



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2020

The Directors have pleasure in announcing the unaudited consolidated results for the third quarter ended 30 September 2020.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		UNAUDITED				
		THIRD QUARTER		CUMULATIVE QUARTER		
		CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING YEAR	
		30.09.2020	30.09.2019	30.09.2020	30.09.2019	
Note		RM'000	RM'000	RM'000	RM'000	
	Revenue	28	167,430	136,007	410,551	357,403
	Fair value changes on biological Assets	18.1	20,826	7,115	33,175	10,244
	Cost of sales		(111,655)	(110,418)	(283,277)	(309,107)
	Gross profit		76,601	32,704	160,449	58,540
	Other income	7	10,406	855	11,788	2,656
	Administrative expenses	8	(6,853)	(7,233)	(23,103)	(23,686)
	Other expenses	9	(26,686)	(55,208)	(44,590)	(58,120)
	Results from operating Activities		53,468	(28,882)	104,544	(20,610)
	Profit margin income from short-term investments and receivables		208	128	633	335
	Finance cost	10	(15,900)	(20,037)	(56,458)	(60,637)
	Net finance cost		(15,692)	(19,909)	(55,825)	(60,302)
	Profit/ (loss) before tax	28	37,776	(48,791)	48,719	(80,912)
	Tax expense	32	(13,912)	8,778	(24,454)	9,252
	Profit/ (loss) for the year	28	23,864	(40,013)	24,265	(71,660)
	Other comprehensive income, net of tax					
	Items that are or may be reclassified subsequently to profit and loss, net of tax					
	Foreign currency translation differences for foreign operations		4,990	225	3,607	1,445
	Other comprehensive income, net of tax		4,990	225	3,607	1,445
	Total comprehensive income/ (expense) for the year		28,854	(39,788)	27,872	(70,215)



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (continued)

		UNAUDITED			
		THIRD QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING YEAR
		30.09.2020	30.09.2019	30.09.2020	30.09.2019
		RM'000	RM'000	RM'000	RM'000
Profit/ (loss) attributable to:	Note				
Owners of the Company		15,772	(31,609)	12,398	(58,850)
Non-controlling interests		8,092	(8,404)	11,867	(12,810)
Profit/ (loss) for the year		23,864	(40,013)	24,265	(71,660)
Total comprehensive income / (expense) attributable to:					
Owners of the Company		20,412	(31,400)	15,752	(57,506)
Non-controlling interests		8,442	(8,388)	12,120	(12,709)
Total comprehensive income/ (expense) for the year		28,854	(39,788)	27,872	(70,215)
Basic earnings/ (loss) per ordinary share (sen)	39	1.78	(3.58)	1.40	(6.66)
Diluted earnings/ (loss) per ordinary share (sen)	39	1.78	(3.58)	1.40	(6.66)

The Condensed Consolidated Statement Of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As at 30.09.2020	As at 31.12.2019
		RM'000	RM'000
Assets			
Property, plant and equipment		836,884	774,085
Right-of-use		630,408	634,060
Plantation development expenditure	14	27,383	111,410
Forestry	15	6,385	6,385
Intangible asset	16	-	-
Other investments	17	1,825	1,825
Deferred tax assets		29,048	34,295
Total non-current assets		1,531,933	1,562,060
Inventories		12,044	7,902
Current tax assets		2,127	6,744
Biological assets	18	58,158	35,405
Other investments	17	1,255	1,239
Trade and other receivables		43,784	31,375
Prepayments and other assets		6,777	8,022
Cash and cash equivalents	19	80,292	68,953
		204,437	159,640
Assets classified as held for sale	20	955,613	1,014,902
Total current assets		1,160,050	1,174,542
Total assets		2,691,983	2,736,602



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

	Note	As at 30.09.2020	As at 31.12.2019
		RM'000	RM'000
Equity			
Capital and reserve		771,926	768,571
Accumulated losses		(191,745)	(204,143)
Equity attributable to owners of the Company		580,181	564,428
Non-controlling interests		268,405	253,376
Total equity		848,586	817,804
Liabilities			
Loans and borrowings	36	1,077,312	1,139,644
Lease liabilities		82,381	75,121
Employee benefits		690	730
Deferred tax liabilities		191,824	193,102
Trade and other payables		11,523	9,826
Total non-current liabilities		1,363,730	1,418,423
Loans and borrowings	36	134,750	139,771
Lease liabilities		3,963	1,605
Trade and other payables		191,796	209,610
Current tax liabilities		6,408	685
		336,917	351,671
Liabilities classified as held for sale	20	142,750	148,704
Total current liabilities		479,667	500,375
Total liabilities		1,843,397	1,918,798
Total equity and liabilities		2,691,983	2,736,602
Net tangible assets per share (RM)		0.66	0.64

