The Group’s revenue improved 10% year-on-year for FY 2020, underpinned by stronger palm products prices which more than compensated for the drop in FFB production and lower biodiesel sales volume.

Group fresh fruit bunch (“FFB”) production for FY 2020 declined by 5% year-on-year largely due to the lagged effect of adverse weather conditions in 2019, along with a decline in harvesting areas in Malaysia from replanting activities.

The Group achieved higher crude palm oil and palm kernel prices of RM2,511 per metric tonne (“mt”) and RM1,519 per mt in FY 2020 respectively.

Bolstered by the stronger palm products prices, EBITDA for the Plantation segment increased year-on-year in FY 2020.

EBITDA for Property segment for FY 2020 fell year-on-year in line with weaker revenue coupled with lower margin for its projects.

The Biotechnology segment’s results improved year-on-year, in line with lower research and development expenditure and higher revenue.

EBITDA for Downstream Manufacturing segment for FY 2020 declined year-on-year, reflective of its lower sales volume and capacity utilisation, coupled with lower margins.

The Group’s prospects for 2021 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.

Palm product prices maintained their upward trajectory and remained buoyant, sustained by factors such as depleted inventory levels and supply tightness. The Group expects palm products prices to continue to be influenced by factors such as the demand and supply dynamics of palm oil and substitute oils and fats, global economic conditions and the implementation of higher biodiesel mandates by Indonesia and Malaysia. These factors are in turn contingent on the impact from the prolonged COVID-19 situation.

The Group anticipates the resumption of overall growth in FFB production for 2021 driven mainly by its additional mature areas and better age profile in Indonesia. However, crop production may still be affected by the lingering effects of adverse weather conditions across Malaysia and Indonesia in preceding years, whilst replanting activities are also expected to moderate production from Malaysia estates.

For the Property segment, the Group will continue to offer products which cater to a broader market segment given the prevailing soft market sentiments. Meanwhile, patronage and sales of the Premium Outlets® will continue to be adversely affected until the COVID-19 situation has eased.

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 2021 will continue to be challenging due to the unfavourable palm oil-gas oil (“POGO”) spread and uncertain demand outlook for its products in the wake of the COVID-19 pandemic.

The Board of Directors has recommended a final single-tier dividend of 4.0 sen per ordinary share for FY 2020. The Board also declared a special single-tier dividend of 11.0 sen per ordinary share. Should the final dividend be approved by shareholders, total dividend (including the interim dividend of 6.0 sen) for FY 2020 will amount to 21.0 sen per ordinary share. In comparison, the total dividend amounted to 13.0 sen for FY 2019.

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

TABLE 1:

RM' Million	4Q 2020	4Q 2019	%	FY 2020	FY 2019	%
Revenue						
Plantation	437.5	376.8	+16	1,458.6	1,268.5	+15
Property	46.9	36.6	+28	94.4	129.4	-27
Biotechnology	3.3	-	-	4.8	0.3	>100
Downstream Manufacturing	408.2	371.2	+10	1,486.2	1,379.7	+8
	895.9	784.6	+14	3,044.0	2,777.9	+10
Inter segment	(156.6)	(141.0)	-11	(545.8)	(511.5)	-7
Revenue - external	739.3	643.6	+15	2,498.2	2,266.4	+10
Adjusted EBITDA						
Plantation	187.0	110.6	+69	527.0	336.9	+56
Property	4.3	15.2	-72	20.4	37.9	-46
Biotechnology	1.3	(2.3)	-	(6.3)	(14.2)	+56
Downstream Manufacturing	5.6	13.8	-59	33.5	58.4	-43
Others*	(1.7)	5.4	-	15.4	14.0	+10
	196.5	142.7	+38	590.0	433.0	+36
EBITDA	195.8	142.2	+38	595.9	438.1	+36
Profit before tax	128.0	81.1	+58	323.2	185.5	+74
Profit for the financial period	98.8	57.0	+73	251.2	130.4	+93
Basic EPS (sen)	8.81	6.88	+28	28.35	16.62	+71

**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 178,900 hectares (including the *Plasma* scheme) in Indonesia held through joint ventures. It owns seven oil mills in Malaysia and five in Indonesia, with a total milling capacity of 665 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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