

TH Plantation's Q3 net profit jumps 22pct

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KUALA LUMPUR: TH Plantations Bhd's net profit rose 22 per cent to RM17.55 million in the third quarter (Q3) ended Sept 30, 2023 from RM14.37 million a year ago.

Group revenue for the third quarter rose marginally to RM216.6 million, compared to RM213.3 million during the same period a year ago.

This was contributed by higher sales volume of fresh fruit bunch (FFB) despite a slightly lower average realised prices of palm products and production volume.

The better earnings in the third quarter were also contributed by the higher fair value on biological assets compared to the corresponding period last year.

Chief executive officer Mohamed Zainurin Mohamed Zain said the company's performance would continue to be driven by the FFB production and global world edible oil price movement.

"Overall production of FFB and CPO are expected to increase in 4Q2023. We will continue to take all necessary steps to improve the fundamentals of the group including optimising our manuring, consolidation, mechanisation, and transformation initiatives in all its estates and mills to strengthen overall efficiency and cost management," he said in a statement.

TH Plantation expects palm oil products prices to remain stable at current levels until the end of the year.

This is due to strong local consumption in Malaysia and Indonesia, as well as dry weather concerns in Brazil and Indonesia, despite the lacklustre demand and higher stock in Malaysia.

"Barring any unforeseen circumstances, the company anticipates a satisfactory financial performance for the financial year ending Dec 31, 2023 (FY23) and is optimistic that the current strategies and initiatives are able to address ongoing issues and challenges as well as staying cost effective," it added.