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2020

Group	Note	/-----Attributable to owners of the Company-----/			/-----Non-distributable-----/		Distributable	Non-controlling interest RM'000	Total equity RM'000
		Share capital RM'000	Other reserve RM'000	Exchange reserve RM'000	Total capital reserve RM'000	Retained earnings/ (Accumulated losses) RM'000	Total RM'000		
At 1 January 2019		862,752	(80,958)	(11,790)	770,004	22,355	792,359	302,736	1,095,095
Foreign currency translation differences for foreign operations		-	-	(1,456)	(1,456)	-	(1,456)	(110)	(1,566)
Remeasurement loss on defined benefit liability		-	23	-	23	-	23	2	25
Total other comprehensive income for the year		-	23	(1,456)	(1,433)	-	(1,433)	(108)	(1,541)
Loss for the year		-	-	-	-	(226,498)	(226,498)	(46,636)	(273,134)
Total comprehensive income for the year		-	23	(1,456)	(1,433)	(226,498)	(227,931)	(46,744)	(274,675)
<i>Contribution by and distribution to owners of the Group</i>									
Dividends to owners of the Company		-	-	-	-	-	-	-	-
Dividends to non-controlling interests		-	-	-	-	-	-	(2,616)	(2,616)
Total transactions with owners of the Group		-	-	-	-	-	-	(2,616)	(2,616)
At 31 December 2019		862,752	(80,935)	(13,246)	768,571	(204,143)	564,428	253,376	817,804



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2020 (continued)

Group	Note	/-----Attributable to owners of the Company-----/ /-----Non-distributable-----/					Distributable Retained earnings/ (Accumulated losses) RM'000	Non- controlling interest RM'000	Total equity RM'000
		Share capital RM'000	Other reserve RM'000	Exchange reserve RM'000	Total capital reserve RM'000	Total RM'000			
At 1 January 2020,		862,752	(80,935)	(13,246)	768,571	(204,143)	564,428	253,376	817,804
Foreign currency translation differences for foreign operations		-	-	3,355	3,355	-	3,355	252	3,607
Total other comprehensive income for the year		-	-	3,355	3,355	-	3,355	252	3,607
Profit for the year		-	-	-	-	12,398	12,398	11,867	24,265
Total comprehensive income for the year		-	-	3,355	3,355	12,398	15,753	12,119	27,872
<i>Contribution by and distribution to owners of the Group</i>									
Dividends to owners of the Company		-	-	-	-	-	-	-	-
Dividends to non-controlling interests		-	-	-	-	-	-	-	-
Disposal of subsidiary		-	-	-	-	-	-	2,910	2,910
Total transactions with owners of the Group		-	-	-	-	-	-	2,910	2,910
At 30 September 2020		862,752	(80,935)	(9,891)	771,926	(191,745)	580,181	268,405	848,586

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the interim financial statements.



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2020

		FOR THE THIRD QUARTER ENDED	
	Note	30.09.2020	30.09.2019
		RM'000	RM'000
Cash flows from operating activities			
Profit/ (loss) before tax		48,719	(80,912)
Adjustment for non-cash items		80,436	178,350
Operating profit before changes in working capital		129,155	97,438
Net changes in working capital		(20,596)	(34,745)
Cash generated from operations		108,559	62,693
Profit margin income from short-term investments and other receivables		633	335
Finance cost		(33,525)	(50,419)
Tax paid		(7,832)	(12,659)
Tax refund		4,648	1,220
Net cash generated from operating activities		72,483	1,170
Cash flows from investing activities			
Acquisition of property, plant and equipment		(1,492)	(5,375)
Decrease in other investment		(16)	674
Plantation development expenditure		(14,513)	(28,958)
Forestry		(10,954)	(4,056)
Proceeds from disposal of property, plant and equipment		9	121
Proceeds from disposal of subsidiary	24	60,143	-
Net cash generated from/ (used in) investing activities		33,177	(37,594)



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2020 (continued)

