

SECOND QUARTERLY REPORT

Quarterly report on consolidated results for the second quarter ended 30 June 2021. The figures have not been audited.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 30/06/2021 RM'000	Preceding Year Corresponding Quarter 30/06/2020 RM'000	Current Year To-Date 30/06/2021 RM'000	Preceding Year Corresponding Period 30/06/2020 RM'000
Revenue	790,114	544,318	1,326,690	1,113,356
Cost of sales	(529,923)	(464,475)	(925,921)	(899,890)
Gross profit	260,191	79,843	400,769	213,466
Other income	8,510	21,748	18,570	42,265
Other expenses	(74,920)	(43,397)	(125,077)	(103,942)
Other gains/(losses)	(824)	(670)	2,001	9,598
Profit from operations	192,957	57,524	296,263	161,387
Finance cost	(23,554)	(22,957)	(46,680)	(44,400)
Share of results in joint ventures and associates	515	4,228	7,315	12,500
Profit before taxation	169,918	38,795	256,898	129,487
Taxation	(48,714)	(7,916)	(73,029)	(27,918)
Profit for the financial period	121,204	30,879	183,869	101,569
Profit/(loss) attributable to:				
Equity holders of the Company	104,632	22,637	168,364	113,933
Non-controlling interests	16,572	8,242	15,505	(12,364)
	121,204	30,879	183,869	101,569
Earnings per share (sen) for profit attributable to equity holders of the Company:				
- Basic	11.66	2.52	18.77	12.70
- Diluted	11.66	2.52	18.77	12.70

(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 2020)



**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 30/06/2021 RM'000	Preceding Year Corresponding Quarter 30/06/2020 RM'000	Current Year To-Date 30/06/2021 RM'000	Preceding Year Corresponding Period 30/06/2020 RM'000
Profit for the financial period	121,204	30,879	183,869	101,569
Other comprehensive (loss)/income, net of tax:				
Items that will not be reclassified subsequently to profit or loss:				
Actuarial loss on retirement benefit liability	(51)	-	(51)	-
	(51)	-	(51)	-
Items that will be reclassified subsequently to profit or loss:				
Cash flow hedge				
- Fair value changes	(7,587)	3,570	(4,026)	23,556
- Reclassifications	3,485	(13,035)	4,984	(2,065)
	(4,102)	(9,465)	958	21,491
Foreign currency translation differences	6,743	303,541	(5,168)	(3,409)
	2,641	294,076	(4,210)	18,082
Other comprehensive income/(loss) for the financial period, net of tax	2,590	294,076	(4,261)	18,082
Total comprehensive income for the financial period	123,794	324,955	179,608	119,651
Total comprehensive income/(loss) attributable to:				
Equity holders of the Company	108,005	274,524	172,746	140,601
Non-controlling interests	15,789	50,431	6,862	(20,950)
	123,794	324,955	179,608	119,651

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020)



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021**

	As at 30/06/2021 RM'000	Audited As at 31/12/2020 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	4,291,203	4,267,582
Land held for property development	364,495	239,776
Investment properties	22,221	22,498
Right-of-use assets	962,015	964,069
Intangible assets	39,607	38,735
Joint ventures	233,365	225,307
Associates	11,288	13,780
Financial assets at fair value through profit or loss	3,610	3,381
Financial assets at fair value through other comprehensive income	6,234	-
Other non-current assets	192,203	167,398
Deferred tax assets	71,076	52,724
	<u>6,197,317</u>	<u>5,995,250</u>
Current assets		
Property development costs	13,538	21,054
Inventories	179,725	156,411
Produce growing on bearer plants	12,457	8,243
Tax recoverable	14,688	9,447
Trade and other receivables	534,452	665,075
Amounts due from joint ventures, associates and other related companies	2,717	2,830
Derivative financial assets	6,714	23,326
Financial assets at fair value through profit or loss	600,087	600,260
Restricted cash	16,178	15,230
Cash and cash equivalents	920,323	943,627
	<u>2,300,879</u>	<u>2,445,503</u>
TOTAL ASSETS	<u>8,498,196</u>	<u>8,440,753</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 2020)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021 *(Continued)*

