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TH Plantations aims for 50,000ha by 2012

KUALA LUMPUR: TH Plantations Bhd (THP), which has grown its landbank size from 32,000ha to 39,159ha, expects to push up the figure to 50,000ha by 2012.

Its executive director and CEO, Datuk Zainal Azwar Zainal Aminuddin, said THP planned to achieve its aim via third-party acquisitions or related party transactions.

He said the company had a stand-by credit line facility of RM120 million through Bai Muharabah Medium Term Notes issuance for its plans.

"We are firmly placing ourselves as a medium-sized plantation and we will have our existing growth strategy complemented by targeting to expand the landbank to 50,000ha at strategic locations," he said at a press conference after THP's annual general meeting here yesterday.

Zainal said the group had also achieved a good age differentiation spread for its plantations through strategic acquisition initiatives and replanting programme policy.

On dividends, Zainal said the

group would maintain its policy of distributing 50% of the annual profit after tax and minority interest (Patami).

The group has proposed a final dividend of 8.5 sen per share less 25% tax for its financial year ended Dec 31, 2009.

"This translates to a net payout of 58% of the group's Patami," he added.

Last year, the group recorded a revenue of RM304.4 million, a 24% increase from RM243.4 mil-

lion in the previous year.

"This was contributed by higher sales volume for crude palm oil (CPO) and palm kernel (PK) supported by contribution from the two subsidiaries acquired in the fourth quarter of 2008 despite lower commodity prices last year," he said.

However, profit after tax contracted by 32% to RM57.1 million last year from RM83.4 million in 2008. The contraction was mainly due to lower average CPO and PK prices in 2009. — *Bernama*