

TH Plantations' net profit rose 44pc to RM21.59mil in Q1

Azanis Shahila Aman

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KUALA LUMPUR: TH Plantations Bhd's net profit rose 44 per cent to RM21.59 million in the first quarter (Q1) ended March 31, 2022, from RM14.97 million a year ago.

Revenue for Q1 rose to RM198.11 million, an increase of 51 per cent compared to the same period a year ago.

The better earnings in the first quarter were mainly supported by higher average realised prices of crude palm oil (CPO) and palm kernel (PK).

TH Plantation continues to perform better at the operational level, reporting a gross profit of RM68.26 million for Q1 2022, an increase of 34 per cent compared to a gross profit of RM50.88 million for the same period a year ago.

On prospect, TH Plantation said the ongoing challenging operating environment drives the company to innovate internally whilst continuing its efforts on sustainability, replanting and mechanisation of operations to improve overall efficiency and effective cost management.

TH plantation expects palm oil prices to remain favourable and elevated for the year's first half.

This is given the tight inventory level in Malaysia due to acute labour shortages and the tight global edible oil supply due to weather conditions and the effects of the Ukrainian conflict and Russian sanctions.

"We remain cautious on the impact of Indonesia's recent palm oil export policy on supporting its domestic market obligation agenda," it added.