	FOR THE THIRD QUARTER ENDED	
	30.09.2020	30.09.2019
	RM'000	RM'000
Cash flows from financing activities		
Dividends paid to owners of the Company	-	(157)
Dividends paid to non-controlling interest	(10,300)	(2,635)
Proceeds from drawdown of loans and borrowings	-	68,551
Proceeds from drawdown of tradeline	66,909	89,064
Loan repayment	(150,930)	(123,565)
Net cash (used in)/ generated from financing activities	(94,321)	31,258
Net increase /(decrease) in cash and cash equivalents	11,339	(5,166)
Cash and cash equivalents at 1 January	68,953	50,969
Cash and cash equivalents at end of the period	80,292	45,803

Note

Cash and cash equivalents comprise:

			FOR THE THIRD QUARTER ENDED	
			30.09.2020	30.09.2019
			RM'000	RM'000
Deposits			61,290	35,097
Less: Other investments			(1,255)	(1,213)
	19		60,035	33,884
Cash and bank balances	19		20,257	11,919
			80,292	45,803



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

NOTES PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

1. Basis of Preparation

The interim financial statements have been prepared under the historical cost basis unless otherwise stated.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2019. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2019.

2. Significant Accounting Policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated annual financial statements as at and for the year ended 31 December 2019.

3. Estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, certain judgements made by management in applying the Group's accounting policies and the key sources of estimation, were the same as those applied to the financial statements as at and for the year ended 31 December 2019.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than as disclosed below :

(a) **Depreciation of estate**

The rate used to depreciate the estate is based on the general rule of the normal palm oil trees production trend.

(ii) **Recoverable amount of plantation development expenditure ("PDE")**

Management reviews its PDE for objective evidence of impairment at least quarterly. Significant delay in maturity is considered as an indication of impairment. In determining this, management makes judgement as to whether there is observable data indicating that there has been a significant change in the performance of the PDE, or whether there have been significant changes with adverse effect in the market environment in which the PDE operates in.



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

3. Estimates (continued)

(iii) **Intangible assets-goodwill**

Measurement of recoverable amounts of cash generating units is derived based on value in use of the cash generating unit.

(iv) **Deferred income**

Determination of the fair value of the soft loan received from Government agency for development and maintenance of rubber trees (forestry) were determined using the Group financing rate of 7.85% and the difference between the fair value and nominal value is treated as government grant.

(v) **Forestry**

The fair value of the assets is determined using valuation prepared by external, licensed independent property valuer as at 31 December 2019. The directors of the Group are of the opinion that there is no material change in the fair value of forestry during the quarter.

(vi) **Contingencies**

Determination of the treatment of contingent liabilities is based on management's view of the expected outcome of the contingencies after consulting legal counsel for litigation cases and experts, internal and external to the Group, for matters in the ordinary course of business.

(vii) **Deferred tax**

Estimating the deferred tax assets to be recognised requires a process that involves determining appropriate tax provisions, forecasting future years' taxable income and assessing our ability to utilise tax benefits through future earnings.

4. Auditors' Report on Preceding Annual Financial Statements

The auditors have expressed an unqualified opinion on the Group's statutory consolidated financial statements for the year ended 31 December 2019 in their report dated 3 June 2020.

5. Seasonal or Cyclical Factors

The Group's plantation operations are affected by seasonal crop production and weather conditions.

6. Unusual Items Due To Their Nature, Size or Incidence

There are no unusual items affecting assets, liabilities, equity and net income.



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

7. Other income

Other income consist of the following:

- a) Management fees
- b) Gain on disposal of subsidiary
- c) Sundry income

Note	30.09.2020	30.09.2019
	RM'000	RM'000
24	1,447	887
	8,743	-
	1,598	1,769
	11,788	2,656

8. Administrative expenses

Administrative expenses consist of the followings:

- a) Overhead expenses
- b) Sundry expenses

30.09.2020	30.09.2019
RM'000	RM'000
17,619	17,803
5,484	5,883
23,103	23,686

9. Other expenses

Other expenses consist of the followings:

- a) Head office depreciation
- b) Impairment loss on receivables
- c) Unrealised foreign exchange loss
- d) Impairment loss on property plant and equipment ("PPE")
- e) Receivables written off
- f) Miscellaneous expenses

30.09.2020	30.09.2019
RM'000	RM'000
2,946	3,334
-	134
23,446	-
-	53,569
16,684	-
1,514	1,083
44,590	58,120



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

10. Finance cost

Finance cost on:

- loans and borrowings
- profit margin expense on related companies
- lease liability

30.09.2020	30.09.2019
RM'000	RM'000
49,323	49,048
119	2,298
7,016	9,291
56,458	60,637

11. Changes in Estimated Amounts Reported in Prior Period Which Have Effect on the Current Period

There were no changes in estimated amounts reported in prior period.

