



MEDIA RELEASE

TH PLANTATIONS REPORTS 2Q2014 PROFIT AFTER TAX OF RM26.50 MILLION

Kuala Lumpur, 19 August 2014 – TH Plantations Berhad (“THP” or “the Group”) today announced its second quarter (“2Q14”) financial results for the period ended 30 June 2014, reporting a profit after tax of RM26.50 million, a 153% increase compared to the same period last year (“2Q13”).

Its revenue rose 38% to RM132.59 million, driven by a 5% growth in production of Fresh Fruit Bunches (“FFB”) while its Crude Palm Oil (“CPO”) production grew by 14%. In line with stronger commodity prices during the quarter, the Group also saw its CPO average selling price improve by 17% to RM2,524 per metric tonne. This strong operational performance led to a 111% increase in operating profit and consequently a 189% growth in profit before tax. The Group’s EBITDA rose by a healthy 59%, signalling a robust growth in its operational earnings compared to last year.

For the first half of the year (“1H2014”), the Group recorded 39% higher revenue compared to the same period last year, on the back of 7% higher FFB production and 24% higher CPO production. The Group’s higher CPO average selling price, which increased by 20% compared to 1H2013, also contributed to the stronger revenue. As a result, the Group recorded a profit after tax of RM34.81 million, double the numbers recorded in the same period last year.

Commenting on the performance of the Group, Dato’ Zainal Azwar bin Zainal Aminuddin, Chief Executive Officer and Executive Director of THP, said “Our operating and financial results continue to be promising, and we are cautiously optimistic that we will be able to meet our previously announced targets. However, the softening CPO prices seen in recent weeks will have an impact on the Group and the industry as a whole in the coming quarters. We are closely monitoring the situation and taking proactive measures to mitigate the impact of lower prices, including optimising our cost structure and reviewing our marketing strategy. We shall also continue to harness on our enlarged land bank to deliver value to our shareholders.”



About TH Plantations Berhad

THP is a subsidiary of **TH**, incorporated on the 28 August 1972 and listed on the main board of Bursa Malaysia Securities Berhad on 27 April 2006. Its principal activities are investment holding, cultivation of oil palm, processing of FFB, marketing of CPO, palm kernel and FFB.

As at 30 June 2014, the Group has approximately 98,000 hectares of land located in Pahang, Johor, Negeri Sembilan, Terengganu, Sabah and Sarawak, of which about 60,000 hectares have been planted with oil palm. Additionally, the Group owns about 11,000 hectares of greenfield land in Kalimantan, Indonesia. To diversify its income stream in coming years, 4,000 hectares of its land bank have been planted with rubber and more are in the course of planting.

The Group also owns and operates seven palm oil mills located in Johor, Pahang, Negeri Sembilan, Sabah and Sarawak with a total FFB processing capacity of 1,350,000 metric tonnes per annum.

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For further information, please contact:

Aizzura Ab Rahim

Investor Relations

TH Plantations Berhad

Tel: +603 2687 6687

Email: aizzura@thplantations.com