	As at 30/06/2021 RM'000	Audited As at 31/12/2020 RM'000
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	1,724,016	1,724,016
Treasury shares	(1,372)	(1,372)
Reserves	3,230,449	3,192,282
	-----	-----
	4,953,093	4,914,926
Non-controlling interests	128,294	122,729
	-----	-----
Total equity	5,081,387	5,037,655
Non-current liabilities		
Borrowings	2,252,657	2,287,119
Lease liabilities	8,489	9,748
Provisions	43,746	31,508
Derivative financial liabilities	2,758	4,671
Deferred tax liabilities	350,031	321,839
Other non-current liabilities	16,813	14,423
	-----	-----
	2,674,494	2,669,308
	-----	-----
Current liabilities		
Trade and other payables	360,117	386,614
Amounts due to ultimate holding and other related companies	995	1,955
Borrowings	320,930	303,677
Lease liabilities	2,341	2,288
Derivative financial liabilities	35,026	33,073
Taxation	22,906	6,183
	-----	-----
	742,315	733,790
	-----	-----
Total liabilities	3,416,809	3,403,098
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TOTAL EQUITY AND LIABILITIES	8,498,196	8,440,753
	=====	=====
NET ASSETS PER SHARE (RM)	5.52	5.48

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020)



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**

	<----- Attributable to equity holders of the Company ----->								
	Share Capital	Fair Value Reserve	Reserve on Exchange Differences	Cash Flow Hedge Reserve	Treasury Shares	Retained Earnings	Total	Non- controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2021	1,724,016	(84,586)	(263,493)	(22,896)	(1,372)	3,563,257	4,914,926	122,729	5,037,655
Profit for the financial period	-	-	-	-	-	168,364	168,364	15,505	183,869
Other comprehensive income/(loss)	-	-	1,726	2,720	-	(64)	4,382	(8,643)	(4,261)
Total comprehensive income for the financial period	-	-	1,726	2,720	-	168,300	172,746	6,862	179,608
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(1,297)	(1,297)
Appropriation:									
- Special single-tier dividend paid for the financial year ended 31 December 2020 (11.0 sen)	-	-	-	-	-	(98,691)	(98,691)	-	(98,691)
- Second interim single-tier dividend paid for the financial year ended 31 December 2020 (4.0 sen)	-	-	-	-	-	(35,888)	(35,888)	-	(35,888)
	-	-	-	-	-	(134,579)	(134,579)	-	(134,579)
Balance at 30 June 2021	1,724,016	(84,586)	(261,767)	(20,176)	(1,372)	3,596,978	4,953,093	128,294	5,081,387

(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 2020)



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021 *(Continued)*

	<----- Attributable to equity holders of the Company ----->								
	Share Capital	Fair Value Reserve	Reserve on Exchange Differences	Cash Flow Hedge Reserve	Treasury Shares	Retained Earnings	Total	Non- controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2020	1,724,016	(84,586)	(200,980)	(30,859)	(1,372)	3,466,900	4,873,119	186,474	5,059,593
Profit/(loss) for the financial period	-	-	-	-	-	113,933	113,933	(12,364)	101,569
Other comprehensive income/(loss)	-	-	4,924	21,744	-	-	26,668	(8,586)	18,082
Total comprehensive income/(loss) for the financial period	-	-	4,924	21,744	-	113,933	140,601	(20,950)	119,651
Effects arising from changes in composition of the Group	-	-	-	-	-	(17,890)	(17,890)	(54,110)	(72,000)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	(976)	(976)
Appropriation:									
- Final single-tier dividend paid for the financial year ended 31 December 2019 (9.5 sen)	-	-	-	-	-	(85,234)	(85,234)	-	(85,234)
Balance at 30 June 2020	1,724,016	(84,586)	(196,056)	(9,115)	(1,372)	3,477,709	4,910,596	110,438	5,021,034