12. Changes in Debt and Equity Securities

During the period under review, The Group carried out the following:

- a) Repayment of RM40.0 million Commodity Murabahah Medium Term Notes at an effective profit margin rate of 5.65%.
- b) Repayment of RM30.0 million Commodity Murabahah Revolving credit-i at an effective profit margin rate of 4.59%.
- c) Repayment of RM3.75 million Commodity Murabahah Term Financing-i at an effective profit margin rate of 5.83%.

Apart from the above, there were no other issuances, cancellations, repurchases, resale of debt and equity securities in the period.

13. Dividends

There were no dividends declared nor paid during the third quarter ended 30 September 2020.



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

14. Plantation development expenditure

	OIL PALM		TEAK		TOTAL	
	30.09.2020	31.12.2019	30.09.2020	31.12.2019	30.09.2020	31.12.2019
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January	109,423	84,842	1,987	-	111,410	84,842
Additions during the year	15,119	42,783	169	154	15,288	42,937
Addition of nurseries	1,217	1,703	-	-	1,217	1,703
Transfer to property, plant and equipment	(97,144)	(35,904)	-	-	(97,144)	(35,904)
Impairment	-	(20,316)	(169)	-	(169)	(20,316)
Reversal of impairment	-	-	-	1,833	-	1,833
Transfer from assets held for sale	-	35,633	-	-	-	35,633
Transfer to Assets held for sale	-	(1,928)	-	-	-	(1,928)
Effect of movement in exchange rate	(3,219)	2,610	-	-	(3,219)	2,610
	25,396	109,423	1,987	1,987	27,383	111,410

15. Forestry

	30.09.2020	31.12.2019
	RM'000	RM'000
At 1 January	6,385	49,825
Addition during the year	11,211	25,083
Transfer from nurseries	-	(13,385)
Addition charged to profit and loss	(11,211)	(11,923)
Change in fair value recognised to profit or loss	-	(43,215)
	6,385	6,385



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

16. Intangible asset

Cost

Goodwill
Transfer from assets held for sale
Impairment

30.09.2020	31.12.2019
RM'000	RM'000
-	-
-	9,761
-	(9,761)
-	-

17. Other investments

Non-current

Available-for-sale financial
assets – stated at cost

Current

Deposits placed with licensed banks (maturity
period more than 3 months)

30.09.2020	31.12.2019
RM'000	RM'000
1,825	1,825
1,255	1,239
3,080	3,064

18. Biological assets

At 1 January
Change in fair value recognised to profit or loss

Transfer from asset held for sale
Transfer to assets held for sale

30.09.2020	31.12.2019
RM'000	RM'000
35,405	35,658
22,753	7,405
58,158	43,063
-	1,417
-	(9,075)
58,158	35,405



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

18. Biological assets (continued)

18.1 Breakdown of changes in fair value of biological assets recognised in profit or loss for the year, are as follows:

	30.09.2020	31.12.2019
	RM'000	RM'000
Biological asset	22,753	7,405
Biological asset Classified as asset held for sale	10,422	3,626
	33,175	11,031

Biological assets comprise of produce growing on bearer plants. Biological assets are measured at fair value less costs to sell. Any gains or losses arising from changes in the fair value less costs to sell are recognised in profit or loss. Fair value is determined based on the present value of expected net cash flows from the biological assets. The expected net cash flows are estimated using the expected output method and the estimated market price of the biological assets.

Biological assets are classified as current assets for bearer plants that are expected to be harvested.

19. Cash and cash equivalents

	30.09.2020	31.12.2019
	RM'000	RM'000
Deposits placed with licensed banks	60,035	58,423
Cash and bank balances	20,257	10,708
	80,292	69,131
Transfer from assets held for sale	-	26
Transfer to assets held for sale	-	(204)
	80,292	68,953



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

20. Group assets held for sale

Investment in Bumi Suria Ventures Sdn. Bhd. (“BSV”), investment in Maju Warisanmas Sdn. Bhd. (“MWM”), investment in TH PELITA Meludam Sdn. Bhd.(“THPMel”), investment in TH PELITA Beladin Sdn Bhd (“THPBel”), investment in TH PELITA Simunjan Sdn Bhd. (“THPSim”), investment in TH PELITA Gedong Sdn. Bhd. (“THPGed”), and investment in TH PELITA Sadong Sdn. Bhd. (“THPSad”) are presented as assets held for sale. Efforts to sell have commenced, and sale is expected to be completed within twelve (12) months.

