



**BOUSTEAD PLANTATIONS BERHAD**<sup>1245-M</sup>  
*(A member of Boustead Group)*

## ***NEWS RELEASE***

### **Boustead Plantations Posts Higher Q2 Revenue of RM167 Mil**

#### **KEY HIGHLIGHTS**

- Revenue grew to RM167 million for the second quarter.
- Profit from operations higher at RM19 million.
- Profit before tax of RM5 million.

**KUALA LUMPUR, August 25, 2020** – Boustead Plantations Berhad (BPB) posted an increased revenue of RM167 million for its second quarter ended 30 June 2020, compared with RM124 million in the previous year's corresponding quarter. This improvement was primarily due to higher palm product prices. As a result, profit from operations increased to RM19 million compared with a deficit of RM22 million in the same quarter last year. Profit before tax (PBT) stood at RM5 million, compared with a deficit of RM35 million in the same quarter last year when excluding the one-off gain on disposal of land of RM120 million.

For the cumulative six-month period ended 30 June 2020, the Group recorded a higher revenue of RM330 million. Profit from operations increased to RM37 million while PBT came in at RM6 million.

The Group's results for the second quarter are as follows:

<b>(All figures are stated in RM million)</b>	<b>Current Period</b>		<b>Cumulative Period</b>	
	<b>Q2 2020</b>	<b>Q2 2019</b>	<b>2020</b>	<b>2019</b>
Revenue	<b>167.1</b>	124.0	<b>329.7</b>	258.9
Operating Cost	<b>(147.7)</b>	(146.0)	<b>(293.1)</b>	(281.8)
<b>Profit/(Loss) from operations</b>	<b>19.4</b>	(22.0)	<b>36.6</b>	(22.9)
Gain on disposal of plantation asset	-	119.5	-	119.5
Interest income	<b>0.1</b>	0.9	<b>0.2</b>	0.9
Finance cost	<b>(15.8)</b>	(16.8)	<b>(32.8)</b>	(30.7)
Share of results of Associate	<b>1.1</b>	2.6	<b>2.0</b>	3.3
<b>Profit/(Loss before taxation)</b>	<b>4.8</b>	84.2	<b>6.0</b>	70.1

The operational statistics achieved by the Group are as follows:

	Q2 FY20	Q2 FY19	Difference	%
Crude Palm Oil Price (RM per MT)	2,367	1,989	378	19
Palm Kernel Price (RM per MT)	1,351	1,099	252	23
Fresh Fruit Bunches production (MT)	270,383	229,202	41,181	18
Oil Extraction Rate (%)	21.0	21.4	-0.4	-2
Kernel Extraction Rate (%)	4.3	4.3	-	-

Moving forward, the Group's profitability will continue to be driven by FFB production and palm product prices. Crude palm oil prices for the second half of the year are expected to remain supportive, with relatively steady demand for palm oil expected from China, India and Pakistan. Global palm oil production for this year is estimated to be lower than last year due to a slowdown in the increase of mature areas, lack of replanting, reduced fertiliser application and shortage of workers. The uncertainty of COVID-19 recovery is also expected to exacerbate issues stemming from the labour shortage, as recruitment of new foreign workers remains restricted.

Despite these challenges, the Group remains focused on executing its transformation programme to improve operational efficiency and financial performance over the long-term.

#### **Forward looking statements**

This release may contain certain forward-looking statements with respect to the financial conditions, results of operations and business of the Group and certain plans and objectives of Boustead Plantations Berhad with respect to these items. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.

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