(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 2020)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021**

	Current Year To-Date 30/06/2021 RM'000	Preceding Year Corresponding Period 30/06/2020 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	256,898	129,487
Adjustments for:		
Depreciation and amortisation	122,745	116,781
Finance cost	46,680	44,400
Interest income	(9,120)	(11,241)
Investment income	(5,757)	(8,996)
Net unrealised foreign exchange differences	(3,305)	(10,316)
Share of results in joint ventures and associates	(7,315)	(12,500)
Fair value change arising from produce growing on bearer plants	(12,457)	(5,144)
Net surplus arising from Government acquisition	-	(7,006)
Gain from disposal of assets classified as held for sale	-	(11,311)
Impairment losses on property, plant and equipment	16,981	-
Other adjustments	8,207	5,594
	<u>156,659</u>	<u>100,261</u>
Operating profit before changes in working capital	413,557	229,748
Changes in working capital:		
Net change in current assets	136,124	(80,449)
Net change in current liabilities	(57,639)	33,373
	<u>78,485</u>	<u>(47,076)</u>
Cash generated from operations	492,042	182,672
Tax paid (<i>net of tax refund</i>)	(36,576)	(18,961)
Retirement gratuities/benefits paid	(183)	(1,443)
	<u>455,283</u>	<u>162,268</u>
Net cash flows generated from operating activities	455,283	162,268
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(159,665)	(134,726)
Purchase of intangible assets	(88)	(6,977)
Purchase of right-of-use assets	(761)	(4,980)
Land held for property development	(83,231)	(2,501)
Interest received	9,010	11,126
Investment income	4,738	8,996
Dividend received from associates	1,750	-
Proceeds from disposal of property, plant and equipment	-	161
Financial assets at fair value through other comprehensive income	(1,243)	-
Proceeds received from Government in respect of acquisition of land	-	10,334
Net cash flows used in investing activities	(229,490)	(118,567)

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2021 *(Continued)*

	Current Year To-Date 30/06/2021 RM'000	Preceding Year Corresponding Period 30/06/2020 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bank borrowings	523,973	630,967
Repayment of bank borrowings and transaction costs	(587,696)	(778,257)
Finance cost paid	(50,174)	(56,110)
Repayment of lease liabilities	(1,472)	(1,469)
Dividend paid	(134,579)	-
Dividend paid to non-controlling interests	(1,297)	(976)
Net cash flows used in financing activities	(251,245)	(205,845)
Net change in cash and cash equivalents	(25,452)	(162,144)
Cash and cash equivalents at beginning of financial period	943,627	955,093
Effects of currency translation	2,148	1,641
Cash and cash equivalents at end of financial period	920,323	794,590
Analysis of cash and cash equivalents		
Bank balances and deposits	470,550	239,132
Money market instruments	449,773	555,458
	920,323	794,590

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020)



**GENTING PLANTATIONS BERHAD
NOTES TO THE INTERIM FINANCIAL REPORT
- SECOND QUARTER ENDED 30 JUNE 2021**

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

(a) Accounting Policies, Presentation and Methods of Computation

The interim financial report is unaudited and 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 six months ended 30 June 2021 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 Independence 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 2020. 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 2020 except for the adoption of amendments to published standards by the Group for the financial year beginning 1 January 2021:

- Amendments to MFRS 16 “COVID-19-Related Rent Concessions”
- Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 “Interest Rate Benchmark Reform-Phase 2”

The adoption of these amendments to published standards 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 six months ended 30 June 2021.

(d) Material Changes in Estimates

There were no significant changes made in estimates of amounts reported in the 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 six months ended 30 June 2021.