During the period, the Group had completed the Share Purchase Agreement (“SPA”) in relation to the disposal of 70% equity interests in THPYT on 31 July 2020.

Assets and liabilities classified as held for sale are as below:

Group

Assets classified as held for sale

	Note	30.09.2020 RM'000
Property, plant and equipment (“PPE”)	a	606,116
Right-of-use – PPE	b	244,714
Plantation development expenditure (“PDE”)		38,126
Deferred tax assets		23,138
Biological assets		26,417
Inventories		2,653
Current tax assets		462
Trade and other receivables		12,412
Prepayment and Other assets		115
Cash and cash equivalents		1,460
		955,613

Liabilities classified as held for sale

	30.09.2020 RM'000
Lease liabilities	35,866
Deferred tax liability	86,046
Payables and accruals	18,723
Current tax payable	2,115
	142,750



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

20. Group assets held for sale (continued)

Note

a) Property, plant and equipment held for sale comprises the following:

	30.09.2020
	RM'000
Cost	838,485
Accumulated depreciation	(232,369)
	606,116

b) Right-of-use-PPE held for sale comprise the following:

	30.09.2020
	RM'000
Cost	341,205
Accumulated depreciation	(96,491)
	244,714



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

21. Operating segments

	Oil palm Plantation	Forestry	Consolidated
	RM'000	RM'000	RM'000
RESULTS FOR 3 MONTHS ENDED			
30 SEPTEMBER 2020			
External operating revenue	167,430	-	167,430
Fair value change in biological assets	20,826	-	20,826
Other income	10,614	-	10,614
	198,870	-	198,870
Operating expenses	(109,007)	(2,648)	(111,655)
Segment results	89,863	(2,648)	87,215
Other expenses	(33,460)	(79)	(33,539)
Finance cost	(13,265)	(2,635)	(15,900)
Profit/ (loss) before tax	43,138	(5,362)	37,776
RESULTS FOR 3 MONTHS ENDED			
30 SEPTEMBER 2019			
External operating revenue	136,007	-	136,007
Fair value change in biological assets	7,115	-	7,115
Other income	983	-	983
	144,105	-	144,105
Operating expenses	(109,766)	(652)	(110,418)
Segment results	34,339	(652)	33,687
Other expenses	(62,394)	(47)	(62,441)
Finance cost	(17,142)	(2,895)	(20,037)
Loss before tax	(45,197)	(3,594)	(48,791)



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

21. Operating segments (continued)

	Oil palm Plantation	Forestry	Consolidated
	RM'000	RM'000	RM'000
RESULTS UP TO THIRD QUARTER ENDED			
30 SEPTEMBER 2020			
External operating revenue	410,551	-	410,551
Fair value change in biological assets	33,175	-	33,175
Other income	12,322	99	12,421
	456,048	99	456,147
Operating expenses	(279,185)	(4,092)	(283,277)
Segment results	176,863	(3,993)	172,870
Other expenses	(67,486)	(207)	(67,693)
Finance cost	(47,907)	(8,551)	(56,458)
Profit/ (loss) before tax	61,470	(12,751)	48,719
RESULTS UP TO THIRD QUARTER ENDED			
30 SEPTEMBER 2019			
External operating revenue	357,403	-	357,403
Fair value change in biological assets	10,244	-	10,244
Other income	2,969	22	2,991
	370,616	22	370,638
Operating expenses	(306,371)	(2,736)	(309,107)
Segment results	64,245	(2,714)	61,531
Other expenses	(81,557)	(249)	(81,806)
Finance cost	(52,046)	(8,591)	(60,637)
Loss before tax	(69,358)	(11,554)	(80,912)



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

21. Operating segments (continued)

	Oil palm Plantation	Forestry	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000
ASSETS AND LIABILITIES AS AT 30 SEPTEMBER 2020				
Assets that belong to the Group	3,282,946	23,372	(614,335)	2,691,983
Total Assets	3,282,946	23,372	(614,335)	2,691,983
Liabilities that belong to the Group	2,576,937	219,423	(952,963)	1,843,397
Total liabilities	2,576,937	219,423	(952,963)	1,843,397
ASSETS AND LIABILITIES AS AT 31 DECEMBER 2019				
Assets that belong to the Group	3,595,066	23,297	(881,761)	2,736,602
Total Assets	3,595,066	23,297	(881,761)	2,736,602
Liabilities that belong to the Group	2,594,856	206,596	(882,654)	1,918,798
Total liabilities	2,594,856	206,596	(882,654)	1,918,798



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

22. Valuation of Property, Plant and Equipment

There was no valuation of property, plant and equipment during the current quarter under review.

