

## **GENTING PLANTATIONS REPORTS FIRST QUARTER FINANCIAL YEAR 2022 RESULTS**

KUALA LUMPUR, May 25 – Genting Plantations Berhad reported its financial results for the first quarter ended 31 March 2022 (“1Q 2022”), with pre-tax profit more than doubling to RM181.6 million from the corresponding period of the previous year.

Revenue dipped marginally year-on-year in 1Q 2022, due to lower sales volume for the Downstream Manufacturing segment, partly compensated by the Plantation segment which recorded higher revenue on the back of stronger palm product prices.

FFB production in 1Q 2022 was marginally lower year-on-year as the heavy rainfall during the quarter disrupted estate operations in Indonesia, mitigated by a strong recovery in Malaysian estates against a drought-induced low production a year ago.

The Group achieved crude palm oil and palm kernel prices of RM4,797 per metric tonne (mt) and RM4,114 per mt respectively. Reflective of the higher palm products selling prices, 1Q 2022 EBITDA for the Plantation segment improved year-on-year, on account of better margins.

EBITDA from the Property segment for 1Q 2022 declined year-on-year in tandem with lower sales and revenue.

The AgTech segment narrowed its losses for 1Q 2022 in line with higher revenue achieved year-on-year.

The Downstream Manufacturing segment turned to an EBITDA for 1Q 2022 on account of higher margins.

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.

For the short term, the Group expects palm oil prices to be supported by supply tightness of palm oil and other substitute oils and fats, backed by a confluence of factors such as the unresolved labour shortage in Malaysia, drought in key soybean producing areas and the protracted Russia-Ukraine conflict. Meanwhile, the uncertainties surrounding Indonesia’s export policy will contribute towards volatility to palm oil prices.

The Group expects a moderate growth in FFB production for the year sustained by additional areas coming into maturity and progression of existing mature areas into higher yielding brackets in Indonesia. On the other hand, the on-going replanting activities in Malaysia may constrain the Group's production growth.

For the Property segment, the Group will continue to offer products which cater to a broader market segment. Meanwhile, patronage and sales of the Premium Outlets® has shown recovery since the reopening of economy, and likely to further improve with the gradual restoration of international travel.

The AgTech segment will continue to unlock value by leveraging on new technologies to augment the development of optimised genomics-based next generation planting materials and biological solutions for plant and soil health to improve yields.

For the Downstream Manufacturing segment, refined palm products from Malaysia continue to face stiffer competition from its Indonesian counterparts which enjoy cost saving in feedstock due to unfavourable price differential arising from the imposition of export levy. Meanwhile, the outlook for palm based biodiesel will remain challenging due to the unfavourable palm oil-gas oil spread.

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

**TABLE 1:**

RM' Million	1Q 2022	1Q 2021	%
<b>Revenue</b>			
Plantation	565.6	361.9	+56
Property	16.5	23.9	-31
AgTech	3.1	0.3	>100
Downstream Manufacturing	152.7	249.8	-39
	737.9	635.9	+16
Inter segment	(207.5)	(99.3)	>100
Revenue – external	530.4	536.6	-1
<b>Adjusted EBITDA</b>			
Plantation	249.9	155.2	+61
Property	1.6	5.0	-68
AgTech	(0.1)	(0.8)	+88
Downstream Manufacturing	3.7	(5.9)	-
Others*	1.5	6.0	-75
	256.6	159.5	+61
<b>EBITDA</b>	256.2	159.0	+61
<b>Profit before tax</b>	181.6	87.0	>100
<b>Profit for the financial period</b>	131.5	62.7	>100
<b>Basic EPS (sen)</b>	13.00	7.10	+83

*\*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 agriculture technology to provide total solutions and services to our Group's core agri-business in optimising yield, improving operating efficiency, enabling traceability and enhancing sustainability.

For more information, visit [www.gentingplantations.com](http://www.gentingplantations.com).

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