(f) Dividend Paid

Dividend paid during the six months ended 30 June 2021 are as follows:

	RM'Mil
(i) Special single-tier dividend paid on 30 March 2021 for the financial year ended 31 December 2020 - 11.0 sen per ordinary share	98.7
(ii) Second interim single-tier dividend paid on 22 June 2021 for the financial year ended 31 December 2020 - 4.0 sen per ordinary share	35.9

	134.6

(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 property, plant and equipment, 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 six months ended 30 June 2021 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
Revenue							
- External	596,490	54,631	57	675,512	-	-	1,326,690
- Inter segment	273,804	-	1,477	-	-	(275,281)	-
Total Revenue	<u>870,294</u>	<u>54,631</u>	<u>1,534</u>	<u>675,512</u>	<u>-</u>	<u>(275,281)</u>	<u>1,326,690</u>
Adjusted EBITDA	387,542	14,859	(1,384)	18,051	8,838	-	427,906
Impairment losses on property, plant and equipment	-	-	-	(16,981)	-	-	(16,981)
Assets written off & others	(847)	-	(16)	(1)	(173)	-	(1,037)
	<u>386,695</u>	<u>14,859</u>	<u>(1,400)</u>	<u>1,069</u>	<u>8,665</u>	<u>-</u>	<u>409,888</u>
Depreciation and amortisation	(115,359)	(460)	(1,165)	(5,761)	-	-	(122,745)
Share of results in joint ventures and associates	(748)	8,046	-	-	17	-	7,315
	<u>270,588</u>	<u>22,445</u>	<u>(2,565)</u>	<u>(4,692)</u>	<u>8,682</u>	<u>-</u>	<u>294,458</u>
Interest income							9,120
Finance cost							(46,680)
Profit before taxation							<u>256,898</u>
Main foreign currency exchange ratio of 100 units of foreign currency to RM	RM/IDR 0.0287	RM -	RM -	RM -	RM -		
Assets							
Segment assets	6,074,553	517,621	33,553	399,294	600,251	-	7,625,272
Joint ventures	-	233,365	-	-	-	-	233,365
Associates	11,347	96	-	-	(155)	-	11,288
	<u>6,085,900</u>	<u>751,082</u>	<u>33,553</u>	<u>399,294</u>	<u>600,096</u>	<u>-</u>	<u>7,869,925</u>
Interest bearing instruments							542,507
Deferred tax assets							71,076
Tax recoverable							14,688
Total assets							<u>8,498,196</u>
Liabilities							
Segment liabilities	305,909	126,938	8,406	28,000	1,032	-	470,285
Interest bearing instruments							2,573,587
Deferred tax liabilities							350,031
Taxation							22,906
Total liabilities							<u>3,416,809</u>
Main foreign currency exchange ratio of 100 units of foreign currency to RM	RM/IDR 0.0288	RM -	RM -	RM -	RM -		

(h) Property, Plant and Equipment

During the six months ended 30 June 2021, acquisitions of property, plant and equipment by the Group was RM140.6 million.

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

There were no material events subsequent to the end of the six months ended 30 June 2021 that have not been reflected in this interim financial report.

(j) Changes in the Composition of the Group

There were no material changes in the composition of the Group for the six months ended 30 June 2021.

(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 2020.

(l) Capital Commitments

Authorised capital commitments not provided for in the interim financial statements as at 30 June 2021 are as follows:

	RM'000
Contracted	105,642
Not contracted	1,406,050

	1,511,692
	=====
Analysed as follows:	
- Property, plant and equipment	1,438,013
- Right-of-use assets	73,591
- Intangible assets	88

	1,511,692
	=====

(m) Significant Related Party Transactions

Significant related party transactions which were entered into on agreed terms and prices for the six months ended 30 June 2021 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 2020 and the approved shareholders' mandates for recurrent related party transactions.