23. Material Event Subsequent to the Balance Sheet Date

There is no material event which occurred subsequent to the balance sheet date of this announcement.

24. Changes In The Composition Of The Group

On 31 July 2020, the Group had completed the Share Purchase Agreement (“SPA”) in relation to the disposal of 70% equity interests in THPYT.

Effect of disposal on the financial position of the Group

	Note	RM'000
Property, plant and equipment (“PPE”)		59,877
Right-of-use – PPE		4,676
Plantation development expenditure (“PDE”)		250
Deferred tax assets		7,246
Biological assets		1,880
Inventories		9
Trade and other receivables		1,157
Prepayment and Other assets		65
Cash and cash equivalents		650
Trade and other payables		(26,670)
		49,140
Non-controlling interest		2,910
		52,050
Gain on disposal	7	8,743
Consideration received		60,793
Less: Cash and bank balances		(650)
Net cash inflow		60,143



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

25. Contingent Liabilities

The Directors are of the opinion that the Group has no contingent liabilities which may have a material impact on the financial position and business of the Group as at 26 November 2020.

26. Capital and Other Commitments Outstanding Not Provided For In the Interim Financial Report

Approved and contracted for
Approved but not contracted for

30.09.2020
RM'000
32
58,415
58,447

27. Material Related Party Transactions

			For the third quarter ended 30.09.2020
Transacting Parties	Relationship	Nature of transactions	RM'000
Transactions with THP Lembaga Tabung Haji	Holding Corporation	Lease of land	2,196
Transactions with THP Group TH Travel Sdn Bhd Deru Semangat Sdn Bhd	Related Company Related Company	Purchase of flight ticket Management fees	54 159

Save as the above, there are no other material related party transactions.



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

NOTES PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

28. Review of Group's Financial Performance

	UNAUDITED THIRD QUARTER		VARIANCE	
	CURRENT YEAR	PRECEDING YEAR		
	30.09.2020	30.09.2019	RM'000	%
	RM'000	RM'000		
Revenue	410,551	357,403	53,148	14.87
Fair value change on biological assets	33,175	10,244	22,931	223.85
Operating profit	160,449	58,540	101,909	174.08
Profit / (Loss) Before Interest and Tax ("PBIT/ (LBIT)")	104,544	(20,610)	125,154	607.25
Profit/ (loss) Before Tax ("PBT/(LBT)")	48,719	(80,912)	129,631	160.21
Profit/ (loss) After Tax ("PAT/(LAT)")	24,265	(71,660)	95,925	133.86
Profit/ (Loss) attributable to owners of the Company ("PATAMI/ (LATAMI)")	12,398	(58,850)	71,248	121.07

	THIRD QUARTER		VARIANCE	
	2020	2019		
	MT	MT	MT	%
Sales volume				
Crude palm oil ("CPO")	132,250	147,357	(15,107)	(10.25)
Palm kernel ("PK")	30,030	33,066	(3,036)	(9.18)
Fresh Fruit Bunches ("FFB")	90,832	108,830	(17,998)	(16.54)

	THIRD QUARTER		VARIANCE	
	2020	2019		
	RM/MT	RM/MT	RM/MT	%
Average realised prices				
Crude palm oil	2,447	1,915	532	27.78
Palm kernel	1,446	1,137	309	27.18
FFB	480	345	135	39.13



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

28. Review of Group's Financial Performance (continued)

Overall

The Group's revenue for the nine months ended 2020 ("9M20") higher by 14.87% to RM410.55 million due to higher average realised prices for CPO, PK and FFB despite of lower sales volume for CPO, PK and FFB. At operating level, the Group has recorded a higher operating profit by 174.08% as compared to 9M19. The Group registered a PBT of RM48.72 million as compared to LBT of RM80.91million in the corresponding quarter in previous year due to:

- a) Higher revenue by RM53.15 million.
- b) Higher fair value change on biological assets by RM22.93 million.
- c) Lower cost of sales by RM25.83 million.
- d) Lower other expenses by RM18.29 million.

