



PRESS RELEASE

For Immediate Release

GENTING PLANTATIONS REPORTS SECOND QUARTER AND FIRST HALF 2021 FINANCIAL RESULTS

KUALA LUMPUR, Aug 25 – Genting Plantations Berhad today reported its financial results for the second quarter (“2Q 2021”) and first half (“1H 2021”) ended 30 June 2021.

The Group’s 2Q 2021 revenue improved notably across all segments underpinned by higher palm products prices, increased FFB production and better property sales which eclipsed the impact of lower sales volume from the Downstream Manufacturing segment.

Similarly, the Group registered a year-on-year growth in revenue for 1H 2021 mainly driven by the stronger performance of the Plantation segment, coupled with higher sales from the Property segment. However, the Downstream segment recorded a marginal decline in revenue as the impact of higher palm product prices was offset by lower sales volume for biodiesel and refined palm products.

The Group’s achieved crude palm oil price in 2Q 2021 and 1H 2021 were RM3,250 per metric tonne (“mt”) and RM3,105 per mt respectively, whilst palm kernel price in 2Q 2021 and 1H 2021 were RM2,385 per mt and RM2,322 per mt respectively.

The Group’s FFB production in 2Q 2021 and 1H 2021 surpassed that of the previous year, spurred by the growth in Indonesia from increased harvesting areas and higher yields, which more than compensated for the drop in Malaysia due to the compounded lagged effects of droughts in early 2019 and 2020 along with its replanting activities.

EBITDA for the Plantation segment for 2Q 2021 and 1H 2021 surged year-on-year, propelled by the combination of higher palm products selling prices and stronger FFB production.

The Property segment also posted improved year-on-year EBITDA for 2Q 2021 and 1H 2021 in line with higher sales.

The Biotechnology segment incurred lower year-on-year losses for 2Q 2021 and 1H 2021 in tandem with its lower research and development expenditure.

The Downstream Manufacturing segment posted higher year-on-year EBITDA for 2Q 2021 and 1H 2021 mainly on account of higher margins but this was partly moderated by lower sales volume.

The Group's prospects for the second half of 2021 ("2H 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.

The COVID-19 pandemic continues to impact world markets amid resurgent infection waves. Thus, the Group expects palm oil prices to be primarily influenced by the impact of the pandemic on global economic conditions as well as the demand and supply dynamics of palm oil and other substitute oils and fats.

Based on the crop trend observed in 1H 2021 and barring any weather anomalies, the Group expects overall FFB production growth to extend into 2H 2021 driven by its Indonesian operations as a result of additional harvesting areas and the progression of existing mature areas into higher yielding brackets. However, the growth in output is expected to be moderated by on-going replanting activities in our Malaysian 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.

For the Downstream Manufacturing segment, the outlook for biodiesel will remain constrained due to the unfavourable palm oil-gas oil ("POGO") spread but the demand for refined palm products is expected to be resilient given its competitive pricing vis-à-vis other substitute soft oils.

The Board of Directors has declared an interim single-tier dividend of 11.0 sen per ordinary share. In comparison, the interim single-tier dividend declared for the corresponding period of 2020 amounted to 6.0 sen per ordinary share.

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

TABLE 1:

RM' Million	2Q 2021	2Q 2020	%	1H 2021	1H 2020	%
Revenue						
Plantation	508.4	325.7	+56	870.3	665.8	+31
Property	30.7	3.6	>100	54.6	28.9	+89
Biotechnology	1.3	0.4	>100	1.6	0.5	>100
Downstream Manufacturing	425.7	333.5	+28	675.5	678.4	-
	966.1	663.2	+46	1,602.0	1,373.6	+17
Inter segment	(176.0)	(118.9)	-48	(275.3)	(260.3)	-6
Revenue - external	790.1	544.3	+45	1,326.7	1,113.3	+19
Adjusted EBITDA						
Plantation	232.3	100.8	>100	387.5	219.3	+77
Property	9.9	7.2	+38	14.9	12.7	+17
Biotechnology	(0.6)	(1.5)	+60	(1.4)	(4.7)	+70
Downstream Manufacturing	24.0	1.9	>100	18.1	16.0	+13
Others*	2.8	3.8	-26	8.8	16.9	-48
	268.4	112.2	>100	427.9	260.2	+64
EBITDA	250.9	111.9	>100	409.9	266.9	+54
Profit before tax	169.9	38.8	>100	256.9	129.5	+98
Profit for the financial period	121.2	30.9	>100	183.9	101.6	+81
Basic EPS (sen)	11.66	2.52	>100	18.77	12.70	+48

**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.

~ END OF RELEASE ~