	Current Quarter RM'000	Current Financial Year-to-Date RM'000
i) Provision of shared services in relation to secretarial, tax, treasury and other services by Genting Berhad ("GENT").	343	691
ii) Letting of office space and provision of related services by Oakwood Sdn Bhd.	536	1,174
iii) Provision of information technology consultancy, development, implementation, support and maintenance service by Genting Malaysia Berhad ("GENM").	607	1,213
iv) Provision of management services to Genting Simon Sdn Bhd and Genting Highlands Premium Outlets Sdn Bhd by Genting Awanpura Sdn Bhd.	129	291
v) Sale of refined palm oil products by Genting MusimMas Refinery Sdn Bhd to Inter-Continental Oils & Fats Pte Ltd.	333,544	510,820
vi) 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.	136	308
vii) Provision of electricity services by Genting Utilities & Services Sdn Bhd, a subsidiary of GENM, to Genting Highlands Premium Outlets Sdn Bhd.	193	385

(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 30 June 2021, the Group's financial instruments measured and recognised at fair value on a recurring basis are as follows:

RM'000	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at fair value through profit or loss	-	600,087	3,610	603,697
Financial assets at fair value through other comprehensive income	-	-	6,234	6,234
Derivative financial instruments	-	6,714	-	6,714
	-----	-----	-----	-----
	-	606,801	9,844	616,645
	=====	=====	=====	=====
Financial liabilities				
Derivative financial instruments	-	37,784	-	37,784
	=====	=====	=====	=====

(n) Fair Value of Financial Instruments (Continued)

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared with the previous financial year ended 31 December 2020.

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

	RM'000
As at 1 January 2021	3,381
Additions	6,234
Interest income	110
Foreign exchange differences	119

As at 30 June 2021	9,844
	=====

There have been no transfers between the levels of the fair value hierarchy during the six months ended 30 June 2021.

ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES - SECOND QUARTER ENDED 30 JUNE 2021

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

(1) Performance Analysis

The results of the Group are tabulated below:

	CURRENT QUARTER				FINANCIAL YEAR-TO-DATE			
	2021 RM'Mil	2020 RM'Mil	+/- RM'Mil	+/ %	1H 2021 RM'Mil	1H 2020 RM'Mil	+/- RM'Mil	+/ %
Revenue								
Plantation	508.4	325.7	+182.7	+56	870.3	665.8	+204.5	+31
Property	30.7	3.6	+27.1	>100	54.6	28.9	+25.7	+89
Biotechnology	1.3	0.4	+0.9	>100	1.6	0.5	+1.1	>100
Downstream Manufacturing	425.7	333.5	+92.2	+28	675.5	678.4	-2.9	-
	966.1	663.2	+302.9	+46	1,602.0	1,373.6	+228.4	+17
Inter segment	(176.0)	(118.9)	-57.1	-48	(275.3)	(260.3)	-15.0	-6
Revenue - external	790.1	544.3	+245.8	+45	1,326.7	1,113.3	+213.4	+19
Profit before tax								
Plantation	232.3	100.8	+131.5	>100	387.5	219.3	+168.2	+77
Property	9.9	7.2	+2.7	+38	14.9	12.7	+2.2	+17
Biotechnology	(0.6)	(1.5)	+0.9	+60	(1.4)	(4.7)	+3.3	+70
Downstream Manufacturing	24.0	1.9	+22.1	>100	18.1	16.0	+2.1	+13
Others	2.8	3.8	-1.0	-26	8.8	16.9	-8.1	-48
Adjusted EBITDA	268.4	112.2	+156.2	>100	427.9	260.2	+167.7	+64
Net surplus arising from Government acquisition	-	-	-	-	-	7.0	-7.0	-100
Impairment losses on property, plant and equipment	(17.0)	-	-17.0	-	(17.0)	-	-17.0	-
Assets written off and others	(0.5)	(0.3)	-0.2	-67	(1.0)	(0.3)	-0.7	>100
EBITDA	250.9	111.9	+139.0	>100	409.9	266.9	+143.0	+54
Depreciation and amortisation	(61.6)	(58.9)	-2.7	-5	(122.7)	(116.8)	-5.9	-5
Interest income	3.7	4.6	-0.9	-20	9.1	11.3	-2.2	-19
Finance cost	(23.6)	(23.0)	-0.6	-3	(46.7)	(44.4)	-2.3	-5
Share of results in joint ventures and associates	0.5	4.2	-3.7	-88	7.3	12.5	-5.2	-42
Profit before tax	169.9	38.8	+131.1	>100	256.9	129.5	+127.4	+98

(1) Performance Analysis (Continued)

The Group's revenue improved notably across all segments for the quarter ended 30 June 2021 ("2Q 2021"), 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 the first half of 2021 ("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.