Plantation sector

In 9M20, Plantation sector has registered a higher revenue by 14.87% due to higher average realised prices for CPO, PK and FFB despite of lower sales volume for CPO, PK and FFB. Plantation sector recorded PBT of RM61.47 million as compared to LBT of RM69.36 million in the corresponding quarter in previous year mainly due to:

- a) Higher revenue by RM53.15 million.
- b) Higher fair value change in biological assets by RM22.93 million.
- c) Higher other income by RM9.43 million

Forestry sector

For 9M20, the forestry sector recorded a higher LBT of RM12.75 million, as compared to RM11.55 million in 9M19. This is a result of higher cost of sales by RM1.36 million in 9M20.



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

29. Material Changes in the Quarterly Results Compared To the Preceding Quarter

	2020	2020	VARIANCE	
	Quarter 3	Quarter 2	RM'000	%
Revenue	167,430	127,570	39,860	31.25
Fair value change in biological assets	20,826	23,148	(2,322)	(10.03)
Operating profit	76,601	58,252	18,349	31.50
Profit Before Interest and Tax ("PBIT")	53,468	51,813	1,655	3.19
Profit Before Tax ("PBT")	37,776	25,431	12,345	48.54
Profit After Tax ("PAT")	23,864	13,349	10,515	78.77
Profit attributable to owners of the Company ("PATAMI")	15,772	8,157	7,615	93.36

	2020	2020	VARIANCE	
	Quarter 3	Quarter 2	MT	%
Sales volume				
Crude palm oil	51,120	45,398	5,722	12.60
Palm kernel	12,075	10,157	1,918	18.88
FFB	40,421	30,255	10,166	33.60

	2020	2020	VARIANCE	
	Quarter 3	Quarter 2	RM/MT	%
Average realised prices				
Crude palm oil	2,540	2,236	304	13.60
Palm kernel	1,420	1,306	114	8.73
FFB	506	423	83	19.62



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

29. Material Changes in the Quarterly Results Compared To the Preceding Quarter (continued)

Overall

The Group's revenue increased by 31.25 % to RM167.43 million compared to the preceding quarter mainly due to higher sales volume and average realised prices for CPO, PK and FFB. The Group registered a PBT of RM37.78 million in 3Q20 as compared to RM25.43 million in 2Q20 due to higher operating profit by RM18.35 million and other income by RM10.15 million. However, it was partly offset by higher other expenses by RM15.82 million as compared to the preceding quarter.

Plantation sector

The Plantation sector registered a PBT of RM43.14 million in the current quarter compared to RM29.11 million in the preceding quarter. The increase in PBT by RM14.03 million in the current quarter was mainly due to higher revenue by RM39.86 million and partly offset by higher expenses by RM26.73 million.

Forestry sector

For 3Q20, the forestry sector registered a higher LBT of RM5.36 million compared to RM3.68 million in preceding quarter. This is due to higher operating expenses incurred during 3Q20 as compared to the preceding quarter.



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

30. Current Year Prospects

The outlook for the Group's overall financial performance for the financial year ending 31 December 2020 will largely depend on the movement of palm products prices and the progress of our Strategic Recovery Plan.

Markets are expected to continue to remain stable despite the volatility mainly influenced by the development of the COVID-19 pandemic and its impact on the world economy. The Group expects palm oil prices for the medium term to be strong supported by the following factors:

- Low production season had started from November 2020 until February 2021.
- Disruption in production due to labour shortages.
- The weather phenomenon "La Nina" is expected to persist until at least January 2021. Expectations of a reduction in sunflower crops, lower soya bean inventories in the United States and unfavourable weather for planting in South America are also contributing to a bullish outlook for the edible oil market in general.
- As the global COVID-19 situation improved with prospects from the progress of the COVID-19 vaccine development, there will be increasing demand from major palm oil-consuming countries such as China and India.

In addition, the timing for the realisation of the disposal of certain assets that are classified as held for sale might be delayed beyond the next twelve (12) months as a result of further Conditional Movement Control Order ("CMCO") imposed by the Government.

31. Variance of Actual Profit from Forecast Profit

The Group did not issue any profit forecast for the current quarter under review.



