



BOUSTEAD PLANTATIONS BERHAD^{1245-M}
(A member of Boustead Group)

NEWS RELEASE

Boustead Plantations Delivers Higher Q3 PAT of RM16 Mil

KEY HIGHLIGHTS

- Profit after tax improves to RM16 million for the third quarter.
- Revenue up to RM206 million for the third quarter.
- Single tier dividend of 0.5 sen per share declared.

KUALA LUMPUR, November 23, 2020 – Boustead Plantations Berhad (BPB) delivered an improved performance for its third quarter ended 30 September 2020, posting a profit after tax of RM16 million compared with a deficit of RM37 million in the same quarter last year. Profit before tax grew to RM28 million on the back of a higher revenue of RM206 million. The strong results were primarily driven by higher palm product selling prices, which resulted in a profit from operations of RM40 million.

In line with the Group’s commitment to delivering shareholder value, the Board of Directors declared a single tier dividend of 0.5 sen per share. The dividend will be paid on 30 December 2020 to shareholders on the register as at 9 December 2020.

The Group’s results for the third quarter are as follows:

(All figures are stated in RM million)	Current Period		Cumulative Period	
	Q3 2020	Q3 2019	2020	2019
Revenue	205.7	139.2	535.4	398.1
Operating Cost	(165.4)	(150.9)	(458.5)	(432.7)
Profit/(Loss) from operations	40.3	(11.7)	76.9	(34.6)
Gain on disposal of plantation asset	-	-	-	119.5
Interest income	0.2	0.1	0.5	1.0
Finance cost	(14.7)	(17.5)	(47.5)	(48.2)
Share of results of Associate	1.7	1.3	3.7	4.6
Profit/(Loss) before taxation	27.5	(27.8)	33.6	42.3
Taxation	(11.6)	(9.3)	(25.8)	(23.8)
Profit/(Loss) after taxation	15.9	(37.1)	7.8	18.5

The operational statistics achieved by the Group are as follows:

	Q3 FY20	Q3 FY19	Difference	%
Crude Palm Oil Price (RM per MT)	2,772	2,026	746	37
Palm Kernel Price (RM per MT)	1,481	1,138	343	30
Fresh Fruit Bunches production (MT)	273,625	239,572	34,053	14
Oil Extraction Rate (%)	21.2	21.9	-0.7	-3
Kernel Extraction Rate (%)	4.3	4.5	-0.2	-4

For the remainder of the year, crude palm oil (CPO) prices, crop production and the Group's ongoing transformation programme will remain key performance drivers. CPO prices are expected to remain supportive on the back of robust demand for palm oil from China, India, Europe and Pakistan. Strong global demand and lower than expected production have also resulted in extremely tight Malaysian palm oil inventories.

In addition, weather conditions are also set to be a major determining factor for CPO and other vegetable oil prices for the remainder of the year, particularly due to the current La Nina weather patterns. This has seen a recent downward revision of crop estimates for soybean, sunflower seed and other oilseeds triggering heavy buying and elevating CPO price to the RM3,000 range. However, the recent surge of COVID-19 cases could potentially impact global demand, particularly from the hotels, restaurants and catering (HORECA) sector.

Nevertheless, despite some disruption in productivity improvement initiatives due to restrictions during the pandemic, BPB's transformation programme is progressing well and the Group is focused on remaining on track to achieve its objectives in order to ensure sustainable long-term growth.

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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