Group 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.

Malaysia crude palm oil ("CPO") prices experienced volatile trading in 2Q 2021 and 1H 2021, with spot prices ranging from lows of circa RM3,500/mt in January 2021 and June 2021 to a historical high of just under RM4,800/mt in May 2021. Despite the volatility, CPO prices had remained well supported on the back of supply tightness for most of 1H 2021. Consequently, the Group achieved markedly higher year-on-year CPO and PK selling prices for 2Q 2021 and 1H 2021.

	Current Quarter			Year-To-Date		
	2021	2020	Change %	2021	2020	Change %
Average Selling Price/tonne (RM)						
o Crude Palm Oil	3,250	2,325	+40	3,105	2,465	+26
o Palm Kernel	2,385	1,295	+84	2,322	1,439	+61
Production (MT'000)						
o Fresh Fruit Bunches	533	500	+7	974	949	+3

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.

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.

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

	2Q 2021 RM'Mil	1Q 2021 RM'Mil	+/- RM'Mil	+/- %
Revenue				
Plantation	508.4	361.9	+146.5	+40
Property	30.7	23.9	+6.8	+28
Biotechnology	1.3	0.3	+1.0	>100
Downstream manufacturing	425.7	249.8	+175.9	+70
	966.1	635.9	+330.2	+52
Inter segment	(176.0)	(99.3)	-76.7	-77
Revenue – external	790.1	536.6	+253.5	+47
Profit before tax				
Plantation	232.3	155.2	+77.1	+50
Property	9.9	5.0	+4.9	+98
Biotechnology	(0.6)	(0.8)	+0.2	+25
Downstream manufacturing	24.0	(5.9)	+29.9	-
Others	2.8	6.0	-3.2	-53
Adjusted EBITDA	268.4	159.5	+108.9	+68
Impairment losses on property, plant and equipment	(17.0)	-	-17.0	-
Assets written off and others	(0.5)	(0.5)	-	-
EBITDA	250.9	159.0	+91.9	+58
Depreciation and amortisation	(61.6)	(61.1)	-0.5	-1
Interest income	3.7	5.4	-1.7	-31
Finance cost	(23.6)	(23.1)	-0.5	-2
Share of results in joint ventures and associates	0.5	6.8	-6.3	-93
Profit before tax	169.9	87.0	+82.9	+95

Profit before tax for 2Q 2021 was significantly higher than the immediate preceding quarter on account of the combined impact of firmer palm products prices, better FFB production and higher sales volume from Downstream Manufacturing.

	2Q 2021	1Q 2021	Change %
Average Selling Price/tonne (RM)			
○ Crude Palm Oil	3,250	2,916	+11
○ Palm Kernel	2,385	2,243	+6
Production (MT'000)			
○ Fresh Fruit Bunches	533	441	+21

(3) **Prospects**

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.

(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 and six months ended 30 June 2021 is set out below:

	Current Quarter 2Q 2021 RM'000	Current Financial Year-To-Date RM'000
Current taxation:		
- Malaysian income tax charge	27,405	43,123
- Foreign income tax charge	3,680	4,917
- Deferred tax charge	17,629	24,989
	-----	-----
	48,714	73,029
	=====	=====

The effective tax rate for the current quarter and six months ended 30 June 2021 were higher than the Malaysian statutory tax rate mainly due to expenses not deductible for tax purposes and tax losses of certain subsidiaries where deferred tax assets have not been recognised, partially offset by differences in tax regime and income not subject to tax.