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

32. Taxation

	THIRD QUARTER		CUMULATIVE QUARTER	
	Current year RM000	Preceding year RM000	Current year RM000	Preceding year RM000
Current	(9,314)	(2,704)	(19,921)	(8,050)
Deferred	(4,598)	11,482	(4,533)	17,302
	(13,912)	8,778	(24,454)	9,252

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the quarter.

Current year tax for 3Q20 was higher compared to corresponding quarter in previous year due to higher corporate and deferred tax liabilities recognised during the quarter.

33. Unquoted Investments and /or Properties

There were no purchases or disposals of unquoted investments for the current quarter under review.

34. Quoted Investments

There were no purchases of quoted investments for the current quarter under review.

35. Status of Corporate Proposals

- a) On 5 December 2019, the company had entered into A Conditional Sale and Purchase of Shares Agreement with Tamaco Plantation Sdn. Bhd. to dispose 100% equity interests in BSV and MWM for a total consideration of RM170 million.
- b) On 3 March 2020, THP had entered into a SPA with TDM Berhad ("TDM") to dispose 70% equity interests in THPYT for a cash consideration of RM7.0 million and settlement of RM62.0 million being part of the inter-company advances by THPYT to THP Suria Mekar Sdn. Bhd., a wholly-owned subsidiary of the Company.

As at announcement date, proposal (a) has yet to be completed. However, proposal (b) was completed on 31 July 2020.

Save as disclosed above, there are no other corporate proposals announced but not completed as at end of period review.



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

36. Group Borrowings

As at 30 September 2020, total borrowings are as follows:

	Note	As at	As at
		30.09.2020	31.12.2019
		RM'000	RM'000
Non-current			
Secured			
Commodity Murahabah Term Financing-i (THPS)		196,604	200,482
Commodity Murahabah Term Financing-i (PTPKP)		61,365	46,254
Unsecured			
SUKUK Murabahah		780,000	855,000
Medium Term Notes		39,343	37,908
Term Financing			
		1,077,312	1,139,644
Current			
Secured			
Commodity Murabahah Revolving credit-i		30,000	60,000
Commodity Murahabah Term Financing-i (THPS)		29,750	29,500
Unsecured			
SUKUK Murabahah		75,000	40,000
Medium Term Notes		-	10,271
Islamic Trade Financing-i			
		134,750	139,771
		1,212,062	1,279,415



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

36. Group Borrowings (continued)

Maturity analysis

Tenure	Year of maturity	SUKUK	Other Financial Instruments	TOTAL	Foreign Currency denominated loan
		RM'000	RM'000	RM'000	USD'000
Within 1 years	2020	-	41,000	41,000	-
1-2 years	2021	75,000	30,000	105,000	-
2-3 years	2022	100,000	30,000	130,000	500
3-4 years	2023	105,000	32,000	137,000	2,000
4-5 years	2024	110,000	36,000	146,000	2,000
5-6 years	2025	120,000	39,000	159,000	2,000
6-7 years	2026	145,000	48,354	193,354	3,500
7-8 years	2027	200,000	-	200,000	1,279
8-9 years	2028	-	-	-	-
9-10 years	2029	-	39,343	39,343	-
		855,000	295,697	1,150,697	11,279

37. Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk as at the date of this announcement.

38. Material Litigation

There are no material litigations as at the date of this report.



TH Plantations Berhad

Registration No. 197201001069 (12696-M)
(Incorporated in Malaysia)

39. Earnings Per Share

		UNAUDITED THIRD QUARTER		UNAUDITED CUMULATIVE	
		Current Year	Preceding Year	Current Year	Preceding Year
Basic earnings per share					
Profit/ (Loss) attributable to shareholders	RM'000	15,772	(31,609)	12,398	(58,850)
Weighted average number of ordinary shares in issue	000	883,851	883,851	883,851	883,851
Basic earnings/ (loss) per share	sen	1.78	(3.58)	1.40	(6.66)
Diluted earnings per share					
Profit / (Loss) attributable to shareholders	RM'000	15,772	(31,609)	12,398	(58,850)
Weighted average number of ordinary shares in issue	000	883,851	883,851	883,851	883,851
Effect of dilution		-	-	-	-
Adjusted weighted average of ordinary shares in issue	000	883,851	883,851	883,851	883,851
Diluted earnings/ (loss) per share	sen	1.78	(3.58)	1.40	(6.66)

40. Authorisation For Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated 26 November 2020.

By Order of the Board
Aliatun binti Mahmud
LS0008841
Secretary

Kuala Lumpur
26 November 2020