



MEDIA RELEASE

TH PLANTATIONS REPORTS FY2013 PROFIT AFTER TAX OF RM76.50 MILLION

Final dividend of 3.62 sen per share recommended

Kuala Lumpur, 26 February 2014 – TH Plantations Berhad (“THP” or “the Group”) today announced its Full Year (“FY13”) and fourth quarter (“4Q13”) financial results for the period ended 31 December 2013, reporting a FY13 profit after tax of RM76.50 million on the back of RM469.95 million revenue. The Board of Directors of the Group has recommended a final dividend of 3.62 sen per share, in line with its policy of paying out 50% of its Profit After Tax and Minority Interests (“PATAMI”).

The 25% increase in revenue was driven by a 49% growth in Fresh Fruit Bunches (“FFB”) and an 11% improvement in FFB yield to 23.86 metric tonnes per hectare as well as the consequent 66% growth in Crude Palm Oil (“CPO”) production. The significantly higher production was a result of the acquisitions made by the Group in 2012 and early 2013, which boosted the Group’s land bank by almost 150% to about 98,000 hectares. The Group’s bottom line was further strengthened by reduced production costs, achieved through operational efficiencies from agronomic improvements in its plantation practices and better economies of scale. Both its unit CPO production cost and estate production cost came down by 13% and 26% respectively.

The strong operational performance partially mitigated the weaker CPO prices seen throughout the year. However, the Group’s bottom line was further impacted by the recognition of higher amortisation expenses arising from the acquisitions it made in 2012 and 2013 as well as higher depreciation expenses. In addition, the Group also incurred a 66% increase in interest expense due to its borrowings to fund these acquisitions. Excluding these items, the Group’s EBITDA rose by 26% to RM171.09 million for FY13 (excluding RM101 million non-cash non-operational other income recognised in FY12). FY13 profit after tax stood at RM76.50 million, a 15% increase compared to FY12 (excluding RM101 million non-cash non-operational other income recognised in FY12).

For 4Q13, the Group recorded a profit after tax of RM40.66 million on the back of RM154.55 million revenue. For the quarter, the Group’s FFB production increased by 23% while its CPO production rose by 65% compared to 4Q12.

Commenting on the performance of the Group, Dato’ Zainal Azwar bin Zainal Aminuddin, Chief Executive Officer and Executive Director of THP, said “Our performance for FY13 is a preview to the true potential of our enlarged land bank. The acquisitions that we made in 2012 and early 2013 have contributed healthily to the Group, and we expect the trend to grow positively over the next few years as more areas come into maturity and our age profile improves. In fact, thanks to our yield improvement measures over the past few years, a number of our estates have surpassed the 25



metric tonnes per hectare FFB yield mark. The implementation of our yield improvement programme is being extended to all newly-acquired estates now, and we expect to see positive results in the medium to long term.”

“We have also recently concluded the acquisition of a 93% stake in PT Persada Kencana Prima totalling approximately 11,400 hectares, which shall further boost the Group’s bottom line in due course. With the strengthening of CPO prices, we are optimistic in achieving improved revenues and profits for the current year,” he added.

The Group currently has approximately 98,000 hectares of land throughout Malaysia, of which about 60,000 hectares have been planted with oil palm and 3,000 hectares with rubber. Meanwhile, the development of our maiden Indonesian venture through PT Persada Kencana Prima will kick off in 2014. To diversify its income stream in coming years, the Group has earmarked about 14,000 hectares of land for the development of rubber plantations and currently exploring the possibility of going downstream by 2016.

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 26 February 2014, THP Group has a total plantation land bank totalling approximately 109,000 hectares consisting about 98,000 hectares located in Pahang, Johor, Negeri Sembilan, Terengganu, Sabah and Sarawak and about 11,000 hectares in Indonesia. THP Group 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.

--END

For further information, please contact:

Aizzura Ab Rahim

Investor Relations

TH Plantations Berhad

Tel: +603 2687 6687

Email: aizzura@thplantations.com