(6) **Profit before taxation**

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

	Current Quarter 2Q 2021 RM'000	Current Financial Year-To-Date RM'000
Charges:		
Finance cost	23,554	46,680
Depreciation and amortisation	61,638	122,745
Property, plant and equipment written off	542	864
Write-down on land held for property development	13	26
Impairment losses on property, plant and equipment	16,981	16,981
Fair value loss on financial assets at fair value through profit or loss	23	173
	=====	=====
Credits:		
Interest income	3,754	9,120
Investment income	2,878	5,757
Net foreign exchange differences	(801)	2,174
	=====	=====

Other than the above, there were no provision for and write-off of receivables and inventories, gain or loss on disposal of quoted investments and gain or loss on derivatives for the current quarter and six months ended 30 June 2021.

(7) **Status of Corporate Proposals Announced**

There was no corporate proposals announced but not completed as at 18 August 2021.

(8) **Group Borrowings and Debt Securities**

The details of the Group's borrowings and debts securities as at 30 June 2021 are set out below:

	As at 30/06/2021			As at 31/12/2020	
	Secured/ Unsecured	Foreign Currency 'million		RM Equivalent '000	RM Equivalent '000
Short term borrowings	Secured	USD	35.5	147,620	150,960
	Secured	RM		9,590	3,897
	Unsecured	RM		163,720	148,820
					320,930
Long term borrowings	Secured	USD	283.3	1,177,541	1,204,571
	Secured	RM		76,334	83,920
	Unsecured	RM		998,782	998,628
					2,252,657
Total borrowings	Secured	USD	318.8	1,325,161	1,355,531
	Secured	RM		85,924	87,817
	Unsecured	RM		1,162,502	1,147,448
					2,573,587

(9) Outstanding Derivatives

As at 30 June 2021, the maturity analysis of the outstanding derivatives of the Group are summarised as follows:

Types of Derivative	Contract/Notional Value RM'000	Net Fair Value Assets/(Liabilities) RM'000
<u>Interest Rate Swaps</u>		
USD	415,600	
- Less than 1 year		(5,735)
- 1 year to 2 years		(1,689)
- 2 years to 5 years		(1,069)
<u>Forward Foreign Currency Exchange Contracts</u>		
USD	185,312	
- Less than 1 year		(2,490)
<u>Commodity Futures Contracts</u>		
RM	288,799	
- Less than 1 year		(20,087)

There is no significant change for the financial derivatives in respect of the following since the previous financial year ended 31 December 2020:

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

(10) Fair Value Changes of Financial Liabilities

As at 30 June 2021, 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 18 August 2021.

(12) Dividend Proposed or Declared

- (a) (i) An interim single-tier dividend of 11.0 sen per ordinary share in respect of the financial year ending 31 December 2021 has been declared by the Directors.
- (ii) The interim single-tier dividend declared and paid for the previous year's corresponding period was 6.0 sen per ordinary share.
- (iii) The interim single-tier dividend shall be payable on 24 September 2021.
- (iv) Entitlement to the interim single-tier dividend:

A Depositor shall qualify for entitlement to the interim single-tier dividend only in respect of:

- Shares transferred into the Depositor's Securities Account before 4.30 p.m on 10 September 2021 in respect of ordinary transfer; and
- Shares bought on the Bursa Securities on a cum entitlement basis according to the Main Market Listing Requirements of Bursa Securities.

- (b) The total single-tier dividend payable for the financial year ending 31 December 2021 is 11.0 sen per ordinary share.

(13) Earnings per Share

	Current Quarter 2Q 2021	Current Financial Year-To-Date
Basic and diluted earnings per share		
Profit for the financial period attributable to equity holders of the Company (<i>RM'000</i>)	104,632	168,364
Weighted average number of ordinary shares in issue (<i>'000</i>)	897,198	897,198
	=====	=====
Basic earnings per share (<i>sen</i>)	11.66	18.77
	=====	=====

The Group has no dilutive potential ordinary shares and therefore the diluted earnings per share is the same as the basic earnings 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 2020 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 25 August 2021.