



TH PLANTATIONS BERHAD

Registration No. 197201001069 (12696-M)

QUESTIONS & ANSWERS

ANNUAL GENERAL MEETING

23 JUNE 2022

48th AGM SHAREHOLDERS QUESTIONS & ANSWERS

- ✓ **During the AGM there were a total of 65 questions, feedback and suggestions posted by the shareholders and some are duplicative.**
- ✓ **The management had answered most of the questions during the Q&A sessions.**
- ✓ **These are the compiled Questions & Answers from the AGM.**

Q1: How is THP's yield compared to others ?

A1: THP yield is slightly lower compared to the MPOB's average yield. THP is current in the process of consolidating some of its estates to rehab and optimise output. InsyaAllah, once completed the yield will be at least at par with the Industry's.

Q2: Why does THP still maintain trees above 26 years?

A2: The trees were still producing fruits and replanting was scheduled according to phases. THP is also taking advantage of the higher CPO price currently.

Q3: How would THP address the shortage of labour and skilled harvesters to improve production?

A3: Implementing mechanisation initiatives in suitable areas, recruiting and training local harvesters as well as outsourcing its harvesting operations would be the way forward for THP to overcome the issue.

Q4: What would be the current FFB yield? What was the rate of CPO extraction? What was the average CPO selling price in 2021? Why did the FFB yield drop by 19%?

A4: In May 2022, the FFB yield was 4.32 metric tonnes per hectare, and the CPO extraction rate was 19.29%. In 2021, the average CPO selling price was RM3,762/mt, and the decline in FFB yield was due to an acute labour shortage.

Q5: What are the factors affecting CPO and PK prices in 2021 vs 2020?

A5: Factors that are affecting CPO and PK prices in 2021 vs 2020 are:

1. Acute labour shortages
2. Reduced production of FFB creating a tight supply
3. Bad weather condition in 2021 (heavy rain and flooding in some parts)

Q6: What are the major challenges faced in marketing our CPO, PK and FFB?

A6: The challenges faced internally in 2021 is the supply hiccup due to low production which resulting from shortage of labor

Q7: Why was the commodity palm oil price decreasing while the cooking oil price was increasing?

A7: Presently, all vegetable commodity oil prices were in the mode of correction.

Q8: What are the marketing challenges in 2022?

A8: We expect 2022 will be challenging year with uncertainty to commodity market due to the Ukraine-Russia conflict, higher crude oil prices, low production and stock level.

Q9: Palm oil prices has shoot up, ranging from RM4k to RM8k in the recent months. Yet palm oil stocks in the entire sector were badly battered. Any reasons or impairment?

A9: The palm oil prices fluctuates based on supply and demand situation. This may not be reflected in the share prices of any plantation companies.

Q10: When will the THP declare dividends, special dividends or bonus?

A10: THP strives to maximise the shareholders return. Pending completion of the recently announced corporate exercise and if the commodity price is sustained at current level (above RM5000), the Company will be in a better position to declare dividend.

Q11: Why is there no gifts, e-vouchers, food vouchers or e-wallet for attending the virtual AGM?

A11: As advised in our Administrative Guide circulated together with the Notice of the 48th AGM, no e-vouchers/e-wallets/door gifts will be given to THP shareholders and/or proxies who participate in this Virtual 48th AGM.

Q12: Why THP does not all shareholders to vote as soon as the meeting starts and keep us waiting for too long ?

A12: THP has circulated the itinerary of the meeting and the voting session is as stipulated in the said order of the meeting.

Q13: Could THP provide for RM30.00 Touch & Go e-wallet as a token to the shareholders who participated in the 48th AGM?

A13: As advised in the THP'S Administrative Guide circulated together with the Notice of the 48th AGM, no e-wallet or any of its kind would be provided to the shareholders and/or proxies who participated in the 48th AGM.

Q14: In light of THP's impeccable performance in 2021, despite the challenges, would the Board of Directors consider rewarding shareholders with dividends, special dividends or a bonus issue?

A14: THP strives to maximise shareholders' return. With the pending completion of the recently announced corporate exercise and in the event commodity prices are maintained at the current level, THP would be in a better position to declare a dividend.

Q15: How to request for a printed hard copy of THP Annual Report ?

A15: You may request a hard copy of the THP Annual Report by completing and submitting a 'Request Form' to the Company's Share Registrar, which was distributed together with the Notice of the 48th AGM. The hard copy of the THP Annual Report will be mailed to you within four (4) market days upon receiving the Request Form.

Q16: How much was spent on the virtual AGM compared to the physical AGM?

A16: The cost of holding the virtual 47th AGM would be approximately RM50,000.00 which was lower than the cost of holding a physical AGM.

Q17: When would the physical AGM resume?

A17: The physical AGM would be held when the Company is of the opinion that it was right to do so.

Q18: We are royal shareholders, can THP reward us with some cooking oil?

A18: Thank you and we appreciate you for being a loyal shareholder, however we regret that THP does not produce cooking oil to be given as gifts.

Q19: Some of the directors are holding more than 1 post of big company / organisation. May I know is Malaysia lacking of talented leaders nowadays?

A19: In identifying suitable and qualified candidates for the Board, THP would consider within the network of the Group as well as candidates from ICDM. Once identified, each candidate will be evaluated by the Nomination & Remuneration Committee and a recommendation to the Board for approval will be made only if the Nomination & Remuneration Committee is satisfied with its selection, ensuring at all times that the nominated Director can bring the appropriate mix of experience, knowledge and value to the Board.

Q20: THP any plans to expand downstream businesses ?

A20: In view of the positive industry outlook, THP is currently focusing on its core business of increasing value in the upstream industry.

Q21: What are THP's initiatives under Knowledge Sharing and Sustainability?

A21: We encourage knowledge sharing culture in THP by having a monthly virtual and on-ground in-house trainings and talks to ensure better understanding of departmental roles as well as initiatives taken by the said department.

Below are some of the sustainability initiatives carried out (CO) and in planning (P) stage:

- a) To increase utilization of palm products waste such as fibre, shell and EFB as a fuel for renewable energy. (CO)
- b) To increase efficiency of EFB management in Sarawak by converting EFB to boiler fuel as part of renewable energy programme. (P)
- c) To explore building Biogas plant at suitable mill sites in stages. The plant will capture methane and produce biogas as a source of natural fuel at our mills. These methane-capturing facilities requires high capital investment and as such, long-term planning and consideration would be necessary prior to its implementation. (CO)
- d) To explore the usage of solar panels for guard house and workers quarters to reduce the dependency of diesel for genset and cost saving by eliminating genset maintenance and overhaul. (CO)
- e) To explore installing Tertiary Effluent Treatment Plant (TETP) to further reduce the current BOD from 100 ppm to 20 ppm (in Peninsular Malaysia) which will further improve final discharge waste into the river. (P)

- **We thank you to all shareholders for your active participation during the Questions and Answers session.**
- **We would like to take this opportunity to thank you for all the valuable feedback, suggestions and comments made to THP in relations to the organisation of the 48th AGM, the company, its business and the industry at large.**
- **These feedbacks are much appreciated and will be taken into consideration for improvement of our future AGM.**
- **Thank You.**



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THANK YOU
